

Legislative Assembly for the ACT

STANDING COMMITTEE ON PLANNING AND ENVIRONMENT

Inquiry into the matter of the Karralika Development and Call in Power of the Minister for Planning

MAY 2004

REPORT31

Committee membership

Mrs Vicki Dunne MLA Chair to 2 April 2004

Ms Roslyn Dundas MLA Chair from 2 April 2004

Mr John Hargreaves MLA Deputy Chair

Ms Roslyn Dundas MLA Member to 2 April 2004

Mrs Vicki Dunne MLA Member from 2 April 2004

Mrs Helen Cross MLA Member

Secretary: Ms Linda Atkinson

Administration: Mrs Judy Moutia

Resolution of appointment

- (1) The following general purpose standing committees be established and each committee to inquiry into and report on matters to it by the Assembly or matters that are considered by the committee to be of concern to the community:
 - (f) A Standing Committee on Planning and Environment to examine matters relating to planning and land management, conservation and heritage, transport services and planning, environment and ecological sustainability.
- (2) If the Assembly is not sitting when the Standing Committee on Planning and Environment has completed consideration of a report on draft plan variations referred pursuant to section 25 of the Land (Planning and Environment) Act 1991 or draft plans of management referred pursuant to section 204 of the Land (Planning Environment) Act 1991, the Committee may send its report to the Speaker, or, in the absence of the Speaker, to the Deputy Speaker, who is authorised to give directions for its printing, publication and circulation.

Terms of reference

On 11 February 2004, the ACT Legislative Assembly referred to the Standing Committee on Planning and Environment an Inquiry on the matter of the Karralika Development and the Use of the Call In Power of the Minister for Planning.

The reference made provision for the Committee to report by 31 May 2004.

[Source: Legislative Assembly for the Australian Capital Territory Minutes of Proceedings No. 88, Wednesday 11 February 2004, Item 9 pages 1112 and 1113.]

On 1 April 2004, the ACT Legislative Assembly passed a motion that if the Assembly is not sitting when the Standing Committee on Planning and Environment has completed its inquiry into the Karralika Drug Rehabilitation Facility, the Committee may send its report to the Speaker, or in the absence of the Speaker, to the Deputy Speaker, who is authorised to give directions for its printing and publication.

[Source: Legislative Assembly for the Australian Capital Territory Minutes of Proceedings No. 98 Thursday 1 April 2004, Item 20 page 1296.]

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Summary of recommendations

RECOMMENDATION 1 (page 16)

The Committee recommends that the Regulations that attend the Land (Planning and Environment) Act 1991 be reviewed and rewritten to ensure for definitional clarity of the interpretation and application of the Regulations.

RECOMMENDATION 2 (page 16)

The Committee recommends that the Land (Planning and Environment) Act 1991 be reviewed and rewritten to cater for special projects so that there is the possibility for partial disclosure of floor plans and retention of confidentiality for those areas with special security requirements.

RECOMMENDATION 3 (page 17)

The Committee recommends that the definition of Regulation 12 and the circumstances when it might be applied, be tightly prescribed, to encourage improved frameworks of open and transparent decision making by government Ministers.

RECOMMMENDATION 4 (page 21)

The Committee recommends that the ACT Government impress on all of its Chief Executive Officers that prior to giving advice to ACT Government Ministers, they familiarise themselves with all relevant legislation.

RECOMMENDATION 5 (page 22)

The Committee recommends that the ACT Government introduce a new consultative model that will allow participation by the public and key stakeholders in the decision-making processes for the approval for sensitive projects.

RECOMMENDATION 6 (page 22)

The Committee recommends that the definition of call in powers of a Minister and the circumstances when these might be applied, be tightly prescribed, to encourage improved frameworks of open and transparent decision making by Government Ministers.

RECOMMENDATION 7 (page 22)

The Committee recommends that the Legislative Assembly give consideration to the establishment of Public Works Committee in the next Assembly to scrutinise the total ACT Government Capital Works Program.

RECOMMENDATION 8 (page 23)

The Committee recommends that the ACT Government and all of its agencies explore ways to involve the wider community during the contemplative stage of any capital projects, before any work is undertaken on feasibility studies, sketch plans, and indicative costs for the proposal.

RECOMMENDATION 9 (page 27)

The Committee strongly recommends that the ACT Government review its capital work programming processes and that a consolidated capital works program that covers all ACT Government Departments and agencies be prepared annually in the form of a rolling plan, and that this be scrutinised by a newly created Public Works Committee or the Public Accounts Committee.

RECOMMENDATION 10 (page 27)

The Committee recommends that the ACT Budget Papers on Capital Works contain full description of the scope of projects and construction details and timelines.

1. Conduct of Inquiry

- 1.1 The subject of this Inquiry is the proposed alterations and additions to Karralika Therapeutic Centre at Block 1 Section 399 Fadden. The facility is located in the saddle between the suburbs of Fadden and Macarthur and is a block of 10,028 square metres. Fadden and Macarthur are residential suburbs consisting mainly of large single houses.
- 1.2 The Committee sought public submissions via:
 - a. An advertisement in the Canberra Times on 21 February 2004 and the Chronicle on 24 February 2004;
 - b. Letters inviting submissions and seeking certain information from the Minister for Planning; the Minister for Health; May Russell Architects (the Project Architect)¹; the Karralika Action Group, and the Tuggeranong Community Council.
- 1.3 The Committee received 107 submissions (see List of Submissions at Appendix 6). The majority of these submissions were from residents around the area of the Fadden Karralika facility, but submissions were also received from the Minister for Planning, the Minister for Health, the Karralika Action Group and the Fadden Primary School Board. The majority of the submissions expressed strong concerns about:
 - a. the lack of public consultation and especially the attempt to implement the project through the application of the Minister for Planning's call in powers;
 - b. the decision of ACT Government to build such a large complex in the Fadden/Macarthur environs without the support of the immediate neighbourhood community; and
 - c. the apparently untenable situation that the same person can be also the Minister for Planning and the Minister for Health, especially as this project is a project approved by the Minister for Health.
- 1.4 Some submissions did express an acceptance of the Fadden Karralika just as it now, but held strong opposition to any redevelopment of the site into a larger facility.
- 1.5 In considering the contents of the submissions, the Committee agreed that public hearings would provide an important opportunity to receive oral

¹ Mr Alan Morschel of May Russell Architects had been shown as the Project Architect and contact on a letter of 5 January 2004 to Fadden Residents, and which had been signed by Mr Mark Kendall, the Manager Capital Planning, Risk and Procurement at ACT Health (file reference number C03/104) Appendix 2.

evidence in respect of the matters relevant to this Inquiry. The parties invited to appear before the Committee on 16 April 2004 and 21 April 2004 were:

- Karralika Action Group
- Alcohol and Drug Foundation, ACT (ADFACT)
- Tuggeranong Community Council
- ACTPLA
- ACT Department of Health
- ACT Minister for Planning/ACT Minister for Health
- 1.6 All invited parties accepted, except the Tuggeranong Community Council, which declined because the Council felt that its concerns and views were adequately covered in its submission to the Committee.
- 1.7 The Committee emphasises that the focus of the Inquiry was on the planning issues in relation to the Karralika development and the consultation process, and not on the underpinning health questions, which are outside the Committee's terms of reference.

2. Background

- 2.1 The Karralika facilities deliver a range of residential and community based education and treatment programs for addictions. The Karralika support program is for men and women aged between eighteen and forty years, with or without children, who have long-term drug or alcohol problems, and want to enter therapy.
- 2.2 The program is administered under a purchaser/provider contract between the ACT Department of Health and the Alcohol and Drug Foundation ACT Incorporated (ADFACT). The ACT Government owns facilities where the Karralika program is delivered, in Isabella Plains and Fadden. The Isabella Plains facility comprises a 30-bed residential treatment centre, while the Fadden site has 20 beds and a licensed childcare centre. Most of ADFACT's treatment programs are undertaken at the site.
- 2.3 The Committee notes that the Fadden site was donated to the ACT Government in the late 1970's, under the condition that it be used to establish a Karralika program for alcohol and drug abuse rehabilitation. The purpose built Isabella Plains site was constructed in 1989².
- 2.4 The current ADFACT contract with the ACT Government will expire on 30 June 2004. The contract, effective from 1 July 2001 to 30 June 2004, contained a clause at page 22 which stated 'A Feasibility Study into the possible expansion of the Fadden premises will be funded and undertaken by the Department of Health, Housing and Community Care in the 2001/2002 financial year. Any changes to services specifications, output or price that may occur as a result of this feasibility study will be the subject of negotiation between ADFACT and the purchaser'³.
- 2.5 A March 2001 submission⁴ to the then ACT Minister for Health, Housing, Community Care and Corrective Services from the President of ADFACT, proposed 'the construction of additional accommodation capacity through the modification of the Fadden and Isabella Plains sites, and the construction of new units to provide a total of 60-70 places at the Fadden site, with 15-20 of these for children... the Isabella Plains site to be used to centralise and co-locate administrative services and admissions, assist early entry into the program while waiting for commencement of the therapeutic cycle, and provide innovative alternative treatment programs in a supervised

² Submission of 13 March 2001 from John Stafford President of ADFACT to Mr Michael Moore Minister for Health, Housing, Community Care & Corrective Services, page 1.

³ ACT Department of Health, Housing and Community Care Service Purchasing Contract, July 2001, page 22.

