

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into the 2025-26 Budget Estimates**

Melbourne – Friday 6 June 2025

### **MEMBERS**

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch



**WITNESSES**

Melissa Horne MP, Minister for Health Infrastructure;

Jenny Atta, Secretary, and

Nicole Brady, Deputy Secretary, System Planning, Department of Health;

Priscilla Radice, Chief Executive Officer, Victorian Health Building Authority; and

Kevin Devlin, Director General, Victorian Infrastructure Delivery Authority.

**The CHAIR:** I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2025–26 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, any comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. This broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during the hearings and anything you say may be picked up and captioned, even if you say it quietly.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Health Infrastructure the Honourable Melissa Horne as well as officials from the Department of Health. Minister, I am going to invite you to make an opening statement or presentation of no more than 5 minutes. This will be followed by questions from the committee. Your time starts now.

**Melissa HORNE:** Thank you very much, Chair. I would like to start by acknowledging the traditional owners of the lands on which we are gathered and pay my respects to elders past, present and emerging.

**Visual presentation.**

**Melissa HORNE:** We are delivering a transformative \$15 billion worth of public healthcare infrastructure across the state. With our state's population projected to reach 10 million by 2051, we need to get on with building public health infrastructure to support Victorians at every stage of life and for generations to come, and we are currently delivering 64 initiatives, with 47 projects in construction and 17 in planning. These projects include new ambulance branches, early parenting centres and residential aged care and mental health facilities as well as major hospital expansions to deliver more health care no matter where you live.

We are delivering projects across Melbourne's growing suburbs, from the new Footscray Hospital in the west to the Frankston Hospital redevelopment on the peninsula, and these hospitals will transform public health care for our community. I am pleased to inform the committee that the Footscray and Frankston hospitals are on track for completion this year, something that I know you take a serious interest in, Chair.

**The CHAIR:** I love that photo, by the way.

**Melissa HORNE:** I know that you absolutely share in my excitement for the current phase of construction at Footscray, with new medical equipment being installed as we speak. And more than \$1.6 billion is invested to redevelop three of Victoria's busiest metropolitan hospitals, the Northern, Monash Medical Centre and the Austin Hospital, and these projects are progressing well, with works well and truly underway, because we

know how important it is for growing communities to have that access to better emergency departments, inpatient care and dedicated wards to meet maternal and paediatric needs, and that is just what we are delivering. Yesterday I was out with the Member for Werribee celebrating the completion of a major milestone of structural works at the Werribee Mercy emergency department.

Our ambition for affordable and accessible health care includes Victoria's regional and rural communities too, and that is why we are redeveloping and building new hospitals right across the state. The upgraded and expanded Ballarat Base Hospital is continuing at pace and will deliver a bigger emergency department, a helipad and a women and children's hub. The Warrnambool Base Hospital development will transform health care for the community, and works are progressing on a brand new clinical services building with a bigger emergency department, more operating theatres and beds, and dedicated areas for medical imaging and dialysis. And the new Barwon women's and children's hospital will transform health care for mothers and young families in the region. But the health infrastructure pipeline is not just about major projects. Our government knows how important it is to be able to continue to support health services through capital grants and infrastructure programs and how much of a difference this makes. That is why this government has proudly funded more than \$1.8 billion of grant projects to health services since 2015. Because of our investment, we have delivered hundreds of projects for health services that have really transformed health care for patients.

Chair, this government will always back our paramedics, and that is why we have delivered 47 ambulance branches since 2015, giving hardworking paramedics the modern workplace they need to quickly respond to local emergencies and to save lives. Last year we delivered a record-breaking 11 new ambulance branches, and progress is well underway for another four.

The 2025–26 state budget builds on our record health infrastructure investment and represents a boost of \$214 million to continue delivering for Victorians. Young families in Melbourne's north will be excited to hear that we are building on our \$15 million investment to build a new Northcote early parenting centre, boosting our investment by \$5 million. This is one of 12 new or upgraded EPCs that we are building across the state. And we are also investing \$171 million to ensure our hospitals are fitted out with the best medical equipment to maintain our hospitals. We continue to back our health professionals by building and upgrading public hospitals, health facilities and ambulance stations.

**The CHAIR:** Thank you very much, Minister. The first 7 minutes is going to Ms Benham.

**Jade BENHAM:** Thank you, Chair. Afternoon, Minister.

**Melissa HORNE:** Good afternoon.

**Jade BENHAM:** You would have seen yesterday in the *Age* an article about Mildura Base Public Hospital having the longest ED wait times in Victoria because of inadequate bed capacity and lengthy delays of course. Secretary, this may be best placed with you, this question. In 2020 Mildura Base Public Hospital, with much celebration from the government, transferred from private to public management. In 2021 the Department of Health authorised a service plan for MBPH. On the back of this service plan a \$2 million master plan was undertaken. Neither of these plans have been released publicly. In 2023–24 MBPH received funding under the Regional Health Infrastructure Fund to plan a new emergency department. Again, these plans were never released. What did the service plan say about ED bed capacity and the hospital's overall bed capacity, and why is this still not in the public domain?

**Jenny ATTA:** In relation to service planning, if I touch on the Department of Health's role, which is at system level planning, taking a system level lens and looking at a range of inputs to establish clinical scope for different services, hospitals and health services and start to prioritise for the pipeline, through that there are a range of plans that are developed at entity level, at service level – different master plans. But the department plans at that service level, and then the health building authority will, once a project has a green light, develop more granular planning.

**Jade BENHAM:** Sorry to interrupt, but in the interest of time –

**Jenny ATTA:** The range of master plans are developed at different points in time, but the department would release a master plan once there is an investment decision and the most up-to-date information can be taken into

account and released with that plan. For all hospitals and health services at different times there will be different levels of plans undertaken to inform further work to prioritise investment.

