

Department RecFind No:	PI002394
Division/District	HPID
File Ref No:	CAPW000306

## Briefing Note

Deputy Director-General  
Health Planning and Infrastructure Division

Requested by: A/Director, Statewide  
Projects, Capital Delivery Program - South

Date requested: 9 June 2011

Action required by: 23 June 2011

### Action required

- ☒ For approval  
☐ For meeting

- ☐ With correspondence  
☐ For Information

### Other attachments for consideration

- ☐ Speaking points  
☐ Draft media release  
☐ Ministerial Statement  
☐ Question on Notice  
☐ Cabinet related document

**SUBJECT: MENTAL HEALTH CAPITAL WORKS PROGRAM  
OPERATIONAL AUDIT OF THE FUNDING PROGRAM MAY 2011**

## Proposal

That the Deputy Director-General, Health Planning and Infrastructure Division:

**Approve** the Mental Health Capital Works Program comments in relation to the *Operational Audit of Funding Program for the Queensland Plan for Mental Health 2007-2017* issue date May 2011 (Attachment 1).

**Note** that the Metro South Mental Health Service is implementing a comprehensive communication strategy, known by and in media releases by the Minister, including a public accessible website with regular updates on construction program, plans and timeframes for the Bayside, Coorparoo and Logan Community Care Units, Logan Acute Unit and Redland Adolescent Extended Treatment Unit.

<http://www.health.qld.gov.au/mhexpansion/default.asp>

**Note** that there are no other known publicly documented or announced dates excluding the above Metro South projects for each of the 17 projects within the Mental Health Capital Works Program.

## Urgency

- Urgent: the Manager, Audit and Operational Review Unit requested the "Management Response" table of the *Operational Audit of Funding Program for the Queensland Plan for Mental Health 2007-2017* issued on 4 May 2011 be returned not later than 26 May 2011.
- The following draft responses have been proposed in relation to the recommendations on page 15.
  - Recommendation 1 - Accept  
Project reports are provided on a monthly basis to the Deputy Director-General, Director-General and Minister and provide an overview of the project scope, status and budget. Reporting on these projects will continue to be evaluated to ensure that any delays or budget related issues are able to be more clearly identified.
  - Recommendation 2 - Accept  
HPID is committed to improving the forecasting of expenditure on capital projects. All possible factors that may affect expenditure on capital projects are now taken into account to ensure that cash flow targets are able to be met.

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### Background

3. The 2007/2008 State Budget provided funding for the Queensland Mental Health Plan Capital Works Program for 17 projects to improve and upgrade mental health facilities across the State.
4. The *Queensland Plan for Mental Health 2007-2017* Implementation Steering Committee meets bimonthly and is required to report directly to Cabinet on progress of the reform and development of mental health services across the State.
5. The Mental Health Capital Works Program Working Group is responsible for reporting to the Implementation Steering Committee on delivery of the 17 projects within the Mental Health Capital Works Program which are being delivered as part of the reform and development process.

### Key issues

6. The "Original Completion Dates" referred to on page No.43 contained in the Draft Audit Report (Attachment 1) were sourced from the initial Mental Health Capital Works Program Project Manager's Progress Report dated 20 August 2007. The initial Progress Report dates were transposed and adjusted from the earlier 25 May 2007 summary draft mental health program prepared by Tracey Brunstrom and Hammond (Programmers) as a guide only as to how the projects could be rolled out prior to engagement of the Project Manager, and the inaugural *Queensland Plan for Mental Health 2007-2017* Implementation Steering Committee meeting.
7. At this time there were machinery of Government changes where mental health was briefly under Department of Communities.
8. There are no stated dates for delivery of the mental health capital works projects within the *Queensland Plan for Mental Health 2007-2017* (Attachment 2).
9. As can be seen from the initial Progress Report comments (Attachment 3) these were indicative dates based on early project planning. The anticipated program did not allocate appropriate time frames for each of the project stages and approval processes.
10. The "Expected Completion Dates" referred to on the last page contained in the Draft Audit Report (Attachment 1) were sourced from the 16 February 2011 Progress Report and have since changed as reported monthly for each project in the Health Infrastructure Reporting System (HIRS).
11. It was initially anticipated the program would be completed by mid 2012 however it is now scheduled to be completed in April 2014. The three projects of Gales Community Care Unit, Townsville Medium Secure Unit and Redland Adolescent Centre will be delivered after mid 2012. The main issues that have contributed to the project delays are:
  - a) the requirement to address program funding shortfalls as the original program funding allocation was insufficient to deliver the 17 projects. This initially caused difficulties in obtaining approvals to progress individual projects. This funding issue has now been resolved through additional allocated funding with the new program budget seeking GIC approval (Attachment 4 – P102031);