⁴ Submission of 13 March 2001 from John Stafford President of ADFACT to Mr Michael Moore Minister for Health, Housing, Community Care & Corrective Services, page 1

residential setting'. The premise for this proposal contained in the submission was that 'the additional facilities will make the operation more efficient and will provide for an increase of up to 30 additional places, giving a total of up to 80 places for which the additional running cost will be marginal and the potential savings to the community will be significant'⁵. The proposal describes further the redevelopment as follows⁶

'The Fadden homestead would be converted for use as group therapy and activity rooms, and offices. The two modules, currently accommodating six people each, could be increased in capacity to accommodate 8-10 people. Four new purpose built modules would accommodate 8-12 people each, thus achieving the 60-70 target capacity across the site. Bedrooms would accommodate up to two adults and one child, or equivalent configuration. It is predictable that around 25% of the Fadden accommodation will be given over to children at any one time'. The indicative cost of the redevelopment was given by ADFACT to be around \$2 million⁷ At the time, the proposal won Ministerial support based on the fact that there were 'links between this proposal and the prison project, and a feasibility study would enable both pieces of work to develop in an informed way'⁸.

2.6 The then Minister for Health, Housing and Community Care responded to ADFACT on 12 April 2001° providing support for the ADFACT proposal stating that 'it has the potential to be an extremely cost effective investment for the ACT in the longer term...the ACT needs more residential rehabilitation beds and a methadone abstinence facility [to] enhance existing services...a capital injection of \$2 million is significant from an asset management perspective and...it would be prudent to have the proposal professionally costed and worked up in the form of a feasibility study. The Department of Health, Housing and Community Care will fund the study and work with your organisation and other in assisting the proposal'.

2.7 It appears from the Karralika Facilities-Feasibility Study Report of 15 October 2001¹⁰, that the proposal to redevelop the Fadden Karralika site to

⁵ Submission of 13 March 2001 from John Stafford President of ADFACT to Mr Michael Moore Minister for Health, Housing, Community Care & Corrective Services, page 1

⁶ Ibid., page 4

⁷ Ibid., page 6

⁸ Ministerial Brief 12 April 2001, page 2.

⁹ Letter of 12 April 2001 from Mr Michael Moore MLA Minister for Health, Housing and Community Services to Mr John Stafford, President Alcohol and Drug Foundation of the ACT.

¹⁰ Feasibility Study Report Fadden Section 399 Block 1, Isabella Plains Section 849 Block 32, 15 October 2001, prepared by Small + Quinton Architects, pages 9 and 18.

provide for an increase in full time residents at the facility from 20 to 60 would have involved enlarging the existing site. The Committee notes that the Feasibility Study Report emphasised that the redevelopment of the Fadden site and its becoming a more efficient facility would be contingent on the simultaneous redevelopment of the Isabella Plains Karralika site. The Feasibility Study Report cites the land use policy for the Fadden site as 'Community Land'. The Report goes on to say of the Fadden Site, Fadden Section 399 Block 1:

"Designated land to the north of the site (Block 1 Section 412 Fadden) is controlled by NCA. Land to the east (Part Block 15 Section 384 Macarthur) is defined Hill Ridges and Buffers. Land to the south (Block 27 Section 375 Macarthur) is defined Hill Ridges and Buffers, with a 'Nature Reserve' overlay. The process of transfer of any of the surrounding land would require a change in land use policy to Community Land and involve a preliminary assessment (at least) prior to a variation to the Territory Plan. The process is very lengthy; it would be subject to community consultation and ultimately consideration by the Legislative Assembly. The probability of successful acquisition of additional land and varying the land use policy must be considered low." ¹¹

2.8 The Committee notes the timing of Draft Variation Number 164 to the Territory *Plan 'Community Facility and Use Policies-Proposed Changes'* which was released by the predecessor of ACTPLA, Planning and Land Management Group (PALM), for public consultation in July 2001 with closing date for submissions from the public of 10 September 2001. This Draft Variation did not refer to a specific development but rather the outcome of a land use policy review conducted by PALM in 2000 which found that the policy at that time was too restrictive, for example, a retirement complex must include a nursing home while another example was the ' of the word 'surplus' community facilities...surplus schools buildings can be used by community and non-profit groups for a range of activities but other surplus community buildings cannot.' ¹². The Committee agreed that the proposed variation would 'ensure that control over community facilities is retained and priority

¹¹ Feasibility Study Report Fadden Section 399 Block 1, Isabella Plains Section 849 Block 32, 15 October 2001, prepared by Small + Quinton Architects, memorandum of 24 September 2001 to Planning and Land Management, Mr Richard Johnston, page 1.

¹² Draft Variation No 164 to the Territory Plan Community Facility and Use Policies-Proposed Changes, Report No 7 Standing Committee on Planning and Environment August 2002, page 3.

given to the most appropriate community use by restricting leases for alternative uses to five years' 13

2.9 Draft Variation Number 164 did not mention the Karralika Fadden or Isabella sites specifically, but justifications for changing the land use policy included 'current practices in the delivery of community services and facilities are based on the need to retain flexibility to respond to emerging needs as well as encouraging solutions adaptable to local circumstances and priorities...the existing policy for housing people with special needs only makes provision for aged persons, or people with other special needs on land with a Community Facility Land Use Policy where such housing is part of a Retirement Complex, Special Care Establishment or Special Dwelling. To meet the definition of a Special Care Establishment and retirement Complex the development must include facilities dedicated to providing supervision, treatment and specialist care, e.g. nursing homes. The proposed policy amends this provisions and allows for housing with a range of levels of support, to be given consideration where it can be demonstrated that such development would be an appropriate use of the site and that there is adequate land for community use in the locality. Two new categories of use, 'supporting housing' and 'supported accommodation' have been introduced to replace existing terminology'14.

2.10 In the revised Draft Variation Number 164 referred to the Standing Committee on Planning and Environment in March 2002, the final definition of Supported Accommodation was replaced with the term Residential Care Accommodation and were defined as follows¹⁵:

'includes those establishments where care is provided on site/in-house for particular health related needs. These include both high level support (i.e. nursing home) and low level support (i.e. hostel) and provide accommodation for those who cannot live independently. They will specifically address the health needs of aged and other people (psychiatric, disabled etc) who require 24 hr support. Typically Residential Care Accommodation includes Convalescent Home, Dementia Care Unit, Nursing Home, Special Care Hostels, Respite Care, Alcohol and Drug Rehab, Disability housing and ancillary uses'.

¹³ Draft Variation No 164 to the Territory Plan Community Facility and Use Policies-Proposed Changes, Report No 7 Standing Committee on Planning and Environment August 2002, page 4

¹⁴ 'Green' of Draft Variation to the Territory Plan No. 164 Community Facility Land Use Policies Proposed Changes July 2001, pages 2,4, and 6.

¹⁵ 'White' of Draft Variation to the Territory Plan No. 164 Community Facility Land Use Policies March 2002, page 2.

- 2.11 Residents from Fadden or Macarthur were not among the public submissions received by PALM during the public consultation phase of this Draft Variation.
- 2.12 The Griffith/Narrabundah Community Action Group Inc voiced strong opposition to the Draft Variation because it perceived that loose and unlimited interpretation would be placed on such definitional words as 'such as', 'agency or organisation', and that 'a community needs assessment would not be required to demonstrate that there is sufficient land for Community Use in the locality to meet anticipated community needs'. The Group also wrote 'it is very odd indeed that the most broadly defined use would have the least restrictions applying to it'16.
- 2.13 The Committee tabled its report (Report No. 7) supporting Draft Variation Number 164 in August 2002 without amendment. Draft variation Number 164 was adopted for commencement in the Territory Plan on 5 September 2002. The 2003/2004 Business Case Construction Proposal-Redevelopment of Karralika Alcohol and Drug Therapeutic Communities document still refers to 'processes of acquisition would include a preliminary assessment and variation to the Territory Plan at least' in a section titled 'Inter-Agency Consultation Outcomes, with no further explanation regarding the issue of a variation to the Territory Plan.
- 2.14 From the Feasibility Study Report, the Committee gained the view that the ACT Government developed its case for the redevelopment of the Fadden site based on the premise that the land surrounding the Fadden site is undeveloped preserved bushland, the site is tranquil by nature with significant development potential, making it ideal for the long stay program. The Feasibility Study Report indicates that 'a staged construction programme to fully redevelop Karralika at Fadden with the long stay programme facilities¹⁷. The Isabella Plains Karralika site would require additional expenditure.
- 2.15 The June 2003 May and Russell Architects Pty Ltd FSP (Final Feasibility Sketch Plan) Report prepared for ACT Community Care¹⁸ described the objectives of the project as including:

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¹⁶ Submission dates 13 June 2002 from the Griffith/Narrabundah Community Action Group Inc to the Standing Committee on Planning and Environment in respect of Draft Variation No. 164, page 2.

¹⁷ Feasibility Study Report Fadden Section 399 Block 1, Isabella Plains Section 849 Block 32, 15 October 2001, prepared by Small + Quinton Architects, pages 19 and 20.

¹⁸ May + Russell Architects Pty Ltd FSP Report June 2003 'Proposed Alterations and Additions to Karralika Therapeutic Centre Block 1, Section 399, Fadden, page 5 of 48, version A printed 10/28/03.

'Development of the Fadden site for the long stay program, child care facilities and outreach program

Development of the Isabella Plains site for the intake and assessment, the short stay program and ADFACT executive offices

The Fadden site, consistent of an administrative centre, small childcare facility, and two residential modules, currently provides a service for 20 live-in residents. It is required to increase the capacity of the site to 60 live-in residents, who will undertake the therapeutic programme full time on the site. The new Fadden facilities will be used for ADFACT's long-term therapeutic programme. This is a 12 to 18 month programme, which is provided for full time live-in adult residents'.

2.16 The Committee notes that the Crown Lease for the Fadden Karralika site was 'granted to the Capital Territory Health Commission for a 99 year period commencing 21 June 1978 for the purpose of a health facility of the Capital Territory Health Commission¹⁹. ACT Health in its Development Application to ACTPLA dated 18 September 2003, requested that the Development Application (DA) be exempt from public inspection and from being placed on the Public Register²⁰. The date of receipt of the DA at ACTPLA is shown as 30 September 2003, and the date received by the Development Assessor in ACTPLA's Development and Building Branch is shown as 21 November 2003.

