



STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

JEREMY HANSON MLA (CHAIR), MICHAEL PETTERSSON MLA (DEPUTY CHAIR), MARK PARTON MLA,
SUZANNE ORR MLA

Inquiry into referred 2016–17 Annual and Financial Reports
ANSWER TO QUESTION ON NOTICE



Asked by MR COE MLA:

Chief Minister, Treasurer and Economic Development Directorate 2016/17 Annual Report, Property Services, Output 9.7

In relation to: Capital Upgrade Project and Financials

1. The AR states on page 86 that the directorate undertook a \$3.9 million Capital Upgrade Project program “to update ACT Government owned properties”.
 - a. Did the directorate use all the funding it allocated for the program?
 - i. If not, how much was left over and;
 - ii. Will future projects be allocated less funding?
 - b. How essential were these upgrades?
 - i. What were the issues with the previous state of the properties?
 - c. What hazardous materials were removed from these properties?
2. Please outline the “ongoing energy savings” after the \$4.9 million worth of works on the North Building.
3. How did Property Services contribute to the deficit seen in the Output class 9?

Mr BARR MLA: The answer to the Member’s question is as follows:–

1. (a) The Directorate did not use all the funding it allocated for the Capital Upgrades Project program.
 - (i) Funding unspent was \$688,674. This funding was rolled over to 2017/18 pursuant to Section 16(b) of the Financial Management Act 1996, as contracts with suppliers were in place but work was not completed due to delays in supply of equipment or technical matters.
 - (ii) No.



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

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- (b) Upgrades were essential to meet workplace health and safety issues and to ensure the integrity of operations for the properties.
 - (i) Most buildings are over 40 years old and required bathroom upgrades, carpet and floorcovering replacement, electrical, fencing, kitchens, HVAC, landscaping, painting, plumbing, roofing and security.
 - (c) Material included removal of underground storage tanks and associated grounds works to remove any contaminated soil, bonded and friable asbestos and lead glass.
2. The ongoing energy savings for the North Building is 3890 Gigajoules per annum.
3. The ACT Property Group contribution to the deficit seen in Output Class 9 is property services it provides on a fee for service basis to ACT government agencies as reported at Output 9.7 Property Services pages 85 and 86 Volume 1 of the CMTEDD Annual Report 2016-17.

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature: *Andrew Barr*

Date: 24.11.17

By the Treasurer, Mr Andrew Barr MLA