

Capital Works Administration Costs - Capital Works Procedure No 12

Document Number PD2005_046

Publication date 25-Jan-2005

Functional Sub group Corporate Administration - Asset Management

Summary Only approved nett additional costs to an area in implementing a capital works be considered as eligible project charge.

[June 2010 - Policy reviewed and continued for 5 years]

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Applies to Area Health Services/Chief Executive Governed Statutory Health Corporation, Board Governed Statutory Health Corporations, Affiliated Health Organisations - Non Declared, Affiliated Health Organisations - Declared, Public Health System Support Division

Distributed to Public Health System, NSW Department of Health

Review date 25-Jan-2015

Policy Manual Not applicable

File No. A2821/2

Previous reference 91/115

Issue date 18-Nov-1991

Status Active

Director-General

This Policy Directive may be varied, withdrawn or replaced at any time. Compliance with this directive is **mandatory** for NSW Health and is a condition of subsidy for public health organisations.

CIRCULAR

File No	A2821/2
Circular No	91/115
Issued	18 November 1991
Contact	R Gibbs

**CAPITAL WORKS ADMINISTRATION COSTS
CAPITAL WORKS PROCEDURE NO.12**

A request has been made seeking clarification by the Department of its policy for the charging of Area/Region capital works administration costs against individual project budgets, especially in the area of project staffing.

As a general policy, the Department accepts that only approved nett additional costs to an Area/Region in implementing a capital works be considered as eligible project charges. Such is the case when private sector or Public Works personnel are engaged directly on the project.

Where a member of an Area/Region or hospital staff is engaged directly on the project then an additional cost may not necessarily arise as their employment cost may be continued against their establishment position. However, should it be necessary to hire or employ a replacement (from outside the Area/Region) to that person's original position, then an additional cost would arise. Such additional expense would be seen as an appropriate charge against the capital works project.

In either case, prior approval would be required during the budget setting process to ensure the appropriateness of any arrangement.

DAVID GATES,
Director, Capital Works

Distributed in accordance with circular list(s):

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In accordance with the provisions incorporated in the Accounts and Audit Determination, the Board of Directors, Chief Executive Officers and their equivalents, within a public health organisation, shall be held responsible for ensuring the observance of Departmental policy (including circulars and procedure manuals) as issued by the Minister and the Director-General of the Department of Health.

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