

28th April 2023

Shire of Dundas Media Statement
Medical Services in Norseman

The Shire of Dundas would like to address some concerns and misinformation currently circulating in relation to the provision of medical services in Norseman.

The current medical practice based at the Norseman Hospital is owned and operated by Dr Rowlands as his own, private practice with all income generated, the Doctor's own income. Dr Rowlands provides medical services to whoever attends and is on standby for the Western Australian Country Health Service (WACHS), for which he receives an additional payment, also his income. Any support from the Shire is NOT the Doctor's sole source of income.

Dr Rowlands has been running his practice in Norseman for around 17 years. Over that time, the Shire has provided support to the Doctor in various ways. In 2017 an MOU between Dr Rowlands and the Shire of Dundas was established. This MOU outlined the support the Shire of Dundas would give the Doctor to assist in the running of his Norseman practice. A copy of the MOU is available on the Shire website in the papers relating for the last Ordinary Meeting of Council held on Tuesday, 18th of April.

The MOU provides the following support for the Doctor:

A modern, fully furnished, three-bedroom, two-bathroom house with an additional flat in the rear yard to accommodate a locum, should they be required. The Shire of Dundas pays the utility bills, maintenance, and insurance. The house was provided to Dr Rowlands in good faith to demonstrate that the Shire values the Doctors' presence in our community. The entire cost of the house, when taking into account loan repayments etc., is in the region of \$1.3 million.

In addition, a vehicle, (which can be used for the Doctor's private use and is available to his wife, Ruth) is provided with all on-road costs, tyres, maintenance and fuel.

Each year Council approves a budget allocation to cover locum costs when Dr Rowlands takes leave. Locum costs are paid on receipt of a detailed invoice outlining the periods the locum was present in Norseman.

Government legislation binds Local Government to demonstrate proper use and accounting of funds spent (being 'public monies' (that of our ratepayers)). All expenditure is subject to rigorous auditing processes to ensure actions taken by the Shire are transparent. Auditing processes include costs and expenditure relating to the support of medical services in Norseman, such as the Doctor's expenses to the Shire. Vehicle costs, utility bills, depreciation on the house and car, loan repayments and expenses incurred for the locum services are all captured in the annual audit, which highlight that these costs run from around \$150,000 to \$200,000 annually in support of having a doctor based in Norseman.

In May 2022, Dr Rowlands sent a letter to the Shire of Dundas CEO requesting a variation to the current MOU. A copy of this letter is also available on the website included in the same Ordinary Meeting of Council papers referred to previously. The Doctor proposed that he would transition towards retirement and requested that the Shire increase its support by an additional \$250,000 cash, as well as payment of the travel costs of any locum services the Doctor engaged.

Norseman Woodlands to Eucla Coast

Upon receipt of the variation request, the current MOU was reviewed, and it was discovered that the document was noncompliant with legislation that the Local Government is bound to operate within. The Shire of Dundas must abide by policies that reference the current legislation. This includes our procurement policy which dictates specific courses of action the Shire of Dundas must take when a threshold amount of money is involved. The Doctor's request for an extra \$250,000 cash is outside that threshold, and therefore the Shire of Dundas was bound to go to tender for the procurement of medical services. It is also prudent and demonstrates good governance to 'test the market' to ensure we get the best value for money. This is all to do with legislative requirements when spending public money.

The termination of the MOU was also necessary as the document is non-compliant with current legislation. Whatever course of action the Shire of Dundas took regarding the Doctor, in its' current form, the MOU could not be extended or altered. Instead, the agreement had to be terminated to create a compliant contract. The allocation of funds is a Council responsibility and not something determined by the CEO. The termination of the MOU was, therefore, a decision of the Council as a process to correct a non-compliant document. The Council decision was unanimous.

The Doctor has been given a notice period of 6 months, which will expire on 31st of October 2023. At this stage, Dr Rowlands has not indicated to the Shire that he will leave town or close his practice before that date. Terminating this agreement does not mean Dr Rowlands must close his practice. The practice and its income belong to Dr Rowlands. It is a privately owned business, and any decision made on the closure or otherwise is a matter for Dr Rowlands to consider based on his assessment of the viability of his practice. It is also worth noting that contrary to some opinions expressed in the community, the Shire has not 'sacked' the Doctor. As noted above the Doctor does not work for the Shire so 'sacking' the Doctor is impossible.

Shire of Dundas President, Cr. Laurene Bonza

"There is a very salient point that people are failing to consider, and that is, that we will need to obtain the services of another doctor in any event, as Dr Rowlands is planning to retire or semi-retire. This means he will either be here on a part-time basis or not at all, so we still need to source another doctor.

Council is actively working towards reaching a better, long-term solution to providing medical services for Norseman and the whole Shire. It would be completely counter-productive and entirely ridiculous for the Shire not to ensure that the town has access to medical services. Options for the provision of medical services will be discussed at the Council workshop on the 11th of May 2023. Council will host a Town Meeting at the Norseman Town Hall at 4:30pm 16th of May 2023."



Cr. Laurene Bonza
President, Shire of Dundas
28 April 2023

Media enquires can be directed to:

President Laurene Bonza 0429 207 177, or Chief Executive Officer Mr Peter Fitchat 0429 391 291