



Inquiry into the Wynnum and Mermaid Waters Ambulance Station Projects

Report No. 31, 56th Parliament
Health, Communities, Disability Services and
Domestic and Family Violence Prevention Committee
November 2019

Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee

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Acknowledgements

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Abbreviations

BAS	Building and Asset Services
committee	Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee
DTMP	Department of Transport and Main Roads
DHPW	Department of Housing and Public Works
FTE	full-time equivalent
ICT	information and communication technology
LASN	Local Ambulance Service Network
MSHHS	Metro South Hospital and Health Service
PoQA	<i>Parliament of Queensland Act 2001</i>
PSBA	Public Safety Business Agency
PSNMC	Public Safety Network Management Centre
QAS	Queensland Ambulance Service

Chair's foreword

This report presents the findings from the Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee's Inquiry into the Wynnum and Mermaid Waters Ambulance Station replacement projects.

Every day, the Queensland Ambulance Service provides life-saving, emergency patient response and transport services to the people of Queensland - 24 hours a day, 7 days a week. Every one of these services involve ambulance staff working from one of the state's 289 ambulance stations. These stations are vital front-line infrastructure for supporting our public health system.

Our inquiry has enabled the committee to examine how well Queensland Health and the Queensland Ambulance Service are planning for and delivering new ambulance stations to meet the current and future needs of the state's growing and ageing population in Wynnum and Mermaid Waters and surrounding areas.

The committee considered whether the stations were fit for purpose and whether the Government's investment in these stations which totalled just over \$7.3 million represents value for money. The committee also considered the community, economic and environmental impacts and the procurement processes for the works. I am very pleased to report that the Wynnum and Mermaid Waters Ambulance Station projects were well-managed by Queensland Health and the Queensland Ambulance Service on all fronts. They are excellent projects, represent good value for money, serve their local communities well and should continue to do so well into the future.

As a former paramedic, I fully appreciate the hard work that staff put into ensuring the stations serve their communities to a high standard, day after day. Following the positive outcomes identified through this inquiry, including the procurement process involved in building these stations, I am looking forward to the replacement of the Kirwan Ambulance Station in my electorate of Thuringowa, which I am confident will be a great project and will meet the increasing needs of the local community.

On behalf of the committee, I thank those individuals and organisations who made written submissions. I also thank the staff of the Queensland Ambulance Service and other areas of Queensland Health and our Parliamentary Service staff for their assistance with the inquiry.

I commend this report to the House.



Aaron Harper MP

Chair

Recommendation

Recommendation

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The committee recommends that the House notes this report.

1 Introduction

1.1 Role of the committee

The Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee (committee) is a portfolio committee of the Legislative Assembly which commenced on 15 February 2018 under the *Parliament of Queensland Act 2001* (PoQA) and the Standing Rules and Orders of the Legislative Assembly.¹

The committee's primary areas of responsibility include:

- Health and Ambulance Services
- Communities, Women, Youth and Child Safety
- Domestic and Family Violence Prevention, and
- Disability Services and Seniors.

The role and functions of portfolio committees are set out in Chapter 5, Part 3 of the PoQA and Chapter 23 of the Standing Orders. Section 94(1)(b) of the PoQA states that, for their portfolio area, committees have the responsibility to scrutinise public works.

Section 94 also provides that in relation to its portfolio area, a committee may consider:

(b) works (public works) undertaken by an entity that is a constructing authority for the works if the committee decides to consider the works, and

(c) any major works if the committee decides to consider the works.²

Section 94 (2) of the PoQA sets out the criteria that a committee may have regard to in its consideration of a public work. These criteria are listed below in Section 1.3 of this report and provided the basis for the terms of reference for this public works inquiry.

1.2 Background and scope of the inquiry

On 29 October 2018 the committee resolved to conduct a public works inquiry into projects by Queensland Health to build replacement ambulance stations at Wynnum and Mermaid Waters. The committee invited stakeholders and subscribers to make written submissions. The submissions closed on 17 December 2018. The four submissions received by the committee are listed at Appendix A. The submissions are available for viewing on the committee's webpage.

The committee inspected the two ambulance stations on 4 December 2018. The Member for Mermaid Beach, Mr Ray Stevens MP, accompanied the committee on its inspection of the Mermaid Waters Ambulance station.

On 19 August 2019 the committee conducted a public hearing into the ambulance station projects (see Appendix B for a list of witnesses).

This report draws primarily on the comprehensive submission made by Queensland Health, the information provided at the public hearing by Deputy Commissioner Michael Metcalfe of the Queensland Ambulance Service (QAS) and responses to questions taken on notice during that hearing.

¹ *Parliament of Queensland Act 2001*, section 88 and Standing Order 194.

² *Parliament of Queensland Act 2001*, section 94.

1.3 Terms of reference

The terms of reference for the inquiry adopted by the committee, in accordance with section 94 of the PoQA, were to inquire into the Wynnum and Mermaid Waters Ambulance Station projects and report on:

- a) the stated purpose of the works, and the suitability of the works for the purpose
- b) the need for, and advisability of, the works
- c) the initial and recurrent costs of the works
- d) value for money achieved, or likely to be achieved, by the works
- e) the impact of the works on the community, economy and environment
- f) procurement methods for the works
- g) the balance of public and private sector involvement in the works, and
- h) the performance of—
 - (i) Queensland Health as the constructing authority for the works, and
 - (ii) the consultants and contractors for the works with particular regard to the time taken to finish the works, and the cost and quality of the works.

2 The Queensland Ambulance Service

The QAS operates as a state wide service within Queensland Health, and is accountable for the delivery of pre-hospital ambulance response services, emergency and non-emergency pre-hospital patient care and transport services, inter-facility ambulance transport, casualty room services, and planning and coordination of multi-casualty incidents and disasters. The QAS provides both ambulance response services and community and business services.³

Ambulance response services include:

- emergency and non-emergency pre-hospital patient care and transport
- specialised transport services
- stand-by at special events
- casualty room services
- inter-hospital transfers
- planning for and coordination of multi-casualty events and disasters, and
- emergency call taking, operational deployment, dispatch and coordination of non-urgent patient transport services.

Community and business services include:

- community education including first aid training and injury prevention
- commercial activities, such as industry contracts
- training and education of ambulance professionals, and
- pre-hospital care research.⁴

The QAS delivers ambulance services from 296 response locations through 15 Local Ambulance Service Networks (LASNs), geographically aligned with Queensland Health's Hospital and Health Service boundaries.⁵

³ Queensland Ambulance Service 2019, *About the Queensland Ambulance Service* <https://www.ambulance.qld.gov.au/about.html>.

⁴ Queensland Ambulance Service 2019, *About the Queensland Ambulance Service* <https://www.ambulance.qld.gov.au/about.html>.

⁵ Queensland Ambulance Service 2019, *About the Queensland Ambulance Service* <https://www.ambulance.qld.gov.au/about.html>.

