REPORT ON ANNUAL AND FINANCIAL REPORTS 2015-2016
Standing Committee on Planning and Urban Renewal
MAY 2017
Report 1

COMMITTEE MEMBERSHIP

Ms Caroline Le Couteur MLA — Chair

Ms Suzanne Orr MLA — Deputy Chair

Ms Nicole Lawder MLA

Ms Tara Cheyne MLA

Mr James Milligan MLA

SECRETARIAT

Dr Brian Lloyd – Committee Secretary

Ms Lydia Chung – Administrative Assistant

CONTACT INFORMATION

Telephone 02 6205 1253

Post GPO Box 1020, CANBERRA ACT 2601 Email committees@parliament.act.gov.au

Website www.parliament.act.gov.au

RESOLUTION OF APPOINTMENT

On 13 December 2016 the Legislative Assembly for the ACT, when it created Standing Committees for the Ninth Assembly, resolved at Part 1(f) of the Resolution that there would be a:

Standing Committee on Planning and Urban Renewal to examine matters relating to planning, land management, the planning process, amendments to the Territory Plan, consultation requirements, design and sustainability outcomes including energy performance and policy matters to support a range of housing options.¹

On the same day, the Legislative Assembly also resolved at Part 3 of the Resolution that:

If the Assembly is not sitting when the Standing Committee on Planning and Urban Renewal has completed consideration of a report on draft plan variations referred pursuant to section 73 of the Planning and Development Act 2007 or draft plans of management referred pursuant to section 326 of the Planning and Development Act 2007 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.²

TERMS OF REFERENCE

Terms of reference for the Committee's inquiry into annual reports 2015-16 are as per a resolution agreed to by the Legislative Assembly for the ACT on 16 February 2017, which can be seen in the *Minutes of Proceedings* for that day.³

¹ Legislative for the ACT, *Debates*, 13 December 2016, *Proof Transcript of Evidence*, 10 March 2017, p.40.

² Legislative for the ACT, *Debates*, 13 December 2016, *Proof Transcript of Evidence*, 10 March 2017, p.41.

³ Legislative Assembly for the ACT, *Minutes of Proceedings*, 16 February 2017, available at http://www.parliament.act.gov.au/ data/assets/pdf file/0017/1034225/MoP007F.pdf and *Proof Transcript of Evidence*, 10 March 2017, p.80-88, available at http://www.parliament.act.gov.au/in-the-assembly/minutes of proceedings/2017

TABLE OF CONTENTS

	Committee membership
	Secretariat
	Contact information
	Resolution of appointmenti
	Terms of reference
RE	COMMENDATIONSII
1	BACKGROUND
	Introduction
	Conduct of the inquiry
	Questions Taken on Notice and Questions on Notice
2	PLANNING 3
	Foy proposal
	Purchase of rural land by the ACT Government
	Community consultation on Development Applications
	Information on Development Applications
	DA Gateway Team1
	Development applications for the Gungahlin area 1
	DA-Exempts
3	ASBESTOS RESPONSE TASKFORCE23
•	Lists of affected properties
	First right of refusal and valuations
_	
4	URBAN RENEWAL31
	Improvements to Haig Park
	City Action Plan and the City Activation Team
	Participation in the Asset Recycling Initiative
	Cost of demolition of Currong apartments
	City to Lake and West Basin projects
	Housing design 4

5	LAND DEVI	ELOPMENT AGENCY	4 5
	Purchase of la	and at Glebe Park	46
	Purchase of p	paddleboat business and building	52
	Ginninderry o	development	54
	Dickson Tradi	ies Club	57
	Purchase of r	ural land in western ACT	58
	Land release	and types of dwellings	60
	'Missing mide	dle'	63
	Development of CSIRO land in the ACT		
	Pricing of land from land release		
	Future option	ns for land release	67
6	Housing .		6 9
	Affordable Housing Action Plan 6		
	'Salt and pep	per' distribution of public housing	71
Αı	PPENDIX A	WITNESSES	7 5
Αı	PPENDIX B	QUESTIONS TAKEN ON NOTICE	77
Αı	PPENDIX C	QUESTIONS ON NOTICE	8 3

RECOMMENDATIONS

RECOMMENDATION 1

2.17 The Committee recommends that the ACT Government releases the final report of the independent inquiry panel reviewing the Foy Group EIS to the public and makes it available on the Environment, Planning and Sustainable Development Directorate's website as soon as practicable in its entirety.

RECOMMENDATION 2

2.18 The Committee recommends that the ACT Government ensures that there is additional community consultation on the Foy proposal for a plastics-into-fuel recycling facility in South Canberra in response to any development application from the proponent and in advance of any decision being made on that application. Such consultations should include engagement with residents across the South Canberra region due to the potential for significant and wide-reaching impacts from the proposal.

RECOMMENDATION 3

2.19 The Committee recommends that the ACT Government not provide approval for the proposal if the proponent cannot adequately address the range of concerns raised by the community and any raised by the expert panel. Specific consideration should be given to the long-term harmful environmental, health and climate change impacts arising from the operation of any proposed plasticsinto-fuel recycling facility in the ACT.

RECOMMENDATION 4

2.32 The Committee recommends that the ACT Government inform the Legislative Assembly of ACTPLA's future work plan and the ACT Planning Strategy refresh and Western Broadacre Study once it is finalised.

RECOMMENDATION 5

2.33 The committee recommends that the ACT Government informs the Legislative Assembly of the reasons for the recent rural purchases and how they fit in with the strategic land use planning for the ACT.

RECOMMENDATION 6

2.54 The Committee recommends that the Development Applications website functionality be updated so that interested members of the public can sign up to receive notifications of development applications in a selected area, consistent with the current smartphone app provided by the ACT Government.

RECOMMENDATION 7

2.55 The Committee recommends that the Directorate take necessary measures to make all Development Applications available online permanently with appropriate information as to their status such as: open for comment; under consideration; approved; or rejected.

RECOMMENDATION 8

2.56 The Committee encourages the Directorate to continue in its efforts to make DA notices clearer to community members in terms of information presented, size of notices and placement of notices.

RECOMMENDATION 9

2.75 The Committee recommends that the public be promptly informed of any proposed changes to the Territory Plan Variations as a consequence of the Gungahlin Town Centre Planning refresh.

RECOMMENDATION 10

2.101 The Committee recommends that the ACT Government provide high quality dispute-resolution and arbitration services in relation to small-scale planning grievances and disputes as an alternative to having recourse to the formal court system.

RECOMMENDATION 11

2.102 The Committee recommends that the ACT Government, in the annual reports of relevant agencies, provide a de-identified list of follow-up actions taken and outcomes in relation to Development Applications.

RECOMMENDATION 12

4.10 The Committee recommends that the ACT Government continue to keep working to improve Haig Park.

RECOMMENDATION 13

4.20 The Committee recommends that the ACT Government continue to explore and implement iterative consultation processes.

RECOMMENDATION 14

5.36 The Committee recommends that in responding to the Auditor-General's report on the purchase of land at Glebe Park by the LDA, and in proposing to the Legislative Assembly the legislative provisions guiding the work of the two new agencies which are successors to the LDA, the ACT Government provide strong and clear protocols governing the relationship between government agencies and the private sector.

RECOMMENDATION 15

5.37 The committee recommends that the ACT Government review the evidence provided to Assembly committees and corrects any evidence as necessary as soon as possible.

RECOMMENDATION 16

5.66 The Committee recommends that the Assembly and the public be kept updated, to the extent possible, on any progress in readjusting the NSW-ACT border and on matters relating to the management of a gravel mine close to Ginninderra Falls.

RECOMMENDATION 17

5.80 The Committee recommends that the ACT Government continue to keep the public informed of its land release program for the next four years, including improvements to documentation and communication processes to allow for greater transparency and access.

RECOMMENDATION 18

5.101 The Committee recommends the land release program continue to investigate how land releases can incorporate the 'missing middle'.

RECOMMENDATION 19

5.112 The Committee recommends that the Assembly and the public be informed of any impact that the CSIRO program may have on land release programs in other areas.

RECOMMENDATION 20

5.113 The Committee recommends that the Assembly and the public be informed of any impact of a development not under the planning control of the ACT Government but within urban Canberra.

RECOMMENDATION 21

5.127 The Committee recommends that the ACT Government clarifies to the Committee which agency is responsible for work on future urban growth areas and provides the Committee reassurance that other agencies are working in close coordination with the lead agency.

RECOMMENDATION 22

5.128 The Committee recommends that the ACT Government clarifies to the Committee when and how the community will be consulted and communicated with on future urban growth areas.

RECOMMENDATION 23

6.28 The Committee recommends that the ACT Government commits to affordable and public housing in infill as well as greenfield developments.

RECOMMENDATION 24

6.29 The Committee recommends that the ACT Government develop a policy for the quantity of and placement of public housing and communicate this to the community.

1 Background

INTRODUCTION

- 1.1 On 16 February 2017 the Legislative Assembly for the ACT passed a resolution regarding inquiries by Assembly committees into annual reports 2015-16.4
- 1.2 The following is an edited version of a table shown in *Minutes and Proceedings* for the Assembly for 16 February 2017. It shows the ministers and agencies for which annual reports 2015-16 were referred to the Committee by the Assembly.⁵

Annual Report (in alphabetical order)	Reporting area	Ministerial Portfolio(s)	Standing Committee
Chief Minister, Treasury and Economic Development Directorate	Policy, Strategy and Infrastructure Delivery—Urban Renewal	Minister for Urban Renewal	Planning and Urban Renewal
Chief Minister, Treasury and Economic Development Directorate	Policy, Strategy and Infrastructure Delivery—Land Release, Suburban Development	Minister for Housing and Suburban Development	Planning and Urban Renewal
Chief Minister, Treasury and Economic Development Directorate	Architects Board of the ACT	Minister for Planning and Land Management	Planning and Urban Renewal
Chief Minister, Treasury and Economic Development Directorate	Asbestos Response Taskforce—Loose Fill Asbestos Insulation Eradication Scheme	Minister for Planning and Land Management	Planning and Urban Renewal

⁴ Legislative Assembly for the ACT, *Minutes of Proceedings*, 16 February 2017, available at http://www.parliament.act.gov.au/ data/assets/pdf file/0017/1034225/MoP007F.pdf and see *Proof Transcript of Evidence*, 10 March 2017, pp.80-88, available at http://www.parliament.act.gov.au/in-the-assembly/minutes of proceedings/2017

⁵ Legislative Assembly for the ACT, *Minutes of Proceedings*, 16 February 2017, and *Proof Transcript of Evidence*, 10 March 2017, pp.81-88.

Annual Report (in Standing Reporting area Ministerial Portfolio(s) alphabetical order) Committee Planning and Urban Chief Minister, **Public Housing** Minister for Housing Treasury and Renewal Taskforce and and Suburban Renewal **Economic** Affordable Housing Development Development Directorate **Environment, Planning Planning** Minister for Planning Planning and Urban and Sustainable and Land Management Renewal Development Directorate Land Development Minister for Housing Planning and Urban and Suburban Renewal Agency Development

CONDUCT OF THE INQUIRY

1.3 The Standing Committee on Planning and Urban Renewal held a public hearing for its inquiry into annual reports 2015-16 on Friday 10 March 2017.⁶

QUESTIONS TAKEN ON NOTICE AND QUESTIONS ON NOTICE

- 1.4 In the course of the inquiry there were 40 Questions Taken on Notice, and 72 Questions on Notice were asked.
- 1.5 Tables showing Questions Taken on Notice and Questions on Notice are provided at Appendix B and Appendix C.
- 1.6 Answers to Questions Taken on Notice and Questions on Notice are published on the webpage for the inquiry.⁷

⁶ A transcript for the hearing is available at: http://www.hansard.act.gov.au/hansard/2017/comms/planning01.pdf

To Standing Committee on Planning and Urban Renewal, web-page for Inquiry into annual reports 2015-16, available at: http://www.parliament.act.gov.au/in-committees/standing-committees-current-assembly/standing-committee-on-planning-and-urban-renewal/inquiry-into-annual-and-financial-reports-2015-16

2 PLANNING

2.1 The Minister for Planning and Land Management and his officers appeared before the Committee in the hearing on 10 March 2017.

FOY PROPOSAL

- 2.2 During the hearing on 10 March 2017, questions were asked and answered regarding a proposal, referred to as the 'Foy proposal', to build a facility in South Canberra to convert waste plastic into fuel.
- 2.3 A question was asked as to whether the proposal had been categorised as an 'impact track development' due to a potential for negative environmental effects.8
- 2.4 The Minister for Planning and Land Management responded to the question. He told the Committee that there were 'two different tracks [used] to measure development applications': and that the 'impact track is the one that has to have the most detail involved in decisionmaking through the directorate and through the independent authority'. 9
- 2.5 Regarding this particular proposal, the Minister told the Committee that 'the Foy development [had] put forward an environmental impact assessment statement', which had resulted in 'a lot of concern and interest from the community' and that, as a result, he had 'decided to form a panel of inquiry to look at the EIS and anything further coming from that'. 10
- 2.6 He went on to say that:

We have had a great response from the community. In fact I met with the Tuggeranong Community Council on Tuesday night. Many of the queries from the council after the presentation were around the Foy proposal and the way that that strategic panel is working. I am very pleased with the work they have done so far. They have opened themselves up to the public, and, for the drop-in sessions, they have extended those sessions as well.11

⁸ Proof Transcript of Evidence, 10 March 2017, 10 March 2017, p.2.

⁹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.2.

¹⁰ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.2.

¹¹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.2

2.7 The Director-General of the Environment, Planning and Sustainable Development Directorate (EPSDD) also responded to the question. She told the Committee that:

As the minister said, we have sought more information from the proponents and have appointed a panel of people who have expertise in health outcomes in particular, both the potential pollution and health impacts. We undertook an assessment of the environmental impact statement and we felt that it did indeed identify issues to be considered, but we were not totally satisfied that we had a full understanding of the potential health impacts. ¹²

- 2.8 She told the Committee that this was 'a very interesting proposal' because 'if it does not have undesirable impacts, it is an opportunity to re-use plastics that would otherwise go to landfill [and so] the potential environmental benefits are actually very worthy'. ¹³ However, she noted, it was also 'a new type of proposal' and as a result the Directorate had determined to 'look at that in a great deal of detail' and 'make sure any fears that the community has or any concerns that we might have about the proposal are fully addressed'. She told the Committee that '[w]e want to make sure that it is not a proposal that would in any way risk the health outcomes for the Tuggeranong community in particular, who [had] expressed concerns'. ¹⁴
- 2.9 In view of this, she told the Committee, the Directorate had 'had a couple of panel meetings' which had been 'well attended by the community'. 15
- 2.10 Asked about levels of community response to the consultation, the Minister told the Committee that there had been 'a very positive response to the placement of the inquiry panel' and 'the way that the government had moved past the normal planning parameters for this particular waste-to-fuel program'. The Minister told the Committee that it was 'important that we have taken that step, because the community is quite concerned about the proposal. ¹⁶
- 2.11 He also told the Committee that is was 'important that we have experts on the panel that have a good history of working in that area', and that:

The panel is chaired by Craig Lamberton, who spent 24 years in the New South Wales Environment Protection Authority, most recently as the Director of Hazardous Incidents and Environmental Health. Dr Stephen Christley has been appointed to the panel. He was the inaugural Chief Public Health Officer for South Australia.¹⁷

¹² Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.2.

¹³ Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.2.

¹⁴ Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.2.

¹⁵ Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.3.

¹⁶ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.3.

¹⁷ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.3.

- 2.12 The Minister also told the Committee that there was 'no development application at this stage', that the Directorate was at present 'simply looking at the EIS' [Environmental Impact Statement], and that 'time frames for drop-in sessions' for community consultation had been extended 'due to public interest'.18
- 2.13 Asked when the panel of inquiry on the EIS would report, the Director-General told the Committee that the panel had been asked 'to report back within 60 days', a period which closed on 2 May 2017, and that this would give 'people plenty of time to provide input while the panel is deliberating over issues raised and the technical work'. 19
- 2.14 Regarding this process, the Minister told the Committee that:

While that process is ongoing and the report is due, should the Foy Group decide to go ahead with the development application, there are appropriate opportunities for the community to consult and be consulted as well. At this stage, if the proponent was going to proceed with a development application, I would encourage them to talk to the community well in advance of that proposal.²⁰

2.15 Asked about the number of submissions that had been lodged with the panel of inquiry, the Committee was advised that at the time of the hearing that the panel had received 63 submissions and that these had been published on the EPSDD website.

COMMITTEE COMMENT

2.16 In relation to consideration of the Foy proposal to process waste plastic material into fuel at a site in South Canberra, the Committee notes the sensitivity of such a proposal. There is a potential for negative environmental and health effects, particularly for direct effects on residents in adjacent areas. In view of this the Committee considers it important that the ACT Government conduct community consultation to the highest possible standard, and give due weight to views put forward as a result of that consultation.

Recommendation 1

2.17 The Committee recommends that the ACT Government releases the final report of the independent inquiry panel reviewing the Foy Group EIS to the public and makes it available on the Environment, Planning and Sustainable Development Directorate's website as soon as practicable in its entirety.

¹⁸ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.3.

¹⁹ Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.3.

²⁰ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, pp.2-3.

Recommendation 2

2.18 The Committee recommends that the ACT Government ensures that there is additional community consultation on the Foy proposal for a plastics-into-fuel recycling facility in South Canberra in response to any development application from the proponent and in advance of any decision being made on that application. Such consultations should include engagement with residents across the South Canberra region due to the potential for significant and wide-reaching impacts from the proposal.

Recommendation 3

2.19 The Committee recommends that the ACT Government not provide approval for the proposal if the proponent cannot adequately address the range of concerns raised by the community and any raised by the expert panel. Specific consideration should be given to the long-term harmful environmental, health and climate change impacts arising from the operation of any proposed plastics-into-fuel recycling facility in the ACT.

PURCHASE OF RURAL LAND BY THE ACT GOVERNMENT

- 2.20 During the hearing on 10 March 2017, questions were asked and answered as to whether a 'Western Broadacre Study' had been undertaken by the EPSDD, and whether such a report, and strategic planning based upon it, were behind recent purchases of rural land by the Land Development Authority.²¹
- 2.21 In responding, the Director-General of EPSDD told the Committee that:

The strategic framework for the ACT in the ACT planning strategy certainly establishes where we are proposing urban development to happen in the shorter to medium term and then sets the framework for where urban development may happen beyond the shorter to medium term.²²

2.22 The Director-General told the Committee that the planning strategy 'places an emphasis on having a balance between greenfield and infill development' and 'advocates that we should have a more compact city in terms of ensuring that we facilitate urban intensification in our town centres and along our principal transport routes so that we do not have to do as much greenfield development as we otherwise might'. She told the Committee that the ACT Government 'has had a sort of fifty-fifty policy' as regards greenfield and infill development;

²¹ Proof Transcript of Evidence, 10 March 2017, p.5.

²² Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

that the ACTPLA [ACT Planning and Land Authority] were 'of course, responding to the market as well'; and that there were 'a number of areas where future urban development may happen in and around the city'. 23

- 2.23 She told the Committee that ACTPLA were 'now ... commencing a review of the planning strategy, which will take into account all opportunities for urban development around the city. She went on to tell the Committee that ACTPLA had 'started looking at places like Kowen forest' as 'a possible urban release area', as were 'some parts to the west of our immediate city'.24
- 2.24 The Director-General noted that this was an area 'where the Land Development Agency (LDA), thinking about the possible need for urban development, has made some purchases', and suggested that questions on 'the thinking behind those purchases' be put to the LDA.²⁵
- 2.25 In relation to matters under the responsibility of ACTPLA in these areas, the Director-General spoke about the Western Broadacre study and told the Committee that ACTPLA had 'not started detailed planning for urban growth in those areas at the moment' as it was 'still rolling out Gungahlin and Molonglo'. She also told the Committee that the ACT Government had 'made no decisions about where to go beyond there specifically—apart from, obviously, the Riverview development'.26
- 2.26 This, she told the Committee, depended 'a little bit on infrastructure', in that there was a 'need to upgrade the Queanbeyan sewage treatment plant', which was 'well and truly at the end of its economic life', and that it was 'possible that a strategic investment in that sewage treatment plant could result in Kowen being the next area to be developed', because 'if a significant piece of infrastructure like a sewage treatment plant is in place then that might be a good idea'.27
- 2.27 The Director-General went on to say that the ACT Government would also 'need to consider whether those areas to the west that you mentioned—Bulgar Creek or other areas—would be preferable'; that this 'decision- making has not been done', but that it would be 'part of the ... review of the planning strategy that we have just started'. 28

²³ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

²⁴ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

²⁵ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

²⁶ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

²⁷ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

²⁸ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.5.

- 2.28 Further questions were asked and answered regarding the status of this work which was being done to assess undeveloped rural areas for future development.²⁹
- 2.29 In responding, the Director-General told the Committee that at present this work had the status of a 'future work plan'; that EPSDD had not 'done a detailed analysis of that area yet'; and that these matters may be considered under the review of the planning strategy, which would 'take a year or two before it [was] finalised'.³⁰
- 2.30 In response to further questions about policy, planning and consultation regarding these parcels of land, the Director-General told the Committee that EPSDD had not 'started the detailed work there', and had not done 'any consultation because the work has not been done in detail'. Work to this point had been 'really only indicative', done on the foundation of 'that earlier strategic planning work'.³¹

COMMITTEE COMMENT

2.31 In relation to the purchase of rural land and plans for the future development of greenfield sites, the Committee notes the importance of this work for the future shape and amenity of the ACT. The committee notes that it not clear what strategic planning goals were being pursued in connection with land purchase as EPSDD noted that 'decision- making [had] not been done' in relation to future urban expansion. 32

Recommendation 4

2.32 The Committee recommends that the ACT Government inform the Legislative Assembly of ACTPLA's future work plan and the ACT Planning Strategy refresh and Western Broadacre Study once it is finalised.

Recommendation 5

2.33 The committee recommends that the ACT Government informs the Legislative Assembly of the reasons for the recent rural purchases and how they fit in with the strategic land use planning for the ACT.

²⁹ Proof Transcript of Evidence, 10 March 2017, p.6.

³⁰ Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.6.

³¹ Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.6.

³² Ms Dorte Ekland, *Proof Transcript of Evidence*, 10 March 2017, p.6.

COMMUNITY CONSULTATION ON DEVELOPMENT APPLICATIONS

- 2.34 During the hearing on 10 March 2017, questions were asked and answered regarding community consultation on Development Applications (DAs).
- 2.35 In particular the Committee asked whether there was a minimum time-frame for community consultation on DAs, and whether there was a maximum time-frame.³³
- 2.36 The Minister for Planning and Land Management responded. He told the Committee that EPSDD 'generally ask[s] proponents to consult with the community before they put their DAs in', and noted that there was also a 'process, of course, within the directorate for that consultation as well'.34
- 2.37 The Senior Manager, Merit Assessment and Estates, EPSDD, also responded. He told the Committee that there were 'actually two statute time frames for merit track DAs and a prelodgement time frame as well'.35
- 2.38 In relation to pre-lodgement processes, he told the Committee, there were 'certain tests' that were required prior to lodgement of 'certain DAs'. These were 'mostly larger DAs-DAs, for example, that go over 7,000 square metres GFA [Gross Floor Area]', that is: 'three storeys or more than 50 units'. These, he told the Committee 'qualify for what we refer to as prelodgement community consultation'. This was not a 'statutorily controlled' process, although 'we try to give some indication or make some suggestions to the proponent about what they can do'. This was normally done 'by means of things like letterbox drops, engaging over social media or whatever the proponent might then do', then '[a]fter they lodge a DA, they submit a report to us—quite often just a brief report—to inform us what they have done and what the outcome was'.36
- 2.39 The Senior Manager then went on to talk about consultation time-frames for DAs once they are lodged with ACTPLA:

When it gets to the actual lodged DAs, if it is lodged in the merit track, there are two time frames. There is a minor notification time frame. The time frame for that is 10 working days. That is where you only notify the adjacent neighbours by letter. Then there is major notification. This is the bulk of our applications. This is what the act

³³ Proof Transcript of Evidence, 10 March 2017, p.9.

³⁴ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.9.

³⁵ Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.9.

³⁶ Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.9.

refers to as major notification. That is 15 working days. That also includes going on the website, having a sign onsite and the normal adjacent letterbox notification.³⁷

INFORMATION ON DEVELOPMENT APPLICATIONS

- 2.40 During the hearing on 10 March 2017, questions were asked and answered regarding availability of information on Development Applications (DAs).
- 2.41 An initial question concerned the display of signage advising the public of active DAs, and asked whether measures were being taken to ensure good access to such signage.³⁸
- 2.42 In responding, the Minister said that measures were being taken. He told the Committee that ACTPLA were 'aware of the community's earlier angst with ... advertising for DAs'. In response, he told the Committee ACTPLA had introduced 'the DA app finder', to be used on smart phones or tablets, and with 'that app you can go in and look at the DAs that are put in around your particular area or an area that you select'. He told the Committee that '[o]nce you are logged into the system, it will also push messages to you of new DAs that are coming up in your particular area or your area of interest as well'. The Minister told the Committee that the smartphone app had been 'very successful since its launch'.³⁹
- 2.43 He also told the Committee about further efforts to ensure that signage is effective in advising the community of DAs, saying that ACTPLA had work underway so that 'these message boards you see on the side of the road for development applications are more descriptive of the development application'. ⁴⁰ He told the Committee that this signage employed 'used to be all text', which would simply 'say that this is what is happening on this particular application', however ACTPLA was providing 'some drawings—technical drawings as well—to describe better the development application that is proposed for the area'. ⁴¹
- 2.44 The Minister also told the Committee that 'of course, on the planning website itself you can see DAs that have been lodged'.⁴² When asked whether the website could advise, automatically, members of the public of new DAs in their area, the Minister told the

³⁷ Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.9.

³⁸ Proof Transcript of Evidence, 10 March 2017, p.10.

³⁹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.10.

⁴⁰ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.10.

⁴¹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.10.

⁴² Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.10.

Committee that this functionality was included in the smartphone app, and was not available from the website, although 'we are certainly moving that way'. 43

- 2.45 A further question regarding DAs was put to the Minister regarding the availability of information on the website, noting that information on a particular DA will be available from the website and then taken down, after a period, removing it from public view, and asking if there were plans to alter such arrangements.⁴⁴
- 2.46 In responding to the question, the Minister told the Committee that there was 'a point in time ... when an application is no longer an application', when it 'has been approved'. From this point '[y]ou can then look at approved applications on a different part of the website'. 45
- 2.47 The Director-General also responded to the question. She told the Committee that:

We have taken DAs off principally because of the cost associated with storing the data. They are quite dense—data rich—especially with all the plans et cetera. But we are in the process of discussions with Shared Services at the moment to see whether there is somewhere we can store that material in the cloud so that it does not cost so much and so that development applications and final decisions can be available virtually for all time, rather than having to go through our Access Canberra shopfront to access historic plans.⁴⁶

- 2.48 A further question was asked regarding the availability of information on DAs. In particular it asked whether there was a period of time between the availability of information on a DA for the purposes of community comment and the time when a DA might be approved, whether information might be unavailable during this period, and that as a result members of the community may be left unaware that there was a DA pending, with no list of pending applications displayed.
- 2.49 In responding, the Director-General and the Senior Manager, Merit Assessment and Estates, agreed that this was possible under present arrangements.⁴⁷
- 2.50 The Deputy Director-General and Chief Operating Officer also responded. He told the Committee that:

That is right. It would be possible, for example, for someone to buy a house next door to a site where a DA had been consulted, the consultation period had closed, it was no

⁴⁵ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.11.

⁴³ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.11.

⁴⁴ Proof Transcript of Evidence, 10 March 2017, p.11.

⁴⁶ Ms Dorte Ekelund, *Proof Transcript of Evidence*, 10 March 2017, p.11.

⁴⁷ Ms Dorte Ekelund, Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.11.

longer on our website but construction work had not yet started. They would only find that by inquiring about the status of development applications on adjacent properties. 48

- 2.51 When asked whether there were ways to improve upon this, the Deputy Director-General told the Committee that, as the Director-General had noted '[w]e are exploring the potential to hold all of those in perpetuity on the cloud', which could be made available through the ACTPLA web-site. He told the Committee that '[w]e could have a new tab on the DA finder app that deals with DAs in the past 12 months or DAs in the past 10 years once the dataset builds'. He also told the Committee that ACTPLA had 'within our directorate have taken a leading role in open data policy and a particular form of licence that enables us to make this information publicly available', and stated that this was the current arrangement for ACTmapi datasets.⁴⁹
- 2.52 The Deputy Director-General told the Committee that this 'could enable us to share that information with other information brokers' and could result, for example, in 'real estate websites where you [could] drill in and look at the past sales history for a property', including, potentially, a 'past development application history for a property'. In this way the private sector 'could draw from our dataset to build that value' and this 'would be a powerful way to get the information to the community without government needing to do it directly': '[w]e can just enable it'. ⁵⁰

COMMITTEE COMMENT

2.53 In relation to information on Development Applications, the Committee considers that the access to information about Development Applications is of critical importance in supporting an acceptable level of community consultation on development.

Recommendation 6

2.54 The Committee recommends that the Development Applications website functionality be updated so that interested members of the public can sign up to receive notifications of development applications in a selected area, consistent with the current smartphone app provided by the ACT Government.

⁴⁸ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.11.

⁴⁹ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.12.

⁵⁰ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.12.

Recommendation 7

2.55 The Committee recommends that the Directorate take necessary measures to make all Development Applications available online permanently with appropriate information as to their status such as: open for comment; under consideration; approved; or rejected.

Recommendation 8

2.56 The Committee encourages the Directorate to continue in its efforts to make DA notices clearer to community members in terms of information presented, size of notices and placement of notices.

DA GATEWAY TEAM

2.57 The EPSDD Annual Report 2015-16 states that:

The Merit Assessment section previously comprised three separate teams based on geographic areas—north, south and Weston Creek/rural. In February, the section was rearranged to comprise functional teams responsible for assessment and determination of:

- > commercial and mixed-use applications
- > residential applications
- > infrastructure and community facilities.

These three teams are supported by the newly established DA Gateway Team, the primary public interface for enquiries relating to the development application process. The team is also responsible for all pre-lodgement processes for development applications, including pre-application meetings, completeness checks and initial referral of applications to entities, and exempt declaration applications. The Gateway Team, which works closely with key stakeholders, is focussed on streamlining processes and providing consistency in advice for the respective development assessment teams.

The new functional arrangement provides for greater consistency in advice, reduced timeframes and greater certainty for customers and industry. ⁵¹

2.58 In hearings of 10 March 2017 questions were asked and answered regarding the DA Gateway Team.

⁵¹ EPSDD Annual Report 2015-16, *Proof Transcript of Evidence*, 10 March 2017, p.64.

2.59 When asked about the work of the DA Gateway Team the Senior Manager, Merit Assessment and Estates, told the Committee that:

What we are doing currently is looking at the way in which we structure our notices of decision, our assessment reports or, if I can put it this way, the simpler DAs without representations, to make it more efficient to turn them around. In respect of the complex DAs ... we are dedicating staff more specifically to that in a functional stream ... ⁵²

- 2.60 This, he told the Committee, was the DA Gateway Team, which had been introduced 'to assist with the pre-application process', which saved 'significant time'. Where previously 'the assessing officer would have attended a pre-application meeting and done all the up-front administrative processing', this was now done by a 'dedicated team'. Moving to a team-based process had, he told the Committee, also resulted in 'consistency benefits in the advice we provide'. ⁵³
- 2.61 At this point, further questions were asked regarding views and engagement with industry on the DA Gateway Team.
- 2.62 In responding, the Deputy Director-General told the Committee that ACTPLA achieved 'good engagement from industry' in relation to the DA Gateway Team. He told the Committee that ACTPLA had 'talked through the motivation and the process for the change to introduce the gateway team with the combined community councils', and that it convened 'a planning and development forum ... that brings together representatives of all of the community councils, industry and other key stakeholder groups such as the conservation council or professional bodies like the architects in the one meeting'. ACTPLA chaired the meeting, which was 'an opportunity for us to share information between the directorate and all of those stakeholders at the same place, and for the stakeholders to express views both to us and to each other'. This provided 'a good opportunity to talk' and brought 'extra transparency to the improvements we are trying to make'. ⁵⁴

⁵² Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.13.

⁵³ Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.13.

⁵⁴ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.14.

DEVELOPMENT APPLICATIONS FOR THE GUNGAHLIN AREA

- 2.63 During the hearing on 10 March 2017, questions were asked and answered regarding DAs proposed for the Gungahlin area, in particular a business park area of Gungahlin.
- 2.64 In response, the Senior Manager, Merit Assessment and Estates, told the Committee that ACTPLA had 'been engaged in pre-application meetings with the air tower, if I can use that term, as well as the development on section 12, block 12, next to the ESA facility', and that these were 'the two key ones we currently have pre-application for or have provided advice on'. 55
- 2.65 The Deputy Director-General also responded to the question. He told the Committee that:
 - In bringing that together, we have commenced a refresh of the Gungahlin planning framework. It is a policy refresh. It responds in part, in major part, to the changing aspirations of the site owners up in that business park. We are seeing more requests to transition from intended office use to residential use. We are seeing requests for tall redevelopment. We have commenced a planning refresh that will look at building height and character, public space and amenity, active travel and road transport. ⁵⁶
- 2.66 He went on to say that ACTPLA had 'attended the Gungahlin Community Council meeting on Wednesday evening this week to discuss that in detail', and had received 'very good feedback from the community council about the way we have started that discussion'. He told the Committee that in pursuing consultation with the local community, ACTPLA had also staged 'face-to-face pop-up sessions'; conducted an online survey; and been 'active in social media'. He told the Committee this was important in order to 'make sure that we are developing a shared vision for the future of Gungahlin'. While it had been 'a great success to date', 'we have a lot going on at the moment that we need to look at'. ⁵⁷
- 2.67 The Executive Director, Strategic Planning, also responded to the question. He told the Committee that ACTPLA had received '300 written surveys from [an] online survey we put out only last week, and that it had been 'a very positive response': '[p]eople are really engaged with what is happening with Gungahlin and the future of the town centre'. He told the Committee that ACTPLA 'will be proposing a range of meetings out in Gungahlin with key stakeholders, but the community have said to us clearly that they want to communicate with us through electronic means' because '[t]hey have busy lifestyles'. This was 'shown already

⁵⁵ Mr George Cilliers, *Proof Transcript of Evidence*, 10 March 2017, p.15.

⁵⁶ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.15.

⁵⁷ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.15.

with 300 [online survey responses], which was 'pretty unprecedented in terms of a response to an online survey', and was 'mostly very positive and constructive'. 58

- 2.68 The Committee asked further questions about a planning refresh for Gungahlin town centre.
- 2.69 In response, the Deputy Director-General, EPSDD, told the Committee that the refresh would involve 'three focus areas: building heights and character, public amenity and public spaces, active travel and road transport' He told the Committee that '[w]e are really just testing, given the success of Gungahlin, with the high levels of investor interest'. He said it was important to establish whether [we are] 'certain that the settings that we have in place at the moment still meet the aspirations and expectations of the community and, if there is to be change, what issues do we need to manage?' ⁵⁹
- 2.70 He went on to provide an example:

If we thought about an office precinct, it would have a road network that considered cars arriving in the morning and leaving in the afternoon; whereas if it is to be a high-density residential area, the cars will be leaving in the morning and coming back in the evening. Maybe that does not matter for the configuration of the roads but it is worth us checking.⁶⁰

- 2.71 When asked if information from the study would be expressed in variations to the Territory Plan, the Deputy Director-General told the Committee that '[i]f changes are required as a result of this, yes they would go into the Territory Plan', and that 'we are aiming for this to be a fairly quick process'. He told the Committee that ACTPLA were 'aiming to have our work completed and reported on by the middle of the year', and '[i]f changes were needed, we would start work on those in the second half of this calendar year'. 61
- 2.72 When asked about how DAs would be assessed in the lead-up to any variations to the Territory Plan, the Deputy Director-General told the Committee that owners could 'still ask for development applications to be assessed against the current rules' but that 'we have encouraged some of the bolder proposals to wait and to participate in this planning refresh', to 'share their vision with the community' and 'see if the community gets on board'. 62

⁵⁸ Mr Tony Carmichael, *Proof Transcript of Evidence*, 10 March 2017, pp.15-16.

⁵⁹ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.23.

⁶⁰ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.23.

⁶¹ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.23.

⁶² Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.23.

2.73 He went on to say that proponents of Development Applications can 'lodge an application at any point and ask to be assessed under the rules applicable', up to such point as variations to the Territory Plan come into force. ⁶³

COMMITTEE COMMENT

2.74 In relation to the Gungahlin Town Centre Planning refresh considered above, the Committee considers it important that the Gungahlin community be informed, as soon as possible, of proposed changes to the Territory Plan as a result of the refresh. In the view of the Committee, this is an important aspect of the full life-cycle of community consultation for these important planning decisions.

Recommendation 9

2.75 The Committee recommends that the public be promptly informed of any proposed changes to the Territory Plan Variations as a consequence of the Gungahlin Town Centre Planning refresh.

DA-EXEMPTS

- 2.76 During the hearing on 10 March 2017, questions were asked and answered about instances where exempt developments—typically building or renovations of single dwellings—impinged on the amenity of neighbouring properties. In particular, questions were asked about an instance in which significant excavations were conducted under a DA-Exempt. Questions were also asked about the ability of affected parties to have their grievances considered under the regulatory framework for planning.⁶⁴
- 2.77 In responding, the Deputy Director-General told the Committee that there was 'a balance for us in promoting efficient regulation', which was 'the motivation for the exempt development path', and '[w]e need builders and professionals and certifiers to step up to that responsibility'. He told the Committee that Access Canberra had 'a framework in place to deal with complaints such as that based on a risk and harm profile', and if 'a large structure' were to be 'improperly located' it would attract a very quick response. ⁶⁵

⁶³ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, pp.23, 24.

⁶⁴ Proof Transcript of Evidence, 10 March 2017, p.17.

