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THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS MET AT BURNIE ARTS AND FUNCTION CENTRE, BURNIE, ON MONDAY, 19 DECEMBER 2011.

NORTH WEST REGIONAL HOSPITAL - CONSTRUCTION OF MULTI-STOREY CAR PARK

Mr GAVIN AUSTIN, ACTING CEO, NORTH WEST AREA HEALTH SERVICES; **Mr MARTY VINEY**, ACTING PROJECT MANAGER, NORTH WEST REGIONAL HOSPITAL; **Mr GREG COOPER**, ACTING DIRECTOR, ASSET MANAGEMENT SERVICES; **Ms DEB THOMPSON** AND **Mr STEVE KELLY**, GHD, WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Mr Harriss) - Thank you all for coming along today. As always for the committee, it is a valuable process to have a site inspection so that we can match the documentation we have with the realities and constraints of the site. We appreciate your time in facilitating that inspection this morning. We will now proceed to the formal evidence, and questions will follow.

Mr COOPER - The project has a \$5.5 million budget. It is for the construction of a new road, or road realignment, in front of the existing hospital. That's primarily to enable the construction of the planned cancer care centre. The remainder of the project budget is for the construction of additional car park spots. We are looking at a shortfall in the immediate and the short term of about 150-200 car park spots.

In terms of the existing issues on the site, as to the car parking, we find that there is a lot of parking happening on residential roads and the shortfall of up to 100-150 car park spots. There are instances of dangerous parking on the campus. There was evidence of that shown in the submission, where we have cars parking on the road, on hills and no-parking areas as well. For the road, the main issues there for realignment are to push out about 14 metres for the cancer care centre. It's a significant impost on the existing car parking. We lose, I think, about 50 existing car park spots, or slightly fewer, with that new road construction. That impacts on the need for the additional car parking. As part of some earlier works we have constructed 60 temporary car park spots, which have a three-year life while we construct both the new road and the car park over the next 12 months.

We have tenders that have closed for the road realignment and we will enter into some negotiation with them and then wait for Parliamentary Standing Committee approval before we engage a contractor. In terms of the overall program, we have pushed on with some of the expectations with the cancer care centre. We have pushed everything up as tightly as we possibly can. We are aiming that the road realignment could begin at the end of January or early February and it would be about a three- or four-month construction period. The car park that is out to the tender at the moment is a design-and-construct package.

Mr BOOTH - Is the road design-and-construct as well?

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Mr COOPER - No, it was straight design.

Mr BOOTH - You provided the design?

Mr COOPER - Yes.

Mr BOOTH - So they just have to construct to your design?

Mr COOPER - Yes. The road realignment was a bit more technically challenging upfront. There had to be a close interrelationship with the planned cancer care centre, so we wanted to make sure that we had everything lined up in terms of the car park options there. We can still explore cost-saving opportunities with the contractor once we have a contractor in place, but the traditional design tender methodology was going to work there.

With the car park, we went design-and-construct. We saw that car parks are a fairly simple design process, whereas we believe that there would be opportunities from the market, depending upon their constructability of different construction companies, to get options that mightn't necessarily be explored by a single design team by getting 10 designers - that is how many have taken up the documents. We hope to optimise the number of car park spots that we will achieve out of the funds we have available.

Mr BOOTH - So is the construction optimal? If somebody came up with an innovative design, for example, it is just going to be based on the number of car parking spaces and prices in terms of acceptance of the tender?

Mr COOPER - No, the number of car park spots makes up about 60 per cent of the assessment criteria. We also have the contractor's plan methodology and the impact it will have on the hospital - we want to minimise that. We have a requirement in the Treasurer's Instructions to have climate change as part of the consideration.

Mr BOOTH - For the car park?

Mr COOPER - Yes, it is for all construction tenders.

Mr BOOTH - Are you expecting sea level rise up there?

Mr COOPER - No, but car parks operate 24/7 at a hospital, so it is about the lighting. We want to have a new facility that will not add to the recurrent cost of the hospital so if we can get some innovative solutions in terms of lighting and power -

Mr BOOTH - Do you have parameters that say you have to use LEDs?