3 The Wynnum Ambulance Station project

Prior to the completion of the new ambulance station, Wynnum Ambulance Station operated from 150 Whites Road, Lota, 4179 on a site owned by the Metro South Hospital and Health Service (MSHHS). Twenty full-time equivalent (FTE) staff worked at the station and the vehicle fleet included three ambulance vehicles, two patient transport vehicles and one officer in charge vehicle.⁶ The station is located adjacent to the Wynnum Health Care facility at 30 New Lindum Rd, Wynnum West. The station provides facilities for 60 staff, eight ambulance vehicles, one patient transport vehicle and one officer in charge rapid response vehicle.⁷

3.1 Purpose of the work

The purpose of the Wynnum Ambulance Station project was to provide the infrastructure required to support the QAS to meet the current and projected demand for ambulance services in Wynnum and surrounding areas.⁸

3.2 The stated purpose of the works and the suitability of the works for the purpose

Queensland Health advised that the purpose of the works was to provide replacement infrastructure at an alternative site to allow the MSHHS to divest the site at Lota, while ensuring that the QAS could continue to meet the current and projected demand for ambulance services in the Wynnum area and surrounds.⁹

Queensland Health also advised that demand for ambulance services was expected to increase in line with the projected growth in population and demographic changes, and that the replacement ambulance station in the Wynnum area was developed to anticipate and respond to this projected future demand.¹⁰

During the public hearing, the committee questioned Deputy Commissioner Michael Metcalfe about moving away from fixed capital infrastructure such as ambulance stations and getting better value out of a more mobile service.¹¹ Deputy Commissioner Metcalfe explained that those questions form part of Queensland Health's review process and due diligence each time a new significant capital program is undertaken, to make sure it is the most effective and efficient means to deliver services.¹² Recent investment in capital programs has involved a move away from building small stations in neighbouring suburbs to larger stations that will service a larger area.¹³ In regard to servicing future needs of the Wynnum region, Deputy Commissioner Metcalfe also explained:

*At Wynnum we had to move from the site we were at, so we made sure that we built Wynnum station with the capacity to expand over the next 50 years so that we do not need to build additional stations; we can just put more staff in there.*¹⁴

⁶ Queensland Health submission 4, p 302.

⁷ Queensland Health, submission 4, p 501.

⁸ Queensland Health, submission 4, p 269.

⁹ Queensland Health, submission 4, p 269.

¹⁰ Queensland Health, submission 4, p 269.

¹¹ Public hearing transcript, Brisbane, 19 August 2019, p 5.

¹² Public hearing transcript, Brisbane, 19 August 2019, p 5.

¹³ Public hearing transcript, Brisbane, 19 August 2019, p 5.

¹⁴ Public hearing transcript, Brisbane, 19 August 2019, p 5.

3.2.1 Location and site

The location of the land, adjacent to the new Wynnum Health Care facility, was suitable to the QAS because it did not impact on response times or locations. According to Queensland Health:

*The site was of sufficient size to allow the development of a facility with capacity for growth and to provide good access and egress, and did not present any major construction issues.*¹⁵

3.2.2 Size and scale

Queensland Health advised that early planning and identification of a growing demand for services informed a decision to deliver the optimal solution for the new site in terms of built infrastructure and immediate capacity for growth as well as providing additional multi-functional spaces to address an urgent need for training space in the LASN.¹⁶

The expected current and future resource levels for staff and vehicles were determined by analysis of information and statistics relating to the existing and projected demand for ambulance services for the area. This included mapping of response times and incident data, demographic profiles and population growth. On 30 June 2018 the estimated population in the response area for the Wynnum Ambulance Station was 55,048.¹⁷ The population forecast for the Wynnum locality was expected to increase to 66,675 by 2031.¹⁸ Accordingly, the decision was taken to build a ten bay plant room rather than an eight bay plant room.¹⁹

In January 2019, there were 19.7 FTE staff and six vehicles operating from the new station. A further 12 FTEs were allocated to the Wynnum Station in the 2019-20 financial year.²⁰

3.2.3 Functional performance

To gauge the functional performance of the completed station, the committee considered information provided by Queensland Health and Hutchison Builders, which were responsible for construction of the station. The committee also inspected the station on 4 December 2018.

In its submission, Queensland Health advised that the:

Ambulance station and plant room infrastructure and the associated spaces are specifically designed to support the operational functions of the QAS. The spaces provide accommodation and services that support parking and charging operational vehicles and rest, amenities, training, office, study and multifunctional spaces for staff. Areas for equipment, drug, medical gases, and patient care stores and laundry facilities are also included.

*Spaces are designed to follow the flow of movement by operational staff to facilitate effective and timely responses and based on the operations of a modern ambulance service. Where possible multifunctional spaces are included in the design to allow the QAS to respond to the changing environment or utilise existing spaces for alternative uses if required.*²¹

Hutchison Builders stated that the design and specifications for the station ensured optimal building functionality and noted the minimal number of defects since handover of the station to Queensland Health.²²

¹⁵ Queensland Health, submission 4, p 272.

¹⁶ Queensland Health, submission 4, p 272.

¹⁷ Queensland Health, correspondence dated 2 September 2019, attachment p 4.

¹⁸ Queensland Health, submission 4, p 300.

¹⁹ Queensland Health, submission 4, p 272.

²⁰ Deputy Commissioner Metcalfe, public hearing transcript, Brisbane, 19 August 2019, p 2.

²¹ Queensland Health, submission 4, p 272.

²² Hutchinson Builders, submission 3, p 3.

During its inspection of the completed station, the committee noted only one functional problem with the station. The waste drain and removable filter for the vehicle wash-down bay repeatedly clogged and required cleaning by staff on a daily basis.

In response to committee questions about the drain during the public hearing, QAS stated:

The Queensland Ambulance Service (QAS) complies with the council's / statutory bodies' requirements regarding the lawful discharge of the water and waste from the wash-bays. To comply with the relevant requirements, the QAS is required to install system/s to treat the wastewater to make the water compliant to be discharged to the council sewers.

As part of the QAS Brief and Specification, the Design and Construct contractor is required to install a precast oil/silt interceptor trap or oil/silt separator that meets Queensland Urban Utilities' requirements for use with the QAS vehicle wash bays. The method of treatment for disposal of waste water is also subject to Local Authority requirements and approval.

The design of the system installed requires the silt trap to be cleaned of debris on a six monthly basis. The grated drain in the vehicle wash bay is designed to capture small stones and other waste prior to the effluent water being treated, by the inclusion of a small stainless steel mesh basket.

It was brought to the QAS's attention during the defects liability period of the Wynnum Ambulance Station that the mesh basket is causing the water blockage and overflow issues.

Investigation revealed that the mesh size is comparatively too small, resulting in clogging of the system. The contractor repaired the mesh size, which resulted in rectifying the blockage / clogging issue. Hence the issue stands resolved and no further concerns have been notified regarding the wash bay area.

