

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

**NEW CAPITAL WORKS
PROGRAM**

1990 – 1991

**REPORT NO. 4 OF THE STANDING COMMITTEE ON PLANNING,
DEVELOPMENT AND INFRASTRUCTURE**

AUGUST 1990

TERMS OF REFERENCE

On 31 May 1990 the Legislative Assembly passed the following resolution :

That :

- (1) the proposed 1990–91 New Capital Works Program be referred to the Standing Committee on Planning, Development and Infrastructure for inquiry and report;
- (2) if the Assembly is not sitting when the Committee has completed its inquiry the Committee may send its report to the Speaker, or in the absence of the Speaker, to the Deputy Speaker who is authorised to give directions for its printing and circulation; and
- (3) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

COMMITTEE MEMBERSHIP

Mr Norm Jensen (Chairman)

Mrs Robyn Nolan

Mr Wayne Berry

Secretary : Greg McIntosh

Inquiry Staff : David James

Keyboard/Clerical : Kim Blackburn

CONTENTS

Chapter	Page
1. INTRODUCTION	
Background	1
The Inquiry Process	1
Acknowledgement	1
The Scope of the Inquiry	2
The 1989/90 New Capital Works Report	2
2. THE 1990/91 NEW CAPITAL WORKS PROGRAM – OVERVIEW	
The Process	5
The 1990/91 Program	6
3. SPECIFIC PROGRAMS	
Government Schooling	9
The Arts	10
Law and Justice	10
Technical and Further Education	11
Community Services	11
Lands	12
Hospital Services/Public and Community Health Services	12
Public Transport	13
Urban Fire Services	14
Parks and Conservation	14
Transport and Engineering	15
Treasury/Finance	17
4. CONCLUSIONS	19
5. APPENDICES	
1. Written Submissions Received	21
2. List of Witnesses at Public Hearings	23
Additional Statement by Mr Wayne Berry	25

RECOMMENDATIONS

The Committee recommends that:

1. a formal government response to the Committee's Report on the 1990/91 Capital Works Program be provided to the Assembly before the 1990/91 Budget is brought down.

(Paragraph 1.19)

2. future new capital works programs include details of the indicative costs of projects identified as part of a reserve amount pending consideration by government.

(Paragraph 2.8)

3. the government, when it responds to this report, provides full details of where the \$22.1m of reserve funds are to be allocated.

(Paragraph 2.9)

4. detailed population projections for the Tuggeranong Valley together, with an explanation of the provision of schools in the south Tuggeranong area, be made publicly available before work on the Bonython school is commenced.

(Paragraph 3.4)

5. the Department of Education fully explores the advantages of school facilities and resources being geographically placed so as to offer the greatest community access and thus allow for more sharing of facilities and resources.

(Paragraph 3.7)

6. before the new boiler is installed in the Canberra Theatre complex, confirmation is needed that the new boiler can be re-sited if and when a new performing arts complex is built.

(Paragraph 3.10)

7. the government take no precipitate action with respect to the Playhouse Theatre and that a final decision not be made until after the Select Committee on Cultural Activities and Facilities completes its inquiry.

(Paragraph 3.13)

8. TAFE and the Department of Education should work closely together to ensure that capital expenditure is targetted to provide the maximum benefit to the community.

(Paragraph 3.20)

9. a broadly based consultative committee on Community Services be established to allow for more public input into identification of priorities for capital works in the Community Services portfolio.

(Paragraph 3.26)

10. the government ensure that a close working relationship be established between the Departments of Community Services and Education on the development of capital works programs for related community facilities.

(Paragraph 3.28)

11. all sections of the health delivery community should be involved in the consultation process which prepares the timetable for hospital rationalisation.

(Paragraph 3.34)

12. every effort be made to ensure that new design developments in bus stops and shelters are reflected in future programs, especially if recurrent costs can be reduced.

(Paragraph 3.40)

13. all projects of an identical nature should be listed in the same sub-program.

(Paragraph 3.48)

14. before any transport and engineering works are planned or designed, all residents and organisations who will be directly effected by those works should be consulted and, where possible, involved in the decision making process.

(Paragraph 3.51)

15. before any work is commenced on the upgrading of Athllon Drive the following takes place:

- . a further study of current traffic travel figures be completed;
- . the results of the traffic travel survey be used in a review of the two options for the upgrading of Athllon Drive from Sulwood Drive to Beasley Street (either construction of bus-only lanes or dual carriageway) to confirm which option should be proceeded with; and

justification be given as to why only sections of the staging strategy recommended by the Denis Johnston and Associates 1989 report on the upgrading of Athllon Drive are included in this capital works proposal.

(Paragraph 3.57)

16. regional consultative groups be established to provide a focus for such consultation.

(Paragraph 3.59)

17. comment on the extent of community consultation be added to the criteria used in preparing the list of projects for the final works program.

(Paragraph 3.64)

18. the future recurrent implications of capital works projects should be added to the criteria used in preparing the list of projects for the final works program.

(Paragraph 3.64)

19. as far as possible full and complete data and background on all programs be provided before the public hearings so as to ensure that the Committee does not have to request the information at a later date.