**Jade BENHAM:** We have seen renders from the consultants that were employed to undertake the master plan. They were found online last week, and they have come out. There is a master plan there; we know that people have seen it. The community in Mildura are desperate to get the emergency care that they deserve so people are no longer dying in hallways. When can we expect to see the public hospital's master plan?

**Jenny ATTA:** A third party may have released a master plan. There is not a formal or finalised or authorised master plan that the department has.

**Jade BENHAM:** It would be a very expensive drawing if it is, if that is the master plan. So we cannot expect to see it any time soon?

**Jenny ATTA:** I do not have any advice I can give you today on a formal master plan that can be released.

**Jade BENHAM:** Can you give any advice as to what the advice was to what the capacity of that hospital or the emergency department should be for their catchment?

**Jenny ATTA:** I do not think I have that information with me in terms of the broader system planning that would have taken place for Mildura. Again, the department undertakes that system-level planning and then as projects are prioritised through the pipeline –

**Jade BENHAM:** If you do not have that, sorry – again, in the interest of time, and obviously it is very limited – can we get what the capacity needs to be? Can I get that on notice if you do not have it to hand?

**Jenny ATTA:** I can see what we can make available, what we have.

**Jade BENHAM:** Minister, do you have that information?

**Melissa HORNE:** Look, I do not, and the way that it works is that the work that the health department does in conjunction with the local health units is provide advice to me as health infrastructure minister and also to the VHBA to say this is what we need built, and then that goes through the business case sort of process and –

**Jade BENHAM:** We know the plans have been done, all we need is some indication of what is required.

**Melissa HORNE:** I think that is best placed for the Minister for Health, who you have got up on Tuesday I think.

**Jade BENHAM:** But if there was an expansion – in your presentation there was \$171 million, I think, to invest in upgrades to hospitals. There are people dying in hallways. Is an upgrade to the ED in Mildura –

**Melissa HORNE:** We have not been commissioned to upgrade that at the moment. The Department of Health is working on the service provision in Mildura, but that is a matter for the Minister for Health.

**Jenny ATTA:** If I could, Minister, that is quite right; Minister Thomas will be here on Tuesday. Outside of any master plan there are a range of investments, service improvements, a lot of close work that the department is doing with Mildura Hospital, but I do not want to speak for the portfolio minister, who will be here on Tuesday.

**Jade BENHAM:** You mentioned the service plan. Do you have visibility of the service plan?

**Jenny ATTA:** No, I do not.

**Jade BENHAM:** I understand what you are saying as far as all the planning and things go, but you can understand the community's frustration in that it has been five years with seemingly little intent to invest in that infrastructure. We are just asking for if there is a plan to expand the hospital.

**Melissa HORNE:** And I do not have that information for you. You are best placed to raise those questions with the minister.

**Jade BENHAM:** Okay. But if the Secretary, like I mentioned before, could see what she could find, that would be – is that okay?

**Jenny ATTA:** Yes, we will see what is available.

**Jade BENHAM:** Okay, thank you. As far as community hospitals go – and this is a reference to budget paper 4, page 63 – in 2018 the Andrews government made an election commitment to fund 10 community hospitals at a cost of \$675 million located in – I am sure you know, Minister, the Cranbourne hospital, which is complete but not operational, when will this hospital be operational to deliver what the government has promised?

**Melissa HORNE:** Thank you for that question, and the community hospital program is precisely –

**The CHAIR:** Apologies, Minister. We are going to go to Mr Galea.

**Michael GALEA:** Thank you, Chair. Thank you, Minister, Secretary and officials, for joining us today. Budget paper 4, page 62, outlines two of the key hospital infrastructure initiatives that you have also referred to in your presentation, that being Footscray and Frankston, which I believe is the largest outer-suburban hospital project in the state's history. Very, very excited to hear that that is going to be opening this year. Minister, can you talk to me a bit about the progress of those two hospitals and where they are tracking for that opening later this year?

**Melissa HORNE:** Absolutely. And I know you were down with me at Frankston Hospital as well, and it just looks amazing.

**Michael GALEA:** Incredible.

**Melissa HORNE:** But look, in relation to Footscray Hospital, the Chair and I were actually up there last week and having a look at the progress, and it is stunning. It is a \$1.5 billion investment in what will create the biggest hospital outside of the CBD, and it has a number of different features. It is absolutely on track to be completed by the end of this year, and it is able to give so many more patient care opportunities. There is just a beautiful working space. One of the things that I think is absolutely critical with it is seeing First Nations voices reflected; that is certainly what the Chair and I were reflecting on last time we were up there. The landscaping, which is being done by Yarra View nursery, which is a local social enterprise, is all about local plants and native features to really highlight what is on the banks of the Maribyrnong. I was lucky enough to attend a ceremonial cutting of the threads that occurred earlier this week, which was to do with a tapestry that has been commissioned that will feature in the middle of the foyer. It will be 11 metres high. It has been designed by two Indigenous artists, Mitch and Maree, and it features a cross-section of a microcosm of the river reeds. It is a truly, truly stunning piece.

When you look at what is going on in the hospital at the moment, there is testing and commissioning that is going on. We have recently finished the fit-out of the pathology lab. No hospital can really operate without a pathology lab, particularly this one for Footscray Hospital which is going to provide pathology services throughout the entire western region. We are also working on the pedestrian footbridge that will link the hospital to Victoria University, because providing that teaching component is really, really important, and it also will link into the broader Footscray Park precinct. Glazing works are well and truly underway.

