2022 (No. 26)



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Glenorchy Ambulance Station

Brought up by Mr. Tucker and ordered by the House of Assembly to be printed.

MEMBERS OF THE COMMITTEE

Legislative Council

House of Assembly

Ms Rattray (Deputy Chair) Mr Valentine (Chair) Ms Butler Mr Tucker Mr Wood

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1 INTRODUCTION

The Committee has the honour to report to the House of Assembly in accordance with the provisions of the *Public Works Committee Act* 1914 on the -

Glenorchy Ambulance Station

2 BACKGROUND

- 2.1 This reference recommended the Committee approve the construction of a new Glenorchy Ambulance Station at 11 Timsbury Road, Glenorchy.
- 2.2 The current Glenorchy Ambulance Station is co-located with the Tasmanian Fire Service in the Glenorchy Fire and Ambulance Station at 1 Goodwood Road. These premises were primarily designed and built to house the Tasmania Fire Service. At that time, Ambulance Tasmania only required 1 ambulance on site, and there was sufficient capacity for the Tasmanian Fire Service to meet future demand.
- 2.3 More recently, the greater Glenorchy area has gone through a substantial population increase, meaning the Glenorchy station is required to play an increasingly important role for the service. The current facility does not have the capacity to appropriately garage the number of ambulances required on site to meet current and anticipated future demand. The current facility does not provide any allowance for future expansion and, between ambulance and fire service requirements, the station's capacity has been exceeded.
- 2.4 Although the shared arrangements with the Tasmanian Fire Service have been workable, the different demands and priorities of the two services are not always compatible, which can lead to operational difficulties. In essence, the current station does not provide a fit-for-purpose facility that is capable of meeting the current or future needs of Ambulance Tasmania.
- As a result, construction of a new stand-alone Glenorchy Ambulance Station is proposed on a vacant land at 11 Timsbury Road, approximately 600m from the current station, on the western side of the Brooker Highway. This site has been selected as it is a greenfield site with ample space to develop the ambulance station and associated infrastructure, and allows for direct access to the Brooker Highway.
- 2.6 The new Glenorchy Ambulance Station will be a fit-for-purpose, high quality multiresource dispatch facility designed to meet expected future demand and needs of the Northern Suburbs community. The new ambulance site will have the capacity to accommodate and deploy up to 18 vehicles, with the need for this capacity anticipated by 2035. It will have the advantage of being a purpose-built facility developed in line with the priorities and needs of Ambulance Tasmania and the Department of Health.
- 2.7 The proposed works will include the following elements:
 - Capacity to cater for secure garaging of up to 18 vehicles;

- an ambulance rapid response exit on to the Brooker Highway;
- an ambulance vehicle circulation area designed to be secure and provide efficient access and egress from the garage;
- facilities to wash and decontaminate vehicles and paramedics;
- an administration area;
- paramedic training area;
- paramedic recreational areas;
- paramedic rest and recline areas;
- secure personal vehicle parking; and
- facilities for the storage and provision of medical supplies.
- 2.8 The new Glenorchy Ambulance Station will generate a number of benefits including:
 - improved ambulance response-time performance;
 - capacity to meet future service demand;
 - an efficient and functional layout;
 - enhancing the comfort and wellbeing of staff;
 - improved safety and security for staff, vehicles and other assets;
 - maximising opportunities for flexibility and adaptability; and
 - providing a standard of accommodation that promotes the recruitment and retention of staff.

3 PROJECT COSTS

Pursuant to the Message from Her Excellency the Governor-in-Council, the estimated cost of the work is \$10.465 million.

The following table details the current cost estimates for the project:

Construction, Furnishing & Fit Out (ex. GST)		
Construction	\$13,600,000	
Consultants Fees	509,000	
Post-occupancy allowance	\$110,000	
Tasmanian Government Site Art Scheme	\$80,000	
ICT Infrastructure (inc. 20% contingency)	\$ 225,000	
Furniture and Equipment (inc. 20% contingency)	\$ 226,000	
TOTAL COSTS	\$ 14,750,000	

4 EVIDENCE

- 4.1 The Committee commenced its inquiry on Thursday, 1 September last with an inspection of the site of the proposed works. The Committee then returned to Committee Room 1, Parliament House, whereupon the following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-
 - Mr Adam Garrigan, Project Manager, Infrastructure Services Programming and Delivery, Department of Health;
 - Mr Jon Hughson, Regional Manager Facilities Management and Engineering Services (South), Department of Health;
 - Mr David Horseman, Director Operations, Ambulance Tasmania;
 - Mr Brendan Smith, Manager Technical Services, Ambulance Tasmania;
 - Mr James Morrison, Director, Morrison and Breytenbach Architects; and
 - Mr David Johnston, Associate, Morrison and Breytenbach Architects.

