Australasian College
for Emergency Medicine

AMA

ABN: 37 008 426 793

27 August 2024

Hon Jeremy Rockliff MP
Premier
Level 11, Executive Building
15 Murray Street
HOBART TAS 7000

Dear Premier

RE: Redevelopment of the Royal Hobart Hospital's Emergency Department

We write to seek your urgent intervention into the funding of the Royal Hobart Hospital (RHH) Emergency Department (ED) Redevelopment project.

As you are aware, the ***proposed development designed to meet current and projected demand through to 2035***, is no longer going ahead due to escalation of building costs and the unwillingness of the government to fund the additional $50m to ensure the project is delivered in its entirety.

On behalf of the population served by the RHH ED, the AMA Tasmania Branch and the Australian College of Emergency Medicine's Tasmania Faculty (ACEM) cannot accept the ***revised to budget redevelopment amendments*** that no longer meet the known and projected demand on the RHH ED. We refute any notion that the clinicians involved in this revised budget redevelopment plan support the ***revised to budget redevelopment amendments.*** These proposals have come from infrastructure staff and are not supported by the healthcare staff and leaders within our hospital, who, due to the very nature of public service appointments, are unable to speak freely or frankly.

As it stands, the *revised to budget redevelopment* plans will see $130m spent with:

- not one additional acute adult bed: currently have 31 beds, revised plan delivers only 29, two less. The original plan was to deliver 54 beds in two pods for infection control. **A cut of 25 beds (46% reduction)**
- less treatment points than first planned: currently have 80 treatment points open, revised plan delivers up to 90 in the ED. The original plan was to deliver up to 120 treatment spaces. **A cut of 30 treatment points (25% reduction).** Note: 3J beds cannot be called ED treatment spaces.
- no upgrading of any adult acute bed treatment spaces to meet national standards
- only one new resuscitation bay added instead of two. **A cut of one resuscitation bay (50% reduction).**
- deletion of proposed trauma resuscitation bay **(100% reduction from proposed)**
- reduction of Ambulance bays from Proposed additional 4 to 2 **(50% reduction)**
- no short stay paediatric beds

Both the AMA Tasmania Branch and ACEM's Tasmania Faculty are deeply concerned to hear that instead of a completely redeveloped ED over two levels, the ***revised to budget redevelopment*** amendments include cutbacks to the existing one level, blending renovated areas into the original old space with only the few new sections meeting Australasian Hospital Facility Guidelines (HFG). Our greatest concern is the revised project does not deliver for today's patient demand, let alone predictable patient demand in the future. We note the current ED was built to cater for 45,000 patients per year but is receiving 80,000 (almost double) that number today with projected presentations expected to be 135,000 by 2035.

Alarmingly, in the revised plan there is not one additional adult lie-down bed, when demand is growing in this cohort of patients. In fact, there is a reduction! The initial plan delivered 54 lie down beds, the ***revised to budget plan*** delivers 29 from the current 31 beds. This is simply unacceptable, as it fails to meet the current and projected requirement for an ageing population, where elderly frail patients must be treated with compassion, dignity and respect. We stress that a chair in a corridor or tiny space is not an appropriate space for any patients to be assessed and have emergency care delivered. No amount of community paramedics, HITH beds, short-stay beds etc are going to replace the need for more lie down adult beds in an ED. We know Tasmania has the fastest ageing population in Australia, a high burden of chronic disease and the RHH is the only public ED for the south of the State, serving a population of over 300,000, and is the ED for the state's Tertiary Trauma Unit, neurosurgery, vascular and paediatric surgical services.

