QTON No. 029

Legislative Assembly for the **Australian Capital Territory**
Standing Committee on Economics, Industry and Recreation

Inquiry into annual and financial reports 2024–2025

Answer to question taken on notice

Asked by: Mr Thomas Emerson MLA

Addressed to: Minister for Business, Arts and Creative Industries

In relation to: Business, Arts and Creative Industries and Bus depot markets procurement

Hearing: 19 November 2025
Uncorrected Proof Transcript p 52-53
Transcript provided: 28 November 2025
Answer Due: 5 December 2025

MR EMERSON: Thank you, chair. I will bust over markets, and I have had—

Mr Pettersson: Former transport depot?

MR PETTERSSON: Former transport depot. Perhaps I will just reach out and seeing if they are still in the tasks, about what is going to happen there, including I suppose the current or extended licensing arrangements. So I understand current operators have indicated their licences are extended until after the new year so as not to miss out on the Christmas trading period. When is that licence extended until?

Ms Starick: I might start on that, Mr Emerson. The licence is on a holding licence, so it is—which means that neither party—each party has to give three months' notice and cannot exit before three months' notice. So while the current licence is in place until just into the new year, that approach will continue.

MR EMERSON: So either party who wants to end the arrangement?

Ms Starick: Either party, correct, has to give three months' notice.

MR EMERSON: And what happened with the tender process?

Ms Starick: It has taken a long time. I understand it has taken a long time; however, it is still in the tender process, so the details that we are able to give here are very limited.

MR EMERSON: Okay. Maybe you can either give me blinks or nods when I ask some questions about it then.

Ms Starick: I do not think I can in all seriousness. It has taken a long time. I do not want to do anything here that would compromise it.

MR EMERSON: Okay. I mean, so we were provided assurances publicly, you know yonks ago—I cannot remember the exact dates—when we thought the process was going to be complete. It has been put to me that the tenderer was successful. They then said they did not want to do it, and that is part of the reason for the delay. I think you can answer that question without—

Ms Starick: Not really, but what I can say is that at all stages, we have been communicating with the current provider and encouraging that provider to communicate with the sub-licences and their stall holders, so that as much clarity and assurance can be given in the current environment, notwithstanding I understand that it is unsettling for those stall holders.

MR EMERSON: Are you going back to the other people who submitted to the tender asking if they are still interested?

Ms Starick: I am not able to talk about the—and I am not able to talk about a current procurement process in detail. What I might do, Mr Emerson, if I could, is take questions on notice, and if I—and get some clarity about what information I can provide, rather than perhaps say something here that oversteps.

MR EMERSON: Yes. Perhaps when you anticipate that this process to be complete.

Ms Starick: Would like this process to be complete as soon as possible, but again if I can take these questions on notice and come back with as much detail as I can.

Michael Pettersson MLA: The answer to the Member's question is as follows:

The Former Transport Depot is a valuable Territory asset located within Section 49, Kington, the site of the future Kingston Arts Precinct.

The Territory has a licence with Iconic Markets & Events Pty Ltd ABN 33 610 470 114 (Iconic) to operate the Old Bus Depot Markets at the Former Transport Depot.

<u>Current Licence Arrangements</u>

The current licence expired on 30 June 2025. Iconic are currently occupying and using the Former Transport Depot on a monthly holding over arrangement pursuant to clause 2.2 of the licence and this arrangement can be ended by either the Territory or Iconic upon the provision of three months written notice to the other party (clause 2.2.2 as varied by Item 2 Schedule 7).

On 1 August 2025, the Territory and Iconic agreed that neither party will give notice to terminate the monthly 'holding over' arrangement currently in place where such termination would take effect before 5 January 2026.

This provides certainty for Iconic and its stallholders to continue trading while negotiations progress.

If the next multi-year licence agreement has not been finalised prior to 5 January 2026, the monthly 'holding over' occupancy arrangement will continue until either party gives notice.

Request for Proposal Process

The Request for Proposal (RFP) opened on 30 January 2025 at 11:00am. The Minister for Business, Arts and Creative Industries issued a media release announcing the RFP and CMTEDD wrote to all stallholders about the RFP process.

Three addenda were issued on 14 February, 20 February and 27 February 2025.

The RFP closed on 13 March 2025 at 2:00pm. There were four responses received by the Closing Time. There were no responses received after the Closing Time.

Evaluation and Negotiation

On 29 May 2025, the delegate agreed to commence negotiations with the Preferred Supplier within the parameters outlined in the Evaluation Report.

On 5 June 2025, the preferred supplier was notified of the outcome. Debriefs were held with all other suppliers on 17 June, 19 June and 23 June 2025.

Further details on evaluation outcomes cannot be provided until the current negotiations are finalised to protect the Territory's bargaining position.

The outcome of this process will be announced as soon as a contract has been executed.

Probity Requirements

Under section 8(2) of the *Government Procurement Act 2001*, any decisions made, or functions exercised in relation to procurement must achieve value for money. In this context, value for money means obtaining the best available outcome that maximises the overall benefit to the Territory (section 8(1)). To achieve this, under section 8(3) the responsible delegate must be satisfied that the decision or action:

- uses public resources efficiently and effectively
- manages risks appropriately
- is undertaken with probity
- complies with the Act, including any Ministerial directions under section 43

Probity must be maintained throughout all phases of procurement. The following principles outlined in the Probity in Procurement Guide apply to all procurements and support compliance with section 7 of the Act:

- Consideration of an appropriately competitive process.
- Consistency, transparency, and accountability
- Appropriate security and confidentiality arrangements

Disclosing details of the government's negotiation position before licence execution would significantly compromise the ACT Government's ability to secure optimal outcomes for the Territory. Confidential information includes any details about the procurement process or potential suppliers—whether written, digital, spoken, or otherwise—that have not been authorised for public release by the relevant delegate.

Disclosure of confidential information, such as information on negotiations, can:

- prejudice bargaining positions, reducing the government's capacity to negotiate favourable terms
- enable suppliers to exploit insights into priorities, concessions, and bottom-line expectations, allowing them to adjust strategies to maximise their own advantage
- increase the risk of poor outcomes for the Territory through revenue models and less favourable licencing conditions, leading to diminished value for money
- undermine competitive tension, which is essential for maximising outcomes in public procurement.

These factors would risk the achievement of value for money under the *Government Procurement Act 2001.*

Approved for circulation to the Standing Committee on Economics, Industry and Recreation

Signature: Date: 11·12·25

By the Minister for Business, Arts and Creative Industries, Michael Pettersson MLA