2.17 ACTPLA endorsed the proposed redevelopment on 8 September 2003 as meeting ACTPLA's requirements for High Quality Sustainable Design and the lodgement of the Development Application. On 20 October 2003 the Minister for Planning signed the instrument in accordance with Regulation 12 of the Land (Planning and Environment) Regulations 1992 determining that 'it is in the public interest to declare the redevelopment of the land known as Block 1 Section 399 Fadden used by the Territory Health Commission for the purposes of a health facility as a prescribed development'²¹. By December

¹⁹ Brief from ACTPLA dated 26 September 2003 to the Minister for Planning on the Redevelopment Proposal Karralika Alcohol and Drug Rehabilitation Centre-Block 1 Section 399 Fadden, page 1.

²⁰ Part 7: Exempting parts of your application from Public Inspection ticked 'yes'-Development Application to ACTPLA from ACT health dated 18 September 2003.

²¹ Instrument of Determination 'Confidential Services and Special Dwellings-Exemption from Public Notification' signed by the Minister for Planning 20 October 2003.

2003 ACT Health had issued a document titled 'Validation of the Scope of the Proposed Capital Redevelopment of Karralika Facilities²².

2.18 The Karralika redevelopment project became part of announcements made for drug treatment services in the 2003-2004 ACT Government Budget. The Budget included an allocation of \$9 million for refurbishment of the Karralika alcohol and drug rehabilitation centre and other alcohol and drug services. The Media Release of the Minister for Health²³ at the time announced the project as providing for:

'accommodation at the Karralika Drug and Alcohol Service will be greatly improved with Capital Works funding of \$5.085 million in the 2003-2004 Budget, while another \$4.7 million will be spent on the much needed refurbishment of several important health services and minor new works...Estimated expenditure for the Karralika refurbishment over two years is \$2.735 million in 2003-2004 and \$2.350 million in 2004-2005...At the Fadden site, funding will deliver new facilities for the clients of the long stay program, a new child-care centre and accommodation for the outreach program.'

'At Isabella Plains, there will be improvements for the intake and assessment team and a refurbishment of facilities for clients of the short stay program...the construction will provide additional accommodation capacity at Fadden, a total capacity of 60-70 places, 15-20 (25%) of these to meet a growing demand for places for children who accompany adults on the programs'.

- 2.19 In 2002-2003, the ACT Government had committed \$300,000 for the forward design component of the project for its design prior to commencement of construction²⁴.
- 2.20 The Committee had raised concerns about community consultation and the use of Regulation 12 with the Minister for Planning during Public Hearings on 3 February 2004 for the 2002-2003 Annual Reports of the Department of Urban Services and its Related Agencies. The following excerpts are representative of the questions asked:

'I wanted to ask a general question about the application of what I understand is called Regulation 12 under the land act. The current example is what is happening with Karralika. I want to know, Minister, how often we have used Regulation 12 to prohibit or to limit the consultation on a development of any sort.'

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²² ACT Health Alcohol and Drug Foundation of the ACT 'Validation of the Scope of the Proposed Capital Redevelopment of Karralika Facilities prepared by Colleen Wilson Health Strategies Pty Ltd December 2003.

Media Release ACT Government 2003-2004 Budget \$9 Million for Accommodation
 Improvements at Karralika Drug and Alcohol Service and other Health Facilities, 6 May 2003.
 24 2002-2003 Budget Paper No. 3, Capital Works Table 7.5.9, page 214.

'The concerns of the residents are not that they do not know that it is there; in fact, most of them in the area now do know it is there. Their concern is that they say that the consultation—or whatever you want to call it—has been flawed. They say they were not properly consulted'²⁵

The Minister's views on the application of Regulation 12 are addressed in Chapter 3 of this report.

- 2.21 Subsequent to the 2002-2003 Annual Reports public hearings on 6 February 2004²⁶, the Minister for Planning/Minister for Health announced the withdrawal of the Karralika Development Application (DA) dated 18 September 2003, in favour of an extended consultative process. The Minister said 'The ACT needs to expand services for those people recovering from an alcohol and drug addition. Karralika residential rehabilitation facility is an important health project and I am keen to ensure that any expanded facility continues its current discrete profile in the community'. The Minister's intention was to:
 - 1. have ACT Health withdraw their current Development Application in favour of a standard development application process.
 - 2. have ACT Health undertake the normal pre-application process with the Territory's independent planning authority, ACT Planning and Land Authority (ACTPLA), involving consultation with adjacent residents in developing a new Development Application for the site.
 - 3. have the new Development Application formally lodged and publicly advertised for the statutory 15 working day period, with the public able to formally comment during that time.
 - 4. allow the Minister for Planning to signal his intention to use ministerial call-in powers during the consideration of the Development Application and public comment by ACTPLA, to determine the application, and trigger advice from the expert Planning and Land Council.
 - 5. put a resolution to the ACT Legislative Assembly seeking views on whether the expansion of rehabilitation services should go

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²⁵ Hansard Public Hearing 3 February 2004 Final Proof Standing Committee on Planning and Environment, Annual and Financial Reports, pages 16 and 17.

²⁶ Text of Media Releases 6 and 7 February 2004 respectively, Minister for Planning/Minister for Health: 'Government Agrees with Local Members on Karralika'; and 'New Karralika Process Fair and Transparent'.

ahead. MLAs would have been provided with documentation and advice on the DA to make an informed decision.

The Tuggeranong Community Council Inc. (TCC) informed the 2.22 Committee that information about the Karralika Redevelopment proposal was 'first brought to the Council's attention at the beginning of January 2004 ...when a Macarthur resident telephoned me [President of the Tuggeranong Community Council] to discuss the above proposal...and attend a meeting with some of the residents from Fadden and Macarthur to discuss their concerns'27. The President of the TCC met with the residents on 14 January 2004. The President of the TCC describes the residents as being 'very angry, and that they would not accept one brick on that site'28. The outcome of that meeting was that a special public meeting would be arranged on the matter to be held on 19 February 2004. In the event, when the usual General Council meeting of the TCC was being held on 5 February 2004 at the Vikings Sports Club (a meeting with a fixed agenda excluding the Karralika matter), ' the Karralika Action group descended on the TCC with 700 very angry residents'29. The Karralika Action Group refused to accept that a meeting on 19 February with the Minister for Planning had been arranged to specially discuss the Karralika matter, and also refused to leave the meeting, apparently because there was an assumption that the Minister for Planning would be attending the meeting³⁰. The TCC also informed the Committee in its submission that 'previous to the 5 Feb meeting the Minister and the CEO of ACTPLA had a meeting with a small group of the leaders of the Karralika Action Group'. The meeting passed the motion 'that the Tuggeranong Community Council Inc. write to the Chief Minister condemning the actions of the Planning Minister, calling for the immediate withdrawal of the application to redevelop Karralika in Fadden and immediately commence genuine community consultations'31.

The Minister subsequently changed the progress of the project after being lobbied by his some of Government colleagues. The Minister proposed 'a fair and transparent way forward'32, noting that the application for the

 $^{^{\}rm 27}$ Submission to the Standing Committee on Planning and Environment from Tuggeranong Community Council dated 25 February 2004, Nigel Griffiths, the Macarthur resident, page 1.

²⁸ Submission to the Standing Committee on Planning and Environment from Tuggeranong Community Council dated 25 February 2004, page 1.

²⁹ Submission to the Standing Committee on Planning and Environment from Tuggeranong Community Council dated 25 February 2004, page 1.

³⁰ See Appendix 7 the flyer sent out by Karralika Action Group.

³¹ Submission to the Standing Committee on Planning and Environment from Tuggeranong Community Council dated 25 February 2004, page 2.

³² Text of Media Releases 6 and 7 February 2004 respectively, Minister for Planning/Minister for Health: 'Government Agrees with Local Members on Karralika'; and 'New Karralika Process Fair and Transparent'.

Karralika's Fadden Facility would now be subject to a process involving extensive consultation with the community, advice from the Planning and Land Authority and guidance from the ACT Legislative Assembly.

2.24 A debate on the community consultation process relating to the Karralika proposal to expand the Fadden alcohol and drug rehabilitation facility from 20 to 60 beds, including 20 for accompanying children, occurred in the Legislative Assembly on 11 February 2004³³. Resulted in the following motion being passed³⁴:

'The Assembly:

- 1) affirms its support for appropriately sited residential and non-residential drug rehabilitation facilities;
- 2) notes the residents of Macarthur and Fadden are supportive of the current Karralika facility;
- 3) condemns the Minister for Planning for misusing Regulation 12 of the Land (Planning and Environment) Act to avoid proper consultation and notification of the redevelopment of the Karralika Facility
- 4) calls on the Minister to immediately make available all information regarding the development to enable an informed decision to be made by community and the Assembly;
- 5) notes the Minister's intention to withdraw, re-notify and call in the development;
- 6) directs the Minister to not exercise his 'call-in' powers in this development;
- 7) refers for inquiry and report the matter of the Karralika development and the use of the call in power to the Standing Committee on Planning and Environment, with the Committee to report by 31 May 2004.
- 2.25 The timeframe required to final documentation³⁵ as shown in ACT Department of Health, Housing and Community Care's September 2002 Architectural Brief for the redevelopment of Karralika facilities, together with the estimated construction time, would be approximately one year and nine months to provide additional facilities to service the community. This construction/implementation timing was confirmed by the 2003/2004 Capital

Legislative Assembly for the Australian Capital Territory, Minutes of Proceedings No. 88,
 Wednesday 11 February 2004, page1110, Karralika Drug Rehabilitation Facility-Development.
 Legislative Assembly for the Australian Capital Territory, Minutes of Proceedings No. 88,
 Wednesday 11 February 2004, page1112, Karralika Drug Rehabilitation Facility-Development.