We have still got roadworks happening on Ballarat Road and Geelong Road, and I know the Member for Footscray Katie Hall was absolutely delighted that there was funding in this year's budget to make sure that tram stop is accessible, because obviously making sure that people can get in and out of hospital in an accessible manner on public transport is a critical feature. So that is where Footscray is at. It is stunning. I would be happy to take any members of the committee through it before it is open so they can see this amazing investment in health care for the western suburbs.

But further to your question about Frankston, how cool was it to be on that helipad? We went down there, what, a couple of months ago now and went through the build which is occurring at the refit-out of Frankston Hospital, which features things like a new 12-storey clinical service tower and main entrance. It has got 130 extra beds, 15 new operating theatres and upgraded facilities for mental health and for cancer care. I remember you and me having that discussion, particularly around the mental health space, of how they have

built in open space and open balconies. Admittedly, they have got the most stunning view, I would say, of any single hospital in all of Victoria.

**Jade BENHAM:** Point of order, Chair.

**The CHAIR:** Excuse me, Ms Benham. This had better be a good point of order, considering the view.

**Jade BENHAM:** I am just wondering if this is budget estimates or a sales pitch.

**The CHAIR:** Footscray Hospital's view is pretty good.

**Jade BENHAM:** I have no doubt that it is amazing, but we are in budget estimates and it is a sales pitch. I am very jealous.

**The CHAIR:** Thank you, Ms Benham. The minister to proceed.

**Melissa HORNE:** There is much to be proud of with our \$15 billion investment pipeline across all of Victoria. I think the week after we were there the last of the cranes came down and the helipad is now actually taking test flights. This will be terrific for that growing community down there so that they can actually get those helipad services to that hospital rather than having to come into the three trauma hospitals that we have got at Parkville or particularly at –

**Jade BENHAM:** The Alfred?

**Melissa HORNE:** The Alfred. Sorry, I was having a seniors moment then.

Work is proceeding at pace, and we are on track to have that build completed by the end of the year.

**Michael GALEA:** Wonderful. Thank you, Minister. And as you say, you have got the best view in Melbourne from that helipad in Frankston. Indeed it is very interesting as well in relation to Footscray Hospital – good point about the new super-stops outside the hospital as well for the trams. Obviously with the new G-class trams on route 82 coming in as well that is going to be a new tram to a new tram stop to a new hospital for people accessing that facility too, so that is a pretty good confluence of portfolios there too.

In relation to some of the additional benefits that the community will experience from these hospitals, I know there have been certain uplifts, certainly in Frankston. Can you talk a little bit more about what those look like?

**Melissa HORNE:** Thank you. As I said, there will be increased capacity for mental health services in particular, but also –

**The CHAIR:** We will come back this way, Mr Galea.

**Michael GALEA:** Thank you.

**The CHAIR:** Ms Benham.

**Jade BENHAM:** Me again. Thanks for the cannoli, but it is not going to make me ease off. One hospital that does not have a helipad – and there was a lot of time spent on the helipad in that last session – is Cranbourne. They do not in fact have anything. So I have some quick-fire questions, Minister. The Cranbourne community hospital: when will surgery commence?

**Melissa HORNE:** As you could appreciate with community hospitals, as I said, we have got a number of hospitals in this entire package. At Cranbourne major works are complete, but what we need to do – I think a good analogy is if you are building a new house, for example, you can move into a new house and you have still got some defects and you can still have your builder rectify some of those defects. The process in any sort of health environment is there is zero tolerance for errors, so you need to go through and make sure there is that commissioning –

**Jade BENHAM:** Do you have a date, though? I have got a few other questions. Do we have dates when surgery will commence?

**Melissa HORNE:** We need to make sure that it is absolutely perfect, there is nothing that is – it is going through that commissioning phase at the moment.

**Jade BENHAM:** The mental health services?

**Melissa HORNE:** Mental health services obviously have got – there is still the kit that is needed. There is still equipment and things like that is needed, and all testing needs to be absolutely correct.

**Jade BENHAM:** What about the urgent care? When will that be up and running?

**Melissa HORNE:** As the as the commissioning occurs –

**Jade BENHAM:** No date for that either?

**Melissa HORNE:** It will be ready when it is ready, because we need to make sure that there are absolutely no defects and everything has been commissioned perfectly.

**Jade BENHAM:** What about the specialist services that the government promised? Any date for that?

**Melissa HORNE:** The answer to these questions will remain the same, because we need to continue to go through that commissioning process.

**Jade BENHAM:** Okay. That is fine. So have clinical staff been recruited at all?

**Melissa HORNE:** That would be a matter for the health minister.

**Jade BENHAM:** Okay. There are no plans or solid dates at all that you could provide to us later – no further information on that?

**Melissa HORNE:** We just need to continue to work through the process. I mean, I can ask Priscilla Radice, who you have not met before – she is the new CEO of VHBA – to talk through maybe some of the works that are proceeding at Cranbourne.

**Priscilla RADICE:** Cranbourne hospital is one of the community hospitals that we are delivering for Department of Health. So when you do that final testing and commissioning of the building, you do that in step with the health service, and the health service needs to work through their staffing, their training and their scenarios, which does link back to the health service and the Department of Health and that phasing, which is separate from the building component.

**Jade BENHAM:** Sure. When will the commissioning be complete then?

**Priscilla RADICE:** That is in line with which services come on at which time, which is a sequencing matter.

**Jade BENHAM:** So the questions that I was asking before are not in fact the same question. I was accused before of asking the same question repeatedly, and you have just answered that question saying they are not; the services come on line separately. So when will the commissioning commence and end? The minister indicated the commissioning had begun, so when will the commissioning be complete?

**Priscilla RADICE:** The commissioning is different for different hospitals and different services. It depends on the health service and which services they are turning on at which time.