As a lesson learnt from Wynnum Ambulance Station project QAS Infrastructure and Procurement Branch are currently carrying out an engineering review of the QAS Brief and Specification. This will cover design requirements and specifications related to the grated drains and other plant and equipment. The outcome of the engineering review will be incorporated into the QAS brief and specification document used for future ambulance station constructions.²³

3.2.4 Technical and environmental performance

Hutchinson Builders was required to ensure that the materials and standards of workmanship for the building and site works:

- were fit for the purpose
- were consistent with the nature and character of the works required to comply with the QAS's project requirements, and
- considered local preferences and trade practices in the selection of materials, systems and services.²⁴

The Queensland Health and QAS, provided superintendency services to ensure that the facility was constructed according to legislative requirements.²⁵

²³ Queensland Health, correspondence dated 2 September 2019, p 2.

²⁴ Queensland Health, submission 4, p 272.

²⁵ Queensland Health, submission 4, p 272.

The Public Safety Business Agency (PSBA) was responsible for designing and coordinating the installation of information and communication technology, network, and radio equipment at the Wynnum Ambulance Station and completed the following during the project:

- information technology provisions and equipment recommendations based on QAS functional information provided to the PSBA
- the supply of a project specific requirements document to the QAS outlining the specific technologies to be installed at the site, and
- the design and installation of the communications network for this site by the Public Safety Network Management Centre (PSNMC), a business unit of the PSBA.²⁶

Queensland Health noted in its submission that when designing the network solution for the new Wynnum Ambulance station, the PSNMC took into consideration both the type of telephony and radio requirements available and the type required for the site. It produced a Public Safety Network Service offering that included recommendations for the data carriage solutions for the site.²⁷

3.3 The need for, and advisability of, the works

Queensland Health advised that the former location of the station on the hospital site at Lota limited the future development options for that site. Therefore, it was likely to have a significant impact on the viability of the site for development. As a consequence, it would impact on the financial return from a future the sale. With the QAS required to relocate from the site as a result of the MSHHS decision, a replacement station and a suitable alternative site were required.²⁸

The options considered by Queensland Health included:

- **Option 1 – Maintain the Status Quo** was not recommended as there was uncertainty regarding the availability of the existing site for the QAS's use and likely surrounding residential development to follow once the land was divested by the MSHHS.
- **Option 2 – Lease Suitable Alternative Premises** was not recommended because of the lack of available properties, the costs involved with altering the accommodation to meet operational requirements and ongoing lease payments.
- **Option 3 – Construct a New Facility on a New Site (to be acquired by the QAS)** was not recommended because of the costs associated with acquiring new land and the availability of suitable land.
- **Option 4a – Construct a New Facility on a Site Owned by the MSHHS (8-Bay Plant Room)** was not recommended because it would not provide value for money in terms of the likely requirement to undertake further expansion of the facility in the medium term and resulting impact on operations at the site.
- **Option 4b – Construct a New Facility on a Site Owned by the MSHHS (10-Bay Plant Room)** was recommended for further investigation as it satisfied all the current accommodation requirements and enables future growth on the site in line with the expected growth in the region.²⁹

²⁶ Queensland Health, submission 4, p 275.

²⁷ Queensland Health, submission 4, p 275.

²⁸ Queensland Health, submission 4, p 276.

²⁹ Queensland Health, submission 4, p 277.

Queensland Health advised that it selected option 4b because:

- *it fulfilled the key objectives and requirements of the project*
- *it had the ability to continue to service the Wynnum locality within KPI response time targets*
- *the site is located in a flood-free area*
- *the site is located in close proximity to allied services*
- *the site formed part of the new Integrated Health Care Centre*
- *there is easy and safe access and egress of the response vehicles to and from the site*
- *the site was able to accommodate all the necessary operational functions of the station now and into the future, and*
- *the project reflected economical whole-of-life costs, including realistic capital expenditure.*³⁰

The risks associated with not proceeding with this project included:

- *station crews would continue to operate from the existing building in the short term, but the requirement of the MSHHS for the QAS to vacate the site would require the station to relocation from the site and could result in a gap in service delivery if a replacement station was not available for occupation*
- *possible failure to meet local community expectations that ambulance services would be provided in a timely and efficient manner, and*
- *station crews may have had to operate from a temporary site that did not meet the current and future functional and service delivery requirements.*³¹

3.4 The initial and recurrent costs of the works

3.4.1 Budget outlays

The MSHHS advised that it preferred to grant Lot 2 on SP291067 (i.e. the land to accommodate the Replacement Wynnum Ambulance Station) as freehold land to Queensland Health on behalf of the QAS for the new facility. No funds were exchanged for the transfer of ownership of the land from the MSHHS to Queensland Health on behalf of the QAS.

To fund construction, \$3.4 million was received by the QAS as an equity injection from Queensland Health. Funding for this project was included in the 2016-17 and 2017-18 Queensland Budget Capital Statement (Budget Paper 3) for an amount of \$4.6 million.³²

The total project cost for the Wynnum Ambulance Station was \$2,978,687 (excluding GST).

The breakdown of the project capital costs (excluding GST) is as follows:

Ambulance Station (including IT Network Hardware)	\$ 1,630,439
Ambulance Plant Room	\$ 852,845
Site Improvements	\$ 438,965
Decant	NIL
Generator	\$ 56,438
Total	\$ 2,978,687

Source: Queensland Health, correspondence dated 2 September 2019, attachment p 7.

³⁰ Queensland Health, submission 4, p 277.

³¹ Queensland Health, submission 4, p 277.

³² Queensland Health, submission 4, p 281.

3.5 Benchmarking

Benchmarking of construction and development costs can provide an indication of the value for money for a work. The table below, supplied by Queensland Health, provides a comparison of recently constructed stations.

Station	Description	Year Built	Capital Cost	Operating Cost
Mermaid Waters	AU3 Station, two rest/study rooms, as well as 1 rest/study multipurpose room, nine-bay vehicle plant room with basement carpark for 17 vehicles	2018	\$4,335,267*	\$581,940**
Wynnum	AU4 Station, two rest/study rooms (dbl) and two rest/study rooms convertible to multifunctional single space, ten-bay vehicle plant room	2018	\$2,972,862 ³³	\$215,813***
Birtinya	AU4 Station, Training office and rooms, 21-bay vehicle plant room	2017	\$4,151,810	\$38,302
Yandina QAS	AU3 Station, three rest study rooms, four-bay vehicle plant	2017	\$1,753,880	\$14,982
<p>* Note that final invoicing has not been received for this project.</p> <p>** Note that the operating cost includes decanting costs and lease fees for a temporary site while the replacement station was being constructed.</p> <p>*** Note that the operating costs included mandatory external water mains infrastructure upgrading works.</p>				

Source: Queensland Health, Submission 4, p 278.

The committee noted that the capital cost of the Wynnum Ambulance station appeared to be within an appropriate range.

