

## Queensland Government Response to the Capacity Expansion Program Independent Review Report

Rec	Report recommendation	Government response
1	The Health Investment Assurance Committee should be disbanded and Department of State Development, Infrastructure and Planning should institute appropriate assurance gateway reviews, using entirely independent and experienced reviewers to assess the readiness of future projects to progress through project approval gates	<b>Accept</b>
2	The renewed HIQ structure, leadership and culture should run PSCs and PCGs for their intended purpose and in the manner set out in their terms of reference, with all project information accurately presented in reports to these governance forums	<b>Accept</b>
3	Health Infrastructure Queensland should continue to be an important part of QH but with a refreshed lean structure, clear role, appropriately skilled team and a new advisory board providing governance to assist QH to deliver major capex projects	<b>Accept</b>
4	An infrastructure and construction project leadership capability framework should be developed for HIQ (and more broadly for Queensland infrastructure delivery agencies)	<b>Accept-in-principle</b> This report and recommendations will only directly relate to health infrastructure and construction project leadership.
5	A revised structure for HIQ should be implemented, with all leadership roles advertised and filled through appropriate recruitment processes.	<b>Accept</b>
6	An Advisory Board for HIQ with appropriate external industry and HHS representation and regional representation should be created and roles filled with an appropriate skill mix	<b>Accept</b>
7	Responsibility for capital project masterplanning and site analysis should be moved from Clinical Planning and Service Strategy Division to HIQ, and HIQ should remain responsible for capital projects until successful completion. HHSs should lead operational commissioning with the support of HIQ.	<b>Accept</b>
8	Accountability and responsibility for FF&E should be moved to an appropriately skilled HIQ leadership role, and roles and responsibilities for all other FF&E tasks should be allocated on best for project approach	<b>Accept</b>
9	Risk registers should be reviewed and updated with accurate resolution dates, or where those dates 3-6months have passed without resolution the risk rating should be elevated and risk escalated to project governance.	<b>Accept</b>
10	Health and Treasury, with the support of DPC, should develop a medium term (10 year) health capital envelope and an annual planning process to refresh priorities within that 10 year envelope	<b>Accept-in-principle</b> Support the development of a medium-term health capital plan to be considered in a future budget process.
11	Future budgets should allocate planning budget for HIQ to undertake industry standard health infrastructure project planning to ensure appropriate project scopes, budgets and programs are established prior to Government approval for the project being sought.	<b>Accept</b>
12	HIQ should assess all per-project endorsed value management items for those items that can be shared program-wide and seek to have those value management opportunities delivered on each project within the CEP	<b>Accept-in-principle</b> Implementation to be explored as part of the next annual budget cycle.
13	dRofus database needs to be owned by the State not contractors and be proactively used to manage the performance of design teams and assessment of as-built drawings against signed off designs	<b>Accept-in-principle</b> Implementation to be explored as part of the next annual budget cycle.
14	HIQ should investigate the opportunity to secure a client-side contract works insurance policy to apply to the CEP and remove this requirement from managing contractors	<b>Accept</b>