(Paragraph 3.64)

20. one line budget allocations should be avoided wherever possible.

(Paragraph 3.64)

21. the government continue its efforts to convince the Commonwealth to release funds from the ACT Transitional Funding Trust Account for urgent capital works.

(Paragraph 4.6)

1. INTRODUCTION

Background

- 1.1 The Standing Committee on Planning, Development and Infrastructure was formed on 23 May 1989 and its general terms of reference are to inquire and report on matters:
 - (a) referred to it by the Assembly;
 - (b) considered by the Committee to be of concern to the community; and
 - (c) public works proposals that may be referred to it by the Assembly.
- 1.2 The Committee believes that the annual process of inquiring and reporting on the Capital Works Program is an important means by which the Legislative Assembly, as the elected representatives of the people, can involve the general community in the decision making process. It enables the works proposals for the coming year to be publicly scrutinised and analysed before final decisions are made by the government.

The Inquiry Process

- 1.3 The Committee had a private briefing from Treasury officials on 14 June 1990 at which the scope of the Capital Works Program for 1990–91 and the process by which the various programs are listed was explained.
- 1.4 The Committee called for written public submissions on the works program by advertising in the Canberra Times on June 23, 1990 and in the main ACT suburban newspapers in the week following June 23, 1990. Approximately thirty individuals and organisations requested copies of the proposed Capital Works Program but only five written submissions were received by the Committee. The Committee was disappointed that more public submissions were not forthcoming, although this may have been due to the relatively short period of time allowed for the inquiry process. A list of those people and organisations who made submissions to the Committee is at Appendix 1.
- 1.5 The Committee held two half days of public hearings – 28 and 29 June 1990 – at which officials from all the government agencies listed in the works program were questioned on their works proposals.
- 1.6 The Capital Works Program was examined on a portfolio basis, and within that framework, program by program.
- 1.7 The details of witnesses appearing before the Committee is at Appendix 2.

Acknowledgement

- 1.8 The Committee appreciates the cooperation and assistance provided to it by ACT government officials and members of the public during the inquiry.

The Scope of the Inquiry

- 1.9 Given the size and complexity of the Capital Works Program as well as the normal time and resource constraints the Committee decided to concentrate on several aspects of the works program:
- . the mechanisms and processes adopted in formulating the program and in particular the amount of community consultation undertaken;
 - . the projects involving large amounts of expenditure; and
 - . those projects where there was some doubt as to whether they conformed to the three criteria used by Treasury to list the projects and the extent to which the recommendations made in last years capital works report were acted upon.
- 1.10 The Committee took as its major theme the extent of community consultation in the process of devising the Capital Works Program. Two sub-themes were also pursued: that of noting the continuing problems caused by the transition process to self-government in the ACT and the need for the recurrent implications of capital works expenditure to be fully explored when priorities are determined.
- 1.11 The Committee acknowledges that the procedure and steps taken to formulate the Capital Works Program is still an evolving process and that the government and the administration are still "feeling their way". The Committee perceived an obvious will on the part of the officials to improve the process and it is expected that this report will assist in that improvement.
- 1.12 Whilst acknowledging the time constraints imposed by the budgetary calendar, the Committee believes it is vitally important that as much time as possible be allowed for the capital works inquiry process so that adequate scrutiny can occur. This will ensure the community is given every opportunity to be fully involved and have adequate time to put forward submissions.

The 1989/90 New Capital Works Report

- 1.13 The 1989/90 New Capital Works report was the first report on an ACT government's New Capital Works Program following the achievement of self government in the ACT.
- 1.14 The 1989/90 Report contained 16 recommendations on the capital works proposed. The majority of these recommendations were requests for further information from the government on particular items of expenditure.
- 1.15 Two recommendations dealt with the process of examining the Capital Works Program with a view to making it more effective. The Committee also made recommendations that the program be reviewed in regard to works at the intersection of the Monaro Highway and Isabella Drive, and to take into account the need for a fire station in the Yarralumla/Barton area.

- 1.16 The Forward Design Program in the 1989/90 Report was simply a one line entry with no details of specific programs listed. The Program for this year was much more comprehensive and is one of the areas where there was an improvement in the provision of information to the Committee, however, there is still scope for improvement.
- 1.17 When the 1989/90 Budget was brought down the Treasurer did state that as a result of the Report the government had decided not to continue with its proposals to tie some new capital works to the receipt of revenue from the disposal of surplus schools. Thus, the proposals for a gymnasium at Alfred Deakin High School and additional parking space at the Watson TAFE campus were no longer conditional on asset sales as originally envisaged.
- 1.18 The 1989/90 Report was not tabled until after the final Capital Works Program was announced but the government did respond, in a separate document, to the recommendations as set down by the Committee. This document was never tabled or discussed in the Legislative Assembly.
- 1.19 The Committee recommends that a formal government response to the Committee's Report on the 1990/91 Capital Works Program be provided to the Assembly before the 1990/91 Budget is brought down.**

