

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2011-2012, 19 October 2011

Question: E11-375

OUTCOME 5: Primary Care

Topic: GP SUPER CLINICS

Written Question on Notice

Senator Fierravanti-Wells asked:

On what date did the Redcliffe Hospital Foundation:

- a) Sign the construction contract?
- b) Commence construction ?
- c) First apply for a commercial loan to fund the construction?
- d) On what date did the Redcliffe Hospital Foundation sign the construction contract for the Redcliffe GP Super Clinic and on what date did they notify the Department of Health and Ageing that they had signed the construction contract?
- e) When did the Redcliffe Hospital Foundation first notify the Department of Health and Ageing that they did not have access to adequate finance?
- f) Was the Department of Health and Ageing aware when they gave approval for the commencement of construction of the Redcliffe GP Super Clinic that the Redcliffe Hospital Foundation had not secured adequate finance?
- g) Can you explain why the construction contract for the Redcliffe GP Super Clinic was signed in January 2010 and finance was not applied for until August 2010?
- h) On what date did the Redcliffe Hospital Foundation first approach the Department of Health and Ageing for an additional contribution of \$5m?
- i) Can you provide information on what the additional \$5m announced in August 2010 will provide?
- j) What specialist services will be available at the Redcliffe GP Super Clinic?

- k) Were any of these specialist services previously delivered in outpatients at the Redcliffe Hospital?

Answer:

- a) While the construction contract bears the date 14 January 2010, one party signed on 15 January 2010 and the other on 30 June 2010. We understand that both parties verbally agreed the terms and conditions in January 2010.
- b) Construction activity commenced at the site in May 2010 in line with Council approvals and as agreed between the parties.
- c) In accordance with the Queensland regulatory framework, the Redcliffe Hospital Foundation required the consent of the Queensland Government to seek borrowings. As indicated by the Queensland Minister for Health in September 2011, that consent was not forthcoming. The Redcliffe Hospital Foundation therefore was unable to apply to borrow funds.
- d) June 2010. The Department of Health and Ageing was provided with a copy of the contract in June 2010.
- e) and f)  
As previously indicated, the Department was aware from the start of the project that additional funds would be required and that the Redcliffe Hospital Foundation intended to secure funds from various sources, including commercial borrowings, to complete the project. The Foundation successfully sourced significant additional funding but was unable to secure the remaining funding as a result of the Queensland Government's decision not to grant the Foundation permission to borrow.
- g) As previously indicated, the Foundation always intended to secure funds from various sources and had successfully pursued this strategy. After earlier discussion with the Queensland Health Department about the process for seeking permission to pursue a loan, the Foundation applied for permission to borrow funds in August 2010, at that point having secured the majority of the additional funding required.
- h) The Foundation did not approach the Department for an additional contribution of \$5 million.
- i), j) and k)  
As indicated at the Senate Estimates Hearings in October 2011, the \$5 million has gone into the construction of the Clinic. The services to be supported at the Clinic are a matter for the yet-to-be-appointed Clinical Operator in line with local community health needs and priorities.