³⁵ Redevelopment of Karralika Facilities Architectural Brief, ACT Department of Health, Housing and Community Care, 26 September 2002, Activity End Date, page 5.

Works Program Construction Project document. This document states that 'project implementation will be initiated in July 2003...and works can be completed by October 2004.'36. The works for the Fadden site described in the business case document are described as:

- 'Demolition of one existing residential unit.
- Construction of 5 new residential units.
- Extension of the remaining existing residential unit to provide extra living space, bedrooms and common laundry facility.
- Extension of homestead building to provide additional office space.
- Extension of homestead building to provide new dining hall.
- Construction of new recreation building.
- Construction of new child care centre building
- Construction of extended car park'³⁷.

2.26 The document also stated that there was no point in looking at other alternative sites 'given the investment already in place at both of the Fadden and Isabella Plains site, it was dismissed and not financially sensible to look at alternative "greenfields" sites'.

³⁶ Business Case Construction Proposal-2003/2004 Capital Works Program Construction Project for ACT Health Output Class 3.1, Redevelopment of Karralika Alcohol and Drug Therapeutic Communities, page 1 and 2.

³⁷ Business Case Construction Proposal-2003/2004 Capital Works Program Construction Project for ACT Health Output Class 3.1, Redevelopment of Karralika Alcohol and Drug Therapeutic Communities, 'Overview of Solution to Meet the Business Need'.

3. Evidence on Use of Regulation 12

3.1 The Minister for Planning informed the Committee at the Urban Services 2002-2003 Annual Reports public hearings on 3 February 2004³⁸, that he thought Regulation 12 had only been used once since he had been the Minister, and that was in relation to Karralika redevelopment. The Minister told the Committee that from his understanding, Regulation 12 means:

'Regulation 12 allows the minister to determine that a facility provides confidential services or services of a sensitive nature and that it can be deemed to be in the public interest to have any changes, extensions, renovations or redevelopment of those services to be exempt from the public notification and appeal provisions of the Land Act... I make the point that, obviously, immediate neighbours tend to know what is happening next door, regardless of what sort of facility it is. So the issue is more: is the broader community aware of the location of that facility... My reading of the intent of the regulation is that it is not about keeping it secret from immediate neighbours—they obviously know it is there because they live next door, across the road or whatever—but about the broader community being aware of its location and whether or not its activities should be subject to the same level of scrutiny as a normal development proposal... The act vests in the minister the responsibility to make that judgment as the act does in a number of other circumstances; for example, whether or not it is appropriate to use the call-in power.'39.

3.2 The Minister also told the Committee at that same hearing that he:

'took the decision at the request of ACT Health, who are responsible for the redevelopment and extension of Karralika, that it was in the public interest to exempt the development proposal from notification and third party review provisions of the Land Act. The reason I did that was that the success of the service is based on the fact that it is a low-key facility, sitting within what is essentially a suburban area, which is discreet and which allows people who are detoxified to continue their rehabilitation process...I took the view that it was not in the public interest for the exact location or purpose of Karralika to be broadcast to the broader community because that would impinge upon its discreet, low-key nature of operations...The

³⁸ Public hearings Annual Reports 2002-2003 for the Department of Urban Services and the Related Agencies, 3 February 2004, Final Hansard for the Standing Committee on Planning and Environment, page 16.

³⁹ Public Hearings Annual Reports 2002-2003 for the Department of Urban Services and the Related Agencies, 3 February 2004, Final Hansard for the Standing Committee on Planning and Environment, pages 16-17.

facility is a two-storey facility and it is consistent with the Land Act, as far as I know, when it comes to the height control, which is two storeys in a residential area. the block...the view of it from other residences on the Macarthur side, on two sides of the block it is currently urban open space. There are no adjacent dwellings on two sides of the block. In fact, on one side of the block there are two large water reservoirs. On the other side of the block it is urban open space. There is no residential lease that immediately adjoins the Karralika block and the closest residential lease would be approximately 40 to 50 metres away from the Karralika lease '.

3.3 Regulation 12 is part of a set of regulations, the Land (Planning and Environment) Regulations 1992 No. 5 made under the Land (Planning and Environment) Act 1991, and states:

"Part 3 Land administration Division 3.1 Leases

12 Confidential services and special dwellings—Act, s 175 (3) (a)

For the Act, section 175 (3) (a), developments of the following type are prescribed developments:

- (a) the use of premises for the provision of confidential services (such as a domestic crisis service), if the Minister has, in writing, determined that it is in the public interest for the development to be so prescribed;
- (b) the use of residential premises as a special dwelling within the meaning of the plan."
- 3.4 The Fadden Karralika site falls under the Territory Plan Land Use Policy classification Part B4 Community Facility Land Use Policies which aim to 'ensure land is available for the provision of a comprehensive range of accessible community, cultural and recreational services and facilities in locations appropriate to the needs of the community...careful location of community facilities is particularly important and locational guidelines will be applied. Another important consideration is protection of the amenity of surrounding residential areas'⁴⁰. This land use policy applies a set of land use controls to which the development of the Karralika facility should have been subjected.
- 3.5 The Committee is concerned about the interpretation of 'residential' in Regulation 12, because if 'residential' applies to the land policies that fall under B1 Residential Land Use Policies in the Territory Plan, then applying Regulation 12 to the Karralika Fadden facility may be illegal because the Karralika facility falls under a B4 Community Facility Land Use Policy. The Committee is concerned that Regulation 12 may then only be used for any

⁴⁰ Territory Plan Part B4 Community Facility Land Use Policies, page 1 of Part B4.

purpose other than residential purposes consistent with the Territory Plan. The Territory Plan does not indicate any Area Specific Policy for the Fadden site. The Committee concludes that either the regulation is flawed in it wording, or the site requires a variation to the Territory Plan to give it an area specific overlay.

3.6 The Chief Planning Executive of ACTPLA confirmed for the Committee on 7 May 2004 that 'variation to the Territory Plan No. 164 made no changes to the extent of land subject to Community Facilities land use policies. Specifically, the Karralika site was subject to Community Facilities land use policies before and after the commencement of the variation'41. The advice also confirmed that 'no variation to the Territory Plan is required provided as the uses proposed are permissible under the current Community Facilities land use policies and the relevant Crown lease'42. Even in the light of this advice, the Committee feels that the wording in Regulation 12 may be ambiguous when laid beside section 175 of Land (Planning and Environment) Act 1991. The Committee feels that a full review of the Regulations that attend this Act should be undertaken to rewrite them to reduce ambiguity in their interpretation, the Regulations, in this case Regulation 12, to be applied. The Committee also has concluded that the Land (Planning and Environment) Act 1991 may also require amendment to allow for partial disclosure of the floor plans for confidential projects and to maintain those elements that are not in the public interest confidential.

RECOMMENDATION 1 (page 16)

The Committee recommends that the Regulations that attend the Land (Planning and Environment) Act 1991 be reviewed and rewritten to ensure for definitional clarity of the interpretation and application of the Regulations.

RECOMMENDATION 2 (page 16)

The Committee recommends that the Land (Planning and Environment) Act 1991 be reviewed and rewritten to cater for special projects so that there is the possibility for partial

⁴¹ Letter of 7 May 2004 to the Chair Standing Committee on Planning and Environment from Chief Planning Executive Mr Neil Savery, page 1.

⁴² Ibid., page 2.

disclosure of floor plans and retention of confidentiality for those areas with special security requirements.

RECOMMENDATION 3 (page 17)

The Committee recommends that the definition of Regulation 12 and the circumstances when it might be applied, be tightly prescribed, to encourage improved frameworks of open and transparent decision making by government Ministers.

- 3.7 The Committee was unable to obtain evidence from ACT Government sources that the mandatory and Community Needs Assessments required by B4 have been undertaken.
- 3.8 The ACTPLA brief of 26 September 2003 put to the Minister for Planning that it would be in the public interest for the Fadden Karralika Project to be exempted from a public consultation process, but did suggest that 'as a matter of courtesy, the adjoining residential lessees be advised of the expansion program and that the site plan and elevations can be viewed on the public register'⁴³. The persuasion for exemption was phrased as follows:

'ACT Health has indicated that the therapeutic rehabilitation program conducted at Karralika is, by way of its nature, sensitive and confidential and that a public notification process could:

- Adversely affect the internal working operations of the facility which has now been operating from the site for over 20 years; and
- Result in the design of the new facilities being compromised or delay the expansion of the program to the extent that the rehabilitation program would not be capable of meeting current or identified needs.

It is considered that the above reasons are compelling enough to justify the exemption of the proposal.

While, the type of operation conducted from the block is reasonably well known within the local area, particularly to the nearby lessees, it is not in the public interest to divulge the location and purpose of the centre to the broader community. ACT Health is not averse to the details of the proposal being conveyed to the nearby residents or to the site plan and elevations for the

⁴³ ACTPLA Brief of 26 September 2003 to the Minister for Planning 'Redevelopment Proposal Karralika Alcohol and Drug Rehabilitation Centre-Block 1 Section 399 Fadden, page 2.

development being placed on the public register for inspection provided that the confidential aspects of the proposal are protected'44.