2. 1990/91 NEW CAPITAL WORKS PROGRAM – OVERVIEW

The Process

- 2.1 Treasury informed the Committee that the process of drawing up the Capital Works Program was a corporate one reflecting the priorities of the government as a whole and there was a degree of flexibility through the various stages from planning to final construction.
- 2.2 Prior to the inclusion of any project in the Capital Works Program all agencies are required to justify a need for the project. This justification includes studies relating to needs assessments, design options, master and implementation planning studies and a detailed outline of the scope of the works and preliminary estimates of cost.
- 2.3 In October each year Treasury issues a Memo to all budget funded agencies calling for them to submit their proposals for the Works Program. These proposals are consolidated by Treasury and included as part of the overall capital budget submission to the government during the development stage of the Forward Estimates.
- 2.4 Treasury vet all proposals and make recommendations to the government on the projects after ensuring that all proposals are scrutinised to ensure they conform to the following criteria:
 - . they are in line with government policy;
 - . there is a sound justification coupled with a high priority; and
 - . the project is able to be briefed, sited, designed and committed to construction within 1990–91.
- 2.5 In general, the officials from the agencies indicated that they were happy with the process by which the Works Program is formulated although several did indicate there was always room for improvement and fine tuning of the procedures adopted.

The 1990–91 Program

2.6 The New Capital Works Program for 1990–91 is summarised as follows:

Proposed New Capital Works

Program	Total Estimated Cost	Estimated Expenditure 1990–91
		\$'000
Land	23.888	10.400
TAFE	2.268	0.800
Law and Justice	0.100	0.030
Community Services	3.447	0.700
Parks and Conservation	3.374	0.500
Public Transport	1.614	0.300
Transport and Engineering	16.970	6.470
Urban Fire Services	3.338	0.900
Government Services	5.000	2.100
Government Schooling	8.450	2.300
The Arts	0.570	0.100
Hospital Services	10.860	2.200
Public/Community Health	0.420	0.100
Contingency Reserve	7.600	
Agency Services	0.001	0.001
Balance	22.100	
TOTAL PROGRAM	110.000	26.901

- 2.7 The \$22.1m figure listed as a balance item above is being held in reserve pending government consideration of two projects – the Tuggeranong Swimming Pool and the Decade of Land Care which is comprised of a number of land and soil conservation proposals. Any funds remaining after the consideration of those two proposals will be allocated to Hospital Services for the Hospitals Redevelopment Project. Whilst acknowledging that the precise details of where the reserve fund is to be expended may not be able to be provided, the Committee nevertheless believes that more information, including indicative figures, could have been forthcoming. Items of this magnitude, like the proposal to upgrade the Civic Olympic Pool, need to be identified by sub-program and full details need to be made available when they are known.
- 2.8 **The Committee recommends that future new capital works programs include details of the indicative costs of projects identified as part of a reserve amount pending consideration by government.**
- 2.9 **The Committee recommends that the government, when it responds to this report, provides full details of where the \$22.1m of reserve funds are to be allocated.**

- 2.10 The Committee was advised by Treasury that the Government Services program was expenditure allocated for Forward Design projects. Forward Design allows for important projects to be planned and designed in the current financial year with a view to them being included in the works program for next year. It also includes projects that have a high priority but do not conform with one or more of the criteria listed in 2.4. The Committee notes that last year the Forward Design Program was simply a one line bulk allocation of funds whereas this year specific programs and their estimated cost are included.
- 2.11 Included in the Forward Design Program for 1990/91 are proposals for new primary and pre-schools at Gordon and Conder; 12 items listed under the Lands program including Ginninderra Pond No 3, Tuggeranong – Tharwa Drive from Johnson Drive to Box Hill North and Gungahlin Distributor Roads and Ancillary Works; a new Electrical Studies Building at Bruce TAFE; a Convalescent Care Facility and a North Canberra Juvenile Justice and Committal Facility; a High Energy Bunker for Radiation Ontology at Woden Valley Hospital; changes to the City Bus Interchange and Bus Priority Measures and 9 items listed under Transport and Engineering including Morshead Drive and Tharwa Drive.
- 2.12 A total of 93 projects are listed under the various program headings for the 1990/91 New Capital Works Program – the largest in terms of expenditure over the life of the project being the Eastern Parkway development from Newcastle Street to Morshead Drive. The total cost of the freeway project (including fees) is estimated to be \$10.546m.