Mr COOPER - No, we just want to see what comes back. We have also allowed a provisional sum in the actual contract that has gone out for innovative renewable energy, or something like that, that we might be able to put into the project.

Mr BOOTH - Can you detail how that will work?

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Mr COOPER - The bit of research that I have done is that the lighting on the upper levels could be solar-powered lighting. I have seen installation of solar-powered lighting with little wind turbines on them, so it is very much an integrated solution on that front.

Mr BOOTH - So you will look at the life-cycle cost of that particular aspect of the design in terms of light?

Mr COOPER - We have put aside a provisional allowance for solar-powered lighting.

Mr BOOTH - That would add to the project cost, but would you be analysing that, like a life-cycle cost, of running that lighting as opposed to the additional capital in it?

Mr COOPER - We would, yes. We would need to see how cost effective the installation of solar-powered lights were. I am not sure of the exact time lines -

Ms THOMPSON - At the moment solar has approximately a 15-year turnaround, and that really depends on circumstances. It is up to the contractors to provide us with a statement saying how they are being green or energy efficient. It could be that they have come up with a method that cuts in half the amount of concrete they need to build it, and that is equally an environmental consideration. So because of the designer-construct process, it is for those designers to come back and provide us with evidence of how they have been green, if they have been green, and as part of their valuation assessment, that will all have to be looked at. Whether it is LED lighting or whether it is some amazing new method of growing concrete, I don't know. The process enables that innovation but until we actually see the innovation -

Mr BOOTH - How do you weight that consideration - that is what I am interested in? You said, 'We've got to take climate change into account' - great, of course you do, as you should. You are looking at the carbon footprint of the concrete, different types -

Ms THOMPSON - Everything else - the steel, the concrete.

Mr BOOTH - Yes. What is the process to analyse that? What weighting are you going to give it in terms of accepting a design?

Mr COOPER - Under the conditions of the tender - we have 60 per cent of the value on the price - they have been provided with a fixed price and so it how many car park spots can we have constructed on site in that budget. We have a 20 per cent allocation of the actual concept proposal -

Mr BOOTH - The aesthetics?

Mr COOPER - Yes, the aesthetics, the relationship with the land, how close to the hospital - all those sorts of elements and practical aspects.

Ms THOMPSON - It's more in terms of aesthetics but it has to be able to achieve development application approval.

Mr COOPER - We have 10 per cent for the methodology - that is, the time line, the impact on the existing hospital operation, the constructability, whether they have to stage it and

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what the impact is on the existing car parking. Then we have a 5 per cent allowance for organisational details - that is the team members, their experience and whether have they done multi-storey car parks before - and 5 per cent on the climate change environmental considerations. It is relatively low in this instance because, as you touched on, there are limited opportunities for environmental input into the project but there are elements there such as the amount of concrete, lighting technology et cetera.

Ms THOMPSON - There are no green star calculations or anything like that that can be gone through in terms of car parking that do not exist at the moment. However, we can use the green star stuff that we know gives good and bad results. It is not necessarily going to be an analytical approach; it is going to have to be a measured, based-on-experience approach to how that is assessed.

Mr BOOTH - It just seems a bit nebulous. I think you should be doing the things you are wanting to do but I'm a bit concerned that there doesn't seem to be any objective way to assess this in terms of the life cycle and the ultimate impact on climate change. It's all very well to say, 'We've built this beautiful green building' because it has solar cells on it but then you find that the cost of doing it or the way that it's done doesn't deliver any reduction in overall greenhouse emissions or something.

Mr COOPER - We're confident that the allocation we have for renewables will reduce the greenhouse emissions. The main high-level lighting will be solar powered. As Deb indicated earlier, it has a 15-year time line in it and that's always improving, particularly with energy costs increasing, so the life cycle of those is improving all the time.

Mr BOOTH - Is the parameter to be off grid?

Mr COOPER - No. We don't expect that we will be able to achieve that.

Mr BOOTH - So you'll probably have a grid-connect thing instead of battery storage?

Mr COOPER - Yes.

Mr BROOKS - On the costs, I noticed you didn't put any measurement or weighting on the impact on the local community. Is that because you're not allowed to?

