



**Government  
of South Australia**

TRS19D1349

Hon Stephen Mullighan MP  
Member for Lee  
Unit 1, 62 Semaphore Road  
SEMAPHORE SA 5019

**Treasurer**  
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Dear Mr Mullighan

**APPLICATION UNDER THE *FREEDOM OF INFORMATION ACT 1991***

I refer to your application made under the *Freedom of Information Act 1991* (FOI Act), dated 21 May 2019.

Your application seeks access to:

*"All minutes, briefings and correspondence titled 'Current process for the sale of surplus land' as described on the Objective document management system, between 12 July 2018 and 21 May 2019."*

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 26 May 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 2 documents were identified as answering the terms of your application.

I grant you access in full to 1 document; a copy of which is enclosed.  
I grant you access in part to 1 document; a copy of which is enclosed.

**Document Released in Full**

Document 2

**Document Released in Part**

Document 1

## Document Released in Part

Document 1 is a briefing which was prepared by DTF for my information.

I advise that the list of agencies which are exempt from the operation of DPC Circular PC114 (Attachment 1) is publicly available and therefore has not been provided to you.

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, Section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, Section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

Yours sincerely



**Hon Rob Lucas MLC**  
*Principal Officer*

15 December 2019

**RELEASE**

**Borlase, Trish (DTF)**

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**From:** Borlase, Trish (DTF)  
**Sent:** Thursday, 18 October 2018 2:28 PM  
**To:** DTF:BAP Admin  
**Subject:** TRS18D1975 Current process for sale of surplus land

Good afternoon

The Treasurer through his adviser has asked that DTF provide responses to the following in relation to the minute on Current Process for the Sale of Surplus Land (A865148 – TRS18D1975):

- Does it consider the arrangements are working effectively and providing appropriate incentives?
- Any suggestion for improvements/streamlining of process?
- Any other relevant information eg last reviewed, compliance, difficulties for agencies, etc

Thank you

**Trish Borlase**

Ministerial Liaison Officer (Treasury) – Treasurer’s Office

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**RELEASE IN PART**

MINUTE

MINISTER'S OFFICE	
Rec'd .....	12/10/18
File No: .....	T&F17/0789
Physical ID: .....	T&F17/0789



MINUTES forming ENCLOSURE

File T&F17/0789

Doc No A865148

To The Treasurer

**CURRENT PROCESS FOR THE SALE OF SURPLUS LAND**

Timing: ROUTINE — For information only

**Recommendations/Issues:** It is recommended that you:

- Note that you have sought information on the current process for the sale of surplus land by government agencies and the treatment of those proceeds.

Noted

*Rob Lucas*

Hon Rob Lucas MLC  
Treasurer

18/12/18

**Key Points:**

- The sale of surplus land is dealt with under DPC Circulars PC027 and PC114.
- Renewal SA is responsible for the purchase and/or disposal of real property on behalf of all government agencies other than the exempt agencies listed in Attachment A.
- The Department for Environment and Water retains delegated authority to deal with Crown land in all areas of the State and is responsible for transfers of Crown land between agencies.

**DPC Circular PC114 – Government Real Property Management**

- DPC Circular PC114 requires that where land parcels surplus to government needs have no strategic benefit to government as a whole, they should be disposed of with the view to maximising financial return.
- As it currently stand, agencies are required to seek Ministerial approval to declare property as surplus, where the estimated value is below \$4.4 million (including GST). Above this level the matter must be referred to Cabinet.



- The custodians of DPC Circular PC114 (Renewal SA) have started the process of updating the Circular to be in line with the current Treasurer's Instruction 8. This would raise the Cabinet decision threshold to \$6 million (including GST).
- All agencies, including the exempt agencies, are then required to notify Renewal SA of all land declared surplus to agency requirements. This requirement provides the opportunity for other government agencies and local government to register an interest prior to any sale on the open market.
- The Department for Planning, Transport and Infrastructure (DPTI) is the responsible agency for undertaking a Site Strategic Land Use Assessment to determine whether the property is considered to be of strategic significance. DPTI will advise the owning agency whether to proceed with the disposal process, any rezoning required prior to disposal, any works such as remediation or demolition to prepare the property for sale and if any registration of interest has been received from local government.

Treatment of sale proceeds and provision of additional expenditure authority

- All proceeds from real property sales, defined as sale price less costs, are to be paid to the Treasurer towards the Consolidated Account, except where legislative provisions, or a relevant direction from the Treasurer under the *Public Finance and Audit Act 1987* require otherwise.
- Unless otherwise determined by Cabinet or a specific statutory provision exists, an agency selling property surplus to Government requirements is eligible to receive additional investing expenditure authority if:
  - the property did not become surplus as a consequence of a new initiative funded by the government, otherwise the proceeds should be used to offset the cost of the new initiative;
  - the sale is not budgeted for in the current forward estimates; or
  - the land sold is not Crown land.
- For properties valued at less than \$4.4 million, relinquishing agencies will be given an increase in their investing expenditure authority, for a Cabinet approved project or program equal to 50 per cent of the proceeds, or any other share decided by Cabinet.
- Some agencies have received alternative treatments from this policy in the past, such as the Department of Primary Industries and the Department for Education when they have sought Cabinet approval to apply land sales towards other purchases or sought approval to redirect proceeds to other capital improvements.
- For properties valued at \$4.4 million or more, the relinquishing agency would need to seek Cabinet approval to receive any increase in their investing expenditure authority.

**DPC Circular PC027 – Disclosure of Government Contracts**

- DPC Circular PC027 requires that Chief Executives must disclose significant contracts with the private sector comprising of asset sales greater than \$1 million.
- Chief Executives can withhold a contract's details, but only when "compelling reasons" exist such that a disclosure would provide sufficient risk of an unfair commercial advantage or disadvantage or potentially jeopardise Intellectual Property.

Crown Land

- Agencies seeking to purchase or dispose of Crown land will need to obtain prior approval through the Department for Environment and Water. Such approval is conditional on the payment of fees to provide clear title for disposal.
- All proceeds from the sale of Crown land are paid into Consolidated Account in accordance with section 78 of Premier and Cabinet Circular 114.
- No adjustments are made to the department's expenditure authority for the sale of Crown Land.



Mark Beveridge  
A / EXECUTIVE DIRECTOR  
BUDGET AND PERFORMANCE

12 October 2018

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