3. SPECIFIC PROGRAMS

Government Schooling

- 3.1 This program consists of nine proposals – the main one being a new primary and pre-school at Bonython at an estimated total cost of \$5.5m. Other items listed include minor new works, improvements to playground equipment, refurbishment of older schools, transportable classroom movements, the upgrading of specialist areas and ventilation improvements at Kambah High School.
- 3.2 Officials from the Department of Education argued that the construction of Bonython primary was consistent with current initiatives involving the school consolidation process. The Committee was advised that a second primary school originally planned for Calwell as well as a primary school in Banks will not be proceeded with. The whole of southern Tuggeranong will be served by the existing Isabella Plains and Calwell primary schools and new schools; Theodore to be opened in 1991, Bonython listed on the 1990/91 New Capital Works Program, and Gordon and Conder listed in the Forward Design Program for 1990/91.
- 3.3 However, in view of public interest and concern about the school consolidation process, the Committee believes there is a need for the government and the Education Department to clearly articulate its policy on the provision of schools in the south Tuggeranong area.
- 3.4 **The Committee recommends that detailed population projections for the Tuggeranong Valley together, with an explanation of the provision of schools in the south Tuggeranong area, be made publicly available before work on the Bonython school is commenced.**
- 3.5 The Committee was concerned to hear that on at least one occasion in the past (Florey Primary School) the cost of community ovals had been included in the total capital costs for the project. While this provides a good example of the joint provision of community facilities, it is important to ensure that in such cases the total costs of the project is not included in the Department of Education's capital works budget
- 3.6 The Committee believes that there may well be significant long term capital savings if this concept is more fully put into practice than is presently the case. These issues should be canvassed during the community consultation process recommended for south Tuggeranong schools.
- 3.7 **The Committee also recommends that the Department of Education fully explores the advantages of school facilities and resources being geographically placed so as to offer the greatest community access and thus allow for more sharing of facilities and resources.**
- 3.8 The Committee was assured that there would be no money spent on refurbishing or upgrading schools that were likely to be closed as part of the consolidation program.

The Arts

- 3.9 The Arts program consists of only two projects both of which are involved with the Canberra Theatre complex. It is proposed that \$0.5m be spent on keeping the Canberra Theatre functional following the proposed demolition of the Playhouse as part of the Section 19 redevelopment proposal. Included in the works are plans for a new boiler adjacent to the Canberra Theatre. The Committee was advised that even if the Canberra Theatre was demolished at some future date, as part of the redevelopment of Section 19, the new boiler would probably be capable of being moved to another location.
- 3.10 The Committee recommends that, before the new boiler is installed in the Canberra Theatre complex, confirmation is needed that the new boiler can be re-sited if and when a new performing arts complex is built.**
- 3.11 The Committee was also advised that the two alternative venues proposed to compensate the arts community in the short term for the loss of the Playhouse – the Childers Street Theatre and the Tau Theatre – were now not suitable for upgrading and that the government is looking at other possible venues. The recent fire at the Tau Theatre has required the previously approved upgrading of that theatre to be delayed pending an evaluation of the alternatives.
- 3.12 The Committee is somewhat concerned with the degree of uncertainty regarding the whole Section 19 development and notes that it is difficult for the Capital Works Program to be devised, agreed to and implemented in such an atmosphere. The Committee also notes that the Select Committee on Cultural Activities has yet to finalise its report.
- 3.13 The Committee recommends that the government take no precipitate action with respect to the Playhouse Theatre and that a final decision not be made until after the Select Committee on Cultural Activities and Facilities completes its inquiry.**

Law and Justice

- 3.14 There is only one project – minor new works – listed under this program.
- 3.15 The Committee was informed that the hand over of the Magistrates Court to the ACT would occur on July 1 1990 and that a deliberative decision has been made to consolidate the courts and the support staff.
- 3.16 The Clerk of the Magistrates Court was unable to indicate to the Committee the precise nature of the minor new works proposed because transitional funding arrangements with the Commonwealth have yet to be finalised. Whilst acknowledging that the transition arrangements have made it difficult for the details of minor works to be listed under this program the Committee is nevertheless concerned that such one line allocations appear on the works program.

Technical and Further Education

- 3.17 Three projects with a total estimated cost of \$2.268m are listed under this program. The main project is the Bruce Block D refurbishment which has an estimated cost of \$0.896m. The other items are minor new works and a fit out of the Fyshwick automotive workshops.
- 3.18 The Committee was informed that during 1989 the ACT Institute of TAFE formulated a major campus consolidation strategy and that the strategy was the driving force behind the current Capital Works Program.
- 3.19 Given this major consolidation strategy, the Committee is of the view that decision making in TAFE needs to be on a "global" basis. It is important that there be no overlapping or duplication between the services provided by TAFE and the Department of Education, as it affects the capital works budget.
- 3.20 The Committee recommends that TAFE and the Department of Education should work closely together to ensure that capital expenditure is targetted to provide the maximum benefit to the community.**

Community Services

- 3.21 Five projects are listed under this program – the largest being the refurbishment of the Woden Community Centre at an estimated cost of \$1.120m. The other items listed are the Parliamentary Zone Child Care Facility, Community Centres refurbishment, Calwell Neighbourhood Centre and minor new works.
- 3.22 Whilst the Committee was convinced there was a sound justification for each of the five programs it was concerned with the admitted lack of community consultation in areas of the community services program. Community services is one area of government activity where feedback from the public is vital and in a small city the size of Canberra there is no reason why the bureaucracy should not be directly accountable and responsive to the wider community. Whilst acknowledging that the final decision on these matters rests with government the Committee believes that the community should be involved in setting priorities for capital works expenditure and an involvement in this process also helps the community understand the extent of the works required.
- 3.23 A written submission from Woden Community Service Inc strongly argued that the proposed improvements to the Woden Community Service's building should proceed. The submission argued that the current building did not conform to relevant health and safety guidelines recently set down by the ACT government and that the inadequate office space and toilet facilities made for unpleasant working conditions.
- 3.24 The Committee was informed that a decision was to be made soon with respect to the location of the Parliamentary Zone Child Care Centre. Three locations were being considered – co-located at Forrest Primary School, next to the old Hotel Kurrajong or co-located with the Manuka Occasional Child Care Centre. The Commonwealth has agreed to provide \$180,000 of the \$520,000 total capital cost involved. The Committee was assured by Community Services that the child care facility could be sited within the 1990/91 financial year.