Mr COOPER - I don't believe we are allowed to be specific in terms of where contractors are located. The requirement we have to achieve is that they are prequalified with Treasury. Being a \$5.5 million project, the contractors need to have gone through the registration and have the appropriate insurances et cetera with Treasury. You tend to find practically that the local contractors are often the most cost effective because they have that local network and relationships with the supply chain that is that much closer to them.

Mr BROOKS - Have you seen who has currently tendered?

Mr COOPER - For the car park we had nine or 10 people pick up the documents.

Mr BROOKS - But because it's not closed yet we don't know how many?

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Mr COOPER - No, I couldn't tell you specifically.

Mr BROOKS - The time line in your submission states that it needs to be awarded by January 2012.

Mr COOPER - For the road works side of it, yes. The tender for the roadworks closed last week and only one tender was provided for that.

Mr BOOTH - Only one? That will be a hard decision to make!

Mr BROOKS - Provided they complied with the requirements, of course. Who has the contract been awarded to?

Mr COOPER - It is in the tender assessment stage and that is a confidential process.

Mr BROOKS - So there are nine or 10 who have picked up the tender for stage 2?

Mr COOPER - For the main contract, yes.

Mr BROOKS - Whilst I fully accept that it's a requirement of legislation or Treasury to have art in public buildings, can you explain where \$80 000 worth of art will go in a car park?

Mr COOPER - That could be as simple as the external barriers, giving them both a practical and an artistic component. Ultimately it's up to the artists and the selection panel on how that is to be implemented.

Ms THOMPSON - There are lots of opportunities that we can see where it could benefit the cancer centre to have art in certain places because we have minimised, as much as we possibly can to date, how the road is constructed et cetera. The road is constructed using very simple economic materials.

Mr BROOKS - So murals and those sorts of things?

Ms THOMPSON - It could be. It could be some sort of decorative screening.

Mr BOOTH - I don't know what the criteria are for art in public buildings but my recollection was that art works had to be purchased as part of a building process and hung on a wall. In this case, what you're talking about is just the design rather than getting a specific tender for an artist or craftsperson to do something to embellish the building separate to the actual construction?

Ms THOMPSON - Not necessarily embellish it but to create a work that promotes art within that community and develops the project in that way. All the art that I have seen in public buildings, and most of that has been educational, has been both useable and functional, not just a painting on the wall. Very few of the school projects have used just paintings on the wall as a purchase.

Mr BOOTH - I was using that as an example to make the point. I thought the art-in-public-buildings requirement was to foster the arts, separate from making the building aesthetically more pleasing. In that sense it seems that the screening and the design of

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the building are all part of the architectural concept rather than an add-on for art in a public building. If you built the building and then asked for a mural to be put on it, that would be a different tender, wouldn't it, a separate line item?

Mr COOPER - I was suggesting those options earlier. It is a car park so we don't really have walls that we can put paintings on or the traditional forms of art, so I think we are going to have to think a bit laterally on how art can be applied to the car park. This is just my own embryonic thinking.

Mr BOOTH - Will we see a line item for that and be able to identify that there was, say, \$80 000 for an art work?

Mr COOPER - Yes, you will.

Mr AUSTIN - At the Mersey the art was tendered out to the artists. The exterior wall is all windows but those windows are an art work in themselves. They're practical but they are also very arty.

Mr COOPER - With the health centre on Bruny Island, a portion of it was paintings on walls but another portion of the fund was spent on a treatment courtyard that is used as a healing space for the patients.

Mr BROOKS - But we are talking about a car park project, and I find it extraordinary that there is no exemption, given the contract price, that we need to spend \$80 000 on a bloody car park. I think it is an extraordinary waste of money. Please do not think this is your fault because you have to follow the act but surely we can look at some sort of exemption that says, 'If it's effectively a no-brainer' - is it 5 per cent?

Mr COOPER - It is 2 per cent, up to a maximum of \$80 000.

Mr BROOKS - Two per cent or \$80 000 on the project to me seems quite ridiculous and given that we do not know what we are going to get for that \$80 000. Is that included in the tender documents?

Mr COOPER - No, not in the tender documents, it is a separate line item and it is managed by arts@work.

Mr BROOKS - Okay. Stage 1 and 2 tenders will be let and it will be a separate contract up to \$80 000 to make it artistic?