⁶⁵ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.17.

- 2.78 The Deputy Director-General also told the Committee that in this particular instance there may also have been 'a question of fact about whether the work actually undertaken was eligible for treatment as exempt'. 66
- 2.79 When asked about responses to grievances of this kind, the Deputy Director-General, Access Canberra, told the Committee that the Access Canberra regulatory team worked 'very closely with EPSD in terms of [establishing] whether or not something is compliant', and that [b]eing located very close together means that our teams are in communication ... every day on matters like this.⁶⁷
- 2.80 The Director-General, EPSDD, told the Committee that in response to grievances of this nature '[w]e are ... able to develop a coordinated response', which could be 'anything from saying, "[t]his is a work that should have been through a formal assessment process under one of the approval paths," or, if it were 'an innocent mistake by the applicant' ... we say: "[h]old work ... [s]ubmit yourself to the proper process, and live with the answer that comes out'. Alternatively, if the application was approved then the proponent would be advised to 'recommence work'. 68
- 2.81 He told the Committee that if it were 'something that cannot be approved then we say, in that case, if it were unable to be approved, "[f]ill the hole in", or 'if something has been built higher than it should have, we say, "[b]ring it back to its approvable height"'. 'We have a range of treatments available to us', he told the Committee.⁶⁹
- 2.82 Questions were then asked about instances where building work varied significantly from an original proposal, such as an instance where the original proposal specified a timber floor where the final outcome was a concrete slab.⁷⁰
- 2.83 In response, the Deputy Director-General, Access Canberra, told the Committee that '[f]rom time to time it is the case that during the process of a build, or perhaps even before it begins, plans change', and a 'certifier may approve those changes and then later on down the track actually submits that to the agency'. In view of this, there was 'a bit of a timing issue'. But '[i]n terms of the actual changes that occur during builds', it was 'probably a reasonably frequent occurrence', 'for a range of reasons', including that the plans did not 'take adequate account of

⁶⁶ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.18.

⁶⁷ Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, p.18.

⁶⁸ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, pp.18-19.

⁶⁹ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, pp.18-19.

⁷⁰ Proof Transcript of Evidence, 10 March 2017, p.19.

a range of factors that might exist on a parcel of land', so that 'during the build changes [needed] to be made'. 71

- 2.84 He went on to say that with respect to 'replacing a wooden floor with a concrete slab', that was 'something that we would expect dialogue to occur between the builder during the process and the owner', and when 'that does not occur and the certifier is not involved in actively advising the property owner, I guess that is a pretty disappointing outcome'.⁷²
- 2.85 At this point the Committee asked questions about another instance in which a small-scale project had deviated from plans set out in the approved DA: in this case in the suburb of Gordon where excavation on the boundary of a steeply-sloped property had resulted in subsidence in the neighbouring property.⁷³ In particular, questions were asked as to the actions taken by, and available to, the agency by way of responding, and about retrospective approvals of variations from the DA once building work had been completed.⁷⁴
- 2.86 In responding to the question, the Deputy Director-General, Access Canberra, told the Committee that in that case 'we were made aware by the neighbour of the excavation that that had occurred at the point where the house was significantly built' which, while '[it] was not complete', was 'nearly there'. He told the Committee that '[a]s soon as we were made aware of that we issued a stop work notice and ceased all work on the property'. 75
- 2.87 When asked about approval of an amended DA, the Deputy Director-General told the Committee that:

the options that are available in an instance like that where an excavation has occurred and a house has largely been built are to make safe the situation, which is what has occurred, or demolish a built residence because it has not been built in accordance with the original plan. In reviewing those sorts of situations we have to take account of what is the impact on both parties, not just one. We accept that, certainly, there was considerable discomfort caused to the neighbour about how that had been undertaken and the concerns for their own welfare. But, in balancing the considerations and the considerable costs that could be imposed on both parties if we went down the demolition route, we took the decision that it could be made safe and rectified without any loss in space to the neighbour, and that is where we landed. ⁷⁶

⁷¹ Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, p.19.

⁷² Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, p.19.

⁷³ Proof Transcript of Evidence, 10 March 2017, p.20.

⁷⁴ Proof Transcript of Evidence, 10 March 2017, p.20.

⁷⁵ Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, p.20.

⁷⁶ Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, pp.20-21.

- 2.88 The Committee stated that in this instance the person doing the work was a commercial builder, building his own home.⁷⁷
- 2.89 In response, the Deputy Director-General, EPSDD, told the Committee that '[h]e will have a closer light on him now', because as '[w]e described in the building reforms last year ... builders who have a good track record of building to a high standard and complying with the rules will be subject to less scrutiny', while 'those who are at the edge of the rules or on the wrong side of the rules will be facing much closer scrutiny and, where necessary, regulatory action'. ⁷⁸
- 2.90 The Minister also responded. He told the Committee he thought it important that, 'action is taken as soon as it is notified or as soon as possible after it is notified, with a view to ensuring that it is rectified', and that '[s]ometimes it takes some time to gather the information needed, but both Access Canberra and ACTPLA are on the job'. ⁷⁹
- 2.91 At this point the Committee asked whether there was a bias, in responding to such incidents, toward leaving building work stand once it had been done.⁸⁰
- 2.92 In response, the Deputy Director-General, Access Canberra, told the Committee:

I am not sure that would be a fair characterisation. I suppose in this particular example it should be understood that this did not come at no cost to the owner-builder. There was a pretty significant impact in terms of the cessation of building activity for a sustained period of time, the engagement of a number of engineers to actually provide advice on how the situation could be rectified, and then going through a process of having new plans approved and certified and that sort of thing. 81

2.93 At this point the Committee noted that the aggrieved neighbour had spent considerable sums on legal and engineering advice, which could only be recovered by way of a civil litigation, and suggested that aggrieved parties bore the brunt of such decisions. 82 In response, the Deputy Director-General, Access Canberra, told the Committee that 'we understand the impact that it has had on the neighbour' and had been 'in close contact with them since the beginning of the dealings' in order to '[rectify] the situation'. He noted the availability of 'that civil avenue that

⁷⁷ Proof Transcript of Evidence, 10 March 2017, p.21.

⁷⁸ Mr Gary Rake, *Proof Transcript of Evidence*, 10 March 2017, p.21.

⁷⁹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.21.

⁸⁰ Proof Transcript of Evidence, 10 March 2017, p.21.

⁸¹ Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, p.22.

⁸² Proof Transcript of Evidence, 10 March 2017, p.22.

we have' (that is, by bringing a civil action through ACAT), but agreed that this was 'not necessarily the best outcome'. 83

- 2.94 The Minister also responded, stating that there was 'an ACAT [ACT Civil and Administrative Tribunal] proceeding that can be chosen by neighbours'.⁸⁴
- 2.95 When asked about time-lines for responses to complaints, the Deputy Director-General, Access Canberra, told the Committee that:

It would be hard to give you an average because it really is a case-by-case basis, In fact, there is an example that we had, I believe last year, where we were called about an excavation that was taking place in someone's driveway. We would have had inspectors onsite perhaps within an hour to inspect and determine whether that was or was not compliant work. At other times it might be a complaint about the colour of a colorbond fence. We probably would not attend that within an hour.⁸⁵

- 2.96 At this point the Committee asked if ACTPLA would be a party to proceedings if an aggrieved person took matters to ACAT. 86
- 2.97 In responding, the Minister told the Committee that it would depend 'on what the proceedings are'.⁸⁷ He told the Committee that there was one incident that:

springs to mind that I was a little involved with prior to having this role as minister. It was set in Kambah. There was an owner-builder that had been working on the property for around 10 years to do an extension. The next-door neighbour was getting water egress because the owner-builder had not completed the downpipe for the stormwater drain and the gutter was simply running to the edge of the property and delivering the water into that spot. Therefore the water then flowed into the next-door neighbour's. 88

2.98 The Minister went on to say that:

Previous to Access Canberra the same team, I think it was, at that time visited the owner-builder, advised them they needed to rectify, and in the process gave advice also to the neighbour on how to proceed through ACAT, because there is no particular code, if you like, for stormwater. If there was no building there the stormwater would still fall in that area and therefore flow to the neighbour. But there was, as we have just

⁸⁷ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.22.

⁸³ Mr Dave Peffer, Proof Transcript of Evidence, 10 March 2017, p.22.

⁸⁴ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.22.

⁸⁵ Mr Dave Peffer, *Proof Transcript of Evidence*, 10 March 2017, p.22.

⁸⁶ Proof Transcript of Evidence, 10 March 2017, p.22.

⁸⁸ Mr Mick Gentleman MLA, Proof Transcript of Evidence, 10 March 2017, pp.22-23.

talked about, the inconvenience and loss of quiet amenity, and she was able to successfully prosecute that case. The delivery of the verdict then gave her quite some compensation and allowed her to then construct a retaining wall so that stormwater would no longer flow onto her property. ⁸⁹

COMMITTEE COMMENT

- 2.99 In relation to exempt Development Applications, considered above, some members of the Committee remained unclear, after questioning, as to whether disputes over small-scale developments that is, for single free-standing dwellings were being effectively considered and resolved by responsible officers in Access Canberra. In putting questions to officers, the Committee asked whether there was a high likelihood that a development which had diverged from a lodged 'exempt' development application would be approved post hoc. Some members of the Committee considered that answers from officers were less than completely clear on this point.
- 2.100 In addition, a number of homeowners with concerns on such matters have approached individual members of the Committee, because they believe that there is no other avenue available to them through which to resolve their concerns. In light of this, and the answers given to questions by the Committee in hearings, it appears that it may be case that there are insufficient means provided to ACT residents by which they may resolve small-scale planning grievances. While the Minister and officers noted the availability of ACAT, as a place where such matters may be resolved, the Committee notes the high potential cost of this as a way to resolve disputes, and considers it important that ACT residents have access to the best possible means of dispute resolution short of going to the formal court system.

Recommendation 10

2.101 The Committee recommends that the ACT Government provide high quality disputeresolution and arbitration services in relation to small-scale planning grievances and disputes as an alternative to having recourse to the formal court system.

Recommendation 11

2.102 The Committee recommends that the ACT Government, in the annual reports of relevant agencies, provide a de-identified list of follow-up actions taken and outcomes in relation to Development Applications.

⁸⁹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.23.

3 ASBESTOS RESPONSE TASKFORCE

3.1 The Minister for Planning and Land Management and the Acting Head of the Asbestos Response Taskforce appeared before the Committee in hearings of 10 March 2017.

LISTS OF AFFECTED PROPERTIES

- 3.2 During the hearing on 10 March 2017, questions were asked and answered regarding the publication of lists of properties affected by loose-fill asbestos insulation. In particular, questions were asked regarding properties that had been destroyed, for example by bushfire, and whether these would be added to existing lists to create a complete, authoritative list of all affected properties.⁹⁰
- 3.3 In responding, the Minister told the Committee that the current published list 'is of properties that are affected', and that 'those that have been demolished are no longer affected properties because they are not there anymore'. 91
- 3.4 The Acting Head, Asbestos Response Taskforce, also responded to the question. She told the Committee that there were 'two lists which we can talk about in this context' 22:

One is the public listing of all affected properties that is kept on the task force website. That lists the 1,023 identified properties that are affected with loose-fill insulation from the commencement of the scheme. It is correct to say that it does not pick up properties previously demolished prior to the commencement of the scheme. The purpose of that list is, as you stated, to provide information to the broader community about the affected houses, so that tradesmen can be aware and so that if a house that has not opted into the program is later sold on the market it is one of the matters that are transparent about identifying the affected properties. ⁹³

3.5 She told the Committee that a second list that was maintained was a statutory register of affected properties:

That is a dynamic list that records all of the properties at the commencement of the scheme but reflects properties that have been remediated and deregistered from that

⁹⁰ Proof Transcript of Evidence, 10 March 2017, p.24.

⁹¹ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.24.

⁹² Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.24.

⁹³ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.24.

list. That is the one that is showing at a point in time the affected properties that are still on the market or in existence.⁹⁴

- 3.6 The Committee asked a further question as to how a person might obtain information on whether a property destroyed in bushfires, for example, had been affected by loose-fill asbestos. 95
- 3.7 In response, the Minister told the Committee that it would be necessary for a person with such a query to write to the Minister seeking information, and that this was 'the only process' he could 'think of at the moment'. 96
- 3.8 The Acting Head, Asbestos Response Taskforce, also responded to the question. She told the Committee that:

Yes, it is a question that we have had raised before. We have done some work in trying to identify historically the properties affected by the bushfire that may also have been affected by Mr Fluffy. That is a difficult process because obviously the evidence is not live anymore. One mechanism that people can use is the building files for these properties, which should have recorded the installation of the Mr Fluffy. So it is a matter of going through the building file records to get that absolute assurance. ⁹⁷

- 3.9 The Committee asked a further question about progress on the loose-fill asbestos scheme and performance targets. 98
- 3.10 In response, the Acting Head, Asbestos Response Taskforce, told the Committee that the scheme identified 'four main phases', which consisted of 'the assistance phase, the buyback phase, the demolition phase and the sales phase'. She told the Committee performance measures were in place for each of the phases of the scheme, 'setting up an appropriate program for implementing each of those phases of the scheme', and that the Taskforce was 'progressing well through those various phases'. ⁹⁹

⁹⁴ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, pp.24-25.

⁹⁵ Proof Transcript of Evidence, 10 March 2017, p.25.

⁹⁶ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.25.

⁹⁷ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.25.

⁹⁸ Proof Transcript of Evidence, 10 March 2017, p.25.

⁹⁹ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.25.

3.11 She went on to speak on each of these four phases. First, she told the Committee that:

The assistance phase, while largely focused on the commencement of the scheme and providing information and support to home owners at that point, is a continuous process as the other phases of the scheme roll out. ¹⁰⁰

We have established a personal support team. We use websites; we use letters and various social media mechanisms to constantly provide communication and up-to-date information to home owners and to provide them with an access point if they have any concerns or particular issues. ¹⁰¹

3.12 Second, she told the Committee:

I can say at this point that the buyback phase of the program has officially been completed, in that all home owners who chose to participate in the buyback program have now surrendered their properties to the ACT government. There are still processes going on in terms of settlement of some of those properties, but that phase is essentially completed. ¹⁰²

3.13 Third, she told the Committee:

With the demolition phase, which is in the high-activity stage at the moment, we have been progressing well—progressing ahead of our indicative schedules. That has been a consequence of innovation within the industry, gained efficiencies as we learn from experience, and also increased capacity within the industry to support this program. We are more than halfway through the demolitions at the moment, having completed some 600 demolitions of properties. ¹⁰³

3.14 Fourth, she told the Committee:

Finally, the sales phase commenced just before the middle of last year. We had a number of options through the last six months of last year and we have just recommenced that sales program this month. That sales phase is going into a more active phase. As you can imagine, as the demolitions come through the program and we move those properties through the deregistration processes and then take them into the sales phase, naturally we have the bulk of numbers moving into each of those phases. We have taken around 150 properties to the market through public auctions.

¹⁰⁰ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.25.

¹⁰¹ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.25.

¹⁰² Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, pp.25-26.

¹⁰³ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.26.

We have another 100 going to the market in March and of the order of 250 that we will be looking to take to the market before the end of this financial year. ¹⁰⁴

3.15 A further element of the scheme, she told the Committee was the 'first right of refusal process', which 'sits as a sub-element of the sales phase'. Regarding this, she told the Committee that a 'number of affected home owners chose to have the right of refusal on their block of land'. She told the Committee that for homeowners who nominate to take part, '[o]nce their property has been demolished, we reapproach them, see if they want to take up that option, once we can provide them with details of the valuation, and all of that happens before we can take the property to market', and that this took place 'before we move stock into the public sales process'. 106

FIRST RIGHT OF REFUSAL AND VALUATIONS

- 3.16 During the hearing on 10 March 2017, the Committee asked questions regarding valuations and first right of refusal for former owners of loose-fill asbestos affected properties. In particular, the Committee asked whether the Asbestos Response Taskforce had made a commitment to provide owners of affected properties, who wished to exercise first right of refusal, with a repurchase price six months prior to demolition.
- 3.17 In response, the Acting Head, Asbestos Response Taskforce, told the Committee that to describe it as 'a—"commitment" [was] probably too strong a word'. Initially the Taskforce had adopted a 'position that we thought would be the way that the program would play out earlier in the process'. She told the Committee that this approach represented 'originally how we thought we would be able to advise home owners', but '[a]s with a lot of aspects of the scheme, we have learned from doing and we have sought to improve processes as we ... learn'. ¹⁰⁷
- 3.18 She told the Committee that the Taskforce had found 'in that process that the demolition processes moved quicker than we thought they would', and that the original six-month lead time 'often was not able to be managed with any certainty'. 'More importantly', she told the Committee, 'to get a true valuation of the property really required the demolition to have occurred for the valuers to be able to see physically what was left on the property and the state of the property'. ¹⁰⁸

¹⁰⁴ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.26.

¹⁰⁵ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.26.

¹⁰⁶ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.26.

¹⁰⁷ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.33.

¹⁰⁸ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.33.

- 3.19 She told the Committee that 'the demolition took the affected primary residence from the property, but often you had very well established gardens left, you could have pools left, you had free-standing garages left on the property', as well as 'retaining walls' and similar improvements, so that 'to get a true indication of the value', in order to 'give the home owner best information so that they can make a judgement, [the agency] realised that doing the valuation post-demolition was the best approach'. 109
- 3.20 In the event, she told the Committee, 'in the early phases, as we tried to work through this process with home owners, we found that the very fact that the property had not been demolished led to an uncertainty on their part as they were not sure what would be left', and hence 'were not sure ... how they could make a judgement on whether they wanted to stay or not until they had seen the demolished product'. ¹¹⁰
- 3.21 She went on to say that it had 'really been a learning experience through the scheme', involving revision of 'that process'. She told the Committee that the Taskforce had 'been transparent about that with home owners', and 'we now seek to provide them with a valuation at a point in time when the property has been demolished and they can see more clearly what the remediated property looks like', and as a result 'get a fair valuation on the property to give them the best information at that point in time'.¹¹¹
- 3.22 At a later point in the hearing the Committee asked further questions regarding first right of refusal. In particular, the Committee asked what percentage of owners of affected properties had indicated that they wished to exercise first right of refusal. 112
- 3.23 In responding to the question, the Acting Head, Asbestos Response Taskforce, told the Committee that 'around 70 per cent ... indicated that they wanted to have the option to consider whether they would buy back their block of land', however the experience of the Taskforce 'to date' was that 'only about 16 per cent [were] actually taking up the option'. 113
- 3.24 The Committee asked whether any conclusions had been drawn from the difference between the percentage of homeowners initially indicating that they wished to exercise first right of refusal and those who in fact sought to exercise that right.¹¹⁴
- 3.25 In responding to the question, the Minister told the Committee that on the basis of 'direct interaction with a number of Fluffy home owners who have relocated after the purchase', he

¹⁰⁹ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, pp.33-34.

¹¹⁰ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.34.

¹¹¹ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.34.

¹¹² Proof Transcript of Evidence, 10 March 2017, p.36.

¹¹³ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.36.

