



*Parliamentary Service*

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**BUDGET 2016-17**  
**FINANCE AND ADMINISTRATION COMMITTEE**

**SPEAKER'S RESPONSE**  
**TO**  
**QUESTIONS ON NOTICE**

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## **GOVERNMENT QUESTION 1**

With reference to the role of the Legislative Assembly to promote the institution of Parliament and the recent Commonwealth Parliamentary Association seminar:

Will the Speaker please advise the outcomes of the seminar held in Queensland?

## **SPEAKER'S RESPONSE**

On Sunday 5 June until Saturday 11 June 2016, the Queensland Branch hosted the 27<sup>th</sup> CPA Annual Parliamentary Seminar.

A total of 21 delegates from 12 countries attended, in addition to Queensland members of Parliament. Jurisdictions included: Fiji, Quebec, Singapore, Pakistan, Namibia, South Africa, Jersey, New Zealand, the United Kingdom, Cameroon, Nigeria, the National Parliament of India and three Indian states, and three Australian states, New South Wales, Western Australia and South Australia.

The sessions of the Seminar included, the evolution of parliamentary democracy, parliamentary ethics, transparency and accountability, parliamentarians' role in tackling domestic violence, sustainable development goals, and parliament and the economy.

Prior to the commencement of the Conference, the Clerk and I accompanied the CPA Secretary-General, Mr Akbar Kahn, on an educational Roadshow, with the aim of engaging with young people and education establishments to promote democracy.

We visited three local schools: Lourdes Hill, the Academy of Maths, Science and Technology and Cavendish Road State High School. In addition, I invited the Secretary-General to give an address in the Legislative Council Chamber to members of the United Nations Association of Australia Queensland Branch, members of the Australasian Study of Parliament Group (ASPG) Queensland Branch, university students and Members of Parliament.

The Roadshow provided an opportunity for young people to discuss the issues of concern about their society and democracy, to meet local Members of Parliament and Parliamentary staff and to find out about the work of the Commonwealth Parliamentary Association (CPA) and the wider Commonwealth.

A total of 35,000 pounds will be reimbursed by CPA Headquarters to the CPA Queensland Branch for the costs associated with the Seminar and Roadshows.

**GOVERNMENT QUESTION 2**

With reference to page 132 of Budget Paper 4 –

Will the Speaker please advise the status of the Parliamentary Annexe level 7 rectification works?

**SPEAKER'S RESPONSE**

As is the case with any significant project involving demolition and construction in/on an old building, the original project plan and budget has been subject to change because of latent (unforeseen) building conditions. For example-

- the discovery of large quantities of asbestos in garden bed constructions, putting green, squash courts and coating on the swimming pool structure; and
- the discovery of significant floor surface deficiencies on level 7, adversely impacting upon floor levelling and tiling program.

There have also been decisions made by management during the course of the project that have impacted upon the delivery schedule and the budget. For example, halting works at certain times due to noise impacting upon the activities of the Parliament or its committees.

It is expected the project will be completed on 31 August 2016 weather permitting.

The original budget for the project was \$3M however because of the above-mentioned issues, the estimated cost will actually be \$3.874M

Treasury agreed to meet some of the costs (\$300,000) leaving an overall shortfall of \$574,000 which the Parliament will meet from its existing capital budget.

Due to the August 2016 completion date, costs will be incurred across 2015-16 and 2016-17 as follows:

<b>EXPENDITURE (estimated)</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Totals</b>
Total Expenditure	\$2,149,000	\$1,725,000	\$3,874,000
<b>BUDGET</b>			
Treasury budget	\$3,300,000	Nil	\$3,300,000
Net position	Saving \$1,151,000		

In 2016-17, total expenditure to complete the project is estimated at \$1.725M. This will be funded in part by the \$1.151M of current funding unspent at 30 June 2016.

The Parliament will meet the remainder (\$574,000) by redirecting funding from the 2016-17 Accommodation Improvement Program (\$600,000). This funding is unlikely to be spent given that all current relocations requests have been deferred pending the outcome of the 2017 Redistribution.

### GOVERNMENT QUESTION 3

I refer to page 4 of the SDS and the implementation of a corporate electronic documents management system:

Will the Speaker please outline the cost of the system and advise when it will be introduced?

### SPEAKER'S RESPONSE

At present the Parliamentary Service uses a largely paper-based corporate records keeping system, with hard-copy paper files.

Emails (which now contain a significant amount of our records) are not captured and stored in a consistent manner.

In mid-2014 the Executive Management Group (EMG) confirmed the need for an electronic Document and Records Management System (eDRMS) to improve the capture, control and ongoing use of the corporate records essential to its operations.

In December 2014 the Clerk engaged a consultant (*Corporate Information Management Services - CIMS*) to provide consulting services and advice on the transition to a centralised eDRMS for the management of records within the Parliamentary precinct.

