

THE GREAT DEBATE

**GREENFIELD VS.
BROWNFIELD:**

**PRIORITISING INVESTMENT AREAS &
OVERCOMING PROJECT DELIVERY
CHALLENGES**

Health Facilities Design & Development
Victoria, 2019



9th Annual VICTORIAN HEALTHCARE WEEK

With changing care delivery models, the growing pressures of an aging population, the rising prevalence of chronic diseases and more demanding, tech savvy customers, investment into building projects are inevitable for most healthcare systems and hospitals. But finding the best value in renovations or expansion versus greenfield construction isn't always as cut and dry.

Ahead of **Health Facilities Design and Development 2019** (running as part of **Victorian Healthcare Week 2019**) we bring you The Great Debate - a new format for our Victorian audience - bringing together four healthcare leaders from across Australia to discuss, debate and decide on one of facility design and developments biggest questions; how do we prioritise investment funding, resources and timing to deliver superior patient experiences?

This question is undoubtedly a stumbling block for many. While constructing shiny new hospitals serviced by cutting edge technology seems ideal for delivering superior care and providing nurses and clinicians with optimal working environments.

On the other-hand new build hospitals are a costly, lengthy process, with projects often tied up in government red-tape and logistical planning for years. This then makes the redevelopment of existing healthcare facilities an appealing process. Economically, logistically, environmentally and monetarily brownfield sites present a number of benefits.

How then should State governments and Local Health Districts weigh up options to determine investment priority areas and decide what projects are prioritised in terms of funding, resourcing and time-frames?

Harking back to their high school debating years, our panel aims to enlighten, encourage deeper thinking, offer critical perspectives, and maybe even coerce you into seeing their point of view. If nothing else The Great Debate will entertain and leave you with a little food for thought.

Meet The Teams

GREENFIELD



Dylan Hesselberg, Director of Infrastructure,
Goulburn Valley Health



Thomas Lyle, Project Manager, Greater Shepparton
City Council

BROWNFIELD



David Ray, Director of Procurement
Bendigo Health



Sue Williams, Chief of Health Operations,
Cabrini Health

The Pros and Cons

When looking to meet the growing needs of local communities, and better meet the needs of an aging population living with chronic diseases, investment in new, larger, more technologically advanced spaces is often the go-to.

During the site selection process for any health facility investment, greenfield versus brownfield is a major decision to make. Should you build on a greenfield site that's typically cleaner, avoids impact on business as usual, but is further from population hotspots? Or, should you invest in the redevelopment of an existing facility that, typically, is less financially taxing? Below we explore the pros and cons of each investment type.

GREENFIELD

There are several reasons why a health service may opt to build a new facility rather than redevelop an existing one. The primary reason is that a new facility offers the maximum design flexibility and efficiency to meet the project's needs. An existing facility often forces the company to adjust based on the present design.

PROS

- New facilities are typically much less costly to maintain than used facilities.
- Increased flexibility around design and needs planning.
- New facilities have a longer life-cycle expectancy with increased future proofing capabilities.
- No clean-up or 'depollution' cost involved.
- No impact to business as usual.
- New facilities are a great draw-card for employees, partners and researchers.

CONS

- Greenfield sites include greenbelt land which is a concern to environmentalists.
- Developing previously untouched countryside results in 'urban sprawl' which encourages commuting and traffic congestion as people travel 'in' for work and leisure.
- New infrastructure (drainage, electricity, roads, transport links etc.) will need to be built.
- Lengthy approval processes that require prolonged public consultation and engagement.

The Pros and Cons

BROWNFIELD

The clear advantage of a brownfield investment strategy is that the building is already constructed – thus reducing start-up costs as well as time devoted to construction as well – meaning project are completed faster. If the existing State government requires licenses or approvals, the brownfield facility may already be ‘up to code,’ side-stepping the need for long-winded approval processes and freeing the project from associated red-tape.

PROS

- Redeveloping a Brownfield site not only boosts the economy by creating jobs and lifting property prices, but it improves the environment and creates a safer, healthier space.
- Bringing a Brownfield site back into use prevents ‘urban sprawl’ thereby reducing traffic.
- Brownfield redevelopment can be cheaper with vital infrastructure already existing.
- Faster approval processes with reduced red-tape and environmental impact.
- Preservation of green-belt space, leading to reduced environmental impact.

CONS

- Limitations in regards to facility design and footprint.
- Limitations in construction time and sprawl due to neighbouring infrastructure (homes, businesses, schools etc.).
- Redeveloping buildings is sometimes costlier than building entirely new.
- Major impact to business as usual for patients, employees and neighbouring community.

Prioritising Investments, Resources & Time

While there are a number of factors that may influence a Government or Healthcare Provider's investment priority areas, the number one influence often is access to capital—and how much capital.

If the money is there, other drivers for new construction include an aging existing infrastructure that can't support today's systems and technology, a lack of land on the existing site, or the fact that exploring a renovation rather than new-build facility will bring a sub-optimal solution. Features that may make a greenfield project more attractive for owners include the ability to build in one single phase, site flexibility, creating a new branding image, and avoiding disruptions to operations at the existing site.

However, not all hospitals and health systems will find new construction to be the best bet, with influences for renovations ranging from community attachment to a local site or historic value of the building to political benefits of maintaining it or the cost savings of renovating outweighing a relocation.

To get started in figuring out what's best overall a project team should assess space efficiencies from a lean perspective, creating a value stream map for operations under the options being weighed. Benchmarking and best practice from other industries on how best to increase patient safety through a new project further provide valuable insight.

An important factor to consider is also what kind of experience your health service is looking to provide patients. Are you pushing for private rooms that include patient controlled temperature, lighting and real-time conferencing capabilities with physicians for example? Or are you focused on delivering superior patient care within the limitations of a public healthcare model?

Renovations also cause challenges in regards to footprint. Is a multi-million dollar investment in renovation now, enough to see your service through for an appropriate timeframe? Or will you come up against space limitations again in just a few years – rendering the initial expansion null and void?

Strategic master-planning, population and trend forecasting for the local community and region as a whole is always crucial when working to prioritise investments, resources and time for your health service, and to ensure you continue delivering those superior experiences the modern patient, or consumer, has come to expect.



9th Annual VICTORIAN HEALTHCARE WEEK

How do we prioritise investment funding, resources and timing? Which offers greater advantages – Greenfield, or Brownfield? How can we overcome the challenges associated with each to deliver the superior care our patients expect? To discuss this topic in more detail and watch our expert panel battle it out on the big stage, join us at **Health Facilities Design and Development 2019**.

The event, running as part of **Victorian Healthcare Week 2019**, brings together over 24 expert speakers from the likes of Northern Health, the Victorian Heart Hospital, Western Health, Bendigo Health, South Eastern Sydney LHD, Cabrini Health, Mercy Health and ACT Health.

To secure your ticket to the event, which brings together over 60 healthcare experts, and for special earlybird pricing simply fill in the **registration form** and email back to registration@iqpc.com.au