3.6 Value for money achieved, or likely to be achieved, by the works

The QAS completed a business case for the project which included a review of all available options to replace the station and a cost estimate of the preferred option prepared by an external quantity surveyor.³⁴

Queensland Health advised that the tenders were called for and evaluated using a combination of price and non-price criteria, which enabled the selection of a contractor and tender submission that reflected value for money. A quantity surveyor reviewed the tender costs to ensure that a value for money tender price was received.³⁵

Queensland Health also advised that ongoing value for money outcomes are achieved through the QAS utilising a design and specification based on robust, non-complex quality materials and equipment. Critical equipment and services are required to meet specific performance criteria to reduce breakdown and operational impacts. Construction of a new building minimises maintenance issues in

³³ The Queensland Ambulance Service advised that the difference between the figure in its submission (\$2,972,862) and the figure quoted in question taken on notice - 6 (\$2,978,687) relates to signage for the Wynnum Ambulance Station. The signage costs were paid in December 2018, which was after the compilation of the Queensland Ambulance Service's submission in November 2018. See Queensland Ambulance Service, correspondence dated 19 September 2019, p 1.

³⁴ Queensland Health, submission 4, p 278.

³⁵ Queensland Health, submission 4, p 278.

the short to medium term and the above approach ensures a whole-of-life-cycle reduction in costs from repairs and replacement of equipment.³⁶

The QAS brief and specification was also designed to achieve value for money by ensuring that sustainable elements and materials are utilised, including passive climatic design measures and through specifying warranty services and periods.³⁷

In addition, the submission made by Hutchinson Builders stated that the practical completion of the project was achieved ahead of time and on budget.³⁸

3.7 The impact of the works on the community, economy and environment

3.7.1 Impact on the community

Queensland Health performed a public consultation process about the Wynnum Ambulance Station project in 2016. It received six submissions which were mostly supportive of the proposal in principle.³⁹

The adjacent landowners the new Wynnum station raised concerns regarding noise and the lights and sirens from operational vehicles. In response, QAS explained that during an emergency call out, emergency vehicle sirens will only be activated if required to navigate through heavy traffic, which is considered highly unlikely for this location. Furthermore, given the transient nature of the 'emergency service use', it is noted that staff rarely remain at the station during a complete shift.⁴⁰

Brisbane City Council requested that some requirements were implemented as part of the ministerial designation process. These requirements related to noise, construction and traffic management, and included the widening of the pavement on New Lindum Road and new kerb and channelling. Provision was made in the layout of the facilities, in particular the setback to the New Lindum Road frontage to allow for the future upgrade of New Lindum Road.⁴¹

Queensland Health advised that the relocation of the former Wynnum Ambulance Station benefits the local and broader community through the provision of a new station and plant room to accommodate the current specification ambulance vehicles and provides for future growth. The project constituted essential emergency services infrastructure required to meet service delivery needs in the public interest.⁴²

3.7.2 Impact on the economy

In accordance with the Queensland Charter for Local Content,⁴³ contractors, sub-contractors, suppliers and consultants all benefit from this project, adding stimulus to the local economy. The construction provided 14 FTE construction sector jobs.⁴⁴

Queensland Health anticipated that the local economy would benefit from increased QAS staff numbers operating within the local community.⁴⁵

³⁶ Queensland Health, submission 4, p 278.

³⁷ Queensland Health, submission 4, p 278.

³⁸ Hutchinson Builders, submission 3, p 3.

³⁹ Queensland Health, submission 4, p 282.

⁴⁰ Queensland Health, submission 4, p 282.

⁴¹ Queensland Health, submission 4, p 525.

⁴² Queensland Health, submission 4, p 283.

⁴³ Queensland Government, Department of State Development, Manufacturing, Infrastructure and Planning, Queensland Charter for Local Content, <http://statedevelopment.qld.gov.au/resources/policy/queensland-charter-for-local-content.pdf>.

⁴⁴ Queensland Health, submission 4, p 284.

⁴⁵ Queensland Health, submission 4, p 284.

3.7.3 Impact on the environment

No significant environmental issues were identified with the project. Queensland Health advised that the following sustainable design features were incorporated into the Wynnum site:

- *water conservation through the use of onsite water tanks*
- *drought resistant landscaping*
- *ventilation*
- *photo-voltaic (PV) power system*
- *solar hot water systems*
- *further energy savings including:*
 - *passive measures such as light-coloured roofing materials, roof and wall insulation, natural lighting and ventilation, roof overhangs, sun control screening*
 - *sensor controlled lighting*
 - *energy efficient fluorescent and LED light fittings*
 - *zoning for lighting and air conditioning, and*
 - *energy efficient air conditioners.*⁴⁶

3.8 Procurement methods for the works

The procurement of the quantity surveyor, project manager and contractor was carried out by Queensland Health and delivered as a Design and Construct lump sum contract. This was achieved through an open competitive tender process.

Open tenders were called by the Department of Housing and Public Works (DHPW) using the AS4300 - 1995 Design and Construct Contract model in accordance with the Capital Works Management Framework, the State Government Purchasing Policy and the Queensland Charter for Local Content.⁴⁷ Contractors tendering for the project were required to be pre-qualified through the DHPW contractor prequalification process, ensuring that they were financially viable and appropriately experienced. Queensland Health advised that historically this competitive market process has achieved the best value for money construction prices. Queensland Health advised:

For the construction component of the Wynnum project, AS4300 1995 Design and Construct via an open tender was used, with Queensland Government templates provided by the DHPW. As a pre-qualified contractor (PQC) applicable project, only PQC eligible contractors could be considered.

For the project management component of the Wynnum project, a select tender process was undertaken, using a select list of consultants drawn from the PQC eligible list. Queensland Government templates provided by the Department of Housing and Public works (DHPW) were used for documentation associated with tenders. As a PQC applicable project, only PQC eligible consultants could be considered.

For the engagement of the quantity surveyor for the Wynnum project, a select tender process was undertaken, using a select list of consultants drawn from the PQC eligible list. Queensland

⁴⁶ Queensland Health, submission 4, p 284.

⁴⁷ Queensland Government, Department of State Development, Manufacturing, Infrastructure and Planning, Queensland Charter for Local Content, <http://statedevelopment.qld.gov.au/resources/policy/queensland-charter-for-local-content.pdf>.

*Government templates provided by the DHPW were used for documentation associated with tenders. As a PQC applicable project, only PQC eligible consultants could be considered.*⁴⁸

Queensland Health advised that the AS4300 1995 Design and Construct delivery method used generally reduces the QAS's risk as there is less scope for variations. Projects are generally delivered more quickly than using traditional methods under AS2124 as timeframes for full documentation are reduced.⁴⁹

Queensland Health also advised that this method enabled the briefing requirements of a typical ambulance station to be clearly set out, giving flexibility for the building industry to provide an innovative outcomes-based solution at a competitive value-for-money outcome, and streamlining the procurement design and delivery time schedule.⁵⁰

3.9 The balance of public and private sector involvement in the works

At the recommendation of Queensland Health and following their standard procedures, the project manager and quantity surveyor services were provided under a select tender arrangement. Design and construction were also provided under an open tender arrangement as per the Queensland Procurement Policy.⁵¹

Queensland Health advised that the use of private sector specialist construction, supply and consulting companies to provide design and construction services and supply equipment and furnishings was the most appropriate approach, with minimal alternative options.⁵² Procurement of these services was consistent with the QAS, Queensland Health Procurement Guidelines and the State Purchasing Policy.⁵³

The public sector provided project and procurement management (Queensland Health) as well as ICT project specific requirements (PSBA).