- 3.9 The Minister for Planning gave his approval to the Regulation 12 approach almost a month later on 20 October 2003, and it took another three months for advice from ACT Health to be provided to fourteen selected Fadden and Macarthur addresses via the letter box drop of a letter dated 5 January 2004, signed by ACT Health (see copy of this letter at Appendix 2 together with a copy of a letter dated 29 January 2004 to selected residents inviting them to view the development application and the plans on the public register and provide comments to ACTPLA within two weeks of that letter).
- 3.10 The Committee finds that the justification for the project's Regulation 12 status in October 2003 after a public media statement released on 6 May 2003⁴⁵ giving explicit details and location of the redevelopment project, somewhat anomalous. The Committee also finds that the relatively long period between May and October 2003, when in theory, the information was already public, seems to be contrary to the to the provisos of the use of Regulation 12, namely that the approval process for regulation 12 is the same as that for any other development application with two exceptions:
 - a. There is no public notification, and
 - b. There are no appeal rights.
- 3.11 The Minister for Planning told the Committee on 10 March 2004⁴⁶ that he:

'had accepted Health's view that advertising the Development Application (DA) through the normal notification process would compromise the sensitive and confidential nature of the Therapeutic Rehabilitation program conducted at Karralika...in relation to the potential call in of the development, no advice was provided to me regarding the possible call in of the development. In an open manner I decided to flag my intention to use ministerial call in powers to determine the application and to put a resolution to the ACT Legislative Assembly seeking views on whether the expansion of rehabilitation services at Karralika should go ahead. MLAs would have been provided with documentation and advice on the DA to make an informed decision. For the benefit of members, it is important for me to reiterate that calling in a development does not mean that a

⁴⁴ ACTPLA Brief of 26 September 2003 to the Minister for Planning 'Redevelopment Proposal Karralika Alcohol and Drug Rehabilitation Centre-Block 1 Section 399 Fadden, page 2.

⁴⁵ Appendix 4 is a copy of that 6 May 2003 media release.

⁴⁶ Letter of 10 March 2004 to the Chair of the Standing Committee on Planning and Environment from the Minister for Planning, page 2.

development is automatically approved. As Minister for Planning, after reviewing all relevant documentation, including advice from the expert Planning and Land Council, I have the capacity to approve the application, refuse the application or refer the application back to ACTPLA for a decision'.

This statement formed the basis of a new call in process by the Minister for Planning for the project.

- 3.12 As the Minister for Health, the Minister supported the imperative for the expansion of the Karralika facility informing the Committee on 10 March 2004⁴⁷, that 'the demand for residential alcohol and drug rehabilitation programs in the ACT increased by 16% in the 12 months July 2002 to June 2003 and the Karralika program is not able to meet current demand for services'.
- 3.13 The Department of Health presumed a public consultation process would not be necessary because 'the facility had been there since 1978, meant that there was, one would presume, a good relationship with the local community'48. This view was confirmed by ADFACT during the Committee's Public Hearings on 21 April 2004 when the Chief Executive of ADFACT told the Committee:

'the consultation area was discussed towards the end of that process probably around, if I recall correctly, October, November last year [2003]. So at that stage we had worked on a design with the prime focus on meeting the service delivery and we were very mindful through that process not to create a facility that was going to sit on a ridge line for everyone to see. You know we kept a low profile with the saddle in that ridge line, we were very mindful of that, all parties in that working group... in October, November it was then discussed about how we would as a group progress this through the planning process. At that point I suppose that I didn't have any concerns about, when it was suggested one of the options was that we could put it to the Minister for Planning that it was, under Regulation 12A...and I didn't have any concerns because the site had never attracted any sort of attention, no complaints from the community or anything else and we weren't changing the purpose of the site. So I didn't raise any concerns and the department went forward then I believe with whatever paperwork was necessary'⁴⁹.

3.14 The Department of Health⁵⁰ confirmed that to date no other Health projects had required the application of Regulation 12, so the Committee feels

⁴⁷ Letter of 10 March 2004 to the Chair of the Standing Committee on Planning and Environment from the Minister for Health, page 1.

⁴⁸ Hansard Final Transcript of Evidence 21 April 2004, page 59.

⁴⁹ Ibid., page 2.

⁵⁰ Ibid., page 60 and 61.

it appropriate to note perceived anomalies and some thinly based assumptions made in respect of the application of Regulation 12, by the Minister (in both his roles), the Department of Health and ACTPLA in evidence given on 21 April 2004.

3.15 The following are some examples:

- ACTPLA's role 'was not to make judgement about what their (ACT Department of Health) exemption process was, ACTPLA was confined to the limitations as a result of the exemption process ... ACTPLA's role was to undertake a process of assessing the application without any judgement about the consultation process'51. The Committee notes that it was ACTPLA in its brief to the Minister for Planning on 26 September 2003 who recommended to the Minister that 'it is appropriate for the application to extend the Karralika residential drug and alcohol facility to be exempted from public notification under Item 2 of Schedule 4 of the Land (Planning and Environment) Regulations 1992'52.
- The Minister for Planning/Minister for Health stated that 'Regulation 12 refers to the use of the premises for the provision of confidential services. It does not say that the location is and of itself confidential or secret....and the provision of-and the extension of this facility, if it had been widely known in terms of layout and location, the provision of certain facilities within the centre, had been made more widely know, people could have compromised the confidentiality of the services that are being provided.'53
- The Chief Executive Officer of ACT Health indicated that although he recommended the application of Regulation 12 for the Fadden Karralika Project by the Minister, he:

'hadn't read that particular regulation, but I had an understanding from this brief. I had no reason to doubt my officer's familiarity with the relevant legislation⁵⁴.

3.16 The Committee was stunned by this admission of the Chief Executive Office of the Department of Health, especially as he was advising the Minister on a course of action that was going to have some serious impact on health issues. Here was a situation where there was minimal precedent and a course

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⁵¹ Hansard Final Transcript of Evidence 21 April 2004, page 28.

⁵² Brief to the Minister for Planning of 26 September 2003 from ACTPLA in respect of 'Redevelopment Proposal Karralika Alcohol and Drug Rehabilitation Centre-Block 1 Section 399 Fadden, page 2.

⁵³ Hansard Final of Evidence 21 April 2004, page 38 and 41

⁵⁴ Hansard Final Transcript of Evidence 21 April 2004, page 78.

of action was being recommended with that ACT Government official apprising himself of the background to Regulation 12.

3.17 The Committee feels that it is imperative that all of the ACT Government's Chief Executive Officers when making recommendations to their responsible Ministers should familiarise themselves with the relevant legislation before so doing. The Committee hopes that this incident is not indicative of the decision making style of the current Chief Executive Officer of the ACT Department of Health.

RECOMMMENDATION 4 (page 21)

The Committee recommends that the ACT Government impress on all of its Chief Executive Officers that prior to giving advice to ACT Government Ministers, they familiarise themselves with all relevant legislation.

- 3.18 During February 2004 there was debate in the Legislative Assembly in respect of the Minister's actions in respect of the use of Regulation 12 and the proposed use of call in powers. During the same sitting, a petition was tabled requesting the ACT Government to 'cease any development and enter into immediate discussion and effective consultation with the community regarding the size, nature and details of the project'⁵⁵.
- 3.19 The Minister has conceded 'that clearly there was a level of community concern about the process that had been used...clearly a number of members of the Assembly were concerned about the process that had been used.
- 3.20 The Minister had decided that perhaps there was a way through the impasse⁵⁶ that would still allow the facility to be built in a timely way, or indeed for an approval to be rejected in a timely way, was for the Assembly itself to express a view and for then, me, as the Minister to exercise my call-in power capacity cognisant of the views of the Assembly'. Even at this point in February 2004, the urgency for getting the facility built quickly was still deemed to be a high priority by the Government. However, sufficient public protest about the lack of public consultation and the large nature of the proposed extensions, had caused the development application to be withdrawn, and the matter referred to the Committee for inquiry.

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⁵⁵ 2004 Week 1 Hansard 12 February 2004 page 263.

⁵⁶ Hansard Final Transcript of Evidence 21 April 2004, page 43.

3.21 The Committee recommends that the ACT Government introduce a new consultative model which will allow participation by the public and key stakeholders in the decision making processes that lead up to the approval for such sensitive projects as the Fadden Karralika Development.

RECOMMENDATION 5 (page 22)

The Committee recommends that the ACT Government introduce a new consultative model that will allow participation by the public and key stakeholders in the decision-making processes for the approval for sensitive projects.

RECOMMENDATION 6 (page 22)

The Committee recommends that the definition of call in powers of a Minister and the circumstances when these might be applied, be tightly prescribed, to encourage improved frameworks of open and transparent decision making by Government Ministers.

3.22 In addition, the Committee recommends that if the open scrutiny of a Public Works Committee mechanism existed within the ACT Legislative Assembly infrastructure, this would be the place where all capital works (both major and minor) to be subject of an open scrutiny by a multi-partisan committee and interested members of the public for priority and justification to proceed.

RECOMMENDATION 7 (page 22)

The Committee recommends that the Legislative Assembly give consideration to the establishment of Public Works Committee in the next Assembly to scrutinise the total ACT Government Capital Works Program.

4. Community and Public Consultation

4.1 The Committee believes that the process of community consultation should have commenced at the embryonic point of the redevelopment proposal in 2001 when the then Minister for Health, Housing and Community Care expressed support for the redevelopment proposal. This would have avoided large amounts of government money having been spent on undertaking and completing the feasibility study, reaching the final sketch plan phase, and the lodgement of the development application. As the ACT Department of Health⁵⁷ indicated in evidence during the Committee's public hearings of 21 April 2004, 'that it never crossed [his] [the Manager Capital Planning, Risk and Procurement ACT Health] mind at any time in the process of putting together the plans for the redevelopment, that the residents around it might be discomforted by it, because it was a facility that had been there for some time and the internal consultation team were confident that it was a facility that would continue to be there...Karralika had been there since 1978 living and working harmoniously with the community as far as the Department of Health could tell. The Department of Health was certainly not aware of any major issues between Karralika and the community.'

RECOMMENDATION 8 (page 23)

The Committee recommends that the ACT Government and all of its agencies explore ways to involve the wider community during the contemplative stage of any capital projects, before any work is undertaken on feasibility studies, sketch plans, and indicative costs for the proposal.

4.2 The Chief Executive Officer, ACT Health put that 'it was our understanding that there was broad support in the Assembly for this development and there was also an understanding, albeit perhaps something that perhaps wasn't entirely reliable, that with a budget announcement that there was an understanding that the government and the community were committed to improving drug rehabilitation services'⁵⁸.

Department of Health, page 62.