Mr COOPER - Correct.

Mr BOOTH - So arts@work has said they will handle that tender and assess it?

Mr COOPER - Yes. They manage all the art, the 2 per cent art requirement in Treasurer's Instructions.

Mr BOOTH - I am content with that, so effectively it is separate.

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Mr COOPER - They usually do a submission with a number of artists, a mixture of local and statewide artists, who are chosen and presented to the committee and the whole process goes through. It would be the hospital and the client base that chooses the artists and works with them.

Mr BOOTH - That is what I was trying to find out, how that process went, and that it was actually a separate expenditure, 2 per cent that went out to the arts community, or whatever, and for the record I disagree with Adam with regard to it being a waste of money; I think a car park with a harmony garden would be quite nice.

Mr BROOKS - I couldn't see one on the plans, that's all.

Mr HALL - Greg, you talked about the road realignment. I think it was a time frame of about two to three months to get -

Mr COOPER - Construction - that is what we expect, yes.

Mr HALL - In regard to interference with access, do you have that sorted out?

Mr AUSTIN - Yes, we have. We have met with external stakeholders - we have had an external stakeholders meeting - we have met with the neighbours - we have had a neighbours meeting - and we have given them all a flyer which outlines the changes and how it is going to impact, where we are going to have one-way access and how we will manage it through that time.

Mr HALL - And they were satisfied and happy with that in that time?

Mr AUSTIN - They were.

Mr HALL - Obviously there will be some interference and a bit of a slowdown for access for patients but it is only over that short time frame.

Mr AUSTIN - Those external stakeholders included Ambulance Tasmania, the North West Private Hospital, as I said, the neighbours of the hospital and other groups, like the auxiliary and police.

Mr HALL - On page 15 it talks about the security cameras and access controls. Obviously there are existing security cameras outside the main entrance of the hospital. Do they cover any other parts of the existing car parks?

Mr AUSTIN - They will be new security cameras.

Mr HALL - They will be new ones, full stop?

Mr AUSTIN - Yes.

Mr HALL - Do we have a line item appropriated for those?

Mr AUSTIN - No.

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Mr HALL - Were they part of the overall -

Mr AUSTIN - The overall concept design and construct that will come back from the contractors. Because it is a design and construct scenario, initially being very flexible with what we want, we will tie that down when we get into detailed negotiations with the preferred contractor.

Mr BOOTH - For clarification, Greg, were you talking about the road?

Mr HALL - I was assuming that it was in the actual car park itself. But there are some security cameras there already in some of the existing car parks or only around the entrance, or none at all?

Mr COOPER - None, not in the car parks at all.

Mr HALL - So you don't have any at the hospital entrance either at this stage?

Mr COOPER - No.

Mr HALL - I am a bit surprised about that. Unfortunately hospitals have issues with people and/or patients who are out of control.

Mr AUSTIN - At the moment we have security guards.

Mr HALL - Internally?

Mr AUSTIN - Yes, at night.

Mr BOOTH - Is there an intention to put in a system that you can expand across all of the car parks?

Mr AUSTIN - Yes, there is. The main camera server for that is coming out of the Mersey project, so it will be across the whole North West Area Health Service, not only the Burnie site. Unfortunately, as you are aware, security is becoming more and more of an issue.

Mr HALL - Within the car park area itself will there be an access lift up and down for the people who park on the second level?

Mr COOPER - We have allowed for a lift that will go from the two levels of the car park to ground level.

Ms THOMPSON - The regulations require disabled access for multistoreys under the Disability Act.

Mr AUSTIN - We wanted it big enough to carry a bed.

Mr COOPER - If we achieve the funding in future to construct the new helipad, it is going to need to be able to transport patients on beds.

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Mr HALL - I am a little unclear. When we had our on-site briefing I think Mr Cooper said it depends on how far we can go to the east with the extension. Could you clarify that on record, please?

Mr COOPER - Under the site master plan there was consideration that on the east of the site we would have car parking as a deck that could go all the way across the existing length of the car parking and all the way across to the western side of the site as well over the existing parking and probably add another 50 metres or so. The initial expectation for cost effectiveness is that the contractors will construct car parking mainly to the west of the entrance.