**Jade BENHAM:** Are you able to provide us on notice the dates on which the commissioning will be complete?

**Melissa HORNE:** If I can just jump in there, because the completion of commissioning and the start of services is really a matter for the health minister. It is that operationalisation of health services that sits well and truly in the purview of the Minister for Health.

**Jade BENHAM:** Yes, but the commissioning of the infrastructure itself sits with your department here and now. We are just after some dates on when the infrastructure will be finished and ready for clinical staff to be recruited and services to begin.

**Melissa HORNE:** We can certainly provide you with information about the completion of Cranbourne community hospital.

**Jade BENHAM:** Great. Thank you, Minister. Could you also please provide a breakdown of the services for Phillip Island community hospital, which was also promised to be open and operational in 2024?

**Melissa HORNE:** Look, I do not have a list in front of me, sorry, of what Phillip Island –

**Jade BENHAM:** Could you take that on notice?

**Melissa HORNE:** I can tell you it is on track to be completed by the end of the year, and certainly we can provide you with a list of what those services are.

**Jade BENHAM:** So you will provide that for us?

**Melissa HORNE:** Sure.

**Jade BENHAM:** Thank you very much, Minister. I suppose if the recruitment process has not been done, there has not been any consideration given to workforce challenges. The Secretary might be able to answer that.

**Jenny ATTA:** I think it is just as the minister has said: once the infrastructure is completed, the commissioning sits with the health portfolio. Minister Thomas will be here on Tuesday, and I am sure she will be happy to talk through that.

**Jade BENHAM:** She will be thrilled to talk about that, I am sure. How much of the total investment of the \$870 million has been expended on Craigieburn hospital?

**Melissa HORNE:** I do not have that detail at hand.

**Jade BENHAM:** You can provide that on notice.

**Melissa HORNE:** Major works are complete out there, and already we have got a new pharmacy and extended dialysis that is being delivered out there, but I do not have – \$20.76 million over four years. Is that correct, Secretary?

**Jade BENHAM:** That figure was –

**Melissa HORNE:** \$20.76 million over four years.

**Jade BENHAM:** Thank you, Minister. Secretary, one last one before my time runs out. Can you tell the committee why, after a four-year delay, this year's budget shows the completion date for all seven community hospitals as quarter 2, 2026–27, conveniently around the time of the state election?

**Melissa HORNE:** I can answer that. We take a programmatic approach, so we deliver these over time. It is sort of like a rolling program, which is why then –

**Jade BENHAM:** Into election time.

**Melissa HORNE:** Well, they are built when they are built and they are operationalised when they are ready to be operationalised.

**The CHAIR:** Thank you, Minister. We will go to Ms Kathage.

**Lauren KATHAGE:** Thank you, Chair, Minister and officials. Minister, it sounds like you have been around at a few hospitals recently. We were very excited to have you at the Northern, looking at the redevelopment work that is happening there. BP4 sets out some of the funding for that on page 62 and then there is information on page 65. But it is not just the Northern, it is Monash, Austin – but really, obviously, my interest is in the Northern as my local hospital. Can you tell us about the progress that is being made there?

**Melissa HORNE:** For sure. It was great to be up there really for the start of works, wasn't it? I know you brought your beautiful little youngest addition to your family up there. The Northern is part of a package of

works, the hospital infrastructure development fund, which does those seven hospitals. In relation to the Northern Hospital, that is an \$813 million redevelopment. It is one of our busiest hospitals. It was really interesting talking to the health services up there about just the growth that we are seeing in the northern suburbs and the demand that is up there. We were up there to really mark stage 1 of the works at the Northern, and that is expected to be complete mid next year. That is going to deliver a new four-storey ambulatory care building.

Now, for those of you who do not know what ambulatory care is, it is basically the care that you receive when you can walk into that building. It will provide that dedicated space for outpatients and ambulatory services. It is going to have the clinical care and the hospital administration and really be able to relocate the facade of the hospital so that it is much more accessible. Once that is done, we will then move on to stage 2, and that is going to be a brand new emergency department with an inpatient unit tower. That is going to include a dedicated paediatric zone, a specialised mental health hub and alcohol and other drugs hub, new inpatient units and an emergency observation unit. One of the things that I have really learned about in this portfolio that is so important is having car parks. This development up in the Northern will be a game changer for families. It will add almost 200 treatment spaces and support more than 30,000 emergency patients each year to access the care that they need much closer to home. So we will crack on with that and expect it to be finished in 2029.

**Lauren KATHAGE:** Thank you. Touch wood, I will not need it, but I think it is great that there is I think paediatric short stay as well included in that, because it is important for families to have that zone there. Another hospital that people in my electorate access is the Austin, and I know, further along there, the Monash. How are they ticking along? Because they have got big redevelopments as well.

**Melissa HORNE:** They absolutely do. That is why at the Austin we are spending \$275 million to upgrade their emergency department. We released designs for that in January this year. Some of the features that includes are a new three-level facility that is designed really with patients and staff in mind in a welcoming, therapeutic and safe space. The architecture, as you will see in those designs, has inspiration from natural organic forms and uses materials to try and create a calming atmosphere, because as you can appreciate, hospitals can be extremely stressful places.

Once completed, with that expanded emergency department it will treat more than 30,000 more emergency patients every year. It will feature up to 29 additional emergency treatment spaces, an upgraded short-stay unit and improved clinical administration areas. That means a lot more families in the local community will be able to access really world-class care much closer to home, and it will improve patient outcomes while supporting our really incredibly hardworking frontline health workers. I am pleased to say that early works have begun. Major construction will start later this year, and the project is on track for completion in 2028.

**Lauren KATHAGE:** Thank you, Minister. I did note the Member for Mildura's cynicism about the opening timelines of hospitals, but I guess that is what happens when you open hospitals every single year; there is going to happen to be an election in of those years. We just keep opening hospitals. I do not know – somebody stop us. We cannot help ourselves.

