

**INQUIRY INTO MANAGEMENT, MAINTENANCE AND
OPERATIONAL ISSUES AT CALVARY MATER HOSPITAL,
NEWCASTLE**

Name: Name suppressed
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Partially
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Submission to the NSW Legislative Council

Portfolio Committee No. 2 – Health

Inquiry into the Management, Maintenance and Operational Issues at Calvary Mater Hospital, Newcastle

I make this submission as an individual who was professionally engaged by Hunter New England Health in a role working within the Health Administration Corporation (HAC) framework at the Calvary Mater Hospital, Newcastle.

My engagement related directly to performance monitoring, asset condition, service delivery, contract compliance and escalation of risks and failures across the Mater Campus. My experience is therefore directly relevant to the Inquiry's consideration of management, maintenance, operational performance, governance, accountability and the effectiveness of the Public Private Partnership (PPP) model at the hospital.

This submission is based on my professional observations while undertaking these responsibilities.

Under my consultancy engagement, my responsibilities included (but were not limited to):

- Monitoring and reporting on service performance across the Mater Campus
- Detailed investigation and documentation of service failures and defects
- Targeted defect inspections across multiple buildings
- Monitoring Key Performance Indicators (KPIs) linked to the Services Specification
- Reviewing and logging service failures to support performance deductions
- Tracking and documenting response times to quality and unit failures
- Reviewing technical reports and documentation from specialist consultants
- Monitoring WHS and environmental performance during on site works
- Identifying and escalating risks and issues through established governance pathways
- Preparing reports, briefing notes and correspondence to senior HAC leadership

- Participating in operational, accountability and performance monitoring meetings involving HAC, Hunter New England Local Health District (HNELHD) and other contract parties

This role provided visibility of how issues were identified, disputed, escalated and resolved in practice, rather than how the framework intended them to operate.

In addition to technical and contractual matters, I observed a toxic and adversarial culture between Novacare Solutions Pty Ltd, Honeywell Ltd and elements of the HNELHD team responsible for administering the PPP.

From a professional perspective, this culture had tangible impacts on:

- the effectiveness of contract administration
- the timely escalation and resolution of service failures
- the confidence of HNELHD staff to pursue enforcement mechanisms available under the Project Deed

I personally and professionally observed the significant pressure placed on HNELHD staff administering the PPP, including stress, frustration and disengagement arising from ongoing disputes regarding responsibility, scope and remediation of identified failures.

This environment undermined collaboration and detracted from the fundamental purpose of the PPP — the safe and effective operation of a critical public hospital.

The Project Deed contains clear and detailed performance management mechanisms designed to hold the Contractor accountable for delivering a high standard of service, including services that are, at times, life critical.

These mechanisms include:

- Defined KPIs linked to the Services Specification
- Categorisation of failures as Quality Failures, Unit Failures, Repeated Failures and Reporting Failures
- Clearly documented response and rectification timeframes
- Service Failure Deductions applied to monthly payments where performance does not meet contractual requirements

In summary:

- Quality Failures relate to non compliance with quality related KPIs across services including security, catering, materials management, general services, most cleaning services, building and equipment maintenance, grounds maintenance and utilities
- Unit Failures relate to non compliance with other KPIs across cleaning, maintenance, grounds and utilities services
- Repeated Failure deductions apply where the same or substantially similar failure occurs more than six times over two in any three consecutive months, even if individual failures are rectified within required timeframes
- Reporting Failure deductions apply where failures are not reported in accordance with contractual requirements

HAC is required to pay Novacare Solutions Pty Ltd performance based service fees throughout the operational phase of the project, less any applicable Service Failure Deductions.

A component of my role was to identify and report “service failures” and log them for rectification utilising the electronic management system. Additionally, throughout my engagement I consulted with other industry professionals including building Fire, Life Safety and Access compliance. This consultation a high level overview in reference to Building Code Compliance to the year of construction. Numerous defects were identified and reported, a number of these issues were as a direct result of failures in ongoing maintenance.

Despite the existence of the contractual mechanisms, I observed that many service failures were disputed and subsequently became subject to “referral notices”, rather than being resolved within the prescribed timeframes.

To the best of my recollection, there were multiple known and documented service failures relating to roof leaks and water ingress, including (but not limited to) the following areas:

- Nuclear Medicine
- Cardiology
- Building 5C
- Psychiatric Emergency Care Centre (PECC)
- Mortuary South

- Car parks
- Mater Institute (including Hunter Breast Screen and the Melanoma Unit)
- Main Foyer

These issues were repeatedly identified through inspections, reporting and performance monitoring processes.

In my professional opinion, the ongoing presence of unresolved water ingress and roof leaks represents a significant systemic risk in a hospital environment.

I would be confident in stating that persistent water leaks are a likely root cause factor contributing to mould growth, particularly where:

- defects are not rectified within required timeframes
- moisture intrusion recurs
- underlying causes are disputed rather than resolved

While my role was not clinical, from an asset management, building compliance and risk perspective, prolonged water ingress in occupied healthcare facilities is inconsistent with best practice and presents foreseeable risks to patient safety, staff wellbeing and service continuity.

It was evident that unresolved maintenance defects, repeated failures, disputed responsibility and prolonged non conformances had the potential to:

- compromise patient safety and dignity
- disrupt clinical services and care delivery
- place additional pressure on frontline clinical and non clinical staff
- erode confidence in governance, oversight and accountability arrangements

Infrastructure and maintenance failures in a hospital setting are not administrative matters — they carry real consequences for patients, families, staff and the broader community.

Based on my experience, a key issue at Calvary Mater Hospital was the fragmentation and contesting of responsibility across multiple parties involved in operating, maintaining and overseeing the facility.

This made it difficult at times to clearly determine:

- who held ultimate accountability for resolution of risks
- how priorities were set when failures recurred
- whether escalation resulted in timely and effective outcomes

The combination of:

- adversarial organisational culture
- disputed service failures
- reliance on referral processes rather than remediation
- ineffective enforcement of performance mechanisms

raises serious questions about whether the current PPP arrangements are functioning in a manner that prioritises patient safety, transparency and the public interest.

I welcome this Inquiry and believe it provides an important opportunity to examine systemic issues affecting Calvary Mater Hospital, Newcastle.

I make this submission in the public interest and in support of improved patient safety, staff wellbeing, accountability and community confidence in one of the region's most critical health services.