The following Committee Members were present:

- Hon. Mr Valentine MLC (Chair);
- Ms Butler MP; and
- Mr Tucker MP.

Overview

4.2 Mr Johnston and Mr Hughson provided an overview of the proposed works:

Mr JOHNSTON - I want to give an overview of the approach for our design for the station, which has been to use the key principles outlined in the report that's been provided to you, and respond to them in various ways throughout the design process to achieve the goals that have been set out in the client brief.

The building's clear functional layout has been arranged to minimise travel distances through the building to reduce paramedic response times and enable compartmentalisation of various areas for future flexibility and control. An important aspect of this, particularly in response to the recent COVID-19 pandemic, is its strong focus on infection control by developing separate vehicle and paramedic wash down areas, allowing controlled entry to the station for paramedics.

The paramedics' workplace satisfaction is another strong design consideration. We have employed measures for improvement of this, such as large areas of glazing that capture distant views, natural daylight and sun into living areas. The use of materials and a design aesthetic to create a more domestic feel in the internal spaces is important to help the paramedics with unwinding in a calmer environment.

The building form is broken up elements that respond to their function, with primary sculptural forms of the garage and training areas taking prominence, and supported by secondary forms for the other parts of the building, which reduce the scale at ground level. Express structural systems are developed throughout the building to ground the building into the site, create civic presence and sense of permanence, which is important for the local community.

The strategy of generally trying to select natural and unfinished materials to reduce ongoing maintenance will help to allow the building age well for a long-lasting facility into the future.

Mr HUGHSON - if I can also add, funding was originally committed for the new Glenorchy Ambulance Station in the 2018-19 state budget, with additional funds announced in the 2021-22 Budget that set out for expenditure in 2023-24. The Glenorchy station will have a specific focus on state-of-the-art training facilities, including contemporary administration operations and staff amenities, with better garaging of vehicles and parking spaces.

The Department of Health is preparing to go to market for construction toward the end of this year, 2022, with practical completion anticipated by mid-2024.

The Need for a New Ambulance Station

4.3 The Committee recognised that service demand and operational changes had led to the current facility being sub-optimal for Ambulance Tasmania. The Committee asked the witnesses to explain the difficulties with the current facility:

Ms BUTLER - I noted that the current station that you're utilising, I think, was opened in 1989. What are the operational differences that are required for a station to be fit for use in 2022, or when this is - hopefully - finished by the end of 2023? What are the differences between then and now, for the record?

Mr SMITH - As you saw, it's of the size it is and when that facility was originally designed Tasmania Fire Service had the capacity they needed. The capacity that the Ambulance Tasmania needed was one ambulance based there, and that was really all that was required. As David mentioned, that's now up to three on some shifts. There's just not the capacity in that building to accommodate the number of ambulances we need to put there to optimise that coverage.

The other consideration, if I may suggest, is that our station in Hobart was built of the scale that it is in 1985 and that's also exceeding capacity now. This facility will give us the opportunity to spread our resources between the two and take some pressure off the Hobart station, where there's no capacity for expansion.

. . .

Ms BUTLER - from an operational point of view, are the expectations in practise heightened now? As opposed to back then when that was designed, in so far as being able to make sure certain areas may be sterile compared to other areas or different expectations around cleanliness. How would this new site better suit the needs?

Mr SMITH - The COVID-19 lessons have greatly influenced the design of this facility and our Burnie facility, as Adam touched on. The need to have a logical, sensible flow when a contaminated ambulance and crew return to the station to decontaminate their clothing, themselves and the vehicle has become quite clear. A fair bit of effort has gone into changing the design of this as it stood pre-COVID-19 to allow that to happen.