**Melissa HORNE:** With a \$15 billion pipeline of infrastructure work in the healthcare space, there is something happening all the time.

**Lauren KATHAGE:** All the time.

**Melissa HORNE:** Whether it is a new ambulance station, whether it is early works out at the Monash, there are works occurring across the state. It is pretty exciting.

**Lauren KATHAGE:** How do you manage that sequencing then?

**Melissa HORNE:** That is really the incredible job that the Victorian Health Building Authority does. They have got a pipeline of works that they plan out with enormous precision, being able to go out there and investigate what is going on, do that sort of specialist site planning, which is really, really complex to understand, because hospitals are like mini cities. They provide food services, they provide linen services, they provide car parking. A lot of the new hospitals that we have got have also got access to child care. Ten years ago you would not have thought that child care would be a feature of a hospital. Now it is just one of those things that is sort of a no-brainer, that you would be able to provide staff who want to work there or patients or

people who are visiting patients that sort of service. Planning that out is an incredible job, and all credit to Priscilla and her team for the work that they do.

**Lauren KATHAGE:** Thank you, Minister. And the women's and children's in Geelong, emergency department expansions, the Melton hospital, the Angliss in Upper Ferntree Gully, the Parkville precinct redevelopment –

**The CHAIR:** Thank you, Ms Kathage. We are going to the Deputy Chair.

**Nick McGOWAN:** Thank you. Thank you, Minister. Just to clarify, because I am not sure I heard correctly: you said, of the \$870 million, that \$20.7 million has been spent on Craigieburn. Is that correct?

**Melissa HORNE:** I might ask Priscilla to just clarify.

**Priscilla RADICE:** Yes, we generally keep the program, when we are working through that program of works, at a program level as we work through those dollar figures across that large program of work. I can take on notice the exact dollar figure for you, but we are still delivering that program of work and, as you talked through, Phillip Island towards the end of this year. So we are managing the community hospitals at a program level.

**Nick McGOWAN:** Okay. And Cranbourne as well, Phillip Island – you can provide those breakdowns to us, can you?

**Priscilla RADICE:** I will work through, on notice, the exact detail that we give you for each hospital as we work through at program level.

**Nick McGOWAN:** Sure.

**Melissa HORNE:** It is at a program level, which gives us that flexibility, as we work closely with the Department of Health, to be able to work through the services that are needed in different locations.

**Nick McGOWAN:** Okay. Thank you, Minister. Minister, this is perhaps one for you or the Secretary, but it will not surprise you, given I have already asked the Premier a similar question – that is, in respect to Maroondah Hospital. Maroondah Hospital, as you would know, was promised an ED – much less a helipad but certainly an ED for children – back in 2018. We all remember that well and fondly. Sadly, fast-forward to 2022, and we are promised a new hospital for \$1.01 billion and change. Of course you and I both know there is no shovels in the ground this year, because that is when it was slated to occur. So I am not particularly happy with Priscilla and her team, because nothing is happening in Maroondah. When is something going to happen? And I do not mean planning money. It would be nice to know how much of that money that is currently put aside for planning is for the purposes of Maroondah, but more importantly, when can we expect construction?

**Melissa HORNE:** You are right, Mr McGowan, that the Premier did answer this question unequivocally when she was before the committee. But if I can just outline some of the challenges that we have got with the Maroondah Hospital: it is a brownfield site, and as you can appreciate, building on a brownfield site is incredibly challenging. It is so complex because making sure that you are –

**Nick McGOWAN:** I am happy to do a tour with you, Minister, but they can do it in London. They can do it in New York. It is a large site. We can take one car park down and build a new building. I am not quite sure that that actually –

**Melissa HORNE:** Are you offering to take me to London, Mr McGowan?

**Nick McGOWAN:** Well, London is a stretch, but, Minister, if that is what it takes to get a hospital in Maroondah, absolutely, yes. You know my point. My point is: we are many years down the track, and the poor people of Maroondah and the surrounding districts, because it is not just about Ringwood and the catchment. It is a long time ago, back to 2018, that were promised a new ED. The ED – the whole hospital – is in desperate need. It is a significantly large site. When you talk about constrained sites, the Austin is not dissimilar in that regard, and yet we have stayed there and we have managed to achieve it. We just cannot do it in Maroondah.

**Melissa HORNE:** That planning for the new paediatric emergency department is being factored into the work that Priscilla and her team are doing. Over the last 12 months we have completed a lot of due diligence. That includes assessing the existing conditions, and that includes the structural integrity of the building, the plant and services asset condition and that clinical planning piece that the Department of Health guides.

**Nick McGOWAN:** It is seven years, Minister. Is there a proposal to go opposite Eastland? Is that a proposal that is on foot?

**Melissa HORNE:** Sorry, there is no proposal before government. What proposal are you talking about?

**Nick McGOWAN:** So the only proposal for Maroondah Hospital is to rebuild on the existing site, as opposed to a site opposite Eastland?

**Melissa HORNE:** I am unaware of any proposal before government, apart from what we have committed to.

**Nick McGOWAN:** Priscilla, is your team looking at a proposal other than the existing site?

**Priscilla RADICE:** We are not looking at a proposal. I am aware that there are private people that are thinking about a different proposal, but there has been no formal proposal to government.