- 3.25 Contained in the capital works proposals under the heading of minor works is a bulk provision of \$310,000. The Committee was provided with additional information on this item when it was requested but the question remains as to why the information was not provided in the first place. It is essential that full details of all programs be provided to the Committee before the public hearing phase of the inquiry. It should be noted that Treasury did undertake to improve on this aspect of the Capital Works documentation and the Committee looks forward to a fuller provision of data next year.
- 3.26 The Committee recommends that a broadly based consultative committee on Community Services be established to allow for more public input into identification of priorities for capital works in the Community Services portfolio.**
- 3.27 A closer working relationship between the Department of Community Services and the Department of Education should be encouraged to enable better community uses of schools. The Committee is of the view that there may well be capital, as well as recurrent, expenditure savings if such a relationship is established.
- 3.28 The Committee recommends the government ensure that a close working relationship be established between the Departments of Community Services and Education on the development of capital works programs for related community facilities.**

Lands

- 3.29 The Lands program is by far the largest of those listed in the new capital works proposals with approximately one-fifth of the capital budget being devoted to lands projects. The main projects relate to land development and associated works in Tuggeranong and Gungahlin. The largest individual item is the development of William Slim Drive in Gungahlin at a total cost of \$4.430m.
- 3.30 The Committee was advised that market forces ensured that the prices paid for some land developments help keep the land costs for first home buyers down to a reasonable level.
- 3.31 The Committee acknowledges that an orderly program for the development of land for both residential and commercial purposes ensures that prices for land do not fluctuate markedly. This program has also helped to reduce opportunities for speculation in land.

Hospital Services/Public and Community Health Services

- 3.32 The Hospitals Redevelopment Project, with an allocation of \$10m, is the largest item listed under these two programs. Other items listed include the Mitchell Trolley Wash, Minor New Works and Modifications to Building 7 at Woden Valley Hospital.

- 3.33 The Secretary of the Department of Health outlined the consultation process by which proposed capital works are ranked – both within the Hospitals part of the portfolio and that part covering Community Health. He outlined the main hospital rationalisation proposals that are currently under way in the health system. The Committee was advised that the hospital rationalisation process was being undertaken in such a way as to minimise any inconvenience to the public and also to ensure that the current standard of health care delivery was, as far as possible, maintained.
- 3.34 The Committee recommends that all sections of the health delivery community should be involved in the consultation process which prepares the timetable for hospital rationalisation.**
- 3.35 The Committee was informed that an amount in excess of \$10m was likely to be spent on the Hospital Redevelopment program in the 1990–91 financial year – the bulk of this money going towards the development of a principal hospital at Woden Valley and the transfer of mainstream hospital services from Royal Canberra Hospital.
- 3.36 The Committee was also advised that in excess of \$750,000 had been spent in the previous financial year to upgrade fire standards at the Royal Canberra Hospital. This work had to be completed after self government even though the problem had been identified well before the Commonwealth handed over the asset to the ACT. This is yet another instance of where Commonwealth controlled capital assets in the ACT have not been maintained to a sufficient standard and it is now obvious that substantial expenditure is required to correct deficiencies. The Committee was also told that this expenditure would have still been necessary whether the hospital functions were transferred to Woden or not because all public facilities need to meet the required fire safety standards.

Public Transport

- 3.37 Five programs are listed under Public Transport – the largest in terms of capital expenditure being improvements to the City Bus Interchange (total cost \$480,000) and the provision of additional bus stops and shelters (total cost \$470,000). The other three items listed are Improvement to Woden Depot, the Upgrading of Interchange Signage and minor new works.
- 3.38 The Committee was informed the City Bus Interchange was already overcrowded and that additional space and capacity was considered necessary because of expected increased patronage associated with the 333 express bus services and the opening up of Gungahlin for residential development. The General Manager of ACTION Bus Services indicated that in the last year passenger growth had increased by 4% and that the bulk of the growth was attributable to the success of the 333 express services.
- 3.39 The Committee was also advised that the amount allocated for bus stops and shelters would enable another 40 or 50 such structures (some of new design) to be built and that there is approximately 170 locations on the waiting list for shelters. The Committee noted once again the adverse effect that past levels of expenditure has had on a self governing capital works budget.