That's another reason why the shared station with Tasmanian Fire Service just isn't suitable. As you saw this morning, if you imagine an ambulance that's just been to a COVID-19-positive patient driving in, then the fire fighters are potentially exposed. There's nowhere close to the vehicle for the crew to change and shower and they have to conduct their cleaning close to other ambulances and fire appliances.

...

CHAIR -I think it's important to understand whether this is an attempt to separate yourselves from TFS or whether we're seeing a genuine standalone ambulance service site for good reason. I would like that to be addressed.

Mr HORSEMAN - From an Ambulance Tasmania perspective, I think we do come under Health, not DPFEM, so there is that separation between the two organisations from the outset. You saw the space today that we are afforded within that facility, which we believe is vastly under resourced.

To create our own space for training would be in line with our cultural action plan to allow our people more room to rest, recline as required, prepare meals and to do their training and education. It is not a split from the TFS just for the sake of splitting the organisations. We certainly have a good relationship with the TFS and will continue to do so. We share other locations with them throughout the state, and we would look to do those in the future and look for our own location with those as well.

4.4 Noting that a key component was an increase in capacity, the Committee asked the witnesses to further explain the need for additional capacity, and what this meant in terms of the facilities to be provided in the build:

Ms BUTLER - how would this expansion at this site increase the capacity of Ambulance Tasmania and the presence in the northern suburbs of Hobart?

Mr GARRIGAN - The Glenorchy and Burnie projects were put forward some time ago, as well as six rural stations. Then COVID-19 came upon us, and Ambulance Tasmania thought they needed to look at their stations and their structure and how everything is put together, especially in relation to infection control. A KP Health Report was commissioned and that report identified a standard size of a station was required for growth through to 2035 in Burnie and one for Glenorchy.

At the moment, the station is built to handle those future inflows based on the KP Health Report, and also to meet the infection control measures that we're looking to implement - based on COVID-19 and things like that that have eventuated.

Ms BUTLER - There'll be an increase in the fleet as well, under this project?

Mr HORSEMAN - At the moment, we have three vehicles appointed to Glenorchy. There is capacity for 18 vehicles in total with the proposed site. It just increases our capacity to be able to put some support fleet there. We have our non-emergency fleet that is overflowing in Hobart as well, so it gives us a bit more capacity to be able to move our fleet around and have a supervisor out at the location as well.

Mr GARRIGAN - As you've seen, Glenorchy ambulances are parking outside which makes it hard for them to plug in, to be charging. Those ambulances now will all come inside and under cover and the ambulances will be plugged in and basically ready to go.

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CHAIR - ... There was a mention made of the capacity of this station. It's obviously a lot higher than where you presently are, and there was mention made of being able to garage extra vehicles. Can you explain that a bit, as to what happens there and why that is necessary?

Mr SMITH - Certainly. I will backtrack for a moment, but Adam mentioned the KP Health Report that looks at the future requirements of ambulance coverage in the area, and that was one of the recommendations for the scale of this project. We've been talking a lot about our emergency ambulance coverage, but we also have our non-emergency patient transport vehicles that need housing. At the moment, they predominantly live in the Hobart station. As

we've mentioned, that is over capacity and there is certainly a lot of scope there to house our non-emergency patient transport vehicles.

At the moment, we have ambulances and non-emergency patient transport vehicles parked outside, which - as Adam mentioned - is not ideal. They need to be connected to 240 volts to be charging when they are parked and in a lot of cases we can't achieve that. This development would give us the opportunity to get everything under cover, secure and in a good location.

CHAIR - And provide extra capacity for ambulances that can't be housed centrally. Is that right?

Mr SMITH - Yes.

Mr JOHNSTON - Can I just add to that quickly? Our understanding, Brendan, is that for every ambulance that you see on the road there is another spare vehicle for the night shift or the alternate shift as well as then, in an ideal situation, another spare vehicle for maintenance and transition.

For every ambulance you are talking about up to three vehicles. If you want to house an ambulance service, you are talking about three vehicles. If you have two services operating there are up to five or six vehicles. It's not just the vehicle you see on the road. There are multiple vehicles per service.

