

Introduction

Referral of Work

- 1.1 On 29 March 2007 the proposal for fit-out of new leased premises for the Department of Health and Ageing at the Woden Town Centre, 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 Lindsay MP, Parliamentary Secretary to the Minister for Defence, advised the House that the estimated total capital cost of the fit-out was \$67 million, with the fit-out construction to be integrated with the base building.² Subject to parliamentary approval, work is proposed to commence in October this year with practical completion of the new building scheduled for early 2010. As a result, Health expects to occupy the building in early 2010.³

1 Extract from the *Votes and Proceedings of the House of Representatives*, No. 164, 29 March 2007.

2 Appendix C, Submission No. 1, paragraph 2.16.2.

3 *ibid.*, paragraph 2.19.1.

Background

Department of Health and Ageing

- 1.3 The Department of Health and Ageing states that its vision is “Better healthy and active ageing for all Australians” through a world class system which:
- focuses the health and aged care system more on healthy lifestyles;
 - improves the transparency, accessibility, accountability and quality of public and private health and aged care service provision;
 - consolidates and progresses reforms to ensure choice of, and access to, quality aged care services;
 - works towards better health for Aboriginal and Torres Strait Islander peoples;
 - utilises public sector involvement to improve choice for consumers;
 - leads a whole-of-government approach to bolster Australia’s responses to disease threats, national emergencies and other large scale health emergencies; and
 - collaborates with States and Territories to deliver efficient, value-for-money health and aged care services.⁴
- 1.4 Health’s central office has traditionally occupied space in the Woden Town Centre since the concept was developed by the then National Capital Development Corporation (NCDC) in Canberra’s early planning stages. As the department expanded, and the need for additional office space grew, it took up space in a number of buildings both in Woden and the ACT more broadly.⁵
- 1.5 Health’s mid-term accommodation strategy focussed on relinquishing a number of peripheral leases and consolidating its property portfolio into a smaller number of large leases in the Woden precinct. The relinquished leases were located in Barton and Civic, as well as some small lease-holdings in Woden. Through the lease consolidation and the occupation

4 *ibid.*, paragraph 1.1.1.

5 *ibid.*, paragraph 1.2.1.

of Scarborough House in 2005,⁶ Health reduced the number of office accommodation lease-holdings in from fifteen to seven sites in the ACT.⁷

Site Location

- 1.6 The proposed new building will be located adjacent to Scarborough House, on the corner of Furzer and Worgan Streets in Woden Town Centre.⁸

Inquiry Process

- 1.7 The Committee is required by the Act to consider public works over \$15 million⁹ 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.¹⁰
- 1.8 The Committee called for submissions by advertising the inquiry in the *Canberra Times* on Saturday, 7 April 2007. 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.

6 Joint Standing Committee report into the *Proposed Fitout of New Leased Premises for the Department of Health and Ageing at Scarborough House, Woden Town Centre, ACT*, second report of 2004.

7 Appendix C, paragraph 1.2.2.

8 *ibid.*, paragraph 2.1.1.

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

10 *ibid.*, Section 17.

Inspection and Hearing

- 1.9 On Friday 15 June 2007, the Committee inspected the site and environs of the proposed works. A confidential briefing from officers of the Department of Health and Ageing and a public hearing were held at Parliament House, Canberra, later that day.¹¹

¹¹ See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 15 June 2007 at Parliament House, Canberra.