AMA Tasmania Branch and ACEM's Tasmania Faculty understands some of the revised data being quoted by government to justify the decision to cut back the planned redevelopment is incorrect as some vital patient data was missing that underpinned the presumptions. Demand is not just about bed occupancy at a given time but must also include patients in the waiting room, on the ramp, the 'did not wait' patients, the patterns of arrivals (that is, surge in demand times) as well as population growth predictions. In fact, we are concerned that the original data that said 120 treatment points was required to meet future demand was too conservative. Regardless, we know a plan that only delivers 92 treatment points is vastly underestimated. Right now, there are around 80 points of care in the ED, and yet 21 per cent of ambulances are still ramped beyond 60 minutes and there are roughly 40 patients in the waiting room. 92 treatment points do not meet current demand, let alone in ten years.

Added to these concerns is the fact that one of the most vulnerable groups of patients are older people who are at particular risk from delirium and falls. The over 85s are to increase by 85 per cent between 2020 and 2040. This group of patients are twice as likely to be admitted and twice as likely to arrive by ambulance as the ED patients overall. These elderly patients need a lie down bed in an assessment cubicle.

We have also heard the government believes the investment in other models of care such as the Hospital in the Home (HITH) program and better use of the Transit lounge among other initiatives means better patient flow and less need for more treatment points. The reality is the HITH program, while important and supported, is directly admitting around five patients a day to the RHH, with minimal impact on growing ED demand pressures. There are still too many patients bed blocked in ED with all the measures being put in place to assist with patient flow through the hospital.

It is important too to address the issue of 3J, which is being put forward as a solution to the ED problem of needing to increase treatment points. This ***temporary facility*** is not appropriate to be considered a part of the ED for several reasons:

1. 3J is not an ED. This is a temporary demountable building that was built as temporary capacity ward space to facilitate other works being completed on the RHH site.
2. 3J short stay beds do not meet Australian HFG guidelines for ED treatment spaces.

3. 3J would be difficult to staff and respond to deteriorations in patients, being physically too far away from the actual ED to be safe. It would lead to patient and staff harm.
4. The additional 22 short stay beds in 3J are not required. There are sufficient short stay beds in H block (28). Rather than 50 short stay and only 52 ED beds, what is needed is 28 short stay and 90 ED beds.
5. 3J is needed in the future as a decant space so that important A block ward upgrades can occur.
6. 3J itself is not fit for long term use and will eventually need to be replaced.

We accept that building costs have blown out, and this project has already had to have its budget increased once due to the requirement to address structural issues, and all new works being required to meet the new building codes for emergency departments, but it is critical we do not cut corners now. To do so will be detrimental to patients and staff and the reputation of RHH ED in the community. As it is, staff are doing their best to look after patients, but working in a space that is crammed and not fit for purpose is demoralising and unsafe. To know that this space will no longer be redeveloped and upgraded for adult patients is devastating for those working within its tired, crowded walls. The RHH ED has worked hard to recruit and retain exceptional staff and have managed to minimise locum doctors. We have no doubt that if the new plan goes ahead, the wellbeing of staff will be compromised, and staff will leave. Staff will not want to work in a site that continues to compromise patient care and does not address fully the issue of violence in the ED. We have seen how in the North/North West of the state that locums can cost over $50 million a year. This reduction in the cost of the rebuild is short sighted and will undoubtedly cost more in terms of both human and financial factors.

We recognise planning for future growth is not easy, but when you know the current make up of beds and treatment points is not meeting existing demand, then you must increase clinical spaces. We mustn't forget the experience of the current ED. It was opened in 2006 believing it would future proof the RHH for decades, but instead it was already too small four years later. The frightening thing is planners at that time didn't know they had underestimated demand. This time we know what is being planned won't meet existing demand let alone future demand. We must not repeat this mistake again, where we only have one chance on the "brownfield" RHH site to get this right.

Overflowing emergency department waiting rooms, a lack of staff, long treatment wait times, long elective wait lists, blown-out outpatient lists, and ramped ambulances aren't just words; they are the reality for Tasmanians and the frontline staff who care for them.

Premier, AMA Tasmania Branch and ACEM's Tasmania Faculty cannot stand by and watch a disastrous decision be allowed to go forward without imploring government to change its mind and fund the additional $50m to complete the entire project. This project must be at the top of the list of government infrastructure projects.