Ms THOMPSON - The expectation is that that would be the most economical way that they can give us the most number of car parks so it is the likely scenario that we put into tender.

Mr VINEY - It is directly in front of the doctors' units that we were standing in front of.

Mr HALL - So there's a definite finite end east or west of where we're going to go with this project or does it depend on where the tenders come in and how much you might be able to extrapolate it?

Mr COOPER - We have provided some boundaries. If you look at sketch A3 in the document, that provides a boundary to the eastern end that we would see contractors tendering for. Our expectation is that within the actual dollars we have they're not going to be able to fund as many car parks under the concept sketch. That is still a master plan on an ideal situation where we could add 300 car park spots. Under the budget we only expect to get about 200 car park spots, so that would be most economical to the west of the entrance.

Mr HALL - Given the quantum of money that has been allocated, you're confident that you will be able to get those 200 car spaces in there?

Mr COOPER - We expect that is what we will achieve.

Mr HALL - I think you mentioned before that the tender documents had gone out and you have had approximately 14 expressions of interest?

Mr COOPER - Nine or 10.

Mr BOOTH - I want to go back to the road tender. It seems bizarre that you've only had one tender for that.

Mr COOPER - We suspect that because of the constrained environment - working on an existing hospital site in front of ambulance entries - there was probably a perceived level of risk by the contractors, which unfortunately left us with only one putting in a tender. I believe we had three or four contractors pick up the documents and they had a few inquiries during the tender period, but ultimately all we received was the one price.

Mr BOOTH - Were they all local tenderers - the four who took documents?

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Ms THOMPSON - I think at least two of them were northern Tasmanian; I am not sure if there were any Hobart-based contractors.

Mr BOOTH - They were all Tasmanian companies?

Ms THOMPSON - They pretty much all do work around Tasmania, yes.

Mr BOOTH - I don't want to ask you what the tender price was at this stage, but you designed it so you have an expectation of what it would cost within a certain range. Has the tender come in within that range?

Mr COOPER - It has come in higher, so we're going to have to do some negotiations with the contractors.

Mr BOOTH - How much higher than your expectations?

Mr COOPER - It would be about 20 per cent higher.

Mr BOOTH - Have you thought about re-tendering it and trying to get some other people to tender?

Mr COOPER - I think we can achieve the budget savings through negotiation with the contractor. There are elements in the project where we know we can get some savings. For example, at the moment on site the east car park is not directly linked to the west car park and we have provided a link road in there and we have asked for it to be sealed and fully serviceable.

Mr BOOTH - As a permanent feature?

Mr COOPER - Yes. The reality is that we only need it as a temporary solution whilst the car park is being constructed and the roadworks are happening, so we can go back to a temporary road construction and we know that will give us some significant savings.

Mr BOOTH - But if you didn't need it in the first place in a permanent sense, why did you make it part of the tender?

Mr COOPER - Because we felt we could get it within our budget and it would provide some control improvements for car parking on the site.

Mr BOOTH - So it would be good in the long term to have it?

Mr VINEY - Yes.

Ms THOMPSON - It assists with parking on the site generally in terms of having one big car park that you enter and don't have to leave and come in again. There are huge benefits in terms of perception of parking on the site and the ease of parking but it was a cost.

Mr BOOTH - If you reduce it through project savings by removing important elements of the project then you are not delivering the same project that was put out to tender. It seems a bit unsatisfactory. You only have one tender that was 20 per cent higher and

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now you have to cut out some of the project, which is not necessarily essential but very beneficial.

Mr COOPER - It is an element, though, that once the contractor has created a temporary road and has the base down for that, if we are able to put in bids for future dollars if we see it as being essential then we can still go through the process and seek additional funds and seal the road.

Mr BOOTH - But 20 per cent above your estimated cost. You are obviously using quantity surveyors; you do this all the time and you have a fair idea of what the costing should be. Given that you only have one tender that actually put a price on it, it seems there is either something wrong with the tender process or with the quantity surveying in the first place. Twenty per cent is a fair overrun and personally I would have thought you should put it back out to tender to try to get some other prices. It is a lot of money.

Mr COOPER - That is an option that we are left with but we feel we can get within our budget through the negotiation process.