**Nick McGOWAN:** Are you contemplating another proposal, or are you committed to the existing site?

**Priscilla RADICE:** We are not contemplating another proposal. There is no formal proposal before government.

**Nick McGOWAN:** Are you committed to the existing site?

**Priscilla RADICE:** We are working very hard on the existing site. There are many project user groups that are happening with those clinicians, those asset conditions, the audits, the sequencing of how we would work that through. As you talked through, you need to be able to move one building before you can put another building on that site, and we also need to work through our near neighbours. It is a bit like a Tetris puzzle when you work through what you can take away to bring in something new while you are keeping the hospital operational for that community. I know we have used the word a lot, but it is very complex to work through the sequencing, the conditions –

**Nick McGOWAN:** I am happy to help you at any time, Priscilla. I do not think it is that complex. But I am going to move on in the interests of time. Budget paper 4, Minister, page 66, capital funding projects: in last year's budget the government committed \$118 million to upgrade infrastructure at the Alfred to sustain the delivery of high-quality healthcare services for patients. The completion date was pushed back from quarter 4 of 2027–28 in last year's budget to quarter 2, 2029–30. Given it is now in this year's budget and the promised completion date of last year is now four years away, why should we believe that this will be actually delivered? This is vital infrastructure that is required at the Alfred.

**Melissa HORNE:** At the Alfred? As you could appreciate, the Alfred is one of the busiest trauma hospitals in all of Australia. What we are doing at the moment is investing \$292.5 million to address some of the most critical infrastructure issues as well as improving patient experience. We have got upgrades of five wards in the main building; we are reinforcing critical systems like the air-handling units, the electrical infrastructure, the heating and the cooling plant; and there are a number of other upgrades that are going on as well. That will address the critical infrastructure upgrades at the Alfred and make sure that the really hardworking doctors and nurses can continue to provide that health care for Victorians with those quality facilities. I believe that the appointment of the consultant team is being finalised to begin the update of the feasibility and design processes, and that is done in collaboration with Alfred Health. In addition to that specific investment that I talked about, Alfred Health has been supported by this government with more than \$153 million in grant funding, which is important for so much of the medical equipment.

**The CHAIR:** Thank you. We are going to go to Mr Tak.

**Meng Heang TAK:** Thank you, Chair. Minister, I want to take you to regional Victoria. Budget paper 4 at pages 62 and 66 refers to many projects underway that will improve the health of Victorians living in our

regions, including large investments in Ballarat, Maryborough and Warrnambool. Can you please update the committee on the progress of these projects?

**Melissa HORNE:** Sure, and thank you very much for the question. Since coming into this portfolio I have certainly been interested in getting out and about to see much of the work that has been going on, whether it is Warrnambool hospital up to Swan Hill or everywhere in between, because it is a vast program of works. In regional Victoria alone, since 2015 we have invested almost \$730 million, and that has been to deliver more than 1000 grant projects. We have also got approximately \$4.3 billion that has been funded in standalone capital projects. This does not include the multimillion-dollar investments delivered in regional Victoria as part of those statewide programs. These include things like 21 of the 51 new or upgraded ambulance stations being in regional Victoria. We have got three of the nine new or upgraded facilities of the overall \$125 million in early parenting program centres. Early parenting centres are such game changers for new families, and it is wonderful to be able to see that sort of investment going throughout regional Victoria. We have also got five of the eight new or upgraded facilities under the overall \$141 million youth prevention and recovery care centres program.

But if I go into some of the specifics – Ballarat hospital, for example – we have put \$655 million into upgrading and expanding Ballarat Base Hospital. This project will add a new multistorey tower with the main entrance off Sturt Street, a bigger emergency department with a combined mental health, alcohol and drug service hub, and a new helipad as well.

**Nick McGOWAN:** That is my emergency department, Minister. I think they took ours.

**Jade BENHAM:** Or mine, maybe.

**Nick McGOWAN:** Mine.

**Jade BENHAM:** No, mine.

**Melissa HORNE:** And there is a women and children's hub and 100 more inpatient and short-stay beds. There will also be a new critical care floor with an advanced operating theatre suite and procedure rooms and a larger ICU, endoscopy suites and consulting rooms. That actually means that the hospital will be able to handle more than 4000 surgeries each year. Once it is finished, the hospital will be able to treat at least 18,000 more emergency patients and 14,500 additional inpatients every single year. It will also house a pharmacy, a pathology lab and a learning centre. So the final stage of construction for Ballarat hospital, which includes the new tower, is already underway, and the whole redevelopment is set to be completed by 2027.

If I turn to another one of our investments in regional Victoria and talk about Maryborough – now, I have not had the opportunity to go out to Maryborough, but certainly, hearing from the Member for Ripon, she is so excited about this hospital. Just by way of an aside, the actual architect for that hospital is a local constituent of mine. I had a coffee with him the other day, and he showed me some of the features of this new hospital. He was incredibly proud of the work he was doing out there. But this new purpose-built facility has got a new urgent care centre, a 32-bed inpatient unit, two operating theatres with recovery spaces and a day medical centre, which offers imaging, pharmacy and services like oncology, dialysis and infusion. I know the Member for Ripon was particularly excited about this – there is a new maternity unit out as part of this hospital, with birthing suites, and that will allow local mums to give birth closer to home. Particularly with the Member for Ripon, who had such a preemie baby and had to spend so much time in – was it Ballarat or Bendigo hospital? Ballarat hospital – I cannot remember. But that actually will be a game changer rather than having to do that travel. Other things – as I said, it has got consultant suites as well for outpatient services and some off-street car parking.

Finally, one of the hospitals that I was at recently was Warrnambool Base Hospital, and it was pretty exciting to go down and see what that \$396 million will do in redeveloping that hospital down there. There is a multistorey building that will have an expanded emergency department. It will have new operating theatres. It will have 22 extra inpatient beds and dedicated spaces for medical imaging and dialysis. We will also have a new 10-bed paediatric unit for that specialised care, and we are installing provision for a PET scanner down there too, which is an incredibly complicated piece of, effectively, nuclear medicine. Now, we need to make sure that that is done correctly and it has got all the spaces there, because it is not exactly like plugging in a microwave and

turning it on. You need to make sure that these sorts of spaces are absolutely well and truly fitted out. So they are some of the things that are happening in regional Victoria.