The following items were provided by the private sector:

- Project Manager (Savills)
- Project Superintendent (Savills)
- Design and construction delivery (Hutchinson Builders)
- Quantity Surveyor (GRC engaged by the Queensland Health)
- Architectural Review (Heron Hattingh Consulting engaged by the QAS).

The total expenditure for the project allocated to the public sector was \$254,000 (excl GST) and the private sector was \$2,718,862 (excl GST).⁵⁴

⁴⁸ Queensland Health, submission 4, p 288.

⁴⁹ Queensland Health, submission 4, p 288.

⁵⁰ Queensland Health, submission 4, p 290.

⁵¹ Queensland Health, submission 4, p 290.

⁵² Queensland Health, submission 4, p 292.

⁵³ Queensland Health, submission 4, p 292.

⁵⁴ Queensland Health, submission 4, p 292.

3.10 The performance of the constructing authority for the works, consultants and contractors

In its submission, Hutchinson Builders commented on the performance of Queensland Health as the constructing authority.⁵⁵

*The Department of Health's in depth knowledge of the construction process along with a comprehensive understanding of the QAS Brief was invaluable and can be directly attributed to the project success.*⁵⁶

Queensland Health advised that consultants and contractors carried out work according to specification, on time and within budget. Queensland Health also reported that the work carried out by the contractors was of a very high standard, considered to be good value for money and all contractual obligations were met.⁵⁷ The Hutchinson submission also referred to minimal defects encountered since handover.⁵⁸

During inspection of the completed station in December 2018, the committee noted the very high standard of finish and a number of features incorporated into the finished building to ensure the station performs extremely well to meet the needs of staff. This was achieved through the cooperative relationship between Hutchinson Builders and QAS contact staff for the project.

3.11 Committee conclusions - Wynnum Ambulance Station

The committee concluded that:

- works were suitable for the purpose in terms of location, size, functionality and technical and environmental performance
- the works were necessary and advisable
- the costs of the works were reasonable
- it is satisfied that value for money was achieved by the works
- the work will have a positive impact on the community, the economy and minimise impacts on the environment
- the procurement methods were acceptable
- the balance of private and public sector involvement in the work was reasonable, and
- the performance of the constructing authority, consultants and contractors was of a high standard.

⁵⁵ Hutchinson Builders, submission 3, p 3.

⁵⁶ Hutchinson Builders, submission 3, p 3.

⁵⁷ Queensland Health, submission 4, p 293.

⁵⁸ Hutchinson Builders, submission 3, p 3.

4 The Mermaid Waters Ambulance Station project

Since 1987, the QAS had been operating ambulance services in the Mermaid Waters area from the station formerly known as Coral Gardens Ambulance Station, located at the corner of Allandale Entrance and Markeri Street, Mermaid Waters, 4218. The station had 30 FTE staff and a vehicle fleet comprising five ambulance vehicles, two low acuity vehicles and one officer in charge vehicle. The plant room housed a six bay plant room and a two bay carport.⁵⁹

The station was replaced by a new station on the same site and renamed the Mermaid Waters Ambulance station. The new station has provision for nine vehicles plus 17 regular carparks. In 2017-18, 10.75 additional FTE staff were allocated to the Mermaid Waters Station bringing the total to 40.75.⁶⁰

4.1 Purpose of the work

The purpose of the work was to provide the infrastructure required to support the QAS to meet the current and projected demand for ambulance services in the Mermaid Waters area and its surrounds.⁶¹

4.2 The stated purpose of the works, and the suitability of the works for the purpose

Queensland Health advised that the existing station, which opened in 1987, had reached capacity for the number of staff and vehicles it accommodated. It did not allow for future growth and was no longer fit for purpose.⁶² The building did not support efficient work flows or support the QAS to deliver the most effective or optimal performance required of a modern ambulance service.⁶³ Nor did the building provide the standard of accommodation and amenities required for staff performing a critical role in a demanding 24/7 service delivery environment.⁶⁴

During the public hearing, Deputy Commissioner Metcalfe explained the department's rationale for building larger stations such as the Mermaid Waters station. Mr Metcalfe advised:

*... we take those stations up to 40 or 60 and put in extra supervisory capacity to assist with the management of such a large group. Mermaid Waters is one example of that. We purchased the block next door a number of years ago so that we had the capacity to expand the footprint if we felt the need to. At the time we bought that block next door I think we had about 20 staff at Mermaid Waters. There are now 40 staff at Mermaid Waters and there is capacity to put additional staff there to ensure we get a long, useful life out of that facility.*⁶⁵

4.2.1 Location and site

Queensland Health advised that the location of the site supported and aligned with the service delivery requirements of the Gold Coast LASN and adjacent stations at Burleigh Heads and Mudgeeraba. A decision to remain at the current site was driven by the need to achieve response times and demand for services within the immediate location.⁶⁶ The adjacent site had been purchased previously when it was placed on the market for sale.⁶⁷

⁵⁹ Queensland Health, submission 4, p 75.

⁶⁰ Queensland Health, correspondence dated 2 September 2019, p 9.

⁶¹ Queensland Health, submission 4, p 6.

⁶² Queensland Health, submission 4, p 76.

⁶³ Queensland Health, submission 4, p 6.

⁶⁴ Queensland Health, Submission 4, p 6.

⁶⁵ Public hearing transcript, Brisbane, 19 August 2019, p 5.

⁶⁶ Queensland Health, submission 4, p 9.

⁶⁷ Queensland Health, submission 4, p 9.

4.2.2 Size and scale

Queensland Health advised that early planning and identification of a growing demand for services informed a decision to deliver the optimal solution for the site in terms of built infrastructure and immediate capacity for growth.⁶⁸

The expected current and future resource levels for staff and vehicles were determined by analysis of information and statistics relating to the existing and projected demand for ambulance services for the area included incident data, demographic profiles, and population growth.⁶⁹ Accordingly, the decision was taken to build a nine bay plant room with a 17 bay basement carpark.⁷⁰

4.2.3 Functional performance

Queensland Health advised:

*Ambulance station and plant room infrastructure and the associated spaces were specifically designed to support the operational functions of the QAS. They provided space for parking vehicles and services such as the charging of equipment. Areas for equipment, drug, medical gases, and patient care stores and laundry facilities were also included. The station provides amenities and rest, training, office, study and multifunctional spaces for staff.*⁷¹

*Spaces were designed to follow the flow of movement by operational staff to facilitate effective and timely responses and based on the operations of a modern ambulance service. Where possible multifunctional spaces were included in the design to allow the QAS to respond to the changing environment or utilise existing spaces for alternative uses if required.*⁷²

During its inspection of the completed station on 4 December 2018, the committee observed that the access to the station's car park appeared to be difficult for workers.⁷³

4.2.4 Technical and environmental performance

The contractor was required to ensure that materials and standards of workmanship prescribed in the trade specifications and other documents in respect of the building and site works:

- were fit for the purpose
- were consistent with the nature and character of the works required to comply with the QAS's project requirements, and
- considered local preferences and trade practices in the selection of materials, systems and services.