Mr BOOTH - But you are removing parts of the project to do that. Sure, you can put out a tender for a two-storey car park and take one off to save money to meet a budget and end up with one storey. It is a different project that you are now constructing with the road because it is not as per the original tender.

Mr COOPER - Ultimately construction estimation is not a pure science either.

Ms THOMPSON - There are very few roads in this situation; the thing was measured and all of that was done. But it is the situation and condition, working in a hospital; there are very few situations in the State where that has ever happened before. So in terms of quantity surveying it is a very difficult thing to put a time on. It really depends on how busy the local civil people are at the time of tendering because of those conditions.

Mr BOOTH - What you say is no doubt right except that you have only had one tender. It is a bit alarming that that is the only benchmark you have. You have one person who has chucked in a high bid. According to most pundits the sky is falling in in terms of work. There are all these forest contractors hanging around with gear they are not using. I find it really odd that you would not be able to attract more than one bid.

Mr COOPER - It surprised us too. When we had three or four people picking up the documents we felt that was probably a few less than we expected, but we were surprised that there was only one submission. In terms of the existing construction market with roadworks, there are a few simpler projects around.

Mr BROOKS - Did it have a price outline in the tender?

Mr COOPER - No.

Mr BROOKS - Just whatever it is.

Mr COOPER - Yes.

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Mr BROOKS - From my experience, if contractors don't want to really do it, they will put a fair bit on it, stick it in and hope. This is what I have heard from those who do it in the industry. It depends on their workload. They will have a crack at the quote, put a bit on it because it could be a bit technical or a bit harder or they have other projects on. Did you take that into consideration with your pricing?

Ms THOMPSON - As much as we possibly could without knowing the thoughts of the possible contractors and what other work was coming in. There was an allowance made but it obviously was not sufficient in terms of the changing market and what is happening.

Mr BROOKS - Or the degree of difficulty of the project?

Mr COOPER - That is right; it may have been underestimated at the time.

Ms THOMPSON - The degree of difficulty is actually very difficult to determine because there are very few situations where we are juggling roads in front of emergency access to regional hospitals.

Mr BROOKS - And it is a fairly public contract to get wrong.

Ms THOMPSON - Yes.

Mr BOOTH - It is a bit problematic for us because 20 per cent extra on the professionally estimated cost of the project is a significant amount of public money that we are supposed to be approving. It leaves me with some difficulty, I must say.

Mr COOPER - Whilst it is 20 per cent of that specific contract, across the overall contract we are only talking about a couple of per cent.

Mr BOOTH - But this is a discrete project so you can't amortise it over the whole hospital.

Ms THOMPSON - No, but over the car park and road project we are saying that budget is not 20 per cent over.

Mr BOOTH - No, but the point I'm making is that it is 20 per cent over for the component parts of your tender. If you do the car park and find that is a percentage less that would equal the \$5.5 million for the total build, that is perhaps not so bad but if it turned out that the car park goes 20 per cent over as well -

Ms THOMPSON - I'm not sure if you can extrapolate that way in terms of the complexity of the two different components.

Mr BOOTH - Your quantity surveying is normally right, is it? You said you were surprised.

Mr COOPER - Yes. It is really hard to judge because there was only one price. If we had three tenderers and they were all 20 per cent over, you then have some evidence to suggest that the quantity surveyor's estimate was under, but when we only have one price it doesn't give us much evidence for reference.

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CHAIR - I have been reluctant to intervene, but this is an unusual process because the department has chosen to move out to tender and the risks that come with the fact that the committee may not approve the project. It is the deliberation of this committee, though, to address our minds to the message from His Excellency and to decide whether the project at \$5.5 million is a project we are comfortable with. I have allowed some flexibility in terms of the questions so far because Greg has indicated to us what has happened with the tender documents. The department didn't need to go to that if it didn't want and we would have then been sitting here blank, looking at a project for \$5.5 million. I am conscious of the fact that the questions have been legitimate in terms of the evidence that has been given but I am not so convinced that we need to take it any further at this stage with regard to the documents that are out and the deliberations that are starting to flow back. We can make our deliberations as to the project and the \$5.5 million, but whether this project or any other presented to this committee goes over budget is not within our purview. If there were an extension of our legislative powers, we could. The Public Accounts Committee can do some deliberations as to any particular project. I will allow a continuation but as to the process of the committee I think where we have taken it so far has been reasonable but as to the message and the overall project I will be continuing to listen carefully as we progress that.