AMA Tasmania and ACEM's Tasmania Faculty stand ready to meet with you should you wish to discuss this matter further with us.

Kind regards

Dr Michael Lumsden-Steel
President, AMA Tasmania Branch

Dr Juan Carlos Ascencio-Lane
Chair, ACEM Tasmania Faculty Board

Cc: Minister for Heath, Hon. Guy Barnett

Department of Health

Tasmanian Government

☐ Approved ☐ Approved with Comment ☐ Not Approved ☐ Referred to Committee for advice/noting	Chair Comment:

Meeting Paper

Committee Name: Infrastructure Oversight Committee
Prepared by: Rick Sassin, Senior Project Manager
Date Prepared: 14 June 2024
Cleared by: Jon Hughson, A/Director Programming and Delivery

Subject: **Royal Hobart Hospital Redevelopment Stage 2 – Program and Financial Position Update**

Recommendation

1 **Note the current program and financial position for the Royal Hobart Hospital (RHH) Redevelopment Stage 2 program.**

Background

- The 2019-20 budget provided funding of $63 million for the RHH Redevelopment Stage 2, in addition to the $28.1 million allocated in the 2018-19 budget for RHH Redevelopment Stage 2 (ward upgrades).
- In the 2021-22 budget, an additional $110 million was provided for an expanded RHH Redevelopment Stage 2.
- The RHH Redevelopment Stage 2 project largely consists of:
    - A-Block Redevelopment including the replacement of the façade, roof and internal refurbishment
    - expansion of the Emergency Department (ED)
    - an expansion of the Intensive Care Unit to provide an additional 12 beds (completed May 2023)
    - refurbishment of J-Block Level 2 to accommodate Cardiology Services and a sleep studies unit (completed May 2023) and
    - the permanent relocation of the Paediatric Outpatient Unit that was displaced from the lower ground of H-Block when the ED Short Stay Unit was constructed.

Summary of Key Issues

- Internal Deliberative Material [redacted]

Analysis of Issues

Emergency Department Expansion

- $28 million was initially allocated for the ED Expansion, from the initial $91.1 million budget.
- In 2020 and early 2021, work towards a viable solution on the site was not found that met the identified needs and demands of the service and stakeholders.
- In mid-2021, the budget for the ED Expansion project was increased to $42.1 million.
- In September 2021, the Minister announced the creation of 25 further points of care by the end of 2022, which commenced Phase 1 of the project. The ED Expansion project budget was increased to $52.9 million. The additional points of care were commissioned in January 2023 at a cost of $11 million.
- In parallel to Phase 1, Phase 2 commenced with an agreement on a Model of Care that required a minimum of 118 points of care (up from the 63 points of care at the time) to support the projected service demand to 2035. In June 2022, stakeholders agreed that $115 million of the RHH Redevelopment Stage 2 budget would be allocated to deliver the full ED Expansion of near 7 000 square metres noted in the Schedule of Accommodation.
- In late 2023, a schematic design was approved by the Project Sponsor with the Quantity Survey estimating a potential cost of $163 million. That cost included $34 million of contingencies, relating to:
    - cost escalation, being 6 per cent 2024-25, 5.5 per cent 2025-26 and 5 per cent in 2026-27
    - market loading, with Hobart noted as a tight market
    - construction contingency of 10 per cent

  - design contingency of 10 per cent and
  - additional loading for working on the RHH site of 10 per cent.
- Internal Deliberative [redacted]
- In March 2024, with the detailed design nearing completion, the overall ED Expansion budget was increased to $130 million.
- The current program expects to run a Request for Tender for the construction of Phase 2 in August 2024.
- Internal Deliberative [redacted]
- Internal Deliberative [redacted]
- Internal Deliberative [redacted]
- Internal Deliberative [redacted]

