

Introduction

Referral of Work

- 1.1 On 12 February 2004 the proposal to fit-out new leased premises for the Department of Health and Ageing at Scarborough House, Woden Town Centre, Australian Capital Territory (ACT), was referred to the Public Works Committee for consideration and report to the Parliament in accordance with the provisions of the Public Works Committee Act 1969 (the Act).¹ The proponent agency for this work is the Department of Health and Ageing (Health).
- 1.2 The Hon Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed works was \$18.5 million. Mr Slipper noted further that the work on the extension and refurbishment of the premises to be leased by Health would begin in February 2004, with completion expected by April 2005. Mr Slipper added that, subject to Parliamentary approval, the fit-out would commence in June 2004 and that Health would move into the building in July 2005.

1 Extract from the Votes and Proceedings of the House of Representatives, No. 85, Tuesday, 25 March 2003

Background

The Department of Health and Ageing

- 1.3 The Department of Health and Ageing's vision is "better health and healthier ageing for all Australians through a world class system".²
- 1.4 Health aims to:
- prevent disease and promote health;
 - provide accessible, high quality health services including preventative, curative, rehabilitative, maintenance and palliative healthcare;
 - meet Australians' healthcare needs throughout their life; and
 - be responsive, affordable and sustainable.³

Site of the Proposed Work

- 1.5 In December 2003 a letter of commitment was signed between Health and the preferred tender, Indigenous Business Australia (IBA). The lease, effective from 1 July 2005, is for a period of 10 years, with a further five-year option.⁴
- 1.6 Scarborough House has been vacant for some years. The Commonwealth sold the building to IBA as part of its property rationalisation strategy. The land was degazetted as national land and came under the control of the ACT Planning and Land Authority, which has approved the proposed development.
- 1.7 Scarborough House is located at the northern end of the pedestrian precinct in the Woden Town Centre.
- 1.8 The completed refurbished and extended premises will comprise:
- a 15 storey high building containing 16, 000 square metres of office accommodation and 600 square metres of ground floor space;
 - 49 car parking spaces in the basement (including 2 disabled car parking spaces); and
 - a drop-off area and short-term courier parking outside the building.

2 Appendix C, Submission No. 1, paragraph 1.1.1

3 op cit

4 op cit, paragraph 1.2.2 and paragraph 2.2.1

Inquiry Process

- 1.9 The Committee is required by the Act to consider public works over \$6 million⁵ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁶
- 1.10 The Committee called for submissions by advertising the inquiry in *The Canberra Times* on Monday 16 February 2004. The Committee also sought submissions from relevant government agencies, local government, private organisations and individuals, who may be materially affected by, or have an interest in, the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspections and Public Hearing

- 1.11 On 22 March 2004 the Committee travelled to the Scarborough House site and inspected at first hand the scope and environs of the proposed works. A public hearing was held at Parliament House, Canberra, later that day.⁷

5 *Public Works Committee Act 1969*, Part III, Section 18 (8)

6 *Public Works Committee Act 1969*, Part III, Section 17

7 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Monday, 22 March 2004 in Canberra