Mr BOOTH - I think I have explored that enough for my own interest and I think the points have been made.

Mr COOPER - We know we have \$5.5 million and that is all we have for the budget. If that means that we do a little bit less in the roadworks and end up with 10 fewer car parking spots, 10 fewer car parking spots is not going to kill the car parking side of it. We have capacity there for what we see as at least another 10 years' growth on the site so losing a few more now is not going to affect us in terms of the site capability. That is how we feel that we can balance the budget issue with the initial tender.

Mr BOOTH - So in terms of the project, the order of construction and completion, will you wait until you have the tenders for the car park before you award the roadworks in case the car park comes out 20 per cent more and you don't have enough money to construct the thing?

Mr COOPER - That's how we have structured the tendering process. We will have negotiated the price and know where we stand on the roadwork side and if we need to amend our budget availability for the car parking, we will know before we finalise a contract on the car park.

Mr BOOTH - Oh, okay, you mean the outside car park or were you talking about even the double storey?

Mr COOPER - Yes, even the double-storey side of it.

Mr BOOTH - So whatever the roadworks cost then hypothetically you could make a decision to build a car park to fit the amount of money that you have left out of the \$5.5 million?

Mr COOPER - Yes.

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CHAIR - Are any of the other witnesses going to be providing discrete and specific evidence?

Mr COOPER - No.

Mr BROOKS - Have you looked at the capacity as it is at the moment, building it to current need or future need, given the cuts to the hospital? Has that been taken into account? Is that going to be needed, given that we are now cancelling a lot of services?

Mr AUSTIN - The North West Regional Hospital is the centre for the North West Area Health Service. The cuts we are doing at the moment are very minor in terms of patient flow. Even though they are huge in terms of media coverage, in terms of staff reduction and patient flow they are quite insignificant, unless you happen to be one of the people waiting for surgery, but they do not reduce great numbers. Slowing down operations for hips and knees, one operation can cost us \$25 000. It would be different if we were slowing down general surgery, that would have a much bigger impact, but slowing down hips and knees means that one patient is there for a whole week. With general surgery it is often a day procedure, so we still have a significant volume even with the reductions we have made. As we go forward into activity-based funding we are motivated to increase capacity. With activity-based funding you get paid for what you do, so you redesign your hospital to be the most efficient it can be at getting through elective surgery and decreasing your administration and overheads.

Mr BROOKS - So you're saying it's not at that point at the moment?

Mr AUSTIN - It's not modelled on activity-based funding. We do a lot of services now and you might question whether they need to be done at the hospital; could they be done at a community centre? That is the sort of change that you might make under activity-based funding. If you have theatres where you are going to produce money then that is how you structure your entire hospital - around the theatres and rehabilitation because rehabilitation is often paid for by the Commonwealth. It is the model that you would change.

Mr BROOKS - I suppose the argument is, given the current feedback from people on the coast, that there may not be a need to expand the car park if people can't get in here anyway. Do you think this is the best way to use taxpayers' funds?

Mr AUSTIN - I do. The hospital was built 15 years ago and we have done little extensions all over the site to the car parks and it is quite a considerable walk from some of those now to the front door. It is reaching the point that even with all those extensions we have absolutely crazy parking manoeuvres happening. If we don't do this extension on the eve of a cancer centre and another ward being added, we are going to have significant problems and, as I said, council is not supportive of our parking on the road.

Mr COOPER - Our engineer's analysis has shown that we only have 370 car park spots there at the moment. Peak usage at the moment is already at about 500, so that is showing a 130 shortfall, which at the moment is people parking on residential streets, grassed areas and on the sides of roads where they shouldn't be. The new cancer centre is going to require in the region of 50 additional car park spots. We know there is a shortfall. Let us

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say there was a slight reduction due to some operational changes in the hospital, it is not of that order that we don't need to do something fairly significant on the site.

Mr HALL - The committee has expressed some concerns as to the one tenderer. It is not your fault; that is just the way things happen. Hypothetically, if you had to go out and re-tender, what impact would that have on timing? Would that be very deleterious or not so deleterious to the whole project?