- 3.40 The Committee recommends that every effort be made to ensure that new design developments in bus stops and shelters are reflected in future programs, especially if recurrent costs can be reduced.**
- 3.41 As with many of the other portfolios in the New Capital Works Program the Committee was told of problems inherited from the stewardship of the Commonwealth for which the ACT is now paying dearly. For example, between 1984–85 and 1986–87 the Commonwealth decided that there would be no bus fleet replacement and as a consequence ACTION is now facing higher than normal capital expenditure payments to maintain and replace its ageing fleet.

Urban Fire Services

- 3.42 Only two items are listed under this program – \$3.136m for Stage 1 of a New Central Area Fire Station and \$202,000 for minor new works. The Committee was concerned that only the barest details were provided of where the \$202,000 for minor new works was to be spent. All details of proposed expenditure need to be provided so that the Committee can properly fulfil its role in the capital works scrutiny process.
- 3.43 The Fire Commissioner informed the Committee that three possible locations are being examined for the new fire station in Civic and that a decision is likely in the near future. Even though the site of the new fire station has not been determined the Committee is satisfied that the project should proceed and not be delayed any further.
- 3.44 The Committee was further informed that approximately 30% of the cost of fire services in the ACT was paid for by the Commonwealth. This figure varies slightly from year to year and is based on the number of calls attended by fire services at Commonwealth government premises.

Park and Conservation

- 3.45 Fourteen items are listed under this program with a total estimated cost of \$3.374m. The largest items were minor new works (\$500,000); modifications to the Red Hill Dog Pound (\$400,000); Murrumbidgee River Corridor Improvements (\$350,000) and Landscape Playground Improvements (\$300,000).
- 3.46 The Committee once again noted that there were works proposals put forward that did not give the full breakdown of where the money is to be spent. While details were available on request, the Committee believes they should have been made available with the original documentation provided by Treasury.
- 3.47 The Committee was also concerned to see that funds for repairs to playground equipment were listed under several different headings.
- 3.48 The Committee recommends that all projects of an identical nature should be listed in the same sub-program.**

Transport and Engineering

- 3.49 Twenty-one projects are listed under this program – the largest being the Eastern Parkway (Newcastle Street to Morshead Street) with an estimated total cost of \$10.546m. Other major projects include: Athllon Drive Bus Lanes, Stormwater Provision and Upgrading, the Upgrading and Extension of Cycleways, and City Access Improvements.
- 3.50 The Committee was also advised that in some instances there had been limited consultation with the community regarding the effects that transport works proposals may have on the business community and residents in surrounding areas.
- 3.51 The Committee recommends that before any transport and engineering works are planned or designed, all residents and organisations who will be directly effected by those works should be consulted and, where possible, involved in the decision making process.**
- 3.52 Once again the issue of inheriting expensive problems from the Commonwealth was evident in this program. Transport and Engineering officials informed the Committee of the problem with storm water drains – many of which have been poorly maintained over the years which will require the ACT to expend funds on very costly replacement and maintenance programmes.
- 3.53 One of the major capital works proposals in the Transport and Engineering program was the upgrading of Athllon Drive at a cost of \$1.080m. The proposal (project no. 2396) involves the construction of bus only lanes between Sulwood Drive and the southern end of Beasley Street and between Parramatta Street and Hindmarsh Drive. It also includes intersection safety improvements and pre-intersection bus lanes on Sulwood Drive and road construction and widening of Athllon Drive north of Beasley Street. Officials from Transport and Engineering argued that if buses used Athllon Drive when travelling between Tuggeranong and Woden, rather than the Tuggeranong Parkway as at present, there would be fuel savings alone of \$35,000 per annum.
- 3.54 The Committee was advised that the proposal for Athllon Drive was also designed to encourage the use of public transport on that route whilst encouraging other vehicle through traffic to use the Eastern Parkway or the Tuggeranong Parkway. The officials also argued that an upgrading of Athllon Drive to dual carriageway would cause major problems for Hindmarsh Drive.

- 3.55 The Committee noted that a January 1989 consultants report on the upgrading of Athllon Drive¹ which recommended these works, also recommended a number of other works to be completed prior to these changes². The Committee was concerned that some of these recommendations do not appear to have been commenced, for example the upgrading of the Sulwood/Athllon Drive roundabout. It was also noted that the traffic travel figures for Athllon Drive were taken from a November 1987 DATACOL survey³. The Committee notes the figures identified by this survey will be more than three years out of date by the times the works have been completed. Despite future traffic projections⁴ the Committee believes there could be significant variations to these projections.
- 3.56 The Committee also received public submissions about these works which expressed concern about the arguments used to justify the construction of bus-only lanes from Sulwood Drive to Beasley Street and these submissions supported dual carriageway from Sulwood Drive to Mawson Drive.
- 3.57 **The Committee recommends that before any work is commenced on the upgrading of Athllon Drive the following takes place:**
- **a further study of current traffic travel figures be completed;**
 - **the results of the traffic travel survey be used in a review of the two options for the upgrading of Athllon Drive from Sulwood Drive to Beasley Street (either construction of bus-only lanes or dual carriageway) to confirm which option should be proceeded with; and**
 - **justification be given as to why only sections of the staging strategy recommended by the Denis Johnston and Associates 1989 report on the upgrading of Athllon Drive⁵ are included in this capital works proposal.**
- 3.58 The Committee believes that Transport and Engineering should give a higher priority to public consultation before any major works are planned.
- 3.59 **The Committee recommends that regional consultative groups be established to provide a focus for such consultation.**

¹ Denis Johnston & Associates Pty Ltd, A Study into the Upgrading of Athllon Drive, (prepared for R.A. Young and Associates), January 1989.