Ambulance Response Times

4.5 The Committee noted the proximity of the new station to the current facility, and sought an assurance that the new site has similar locational advantages for ambulance response:

CHAIR - When we were on the site, we talked about proximity of other ambulance stations and the logistics of backing up and those sorts of things. The proposed site for this particular project doesn't present any less of an opportunity for those sorts of things to happen? Or maybe it improves it, because you have more ambulances on site in terms of the logistics of providing ambulance services to that route and to the area?

Mr SMITH - That corner of Glenorchy has been an ideal site for an ambulance station for some years now, and that was the reason that we originally established there in the late 1990s. It is roughly halfway between Hobart and Bridgewater, our nearest stations on either side. Importantly, it has very good access to north and south on the Brooker Highway; west back into Glenorchy/ Moonah; and then out towards Rosetta. There is also with good access to the Bowen Bridge to service the central part of the Eastern Shore, and turn left and go towards Bridgewater or back down towards the southern part of the Eastern Shore.

4.6 The Committee also understood one of the key design principles for the new facility was that it would improve ambulance response times. The witnesses were asked to explain how the design of new Glenorchy Ambulance Station would support an improvement in response time performance:

Ms BUTLER can you run through, for the record, how this new site will improve ambulance response times?

Mr JOHNSTON - From the design of the building and the facility point of view, we have designed it with very clear circulation paths for the paramedics within the buildings. You would notice it is quite a lean, L-shaped building, apart from the garage, and within that area, from pretty much room you are in, you are onto the main corridor, which all meet at the

ambulance garage. So, there is always a shortcut to the garage. We have designed it with that in mind, as well as the efficiencies of the cleaning process, getting the ambulances and redistributing them back into the garage.

The design of the facility tries to maximise efficiency so the paramedics can always get to the vehicles and go as quickly as possible. In terms of the site, as stated before, it is on the primary access to the Brooker Highway. It is central between the Hobart and Bridgewater facility. It has good, clear access to the north and the south at the traffic lights, and to the west back into Glenorchy itself. It is in a prime location, and then we have designed that facility to be as operationally efficient as possible.

Ms BUTLER - On that, with the additional capacity for having a larger fleet at the site, will that also improve ambulance response times too, because there may be more ambulances available?

Mr HORSEMAN - Yes, that is true. We will be looking at the quantity of people that we have there. As I said before, we have specialist resources. We have our extended care paramedics, for example, who are single operators who go to our lower acuity cases. They could be located out of that facility as well to service to northern suburbs more than they probably do from a Hobart location. It is about spreading our resources as best we can and as efficiently as we can. But as Dave was saying, the flow, from a paramedic perspective, works really well within the facility itself. To allow smooth transition through and access out is really key for us.

Ms BUTLER - There is also a merging of another current ambulance site in with this site as well. If you could run through that?

Mr HORSEMAN - Claremont station is another shared facility with TFS. We essentially have day-only crews who work out there. It is probably more of a family-friendly roster for them to be able to facilitate that. We would be looking to incorporate them into the Glenorchy station. That has always been the desire, but we just have not had the space to do it. So, there would be at least another crew working out of Glenorchy station in the immediate future.

Providing Better Facilities for Paramedics

4.7 A key aspect of the proposed design is providing better facilities to promote the comfort and wellbeing of paramedics. The witnesses expanded on what amenities would be provided to support paramedics' welfare:

Mr MORRISONthe paramedics' rooms is another big issue. They're important, as you would know. They can potentially spend a lot of time in the stations.

As you can see from today, the sort of places where they're hanging out are pretty grim. We were looking at small, cramped spaces. A lot of attention has been paid to make inviting spaces with views, natural light and a pleasant environment.

Part of our initial brief was because it's an issue attracting the paramedics into the profession, one way of helping is by providing a nice environment for them to work in.

Ms BUTLER - Seeing some of the things that paramedics do on a daily basis. I note further on and I may as well ask the question now about the recreation areas it has alluded to - what would that look like in the new site?

Mr MORRISON - The recreation area or the rest areas are prime so they are given a really good spot. They are north facing, have a view, get lots of nice sunlight, have indoor and outdoor environments, and are in a secure space because at two o'clock in the morning, paramedics need to feel secure.

There's a variety of facilities provided: a communal kitchen area; a communal lounge area; quiet areas within the lounge; study areas; and also rest and recline areas so they can go for a rest. It all has a sort of domestic, comfortable feel to it.