**Meng Heang TAK:** Thank you, Minister. And how will this pipeline of work benefit regional Victoria economically?

**Melissa HORNE:** Well, look, there is really not a corner of the state that is not benefiting. As I said, I was up at Swan Hill with the Member for Murray Plains, actually, having a look at the new emergency department that was occurring up there, and stage 2 of that new building is happening there as well. Thank you.

**Meng Heang TAK:** Thank you, Minister.

**The CHAIR:** Thank you, Mr Tak. We will go to Mr Puglielli.

**Aiv PUGLIELLI:** Thank you, Chair. Good afternoon.

**Melissa HORNE:** Good afternoon.

**Aiv PUGLIELLI:** Can I ask: can Aboriginal community controlled health organisations access funding through the RHIF and the MHIF?

**Melissa HORNE:** I will have to get back to you on the specifics of that, but you may be aware that we made a commitment in this year's budget to the Dandenong Aboriginal health centre. I have got to say, it really was so pleasing to be able to do that. Having had a number of conversations with Aunty Jill about what was needed for the Aboriginal community, it was really important. And seeing pretty much the parlous state of the health services down in Dandenong, it was really pleasing to be able to deliver that outcome for that community.

**Aiv PUGLIELLI:** Thank you. And if you are taking that away on notice, can I also ask, if possible, if there is a breakdown of how many ACCHOs have applied for each of those funds over the last five years, what proportion were successful and what proportion of spending that then amounts to? If you can find it, that would be good.

**Melissa HORNE:** I do not have that information to hand.

**Aiv PUGLIELLI:** That is okay. Thank you. Do you have visibility of how many grants are given out annually to the Aboriginal community infrastructure program?

**Kevin DEVLIN:** Not specifically.

**Melissa HORNE:** No, not specifically. It is just there is a grants program that is allocated.

**Aiv PUGLIELLI:** Okay. Is that something you can provide on notice?

**Melissa HORNE:** We can certainly go away and have a look.

**Priscilla RADICE:** We can break that down for you.

**Aiv PUGLIELLI:** Thank you – particularly the number for the 2024–25 financial year would be great. Just staying on these two funds, can I ask how much of the MHIF and the RHIF was allocated to community health services for 2024–25?

**Melissa HORNE:** I do not believe that we have that granular level of detail.

**Kevin DEVLIN:** We do not have that breakdown.

**Priscilla RADICE:** We do not have it on us, but we should be able to provide it to you.

**Aiv PUGLIELLI:** Sure. Yes. That is all right. Thank you. And again, if there is a dollar figure for what proportion that was of the overall funding, that would be great to know.

**Priscilla RADICE:** We will provide what we can in that space. There are a range of different grant programs, and some are suitable for some applicants and not for others. So we will be really clear around which grant programs are actually suitable for which applicants.

**Aiv PUGLIELLI:** Thank you. Just on those applications, is there a prescribed set of guidelines that is used to assess those applications? If so, can that be provided to the committee?

**Priscilla RADICE:** So there are guidelines that are worked through with the Department of Health, and there is a full committee that works through the assessment that has been made on a statewide basis, because you need to prioritise across a range of different applications. There are very set, careful criteria, in terms of the type of asset that it is, its need in that local area, what the alternatives are and where it is at end of life. There are a range of things to come together, and that is done with experts from across the system as a committee.

**Aiv PUGLIELLI:** So is there an exhaustive list of those criteria that you can provide?

**Priscilla RADICE:** It depends on the circumstances. So we will provide the overarching criteria.

**Aiv PUGLIELLI:** Okay. Thank you. Are you able to reassure providers that the MHIF and the RHIF will continue into the future?

**Melissa HORNE:** I am not here to make announcements about future decisions of government –

**Aiv PUGLIELLI:** For sure – even over the estimates?

**Melissa HORNE:** but we certainly have got a strong program of works there now.

**Aiv PUGLIELLI:** Okay. I will see if I have got another question. It just moved so quickly. A recent report by Infrastructure Victoria concluded that 42 per cent of Victoria's Indigenous community health infrastructure is in critical condition, 52 per cent is at the end of its useful life and more than 80 per cent will need partial or full replacement within 15 years. Can I ask: how is the government responding to the need for urgent repairs?

**Melissa HORNE:** I think you need to break out the infrastructure needs and also the health services needs. The health services needs are very much a matter for the Minister for Health. But when I spoke to Aunty Jill about what the priorities for VACCHO were in terms of health infrastructure, she was unequivocal. It was Dandenong. The entire VACCHO network had said that was their absolute top priority, to be able to provide that. But it does not mean that we do not accommodate and build into much of our health infrastructure program things that will support First Nations people. I know the work going on down in, say, Barwon women's and health – the new build there – is really focused on being able to support that significant community up there. Similarly, when I was up in Swan Hill, there was a new building – well, there was an old building, but it had been repurposed – for First Nations people who were getting services out of Swan Hill. So there were First Nations people who could go and support community, who were getting the services that they needed, who may not have felt comfortable in that particular setting. It was really an interesting way to see that service delivered.

**Aiv PUGLIELLI:** Thank you. Can I ask: are there any other examples you can point to in the 2025–26 budget where that urgent repair work is going on?

**Priscilla RADICE:** It is across the system. Nearly every hospital receives some sort of grant in different areas at different points in time – and health facilities. And on your earlier question around the criteria, it is all public, and I have just checked it is all online on our website, so you can work through that criteria. It is in the public domain.