58 Final Hansard of Public Hear

⁵⁷ Final Hansard of Public Hearings 21 April 2004, Dr Tony Sherbon and Mr Mark Kendall, Department of Health, page 62.

⁵⁸ Final Hansard of Public Hearings 21 April 2004, Dr Tony Sherbon and Mr Mark Kendall, Department of Health, page 62.

- 4.3 The Committee has concluded that while the ACT Government did make some minimal effort to alert certain residents to the large redevelopment of Karralika Fadden, in truth, there was an overall failure by the ACT Government to recognise that members of the ACT community have a strong culture of consultation.
- 4.4 The majority of submissions relating to the planning process to the Committee expressed strong sentiments of constituents who feel deceived by a government in which they placed high levels of expectation for open consultation and community involvement. The Minister has responded by saying that 'governments have to make decisions about what is broadly in the public interest. That necessarily means that sometimes you will make decisions that do not please significant numbers of people. But that's a consequence of being in government... the consequence of being in government that some people, some of the time, will be unhappy with a decision you make'⁵⁹.
- 4.5 The Karralika Action Group's website states that 'the group is committed to preventing this extensive and inappropriate development from proceeding, and to ensuring that local communities are genuinely and effectively consulted about developments occurring within their own communities'. The Group was formed in January 2004 specifically to:

'expose and oppose the Government's clandestine plans to build a major drug rehabilitation centre in the residential areas of Fadden and Macarthur in the ACT [Karralika] without any public consultation...it was keen to express its support for the Karralika centre as it stands'...but the centre should not be 'forced to support more than it can sensibly carry'.

4.6 The Karralika Action Group drew to the Committee's attention that:

'this community was not asked, nobody conferred with us, we were not considered, and nobody referred to us for information. Most especially, our feelings about this development and how it affects our interests as individuals and as a community were not taken into consideration during the decision-making or planning processes'61.

The Karralika Action Group maintains that 'the total lack of consultation and adequate planning for this development has burdened this community with a conflict that could easily have been avoided. If people had been consulted

⁵⁹ Hansard Final Transcript of Evidence 21 April 2004, page 45 and 46.

⁶⁰ http://www.kag.org.au/ website for the Karralika Action Group.

⁶¹Hansard Final Transcript 16 April 2004 page 5.

from the beginning it would have been quickly evident that this was not going to work and alternatives could have been explored.'62 The Committee agrees that the consultative process has been insufficient.

 $^{^{\}rm 62}$ Hansard Final Copy Transcript 16 April 2004, Page 27.

5. Conclusion

- 5.1 The chronology of milestones (see Appendix 8) and evidence before the Committee confirms the substantial amount of work and expenditure incurred between 1998 and 2004 readying the Karralika Redevelopment for construction. It wasn't until January 2004 that the nearby community to the Fadden Karralika was directly informed of the redevelopment. Public consultation was a matter deemed to be unnecessary by the Department of Health. The Committee had concluded that:
 - a. much of the work was being commissioned simultaneously and would have been being undertaken in overlapping time frames;
 - b. one Department was able to independently make this capital works project a high ACT Government priority allegedly before it had been referred to the ACT's Planning and Land Authority for consideration;
 - c. this project would have benefited in the public consultation context, if the Budget Papers contained a full description of the project scope and construction details and timelines;
 - d. the impact of Draft Variation 164 cannot be discounted.
- 5.2 The Committee observes that much of the preliminary action for the project was occurring in what appears to be a somewhat uncoordinated and informal way within the Department of Health and ADFACT, with PALM (now ACTPLA) becoming involved at the Feasibility Study stage in 2001.
- 5.3 It appears that the project was virtually ready for construction by the time the Minister for Planning approved the Regulation 12 approach in 2003. Nothing formal about the development had been presented to the public over a period of nearly three years since the first submission proposing the construction of additional accommodation at the Fadden and Isabella Karralika sites was given to the then Minister for Health in 2001. The Committee believes that in a city where consultation is heavily embedded in its culture, it is not surprising that the Karralika Action Group perceived the Government to be behaving in a secretive and misleading way because it was in February 2003 that Fadden and Macarthur residents first noticed survey work occurring and began to become aware of a redevelopment for the Karralika Fadden site⁶³, and then only a couple of months later in May 2003 the Government made its detailed 2003-2004 Budget statement for the '\$9

⁶³ Submission No 50 Karralika Action Group of 16 March 2004 to the Standing Committee on Planning and Environment, page 19.

million for accommodation improvements at Karralika Drug and Alcohol Service and other Health facilities^{'64}..

5.4 The Committee believes that the history of this project clearly demonstrates a strong need for an improved system of preparing and prioritising capital works projects for approval to proceed in the ACT.

RECOMMENDATION 9 (page 27)

The Committee strongly recommends that the ACT Government review its capital work programming processes and that a consolidated capital works program that covers all ACT Government Departments and agencies be prepared annually in the form of a rolling plan, and that this be scrutinised by a newly created Public Works Committee or the Public Accounts Committee.

RECOMMENDATION 10 (page 27)

The Committee recommends that the ACT Budget Papers on Capital Works contain full description of the scope of projects and construction details and timelines.

Roslyn Dundas MLA Chair Standing Committee on Planning and Environment 12 May 2004

Planning and Environment, page 19.

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⁶⁴ Submission No 50 Karralika Action Group of 16 March 2004 to the Standing Committee on

Appendix 1: Acronyms

ACTPLA Australian Capital Territory Planning and Land

Authority

ADFACT Alcohol and Drug Foundation of the ACT

DA Development Application

KAG Karralika Action Group

MLA Member of the ACT Legislative Assembly

PALM Planning and Land Management Group

predecessor to ACTPLA)

TCC Tuggeranong Community Council

Appendix 2: Letter of 5 January 2004 to Fadden and Macarthur Residents



File No: 003/104

Dear Fadden Resident

This letter is to let you know about construction work that will be undertaken at the Karralika health facility, 256 Bugden Avenue, Fadden, commencing sometime after March 2004.

The work is required to refurbish the interior of the existing Karralika homestead, but will also involve the replacement of several of the existing out buildings with new ones and the addition of new facilities. There will be no change to the existing purpose of the Karralika facility, which currently serves as a residential rehabilitation facility. While there will be some increase in the level of activity at the site, once construction and landscaping work has been completed, the facility will retain its essentially discrete and low profite character.

Attached are copies of architects' drawings showing the scope of works. In total, the new buildings will cover less than 25% of the site, with large, well-landscaped setbacks to all boundaries.

The extensive new landscaping will complement the bushland setting. Exotic evergreen trees will be removed to allow solar access to the middle of the site. All excalppts have been closely inspected by ACT Environment, and 6 out of the 12 excalppts will be retained amongst the new buildings. A new landscaped front verge fronting Bagden Avenue will be densely planted with screening trees and shrubs.

The existing main driveway will be retained and will directly serve the improved off street parking and the administration centre, which will be contained in the former homestead. The carparking needs for the facility will be met on site.

The new buildings have been designed to complement the character of the existing homestead building and will have a predominant "Australian" bushland character. The new buildings will have a low profile resulting from the use of low pitched metal roofs, and will strongly resemble domestic-scale dwellings.

I will update you on this important project closer to the expected commencement date. In the meantime, further information can be obtained from the following people:

ARCHITECTURAL/DESIGN DETAILS

Alan Morschel Project Architect May Russell Architects 0409 826 808 OTHER PROJECT DETAILS Luke Jansen A/g Manager, Capital Works ACT Health

> 6/2/04 6/2/04 Anda Africa

0419:779 196

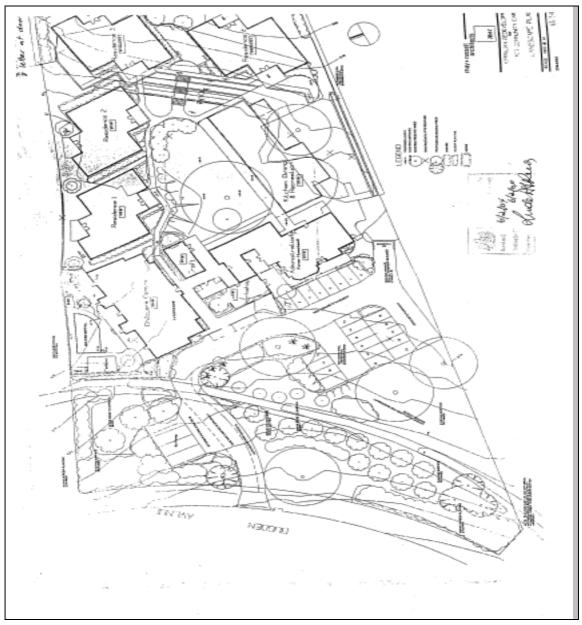
Mark Kendall Manager Capital Planning, Risk and Procurement

5 January 2004

GPO Box 825 Canberra ACT 2601 Website: www.health.act.gov.eu

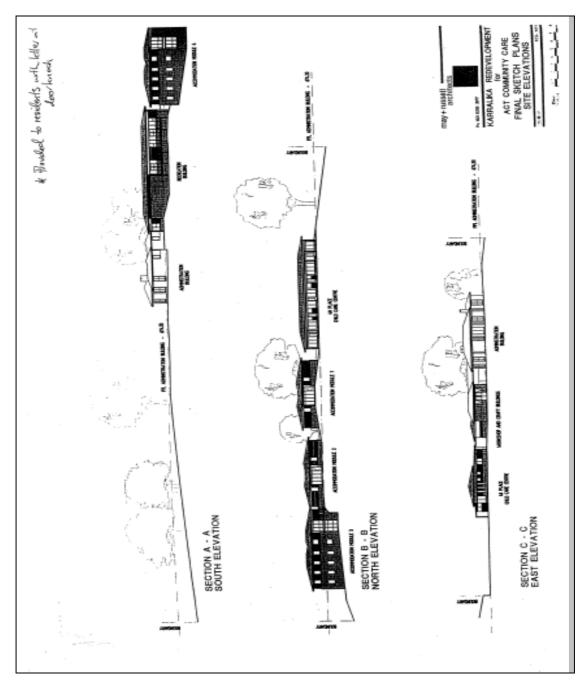
Letter of 5 January 2004 to Fadden and Macarthur Residents signed by Mr Mark Kendall Manager Capital Planning and Procurement ACT Health

