

New CAPITAL investments in the Vic 2023–24 Budget

Budget Paper No. 4 - State Capital Program 2023–24 provides details about \$9.3 billion of additions to the Government's existing infrastructure program.

Major project investments over \$100 million will be included in the Office of Projects Victoria's (OPV) Victorian Major Projects Pipeline (Pipeline). The Pipeline website (www.opv.vic.gov.au/Pipeline) provides up to date information on the Government infrastructure pipeline, making it easier for businesses, suppliers and contractors to plan and contribute to forthcoming major projects.

Maintaining a steady pipeline of work is important for the consultancy and construction sectors. Below is an outline of the announced new (additional) government capital works funding in the 2023 Victorian State Budget that provides a range of government procurement opportunities for members

Health

New funding includes:

- \$320 million initial investment to support development activities for new, redeveloped and refurbished hospitals across Victoria. The initial investment will enable planning and design activities to start, together with land acquisition and enabling works for:
 - a new hospital and public sector aged care facility for West Gippsland,
 - expansion and enhancements at Monash Medical Centre for specialist acute inpatient, maternity and specialist health services,
 - refurbishment and expansion of the Austin Hospital's emergency department and short stay unit,
 - redevelopment of the Dandenong Hospital with an expanded emergency department, new intensive care unit and a new outpatient clinic
 - redevelopment of the Northern Hospital, with a new emergency department and inpatient tower
 - redevelopment and expansion of the Queen Elizabeth II Hospital, including a new emergency department and two inpatient towers,
 - the second stage of the Wonthaggi Hospital, delivering additional capacity and a new birthing complex

(Following detailed due diligence and design, the Government will confirm total expected investments (TEIs) and cash flows in future budgets and associated details including the market engagement and procurement approach, and timelines for each hospital).

- \$162 million to build three new public sector residential facilities in Cohuna, Maffra and Numurkah,
- \$53 million for the planning and detailed design for Stage 3 of the redevelopment of the Thomas Embling Hospital (secure forensic mental health hospital)

- \$44 million to deliver eight new PET scanners across the state at the Ballarat Base Hospital, Frankston Hospital, Goulburn Valley Health in Shepparton, Northern Hospital in Epping, Sunshine Hospital, Northeast Health in Wangaratta, Warrnambool Base Hospital and the Werribee Mercy Hospital
- \$40 million for the Metropolitan Health Infrastructure Fund to improve the quality and amenity of infrastructure across a range of metropolitan health services,
- \$30 million to build a new ambulance station in Armstrong Creek (City of Greater Geelong and surrounding regions).
- \$10 million for the Mental Health Capital Renewal Fund to improve the quality and amenity of existing facilities, Box 4: Victoria’s Mental Health Capital Fund¹

Education

New funding includes:

- \$1.3 billion is for new schools, upgrades to existing schools and additional maintenance. A further investment of \$1.1 billion is made in early childhood learning including the Best Start, Best Life program and Three-Year-Old Kinder.
- \$573 million to build an additional nine new schools, an additional stage at two recently opened schools, and planning and early works for three more new schools.
- \$21 million is for land acquisition for future new schools
- \$913 million to continue the delivery of infrastructure to increase the capacity for early learning as part of the Best Start, Best Life initiative to progressively transition Four Year Old Kindergarten to Pre-Prep
- \$266 million for capital upgrades at 43 schools
- \$20 million for the School Upgrade Delivery Fund for planning and development of capital upgrades at a further 54 schools
- \$208 million to continue delivery of new kindergarten facilities on government school sites to increase capacity for Three-Year-Old Kinder
- \$170 million to deliver new, and upgrade existing, TAFE campuses. The new campuses will be at Melton and Sunbury.
- \$147 million for relocatable buildings at schools
- \$104 million for essential schools assets maintenance and compliance
- \$90 million to expand capacity at Coburg High School, Huntly Primary School, Richmond Primary School, and Saltwater P–9 College in readiness for the 2027 school year
- \$84 million to build six new tech schools in Brimbank, Dandenong, Frankston, Hume, Wangaratta and Warrnambool
- \$25 million to support the construction of new hydrotherapy pools at specialist schools

¹ This fund includes output funding associated with the delivery of infrastructure.

- \$10 million for the Minor Capital Works Fund
- \$10 million for the Inclusive Schools Fund to continue providing accessible playgrounds, outdoor sensory areas and indoor inclusive learning spaces.

The Building Better TAFE Fund will also establish a \$50 million TAFE Clean Energy Fund to make capital investments in regional TAFEs, which includes committing to the following projects:

- building an Innovation and Design Centre at the South West TAFE
- creating a Clean Energy Centre at TAFE Gippsland's Morwell Campus
- Stage 2 of the Asia Pacific Renewable Energy Training Centre at Federation TAFE.=

Transport.

Selected key new transport investments in the 2023-24 Budget which may lead to procurement of architectural services in their delivery include:

- \$353 million to delivering additional stabling and maintenance capacity at the Kananook train stabling facility on the Frankston line,
- \$287 million to increase the capacity of the South Dynon VLocity train maintenance facility
- \$238 million for enabling infrastructure works and facilities to support the Metro Tunnel network integration and future operations
- \$60 million for major upgrades at Boronia Station to address critical safety issues and improve accessibility to comply with the Disability Standards for Accessible Public Transport (DSAPT)
- \$59 million to deliver a package of critical works and enabling infrastructure to ensure Next Generation Trams can be safely deployed on routes 57, 59 and 82
- \$40 million to rebuild the Dromana Pier, St Leonards Pier and the Warneet North and South Jetties

Other

Other new funding includes:

- \$136 million to install air conditioners in Victoria's public housing high-rise tower dwellings which are home to over 13 000 Victorians across more than 40 towers
- \$11 million to upgrade visitor facilities and infrastructure at the You Yangs (Wurdi Youang) and Serendip Sanctuary to enhance and protect the natural and cultural precinct.
- \$131 million for cemeteries masterplans, development and upgrades
- \$26.6 million for statewide emergency services upgrades including:
 - redevelopment of Country Fire Authority (CFA) stations at Kinglake West, Raywood and Yarram, Victorian State Emergency Services (VICSES) facilities at Bannockburn and Kilmore and for additional works at the Frankston VICSES satellite facility in Skye.
 - support to redevelop and upgrade Life Saving Victoria facilities at Bancoora Beach and Port Melbourne and

- funding to progress planning of the future upgrade of the Keysborough CFA and Footscray VICSES facilities.
- \$23.6 million for repair of Rochester and Heathcote VICSES Emergency Hub
- \$1.3 million for replacement of critical police facilities at Rochester

Update on the Big Housing Build

- The Big Housing Build announced in the October 2020 budget invests \$5.3 billion to deliver over 12,000 social and affordable dwellings, including \$1.3 billion directed to regional areas. Since 2020, more than 7,600 homes have been completed or are underway, and more than 2,000 households have either moved or are getting ready to move into brand new homes

SOME FURTHER INFORMATION ABOUT VICTORIAN STATE CAPITAL PARTNERSHIPS VICTORIA

Budget Paper No. 4 also provides detail on those projects being delivered through private public partnerships (PPP) – of than \$50 billion invested in 37 contracted projects.

Examples of PPP projects in which members may be /become involved in delivering procured services include:

- Frankston Hospital Redevelopment
- Geelong Convention and Exhibition Centre (in procurement)
- Homes Victoria Ground Lease Model Project 1
- Homes Victoria Ground Lease Model Project 2 (in procurement)
- New Footscray Hospital
- New Melton Hospital (in procurement)