² ibid., p. 8.

³ ibid., p. 11.

⁴ ibid., figure 7.1

⁵ ibid., p. 33.

Treasury/Finance

- 3.60 The role of Treasury in the Capital Works Program is critical given that it has the responsibility of coordinating and overseeing the whole process. As mentioned earlier the agencies were generally happy with the process and the amount of inter-agency consultation.
- 3.61 The Committee commends Treasury for the improvements made to the whole process of drawing up the works program since last years committee hearings. The information provided to the Committee this year was much more detailed and well explained however, as has already been mentioned, there were still gaps in the provision of some information prior to the public hearings. The Committee notes that the move towards longer term capital works planning is an improvement and should help engender an atmosphere of certainty in the local building and allied industries.
- 3.62 Last year it was estimated that \$29.5 m would be spent in 1989/90 on capital works and Treasury advised that \$29.334m was actually expended. The corporate nature of the whole program means that estimated expenditure for sub-programs for any one year are often at variance with actual expenditure. However, the Committee was assured that such variations did not mean that particular projects were cancelled or modified but rather that the timing of those projects was altered.
- 3.63 The Committee was concerned that a number of agencies were obviously not involving the wider community as much as they should in the process of devising their priorities for capital works. While it is acknowledged that consultation is not always possible or necessary, the degree of consultation undertaken at the present is considered by the Committee to be insufficient and that some agencies need to adopt a more responsive approach to community consultation.
- 3.64 **The Committee makes the following recommendations on the development of the overall New Capital Works Program:**
- . **comment on the extent of community consultation be added to the criteria used in preparing the list of projects for the final works program;**
 - . **the future recurrent implications of capital works projects should be added to the criteria used in preparing the list of projects for the final works program;**
 - . **as far as possible full and complete data and background on all programs be provided before the public hearings so as to ensure that the Committee does not have to request the information at a later date; and**
 - . **one line budget allocations should be avoided wherever possible.**

4. CONCLUSIONS

- 4.1 The Committee believes that the processes and procedures by which the Capital Works Program for 1990/91 was devised are generally sound and represent a vast improvement over past experience. However, there is still room for further refinements to those processes and procedures.
- 4.2 It was evident that in some agencies there is a need to involve the wider community in the capital works process to a much greater extent than is presently the case and the provision of information to the Committee on programs could still be improved.
- 4.3 In the interests of getting the best value out of the taxpayers dollar there is a need for the government and the agencies to give priority to those projects that lead to long term recurrent savings when devising the Capital Works Program.
- 4.4 This inquiry has clearly demonstrated to the Committee that when the Commonwealth handed over control of many of the capital assets to the ACT in May 1989 they were not in a well maintained condition and the costs of that poor maintenance are now having to be paid. This fact has already been identified in Justice Rae Else-Mitchell's inquiry into the Assets and Public Debt of the ACT (May 1990).
- 4.5 The ACT Transitional Funding Trust Account, which is controlled by the Commonwealth, contains funds that are designed to assist the ACT during the early years of self-government. The funds are for projects of a restructuring nature and which are likely to lead to long term savings on recurrent expenditure. The Trust Account currently contains approximately \$50m.
- 4.6 **The Committee recommends that the government continue its efforts to convince the Commonwealth to release funds from the ACT Transitional Funding Trust Account for urgent capital works.**

N. Jensen MLA

(Presiding Member)

6 August 1990

APPENDIX 1

WRITTEN SUBMISSIONS RECEIVED

The Woden Community Service Inc

Tuggeranong Valley Rugby Union and Amateur Sports Club

Tuggeranong Community Council

Strutt, Mr Brian A

Worthy, W John

APPENDIX 2

LIST OF WITNESSES

Agius, B	Chief Technical Officer ACT Institute of TAFE
Andrews, C	Business Manager – Arts Bureau
Barton, D	Executive Director – Corporate Services Hospitals Department of Health
Bone, K	Senior Adviser Transport Policy Branch Department of Urban Services
Black, R	General Manager – Engineering Projects ACT Public Works
Bisset, J	Secretary – Department of Health
Chivers, P	Acting Executive Director – Community Programs Housing and Community Services Bureau
Corley, B	Acting Director – Community Facilities Housing and Community Services Bureau
Dockrill, B	Director of Transport and Engineering Department of Urban Services
Eggins, A	Financial Manager ACTION Department of Urban Services
Fajak, J	Acting Director Corporate Support and Projects ACT Law Office
Gill, K	Executive Officer – Facilities Management Department of Education
Gaskill, G	General Manager – Corporate Secretariat Department of Urban Services
Gniel, D	Director Capital Program Development Section ACT Treasury
Gration, D	General Manager – Canberra Theatre Trust
Horsham, K	General Manager Housing and Community Services Bureau