Appendix 2: Letter of 5 January 2004 to Fadden and Macarthur Residents (continued)



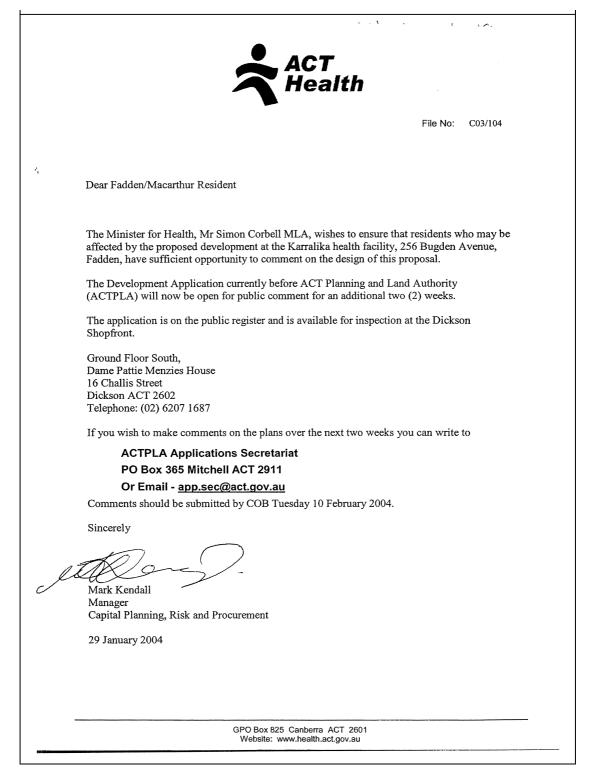
May & Russell Architects Karralika Redevelopment ACT Community Care Landscape Plan (Attachment to the letter of 5 January 2004)

Appendix 2: Letter of 5 January 2004 to Fadden and Macarthur Residents (continued)



Karralika Redevelopment for ACT Community Care Final Sketch Plans May & Russell Architects (Attachment to the letter of 5 January 2004)

Appendix 3: Letter of 29 January 2004 to Fadden and Macarthur Residents



Letter of 29 January 2004 to Fadden and Macarthur Residents signed by Mr Mark Kendall Manager Capital Planning and Procurement ACT Health

Appendix 4: Budget Media Release of 6 May 2003



ACT Government

2003-2004 BUDGET



\$9 MILLION FOR ACCOMMODATION IMPROVEMENTS AT KARRALIKA DRUG AND ALCOHOL SERVICE AND OTHER HEALTH FACILITIES

Accommodation at the Karralika Drug and Alcohol Service will be greatly improved with Capital Works funding of \$5.085 million in the 2003/04 Budget, while another \$4.7m will be spent on the much-needed refurbishment of several important health services and minor new works.

"The Stanhope Government will fund a major redevelopment of the Karralika facilities located in Fadden, with some minor works also to be undertaken at the Isabella Plains site," Health Minister Simon Corbell said.

Estimated expenditure for the Karralika refurbishment over two years is 2.735 million in 2003/04 and 2.350 million in 2004/05.

"The project aims to consolidate the long stay program at Fadden and the short stay program at Isabella Plains, which removes the need to daily transport clients between the two sites. The redeveloped accommodation will also align with national changes in the approach to therapeutic communities.

"At the Fadden site, funding will deliver new facilities for the clients of the long stay program, a new childcare centre and accommodation for the outreach program.

"At Isabella Plains, there will be improvements for the intake and assessment team and a refurbishment of facilities for clients of the short stay program.

"The construction will provide additional accommodation capacity at Fadden, a total capacity of 60-70 places, 15-20 (25%) of these to meet a growing demand for places for children who accompany adults on the programs," Mr Corbell said.

Nearly \$4.7 million has also been provided for much-needed refurbishment of several important health services and minor new works in the 2003/04 Budget.

\$2.4 million is earmarked for an upgrade of office and service accommodation and the Alcohol and Drug Unit located in the Moore Street Health building in the city.



"This refurbishment will provide appropriate standards in accommodation for these clinical services, which have been operating out of a building designed and built in the mid 1970s," said Health Minister Simon Corbell.

"We have also included \$350,000 for the design of improvements to the Intensive Care and Coronary Care Units at Calvary Hospital. The new design will provide an environment that meets current standards and is flexible enough to cater for future ICU and CCU trends.

Released: 6 May 2003

Inquiries: Kym Connolly 0419 423 603 or 6205 0497

Appendix 4: Media Release of 6 May 2003 (continued)

The Budget has also set aside nearly \$1.9 million for minor new works, which include an emergency power upgrade at The Canberra Hospital and the installation of emergency power at the ACT Hospice. The need for this work was identified as a direct result of power failures associated with the January bushfires.

Statement ends.

Appendix 5: Media Release Minister for Planning/Minister for Health 7 February 2004

New Karralika process fair and transparent

The new planning process for the proposed Karralika redevelopment could not be fairer, Planning Minister Simon Corbell said today.

The Karralika proposal expanded the Fadden alcohol and drug rehabilitation facility from 20 to 60 beds, including 20 for accompanying children. Yesterday, the Minister announced that the Development Application (DA) would be withdrawn in favour of an extended consultative process.

"The new direction for Karralika, developed with my Brindabella colleagues, John Hargreaves and Karin MacDonald, is a fair and transparent way forward, involving extensive consultation," Mr Corbell said.

It includes:

- 1. ACT Health will withdraw their current Development Application in favour of a standard development application process.
- 2. ACT Health will undertake the normal pre-application process with the Territory's independent planning authority, ACT Planning and Land Authority (ACTPLA), involving consultation with adjacent residents in developing a new Development Application for the site.
- 3. The new Development Application will be formally lodged and publicly advertised for the statutory 15 working day period, with the public able to formally comment during that time.
- 4. During consideration of the Development Application and public comment by ACTPLA, the Minister for Planning will signal his intention to use his ministerial call-in powers to determine the application, triggering advice from the expert Planning and Land Council.
- 5. The Minister will put a resolution to the ACT Legislative Assembly seeking views on whether the expansion of rehabilitation services at Karralika should go ahead. MLAs will be provided with documentation and advice on the DA to make an informed decision.

"This process could not be fairer:

- adjacent neighbours will be consulted in developing a new Development Application;
- the wider community will be able to comment on the revised Development Application;
- by calling-in the application, ACTPLA and the Planning and Land Council will provide advice, and;

• by putting a resolution to the Legislative Assembly, MLAs will also be able to express their view as to whether the application should be approved and refused.

"This means that the community will be involved in two stages of consultation and finally their elected representatives will be asked whether the application should be approved or refused.

"If following this extensive process, the development is approved it can proceed without delay in the next financial year, if it is refused, the Government will consider alternative sites.

"While Health's approach was legitimate, this new direction is a fair and transparent way forward, giving both the community and the Assembly an opportunity to be consulted."

Statement Ends/ Saturday, 7 February 2004

Appendix 6: Submissions Received

1. Annette Holden	42. Roderick Ryburn		
2. Rosemary Dupont	43. John Purcell		
3. Anna and Ross Small	44. Wai-Fong Yik		
4. Bob Hughes	45. R Stone		
5. Thu Nguyen-Hoan	46. Mark Simmons		
6. Tuggeranong Community Council	47. Peter Vincent		
7. Frank Scargill	48. Matt Burgess		
8. Mike and Kaye Sellars	49. Helen Williams		
9. Win Levy	50. Karralika Action Group		
10. Christopher Kidd	51. Karen Roberts		
11. Caroline Kidd	52. Janet Purcell		
12. Alison Kidd	53. Maryanne Haslam		
13. James Kidd	54. Frank and Laraine O'Shea		
14. Lloyd Streeting	55. Craig and Elizabeth Latham		
15. Garry and Gwenda Coombe	56. David Simcoe		
16. Michael Askew	57. Richard Summergreene		
17. Harry Levy	58. Andrew and Janet Bradley		
18. Rosemary and Dennis Beveridge	59. Derek Flannery		
19. Anton Majer	60. Steve and Jenny Dreezer		
20. Diane Cronin	61. Elaine Kennedy		
21. Debra Askew	62. Gail and Graham Lacey		
22. Patricia Dahl	63. Rajan Martin		
23. Dayle Redden	64. Colin Davidson		

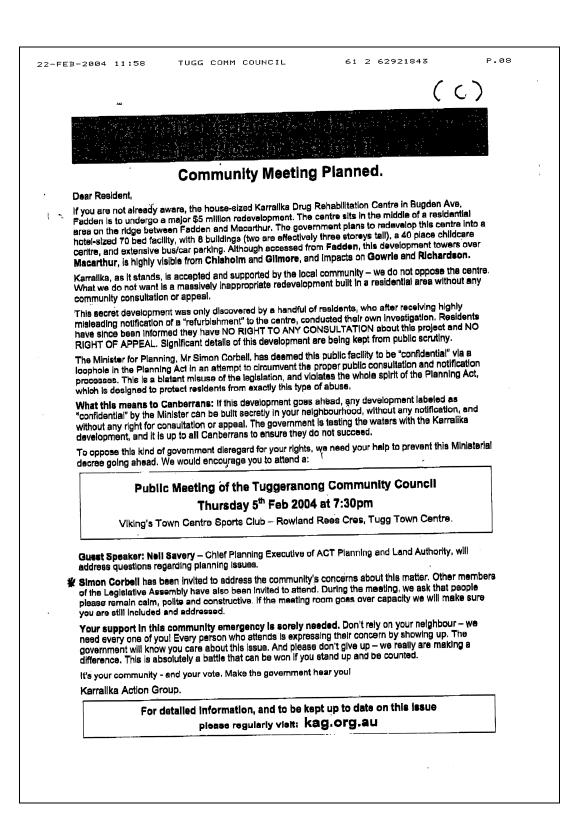
Appendix 6 – Submissions Received (continued)

