

Mr Tim Hughes  
Public Accounts Committee  
Level 1, 11 Harvest Terrace  
West Perth WA 6005

Dear Tim,

I have today mailed back to you my transcript of evidence from the recent Committee hearing, with minor corrections.

There is one point I would like to clarify, however, and that is the reference by Committee members to the 'dual governance structure' of the Taskforce. I take this to mean the inclusion on the Taskforce of representatives of the accountability and reporting lines of both the Health Minister (for clinical commissioning of the hospital) and the Treasurer (for construction of the hospital). The Committee wished to explore possible alternative Taskforce governance structures, and asked my views. On reflection, I would like to elaborate on my response.

The role of Taskforce was to oversee and monitor the progress and management of the overall PCH project, on behalf of Cabinet. The PCH project is a cross-government initiative. It involves two highly specialised strands – infrastructure construction and health service provision – which are undertaken by separate and very different government agencies within different Ministerial portfolios. The project requires the integration of these two strands in their planning, construction and commissioning phases.

It was therefore essential that the Taskforce reflected these arrangements and brought together at a high level, both the health and strategic projects responsibilities. To perform its role over the project as a whole, and understand and resolve issues as they arose, it was necessary to have senior representatives of both strands at the Taskforce table, and strategies to ensure the integration of the strands (e.g. the IPMO, integrated risk management framework and live reporting on risks and their mitigation).

Regular Taskforce advice was provided to the Premier as Head of Cabinet, and the responsible Ministers - Health and Treasurer. When necessary (quarterly, and as required), joint briefings and recommendations were provided to Cabinet, through the responsible Ministers.

I assume the alternative Taskforce governance structure the Committee wished to explore would involve avoiding this dual arrangement by allocating primary responsibility and accountability to a single agency and Minister (e.g. Health). However, I don't believe such an arrangement would have worked in practice for this project. When the clinical commissioning phase was commenced and the Taskforce convened, the construction phase was operating in parallel. The Health Department is in the complex and specialised business of providing health services, not building and construction. Without major changes to the machinery of government, the health agency and its officials do not have the expertise, nor indeed the responsibility, to manage major construction projects as well as managing the provision of health services.

I trust the Committee will find this helpful,

Yours sincerely,  
Lyn Genoni