¹¹⁴ Proof Transcript of Evidence, 10 March 2017, p.36.

suggested that this arose because 'they feel quite settled in their new properties'. He told the Committee that '[a]fter selling the affected house to the government, they have then moved on, purchased another property and moved into that property', they felt 'quite settled' and did not 'feel the need to move back'. 115

- 3.26 When asked whether the price of properties offered for repurchase had a part to play in generating a difference between original intentions and later behaviour, the Minister told the Committee that this had not emerged as a factor 'in the interactions I have had', but that 'there may be others' which indicated otherwise. 116
- 3.27 The Acting Head, Asbestos Response Taskforce, also responded to the question. She told the Committee that:

There will be various elements and considerations for different people. We would have to acknowledge that price would be one issue. We said before that we were transparent at the front, that buyback would not be a viable option for all the home owners. But I think we can also say that if you look back to the history of the bushfire incident in Canberra, we saw a very similar sort of experience there. Initially the affected home owners indicated that they would want to go back and build. But the reality, after time had elapsed, was that it was of the same order—around 16 per cent—who actually chose to rebuild in that area. 117

- 3.28 She told the Committee that 'home owners [had been] provided with a stamp duty concession as one of the benefits offered by the scheme', and that '[t]o date, some 650 home owners have used that concession'. This was not necessarily to say that they would 'not still choose to buy back their block of land', but 'they have at least repurchased and to some extent resettled in the new property', and that this may indicate something about homeowners' behaviour. 118
- 3.29 She went on to say that 'what we take from this is that most home owners at the point of having to move out of their home, if they were asked, "Do you want the first option to buy it back," would say yes at that point in time', but this may change as a result of an 'elapse of time, the changing of circumstances and considerations that then play out in practice'. 119

¹¹⁵ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.36.

¹¹⁶ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.36.

¹¹⁷ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.36.

¹¹⁸ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, pp.36-37.

¹¹⁹ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.37.

COMMITTEE COMMENT

- 3.30 The Committee notes the important work of the Asbestos Response Taskforce and recognises and acknowledges the sometimes difficult work done.
- 3.31 It is clear to the Committee, from testimony provided in public hearings, that the work of the Taskforce has been, to an extent, a 'learning experience' over the life of the scheme. 120 For example, there was a perception by affected parties that affected properties were acquired on the basis that all structures on the affected block would be demolished and an upper layer of soil removed from the whole of the block. 121
- 3.32 There is a perception, in the view of the affected parties, that this has not been the approach taken, in practice, across all affected properties. This in itself is not necessarily a matter for concern, if the blocks thus dealt with can be assured to hold no further risk from contamination with loose-fill asbestos. However, in this instance it appears that the ACT Government indicated a less flexible approach to the owners of properties while retaining for itself the right to introduce further elements of flexibility into the scheme.
- 3.33 In the view of the Committee, flexibility in such matters should be regarded as an asset to be shared between both parties in such a matter, and it asks the ACT Government to take this into account in any scheme, in any way similar, that may be necessary in the future.
- 3.34 The Committee notes in particular that uncertainly about valuations has caused considerable pain for some affected property owners.

Eradication Bill 2014-15, December 2014, Proof Transcript of Evidence, 10 March 2017, pp.97, 105.

¹²⁰ Ms Karen Doran, *Proof Transcript of Evidence*, 10 March 2017, p.34. See Standing Committee on Public Accounts, Inquiry Into The Proposed Appropriation loose - Fill Asbestos Insulation

4 Urban Renewal

4.1 The Minister for Urban Renewal appeared before the Committee with his officers during the hearing on 10 March 2017.

IMPROVEMENTS TO HAIG PARK

- 4.2 Among other things, the Committee asked a question regarding improvements to Haig Park. 122
- 4.3 In responding to the question, the Executive Director, Urban Renewal, told the Committee that:

Our work on Haig Park is twofold. With respect to work underway at the moment, you will see some site fences there; that is really about safety improvements to the park. The government appropriated funding for improvements to Haig Park. We are looking at lighting upgrades and straightening paths, making them wider, so that there are better view corridors through the park for passive surveillance and people's safety. We consider those to be very important, and they are underway straightaway. 123

4.4 She told the Committee that:

The second tranche of work which is related is a new master plan for Haig Park. We have started the consultation with the community on what we want Haig Park to be in the future. Obviously, Haig Park will be surrounded by increased density. We have light rail. With what the community is telling us so far, the one word they are using to describe Haig Park is "underutilised", and we agree with that. "Unsafe" and "wasted" are other words they are coming up with. 124

4.5 A further part of work underway, she told the Committee was 'working with community on a master plan', including:

what they want to use the park for, how we could make it better utilised and what they would like to see. It has started a fantastic debate on social media. There have been over 400 comments so far on what people want to see in the park, which has been really great. We have held a community consultation down there. About 50 people

¹²³ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

¹²² Proof Transcript of Evidence, 10 March 2017, p.42.

¹²⁴ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

who were walking through the park talked to us about what they liked about the park and what they did not like. 125

4.6 She went on to say that:

That master plan will feed into our development control plan via the NCA. It is an area of significance for them under the National Capital Plan, so they want a development control plan before anything else changes in Haig Park. That is the end goal—to get the NCA to agree to do a development control plan, and then invest in Haig Park. ¹²⁶

TREES

4.7 The Executive Director told the Committee that in the process of engaging the community, 'trees are the number one thing everybody wants to talk about': 127

The opinions range from "knock them all down" to "change the species" and "keep them all". Obviously, they are heritage listed, so what we can do with them is pretty limited. So far the conversation with the community has been great; everybody really wants to be involved. We have a workshop next week or the week after and 70 people so far have RSVPed to that. 128

4.8 When asked further questions about what could or could not be done, and controls on management of trees, the Executive Director told the Committee that:

My understanding—and I am not in the heritage unit—from our conversations with them is that it is the pattern of the trees that is heritage listed, because of the history of Haig Park as a windbreak in the early days of the city, and the species. So it is not the actual tree. The actual tree can come down but it needs to be planted in the same pattern and in the same species as the one that came down. ¹²⁹

4.9 She went on to say:

We did get the approval of the heritage unit to remove a couple of trees in order to straighten up paths, using the argument that meandering paths are not good for safety et cetera. There are things you can do with the trees, and we are exploring conversations with heritage about undercutting and getting the branches up so that it creates a better feeling of safety and space for people to do things. The conversations

¹²⁵ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

¹²⁶ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

¹²⁷ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

¹²⁸ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

¹²⁹ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.43.

with the Heritage Council are being had and will be had as we get more community feedback as well. 130

Recommendation 12

4.10 The Committee recommends that the ACT Government continue to keep working to improve Haig Park.

CITY ACTION PLAN AND THE CITY ACTIVATION TEAM

- 4.11 The Committee asked questions regarding the City Action Plan and the work of the City Activation Team, referred to in the CMTEDD Annual Report 2015-16. 131
- 4.12 In responding, the Minister for Urban Renewal told the Committee that:

The city activation unit, within the office of the coordinator-general for urban renewal, was established in September the year before last, 2015, and the action plan was launched in August last year. It outlines the government's vision for a Canberra city centre and the supporting actions. They include a 24-hour economy, an active, diverse street life, a city that inspires pride, a city to celebrate, an attractive city, a fun and lively city, a safe and accessible city, and easy connections for pedestrians, cyclists and commuters—quite a wide variety of actions that are needed to activate the city. Community engagement is an integral part of the activity during that process. We are asking for community feedback to inform us of future projects and events within the city and the immediate surroundings. 132

- 4.13 The Committee asked questions as to how this would be measured and what accountability indicators would be used. 133
- 4.14 In responding, the Director, Office of the Coordinator-General, Urban Renewal, told the Committee that:

We are taking a slightly different approach to the community engagement. Instead of saying, "We are just going to have one conversation, collect all the information, do all the surveys," we have said from the outset it is iterative. It is about saying, "We are

-

¹³⁰ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, pp.43-44.

Proof Transcript of Evidence, 10 March 2017, p.44, and see CMTEDD Annual Report 2015-16, Vol.1, Proof Transcript of Evidence, 10 March 2017, p.79.

¹³² Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.44.

Proof Transcript of Evidence, 10 March 2017, p.44.

going to try activating a space." Take, for example, the backyard experiment in Garema Place where we had yarn bombing and colours and chairs that did not get stolen.

What we do is go and survey people as they are moving through the area to see what reactions they have to the ideas that we try and then we take that back to inform what will be the next stage. We are currently planning another activity in Garema Place to say, "We need to get to a point where we understand what the permanent change would be." A lot of that is about the needs of the business owners, the needs of the people who work in the city, the needs of the people who come to shop or eat or drink or whatever. 134

4.15 She told the Committee that:

For each activation we do—whether it is through giving a grant to someone like the Institute of Landscape Architects to run an activation or whether it is something we are running primarily from within the unit—we will work out what it is that we want to learn, given what the space is and what we are trying to do and then collect information through the Your Say website and have people on the ground doing surveys at different times of the day to understand what people feel about the changes we attempt to make. That then gets brought back to inform advice to the government on what you might be wanting to do. There will come a point in the process where it is not just about a single activation. 135

4.16 She went on to say that:

The first year really has been focusing on the spaces we know people want to use but are not really feeling comfortable in, working on those in a very discrete way and then starting to put them together, moving to another space, so that we can have an understanding of the key public realms that you are probably going to have to look at either doing improvement works to or changing what can be done around them. That is the sort of stuff that will feed into the long-term policy work in the city. ¹³⁶

4.17 The Committee also asked about staffing and composition of the City Activation Team. 137

4.18 In response, the Director told the Committee that:

There are currently four staff. There was only one previously. We have a senior officer grade B who is the manager; we have a senior officer grade C who works primarily on organising the interactions with community groups and with people wanting to do

¹³⁴ Ms Karen Wilden, *Proof Transcript of Evidence*, 10 March 2017, p.45

¹³⁵ Ms Karen Wilden, *Proof Transcript of Evidence*, 10 March 2017, p.45.

¹³⁶ Ms Karen Wilden, *Proof Transcript of Evidence*, 10 March 2017, p.45.

¹³⁷ Proof Transcript of Evidence, 10 March 2017, p.45.

activations in partnership with us; we have a grad who has now come on at the end of her program as an ASO5; and we have one ASO6 who was originally shared between two teams—because we have a fairly eclectic mix of responsibilities in the office—but the work of the activation unit was considered to be a high priority because we want to keep the community interest going so that we can continue the conversations. ¹³⁸

4.19 In response to further questions, the Director told the Committee that use of consultants in connection with the work of the City Activation Team was 'very limited':

I guess it depends on how you would see someone like the Institute of Landscape Architects, to whom we gave a grant to do the activation in Haig Park and Garema Place, but at the moment we do not have consultants. The work is actually done with other directorates, in particular the city presentation area of TCCS, and we also have worked to get better coordination with In the City Canberra, which administers the city levy. So there is a lot of work going on in those areas and, with the knowledge of where we are at, the engagement of consultants really is not needed. 139

Recommendation 13

4.20 The Committee recommends that the ACT Government continue to explore and implement iterative consultation processes.

PARTICIPATION IN THE ASSET RECYCLING INITIATIVE

- 4.21 The Committee asked about the ACT's participation in the Asset Recycling Scheme. 140
- 4.22 In responding to these questions, the Director-General, Economic Development, and Chief Executive Officer, Land Development Agency, told the Committee, told the Committee that:

One of the key things that we did with the asset recycling was that we worked right across the whole of government—Treasury took the lead in this particular project—and we looked at what assets we could dispose of, how could we improve the city and also create some economic stimulus, because that was a key part of this as well. That is actually one of the outcomes that the commonwealth wanted. They wanted to create jobs and other opportunities. ¹⁴¹

¹⁴¹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.46.

¹³⁸ Ms Karen Wilden, *Proof Transcript of Evidence*, 10 March 2017, p.45.

¹³⁹ Ms Karen Wilden, *Proof Transcript of Evidence*, 10 March 2017, pp.45-46.

¹⁴⁰ Proof Transcript of Evidence, 10 March 2017, p.46.

4.23 He told the Committee that:

We obviously came up with a number of sites that we could put into the mix—a number of public housing renewal sites, some commercial office spaces that we had as well—and we have already received some payment for that. That was based on what the values of those assets were at that particular time. We received half of that 15 per cent bonus. As we sell the sites—and we have until June 2019 to complete that sales program—we will then pick up the balance of that 15 per cent as we prove that we have sold it and received the money. 142

4.24 The Executive Director, Urban Renewal, also responded to the question. She told the Committee that:

I think the agreement on asset recycling is really multifaceted as far as a benefits approach is concerned. Whenever you can get a program where the commonwealth will contribute to the territory, that is always a good thing. There is a financial benefit there, but I think that there is an urban renewal and economic benefit to the recycling of these properties and obviously a social benefit as well where we have been able to get a program underway that sees some of our most vulnerable housed in new housing and at the same time sees the renewal of important areas of Canberra.¹⁴³

4.25 When asked which properties had been included in the ACT's participation in the scheme, the Executive Director told the Committee that:

The program runs until 2018-19. I can get you the full list of properties on it. At the moment we have sold Allawah Currong section 52 in the city. That was an asset recycling initiative sale. What we call Dickson on Northbourne, which is the Dickson flats, the visitor information centre and Karuah flats along Northbourne Avenue, have been sold. We are out to tender or assessing tenders at the moment on the motor vehicle inspection station in Dickson, on Northbourne Avenue, and are currently in community consultation and just about to lodge an EDP on Red Hill. We are going well through the program but there is still more to come before 2018-19. We can provide that breakdown to the committee. 144

4.26 The Director-General also responded. He told the Committee that:

As I mentioned, it was a whole-of-government look, including Treasury, into what assets we needed to revamp and put out to the market. Obviously ... a number of the government flats were very, very ageing and costing a lot as far as maintenance was

¹⁴² Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, pp.46-47.

¹⁴³ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.47.

¹⁴⁴ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.47.

concerned. Being able to provide new accommodation for those vulnerable people was an important driver. ¹⁴⁵

4.27 He told the Committee that:

We knew that the motor registry was coming to the end of its life as well. You might be aware that we have built something out at Hume as well. We took an expression out there for that to be relocated. We have entered into a 10-year lease with a firm there to take the pits element of the motor registry, for both trucks and stolen vehicles and potentially for the re-badging of vehicles as well. There was a pit requirement there. With the way technology is moving and when you look at what is happening in other jurisdictions, a lot of the motor repair organisations carry out those sorts of inspections for the motor registry. That is why we have entered into only a 10-year agreement out at Hume. Then we will see what happens. 146

4.28 The Director-General went on to say that:

With the intent of the light rail project going along Northbourne Avenue, there is the opportunity for a bus interchange with the light rail at this particular point in time. That is something that we could do. The government made a decision around a hub and spoke for government accommodation in offices. As you are aware, we have built something out in Gungahlin recently. We announced the successful tenderer for a government office here in the city. The next one that we are working on is Dickson. That will also have a government office element and some mixed use there. That was what we tried to achieve. That was the list that we came up with. It could have been more extensive but, again, we felt that that was a very good start. 147

COST OF DEMOLITION OF CURRONG APARTMENTS

- 4.29 The Committee asked questions regarding one item of those nominated by the ACT Government for the Federal Government's Asset Recycling Initiative: the Currong apartments. In particular, the Committee noted that asbestos had been found in the apartments during demolition; that costs had increased considerably as a result; and asked about current estimates of the cost of demolition. 148
- 4.30 In responding, the Director-General told the Committee that:

¹⁴⁵ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.47.

¹⁴⁶ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, pp.47-48.

¹⁴⁷ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.48.

¹⁴⁸ Proof Transcript of Evidence, 10 March 2017, p.48.

Our pre-tender estimate for that particular project was in the order of \$6 million to carry out the demolition. One of the key things—we have checked and we have done a lot of other checks in a lot of the buildings—is that this was a very old building with a unique construction methodology. Once we started getting in and stripping out the internal, we found concrete panels. They had drilled through those panels and lined those holes, as it were, and the pipes that ran through those walls, in asbestos lining. That meant that we had to treat that as contaminated material rather than crushing that material and taking it out to the concrete recyclers. That increased the cost in the way we had to handle that material, and that ended up being closer to \$14 million. 149

4.31 When asked about implications for expected outcomes from the Asset Recycling Initiative for the ACT, the Director-General told the Committee that it would not 'not have any impact' because the Asset Recycling Initiative 'goes off what the gross sale of that asset is'. He told the Committee that '[w]e got \$47 million for that particular asset', and would 'get our 15 per cent on top of that \$47 million'. 150

CITY TO LAKE AND WEST BASIN PROJECTS

- 4.32 During the hearing on 10 March 2017, questions were asked and answered regarding the City to Lake and West Basin projects. Among other things, a question was asked about the role of the Urban Renewal agency in these projects, given announcements about a reorganisation and the creation of new agencies to administer matters which had until now been under the responsibility of the LDA. ¹⁵¹
- 4.33 In responding, the Minister told the Committee that:

Currently [the agency] has control in that area. However, the announcement just the other day from the chief indicates that the new city renewal authority will take over that role. It is a matter now of proceeding with legislation and discussion with members of the Assembly as we move forward with that legislation to see the detail of that. 152

4.34 A question was asked as to whether these organisational changes would extend the timeline for the projects. 153

¹⁴⁹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.48-49.

¹⁵⁰ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.49.

¹⁵¹ Proof Transcript of Evidence, 10 March 2017, p.49.

¹⁵² Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.49.

¹⁵³ Proof Transcript of Evidence, 10 March 2017, p.50.

- 4.35 Responding, the Minister told the Committee that '[w]e do not see a time line change for city to the lake in this process' and that [i]n fact, it may well speed it up'. He told the Committee that legislation would be 'introduced very shortly and we hope to have it passed by 1 July to implement the new authority'. 154
- 4.36 A question was also asked about expenditure to date on the City to the Lake project. 155
- 4.37 In responding, the Director, Urban Projects, told the Committee that he was 'not sure of the up-to-date expenditure right at this moment', but he thought that 'we are at approximately \$14 million all up, over the life of the project'. 156
- 4.38 Asked about the cost of a boardwalk and park associated with the West Basin element of City to the Lake, the Director told the Committee that:

For the boardwalk, at the moment, the contract is approximately \$6.3 million for the first 150 metres. As the project expands, for the full length of the plan, that will obviously increase. There are land reclamation costs that need to be added in as well. In relation to the park itself, we are going through the design approval process with NCA. Once the design has been finalised for the park, we will get a more accurate cost estimate from our contractor. We have a managing contract; we get a guaranteed contract sum from the contractor. Those costs are validated. We get quantity surveyors to come in and validate the costs. Then they take the major packages out to the market and tender those. The actual costs of the park will be determined once the design is finalised and we can go out to the market.

4.39 Asked about timelines for residential or commercial uses at West Basin, the Director told the Committee that:

I think the plan for West Basin has not been finalised at this point because a lot is hinging on what happens with Parkes Way. Parkes Way is a major impediment to the connectivity between the city and the lake. We also want to get the waterfront completed before there is any development down in West Basin. The city to lake plan is actually city to the lake; we are focusing our release strategy on the city first and then progressing down towards the lake. That enables us to resolve things around Parkes Way and improve that urban connectivity for pedestrians down to the lake. ¹⁵⁸

¹⁵⁶ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.50.