Johnman, J	Assistant Under Treasurer ACT Treasury
Joyce, M	Director of Planning and Capital Works – Hospitals Department of Health
Kerr, B	Fire Commissioner Department of Urban Services
Lebang, J	Acting Principal Executive Officer – Property Projects and Planning Section Department of Education
O’Dea, J	Executive Director – Corporate Management Services Department of Health
Osborne, L	Director Real Estate – Lands Branch Office of Industry and Development
Parsons, C	Acting General Manager – Conservation and Land Management Parks and Conservation
Pearson, D	Associate Director Corporate Services ACT Institute of TAFE
Sadler, P	Deputy Secretary – Resources Department of Education
Sommer, H	Assistant Secretary – Lands Branch Office of Industry and Development
Sullivan, M	Acting General Manager Engineering and Building Services Department of Urban Services
Thomson, P	Clerk of ACT Magistrates Court
Thwaite, J	Acting General Manager – Cultural and Recreational Services Parks and Conservation
Turner, J	Secretary Department of Urban Services
Wadsworth, M	General Manager ACTION
Walsh, G	Director of Financial Management Department of Health

Note:

The titles of the above officials are as they were when the public hearings were held – 28 and 29 June 1990.

**ADDITIONAL STATEMENT BY MR WAYNE BERRY MLA
CONCERNING COMMITTEE PARTICIPATION
BY AUSTRALIAN LABOR PARTY MEMBERS**

On 27 March 1990 (Hansard page 879) the Leader of the Opposition, Ms Follett, said in relation to the Government's restructure of committees:

"Ms Follett: ... I have said many times before that we stand ready to participate fully in the life and the work of Assembly committees. But committees must be an arm of the Assembly and not simply a rubber stamp for Government decisions ... It is extremely important that there is a clear separation of powers between the Executive Government and the Assembly and this separation must not only occur in fact but it must be seen to occur – even to the casual observer ... The Labor Party will not be seen as part of a committee which appears to be an Executive Committee ... we will not serve on a committee which is chaired by an Executive Deputy who has portfolio responsibilities in that committee's area of responsibility."

I agree that there must be and must be seen to be a clear separation between Assembly committees and the Executive if these committees are to have a credible independence from the Executive Government. In my view, there is no logic in Mr Jensen's continuing as chair of the Standing Committee on Planning, Development and Infrastructure if there is a wish by Government to preserve this important concept of parliamentary government. In other words, it is reprehensible for the ACT Government to persist with a mechanism of parliamentary democracy which so arrogantly ignores the requirement to preserve the independence of standing committees of this Assembly and to be seen so to do.

On the other hand, the Government is apparently keen to ensure that executive deputies are given something as important to do as the recently invented title suggests. It is also apparent that as part of forming the alliance, it had to be attractive to new members to accept their new role – though not as ministers – and personal preference as well as party political interests formed the basis for the allocation of Executive Deputy assignments and the chairs of committees.

It is this later assignment where the Government and its members, in the Labor Party's view, failed to give due consideration to the need to properly separate the Executive role from that of the Assembly. Unfortunately it also appears that the Government, having made its decision, has no process available to it whereby its attitude to this important issue might change.

On 15 May 1990 at a meeting of the Standing Committee on Planning, Development and Infrastructure, I drew the above mentioned position to the attention of Mr Jensen, the Liberal, Residents Rally and Independents Group ACT Government Executive Deputy responsible for planning.

I then requested that because of Mr Jensen's Executive Deputy responsibilities for planning, that he stand down as chair of the committee. Mr Jensen declined.

I note that the Labor Opposition is not alone in the Assembly in its concerns about the future functioning of Assembly committees. It is a matter of record that Mrs Nolan made

statements to the Standing Committee on Planning, Development and Infrastructure expressing her concern that the composition of the committee, consisting of two Government members only, might be seen as improper.

I also requested that Mr Stefaniak not make himself available for the position of presiding member of the Standing Committee on Legal Affairs on the grounds of bias. He refused, though at the same time, acknowledged that there would be instances where the question of conflict of interest between his Executive Deputy duties and his position as presiding member of the committee would cause him to stand down.

On the issue of bias, one needs only to turn to the courts for guidance and while the attention of the courts is directed at those who might carry out a judicial function, it is nevertheless the case in my view that the same rules should apply in determining the propriety of executive deputies performing the duties of presiding member on committees where there is an overlap between the respective executive deputies and the committees on which they serve.

The courts have made clear the point and as Lord Denning said in *Metropolitan Properties Co. v Lannon* 1969:

"The court looks at the impression which would be given to other people. Even if he was an impartial as could be, nevertheless if right minded persons would think that in the circumstances, there was a real likelihood of bias on his part then he should not sit ..."

I repeat that the Labor Opposition is keen to participate fully in an Assembly committee system which is not under a cloud regarding its independence. In my view it is an issue for the parties to the ACT Government whether or not they too wish to have the Assembly committee system seen to be independent by the ACT community.

W Berry MLA