



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

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

Inquiry into referred 2017–18 Annual and Financial Reports ANSWER TO QUESTION TAKEN ON NOTICE 5 November 2018



Asked by MR COE MLA:

In relation to the government procurement board:

MR COE: Yes. But you have said that there are some land contracts that are not in the purview of the board. So what is the scope of the board as it relates to land contracts?

Ms Whitten: Well, if we go back to what are the functions of the board, and it is in our annual report—sorry. So in relation to the board's functions as proscribed under the Act, as I mentioned earlier, is procurement proposals with an estimated value of 5 million or more or 1 million or more for some procurement proposals, particularly where it relates to a public service directorate or involve ICT systems or involve the disposal of assets.

In relation to land, it is complex and I just think I would need to take that on notice.

MINISTER FOR GOVERNMENT SERVICES AND PROCUREMENT: The answer to the Member's question is as follows:—

On 28 November 2017, the Suburban Land Agency (SLA) attended the Government Procurement Board, to provide an overview of the joint venture between the ACT Government and Riverview Developments Pty Ltd (Riverview) at West Belconnen. The current Chair of the Board was not in attendance at the meeting. Information about the Board is available at https://www.procurement.act.gov.au/procurement_board.

Section 2A of the *Government Procurement Act 2001* refers to the meaning of procurement. For the purposes of the Act, procurement is defined as:

- a) Means the process of acquiring goods, services, works or property by purchase, lease, rental or exchange; and
- b) Includes the process of disposing of goods, works or property including by sale.

Further, section 3A of the *Government Procurement Act 2001* excludes certain activities, it states:

"This Act does not apply to the grant of a licence or lease of land, or the sale of a lease of land, under the *Planning and Development Act 2007*."

Procurement activity undertaken by the SLA or City Renewal Authority that does not fall within this category and exceeds the financial thresholds would come within the purview of the Board. In many cases, however, organisations present a strategic procurement plan to the Board for their activities. Individual procurement proposals encapsulated in these plans are not required to be presented to the Board.

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

Signature:



Date: 14/11/18

By the Minister for Government Services and Procurement, Rachel Stephen-Smith MLA