¹⁵⁴ Mr Mick Gentleman MLA, *Proof Transcript of Evidence*, 10 March 2017, p.50.

¹⁵⁵ Proof Transcript of Evidence, 10 March 2017, p.50.

¹⁵⁷ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.50.

¹⁵⁸ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.50.

HOUSING DESIGN

- 4.40 During the hearing on 10 March 2017, the Committee asked questions regarding the role of Urban Renewal in promoting better design. ¹⁵⁹
- 4.41 In responding to the question, the Executive Director, Urban Renewal, told the Committee that his agency had 'a role at many different levels', including 'when we are putting things out to tender, like the government office block and so on, in helping to develop design guidelines and working with developers to come up with good design et cetera'. 160
- 4.42 She told the Committee that, for example:

One of the other projects that we are currently working on where we have really been concentrating on the design aspect is the estate development plan for Red Hill. We have been working with the community but also an architectural firm called RobertsDay from Sydney. We have been looking at how to design really good medium density townhouse or terrace house type living. We have been looking at exemplar projects to see how we can deliver urban renewal and urban infill that is well designed, that will stand the test of time and that is suitable to the community that wants to live there. We have been going through a process with the community and architects to look at how we can do that precinct and ensure that we come out with an exceptional design outcome. 161

- 4.43 The Director, Urban Projects, also responded to the question. He told the Committee that his agency had 'a range of things that we apply to promote innovation, good design and sustainability in our projects', including 'the Green Star Communities rating tool', and 'Envirodesigns'. He told the Committee '[we] pick the right tool for the right project depending on the project', so that '[i]f you are doing a greenfield project that is further out, an Envirodesigns or Green Star Communities rating tool might be a better option than it would for, say, an infill site where it may have a different characteristic'. 162
- 4.44 He told the Committee that the LDA had 'a design review panel which meets regularly, every two months', and that '[a]Il projects that go through to the LDA board for consideration must have been through the design review panel'. That, he told the Committee, 'is where experts in

¹⁵⁹ Proof Transcript of Evidence, 10 March 2017, p.52.

¹⁶⁰ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.52.

¹⁶¹ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.53.

¹⁶² Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.53.

design and innovation come together, critique the projects and add their input to the design of the project', and this 'expertise is factored into the early phases of design'. 163

4.45 The Director went on to say:

When it comes to the actual built form — how do we try to encourage built form improvements? — we use project delivery agreements. If there is a project where we have a particular outcome that we want to achieve we will have a contractual arrangement which goes through as part of the sale. The purchaser of the site will have to come back and meet with the LDA on three occasions prior to a DA, for example. There might be some requirements around materials that they use, the quality of the design itself, the façade and the look and feel of a project—those sorts of things. ¹⁶⁴

4.46 He told the Committee that there were 'various tools that we apply to various projects', and that these were 'not consistently applied across every project because we ... pick the right tool for the right project, depending on what we are trying to achieve for each project'. ¹⁶⁵

4.47 However, he told the Committee:

Whatever the LDA does cannot override the planning authority. The guidelines that we put into our project delivery agreements have to be consistent with the Territory Plan. We cannot put things in there that would be inconsistent with the Territory Plan. A lot of what we would be looking for in certain projects would be the look and the feel or how we want the precinct to work. They are not necessarily mandatory because, at the end of the day, the planning authority will come in through the statutory process and approve DAs for developments. What we are trying to do through that is to encourage the developers of the site to think about it through the design process and at least try to get a better outcome. ¹⁶⁶

- 4.48 At this point, the Committee asked further questions about new developments at Red Hill. In particular the Committee asked about a revised consultation process for the development. ¹⁶⁷
- 4.49 In responding, the Director-General told the Committee that there had been 'a lot of community angst at the start of the process, when the Territory Plan variation was going through', but there had 'been a number of meetings and workshops held with the community'

_

¹⁶³ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.53.

¹⁶⁴ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.53.

¹⁶⁵ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.53.

¹⁶⁶ Mr Nicholas Holt, *Proof Transcript of Evidence*, 10 March 2017, p.54.

¹⁶⁷ Proof Transcript of Evidence, 10 March 2017, p.54.

since then; he thought there was 'now agreement on what is proposed'; and 'what was agreed at those workshops is going to be what is embedded in the estate development planning'. 168

4.50 The Executive Director, Urban Renewal, also responded to the question. She told the Committee that:

Following the Territory Plan variation process there was still an amount of concern in the community about what would go into that precinct. In establishing an estate development plan we went out and did more community consultation in the middle of last year. We did a number of workshops with the community. We invited a lot of people and really sat down and iteratively went through what they wanted, what they liked about the area and what they were happy to see change about the area. Obviously, public housing tenants are in there at the moment. It is situated near the shops. It is a good area for infill and for people to be able to get to shops et cetera. ¹⁶⁹

4.51 She told the Committee that:

The team did a lot of community consultation last year, between June and November, concluding a workshop where a draft EDP [Estate Development Plan] was presented with a design. The community was asked, "Does this meet your expectations?" I think in urban renewal the one thing that you can always be sure of is not everyone will be happy. The feedback that Karen and the team have received back from the community is that they are happy with the process and the amount of involvement they had in helping to inform the EDP [Estate Development Plan]. 170

4.52 Regarding this, she told the Committee that this EDP was 'imminent':

We are just going through a process with EPSDD now in looking at it. It should be lodged this month. The community will get an opportunity to comment on that as well. I think it has been a good process. I certainly have some very passionate team members who have enjoyed being out there talking to the community. We have some very passionate community members, too, who wanted to have a say. I think it has been a good process. Hopefully, we will lodge the EDP and the community can have another chance to have a say and raise any issues that they might still have. ¹⁷¹

¹⁶⁸ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.54.

¹⁶⁹ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.55.

¹⁷⁰ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.55.

Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.55, and see http://www.economicdevelopment.act.gov.au/have-your-say/community engagement/current activities/red-hill-former-public-housing-precinct-redevelopment

COMMITTEE COMMENT

- 4.53 The Committee notes the important work taking place in relation to urban renewal.
- 4.54 The Committee also notes that given the government's policy of 50 /50 greenfield and infill development this will be a matter of ongoing community interest and the importance of community views in the urban renewal process.
- 4.55 In light of this, the Committee notes that many of the issues will be canvassed in its inquiry into housing.

5 LAND DEVELOPMENT AGENCY

- 5.1 During the hearing on 10 March 2017, the Minister for Housing and Suburban Development appeared before the Committee with her officers from the LDA.
- 5.2 Among other things, in making her opening statement the Minister told the Committee that:

Our land release remains an important source of revenue for the territory, but it also contributes to our social and environmental objectives. In terms of these highlights, in 2015-16 the Land Development Agency delivered land sales revenue of 593.7 million, almost 35.4 million above the target of 557.8 million. This resulted in a return to government of 349 million above the target of 313.6 million. This is a great return for the community. 172

5.3 She told the Committee that:

In the realm of land release, the LDA exceeded many of the key targets in the 2015-16 statement of intent, including releasing land for 4,024 dwellings, exceeding the target of 3,513 dwellings; releasing 120,725 metres square of commercial land against a target of 57,194 metres square; releasing 198,649 metres square of community non-urban land against a target of 57,154 metres square, including a 91,428 metres square site to the Education Directorate for the development of the second school in Molonglo in the suburb of Denman Prospect; and releasing 90,687 metres square of industrial land to the market, exceeding the target of 64,485 metres square. ¹⁷³

5.4 She also told the Committee that:

Some of the highlights included the first offering to the market of the 543 dwelling sites in Throsby, Gungahlin's newest suburb. Releases also continued in Moncrieff and Coombs, with 710 and 514 dwelling sites, respectively. An auction of 515 dwellings at section 52 Braddon was keenly contested, achieving a final sale price of \$47 million. The site for the first service station in the Molonglo Valley was offered in November 2015 and sold competitively for \$5.75 million. ¹⁷⁴

¹⁷² Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.57.

¹⁷³ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.57.

¹⁷⁴ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.57.

PURCHASE OF LAND AT GLEBE PARK

- 5.5 After the Minister made her opening statement the Committee asked questions regarding the circumstances surrounding purchase of a parcel of land at Glebe Park. In particular the Committee asked whether statements made during the previous year's Annual Reports hearings of the Planning Committee to the effect that all land acquisitions under five million dollars had been considered by the LDA Board. ¹⁷⁵ In asking the question, the Committee noted that the purchase of land at Glebe Park had been the subject of a report by the ACT Auditor-General, and asked whether the LDA wished to correct the evidence previously provided to the Planning Committee. ¹⁷⁶
- 5.6 When asked whether all land acquisitions under \$5 Million had been considered and were authorised by the LDA Board, ¹⁷⁷ the Director-General responded. He told the Committee that:
 - I think if you go back through the transcripts ... there was an interpretation. Some of the things that I talked about were acquisitions, to do with the project acquisitions, and I was quite clear about what project acquisitions were, and LDA acquisitions. Subsequently, through the Auditor-General's report, we learned that some of the interpretation that we were working on—it was an instrument that we were working under—had a different interpretation, because some of the wording had changed, unbeknown to both ourselves internally and the board. We have recognised that, and obviously we are moving to fix that. If, for example, you are talking about that interpretation ... about what were strategic acquisitions or project acquisitions, they were two different things that I was referring to. ¹⁷⁸
- 5.7 When asked to answer the question, above, regarding board considerations of purchases below \$5 Million, the Director-General responded by telling the Committee that 'some of them I did have to refer to the board and some I did not have to refer to the board'. 179
- 5.8 He told the Committee that purchases 'that were project related did not go to the board if they were under \$5 million, because that was well within my delegation', and that he had had a delegation of 'up to \$10 million'. 180

¹⁷⁵ Standing Committee On Planning, Environment And Territory And Municipal Services, *Transcript of Evidence*, 5 November 2015, pp.21-22, available at: http://www.hansard.act.gov.au/hansard/2013/comms/planning36a.pdf

¹⁷⁶ Proof Transcript of Evidence, 10 March 2017, p.59.

¹⁷⁷ Proof Transcript of Evidence, 10 March 2017, p.60.

¹⁷⁸ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.60.

¹⁷⁹ Mr David Dawes, *Proof Transcript of Evidence,* 10 March 2017, p.60.

¹⁸⁰ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.60.

- 5.9 The Director-General also told the Committee that his actions in connection with the Glebe Park purchase hinged on distinctions between 'project' and 'strategic' acquisitions. 181
- 5.10 When asked whether there was, at present, a difference between business-as-usual, project and strategic acquisitions, in relation to the provisions of the relevant statutory instrument were concerned, and whether the LDA now complied with the provisions of the statutory instrument, the Director-General told the Committee that we do comply, and obviously we have had an interpretation of that particular instrument'. 183
- 5.11 He went on to say that the problem, with respect to the purchase of land at Glebe Park, lay in the fact that there had been 'a change to a document that was signed off by government', that the meaning of the relevant statutory instrument had been 'inadvertently changed to include the word "all"', of which the LDA had not been aware, and that this had resulted in non-compliance with the instrument. Subsequently, he told the Committee, the LDA had 'taken that advice on board', had 'had the Auditor-General's advice checked by the GSO [Government Solicitor's Office], and that 'we now comply'. 184
- 5.12 The Acting Deputy Director-General, Land Development, also responded to the question about current compliance. He told the Committee that 'yes, we comply with the letter of the law, which is consistent with the framework direction'. He told the Committee that there had 'only been one transaction which has been to the board this financial year'. In relation to compliance, he told the Committee that '[w]e have provided advice to all of our staff and to the board in terms of what is the recommendation and requirements to comply with the framework', and that '[a]II staff and the board understand what the framework means, and we are fully complying with that framework'. 185
- 5.13 The Acting Deputy Director-General also told the Committee about circumstances leading to a failure in compliance on purchase of land at Glebe Park. He told the Committee that an 'issue that existed prior to the audit was that there was an interpretation document drafted within the LDA on how to interpret the framework' but, '[a]s the audit has found, that was incorrect in its assumptions on how it should be applied'. He told the Committee that there was a view 'internally within LDA', and 'advice to the board', that certain projects, strategic and other, were normal business', and 'some of those transactions did not go to the board as the

¹⁸³ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.61.

¹⁸¹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.60.

¹⁸² Proof Transcript of Evidence, 10 March 2017, p.61.

¹⁸⁴ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.61.

¹⁸⁵ Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.61.

framework would have required'. He told the Committee that 'advice at the time ... was based on a belief of what the direction meant in practice'. 186

- 5.14 When asked in a further question who had given that advice, the Acting Deputy Director-General told the Committee that the advice 'was developed internally within LDA'. 187
- 5.15 The Committee then asked further questions about the purchase of land at Glebe Park. ¹⁸⁸ In particular, the Committee noted that under the statutory framework governing the operation of the LDA, the LDA was required to include the details of all land acquisitions in its Annual Report. It also noted that in this instance the purchase of land at Glebe Park did not appear in the list of strategic acquisitions, and asked why this was so. ¹⁸⁹
- 5.16 In responding to the question, the Chief Finance Officer told the Committee that he believed that it 'was an oversight', but was unable to answer the question. 190
- 5.17 He went on to tell the Committee that:

The actual land value itself is recorded against inventories. We hold it as a piece of land that we will use at some point in the future. The accounting standards do not require us to provide additional detail to that effect within the accounts themselves, but we can provide an inventory. ¹⁹¹

- 5.18 The Director-General also responded to the question. He told the Committee that it 'was not a strategic acquisition', that this was an issue of 'terminology': at the time, he had regarded the Glebe Park purchase as 'a project acquisition'. However, he told the Committee, 'we have now had the proper interpretation of the instrument'. 192
- 5.19 At this point Committee asked how the LDA had responded to the findings of the Auditor-General's report on the Glebe Park purchase.
- 5.20 In responding, the Acting Deputy Director-General, Land Development, told the Committee that:

Since the Auditor-General's report was provided and tabled in the Assembly at the end of September there has been a governance program constructed, put together and

¹⁸⁶ Mr Neil Bulless, *Proof Transcript of Evidence,* 10 March 2017, pp.61-62.

Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.62.

Proof Transcript of Evidence, 10 March 2017, p.62.

¹⁸⁹ *Proof Transcript of Evidence,* 10 March 2017, p.62.

¹⁹⁰ Mr Bruce Fitzgerald, *Proof Transcript of Evidence*, 10 March 2017, p.63.

¹⁹¹ Mr Bruce Fitzgerald, *Proof Transcript of Evidence*, 10 March 2017, p.64.

¹⁹² Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.64.

approved by the board. What the governance program does is encompass 33 actions that respond to all the findings of the Auditor-General's report and the McPhee review. The board has approved a program that will run to about April next year, and it is split into high priority, medium priority and normal. 193

5.21 He told the Committee that:

The first 10 high priority actions have to be finished by 30 June. Those actions are responding to the seven findings of the Auditor-General and a number of the McPhee findings. Two of those have been completed, and all of the others are in train for completion by the end of June. They include establishing and resourcing a governance function, as the minister mentioned, in the LDA. That has been done. We have four staff in the team now whose role solely and purely is to implement this governance in the LDA. ¹⁹⁴

- 5.22 He went on to say that the LDA had 'created a governance executive committee, which comprises the executive directors of the LDA, the executive director of the public housing task force and the director of strategy and program design', was chaired by himself, and met on a fortnightly basis. He told the Committee that '[o]ur role is to ensure that the processes, practices and frameworks are reviewed and developed, are not substandard and are promulgated throughout the organisation'. He told the Committee that the governance executive committee reported to the board 'on a monthly basis', and to the board audit and risk committee 'on a bi-monthly basis'. 195
- 5.23 The Acting Director-General also told the Committee that:

In addition to responding to all of the Auditor-General's recommendations we are also improving our processes around valuations, the acquisition framework which I have already mentioned in terms of our acquiring and seeking legal advice from the Government Solicitor. Two of those ten actions are completed and eight are in train. There has been a significant amount of resourcing committed by the organisation and full support from the board and the chief executive. 196

5.24 At this point the Committee asked who had written the interpretation upon which the LDA had relied in relation to the Glebe Park land purchase, who approved it, and when it had come to be regarded as a formal document. 197

-

¹⁹³ Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.65.

¹⁹⁴ Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.65.

¹⁹⁵ Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.65.

¹⁹⁶ Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.65.

¹⁹⁷ Proof Transcript of Evidence, 10 March 2017, p.66.

- 5.25 The Director-General responded. He told the Committee that '[t]his strategic acquisition was originally initiated by the LDA board back in 2012'. The LDA were 'approached from time to time about particular properties that we might purchase or look at'. As a result 'we thought we needed to have a mechanism', and the Glebe Park purchase was 'actually was the driver' to generate the interpretation document. This, he told the Committee, 'went back to the back end of 2011-12'. 198
- 5.26 However, he told the Committee that '[i]f you go back and have a look at the document that the minister signed and look at the purpose ... there were two words changed in the final document that the Chief Minister signed': '[t]he word "strategic" was dropped off, and that did not have any impact, but the insertion of the word "all" changed the interpretation', and this had significant effect. 199
- 5.27 When asked in which office or agency the wording had been changed, the Director-General told the Committee that '[w]e do not know': 'it may have been internally in economic development'. While he did not 'know where all of that was changed', that was 'what happened'.²⁰⁰
- 5.28 The Committee then asked as to the effective date of the interpretation document, that is: the date the Chief Minister had signed the document. In response, the Acting Deputy Director-General, Land Development, told the Committee that the effective date was June 2014. ²⁰¹

COMMITTEE COMMENT

5.29 In relation to the land acquisition at Glebe Park considered above, the Committee is concerned about testimony given on the matter in public hearings. First, the Director-General of the LDA placed strong emphasis, in his testimony, on an advice drafted in his agency and changes to the wording of a legislative instrument. ²⁰² The Committee notes, in relation to this, that the Auditor-General's report on the acquisition expressed wider concerns than these, including the consistent use of one private sector company for valuations. ²⁰³ While the Director-General sought to defend actions surrounding the Glebe Park acquisition by locating the problem in an administrative legislative error, the Auditor-General, in her report, appeared to identify wider

¹⁹⁸ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.66.

¹⁹⁹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, pp.66-67.

²⁰⁰ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.67.

Mr Neil Bulless, *Proof Transcript of Evidence*, 10 March 2017, p.67.

²⁰² Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.60.