DHPW Building and Asset Services (BAS), which acted as principal under the contract on behalf of QAS, provided superintendency services to ensure that the facilities were constructed according to legislative requirements and whole of government policies.⁷⁴

The PSBA was responsible for designing and coordinating the installation of ICT, network, and radio equipment at the Mermaid Waters Ambulance Station and completed the following during the project:

- information technology provisions and equipment recommendations based on QAS functional information provided to the PSBA

⁶⁸ Queensland Health, submission 4, p 9.

⁶⁹ Queensland Health, submission 4, pp 78-79.

⁷⁰ Queensland Health, submission 4, p 75.

⁷¹ Queensland Health, submission 4, p 9.

⁷² Queensland Health, submission 4, p 10.

⁷³ Public hearing transcript, 19 August 2019, p 5.

⁷⁴ Queensland Health, submission 4, p 11.

- the supply of a project specific requirements document to the QAS outlining the specific technologies to be installed at the site
- the design and installation of the communications network for this site by the PSNMC, a business unit of the PSBA.⁷⁵

When designing the network solution for this site, the PSNMC took into consideration the type of telephony and radio requirements available and required, and produced a Public Safety Network Service offering that included recommendations for the data carriage solutions for the site.⁷⁶

4.3 The need for, and advisability of, the works

Queensland Health advised that demand for ambulance services has continued to increase in the Mermaid Waters locality due to population growth, demographic change and seasonal and event-based peaks. The population in the Gold Coast Local Government Area in 2011 was 515,202, and this was projected to increase to 905,681 by 2036, equating to an annual growth rate of 2.3% over the 20-year period.⁷⁷ Demand for ambulance services is expected to increase in line with the projected growth in population.⁷⁸ In 2010, the QAS identified the need to replace the existing Coral Gardens Ambulance Station at Mermaid Waters to meet operational and service delivery requirements.⁷⁹ The department further advised that the construction of a new ambulance station in the Mermaid Waters area anticipates and responds to this projected future demand.⁸⁰

The options considered by Queensland Health included:

- **Option 1 – Maintain the Status Quo** was not recommended as it did not satisfy all the accommodation requirements of the Ambulance Station, did not address emerging staff concerns, and restricted the growth of ambulance services in the immediate locality.
- **Option 2 – Lease Suitable Alternative Premises** was not recommended because of the lack of available properties, the costs involved with altering the accommodation to meet operational requirements, ongoing costs of lease payments, and lack of secure permanent accommodation.
- **Option 3 – Refurbish or Extend the Existing Facility** was not recommended because of the extent of alterations required and the limitations to service delivery, functionality, and growth resulting from the constraints of the existing site and building layout and ongoing maintenance costs of the existing building. Upgrading the existing building and services would incur significant costs but not be reflected in extending the lifespan of the existing structure.
- **Option 4 – Demolish and Rebuild on the Existing Site (with a basement carpark)** was recommended for further investigation as it satisfied all the current accommodation requirements of the then Coral Gardens Ambulance Station and addressed the deficiencies of the existing facility. The provision of the basement was cost-effective in comparison to the alternative of purchasing additional limited and high value adjoining property.
- **Option 5 – Demolish and Rebuild a New Facility on the Existing Site (with no additional car parking facilities)** was not recommended because of the limitations to service delivery (including staff security), functionality and growth resulting from the constraints of the existing site.

⁷⁵ Queensland Health, submission 4, p 12.

⁷⁶ Queensland Health, submission 4, p 12.

⁷⁷ Queensland Health, submission 4, p 14.

⁷⁸ Queensland Health, submission 4, p 14.

⁷⁹ Queensland Health, submission 4, p 13.

⁸⁰ Queensland Health, submission 4, p 14.

- **Option 6 – Purchase an Alternative Site and Construct a New Facility** was not recommended because of the lack of available properties, associated significant costs and issues with obtaining planning approvals.⁸¹

Option 4 was selected for further consideration because it met the key project objectives and requirements.⁸²

According to Queensland Health, the reasons for selecting this option included:

- it fulfilled the key objectives and requirements of the project
- it enabled service to the Mermaid Waters area within KPI response time targets
- it facilitated an increase in resources at the existing station by being able to accommodate additional staff, and also reduce the demands on Coolangatta, Runaway Bay, Nerang and Southport Ambulance Stations
- the site was located in close proximity to allied services
- there is easy and safe access and egress of the response vehicles to and from the site
- the site benefited from direct and safe access of the response vehicles to major traffic routes with good response radii in all directions
- the site was able to accommodate all the necessary operational functions of the station now and into the future
- the project reflected economical whole-of-life costs, including realistic capital expenditure, and
- this option resulted in facilities that help attract and retain staff at required levels.⁸³

The risks associated with not proceeding with this project included:

- response times to the major growth areas of Mermaid Waters would continue to impact QAS service delivery standards
- neighbouring stations would continue to be compromised because of limited capacity to meet increasing demands for ambulance services to the Mermaid Waters communities
- possible failure to meet the local community expectations that ambulance services be provided in a timely and efficient manner
- station crews would continue to operate from a building that did not meet the current and future functional and service delivery requirements
- ambulance vehicles would not be secure because of limited on-site parking space and the requirement to park them on the adjacent undeveloped site
- maintenance costs, including those associated with any structural issues, would remain high and would escalate over the coming years, and
- that continued deterioration of the existing station would ultimately lead to a need for its abandonment with limited options for temporary accommodation.⁸⁴

⁸¹ Queensland Health, submission 4, p 17.

⁸² Queensland Health, submission 4, p 17.

⁸³ Queensland Health, submission 4, p 16.

⁸⁴ Queensland Health, submission 4, p 16.