A-Block Redevelopment

- In 2021, the A-Block Redevelopment Project was allocated a budget of $103.6 million. To date, $15.8 million has been spent in A-Block for the completion of:
  - Level 6 interim refurbishment works – Trauma and Acute Surgical Unit (Project Management fees only)
  - Level 5 interim refurbishment works on the Acute Older Persons Unit
  - Level 4 full refurbishment of the Endoscopy Unit and
  - Level 3 interim refurbishment works for the Rapid Assessment Medical Unit.
- Business Information [redacted]
- Internal Deliberative [redacted]
- Internal Deliberative [redacted]

- In April 2023, BSPM Pty Ltd were appointed as lead design consultant to undertake the Planning and Scoping phase for the roof and façade replacement, and refurbishment of Levels 2-9 (the original full scope of the project).
- During 2023 and early 2024, extensive site investigations, planning and scoping was undertaken to develop to concept level the potential scope of works in alignment with the original brief. In February 2024 the draft scoping report was completed subject to the resolution of several inpatient concept designs where direction on standardised vs bespoke design was required from the Project Sponsor.
- Internal Deliberative [redacted]
- During the 2024 election campaign, the Liberal party announced the "Building a Better Health System" policy. This includes funding of $187 million over 6 years for a modified list of deliverables for the A-Block Redevelopment and a new $15 million Public Diagnostic Breast Care Centre. Internal Deliberative [redacted]
- With the announcement of the modified list of deliverables and associated budget, the Planning and Scoping Phase was paused temporarily to review the impact of the announcement and accommodate what had to be delivered.
- Any new funding will not be confirmed until the State Budget is handed down in September 2024. However, project planning is proceeding based on assumed funding.
- Internal Deliberative [redacted]
- Internal Deliberative [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
- [redacted]

Paediatric Outpatient Relocation

- In February 2022, the Paediatric Outpatient Unit was temporarily relocated to Level 3 of D-Block to enable expansion of the RHH Emergency Department. A decision was made to permanently relocate the Paediatric Outpatient Unit to Level 9 of the Wellington Centre.
- Internal Deliberative [redacted]
- [redacted]
- [redacted].

Financial Considerations

- Business Information [redacted]
- [redacted]

Communication Considerations

- N/A

Attachments

1 PowerPoint Presentation – ED Expansion Project

Prepared by	Rick Sassin	Senior Project Manager	Personal Information	14 June 2024
Cleared by	Jon Hughson	A/Director, Programming and Delivery		19 June 2024

Department of Health

Tasmanian Government

☐ Approved ☐ Approved with Comment ☐ Not Approved ☐ Referred to Committee for advice/noting	Chair Comment:

Meeting Paper

Committee Name: **Infrastructure Oversight Committee**
Prepared by: **Mark Leis, Project Manager**
Date Prepared: 10/12/2024
Cleared by: **Jon Hughson, A/Director Programming & Delivery**

Subject: **Royal Hobart Hospital Emergency Department Expansion Project**

Recommendation

1 **That the Infrastructure Oversight Committee note the update on the RHH Emergency Department Expansion Project.**

Background

- The Royal Hobart Hospital (RHH) Emergency Department (ED) expansion project is being delivered as part of the RHH Redevelopment Expanded Stage 2 project that commenced in 2019.
- Phase 1 of the ED Expansion project was completed in February 2023 with commencement of services in the new 28 bed Short Stay Unit (SSU) in Lower Ground H Block on Argyle Street.
- To date design of Phase 2 of the ED expansion has been driven by an agreed Model of Care derived from an October 2021 KP Health report into future ED patient demand. This report identified the requirement for 118 points of care by 2035.
- The budget for the ED expansion has progressively increased over the length of the project and is now $130 million.
- At 90% completion of design documentation for 118 points of care, it was evident it was not possible to deliver the project within budget.
- Between July and September 2024 several variations of the design were developed, however, none of them were acceptable to clinical stakeholders.
- The Department engaged KP Health to develop a revised demand report which considered changes in demand post Covid-19 as well as the numerous ED avoidance measures now in place.

