



Special Minister of State
Minister for Commerce
Minister for Industrial Relations
Assistant Treasurer
Minister for the Central Coast

- 5 AUG 2004

Ref: A23031

Mr Kevin Greene MP
Chair
Legislative Assembly Standing Committee on Public Works
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Green

I have received your letter of 22 June 2004 inviting comment on the Standing Committee on Public Works's inquiry into the Joint Use and Co-location of Public Buildings.

The Government supports the principle of sharing facilities wherever practical and this is one of the key strategies of its Office Accommodation Reform Program. While this occurs, and is actively promoted, among State Government agencies, it does not generally extend to include Local Councils.

I have been advised that when development proposals are being contemplated, Local Councils are, in most instances, considered in the same light as any other private sector proponent. Government treats with Councils in the same way it does with the private sector and, therefore, is not normally in a position to direct deal with them. Nevertheless there have been a number of joint developments of public buildings between State Government agencies and Local Councils where the circumstances have warranted such an approach.

There are a number of issues that could arise where the sharing of facilities is being considered. Subject to the extent of the sharing arrangements, these might include:

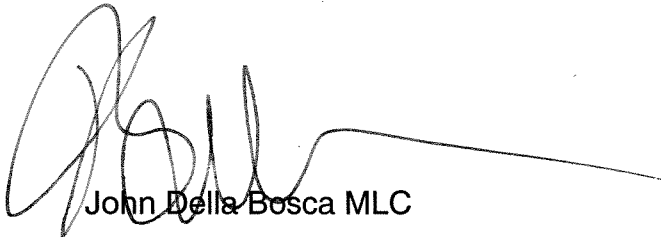
- Determination of equity share,
- Security arrangements,
- Responsibility for ongoing management of assets or common facilities,
- Funding and maintenance arrangements, and
- Alignment of priorities where multiple agencies are involved.

While none of these issues is considered to be insurmountable, they do add complexities to any proposed joint projects.

Finally, I might mention that the Government's decision to transfer responsibility for asset management and procurement policy to NSW Treasury has renewed its focus on strategic asset planning. This is now an integral component of the budget process and will ensure that any future decisions to procure new infrastructure will only be taken after extensive consideration of alternate service delivery options, reuse of existing assets and potential to share resources with similar service providers.

Thank you for the invitation to comment and I look forward to reviewing the outcome of the Committee's inquiry.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Della Bosca', with a long horizontal line extending to the right.

John Della Bosca MLC