ACT Auditor-General, *Certain Land Development Agency Acquisitions*, Report No.7/ 2016, 'Summary', p.1 *ff.,* available at: http://www.audit.act.gov.au/auditreports/reports2016/Report%20No.%207%20of%202016%20Certain%20Land%20Development%20Agency%20Acquisitions.pdf

- problems with governance and the interaction between the LDA as a government instrumentality and the private sector. 204
- 5.30 The Committee notes that when it sought further information, in hearings, as to the provenance of the advice relied upon by senior officers of the LDA in their answers to questions, answers were less than clear about where responsibility lay for the advice document. In the view of some Committee members, it is unlikely that the LDA was unable to identify who had carriage of that document, and would have been better advised to provide more direct answers to the Committee's questions in this regard.
- 5.31 The Committee notes that it is an essential part of the Westminster system of government with separate Legislative, Executive and Judicial branches, that the Executive provide accurate information to the Legislative branch. Some committee members are concerned that this may not have occurred in relation to the land purchase in question.
- 5.32 The Committee also notes that in responding to questions about the acquisition of the paddleboat business, considered below, the Director-General identified, in response to a question on who provided the valuation for the business, the same company who had provided a valuation—which was subsequently considered highly contentious—for the Glebe Park acquisition. In the view of some Committee members this appeared to cast doubt on the LDA's processes.
- 5.33 It is the Committee's view that experience in this and other jurisdictions indicates that where an interface between government and the private sector exists, there must be strong and clear protocols in place to avoid the perception or actuality of conflicts of interest.
- 5.34 The Committee notes that the ACT Government has announced that the LDA will cease to exist beyond 1 July 2017, and that its responsibilities will be divided between two new agencies.
- 5.35 The Committee notes that the ACT Government has agreed to follow all the recommendations in the Auditor-General's report.

Recommendation 14

5.36 The Committee recommends that in responding to the Auditor-General's report on the purchase of land at Glebe Park by the LDA, and in proposing to the Legislative Assembly the legislative provisions guiding the work of the two new agencies which are successors to the

ACT Auditor-General, *Certain Land Development Agency Acquisitions*, Report No.7/ 2016, 'Summary', p.1 *ff.,* available at: http://www.audit.act.gov.au/auditreports/reports2016/Report%20No.%207%20of%202016%20Certain%20Land%20Development%20Agency%20Acquisitions.pdf

LDA, the ACT Government provide strong and clear protocols governing the relationship between government agencies and the private sector.

Recommendation 15

5.37 The committee recommends that the ACT Government review the evidence provided to Assembly committees and corrects any evidence as necessary as soon as possible.

PURCHASE OF PADDLEBOAT BUSINESS AND BUILDING

- 5.38 The Committee asked questions regarding the LDA's acquisition of a paddleboat business and building in connection with work underway at West Basin as part of the City to the Lake Project. In particular, the Committee asked what consultants had been used, who had done the valuations, what brokers were used, and the sum total of fees paid to brokers, valuers and consultants.²⁰⁵
- 5.39 In response the witnesses agreed to take the questions as Questions Taken on Notice, but also provided initial answers in the hearing.
- 5.40 The Executive Director, Urban Renewal, confirmed that valuers and consultants had been employed, ²⁰⁶ and the Director-General stated that Colliers International had provided valuations for the acquisition. ²⁰⁷
- 5.41 A further question was asked as to the role of brokers in this transaction. ²⁰⁸
- 5.42 Responding to the question, the Director-General told the Committee that he did not 'believe we have used brokers', although 'there was one broker that was used by the Spokes people'.

 They had 'engaged an intermediary', but this was 'separate to us employing one'. It was the practice of the LDA to 'employ an agent to market or sell our properties' but '[w]e do not traditionally employ a broker to act for us *per se*'.²⁰⁹

²⁰⁵ *Proof Transcript of Evidence,* 10 March 2017, p.69.

²⁰⁶ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.70.

²⁰⁷ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.70.

²⁰⁸ Proof Transcript of Evidence, 10 March 2017, p.70.

²⁰⁹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.70.

- 5.43 In further questioning, it was asked whether Mr Ben Parsons had acted as a broker in the transaction, as reported by the Canberra Times, and whether he had been paid for his services by the ACT Government.²¹⁰
- 5.44 In response, the Director-General told the Committee that Mr Parsons had indeed acted on behalf of the owners of the paddleboat business, that he had been paid by the owners for his services, and that the ACT Government did not 'normally use brokers'.²¹¹
- 5.45 However, in response to further questions, the Director-General told the Committee that Mr Parsons fee was paid by the ACT Government as 'part and parcel of the negotiated outcome' with the owners of the business. ²¹²
- 5.46 At this point, the Executive Director, Urban Renewal, also responded to the question. She told the Committee that it was 'much like when you settle with someone and they say, "Can you direct the cheques to my accountant or my lawyer?". She told the Committee that the payment 'was directed like that', but Ben Parsons 'was not employed by the LDA': he was 'paid as part of the settlement to Mr Spokes, the same way as their accountant was paid and their lawyer', and the payment was 'just a cheque direction issue'. 213
- 5.47 The Committee then asked questions as to whether the payment had been listed on the register for payments by the ACT Government, in relation to which the Government has a statutory obligation to notify all payments beyond a certain threshold amount.²¹⁴
- 5.48 In responding, the Chief Financial Officer, LDA, told the Committee that not all payments were required to be listed on the register, and that this may have been the case for the paddleboat acquisition. ²¹⁵
- 5.49 In response to further questions, the Chief Financial Officer told the Committee that '[i]n the notifiable payments register, if it is a component of a different payment then it will be part of that component', and that such payments 'may not be broken up separately'. He also told the Committee that the payment 'would need to be above \$3,000 in order to appear in that register'. 216

²¹⁵ Mr Bruce Fitzgerald, *Proof Transcript of Evidence*, 10 March 2017, p.71.

²¹⁰ Proof Transcript of Evidence, 10 March 2017, p.70.

²¹¹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.70.

²¹² Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.71.

²¹³ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.71.

²¹⁴ Proof Transcript of Evidence, 10 March 2017, p.71.

²¹⁶ Mr Bruce Fitzgerald, *Proof Transcript of Evidence*, 10 March 2017, p.71.

- 5.50 A further question was asked, as to whether for 'some of the payments that have been published by the LDA next to a single payee may in fact be multiple payees'.²¹⁷
- 5.51 In responding, the Chief Financial Officer told the Committee that the payee 'as listed is what goes through our financial management system', and that '[i]f the invoice is provided to LDA for a conglomerate of people then it will be listed as such on that register'. 218
- 5.52 Responding to further questions, he went on to say that the listing on the Register would be 'based on the invoice; on whom we are actually paying', and that '[if] the vendor has provided us with the invoice details then the name of the person providing the invoice will be the one listed on that register'. 219
- 5.53 At this point the Director-General also responded, saying that '[a]t the end of the day, we pay whoever has invoiced it, because it comes straight out of our financial system'. 220
- 5.54 When asked whether any ACT Government officer had referred the owners of the paddleboat business to Mr Parsons, the Director-General said that this was not so, and that Mr Parsons had 'actually responded after a Philip Clark interview between me and Mrs Edwards'. He told the Committee that 'they had been through a legal firm and it was quite ugly', as '[t]heir legal officer was quite aggressive at the time and it was not going very far', and that it was his understanding that '[h]e rang them up and approached them and said, "Would you like me to act for them?". ²²¹

GINNINDERRY DEVELOPMENT

- 5.55 The Committee asked questions about the Ginninderry Development. In particular it asked about how Ginninderry came to be a joint venture of the ACT Government after not being a joint venture at its inception.²²²
- 5.56 In responding, the Deputy Director-General told the Committee that he remembered 'meeting with Mr Maxwell back in June 2007', when there were 'a lot of discussions', and 'at first the government was not that interested'. ²²³

²¹⁷ Proof Transcript of Evidence, 10 March 2017, p.72.

²¹⁸ Mr Bruce Fitzgerald, *Proof Transcript of Evidence*, 10 March 2017, p.72.

²¹⁹ Mr Bruce Fitzgerald, *Proof Transcript of Evidence,* 10 March 2017, p.72.

²²⁰ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.72.

²²¹ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.73.

²²² Proof Transcript of Evidence, 10 March 2017, p.74.

²²³ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.74.

- 5.57 He told the Committee that there had been 'a lot of issues and concerns' on the part of Treasury, and that there were 'a lot of issues around environmental matters' and 'around how it might be treated across the border as well, as it spanned into New South Wales, and what that would do to our distribution of GST and all those sorts of things.' However, he told the Committee, the proponent for the development, David Maxwell, engaged consultants, 'pressed on and provided all of the consultancy reports' and by doing this 'answered a lot of those questions'. 224
- 5.58 Regarding joint venture arrangements, the Director-General told the Committee that '[a]t one point, it was agreed that we would not do the joint venture, that it would be basically ours'. He told the Committee that:

One of the advantages involved the fact that ... there is a buffer from fire, protection and all of that. The fact that that family owned the land in New South Wales meant that we could use that land as the buffer, and it allowed us to develop in land that we could not normally develop. ²²⁵

- 5.59 This, he said, was 'the other attraction', that there was 'something in the order of between 2,000 and 2,500 additional dwelling sites in the buffer zone which we could never develop because it was the buffer land'. He told the Committee that the arrangement changed to 'more a ninety-ten JV' [joint venture]; we were just going to control the ACT and he would take his chances on the New South Wales side'. But, he told the Committee, 'as we went through and did a whole lot more work, and there was a lot more feasibility, it morphed into the JV' in its present form. ²²⁶
- 5.60 The Executive Director, Greenfield, also responded. He told the Committee that 'the project has a lot of unique aspects' 227:

It is not only the environmental matters, but the cultural significance of the area. It is adjacent to Strathnairn arts precinct, which is a fabulous asset for the territory. It is not far from the treatment works. It is not far from the major supply of electricity in the ACT. There is a landfill site which is currently used as an emergency site, but also for material from homes from the asbestos task force that has been put into that landfill area, which eventually will be capped and turned into an open space. So it has a lot of complexities to it. 228

²²⁴ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.74.

²²⁵ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.75.

²²⁶ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.75.

²²⁷ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.75.

²²⁸ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.75.

- 5.61 He went on to say that 'a lot of work had to be done to demonstrate that it could be developed', and that the project was 'unique' in that it 'is an area of New South Wales which abuts the territory border which is isolated from New South Wales by Ginninderra Creek and the Murrumbidgee River' and there 'is no other form of access to get into that area'. However, the 'landowner in New South Wales also held land in New South Wales' and then 'approached the territory about entering into jointly developing the land'. 229
- 5.62 Later in hearings further questions were asked regarding sustainability and the Ginninderry development.²³⁰
- 5.63 Responding, the Executive Director, Greenfield, told the Committee that:

The project is looking at reducing its dependence on non-renewable energies, so it is about the opportunity to have photovoltaic cells on every dwelling, for example. Then, in the first instance, the idea is that you would store power within the homes or use the inverter back into the grid. Then you would have a smart energy unit which would regulate the power back in through the home and back out to the grid. In the first iteration it is envisaged that it would work like that, and in fact you could continue in that manner. The project is also exploring the opportunity to look at localised battery storage. You would not need each house to have a battery. Discussions are being had with ActewAGL about how that might work and the impact on their electrical network, and those discussions have been very successful to date.²³¹

5.64 He went on to say:

As to the idea of no gas, though, there is the sense that gas is a diminishing supply so there is an ever-increasing price to it. The project is looking at "If you did not have gas, how would it work?" It can clearly work with photovoltaic cells: you can run your house fairly successfully and provide power back into the grid if needed. You will make a saving on your energy bills by having that—the number, I think, is around \$1,500 a year—as opposed to having a gas connection where you are using gas and you are paying for gas, which has an ever-increasing cost. 232

COMMITTEE COMMENT

5.65 In relation to the Ginninderry development, the Committee notes the importance of this new development in view of its potential environmental and heritage impacts, and the novel nature

²²⁹ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.75.

²³⁰ Proof Transcript of Evidence, 10 March 2017, p.77

²³¹ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.77-78.

²³² Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.78.

of the development in that it spans the border between the ACT and NSW jurisdictions. The Committee also notes the development's intention to be no gas and the importance of this as gas is a fossil fuel. It will be important for delivering the ACT government's commitment to zero net greenhouse emissions by 2050.

Recommendation 16

5.66 The Committee recommends that the Assembly and the public be kept updated, to the extent possible, on any progress in readjusting the NSW-ACT border and on matters relating to the management of a gravel mine close to Ginninderra Falls.

DICKSON TRADIES CLUB

- 5.67 During the hearing on 10 March 2017, questions were asked and answered regarding arrangements for ownership of land in Dickson by the Dickson Tradies Club or the Construction, Forestry, Mining and Energy Union (CFMEU). In particular, questions were asked as to whether the ACT Government had settled with the Club or the CFMEU on a land swap arrangement for Section 72 in Dickson. ²³³
- 5.68 In responding, the Executive Director, Urban Renewal, told the Committee that:

My understanding is that back in 2013, before I joined the agency, there was a request for tender for the car park outside the Dickson Tradies Club, a public request for tender that was done out of economic development at the time. My understanding is that the successful tenderer for that car park was the CFMEU and the payment that was part of that tender included the land that they held in section 72 in Dickson and then a financial transaction for what the difference in the values was.²³⁴

5.69 When asked who owned the block, the Executive Director told that Committee that the car park adjacent to the Tradies Club in Dickson was owned by 'the Tradies', but she was 'not sure what the entity is, whether it is the CFMEU or the Tradesman's Club [and] I would have to look at that'.²³⁵

²³³ Proof Transcript of Evidence, 10 March 2017, p.82.

²³⁴ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.82.

²³⁵ Ms Liz Lopa, *Proof Transcript of Evidence*, 10 March 2017, p.82.

COMMITTEE COMMENT

5.70 The Committee notes the need for transparency in regards to land purchases by government agencies.

PURCHASE OF RURAL LAND IN WESTERN ACT

- 5.71 During the hearing on 10 March 2017, questions were asked and answered regarding the purchase of rural land by the LDA on the western side of the ACT. In particular a questions was asked as to whether the purchased properties met criteria set out in the ACT Government's 2012 planning strategy as suggested in a February 2016 Canberra Times article.²³⁶
- 5.72 In responding to the question, the Executive Director, Greenfield, told the Committee that the information in the article 'probably' came from a 2012 planning strategy document, which identified 'a polygon on the western edge of the territory' for 'future investigations', which was currently zoned as broadacre. He noted that '[t]ypically, within the ACT there are areas of broadacre that are reserved as the city grows'.²³⁷
- 5.73 The Committee asked on what basis the land had been acquired, in light of the fact that it had not been identified for development.²³⁸
- 5.74 In responding, the Executive Director agreed that the land 'has not as yet' been identified for development. He told the Committee that the LDA was 'undertaking some further capability assessments of that area' and had '[a]t this point ... undertaken sufficient due diligence to see that, in terms of its topography and the availability of environmental studies at this point, the land is capable and has a direct correlation to the adjoining Weston Creek and Stromlo areas'. As a result it was seen as having 'potential for future development, and if the territory elects to go down that path, through the appropriate processes, it could be available for development'.²³⁹
- 5.75 When asked further questions about the decision to purchase these parcels of land, the Executive Director told the Committee that the LDA had 'had some landowners approach it for the opportunity to sell the land'. The LDA had 'looked at it', had 'not seen an immediate need

Proof Transcript of Evidence, 10 March 2017, p.84. and see Tom McIllroy, 'ACT government spends \$24m on rural land acquisitions', Canberra Times, February 26, 2016, available at: http://www.canberratimes.com.au/act-news/act-government-spends-24m-on-rural-land-acquisitions-20160225-gn454v.html

²³⁷ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.84.

²³⁸ Proof Transcript of Evidence, 10 March 2017, p.85.

²³⁹ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.85.

to go down that path', and made its decisions 'at the time it [was] reviewing those blocks of land'.²⁴⁰

5.76 When asked whether there had been perceptions of an 'immediate need' for the land, the Executive Director told the Committee:

It is not an immediate need. A number of these properties had people who occupied them on 99-year leases and they were coming to the end of their time of occupation. A number of them were aged. In one instance there was a company that owned the Huntly estate. The late John Gale—I think that was his name—was on that property. John, going into retirement, owned that company, and approached the LDA to say they would like to work out how they could sell the property. We were interested given its very close proximity to Molonglo and the Belconnen area. ²⁴¹

- 5.77 The Committee notes the importance of strategic planning, land acquisitions, land release, and development for the future form of both the built and natural environments in the ACT, and for amenity for the residents of the ACT.
- 5.78 Regarding strategic planning and acquisitions relating to future land releases, the Committee notes the importance of these activities for the future form of the built and natural environments in the ACT, and their implications for the amenity of residents of the ACT.
- 5.79 In its questions to witnesses in public hearings, the Committee sought greater clarity in relation to these processes. Reflecting upon this, the Committee considered that it was important for the ACT community to be as fully aware as possible about future plans for land release and future developments. The Committee was particularly mindful of these imperatives in relation to two specific areas: strategic planning for land release and the implications of the release, development and sale of land currently under the administration of the CSIRO, both considered above.

Recommendation 17

5.80 The Committee recommends that the ACT Government continue to keep the public informed of its land release program for the next four years, including improvements to documentation and communication processes to allow for greater transparency and access.

²⁴⁰ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.85.

²⁴¹ Mr Tom Gordon, *Proof Transcript of Evidence*, 10 March 2017, p.85.

LAND RELEASE AND TYPES OF DWELLINGS

- 5.81 During the hearing on 10 March 2017, questions were asked and answered regarding land release and the provision of sites for detached dwellings in the ACT.²⁴²
- 5.82 In response, the Acting Director, Strategy and Program Design, told the Committee that '[o]ur directorate does not actually approve dwellings'; rather, '[o]ur directorate releases land such that individual home owners or builders or development entities can then seek approval'.²⁴³
- 5.83 However, he told the Committee:

In terms of the mix of land release over 2015-16 ... [w]e released over 1,000 single residential dwelling sites, which was the highest level in quite some time. In terms of the multi-unit market, we supplied around 2,800 dwelling unit sites into the market.²⁴⁴

5.84 He told the Committee that:

The land release program is progressively being rebalanced from a period when there was a high proportion of multi-unit dwellings. We have seen more suburbs coming on stream, particularly in Gungahlin, and environmental approvals being granted across Molonglo. In the land release program going forward, we will continue to see a much better availability of different dwelling types, particularly in west Belconnen.²⁴⁵

5.85 When asked about the availability of land from land release over the coming twelve months, the Acting Director told the Committee that:

In the next 12 months we forecast putting out just over 4,000 dwelling sites. The mix there is around 1,200, which we refer to as single residential or compact blocks, and around 3,000 that will be multi-unit housing. As we go further down the track and start to see the releases in Denman Prospect, as well as the suburb of Taylor and the continuing releases in west Belconnen ... we will see an increase in the number of single detached residential, getting as high as around 2,500 per annum in coming years. ²⁴⁶

²⁴² Proof Transcript of Evidence, 10 March 2017, p.86.

²⁴³ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.86.

²⁴⁴ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.86.

²⁴⁵ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.86.

²⁴⁶ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.87.

