



1987

PARLIAMENT OF TASMANIA

**PARLIAMENTARY STANDING COMMITTEE
OF PUBLIC ACCOUNTS**

REPORT ON

ST MARYS SCHOOL PRINCIPAL'S RESIDENCE

Laid upon the Tables of both Houses of Parliament

The Committee was appointed under the provisions of section 2 of the Public Accounts Committee Act 1970 (No. 54).

MEMBERS OF THE COMMITTEE

LEGISLATIVE COUNCIL

Mr Archer
Mr Batt
Mr Shaw

HOUSE OF ASSEMBLY

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Mrs Jackson
Mr Mainwaring

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PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS REPORT ON ST MARYS SCHOOL PRINCIPAL'S RESIDENCE

A contract to build a new 136.8 m² residence for the Principal of St Marys District High School was let to Tasmanian Homes Pty. Ltd. on 21 January 1986 for \$92 000.

The final cost, including housing Department charges for design and supervision, is expected to be \$104 500.

The Public Accounts Committee obtained a valuation of the residence from the Valuation Branch which showed a market value of \$63 500 including a land component of \$4 000 and chattels \$4 000.

The Committee accepts the submissions given in evidence by the Valuer and Director of Housing that the cost of building a good quality brick home in country areas like St Marys will often be more than the market value of the property because of limited market demand but believes that in this case the difference between cost and valuation is excessive and is a matter for concern.

The Committee also acknowledges the validity of the submission that in order to attract suitably qualified staff to areas outside the major centres it is imperative that the Government provide modern and adequate accommodation of a standard that will remain acceptable for many years hence. However, it is noted that the valuer described the house design and room layout as only fair and that standard fittings had been used throughout.

The Committee was told by a valuer on 25 November 1986 that the house was poorly designed as it was built to face the street rather than to catch the sun, 'as a person would build his own house'. He said that this had lowered the value of the house. The Director of Housing was asked about this aspect on 2 December 1986 and in a letter to the Committee on 10 December 1986 said 'of the siting of the house' with respect to the sun. This plan has living area along one side and sleeping area along the other side of the house. In accordance with the usual practice the house has been sited so that the living area faces north not the sleeping area. I think most householders, given the choice, would prefer it that way'.

One member of the Committee, not satisfied that the matter had been cleared up drove out to St Marys to see the building for himself with the result that the Director of Housing was recalled to a meeting on 12 February 1987, and this letter was sent by the Director on 25 February.

'I refer to the meeting of the Committee on 12 February 1987 at which the question of orientation of the house was discussed.

I have since had a field check done by measuring the distance between the house and a known boundary line. I advise that the north point shown on Drawing No. 15432/A is not correct and the living area faces almost westwards as was suggested by a committee member at the meeting. The correct north point is shown on the attached copy of 15432/A.

On most projects when a house is sited on a block of land the title survey provides this information. In this case the house is located on a small part of the larger land area occupied by the school. There is no separate title for this part, no special cadastral survey was carried out and the designer copied a north point which had been shown on a sketch prepared by our field officer who originally inspected the site.

The question of choice of orientation is therefore more open with a workable solution available either way. However, the living side is still marginally warmer being 10 degrees north of west whilst the sleeping side is 10 degrees south of east. There is in any case little alternative to the siting adopted. The site itself was suggested by the Education Department and being close to the road an adjacent to the older residence was an acceptable choice. The house is the standard principal's residence adopted by Education. The logical solution was to align the long axis of the house along the length of the site. Such considerations as site, shape and contours often preclude an ideal solar solution.

I would be grateful if you would convey to the Committee my regret that this error has occurred and that some confusion has resulted from it'.

The Committee believes that the trouble that had to be gone to clear up this most basic aspect of the project shows most disturbing lack of control and supervision.

The Director of Housing told the Committee in evidence that the brief 'happened to be based on a standard design but we certainly drew up the plans and made whatever modifications were necessary for that site'. He said that the Housing Department had charged ten per cent for this service as well as supervision, amounting to some \$10 000. This money appears to have been wasted.

Evidence given to the Committee showed that three tenders had been submitted:—

- (1) \$92 000;
- (2) \$105 750; and
- (3) \$112 749.

Even allowing for differences in size and finish, these prices are hard to reconcile with actual costs of other homes that have been built in the area recently: Example (1). A contract to build two brick veneer homes for Housing Department—House 1, 102.7 m² \$46 948. House 2, 89.8 m², \$41 052. Plus \$2 000 for porches and \$4 500 for paths and fences—total cost \$94 500. Example (2). A contract to build 4 brick veneer homes for Housing Department, size 103 m²—total cost \$193 423. Example (3). A private contract, superior standard brick veneer dwelling of 145.5 m². Owner completed plumbing and painting—contract \$70 000.

Evidence given to the Committee by the Director of Housing showed that the Department had called tenders for this residence in 1983 and had received comparable quotes. On that occasion the Education Department had decided not to go ahead.

The Committee recommends that when calling tenders for similar residences in future more effort be made to attract tenders from a larger number of builders, including specialist home builders, and that the extremely elementary step of ensuring optimum siting of houses built be taken.

Committee Room No. 1,
Parliament House, Hobart,
9 April 1987

NEIL ROBSON, Chairman