Mr JOHNSTON - We've tried to develop it in a way that offers the most flexibility. The TV room has the recliners, like we saw at the current station today; and there are also individual rooms so people can have a longer sleep or a private sleep if they want to.

There are spaces where people can have lunch or sit. There are multiple spaces for the paramedics, so that when they are onsite they have those options for what they doing there and how they engage with the building.

Mr MORRISON - Another aspect of the project brief is that all the spaces are connected. They don't want all the paramedics to squirrel off into different quarters and not talk to each other. They are private spaces, but also there is a desire to have a little bit of communality about it as well. There is a bit of a balance.

CHAIR - To clarify, when we were onsite we were talking about overnight stays - as in sleeping accommodation or reclining - and we talked about the need for firies to have the sleeping. Isn't that required for the ambulance service, that they sleep onsite?

Mr MORRISON - Yes, they have the possibility to sleep onsite. If you look at the plan, they are slightly away from the communal areas, they are nearer down here, where the orange is; and the reason they are orange is that those are fire walls. Remember I spoke to you about how the building regulations require if you are asleep, you must have at least a 90-minute fire barrier between you and the outside world, especially in this situation.

Mr JOHNSTON - Those nominated quiet rooms may contain a reclining chair or a bed. There will be options for those. The area nominated as living - the TV/lounge space - would have recliners. Different paramedics like to use those spaces in different ways; some like to go and have their own space, some like to just sit in the chair in the lounge room. It varies.

CHAIR - And, no doubt, somewhat bigger than what we saw at the current one?

Mr MORRISON - Yes, more generous.

CHAIR - They seemed to be quite hemmed in there.

Mr SMITH - A growing consideration is the ability for paramedics to stay on at the station after the completion of their shift to sleep before they travel home. There is an increasing view that's something we need. It is not just resting during shifts - it's being able to rest following a shift, before driving home.

...

CHAIR - At the current site there is paucity of space for paramedic training. What's been provided for that?

Mr MORRISON - We have a training/meeting room. It has a very large store room adjacent to it with a big sliding door. The reason for that is that a lot of the training work is done with mannequins, which were heavy. They are difficult to move around.

One of the complaints with the old station was that store rooms were down the passageways and through little doors. Trying to get a mannequin between the training space and the store room space is always a big problem so we have a generous-sized training space and proper back-up in storage.

Ambulances Egress

4.8 The Committee sought to understand what measures would be in place to ensure ambulances could safely enter the Brooker Highway when responding to a call-out. In particular the Committee was keen to confirm there were appropriate measures in place to alert and guide traffic on the Brooker Highway, so that when ambulances were exiting, the safety of both paramedics and the travelling public was assured:

CHAIR - Regarding site selection, traffic management and traffic light control were mentioned. At the moment you have control of the traffic lights and as ambulances are exiting you can activate that and get access through the traffic lights. Is that similar at this location?

Mr JOHNSTON - We have conducted a traffic assessment for the proposal and we worked with Ambulance Tasmania. We've looked at their current facility, which I believe has the ability to control the lights upon exit.

It is in regards to a right-hand turn out of the site, being able to control the lights about 100 metres down the Brooker Highway so the vehicles can turn around and freely come back towards Hobart if and when required.

CHAIR - That is needed because you can't just go straight across the median strip and turn south if you put a road in there. That would be a safety issue.

Mr JOHNSTON - That's correct. It was investigated and it was not a viable option for a lot of reasons. Controlling the traffic lights within a close proximity was definitely the best option.

Mr MORRISON - The other thing you haven't mentioned is that in the other direction on the Brooker Highway there will be warning lights. Once the door of the station is activated, amber lights will be flashing up the road so oncoming traffic realises that there is an emergency vehicle coming out.

......If you are heading north out of Hobart and a vehicle is coming out, you will be warned that there is a vehicle coming by some amber lights flashing.

CHAIR - how far away are they from the site?

Mr JOHNSTON - I think it is between 100 metres and 200 metres.

CHAIR - For southbound vehicles, they're going to be able to see at the intersection?

Mr JOHNSTON - They will be able to see and they will be also controlled at the lights. The idea is that you'd stop the southbound traffic to allow the ambulance free passage around.