Mr COOPER - I think it would be significantly negative. We have expectations from the Commonwealth for the construction of the cancer centre, which mean that we need to have all the roadworks and car parks resolved and constructed by the end of the next calendar year.

Mr BOOTH - Do you have to have all that before you commence construction of the cancer centre?

Mr COOPER - Yes. We certainly need the road realigned and then the car parking.

Mr BOOTH - The roadworks anyway.

Mr COOPER - The roadworks, definitely.

Ms THOMPSON - There are not just the physical constraints, there is also how many contractors you can have on site and still have a running hospital in the background. There is staging through that and all sorts of other things.

Mr BROOKS - I am a bit of a fan of CCTV. I was at a presentation given by the Tasmanian chair of the anti-terrorism group, which looks at CCTV across all government assets. One of the things they are doing is putting in new systems that allow police live-feed access to CCTV cameras, such as the Devonport Mall. That will include the ability to tap into Tasmania Police CCTV. They have a large operations room which has every CCTV camera available to them so that they can assist in incidents. There have been some government organisations that are refusing to allow access to that CCTV, hence Tasmania Police is required to put up separate cameras next to the Government's already existing CCTV. Are you looking at allowing access to that footage? Are you buying a system that will be suitable for the needs of joint access to that footage?

Mr COOPER - Firstly, I don't think the police have asked us for access, but I will take that on notice because we haven't considered that. In terms of the capability of any system, in my limited understanding of cameras and the technology we are using Internet protocol-based systems, which means that if somebody has the IP address they can tap that in and have a look at it. That would give that flexibility to Tasmania Police to enable that. Whether some arrangement has happened with the department's IT department and police, I could not answer that but I could provide that information on notice.

Mr BROOKS - Part of this committee's job is to make sure we look at future requirements and if we can simplify or allow a dual opportunity then I think it should be on the public record that we are considering that. If you are open to that, it may be a good outcome for

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Tasmanians as well as for the safety of the hospital where the police can see what is going on.

Mr COOPER - I think that makes sense.

CHAIR - You've noted in your documentation and on the sketches provided that you are looking at the possibility of the pedestrian flybridge for the top level. Is that likely to be possible in this current budget process?

Mr COOPER - It is not funded under the car park budget. We need to explore in more detail the budget that is available in the cancer centre project and whether there is any ability in that project to achieve that.

Mr BOOTH - With regard to the climate change issue, have you looked at the comparative costs or whether it is available as a pre-fabricated plywood-type construction, like they are using a lot in Europe now, out of timber veneers and so forth - massive plywood constructions with floors made of eight inch thick plywood?

Ms THOMPSON - We can only see what the contractors come up with. That is what we are asking them to do with the design-and-construct.

Mr BOOTH - So you've just said, 'Construct a two-storey car park. You can make it out of chewing gum, if you want.'

Ms THOMPSON - 'Tell us how many car parks you can give us for a certain amount of money' - that is the tender.

Mr COOPER - Essentially the only materials constraint we have placed on them is in terms of steel because of the corrosion environment. We want something that is long lasting.

Mr BOOTH - So it might be galvanised instead?

Ms THOMPSON - Even galvanised has issues here, but if they come up with something that contradicts that and say they can guarantee this steel structure for 30 years, that would be something that Greg would have to look at. The reality is that if they are going to whack up something with a bit of bond deck and some steel posts, it is going to fall down in five years. It might be the cheapest construction we've ever seen but it is not worthy.

Mr BOOTH - So there's a design-life assessment. Is 30 years your criterion?

Ms THOMPSON - I do not know if we have put a time line on it.

Mr COOPER - We haven't. It is a matter of evaluating that.

Mr BOOTH - I don't know that such a thing exists as a pre-fab kit either. I know they are doing a lot of multi-storey building out of timber and it is becoming quite in vogue.

Ms THOMPSON - We do have some problems with fire rating for that in Australia.

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Mr COOPER - I think that's the benefit of going down the design-and-construct methodology for procurement. It brings forth more innovation and options for us to assess.

CHAIR - Thank you all very much for your evidence.

THE WITNESSES WITHDREW.