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- b) the need to undertake a site options and associated cost analysis to confirm the location, scope and the associated funding required to deliver the Townsville Medium Secure Unit project. An option to defer the project into the planned future stage 2 Mental Health Capital Works Program was discounted following Queensland Treasury advice in May 2010 that there should be no expectation of future additional funding for this project and that Queensland Health would need to plan on the basis that the completion of the Townsville facility may need to be met from within Queensland Health's existing capital program. A significant change in the Statewide Mental Health Service Model has required the project to review and amend the previously endorsed Schematic Design and Developed Design to ensure the facility will be able to support the revised service delivery model;
  - c) the Redland Adolescent Extended Treatment Unit project has encountered issues with extended land acquisition timeframes, delays in confirming the model of service delivery to inform the Project Definition / Schematic Design, the requirement to address environmental issues under the Koala Conservation State Planning Regulatory Provisions implemented after the land was acquired and the inability to progress the Community Infrastructure Designation process for the site until the facility design had progressed to a point where proposed building locations were documented; and
  - d) the West Moreton Community Care Unit project encountered significant difficulties in securing a suitable site. This has been resolved with a suitable site being acquired at Gales.
12. During 2011 there were discussions held at three meetings between the A/Deputy Director General - Health Planning and Infrastructure Division and others including a Ministerial Advisor and the Senior Director - Cabinet and Executive Services, in regard to whether there was a delay with the Mental Health Program plus whether there was a need to progress a brief seeking approval for a delay in the program. The last meeting when this was discussed was on the 14 December 2010 with the Senior Director - Cabinet and Executive Services. The outcome of these three meetings has been there is no agreed nor announced delivery date and therefore no need to progress a brief in regard to any delays.

### **Consultation**

13. A *Queensland Mental Health Plan* Capital Works Working Group has been established to lead and direct the program of works. The working group includes officers from the Mental Health Alcohol and Other Drugs Directorate which is responsible for implementation of the *Queensland Mental Health Plan* and officers from Health Planning and Infrastructure Division which is accountable for capital works procurement and project management.
14. Facility Project Team Committees have been established for delivery of the projects at relevant Health Service Districts and Service User Groups have been established and consulted during the planning and design stages of the projects.

### **Financial implications**

15. There are no financial implications.

### **Legal implications**

16. There are no legal implications.

### **Elected representative**

17. Statewide Program.

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**Remedial action**

18. No remedial action required.

**Attachments**

19. Attachment 1 – Draft Audit Report dated May 2011.

Attachment 2 - *Queensland Plan for Mental Health 2007-2017.*

[http://www.health.qld.gov.au/mentalhealth/abt\\_us/qpfmh/08132\\_qpfmh07.pdf](http://www.health.qld.gov.au/mentalhealth/abt_us/qpfmh/08132_qpfmh07.pdf)

Attachment 3 – Progress Report 20 August 2007 comments.

Attachment 4 – P1002031 Governor-In-Council Expenditure Approval – Queensland Mental Health Plan Capital Works.



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**Recommendation**

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**APPROVED/NOT APPROVED****NOTED**

John Glaister  
Deputy Director-General

/ /

**Deputy Director-General comments**

*Rosemary*  
*This is not what I asked for. I wanted Darren to*  
*tell me when project commitments would be delivered.*  
*I specifically asked for a table listing all the infrastructure*  
*and working backwards from 1 July 2012*  
*when each would be delivered.*  
*Please do this.*

Author	Content verified by:	Endorsed by:	Cleared by:
Michelle Walter	Darren Williams	Rosemary Hood	Glenn Rashleigh
Acting Manager Statewide Projects	Acting Director Statewide Projects	Acting Program Director	Executive Director
Capital Delivery Program South Health Planning & Infrastructure Division	Capital Delivery Program South Health Planning & Infrastructure Division	Capital Delivery Program South Health Planning & Infrastructure Division	Capital Delivery Program Health Planning & Infrastructure Division
9 June 2011	9 June 2011	9 June 2011	

*07/11*