

#	Question On Notice	Response
1	<p>The Hon. JOHN GRAHAM: Just a couple of followup questions on that. Bearing in mind that this project has attracted attention, given it has received more money than all the other regional conservatoria together, did you receive a business case for stage one or was there one received for stage one? Mr HANGER: Property NSW would be able to confirm that but, yes, there would be a business case, there would be a delivery plan that has been developed for that work.</p> <p>The Hon. JOHN GRAHAM: So you know that or you are suggesting that is likely? Mr HANGER: For the work to have commenced— The Hon. JOHN GRAHAM: It must have? Mr HANGER: Yes. The Hon. JOHN GRAHAM: Alright. Mr HANGER: But we can take that on notice and confirm what documentation was available for stage one.</p>	<p>Questions relating to the approval and delivery of Stage One of the Riverina Conservatorium of Music should be referred to Property NSW for response.</p>
2	<p>Mr HANGER: Stage one was part of the budget process in 2019-20 and, stage two, I am going to say was a pre-by-election commitment. Mr Wheaton? Mr WHEATON: Yes. The Hon. JOHN GRAHAM: And what does that mean? Who approved it? Someone has to approve something in government.</p> <p>Mr HANGER: The Premier made that commitment. The Hon. JOHN GRAHAM: So the Premier approved stage two being reserved? Mr HANGER: Yes. It was announced. I will take on notice the exact approval process, but it was announced before the Wagga by-election if I am correct? The Hon. JOHN GRAHAM: Yes, and it</p>	<p>A signed letter from the NSW Treasurer approved a reservation of up to \$20 million from the Regional Communities Development Fund (RCDF) subject to:</p> <ul style="list-style-type: none"> - The project being submitted for consideration and successful through the competitive assessment process of the RCDF - Finalisation of the scope of works for the project - The project meeting the guidelines of the RCDF - A Final Business Case being approved by ERC

<p>did not go to the Expenditure Review Committee [ERC] because there is not a business case at the moment, so this would have sat with a single Minister to approve. And you are saying that Minister was the Premier and she must have signed something to approve that reservation? Mr HANGER: We will check on exactly what the approval process was. The Government has made the public commitment before the by-election. So \$20 million has been committed subject to a compliant business case coming through. We are still awaiting that business case.</p> <p>The Hon. JOHN GRAHAM: On notice, could you provide that approval paperwork to the Committee? Mr HANGER: Yes. We will look into that, yes. The Hon. JOHN GRAHAM: Thank you. The Hon. COURTNEY HOUSSOS: If you are not able to provide the paperwork, can you provide us with the name of the document or something specific around how it was approved?</p> <p>Mr HANGER: Yes. The Hon. COURTNEY HOUSSOS: I just want to come back to that, Mr Hanger. I was asking you very specifically if there was a written approval process for that \$20 million. You were saying there was not a written approval process but there may have been a brief produced? Mr HANGER: There may have been. We will look into that.</p>	
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Premier of New South Wales

The Hon John Barilaro MP
Deputy Premier
Minister for Regional New South Wales
Minister for Skills and Minister for Small Business
GPO Box 5341
SYDNEY NSW 2000

Dear Deputy Premier

Thank you for your correspondence of 23 August 2018 regarding a funding reservation for the Recital Hall component of Stage 2 of the Riverina Conservatorium of Music (the project).

As per the ERC Terms of Reference, the Premier and I have agreed to the reservation of up to \$20 million, from the recently announced Regional Communities Development Fund (RCDF), for the project subject to:

- The project being submitted for consideration and successful through the competitive assessment process of the RCDF
- Finalisation of the scope of works for the project
- The project meeting the guidelines of the RCDF
- A Final Business Case being approved by ERC

Thank you for bringing this matter to our attention.

Yours sincerely,

The Hon Gladys Berejiklian MP
Premier

The Hon Dominic Perrottet MP
Treasurer
Minister for Industrial Relations

3	<p>The Hon. JOHN GRAHAM: Just returning to your answer about stage one approval, you indicated that was approved in the budget process, but who was the Minister that took that through the budget process? Mr HANGER: I would have said if it is property it would have been as part of the overall government budget process. I will check on 2019/20, but it may well have been a whole-of-</p>	<p>The \$10 million Stage One of the Riverina Conservatorium of Music was funded in the 2019-20 NSW Budget under the Property NSW Building Refurbishment Program. Information that informs NSW Government decisions made by Cabinet or Cabinet sub-committees is governed by the convention of Cabinet confidentiality.</p>
	<p>sector submission by the Treasurer. We will confirm.</p>	
4	<p>The CHAIR: Mr Hanger, on notice can you tell us exactly what you had at the time that the \$20 million announcement was made by the Premier? Mr HANGER: Yes, I am happy to take that on notice. The CHAIR: And if there was any kind of assessment done before the announcement was made on what, if any, criteria were used to assess it. Mr HANGER: Yes.</p>	<p>The Department would like to clarify that the Minister for Arts, the Hon. Don Harwin MLC, announced the \$20 million for Stage Two of the Riverina Conservatorium of Music on 24 August 2018.</p> <p>The Treasurer signed a letter approving a reservation of up to \$20 million for the project from the Regional Communities Development Fund, subject to a number of conditions set out in the letter.</p>