- 5.86 At this point the Committee asked about demand for multi-unit housing sites. 247
- 5.87 In response, the Acting Director told the Committee that 'the government [had] enabled the private sector to deliver a range of product'. With regard to the demand for 'the medium to higher density product', he told the Committee, 'we currently have around 13,000 dwellings in the hands of the private sector', and '6,000 of those are coming out of the ground'. 248
- 5.88 He went on to say that:

Analysis of the market which we undertake suggests that there is still pent-up demand for housing. We have seen vacancy rates over the Christmas-New Year period and as we roll into this particular year at around 1.3 per cent, which is well below what we would regard as a balanced market. Certainly when it comes to rents and the prices, there is no indication to suggest that we have a significant oversupply. We monitor private sector development very closely and, as you know, the government is not in the game of actually building product. It is enabling the private sector to deliver product in a competitive, viable way. We monitor that very closely, and we adjust our land release program accordingly. It is clear that we need to start ramping up single residential. There are many opportunities going forward over the next four years for that to be achieved.²⁴⁹

5.89 When asked how rates of supply were calculated to both meet demand and maintain the stability of the market, the Acting Director told the Committee that:

We start with our housing supply and demand model. This is a model managed by economic development. It has been peer reviewed across all government agencies. The input that we take into account is, of course, population growth. The very latest forecasts for population growth suggest that what we have been seeing over previous years will continue into the future.²⁵⁰

5.90 He told the Committee that the Directorate was expecting 'a demand of around 2,800 homes per annum'. He told the Committee that '[o]ver the past 10 years we have been releasing dwelling sites to respond to that demand at a level of around 3,700'. This 'adds up when you start to look at the size now of the private sector pipeline', and there were currently 'about 200 active projects mixed throughout both greenfield and infill estates in the hands of the private sector'. ²⁵¹

²⁴⁷ Proof Transcript of Evidence, 10 March 2017, p.87.

²⁴⁸ Mr Simon Tennent, *Proof Transcript of Evidence,* 10 March 2017, p.87.

²⁴⁹ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.87.

²⁵⁰ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.87-88.

²⁵¹ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.88.

5.91 He went on to say that:

In terms of sites released, one site release does not always necessarily translate to one dwelling. We allow that flexibility within the market so that if we put a site out, it has the potential for 250 dwellings. We still have the opportunity for the developers to assess the market on their own merit and then deliver what they think the market requires within the existing zoning or lease purpose clause on that site.²⁵²

- 5.92 The Committee asked a further question on whether developers were seen as the main market for released land, compared with private or individual purchasers.²⁵³
- 5.93 In responding, the Acting Director told the Committee that:

I think 4,000 sites were released over 2015-16. There was a mix of englobo releases, particularly in Denman Prospect, to the private development industry, as well as quite a number of LDA estates. We have sites that go out which are undeveloped which the private sector can then take control of, and then we have sites, of course, where the LDA play a very important role in developing the suburbs. One of the objectives of the land release program is not only to return a dividend, I guess, to the government and the community but also to foster a competitive and viable development sector ... ²⁵⁴

- 5.94 The Committee also asked a further question on proportions of land arising from land release developed by government or the private sector.²⁵⁵
- 5.95 In responding to the question, the Acting Director told the Committee that '[t]ypically, it is on a case-by-case basis' and that '[o]f late, there [had] been a number of opportunities that have lent themselves to englobo development'.²⁵⁶
- 5.96 The Minister also responded. She told the Committee that:

There are three types. There is a land development only area, and all of the benefit comes back to the community. If it is a joint venture, it is half. If it is by a developer, we do not get the gain out of the future development from the sales like we would if it was the Land Development Agency. The community does much better out of an LDA-managed sale and release program. ²⁵⁷

²⁵² Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.88.

²⁵³ Proof Transcript of Evidence, 10 March 2017, p.88.

²⁵⁴ Mr Simon Tennent, *Proof Transcript of Evidence,* 10 March 2017, p.88.

²⁵⁵ Proof Transcript of Evidence, 10 March 2017, p.88.

²⁵⁶ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.88.

²⁵⁷ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.88.

'MISSING MIDDLE'

- 5.97 At this point the Committee asked questions about demand and provision for intermediate dwelling types, sized in between apartments and detached dwellings. These were referred to as a 'missing middle' of un-met demand in the housing sector. ²⁵⁸
- 5.98 In responding, the Acting Director told the Committee that:

The missing middle is something that we are absolutely aware of. There are certainly some exciting developments ahead, particularly in Ginninderry, in terms of how they are going to approach delivering quite a broad mix, probably the broadest mix that we have seen in housing types in quite some time. It is an iterative process. We have been hearing about falling numbers of persons per household and increases in single person households. The planning directorate is also very much aware of the changing face of the ACT. The land release attempts to respond to that at a broad enough level, such that those who do get their hands on the land can then engage in that estate development process and respond to the market based on how they are seeing it as well.²⁵⁹

5.99 The Director-General also responded to the question. He told the Committee that:

As we develop these programs, we work with industry, the HIA and the MBA. We have a residential advisory council and commercial advisory councils. Industry is represented there. We provide the data that we have. We obviously look for an exchange as well. I suppose we are using the word "developer" a lot. A distinguishing feature there is the builder, who probably would not like to be classified as a developer. You will find that some builders or even small-scale developers will buy a unit site or in some of greenfield sites which might have a mix of a higher density and terraced housing. They have bought those and converted them into what we call townhouses on a site. Part and parcel of the program, as Mr Tennent has pointed out, is to build that flexibility in, so they do not always have to build high density on some of those sites. They can actually substitute it for townhouses or even terraced housing if they so desire. ²⁶⁰

5.100 When asked about whether demand for this 'missing middle' had been quantified, the Acting Director told the Committee that:

We have not quantified it. There is a piece of work that I understand is in development with the planning directorate about choices around housing. Again, we have had some input to that based on our observation of the market, as well some of the consultation

²⁵⁸ Proof Transcript of Evidence, 10 March 2017, p.89.

²⁵⁹ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.89.

²⁶⁰ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.89.

that we do with industry. A lot of that is being considered. It certainly will be a feature going forward to try to really get the precise mix.²⁶¹

Recommendation 18

5.101 The Committee recommends the land release program continue to investigate how land releases can incorporate the 'missing middle'.

DEVELOPMENT OF CSIRO LAND IN THE ACT

- 5.102 During the hearing on 10 March 2017, questions were asked and answered regarding the impact of proposed development of some land owned by CSIRO, in particular its effects on land release in Belconnen and the new development of Ginninderry. ²⁶²
- 5.103 In responding, the Acting Director told the Committee that questions of the 'magnitude' of a possible development on CSIRO land would be something about which 'we will have to wait and see', and that '[w]e have not seen enough around CSIRO at the moment'. However, what was known was 'a rough dwelling yield' and 'a rough time frame'. 263
- 5.104 He went on to say that the CSIRO development was intended as a 'certain quality of product aimed at a certain audience', and that it was 'a very important consideration' in land release that '[n]ot every piece of land, every estate or every suburb where we release land is competing against each other'. The ACT, by contrast, was 'offering choice right across the board in terms of type and also price'. 264
- 5.105 The Minister also responded to the question. She told the Committee that land release in the ACT would be 'one of the things that will be affected by CSIRO', and also 'the ACT government's infrastructure programs' in terms of 'everything we will need to do around schools, shopping centres and roads' that is: '[e]verything that connects a new suburb to the existing community', and that the need to supply this 'will impact on the rest of the ACT community'. 265
- 5.106 She told the Committee that 'challenges with the CSIRO site' would continue, in that the development would 'not be required to be approved through the ACT planning act'. Rather it

²⁶¹ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.89.

²⁶² Proof Transcript of Evidence, 10 March 2017, p.92.

²⁶³ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.92.

²⁶⁴ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.92.

²⁶⁵ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.92.

would be done 'through the NCA, the National Capital Authority', and this 'could lead to some issues later on because the planning requirements that the ACT has might be different'. For example, '[w]e might have more requirements on the quality of a footpath ... than the NCA has', and '[w]hen we end up with it later on, the LDA and the ACT government are left with a poorer quality product and have to fix it up'. 266

- 5.107 She went on to say that '[a]part from land supply', which was one issue, the ACT would 'have all these other planning issues', and 'we would have to consider, as a government and as a community, how we respond on a number of different fronts that we have not really been responsible or have planned for in the short to medium term'.²⁶⁷
- 5.108 At this point, further questions were asked and answered regarding an invitation by CSIRO for expressions of interest to partner with CSIRO in a joint venture to develop land currently owned by CSIRO. When asked whether the ACT Government had held discussions with CSIRO about the project, the Minister told the Committee that:

What we could say is that CSIRO has asked for expressions of interest for a joint venture. The government has decided, for lots of different reasons, not to apply and not to participate in that project. As far as I know, it is still seeking a joint venture partner. We are waiting to hear who that could be. ²⁶⁸

- 5.109 When asked as to why the ACT Government had chosen not to express interest in being a partner to the joint venture, the Minister told the Committee that there were 'a number of reasons', including 'whether or not the ACT would have planning approval or whether it would be done through the National Capital Authority'. 269
- 5.110 She went on to say that she thought it 'an unusual situation for the ACT to develop' land where that land is not under the planning jurisdiction of the ACT; that this had led to uncertainty on the part of the ACT Government about participating in the project; and that as a result the 'government decided on this occasion not to be a joint venture partner with CSIRO on that site'.²⁷⁰

COMMITTEE COMMENT

5.111 The Committee notes the potential impact of a large land release and development on ACT land currently owned by CSIRO.

²⁶⁶ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.92.

²⁶⁷ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.92.

²⁶⁸ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.93.

²⁶⁹ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.93.

²⁷⁰ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.93.

Recommendation 19

5.112 The Committee recommends that the Assembly and the public be informed of any impact that the CSIRO program may have on land release programs in other areas.

Recommendation 20

5.113 The Committee recommends that the Assembly and the public be informed of any impact of a development not under the planning control of the ACT Government but within urban Canberra.

PRICING OF LAND FROM LAND RELEASE

- 5.114 During the hearing on 10 March 2017, questions were asked and answered regarding pricing mechanisms for land on sale as the result of land release by the LDA.²⁷¹
- 5.115 In responding, the Director-General told the Committee that the LDA employed 'a number of different methods', which included 'either a ballot or an auction or in some cases expressions of interest', and it then had 'valuations done to determine the prices'.²⁷²
- 5.116 The Executive Director, Sales, Marketing and Property Management, also responded to the question. He told the Committee that:

To set the valuation for a property, we will get two different valuations from two different firms. We will look at those valuations and, if they are within a reasonable percentage, we will take the average of those. But if they are actually apart, we might sometimes have to go to a third valuation to set the price. The process has been in place for a number of years and it is working quite well.²⁷³

5.117 The Director-General also told the Committee that when the LDA planned to 'auction blocks in some of the suburbs, we release all the information and reserve prices along with those', and that this had been done for Lawson and Throsby where, 'prior to those auctions, we released the indicative prices'.²⁷⁴

²⁷¹ Proof Transcript of Evidence, 10 March 2017, p.93.

²⁷² Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.93.

²⁷³ Mr Daniel Bailey, *Proof Transcript of Evidence*, 10 March 2017, pp.93-94.

²⁷⁴ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.94.

5.118 When asked about sales or 'clearance rates' of blocks from land release, the Director-General told the Committee that:

Even through a ballot system, you can take blocks out to a ballot and they are not all sold, and they just become available over the counter. If you take them to auction and they are not sold, they will then sit on the counter for a sale. They are there and available for anyone to purchase, whether is it a builder or a private mum and dad who want to buy a block of land to build their home. ²⁷⁵

5.119 The Executive Director also responded to the question, telling the Committee that:

We find that our success rate is just like with the private market on the weekend. We do not expect that everything will sell via auction, and a number of the properties actually sell better over the counter. There are a number of buyers that actually prefer to buy over the counter. We see that as a positive thing to have stock available there as well.²⁷⁶

FUTURE OPTIONS FOR LAND RELEASE

- 5.120 During the hearing on 10 March 2017, questions were asked and answered regarding options for land release in Canberra over the coming 20 to 30 years.²⁷⁷
- 5.121 In responding to the question, the Acting Director, Strategy and Program Design, told the Committee that '[o]ur team ... does ... work on future of urban development fronts ... in conjunction with the planning directorate', and noted that the 'the planning directorate at the moment is working on their new strategic plan for the ACT', which would have implications for identification of new areas for land release.²⁷⁸
- 5.122 He told the Committee that consideration had been given to 'all of the potential areas around the ACT, including Kowen [Forest]' in collaborative work across ACT Government directorates, the main focus of which had been to 'provide some sort of SWAT analysis on how we would rank each of these particular areas'. Some areas were considered 'showstoppers', while others 'lend themselves to ... being the next urban development front'. He noted, however, that the 'cost of infrastructure in Kowen [was] still quite significant' and this would be 'difficult to overcome in the short term'. 279

Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.96.

²⁷⁵ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.94.

²⁷⁶ Mr Daniel Bailey, *Proof Transcript of Evidence*, 10 March 2017, p.94.

²⁷⁷ Proof Transcript of Evidence, 10 March 2017, p.95.

²⁷⁹ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.96.

- 5.123 He went on to say that there were 'other parts of the ACT which lend themselves to the existing infrastructure network that are firming ... more as, medium term rather than longer term', however '[w]e are certainly keen to see what the next planning strategy does, indeed, tell us about the next urban development plan'.²⁸⁰
- 5.124 A further question was asked as to what areas were under consideration in a wider sense, even if there were no present intent for them to be developed.²⁸¹
- 5.125 In responding, the Acting Director told the Committee that the 'western edge [of the ACT] continues to come under close scrutiny'; that Kowen [Forest] had been one area that had 'come under quite a bit of scrutiny of late', as had 'Tuggeranong to the west of the Hyperdome'.²⁸²

COMMITTEE COMMENT

5.126 The Committee notes that the EPSDD evidence indicated that the government was just commencing work to decide future growth areas, yet evidence by Economic Development and LDA in the hearing indicated that they had been undertaking work on this issue for some time and that the LDA was continuing to pursue the western option.²⁸³

Recommendation 21

5.127 The Committee recommends that the ACT Government clarifies to the Committee which agency is responsible for work on future urban growth areas and provides the Committee reassurance that other agencies are working in close coordination with the lead agency.

Recommendation 22

5.128 The Committee recommends that the ACT Government clarifies to the Committee when and how the community will be consulted and communicated with on future urban growth areas.

²⁸⁰ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.96.

²⁸¹ Proof Transcript of Evidence, 10 March 2017, p.96.

²⁸² Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.96.

²⁸³ Proof Transcript of Evidence, 10 March 2017, pp.5-6; 84-88; 95-96.

6 Housing

6.1 The Minister for Housing and Suburban Development and her officers appeared before the Committee in hearings of 10 March 2017.

AFFORDABLE HOUSING ACTION PLAN

- 6.2 In hearings, questions were asked and answered regard the Affordable Housing Action Plan. The Committee asked about the transfer of land or surplus properties to the community housing sector, and in particular, how many properties had been transferred.²⁸⁴
- 6.3 In responding to the question, the Acting Director, Strategy and Program Design, told the Committee that sites transferred to the community housing sector via Community Housing Canberra totalled '523 sites since 2007', and that '459 sites have been allocated for the construction of new public housing since 2007'. 285
- 6.4 Responding to further questions, the Director-General told the Committee that over the life of the program some transfers to the community housing sector had consisted of existing buildings while more recently transfers had consisted of land suitable for construction of housing. In some instances Community Housing Canberra had paid for land, while in others transfers had been made under a land rent program.²⁸⁶
- 6.5 In responding to a question as to how many dwellings had been allocated for affordable housing in new greenfields developments, the Executive Director told the Committee that '[t]o date, 2,650 dwelling sites have been provided for affordable home purchase'; that, in addition, 'another 2,025 dwelling sites that [had] been released under land rent' over that same period'; and that these figures included multi-unit sites in these developments. 287
- 6.6 Further questions were asked as to whether there were instances in which land identified for affordable housing--and thus set at a lower price for sale-had been purchased and then sold on for a profit. 288

²⁸⁴ Proof Transcript of Evidence, 10 March 2017, p.97.

²⁸⁵ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.97.

²⁸⁶ Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.98.

²⁸⁷ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.98.

²⁸⁸ Proof Transcript of Evidence, 10 March 2017, p.99.

- 6.7 Responding to the question, the Acting Director told the Committee that 'there is still a requirement, and it is under section 246 of the Planning and Development Act, that despite these being listed as affordable housing, they are sold at market rate'. 'Typically', he told the Committee, these were 'smaller blocks', for which 'the value is determined by independent valuers', and 'the affordability component comes out of the fact that it is typically a smaller footprint, whether it is a compact home or whether it is a unit'. In light of this, he told the Committee '[a]rguably, they are being transacted at market rate'.²⁸⁹
- 6.8 He went on to say that in instances 'where windfall gains have been suggested, we are continuing to look very closely at that, going back to the deeds and then looking to see how that may have occurred' and that this was 'informing some of the discussion at present about how we might go forward'. He also noted that 'that one of the parliamentary agreements was to focus on restricting, reducing or eradicating windfall gains'.²⁹⁰
- 6.9 When asked what could be done to prevent this kind of activity, the Executive Director told the Committee that were 'some provisions in place at the moment' which, according to the Director-General, prevented such properties being sold-on less than five years after the initial purchase.²⁹¹
- 6.10 The Director-General went on to say that there was also 'investigative work' being done 'to look at one of the great things we have here, the leasehold system, and how we might build some of those restrictions into the leasehold'. He told the Committee that '[a]s we come out with an updated affordable housing action plan, we are just looking at how we might be able to implement those to ensure that those sorts of things are not occurring', and that '[w]e are just getting some legal advice around that to look at how we can restrict it'. 292
- 6.11 The Committee also asked further questions about the suitability of community housing for people on low incomes, and whether significant levels of debt carried by community housing entities made them preference tenants capable of paying rent reliably. ²⁹³
- 6.12 In responding, the Minister told the Committee that:

We are doing what we can in the ACT around the different provisions of housing for different levels of affordability. We still have the highest number of public housing tenants per capita, and we are proud of that. We do provide community housing options for people where that works for that part of the community. We have got land

²⁸⁹ Mr Simon Tennent, *Proof Transcript of Evidence*, 10 March 2017, p.99.

²⁹⁰ Mr Simon Tennent, *Proof Transcript of Evidence,* 10 March 2017, p.99.

²⁹¹ Mr Simon Tennent, Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.100.

²⁹² Mr David Dawes, *Proof Transcript of Evidence*, 10 March 2017, p.100.

²⁹³ Proof Transcript of Evidence, 10 March 2017, p.103.

supply programs going on as well and we have got tax reform about removing stamp duty which, over time, will make a difference to people's ability to be able to get into homes of their own.²⁹⁴

6.13 She told the Committee that 'we do have to look at every kind of different possibility within reason and try to plug the different gaps in the market', and that '[w]e all know that the gap at the moment is in those bottom two income quintiles'.²⁹⁵

'SALT AND PEPPER' DISTRIBUTION OF PUBLIC HOUSING

- 6.14 During the hearing on 10 March 2017, the Committee asked questions about the application of a 'salt-and-pepper' policy on the distribution of public housing through residential areas in the ACT. In particular, the Committee asked how this was applied by the responsible ACT Government agencies.²⁹⁶
- 6.15 In responding, the Executive Director, Public Housing Renewal Taskforce, told the Committee that 'in the selection of each of the sites that we have used in the program or each of the developments that we have purchased through our expression of interest program we look at the percentage of public housing in that suburb'. In planning public housing, he told the Committee, '[w]e ... start off in the broad, looking at what the existing population of the suburb is'. Then, '[w]hen we come down to look at the proposals that are forwarded to us ... one of the first things we talk about with Housing is whether this suits their needs, whether we are re-creating a concentration'. He told the Committee that '[w]e have guidelines as to the maximum sites that we will take' however '[h]ousing has been flexible because we are under a bit of pressure in terms of availability of land'. He went on to say that '[w]e are ideally looking for unit developments that are no more than 24 units', although in 'good locations we have gone up to 32'. 297
- 6.16 When asked to be more specific about the 'salt and pepper' policy, and what proportion of dwellings it entailed, the Executive Director told the Committee that this entailed 'trying to stay below 24 but not exceeding 32 units in a single complex' or keeping to a maximum of 6 percent of dwellings in a given suburb. This, he told the Committee, was 'the general rule'. 298

²⁹⁴ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.103.