Option 4 was also selected because it met the objectives of the relevant stakeholders and the risks of not proceeding with the project may have limited the ability of the QAS to achieve its key performance indicators.⁸⁵

At the public hearing on 19 August 2019, committee members questioned the decision to remain at the original site owing to the cost of the construction of the car park.⁸⁶

Deputy Commissioner Metcalfe explained that the primary reason for the decision to demolish and rebuild on the same site was because it was in the middle of the response profile for that area.⁸⁷

4.4 The initial and recurrent costs of the works

4.4.1 Budget Outlays

The replacement ambulance station was constructed on the site of a previous ambulance station, owned by the QAS, reducing the overall project costs that would have occurred from any decision to purchase a new high-cost site and from the investigations and transactional costs associated with land acquisition.⁸⁸ Funding for this project was included in the 2016-17 and 2017-18 Queensland Budget Capital Statement (Budget Paper 3) for \$4.7 million.⁸⁹

The total project cost for the Mermaid Waters Ambulance Station was \$4,335,467 (excluding GST). While the original station was demolished and the new station was constructed on the same site, staff were accommodated at a decant site.⁹⁰

Ambulance Station (including IT Network Hardware)	\$ 1,650,244
Ambulance Plant Room	\$ 1,480,224
Site Improvements	\$ 999,037
Generator	\$ 205,762
Total capital cost	<u>\$ 4,335,267</u>
Decant cost	<u>\$ 582,000</u>

Source: Queensland Health, correspondence dated 2 September 2019, p 8.

⁸⁵ Queensland Health, submission 4, p 16.

⁸⁶ Public hearing transcript, Brisbane, 19 August 2019, p 4.

⁸⁷ Public hearing transcript, Brisbane, 19 August 2019, p 4.

⁸⁸ Queensland Health, Submission 4, p 17.

⁸⁹ Queensland Health, Submission 4, p 20.

⁹⁰ Queensland Health, correspondence dated 2 September 2019, p 8.

4.5 Benchmarking

Benchmarking of construction and development costs can provide an indication of the value for money for a work. The table below, supplied by Queensland Health, provides a comparison of recently constructed stations.

Station	Description	Year Built	Capital Cost	Operating Cost
Mermaid Waters	AU3 Station, 2 rest/study rooms, as well as 1 rest/study multipurpose room, 9-bay vehicle plant room with basement carpark for 17 vehicles	2018	\$4,335,267*	\$581,940 **
Wynnum	AU4 Station, 2 rest/study rooms (dbl) and 2 rest/study rooms convertible to multifunctional single space, 10-bay vehicle plant room	2018	\$2,972,862 ⁹¹	\$215,813 ***
Birtinya	AU4 Station, Training office and rooms, 21-bay vehicle plant room	2017	\$4,151,810	\$38,302
Yandina QAS	AU3 Station, 3 rest study rooms, 4-bay vehicle plant room	2017	\$1,753,880	\$14,982
<p>* Note that final invoicing has not been received for this project as at 13 December 2018.</p> <p>** Note that the operating cost includes decanting costs and lease fees for a temporary site while the replacement station was being constructed.</p> <p>*** Note that the operating costs included mandatory external water mains infrastructure upgrading works.</p>				

Source: Queensland Health, submission 4, p19.

Queensland Health advised that the cost of the Mermaid Waters Station project is higher as a result of local market conditions at tender and the inclusion of a basement in the design.⁹² The committee noted that, taking into consideration the inclusion of the basement, the capital cost of the Mermaid Waters Ambulance station appeared to be within an appropriate range.

4.6 Value for money achieved, or likely to be achieved, by the works

The QAS completed a business case for the project, which included a review of all available options to replace the station and a cost estimate of the preferred option by an external quantity surveyor.

The preliminary conceptual design was subject to ongoing review by the QAS, end users, DHPW BAS and external consultants. The designs prepared by the builder were also subject to ongoing review. This process ensured that the design aligned with objectives and represented value for money.⁹³

Open tenders were called by the DHPW BAS using the AS4300 1995 Design and Construct Contract model and in accordance with the Capital Works Management Framework, the State Government Purchasing Policy and the Queensland Charter for Local Content. Contractors tendering for the project were required to be pre-qualified through the DHPW contractor prequalification process, ensuring that they were financially viable and appropriately experienced. The tenders were evaluated using a combination of price and non-price criteria, which enabled the selection of a contractor and tender submission that reflected value for

⁹¹ The Queensland Ambulance Service advised that the difference between the figure in the submission (\$2,972,862) and the figure quoted in question on notice - 6 (\$2,978,687) relates to signage for the Wynnum Ambulance Station. The signage costs were paid in December 2018, which was after the compilation of the Queensland Ambulance Service's submission in November 2018. See Queensland Ambulance Service, correspondence dated 19 September 2019, p 1.

⁹² Queensland Health, Submission 4, p 17.

⁹³ Queensland Health, Submission 4, p 17.

*money. Queensland Health advised that historically, this competitive market process has achieved the best value for money construction prices using this model.*⁹⁴

Although two tenders were received only one was compliant.⁹⁵ QAS advised that the tender process was managed by DHPW.⁹⁶

Queensland Health advised that ongoing value for money outcomes were achieved through the QAS utilising a design and specification based on robust, non-complex quality materials and equipment. Critical equipment and services are required to meet specific performance criteria to reduce breakdown and operational impacts. Construction of the new building minimised maintenance issues in the short to medium term, and the above approach ensure a whole-of-life-cycle reduction in costs from repairs and replacement of equipment.

The QAS brief and specification was also designed to achieve value for money by ensuring that there are sustainable elements and materials utilised, including passive climatic design measures and through specifying warranty services and periods.⁹⁷

4.7 The impact of the works on the community, economy and environment

4.7.1 Impact on the community

Queensland Health ran a public consultation process in 2015 and five submissions were received. All submissions were from Queensland Government departments.⁹⁸

The Department of Transport and Main Roads (DTMR) acknowledged that ‘the expected vehicle movements will be negligible and similar to that of the existing conditions’. As such, DTMR recommended no change to the existing plans.⁹⁹ The other responses did not specify potential community impacts. Negative impacts associated with the facility were minimal, given the continuation of an existing use on site.¹⁰⁰

In his submission to the committee’s inquiry, Councillor Paul Taylor of the Gold Coast City Council advised of complaints from local residents during the construction phase.¹⁰¹ Cr Taylor suggested that that signage be erected on site to explain the purpose of the work to local residents and to provide a phone number for the construction manager to answer questions or address concerns. According to Queensland Health:

*The redevelopment of the former Coral Gardens Ambulance Station benefited the local and broader community through the provision of a new station and plantroom to accommodate the current specification ambulance vehicles and provide for future growth. The proposal constituted essential emergency services infrastructure required to meet service delivery needs in the public interest.*¹⁰²

⁹⁴ Queensland Health, submission 4, p 17.

⁹⁵ Queensland Health, submission 4, p 27.

⁹⁶ Public hearing transcript, Brisbane, 19 August 2019, p 4.

⁹⁷ Queensland Health, submission 4, p 17.

⁹⁸ Queensland Health, submission 4, p 260.

⁹⁹ Queensland Health, submission 4, p 260.

¹⁰⁰ Queensland Health, submission 4, p 23.

¹⁰¹ Cr Paul Taylor, City of Gold Coast, submission 2, p 1.

¹⁰² Queensland Health, submission 4, p 22.