5	<p>The Hon. JOHN GRAHAM: Mr Hanger, I return to finish off that questioning about the Wagga conservatorium. You have said you will take on notice the record of the administrative decision as the Premier made that reservation.</p> <p>Mr HANGER: Yes.</p> <p>The Hon. JOHN GRAHAM: Thank you for that. What is the usual process, though, when a reservation of that sort is made? What sort of paperwork would usually accompany that? Mr HANGER: Usually the Minister responsible for where the funding is sought from will confirm that the funding is available prior to a reservation being announced. We will take on notice the process for that.</p>	<p>Funding reservations are common practice and enable the Government to undertake comprehensive project development and assurance reviews prior to a final funding decision.</p> <p>The process to confirm a funding reservation will vary depending on different factors such as the proposed funding source, amount of funding required, Ministerial or legislative funding delegations, required timing and agreed Department processes.</p> <p>For the Riverina Conservatorium of Music reservation, the Treasurer signed a letter approving a reservation of up to \$20 million for the project from the Regional Communities Development Fund, subject to a number of conditions set out in the letter.</p>
6	<p>Mr HANGER: The Government made a reservation of \$20 million. We will confirm the details and the process that was undertaken for that reservation.</p> <p>The Hon. JOHN GRAHAM: As you do that, can you confirm just how usual it is that the Premier is signing off on those? Is that the usual or not the usual process?</p>	<p>Funding reservations are common practice and enable the Government to undertake comprehensive project development and assurance reviews prior to a final funding decision.</p> <p>The process to confirm a funding reservation will vary depending on different factors such as the proposed funding source, amount of funding required,</p>

	<p>Mr HANGER: Yes, we will confirm the usual reservation process.</p>	<p>Ministerial or legislative funding delegations, required timing and agreed Department processes.</p> <p>For the Riverina Conservatorium of Music reservation, the Treasurer signed a letter approving a reservation of up to \$20 million for the project from the Regional Communities Development Fund, subject to a number of conditions set out in the letter.</p>
7	<p>The Hon. COURTNEY HOUSSOS: When the Premier made the \$20 million announcement in Wagga Wagga in the lead up to the by-election did your department prepare the media release? Mr HANGER: I will take that on notice and at that period we were in the Department of Premier and Cabinet [DPC] but we will take on notice exactly where that was prepared.</p>	<p>The Department would like to clarify that the Minister for Arts, the Hon. Don Harwin MLC, announced the \$20 million for Stage Two of the Riverina Conservatorium of Music on 24 August 2018.</p> <p>The Department of Premier and Cabinet prepared the draft media release for the announcement.</p>
8	<p>The Hon. COURTNEY HOUSSOS: What would usually be the document that is attached to the announcement, would it be a brief from your department, or an application form?</p> <p>Mr HANGER: Could be a whole range of materials, application form, business cases, briefs. Typically, a project will have a file and associated with the file will be all the material relevant to that project.</p> <p>The Hon. COURTNEY HOUSSOS: Is it usual then that the conservatorium project seems to have nothing?</p> <p>Mr HANGER: No, we are not saying that the project has nothing. We will confirm exactly what was available at what points, detailed business cases being prepared, work is underway on stage one.</p>	<p>Questions relating to the approval and delivery of Stage One of the Riverina of Conservatorium of Music project should be referred to Property NSW.</p> <p>The \$20 million commitment for Stage Two was made subject to:</p> <ul style="list-style-type: none"> - The project being submitted for consideration and successful through the competitive assessment process of the RCDF - Finalisation of the scope of works for the project - The project meeting the guidelines of the RCDF - A Final Business Case being approved by ERC <p>-A business case, including an options analysis for Stage Two, is expected to be finalised shortly and will inform future funding decisions.</p>

9	<p>The Hon. COURTNEY HOUSSOS: Do you have any funds that you administer where it is the usual course of action that an email from a ministerial advisor is enough to provide funding from your department?</p>	<p>The Deputy Premier's Discretionary Fund, for small scale community grants, is the only program managed by the Department of Regional NSW with that approval process.</p>
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	<p>Mr HANGER: The Deputy Premier's discretionary fund, I think.</p> <p>The Hon. COURTNEY HOUSSOS: That would be the only one?</p> <p>Mr HANGER: That is the only one I can think of. We will take on notice if there are any others, but.</p>	
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