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15	Government should consider whether the obligation for contractors to provide bank guarantees is providing the actual security sought, and whether the removal of this obligation is better value for money as a result of reductions in the overall cost of projects to the State and reduces red tape for industry	<b>Accept</b>
16	A state-wide leased space discovery process should be commissioned, and opportunities to aggregate spaces, including the development of purpose built facilities funded through private capital and leased back to HHSs (or other funding models) should be explored.	<b>Accept</b>
17	The Bundaberg project should not proceed with the GCS Stage 2 call. The early works be paused on site and immediate negotiations be commenced with the incumbent builder undertaken to ameliorate costs to Government from temporarily pausing the existing contract.	<b>Accept</b> Replan and redesign the new Bundaberg Hospital to transfer all services and beds to the new site, including Level 5 services and over 410 beds and bed alternatives.
18	The Bundaberg project team should immediately engage with the incumbent builder, their design team and the HHS to derive a definitive assessment of the capital build staging options and resultant operational cost implications and revert to Government with detailed assessments of a staged development of a full development onto the new site	
19	<p>The Coomera project should be paused while a swift review of whole-of-HHS requirements is undertaken with a view to consolidating the short-term requirements that were to be delivered at Robina can be accommodated in a rescoped Coomera project, including investigating the opportunity to partner with the adjoining landowner. Stage 1 site works should continue</p> <p>The incumbent MC should also be requested to propose revised contractual risk allocations and price reduction opportunities.</p>	<b>Accept</b> Deliver the new Coomera Hospital including 600 overnight beds, as was intended from the original business case, delivering more beds in total for the Gold Coast.
20	Mackay Stage 1 MC contract should be terminated and HIQ should engage new design consultants to work up a clinically prioritised scope agreed with the HHS. A revised procurement strategy that delivers best value for money for the State should be developed, including staging options and early delivery of small packages of urgent clinical needs	<b>Do not accept</b> Investigate solutions for the Mackay Hospital Expansion with incumbent contractor given deep understanding of the site, current scope of works and key issues. Commence negotiations to ameliorate costs to Government from changing existing contract. Subject to the contractor's engagement on this task.
21	The Prince Charles Hospital Stage 1 MC contract should run to conclusion including finalising 100% detailed design and the Stage 1 MC should be brought to an end without calling for a Stage 2 GCS. HIQ should engage a design team to refresh the project's clinical priorities to ensure they match service need and are agreed with the HHS, are supported by an endorsed Functional Design Brief, include a site masterplan including the adjoining private hospital and provide a staged development option for the project	<b>Accept</b> Refresh The Prince Charles Hospital Expansion's plan and develop a functional design brief so that it meets clinical need. Adopt a staged development option that leverages the nearby private hospital and infrastructure.
22	Queensland Cancer Centre Project should be reconsidered and a business case for the three disparate areas of scope be developed – covering HHS requirements, statewide requirements and a cancer research centre of excellence. To support the development of future statewide cancer services infrastructure for the QCC and elsewhere, a statewide cancer services demand review should be commissioned to ensure cancer services are planned to be delivered closer to where the demand exists and where the requisite workforce can be sourced. Following this clinical demand modelling, Government should allocate planning funds to allow appropriate local and statewide cancer services infrastructure projects be planned for future submission to Government for funding either as a program or individual projects	<b>Accept</b> Establish a Queensland Cancer Centre in Metro North including better planning that meets clinical need and partners with nearby health, research and education facilities. Conduct a service demand review to determine cancer services infrastructure needs for metro, rural and regional Queensland. Ensure delivery of at least 150 beds.