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CHAIR - The exit from the site for ambulances, I've noticed the road that comes out of the main garage has a bit of weave in it. Is it going further up the site for reasons of sightlines?

Mr JOHNSTON - It is for reasons of sightlines. There were some existing items on the highway. There's a giant sign post that indicates the upcoming intersection that we had to avoid. It also scrubs off some of the slope. By having an S-bend in it, we're creating more length in the driveway. That means that the gradient doesn't need to be as steep as if we went straight down to the Brooker Highway.

Mr MORRISON - The site slopes up that way, towards Hobart, so the further you go to that corner, the less floor you have.

Ms BUTLER - A supplement to that, I noticed on the site visit today where the ambulances would be departing the site onto the Brooker Highway, there is an overpass infrastructure where the stairs come down. Is there a need to look into whether that stair structure might impede the vision of oncoming traffic? I am sure that would have been assessed, but if you could run through that.

Mr JOHNSTON - We have had that looked at by the traffic consultants. They have done assessments of the sightlines required. From where we were standing, yes, that does appear to be the case, but where the required sightlines are, it is a number of metres back from the centre line of the closest lane, which ends up being a couple of metres back into the nature reserve. So, it was actually probably five or six metres further towards the Brooker from where we were standing and from that position the sightlines work okay.

Decontamination Facilities

4.9 The Committee recognised that the need for appropriate decontamination facilities for vehicles and paramedics was an important concern. The Committee had also witnessed the lack of appropriate decontamination facilities at the current site, and was interested in what facilities would be contained in the new ambulance station:

CHAIR - It also talks about facilities to wash and decontaminate vehicles and paramedics. Clearly, what we saw this morning was not all that flash, it would be fair to say. Can you explain what decontamination facilities you are expecting on this new site?

Mr JOHNSTON - What we have done with Ambulance Tasmania is worked through their requirements, and how to keep the wash down and cleaning areas completely separate from the main internal station. As you will see on the plans, it has its own access for vehicles from outside.

Once they're in that zone, there's a full wash-down facility for paramedics. We have storage for items such as scrubbed-up clothing so that the paramedics can get rid of their uniforms and put on something else to get to the locker rooms.

In a full emergency situation, there's complete separation. The paramedics don't necessarily even have to return to their vehicles. If there's cleaning staff there, they'll be able to get the vehicle, move it to clean it and move it back without any cross-contamination. We're not just looking at reducing the first point of contamination but recontamination. So, once the paramedics are out of the vehicle, the vehicle can be cleaned before they have to meet with that vehicle again.

CHAIR - That's an interesting point. What happens overnight? When you have nightshifts on, do you have cleaning staff available to decontaminate?

Mr JOHNSTON - We have spoken through that as well. That was part of the working through it. Yes, ideally you would. In emergency high priority situations that might be brought in specifically. Alternatively, with the additional vehicles, it might be possible that the vehicle is left in the wash bay and the paramedics get another vehicle for use in the interim and then in the morning it gets cleaned out and put back.

It's really for those dire situations but we have accounted for them.

Mr MORRISON - Also the decontamination zone is fully self-contained so even the cleaning staff have their own offices. We supply areas within that space. It's a fully

self-contained space. It's probably not going to be used 90 per cent of the time but when there's a pandemic, then you'd probably use those facilities.

CHAIR - I suppose on some of those special occasions where you're attending a location where there's hazardous materials?

Mr MORRISON -Yes.

Medication Storage

4.10 The Committee understood that medications, including Schedule 8 (S8) medications needed to be stored onsite at an ambulance station. The Committee questioned the witnesses on how medications were currently stored and how medications would be stored at the new site:

CHAIR We saw a safe at the current station this morning. So, are some medical supplies kept in that safe? Or is that safe for some other purpose?

Mr SMITH - The safe is for keeping scheduled S8 medications. That is all we keep in the safe. Other medications are kept under lock and key. What you saw this morning was not our preferred standard. We have had to make compromises in some of our stations due to the limitations of the infrastructure. It is preferable to have the safe in a room that only contains the safe.

CHAIR - And lockable, of course.