65. Michael Butcher		
66. Thomas and Wendy Honeyman		
67. Carsten and Bridget Larsen		
68. Tara Cartledge		
69. Kathryn Newmarch		
70. Sue Martin		
71. Michael Young		
72. Greg and Sally Owen		
73. M and R Pryor		
74. Paul and Wendy Anderson		
75. Norm Chalmers		
76. Martin Devine		
77. John and Clare Lord		
78. Margo Gowan		
79. Confidential Submission		
80. Fadden Primary School Board		
81. Jeanette Hall		
82. Andrew and Selma Schuller		
95. Karen Rendle and Jason Judd		
96. Marcel and Carol-Lyn Leffers		
97. Paul and Kathy Baumgarten		
98. Tony Cheng		
99. Malcolm Roberts		

Appendix 6 – Submissions Received (continued)

88. Ian Cutler	100. Colin Cronin		
89. Peter Gibson	101. Sue Mackenzie		
90. Tania Dahl	102. Jenny White		
91. Matthew Curtis	103. May & Russell Architects		
92. Garran Community Association	104. Lesley Gunson		
93. Andrew Callaway	105. Sterling and Barbara Kitchings		
94. Fiona Wren	106. Janine Forbes-Curtis		
	107. Christine Ryburn		

Appendix 7: Karralika Action Group Flyer



Appendix 8: Milestones of the Karralika Redevelopment Project

Subsequent to its Inquiry, the Committee has been able to derive a summary of the key milestones in the history of the Karralika Redevelopment project. The Committee believes that this makes transparent the path that has lead to the withdrawal of the development application:

1998

October 1998 Report entitled 'Specifications for the Purchase of Residential Drug Rehabilitation Services in the ACT' prepared by Dr Stephen Mugford

2001

<u>March 2001</u> Submission to the then Minister for Health, Housing and Community Care and Corrective Services from the President of ADFACT

<u>April 2001</u> Minister for Health supported the proposal and asked that the proposal be professionally costed and worked up in the form of a feasibility study

<u>From April 2001</u> informal internal consultation occurs between representatives of ACT Health, ADFACT and May + Russell Architects

<u>July 2001</u> Green of Draft Variation Number 164 to the Territory Plan Community Facility Land Use Policies Proposed Changes released for public comment

<u>July 2001</u> ACT Department of Health, Housing and Community Care signs contract with Alcohol and Drug Foundation ACT Incorporated for the period 1 July 2001 and ending on 30 June 2004, foreshadowing the Feasibility Study into the possible expansion of the Fadden premises to be funded and undertaken by the department of Health Housing and Community Care in the 2001/2002 financial year

October 2001 Feasibility Study Report Fadden Section 399 Block 1 and Isabella Plains Section 849 Block 32 prepared by Small + Quinton Architects

2002

<u>March 2002</u> White of Draft Variation Number 164 to the Territory Plan Community Facility Land Use Policies Proposed Changes to Standing Committee on Planning and Environment

<u>May 2002</u> Budget Paper No. 3 Capital Works 'Table 7.5.9, page 214 provides funding of \$300,000 and outlines the proposed 2002-03 forward design program', with no other detail as to what exactly the funds were for:

Table 7.5.9

Summary of 2002-03 Forward Design Proposals

Project	Financing 2002-03 \$'000
Department of Urban Services	
Jerrabomberra wetlands	100
Three new suburban precinct	250
East O'Malley infrastructure	200
Tota	1 550
Department of Health and Community Care	
Sub and non-acute inpatient services for the ACT	300
Redevelopment of Karralika facilities – Fadden	300
and Isabella Plains	
Total	1 600
Department of Education and Community Services	
Science upgrades (Canberra High School and Telopea School)	200
Quamby upgrade	300
Total	1 500
Total Forward Design projects for 2002-03	1 650

<u>August 2002</u> Report Number 7 on Draft Variation Number 164 to the Territory Plan Community Facility Land Use Policies Proposed Changes to Standing Committee on Planning and Environment tabled

<u>September 2002</u> Redevelopment of Karralika Facilities Architectural brief for the provision of architectural and related services up to and including construction documentation

<u>2003</u>

<u>March 2003</u> PSP (Preliminary Sketch Plan) Report Proposed Alterations and Additions to Karralika Therapeutic Centre Block 1 Section 399, Fadden May + Russell Architects for ACT Community Care

<u>May 2003</u> 2003/2004 Budget Media Release \$9 million for Accommodation Improvements at Karralika Drug and Alcohol Service and other Health Facilities

<u>May 2003</u> 2003/2004 Budget Capital Works Program Construction Project for ACT Health Output Class 3.1, Project Details, Commencement July 2004 with estimated completion October 2004

May 2003 2003-2004 Budget Paper No. 3 Capital Works, pages 206 and 218,

'Health and Community Care: Karralika redevelopment Fadden and Isabella Plains (\$5.1m);

Table 7.5.9 outlines the proposed program of 2003-04 construction projects.

Table 7.5.9Summary of 2003-04 Construction Projects [Excerpt of Department of Health and Community Care only]

Project	Financing Financing Financing				
	2002-03	2003-04	2004-05	2005-06	
	\$'000	\$'000	\$'000	\$'000	
Department of Health and Community					
Care					
Sub/Non-Acute Inpatient Services Phase					
1		1 650	3 500	0	
Refurbish Level 5 Moore Street		1 400	1 000	0	
Karralika Redevelopment		2 085	3 000	0	
Replace signage and access					
improvements		440	0	0	
Refurbish Pain Management Clinic		330	0	0	
Refurb Psychiatric services		350	0	0	
Refurbish Paediatrics		1 650	2 400	0	
Total	0	7 905	9 900	0	

<u>June 2003</u> FSP (Final Sketch Plan) Report Proposed Alterations and Additions to Karralika Therapeutic Centre Block 1 Section 399, Fadden May + Russell Architects for ACT Community Care

<u>June 2003</u> Fire Safety Compliance Audit prepared for Karralika Redevelopment by Stephen Grubits & associates (ACT) Pty Ltd

<u>July 2003</u> Vegetation Management Plan for the Karralika Redevelopment prepared by Harris Hobbs Landscapes Landscape Architects for Environment ACT

August 2003 Development Application lodged with ACTPLA by ACT Health

<u>September 2003</u> Brief from ACTPLA to Minister for Planning to approve the Redevelopment Proposal Karralika Alcohol and Drug Rehabilitation Centre-Block 1 Section 399 and sign regulation 12 determination

September 2003 ACTPLA endorses the High Quality Sustainable Design application to the plans for Karralika

October 2003 Minister for Planning signs Instrument of Determination 'Confidential Services and Special Dwellings-Exemption from Public Notification'

December 2003 Report on Validation of the Scope of the Proposed Capital Redevelopment of Karralika Facilities prepared by Colleen Wilson Health Strategies Pty Ltd for ACT Health

2004

<u>January 2004</u> Two letters from ACT Health to fourteen selected residents informing of the project and invitation to view plans and representatives from ACT Health visit these residents and provided a briefing with copy of plans and elevations of the proposal

January 2004 Karralika Action Group write to ACTPLA to strongly protest and oppose the nature and scale of the redevelopment, and the fact that there had been a lack of upfront information from the developers and the secrecy the developers had attempted to achieve their purposes at the expense of the wider community

From January 2004 Minister for Planning sustains many letters of protest from residents strongly opposing the redevelopment project

February 2004 ACT Planning and Land Council Secretariat submission to ACT Planning and Land Council to request approval to support ACTPLA's endorsement to expand the Fadden Karralika facility towards the residential development to the east of the subject block irrespective of community concerns about the potential attraction of drug related crime in the vicinity of the facility and the scale of the proposed development⁶⁵

<u>February 2004</u> Minister for Planning agrees that receipt of community submissions for the fire management/buffer issues be extended from 23 January 2004 to 10 February 2004

<u>February 2004</u> Three Labor Members of the Legislative Assembly, including one Minister, write to the residents of Macarthur informing them that they had successfully lobbied the Minister for Health to withdraw the Development Application for the Karralika Redevelopment

⁶⁵ Submission to ACT Planning and Land Council meeting 1/1004

<u>February 2004</u> ACT Health formally withdraws the Development Application before all assessments processes had been completed

<u>February 2004</u> Media Releases by Minister for Planning/Minister for Health 'Government Agrees with Local Members on Karralika' and New Karralika Process Fair and Transparent'

<u>February 2004</u> petition from 86 residents asking the Legislative Assembly to call on the ACT Government to cease any development and enter into immediate discussions and effective consultation with the community regarding the size, nature and details of the proposed large scale redevelopment of the Karralika Drug Rehabilitation Centre at 256 Bugden Avenue Fadden (Block 1, Section 399)⁶⁶

<u>February 2004</u> Minister for Planning/Minister for Health responds to pressure in the Legislative Assembly and adjusts the Governments position on the Karralika Development, because if he didn't he 'would have faced serious sanction in the Assembly'⁶⁷

The Committee has no concrete evidence to confirm that the process involved with this project followed the Community and Recreation Facilities Location Guidelines⁶⁸

⁶⁶ 2004 Week 1 Hansard 12 February 2004 page 263.

⁶⁷ Hansard Final Transcript 21 April 2004, page 60.

⁶⁸ Community and Recreation Facilities Location Guidelines, Planning and Land Management Department of Urban Services February 1998.