Estimates Committee 2010 Ouestions Taken On Notice

(11/06/2010 to 18/06/2010)

Date: 16/06/2010 Output:

Sub Output:

Subject: Territory Housing

From:Mr Adam Giles to Dr Chris Burns Public and Affordable Housing

5-17

Question: I will give you 6 Brooks Place, Millner – two two-bedroom duplexes,

Tender No D090438, awarded on 10 February for \$1 148 226; and 13 Moorhen Crescent, Bakewell – construction of three two-bedroom duplexes, Tender No contactsD090442 by Territory Housing awarded on 10 February 2010, Contract No TW1020910 for the amount of \$1 932 055.

The follow-up component of that question on notice is how do you

identify that as value for money?

Answer:

Answered On: 16/06/2010 Answer: see attached

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ESTIMATES COMMITTEE Questions Taken on Notice

Date: 16 June 2010 Output: 1.0 Territory Housing Services

Sub Output: 1.1 Urban Public Housing

Subject: Answer to Question on Notice 5.17

From: Member for Braitling To: Dr Chris Burns MLA

Department of Housing, Local Government and Regional Services

Number: 5.17

Question: What was the construction cost for Brooks Place and Moorhen Cct dwellings? I will give you 6 Brooks Place, Millner – two two-bedroom duplexes, Tender No D090438, awarded on 10 February for \$1 148 226; and 13 Moorhen Crescent, Bakewell – construction of three two-bedroom duplexes, Tender No D090442 by Territory Housing awarded on 10 February 2010, Contract No TW1020910 for the amount of \$1 932 055. The follow-up component of that question on notice is how do you identify that as value for money?

Answer:

Construction Cost

The 6 Brooks Place, Millner and 13 Moorhen Circuit, Bakewell projects are nearing completion. The final construction cost is therefore projected at this stage.

For 6 Brooks Place, Millner (tender no. DO9-0438) which is 4 x two bedroom units (i.e. 2 duplexes), the final construction cost is projected to be \$298 888 per dwelling. This compared with the current average price of a two bedroom unit/apartment in Millner of \$431 400.

For 13 Moorhen Circuit, Bakewell (tender no. DO9-04442) which is 6 x two bedroom units, the final construction cost is projected to be \$336 389 per dwelling. This compares with he current average price of a two bedroom unit/apartment in Bakewell is \$375 100.

Value for Money

Both these projects were publicly tendered in order to seek a competitive price from the market. Tenders were assessed under the Northern Territory Government's Procurement Directions and in accordance with the value for money principles. Tenders were assessed against the following criteria: Past Performance, Local Development and Value Adding, Timeliness, Capacity, Whole of Life Costs and Innovation.

DR BURUS

ESTIMATES QUESTION ON NOTICE

Minister Chris Burns MLA

No...847 Laid upon the Table

Question 5.17 - What was the construction cost for Brooks Place and Moorhen Cct dwellings?

Both these projects are nearing completion. The final construction cost is therefore projected at this stage.

For 6 Brooks Place, Millner (tender no. DO9-0438) which is 4 x two bedroom units (i.e. 2 duplexes) - the final construction cost is projected as \$298,622 per dwelling.

For 13 Moorhen Cct, Bakewell (tender no. DO9-04442) which is 6 x two bedroom units - the final construction cost is projected as \$336,370 per dwelling.

How do you identify this as value for money?

Both these projects were publicly tendered in order to seek a competitive price from the market. Tenders were assessed under the NT Government's Procurement Directions and in accordance withe the value for money principles. Tenders were assessed against the following criteria: Past Performance, Local Development and Value Adding, Timeliness, Capacity, Whole of Life Costs and Innovation