In February 2015 CIMS provided a report including options for introducing an eDRMS; a market scan; likely specifications and functional requirements; and a number of recommendations.

During development of the 2015-16 budget, funding was set aside to introduce an eDRMS. In September 2015 EMG approved that *CIMS* be engaged to undertake the role of project manager for the delivery of an eDRMS in the Service.

On 16 December 2015 tender documents for an eDRMS software system were published on the Queensland Government QTenders website with a closing date of 29 January 2016. A total of 10 offers were received and after a comprehensive selection process, *Objective Corporation Limited* was selected.

The new Objective eDRMS will go live at the beginning of August.

The cost in 2015-16 was approximately \$425,000 covering product software licenses, infrastructure (server storage) and consultancy costs. A further \$200,000 will be incurred in 2016-17 to complete the project.

At this point it must be emphasised that the eDRMS is likely to serve the Parliamentary Service for many years and on an amortised basis is relatively inexpensive.

At this stage the eDRMS is being developed to manage "corporate" records, not the records of the House itself or the records of Members (including electorate office records). However in the future it may be possible to offer Members the option of using their own version of the eDRMS in electorate offices if they so choose. This will be explored in the future after the current project has been completed.

Recurrent costs will include software licensing (approx. \$35,000 per annum) and a records officer position (AO6 - \$103,000 per annum including on-costs).

## NON-GOVERNMENT QUESTION 1

With reference to the consideration of “Efficiency measures” identified on Page 4 of the SDS:  
Will the Speaker advise what measures are currently under active consideration?

### SPEAKER’S RESPONSE

Each year, Government (through Queensland Treasury and the Department of Premier and Cabinet) prescribe the standard format and content of the budget papers (including the Service Delivery Statement or SDS).

This standard format requires government agencies to present financial information in the SDS in a variety of ways, including under the heading of “service areas”. Under each service area, certain “service standards” must be published – and these standards must include at least one measure of efficiency and one measure of effectiveness.

Standards of **efficiency** reflect how an agency’s resources are being used to produce outputs for the purpose of achieving desired outcomes. These standards are usually shown as a ratio e.g. cost or average cost per service transaction.

Standards of **effectiveness** describe how well the agency’s service delivery is creating the desired results i.e. the effect of services on recipients (the outcome experienced by them). An example would be survey outcomes.

In the case of the Parliament’s budget, the application of these requirements is not straightforward for several reasons:

- a) The budget for the Parliament is presented under two (2) service areas:
  - *Members’ Salaries, Entitlements and Electorate Office Services*; and
  - *Parliamentary Precinct Support Services*.
- b) Service standards for *Member’s Salaries, Entitlements and Electorate Office Services* are not provided for reasons stated in the SDS.
- c) Service standards for *Parliamentary Precinct Support Services* are currently provided only in terms of “effectiveness” (i.e. the annual Members survey outcomes). This measure is considered the most appropriate given the statutory role of the Parliamentary Service is to provide administrative and support services to the Legislative Assembly, its Members and committees.
- d) Developing representative efficiency measures for *Parliamentary Precinct Support Services* is problematic because-
  - This Service Area includes a range of very disparate activities – including Chamber and Procedural Services; Parliamentary Committee support; the Parliamentary Library; Parliamentary Reporting Services; Security and Attendant Services; Facilities management; Catering; Information Technology; HR Services and Financial Services.
  - Efforts to arrive at one or two efficiency measures that will reasonably reflect the activities performed (and the budget invested) in this service area is problematic. For example, using generic measures such as the *average cost of policy advice; input standard per activity standard; number of staff / time engaged in policy development; number of staff / time engaged in delivering the service* will not be meaningful given the range of services being provided. Benchmarking the costs of inputs relative to outputs against other parliamentary jurisdictions provides an alternate measure of efficiency, however this too is challenging given the specific structure of Queensland’s unicameral Parliament and differences in structures and service delivery models in other jurisdictions.

The Service has given a commitment to on-going dialogue with central agencies, however it may be that representative, relevant and meaningful efficiency measures cannot be arrived at for this Service Area.

## **NON-GOVERNMENT QUESTION 2**

With reference to the Members' Salaries, Entitlements and Electorate Office Services expenses outlined on Page 5 of the SDS:

Will the Speaker advise if any additional resources were provided to the Member for Cook over and above that provided to other large area electorate Members over the 2015-16 financial year?

## **SPEAKER'S RESPONSE**

There were no additional resources provided to the Member for Cook via the Parliament's budget during 2015-16 over and above those prescribed in the *Members' Remuneration Handbook*.

### NON-GOVERNMENT QUESTION 3

With reference to the “decrease in equity injections associated with deferral of funding for Parliament House fire protection system” outlined on Pages 13 and 14 of the SDS:

Will the Speaker advise:

- i. why the project has been deferred;
- ii. over what period has the project been deferred; and
- iii. what risk-management strategies have been put in place to mitigate the risk of fire damage over the deferral period?

