

HEALTH — COLLIE HOSPITAL — REDEVELOPMENT COST DECREASE

5090. Mr M.P. Murray to the Minister for Health:

I refer to the Minister's two media statements regarding upgrades to Collie Hospital, 8 July 2014's '\$8.6 million upgrade for Collie Hospital and February 19, 2016's 'Builder announced for Collie health upgrades' – and I ask:

- (a) why has the cost of the redevelopment decreased from \$8.6 million to \$7.8 million since the 8 July, 2014 announcement;
- (b) which specific aspects of the redevelopment will not be forthcoming as a result of this \$800,000 funding cut;
- (c) why is the Emergency Telehealth Service not cited in the more recent announcement and is this aspect still to be included in the upgrades;
- (d) why is the ambulatory care area not cited in the more recent announcement, and is this aspect still to be included in the upgrades;
- (e) why are the additional consulting rooms not cited in the more recent announcement, and is this aspect still to be included in the upgrades;
- (f) what conditions has the State Government placed on BCG to ensure a majority of the 200 construction jobs will go to people living within the Shire of Collie;
- (g) what conditions has the State Government put in place to ensure Collie-based small businesses will be awarded contracting work on the project;
- (h) will these upgrades allow for dialysis treatment to be performed at the hospital;
- (i) why has the Southern Inland Health Initiative decreased by \$65 million since the July 8 announcement; and
- (j) which specific aspects of the Southern Inland Health Initiative will not be forthcoming as a result of this \$65 million funding cut?

**Dr K.D. Hames replied:**

- (a) The initial Southern Inland Health Initiative (SIHI) budget figures were high level indicative figures based on accommodation schedules required to deliver identified health service requirements. As a result of good project management, a more detailed understanding of the site during the design process and downward cost factors in the market, the full scope requirements for the Collie hospital project has been able to be delivered for the lesser amount.
- (b) There has been no reduction to the scope of the Collie Health Service redevelopment or any of the other SIHI capital projects.
- (c) The Emergency Telehealth Service (ETS) is still part of the refurbishment project and will be relocated twice during Stage 2 and Stage 3 of the project. The first move will be from the existing Emergency Department to the Acute Treatment bays when Stage 2 is completed. The second move will be to relocate the ETS from the Acute Bay to the Resus Bay when Stage 3 is completed.
- (d)–(e) Ambulatory Care is still being provided at the Collie Hospital and the health service has funded the refurbishment of three consultation rooms outside of the funded project.
- (f)–(g) As these matters are the responsibility of the Department of Finance, these questions should be referred to the Minister for Finance.
- (h) Dialysis services in the South West region, including Collie, are contracted by WACHS to St John of God Health Care. Collie residents requiring dialysis treatment are able to access this service at St John of God Bunbury Hospital.
- (i) State Government initially approved the budget for SIHI in 2011 at \$565 million. Since then Cabinet has approved three adjustments to the initiative: \$6.99 million to the Renal Dialysis Service Expansion program in 2013; and in 2014, a total of \$25.09 million (in Tranches 1 and 2) was transferred as a result of Government targeted efficiencies in the State's Asset Investment Program reflecting a softening in construction market costs. After these adjustments, \$533.3 million funding remains in SIHI to complete the capital and service improvement initiatives.
- (j) All original scope items approved in 2011 are expected to be delivered within the revised funding allocation.