4.7.2 Impact on the economy

Queensland Health advised that in accordance with the Queensland Charter for Local Content, contractors, sub-contractors, suppliers and consultants all benefit from this project, adding stimulus to the local economy. The construction provided 14 FTE construction sector jobs.¹⁰³

The Mermaid Waters station had 30 FTE positions before the redevelopment of the site and now has 40.75 FTE positions.¹⁰⁴ Queensland Health explained that the local economy benefits from an additional 10 staff operating within the community who are able to support the growing community and its events.¹⁰⁵

4.7.3 Impact on the environment

Queensland Health advised that no significant environmental issues were identified with the project.¹⁰⁶ The following sustainable design features were incorporated into the Mermaid Waters site:

- *water conservation through the use of underground water tanks*
- *drought resistant landscaping*
- *ventilation*
- *photo-voltaic (PV) power system*
- *solar hot water systems*
- *further energy savings including:*
 - *passive measures such as light-coloured roofing materials, roof and wall insulation, natural lighting and ventilation, roof overhangs, sun control screening*
 - *sensor controlled lighting*
 - *energy efficient fluorescent and LED light fittings*
 - *zoning for lighting and air conditioning, and*
 - *energy efficient air conditioners.*¹⁰⁷

4.8 Procurement methods for the works

For the construction component of the Mermaid Waters project, AS4300 1995 Design and Construct via an open tender was undertaken by DHPW, BAS, who were engaged by the QAS to provide procurement and project management services.¹⁰⁸ As a pre-qualified contractor applicable project, only pre-qualified eligible contractors could be considered.¹⁰⁹ Two tenders were received and one was non-compliant because the company was not registered in the pre-qualification system. The project was awarded to the remaining applicant, Wiley and Co.

¹⁰³ Queensland Health, submission 4, p 22.

¹⁰⁴ Queensland Health, correspondence dated 2 September 2019, p 9.

¹⁰⁵ Queensland Health, submission 4, p 22.

¹⁰⁶ Queensland Health, submission 4, p 27.

¹⁰⁷ Queensland Health, submission 4, p 26.

¹⁰⁸ Queensland Health, submission 4, p 3.

¹⁰⁹ Queensland Health, submission 4, p 27.

Queensland Health advised that the AS4300 1995 Design and Construct delivery method used generally reduces the QAS's risk as there is less scope for variations. Projects are generally delivered more quickly than using traditional methods under AS2124 as timeframes for full documentation are reduced.¹¹⁰ The department advised:

*This method enabled the briefing requirements of a typical ambulance station to be clearly set out, giving flexibility for the building industry to provide an innovative outcomes-based solution at a competitive value-for-money outcome, and streamlining the procurement design and delivery time schedule.*¹¹¹

A concept planning stage was implemented to ensure that the requirements of the QAS would be clearly set out. Consultant architect Heron Hattingh was engaged by the DHPW BAS for concept design and inspectorial services throughout the project. The DHPW engaged this company as per their standard procurement process.¹¹²

Quantity surveyor Queensland Quantity Surveying was engaged by DHPW BAS to provide independent cost estimating and management services throughout the project. The DHPW engaged this company as per their standard procurement process.¹¹³

The design and construct contractor provided their own architectural and services sub-consultancy team to develop the station design.¹¹⁴

4.9 The balance of public and private sector involvement in the works

Queensland Health advised that, in line with the Capital Works Management Framework, the DHPW was engaged as the State's representative to deliver the project.¹¹⁵ This approach utilised an existing partnership agreement between DHPW BAS and the QAS, and the extensive experience and services provided by the DHPW BAS.¹¹⁶

Queensland Health further advised the use of private sector specialist construction, supply and consulting companies to provide design and construction services and supply equipment and furnishings was the most appropriate approach with minimal alternative options.¹¹⁷ Procurement of these services was in line with the QAS, the DHPW BAS procurement guidelines, and the Queensland Procurement Policy.¹¹⁸

The public sector provided project and procurement management (QAS and DHPW) as well as ICT project specific requirements (PSBA).

The following items were provided by the private sector:

- design and construction delivery (Wiley and Co)
- provision of equipment and furnishing (various external supply companies, local where appropriate)
- review of design and specification (external engineering and architectural consultants, quantity surveyor, and building certification services).

¹¹⁰ Queensland Health, submission 4, p 27.

¹¹¹ Queensland Health, submission 4, p 27.

¹¹² Queensland Health, submission 4, p 28.

¹¹³ Queensland Health, submission 4, p 28.

¹¹⁴ Queensland Health, submission 4, p 28.

¹¹⁵ Queensland Health, submission 4, p 31.

¹¹⁶ Queensland Health, submission 4, p 27.

¹¹⁷ Queensland Health, submission 4, p 29.

¹¹⁸ Queensland Health, submission 4, p 29.

The total expenditure for the project allocated to the public sector was \$222,000 (excluding GST). Total expenditure allocated to the private sector was \$4,045,000 (excluding GST).¹¹⁹

4.10 The performance of the constructing authority for the works, consultants and contractors.

Queensland Health advised that the consultants and contractors carried out their work according to specification, on time and within budget.¹²⁰ It also reported that the work carried out by the contractors was of a very high standard, considered to be good value for money and that all contractual obligations were met.¹²¹

4.11 Committee conclusions - Mermaid Waters Ambulance Station

The committee concluded that:

- the works were suitable for the purpose in terms of location, size, functionality and technical and environmental performance
- the works were necessary and advisable
- the costs of the works were reasonable
- value for money was achieved by the works
- the work will have a positive impact on the community, the economy and minimise impacts on the environment
- the procurement methods were acceptable
- the balance of private and public sector involvement in the work was reasonable, and
- the performance of the constructing authority, consultants and contractors was satisfactory.

Recommendation

The committee recommends that the House notes this report.

¹¹⁹ Queensland Health, submission 4, p 30.

¹²⁰ Queensland Health, submission 4, p 32.

¹²¹ Queensland Health, submission 4, p 30.

Appendix A – Submitters

Sub #	Submitter
001	Destravis Group
002	Cr Paul Taylor, City of Gold Coast
003	Hutchinson Builders
004	Queensland Health

Appendix B – Witnesses at public hearing

Queensland Ambulance Service

- Deputy Commissioner Michael Metcalfe, Executive Director, Corporate Services

Statement of Reservation

STATEMENT OF RESERVATIONS

LNP MEMBERS

Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee

INQUIRY INTO THE WYNNUM AND MERMAID WATERS AMBULANCE STATION PROJECTS

1

The L.N.P. Members of the Committee refer to Section 94 of the Parliament of Queensland Act. There are a number of questions that are required to be considered in Section 94 which encompass various components including;

- a) Details of recurrent spending
- b) Comparison of data before and post the new operational station to assess “value for money” and “impact of the works in the community”
- c) Staffing of new complexes
- d) Testing of population growth forecasts against the growth of need for services and
- e) The timeline to establish full capacity of the new stations

Further points will be discussed during debate on the Report in Parliament.



Mark McArdle MP
State Member for Caloundra
Deputy Chair QLD Parliamentary
Health Committee
25th November 2019



Marty Hunt MP
State Member for Nicklin
Member QLD Parliamentary Health
Committee
25th November 2019