Mr SMITH - The safe has electronic access control. Ideally, the door to the room will have electronic access control as well and CCTV in the room that can see all accesses of the safe. Part of the design is to have a room that will just contain medication safes for S8 medications.

CHAIR - Presumably the size of the safe might change for the new site?

Mr SMITH - More likely, we would install an additional safe. At the Hobart station at the moment, there are three safes set side by side, spreading the risk. Larger safes become exponentially more expensive.

Consultation and Community Acceptance

The Committee noted the new site sat between Goodwood Primary School, the Department of Education's Professional Learning Institute, Kennerley Children's Homes and the Southern Presbyterian Church of Tasmania. The Committee also noted there were a number of homes directly opposite the ambulance exit. The Committee was interested to know what consultation had been undertaken with these organisations and residents, and how the project had been received:

CHAIR - the exit point is for the ambulance is directly opposite some homes. I'd like you to outline the consultation that's happened with respect to those individuals who live directly opposite and might have ambulance lights going into their bedrooms or their loungerooms and noise and all those sorts of things.

Mr GARRIGAN - We've engaged a stakeholder engagement consultant for this project. All the local residents and all impacted stakeholders have been given a letter and we held a public information day in relation to the site. We had feedback forms in relation to the site and how it was going to interact with the community and everything like that. The site has been

fantastically received by the community, I must say. It's been really positive. There was only one concern in relation to the intersection at Howard Road and Timsbury Road about vehicles that are privately leaving, not ambulances that are racing away. That is a busy intersection, but that has been taken care of with the traffic management impact assessment.

...

CHAIR - There is a school in that area next to the teacher training facility..... Has there been any consultation there? Any concerns raised? Obviously, it's a fair way from the site.

Mr GARRIGAN - As part of the public consultation process, they were notified and also emailed. We have had correspondence with the school. The school doesn't have any concerns about the station going where it is, and they raised again the intersection of Howard Road and Timsbury Road. The school and the community both raised the same concern. They were really happy to have us there, and they were really keen to have the site developed and landscaped with a nice outlook.

They had issues as far as the carpark at the top; was it going to be shared, and things like that. We're not doing anything with that side of the area, so nothing would change and they'd be able to keep that area. It's been pretty well received.

Managing Project Cost Risk

4.12 The Department's submission acknowledged the current construction market conditions presented a risk to the cost of this project:

The construction budget for the project is \$10.465m. Current cost planning shows that although the construction cost is generally in accordance with the construction budget, the costs for this project are at risk due to current market conditions and escalation that has occurred since the limit of cost assessment (on the previous site / April 2021). This is in addition to the further projected escalation during the project documentation and tendering period to the commencement of construction in late 2022. Some of this risk can be mitigated through the facilitation of early purchases of materials as may be allowed under the conditions of the construction contract, with appropriate bank guarantees in place by the contractor, to limit escalation to the 'front end' of the project.¹

4.13 The Committee was very aware of the current risks presented by escalating costs in the construction market and noted that a mechanism was being employed by the Department to minimise the risk associated with the increasing cost of materials. The Committee sought further information on how this risk management mechanism functioned:

Mr GARRIGAN - It is an approved surety that's approved by the department. We have a normal situation where we engage a contractor and they give us a bank guarantee for the value of the works. We would then put an additional surety to the value of the pre-claimed item. The pre-claimed item is an item of roofing iron they might order at the start of the project, have delivered, so they have proof of invoice, proof of delivery, that's at a better market rate that we perceive now than what would be six months down the track. We're offsetting any future escalation costs. Obviously it's hard for a contractor to price something they don't need for nine or 10 months down the track and assume that that price is going to

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¹ Glenorchy Ambulance Station 2021, Submission to the Parliamentary Standing Committee on Public Works, Department of Health, 28 July 2022, page 4.

be the same. You're probably aware of the market at the moment. It's quite hard for builders to do that.

CHAIR - Yes.

Mr GARRIGAN - What we thought of doing was have this in there. They'd give the department a surety for the value that they were going to claim. The superintendent would receive invoices of items bought. As long as it's under that surety and we have proof of evidence of delivery, we're happy. That way, the contractor then will be paid for the product before it goes up. They'll only be paid for the material content of the product and not the installed product.

CHAIR - Not the labour part?