Summary of Key Issues

- Internal Deliberative
- Internal Deliberative
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- Internal Deliberative

- Internal Deliberative

Analysis of Options

- Internal Deliberative

Financial Considerations

- Internal Deliberative

Communication Considerations

- Community consultation on the design will occur during the detailed design stage early in the second quarter of 2025.

Attachments

1 Conceptual plan of LG J Block/H Block RHH Emergency Department

2 Conceptual plan of Ground floor J Block RHH

3 Conceptual plan of Level 3 J Block RHH

			Personal Information	
Prepared by	Mark Leis	Project Manager		10/12/2024
Through	Rick Sassin	Senior Project Manager		11/12/2024
Cleared by	Jon Hughson	A/Director Programming and Delivery		12/12/2024

Department of Health

Change Request

Tasmanian Government

SECTION 1: CHANGE BACKGROUND			
Project Name:	RHH Redevelopment Stage 2 (RHHR2) – ED Expansion	Project ID:	Mark Leis
Content Manager Ref:	F19/000271		
Change Name:	Project Budget	Change ID:	EDP2-CR-05
Current project situation: *Describe the current project performance and progress.*	Internal Deliberative		
Change request description: *Describe the change requested.*	Internal Deliberative		
Reasons for change request: *Describe the why the change is requested, and link to the project business drivers and outcomes.*	Internal Deliberative		

SECTION 2: SUMMARY ANALYSIS OF OPTIONS			
Impact Summary	Benefits	Disadvantages	Cost
Option 1 (Recommended Option) Internal Deliberative	Internal Deliberative	Internal Deliberative	Internal Deliberative

SECTION 2: SUMMARY ANALYSIS OF OPTIONS

		Internal Deliberative	
Option 2 Internal Deliberative	Internal Deliberative	Internal Deliberative	Internal Deliberative
Option 3 Internal Deliberative	Internal Deliberative	Internal Deliberative	Internal Deliberative

SECTION 3: RECOMMENDED OPTION DETAILED ANALYSIS

Benefits: *Identify the key benefits.*	Internal Deliberative
Disadvantages: *Identify the key disadvantages.*	Internal Deliberative
Costs: *Identify the likely costs and source of funds.*	Internal Deliberative
Schedule: *Identify the likely impacts to project schedule, particularly critical path activities.*	Internal Deliberative

SECTION 3: RECOMMENDED OPTION DETAILED ANALYSIS	
Scope: *Identify changes to agreed project scope.*	No change other than already put forward by other Change Requests on this Project.
Risk: *Identify risks that will be introduced from this change, and their treatment plans. Identify risks that will be mitigated by this change.*	Internal Deliberative
Issues: *Identify issues that will be introduced from this change, and their resolution plans. Identify issues that will be resolved by this change.*	Internal Deliberative
Stakeholders: *Identify key stakeholders, their impact and influence on the option, any issues raised and engagement mechanisms.*	Minister for Health Deputy Secretary Primary Care and Hospitals
Dependencies: *Identify impacts to project dependencies, and how this will be managed.*	

SECTION 4: SUPPORTING DOCUMENTATION	
List of supporting documentation:	Limit of Cost estimate (November 2023) by WT Partnership

SECTION 5: RECOMMENDATION
That Option 1 is supported on the basis that the Project team continue their focus on value management to achieve the project outcomes within the revised budget.

SECTION 6: ACKNOWLEDGEMENT AND APPROVALS			
	Name and Title	Signature	Date
Prepared	Mark Leis Project Manager		19-Dec-23

SECTION 6: ACKNOWLEDGEMENT AND APPROVALS			
Through	Project Reference Group		21 December 2023
Through	Jon Hughson A/Director Programming & Delivery		8-Jan-24
Endorsement	Dr Paul Scott A/Director Emergency Management		4-Mar-24
Approval (Project Sponsor)	Joe McDonald Chief Executive HS		6-Mar-24
Acknowledged (Steering Committee)	Steering Committee		