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23	Redcliffe Project should be paused, with the current site, infrastructure and services works paused. The project team should swiftly replan the delivery of the project rotating the building 90 degrees or otherwise replanned to avoid the scar tree and appropriately consider the HHS concerns relating to the emergency department and clinical priorities.	<b>Accept</b> Develop a new plan and design for the Redcliffe Hospital Expansion that meets clinical needs, represents a better use of the site, and ensures the safety of healthcare workers, and delivers more beds for Redcliffe.
24	A rollout strategy and funding for adoption of electronic medical records across the Darling Downs Hospital and Health Service needs to be developed by eHealth appropriately contemplating the timing for the adoption of ieMR at the new Toowoomba Hospital.	<b>Accept</b> Implement a plan to rollout electronic medical records in Toowoomba.
25	The Toowoomba project should not proceed with the GCS Stage 2 call at this stage, the early works be paused on site and immediate negotiations be commenced with the incumbent builder undertaken to ameliorate costs to Government from temporarily pausing the existing contract	<b>Accept</b> Develop a new staged approach to relocate all services and existing beds to the New Toowoomba Hospital, and redesign to meets clinical need, while making better use of existing heritage listed buildings at the Baillie Henderson site.
26	The Toowoomba project team should immediately engage with the incumbent builder, their design team and the HHS to derive a definitive assessment of the capital build staging options to fully locate onto the new site, including an assessment of operational cost implications and revert to Government with detailed assessments	
27	The project team should engage an assessment of services presently being delivered in ageing buildings on the Baillie Henderson Hospital site to assess which could be incorporated into the new build, and work with the HHS on a long term maintenance strategy for the heritage protected buildings on-site	
28	The Townsville University Hospital project team should rework the clinical services plan and derive a staged development pathway and accompanying masterplan, and the revised planning outcome and procurement strategy should then be presented to Government for a future investment decision. A short term option to procure surgical services should also be assessed and implemented if feasible	<b>Accept</b> Develop a staged approach and masterplan to deliver at least 165 more beds for Townsville, and refresh the design to meet clinical need.
29	Townsville University Hospital car park should be procured using a simple design finalisation and construct contract, opening up opportunities for local and tier 3 builders	<b>Accept</b> Immediately commence a simplified procurement approach for the multi-storey car park, providing opportunities for local builders.
30	Cease any further negotiations on the Robina lease pending the outcome of the whole-of-HHS bed requirement review in conjunction with the Coomera project	<b>Accept</b> Failure to plan or deliver the beds at Robina (114 beds) left the Gold Coast without this bed capacity. Ceasing negotiations will be mitigated through the increased bed capacity in Coomera to 600 beds in line with Hospital and Health Service planning, which will deliver 86 more beds for the Gold Coast.
31	The current refurbishment works at Cairns should progress to completion. HIQ should appoint a new design team to work collaboratively with the HHS to plan a precinct for the health and tertiary education development and propose staging and procurement options for future developments.	<b>Accept</b> Cairns refurbishment project to continue. Develop a new plan and design for the surgical centre, including more beds for Cairns, in collaboration with local tertiary education providers for a future health and innovation precinct.
32	Options to urgently address the Cairns helipad should be explored, with planning to relocate the helipad away from the current esplanade site.	<b>Accept</b> Relocate the helipad to address the clinical and safety issue presented by the helipad's location on the Esplanade.
33	HIQ should capture lessons learned from the Ipswich Hospital project's approach to clinical prioritisation, clinical flow assessments, stakeholder engagement and project management on this project as best practice across the CEP and distil across the balance of the CEP projects	<b>Accept</b> Project to continue.

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34	The Logan project should continue as contracted, with a strong focus on managing key risks and retention of contingency to address outstanding clinical fitness for purpose risks	<b>Accept</b> Project to continue.
35	The Princess Alexandra project should continue as contracted, with a strong focus on managing key risks and retention of contingency to address outstanding clinical fitness for purpose risks. HIQ should conclude the procurement for additional support services expeditiously.	<b>Accept</b> Project to continue.
36	A business case for moving the existing QEII facilities from low voltage to a new high voltage should be prepared in conjunction with Energex and assessed for future funding against the clinical and operational risk	<b>Accept</b> Project to continue, including funding and addressing the energy supply risk.
37	Designs for carparks should be reviewed to simplify and rationalise detailed designs, and future tenders should be on a simplified construction contract to tier 2 and 3 construction firms – with local firms encouraged to tender in regional areas	<b>Accept</b>
38	Clear guidance on a Queensland Health approach to rating asset conditions should be developed and promulgated	<b>Accept</b>
39	The S/4HANA asset management module pilot should be accelerated and statewide rollout implemented as soon as practical	<b>Accept</b>
40	Treasury and Health, with the support of DPC, should determine an appropriate ongoing Sustaining Capital Program funding profile for the current fiscal period and forward estimates period, providing a short term provision to address critical safety and regulatory maintenance projects and a longer term funding source for a statewide preventative maintenance program	<b>Accept</b>
41	HIQ should prepare a statewide SCP governance strategy for approval by the DG, with accompanying processes and practices to prioritise and allocate funding and performance manage implementation of maintenance projects under the SCP	<b>Accept</b>
42	The Accelerated Infrastructure Delivery Program and Building Regional and Remote Hospital Program should be separately budget funded as separate line items in the budget rather than being assumed to be funded from future year SCP allocations	<b>Accept</b>