Mr GARRIGAN - Yes.

Ms BUTLER - That will compensate for any potential escalation of pricing. In many of the projects we deal with there is a huge escalation and the contingency is huge. Would this then bring down that contingency level?

Mr GARRIGAN - It helps take a lot of the risk out for the contractors. The contractors are looking at a future price. They're predicting what the price is going to be. In the market previously they never had to do that. You were pretty rock solid of where it was going to be. The fluctuation would be one or two per cent, which they were absorbing and they had enough risk in their pricing profile for that. Now steel, electrical, copper it just goes to the roof. It can be up, it can be down. In a lot of the submissions they were asking for purchase orders by a certain date so they could get surety of product. The last thing the department wants is for their contractors to go broke. We thought, what's the best way of managing it? This seems to be the best way we have come up with at the moment.

Ms BUTLER - Is that verified by the Solicitor-General? It is sensible.

Mr GARRIGAN - We get Crown law advice on that and that is something we are probably looking at reviewing and putting into future contracts.

CHAIR - It sounds like an interesting way forward, doesn't it, compared to hit or miss.

Mr JOHNSTON -Can I just note, it is allowable in the Australian Standard contract that is used by the department. There is a mechanism already in the contract, but it is optional, so the department is choosing to use that one more.

Mr TUCKER - To follow on from that, Chair, with the delivery of the product they mentioned there, what about security of it once it is delivered?

Mr GARRIGAN - It is in a laydown site, using their own yard, so the contractors are still liable for the product. If that product gets damaged or if the contractor has to go into liquidation, we have a surety to cover that product and that cost that we have already put out. So, the materials are still the responsibility for the contractor to manage and maintain until it is installed and signed off, but we have a surety of pre-payment that we are covered from our end.

CHAIR - And the surety of getting the materials from a failed contractor, if that was to happen.

Mr GARRIGAN - Yes, that's right.

On that, if that contractor went into liquidation, those products would stay with the liquidator but the surety enables us to buy other materials to complete the project. That is why the surety is there.

Does the Project Meet the Assessment Criteria under Clause 15(2) of the Public Works Committee Act 1914?

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

CHAIR - Before we conclude the hearing there are five questions we always ask in relation to any project or reference that we get. It is important we have good clear answers on these. The first is does the proposed works meet an identified need or needs or solve a recognised problem?

Mr HUGHSON - Yes.

Mr JOHNSTON - Yes.

CHAIR - The recognised problem being?

Mr JOHNSTON - The current facility is shared with the fire department, so there is risk of cross-contamination between the departments, there are spatial issues.

CHAIR - The need for more space.

Mr GARRIGAN - The community need into the future.

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

Mr HUGHSON - Yes.

Mr JOHNSTON - Yes.

CHAIR - Are the proposed works fit for purpose?

Mr HUGHSON - Yes.

Mr JOHNSTON - Yes.

Mr MORRISON - There has been very clear consultation between the architects and Ambulance Tasmania and the Department of Health.

CHAIR - Do the proposed works provide value for money?

Mr HUGHSON - Yes.

Mr JOHNSTON - Yes.

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

Mr HUGHSON - Yes.

Mr JOHNSTON - Yes.

5 DOCUMENTS TAKEN INTO EVIDENCE

- 5.1 The following document was taken into evidence and considered by the Committee:
 - Glenorchy Ambulance Station 2021, Submission to the Parliamentary Standing Committee on Public Works, Department of Health, 28 July 2022.

6 CONCLUSION AND RECOMMENDATION

- 6.1 The Committee is satisfied that the need for the proposed works has been established. Once completed, the new Glenorchy Ambulance Station will resolve the operational deficiencies identified with the current station, and enable the Tasmanian Ambulance Service to provide an enhanced service with the capacity to meet current and future service demand in the area.
- 6.2 The proposed works will provide be a modern, fit-for-purpose facility, with its functional and efficient design enabling enhanced service delivery, increased capacity, improved response times, and improved paramedic safety, comfort and wellbeing.
- 6.3 Accordingly, the Committee recommends the Glenorchy Ambulance Station, at an estimated cost of \$14.75 million, in accordance with the documentation submitted.

Parliament House Hobart 13 September 2022 Hon Rob Valentine MLC Chair