**Aiv PUGLIELLI:** Great. That is for the RHIF and the MHIF applications?

**Priscilla RADICE:** Correct.

**Aiv PUGLIELLI:** Great. Thank you. Perfect. Thanks, Chair.

**The CHAIR:** Thank you very much, Mr Puglielli. We are going to go to Mr Hilakari.

**Mathew HILAKARI:** Thank you, Minister, and thank you, officials. We are just really flying by; it is really great to see. I might talk about ambulances, Minister. I will take you to budget paper 4, pages 62 through to 66. There are a number of line items related to ambulances there, including Armstrong Creek and 'Backing our paramedics to keep saving lives'. There is another program there as well, but I have not got to 66 yet. I am hoping you can talk about how this program of investment is helping to make sure that ambulances can help save people's lives across our community.

**Melissa HORNE:** Thank you very much. Absolutely, it is such an important program to be able to go out there and build those new ambulance stations across the state. We have built 46 new ambulance stations right across Victoria. On average over the last six years we have completed eight new ambulance stations every single year, which is extraordinary.

**Mathew HILAKARI:** That is amazing.

**Melissa HORNE:** And we have completed a record-breaking 11 ambulance branches in last year alone. If I can take you through some of them.

**Mathew HILAKARI:** Please.

**Melissa HORNE:** Last year, of the 11, there was Craigieburn, there was Karingal, there was Morwell, there was Epping, there were Foster, Avoca, Paynesville, Yarram, Ocean Grove, Euroa and Manor Lakes. One of the final five ambulance stations – we have got still got them in construction – that will be built this year is one I recently I popped out to in Maribyrnong with the Member for Footscray Katie Hall. It was really cool to see this site start to come to life. I also recently visited the Bentleigh East ambulance branch site with the Member for Bentleigh, and that is co-located with the Moorabbin Hospital campus. It was really pleasing to be able to walk through where the rooms will be. I think it has come along a bit subsequently. I believe I saw the local member's Instagram reel – he is very good at those – walking through that –

**Mathew HILAKARI:** A bit of a shout-out.

**Melissa HORNE:** Well, look, between him and the Chair, it is very much a competitive space, isn't it? And just last month we released the designs for the new ambulance station up in Beechworth.

**Mathew HILAKARI:** We have talked a little bit about some of the investment in our emergency services over the course of these hearings. The SES, for example, have started to really standardise out their builds, and I am imagining, because we are building on average eight a year, we are starting to move in that direction as well. So I am hoping you can just talk about how the VHBA is doing that to make sure that we get that good spend and we are not redesigning the wheel every time.

**Melissa HORNE:** Absolutely. Whilst there might be site variations of topography or what is adjacent to it or things like that, making sure that there is that standardised design is really quite important to get that efficiency, particularly when you are building so many new ambulance stations. So making sure that they are fit for purpose, being able to provide our really hardworking first responders with –

**Mathew HILAKARI:** They deserve good facilities.

**Melissa HORNE:** One hundred per cent they deserve good facilities. And often those good facilities are things like making sure that there is a kitchen there, making sure that there are beds and rest areas and those sorts of things, not just having where the ambulance goes in and out of.

**Mathew HILAKARI:** Not just a garage – so much more.

**Melissa HORNE:** Correct. Some of the things are dedicated ambulance response bays. We have got those modern amenities. Training facilities are really important too, because this is a constantly evolving space and to be able to have those training facilities is critical. We need of course staff car parking and improved security as well, with storage spaces. So yes, these are the things that we are building into a standardised design. I do not know if, Priscilla, you would mind adding to my comments around that standard design. You oversee that program of work.

**Mathew HILAKARI:** Yes, they have standardised the SES, and I am not as familiar with Ambulance Victoria. Point Cook, wonderfully, has an ambulance station that has been built already. They have three different designs that they roll out, depending on the needs of the community. Is that similar?

**Priscilla RADICE:** It is a very similar approach. You look at the size and the scale. You have got a standard design, and you can basically choose the elements of the design that suit for that particular site. As the minister explained, depending on the site, the topography and its characteristics, they are able to be flexibly adjusted. But that means that every time you are building – and we are building so many of them – you are not standing up the design every single time. This is an approach that we try to take more broadly across the portfolio as well. For elements that can be standardised, that makes sense, and it can help to streamline what can be a very lengthy design process with many different people involved. If you can get an agreement on some standard designs, then that helps across those portfolios.

**Mathew HILAKARI:** That is great. Minister, I am just wondering if you can talk about some of the constructions that we have got underway right now or what is next.

**Melissa HORNE:** For sure. Obviously, we have got Beechworth; the designs for that were released earlier this year, so that is pretty exciting. Planning is also underway for the new Melton Exford ambulance branch, and we have identified –

**Mathew HILAKARI:** The Member for Melton will be very pleased about that, being a former ambulance driver and operator himself.

**Melissa HORNE:** A hundred per cent. He is pretty excited about the new Melton hospital too, which is going to start coming out of the ground later this year. There is so much happening to support that community. We have identified a suitable parcel of land up in Melton. That is obviously one of the key things that we need to do. Then of course we have got work in planning at Armstrong Creek, and we are in that site acquisition stage at the moment too, because that is a community that is growing exponentially.

**Mathew HILAKARI:** Phenomenal.

**Melissa HORNE:** Phenomenal growth down there. So to be able to have that ambulance support is absolutely critical, and I know it will be really welcomed by the community.

**Mathew HILAKARI:** Ambulance facilities are often an anchor of regional –

**The CHAIR:** Apologies, Mr Hilakari. I hate cutting people off. Minister and officials, thank you very much for appearing before the committee this afternoon. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is going to take a break before beginning its consideration of the ports and freight portfolio at 5:10 pm. I declare this hearing adjourned.

**Witnesses withdrew.**