### SPEAKER’S RESPONSE

#### 1. Why the project has been deferred

In 2015-16 funding was approved to install a fire protection (sprinkler) system in Parliament House.

The estimated cost of \$5.621M included the purchase and installation of the fire protection system and associated building works (e.g. roof space fire compartmentalisation).

An implementation timeframe of 2 to 2½ years was planned to complete the works via a 10 stage implementation strategy

Financial Year	Stages	Description	Budget
2015-16	1	Roof space and access services including walkway upgrade	\$2.227M
2016-17	2-9	All Alice Street elevations areas, Green/Red Chambers, Library/Reading Rooms, all gas systems	\$3.097M
2017-18	10	George Street elevation (QUT end)	\$297,000
			\$5.621M

In early 2015-16 the Clerk engaged the Department of Housing and Public Works (DH&PW) to project manage the project.

In December/January DH&PW released a tender for Stage 1 of the Project (the roof space). There was little interest from the market and so the tender period was extended. Eventually a single contactor (Chubb) submitted a tender.

*Chubb* provided a tender for the specified works, but indicated it had some concerns with the tendered model, namely-

- The very high cost (and risk) of erecting scaffolding to install the conventional sprinklers – given the very confined access and workspace and risks around damage to building fabric.
- Associated on-going costs when re-erecting scaffolding in the future to conduct periodic maintenance and repairs to sprinkler heads.
- In the event of a fire, the potential for water damage from the conventional sprinkler system to cause more damage to the building fabric than fire damage.



Chubb proposed an alternate model to the tendered model (sprinkler system) in the roof space. Essentially, Chubb proposed that in the roof space-

- a) A water mist system be installed in all lower areas of the roof, covering all the risk areas (electrical cables, boards, mechanical plants and other "hot" spots):
  - Pipe works would be stainless steel tubes, small and lightweight.
  - Multiple zones would be controlled by solenoid valves to reduce water damage to the area.
  - Only a small pump would be required because it would be a low pressure system.
- b) A video smoke detection system be installed:
  - Special video cameras designed to detect smoke would be installed in various locations in the roof - with a central monitor placed at the Security Control Room.
  - Once smoke was detected, the system would automatically activate the water mist system and a display in the Security Control Room would show the exact location of the smoke/fire.
  - Security Officers and/or Queensland Fire Service Officers would have the ability to activate or de-activate the water mist system – all without leaving the control room.

Chubb suggested that the alternate system would result in-

- shorter installation time as the system is lightweight and applying to lower areas in the roof space;
- reduced risk of water damage to the building as each head discharges only 2L/min as opposed to typical sprinkler heads of 5.3L/min;
- long life expectancy (stainless steel tubes do not rust); and
- lower maintenance costs (limited scaffolding).

The suitability of a water mist system was reviewed during the development of the tendered model – but as an option for the entire building – not just the roof space as being suggested by *Chubb*.

The water mist option was rejected for the entire building in part because the aesthetics of the misting sprinklers (similar to those used in City Hall) were not considered appropriate. These aesthetics are obviously not a key issue in the roof space – simple functionality is all that is required.

The alternate solution was first proposed by Chubb in February 2016 and since then it has been subject to detailed review to ensure it would be fit for purpose and provide value for money. As the proposed system is a relatively new system and is not within the Australian standards, there has been discussion concerning-

- a) evidence of suitability to meet Australian Standards;
- b) the record of previous installations of similar systems; and
- c) potential failure modes (e.g. partial failure or complete failure) and data for failure rates including installation, commissioning, maintenance and operation.

It is expected that within the coming month a decision will be reached by the various experts engaged by DH&PW as to whether the alternate proposal is viable.

## 2. Over what period has the project been deferred?

<b>Revised Funding Timetable</b>			
Year	Stages	Description	Revised Budget
2015-16		Preliminary professional fees	\$0.033M
2016-17	1	<ul style="list-style-type: none"> <li>• Roof space and access services including walkway upgrade</li> </ul>	\$2.194M
2017-18	2-10	<ul style="list-style-type: none"> <li>• All Alice Street elevations areas, Green/Red Chambers, Library/Reading Rooms, all gas systems</li> <li>• George Street elevation (QUT end)</li> </ul>	\$3.394M
		<b>Total</b>	<b>\$5.621M</b>

## 3. Risk management strategies during the deferral period

During 2015-16 no new risk management strategies were put in place.

The Committee would be aware that Parliament House has–

- active systems (fire detection - smoke detection/alarms); and
- passive systems (24hr Security patrols and evacuation procedures).

These systems have been in place for more than 20 years and it is considered reasonable to rely on these measures until such time as the fire protection (sprinkler) system is put in place.