²⁹⁵ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.103.

²⁹⁶ Proof Transcript of Evidence, 10 March 2017, p.107.

²⁹⁷ Mr David Collett, *Proof Transcript of Evidence*, 10 March 2017, p.107.

²⁹⁸ Mr David Collett, *Proof Transcript of Evidence*, 10 March 2017, p.108.

- 6.17 When pressed on what the Government meant by 'salt and pepper', the Minister said "It is more an approach than a policy. It is more about making sure that we provide housing all across the city so that it meets the needs of our tenants. The committee asked "But six per cent is not written down?" and the minister responded "Six per cent is an average across the city. There are some areas in the city that have a much higher density, for example—The Committee sought clarification" Is it a target? Is six per cent a target? "and the minister replied ": No; it is the average". 299
- 6.18 The Executive Director went on to say that for land that has been 'offered to us by the LDA, we are avoiding taking significantly more than six per cent in both the multi-unit properties and the detached housing', and that the 'same principles would apply to the detached housing that we are taking either from the offers that are being made or through our construction program'. 300
- 6.19 A further question was asked as to this six percent target was adhered to within multi-unit public housing developments, or whether it could be expressed as multi-unit dwellings in blocks which were all public housing and were counted as part of the six percent in a particular suburb.³⁰¹
- 6.20 In responding, the Executive Director told the Committee that '[w]e are doing both':

In our new construction, we are generally avoiding constructing housing that is a mixture of public housing and other housing. The 32 units or the 24 units that I described might be in a number of different constructions on the site: they will not necessarily be an apartment block of 32 units or even 24 units; they will be broken up. We also look to distribute the stand-alone housing that we are building through the suburb, whether it is through our construction program or our purchase program. ³⁰²

6.21 He went on to say that 'to date we have been able to get 373 separate dwellings compared to 650 apartments as part of our replacement program' and that '[o]ne of the benefits of the program has been to not only break down those concentrations but also provide ... greater choice'. 303

²⁹⁹ Proof Transcript of Evidence, 10 March 2017, p.109.

³⁰⁰ Mr David Collett, *Proof Transcript of Evidence,* 10 March 2017, p.108.

³⁰¹ Proof Transcript of Evidence, 10 March 2017, p.108.

Mr David Collett, *Proof Transcript of Evidence*, 10 March 2017, p.109.

³⁰³ Mr David Collett, *Proof Transcript of Evidence*, 10 March 2017, p.109.

6.22 Responding to further questions, the Minister told the Committee that 'there are some areas that have higher levels of public housing', which arose from past decisions 'as to where public housing was built in the ACT':³⁰⁴

For example, in the city, it is around 20 per cent, or was, but now we are doing our renewal and that might have changed a little bit. But it is still way above six per cent, which is the average. Other suburbs and areas might have a little bit less or a little bit more.³⁰⁵

- 6.23 When asked whether there was a target for the proportion of public housing for suburbs in new developments, the Executive Director told the Committee that 'we have set a six per cent target for public housing sites in new developments, a mixture of both multi-unit and detached housing' and that '[w]e are sticking pretty closely to that'. 306
- 6.24 A question was also asked as to whether this six percent or 'salt and pepper' approach would be applied to the Northbourne Avenue precinct being redeveloped as part of the Capital Metro project.³⁰⁷
- 6.25 In responding to the question the Executive Director told the Committee that 'we are undertaking this work in the round as part of the contribution to the asset recycling initiative, which calls for replacement housing to be constructed, tenants to be relocated, the properties to be sold and the funding to be applied to another infrastructure project', and that having 'housing tenants who are relocated and then coming back onto the site would not have been possible within that time frame'. 308
- 6.26 He told the Committee that 'we have been able to make sure that we do offer alternatives to housing tenants who do want to stay in the inner area', and that one of the benefits of the agency's expressions of interest program, in which properties were offered to the agency for sale unsolicited, 'has turned out to be that we are able to pick up properties in the inner suburbs and offer those as alternatives'. As a result, 'to date we have 177 properties that we have either secured or are in the final stages of negotiating in the inner north', and '77 tenants from the Northbourne apartments [had been] moved into properties in inner Canberra'. So whilst they are not on the site, that aspect of the program has been realised'. 309

³⁰⁴ Ms Yvette Berry MLA, *Proof Transcript of Evidence*, 10 March 2017, p.111.

³⁰⁵ Ms Yvette Berry MLA, *Proof Transcript of Evidence,* 10 March 2017, p.111.

³⁰⁶ Mr David Collett, *Proof Transcript of Evidence,* 10 March 2017, p.111.

³⁰⁷ Proof Transcript of Evidence, 10 March 2017, p.110.

Mr David Collett, *Proof Transcript of Evidence*, 10 March 2017, p.110.

Mr David Collett, *Proof Transcript of Evidence*, 10 March 2017, p.110.

COMMITTEE COMMENT

6.27 The Committee noted the importance of affordable and public housing in the ACT and the many ways in which it was being provided and the government's average of 6% public housing with new greenfields development. Much of the discussion centred on infill and in particular the Northbourne Avenue corridor. The government did not state a target for affordable or public housing in infill. The Committee were informed about the government's other development target of 50% infill development. The Committee noted this could lead to supply issues for public housing in the future.

Recommendation 23

6.28 The Committee recommends that the ACT Government commits to affordable and public housing in infill as well as greenfield developments.

Recommendation 24

6.29 The Committee recommends that the ACT Government develop a policy for the quantity of and placement of public housing and communicate this to the community.

Caroline Le Couteur MLA

Chair

31 May 2017

Appendix A Witnesses

Mr Mick Gentleman MLA, Minister for Police and Emergency Services, Minister for the Environment and Heritage, Minister for Planning and Land Management and Minister for Urban Renewal

Environment, Planning and Sustainable Development Directorate

- Ms Dorte Ekelund, Director-General
- Mr Gary Rake, Deputy Director-General
- Mr Gary Spencer, Acting Director, Finance and Operational Support
- Mr George Cilliers, Senior Manager, Merit Assessment and Estates
- Mr Tony Carmichael, Executive Director, Strategic Planning
- Ms Karen Doran, Head, Asbestos Response Taskforce

Chief Minister, Treasury and Economic Development Directorate

- Mr David Dawes, Director-General, Economic Development, and Chief Executive Officer, Land Development Agency
- Mr Dave Peffer, Deputy Director-General, Access Canberra
- Mr David Collett, Executive Director, Public Housing Renewal Taskforce
- Ms Liz Lopa, Executive Director, Urban Renewal
- Ms Karen Wilden, Director, Office of the Coordinator-General, Urban Renewal
- Mr Nicolas Holt, Director, Urban Projects

Ms Yvette Berry MLA, Deputy Chief Minister, Minister for Education and Early Childhood Development, Minister for Housing and Suburban Development, Minister for the Prevention of Domestic and Family Violence, Minister for Women and Minister for Sport and Recreation

Chief Minister, Treasury and Economic Development Directorate

- Mr David Dawes, Director-General, Economic Development, and Chief Executive Officer,
 Land Development Agency
- Mr Neil Bulless, Acting Deputy Director-General, Land Development
- Mr Tom Gordon, Executive Director, Greenfield
- Mr Bruce Fitzgerald, Chief Finance Officer, Land Development Agency
- Mr Daniel Bailey, Executive Director, Sales, Marketing and Property Management
- Mr Simon Tennent, Acting Director, Strategy and Program Design
- Mr David Collett, Executive Director, Public Housing Renewal Taskforce
- Ms Liz Lopa, Executive Director, Urban Renewal

Appendix B Questions Taken on Notice

Standing Committee on Planning and Urban Renewal Annual and Financial Reports 2015-2016 Questions Taken on Notice - 10 March 2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QToN	1	10 March 2017	Ms Orr MLA	EPSDD	McKellar Shops approval	6/7	30/03/2017
QToN	2	10 March 2017	Ms Lawder MLA	EPSDD	Consultative Committee	7	30/03/2017
QToN	3	10 March 2017	Ms Lawder MLA	EPSDD	Staff Survey	8	30/03/2017
QToN	4	10 March 2017	Ms Lawder MLA	EPSDD	Merit Track assessments successful	12	30/03/2017
QToN	5	10 March 2017	Ms Orr MLA	EPSDD	Gungahlin Pre Application Meetings	14/15	30/03/2017
QToN	6	10 March 2017	Ms Le Couteur MLA	EPSDD	Setbacks and Boundaries	17	30/03/2017
QToN	7	10 March 2017	Ms Le Couteur MLA	EPSDD	Hole in the ground	17/18	
QToN	8	10 March 2017	Ms Le Couteur MLA	EPSDD	Buildings diverted from approval	19/20	30/03/2017
QToN	9	10 March 2017	Ms Lawder MLA	EPSDD	Letter box drops	28	30/03/2017
QToN	10	10 March 2017	Ms Lawder MLA	EPSDD	Demolition at Dark Street Torrens	29	30/03/2017
QToN	11	10 March 2017	Ms Cheyne MLA	CMTEDD	Demographics of land purchased	29	30/03/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QToN	12	10 March 2017	Ms Lawder MLA	CMTEDD	Price paid for blocks	31	30/03/2017
QToN	13	10 March 2017	Mr Milligan MLA / Ms Lawder MLA	CMTEDD	ACT Government Procurement Board	31/32	07/04/2017
QToN	14	10 March 2017	Ms Le Couteur MLA	CMTEDD	Premium from the unimproved capital value	33	
QToN	15	10 March 2017	Ms Lawder MLA	CMTEDD	Health Studies	38	30/03/ 2017
QToN	16	10 March 2017	Ms Cheyne MLA	CMTEDD	Calls the taskforce has taken	38/39	30/03/ 2017
QToN	17	10 March 2017	Ms Cheyne MLA	CMTEDD	items processed under Asset Recycling Scheme	Proof 47	27/03/2017
QToN	18	10 March 2017	Ms Lawder MLA	CMTEDD	Trees removed during demolition of Currong apartments	56	31/03/2017
QToN	19	10 March 2017	Ms Le Couteur MLA	CMTEDD	Community Clubs Task Force	60	31/03/ 2017
QToN	20	10 March 2017	Mr Coe MLA	CMTEDD	LDA purchases	67	
QToN	21	10 March 2017	Ms Le Couteur MLA	CMTEDD	Land acquisitions	Proof 58/59	27/03/2017
QToN	22	10 March 2017	Mr Coe MLA	CMTEDD	Reporting of \$4.2 Million purchase in Annual Report	72	03/04/2017
QToN	23	10 March 2017	Ms Lawder MLA	CMTEDD	Interpretation of LDA statutory framework	76	

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QToN	24	10 March 2017	Ms Lawder MLA	CMTEDD	Paddleboat business and building acquisition	81	27/03/2017
QToN	25	10 March 2017	Ms Le Couteur MLA	CMTEDD	Reporting in payments register	85	
QToN	26	10 March 2017	Mr Coe MLA	CMTEDD	Payment to broker	86	21/04/2017
QToN	27	10 March 2017	Mr Coe MLA / Ms Le Couteur MLA	CMTEDD	Financial interest in companies engaged by LDA	96	
QToN	28	10 March 2017	Mr Coe MLA	CMTEDD	Ownership of Dickson carpark	97	
QToN	29	10 March 2017	Mr Coe MLA	CMTEDD	Dickson Section 72	97	20/04/2017
QToN	30	10 March 2017	Mr Milligan MLA	CMTEDD	Approvals for detached dwellings	102/103	
QToN	31	10 March 2017	Mr Coe MLA	CMTEDD	Throsby blocks put up for ballot	113	03/04/2017
QToN	32	10 March 2017	Ms Lawder MLA	CMTEDD	Distribution of affordable housing	129	
QToN	33	10 March 2017	Mr Milligan MLA	CMTEDD	LDA – Cost of Mingle events	69	27/03/2017
QToN	34	10 March 2017	Mr Coe MLA	CMTEDD	Financial interest of LDA Executives	Proof 82	27/03/2017
QToN	35	10 March 2017	Ms Lawder MLA	CMTEDD	Interpretation of framework - response	Proof 61, 66	27/03/2017

Uncorrected Type of Directorate / Proof Answer **Hearing Date Asked By** Subject No Question **Portfolio** Transcript date page no QToN 36 10 March 2017 Mr Coe MLA CMTEDD Proof 93 27/03/2017 CSIRO joint venture QToN 37 10 March 2017 Ms Le Couteur MLA **CMTEDD** Number of sites transferred to community Proof 97 10/04/2017 housing sector QToN 10 March 2017 13/04/2017 38 Mr Coe MLA CMTEDD Notifiable Invoices Register Proof 71 39 CMTEDD List of land acquisitions in the Land 29/03/2017 QToN 10 March 2017 Ms Le Couteur MLA Proof 62 Development Agency (LDA) 2015-16 Annual Report QToN 40 10 March 2017 Ms Lawder MLA CMTEDD Salt and pepper policy for Public Housing Proof 109 5/05/2017

Appendix C Questions on Notice

Standing Committee on Planning and Urban Renewal Annual and Financial Reports 2015-2016 Questions on Notice - 10 March 2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	1	10 March 2017	Ms Lawder MLA	EPSDD	Active Living grant to Heart Foundation	75	30/03/2017
QoN	2	10 March 2017	Ms Lawder MLA	EPSDD	Building policy	71	30/03/2017
QoN	3	10 March 2017	Ms Lawder MLA	EPSDD	City Plan		18/04/2017
QoN	4	10 March 2017	Ms Lawder MLA	EPSDD	Community engagement	80	5/05/2017
QoN	5	10 March 2017	Ms Lawder MLA	EPSDD	Community gardens guide	76	30/03/2017
QoN	6	10 March 2017	Ms Lawder MLA	EPSDD	Concessional leases	65	30/03/2017
QoN	7	10 March 2017	Ms Lawder MLA	EPSDD	EDP Audit committee		30/03/2017
QoN	8	10 March 2017	Ms Lawder MLA	EPSDD	Healthy You free breakfast	102	30/03/2017
QoN	9	10 March 2017	Ms Lawder MLA	EPSDD	Land acquisition		30/03/2017
QoN	10	10 March 2017	Ms Lawder MLA	EPSDD	Land Rent scheme		31/03/2017
QoN	11	10 March 2017	Ms Lawder MLA	EPSDD	Master plans		05/04/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	12	10 March 2017	Ms Lawder MLA	EPSDD	Public housing renewal program		03/04/2017
QoN	13	10 March 2017	Ms Lawder MLA	EPSDD	Public housing renewal taskforce	80	03/04/2017
QoN	14	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Program – breakdown of 1,288 obsolete dwellings by suburb, location, and type: unit complexes or individual houses or units		03/04/2017
QoN	15	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Program – questions re. sale of dwellings		5/05/2017
QoN	16	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Taskforce— questions on new dwellings to be constructed or purchased		5/05/2017
QoN	17	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Taskforce— questions on demolitions		03/04/2017
QoN	18	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Taskforce— questions on relocations, demolitions, contracts		5/05/2017
QoN	19	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Taskforce— questions on lessons learned and consultations		5/05/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	20	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Taskforce—questions on funding to community sector groups		5/05/2017
QoN	21	10 March 2017	Mr Parton MLA	EPSDD	Public Housing Renewal Taskforce—questions on 'salt and pepper' approach to distribution of public housing		5/05/2017
QoN	22	10 March 2017	Ms Le Couteur MLA	EPSDD	Public Housing Renewal Taskforce—questions on affordable housing, calculation method, design standards and competitions		16/05/2017
QoN	23	10 March 2017	Ms Le Couteur MLA	EPSDD	Sanctions available where incorrect information is provided in a Development Application		30/03/2017
QoN	24	10 March 2017	Ms Le Couteur MLA	EPSDD	Planning policy on development of Central Molonglo		30/03/2017
QoN	25	10 March 2017	Ms Le Couteur MLA	LDA	LDA land purchases at Huntley, Bulgar Creek etc.		
QoN	26	10 March 2017	Ms Le Couteur MLA	LDA	Measure to prevent 'land banking' on Urban Renewal sites		27/04/2017
QoN	27	10 March 2017	Ms Le Couteur MLA	LDA	Land release – Kowen forest etc.		21/04/2017
QoN	28	10 March 2017	Ms Le Couteur MLA	LDA	Valuing of businesses for acquisition		27/04/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	29	10 March 2017	Ms Le Couteur MLA	LDA	Single select contracts		5/05/2017
QoN	30	10 March 2017	Ms Le Couteur MLA	LDA	Details of acquisitions presented in Annual Report		05/04/2017
QoN	31	10 March 2017	Ms Le Couteur MLA	LDA	'Future Priorities' in connection with land at Huntley, Bulgar Creek, etc.		13/04/2017
QoN	32	10 March 2017	Mr Coe MLA	CMTEDD	Loose Fill Asbestos — Ainslie Shops		19/04/2017
QoN	33	10 March 2017	Mr Coe MLA	CMTEDD	Auction of Mr Fluffy properties		19/04/2017
QoN	34	10 March 2017	Mr Coe MLA	CMTEDD	First right of refusal		19/04/2017
QoN	35	10 March 2017	Mr Coe MLA	CMTEDD	Follow up on previous owners and neighbours affected by Mr Fluffy		19/04/2017
QoN	36	10 March 2017	Mr Coe MLA	CMTEDD	Mr Fluffy properties		19/04/2017
QoN	37	10 March 2017	Mr Coe MLA	CMTEDD	Personal support provided to participants		19/04/2017
QoN	38	10 March 2017	Mr Coe MLA	CMTEDD	Reserved blocks for use by the ACT Government		19/04/2017
QoN	39	10 March 2017	Mr Coe MLA	CMTEDD	Asbestos Response Taskforce — staff		19/04/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	40	10 March 2017	Mr Coe MLA	CMTEDD	Valuations of properties		19/04/2017
QoN	41	10 March 2017	Mr Coe MLA	CMTEDD	Attraction and retention incentive arrangements		11/04/2017
QoN	42	10 March 2017	Mr Coe MLA	CMTEDD	Corrigenda to LDA 2014-15 Annual Report		05/04/2017
QoN	43	10 March 2017	Mr Coe MLA	CMTEDD	Land Development Agency board		13/04/2017
QoN	44	10 March 2017	Mr Coe MLA	CMTEDD	Light Emitting Diode (LED) street light trials		
QoN	45	10 March 2017	Mr Coe MLA	CMTEDD	Mingle		20/04/2017
QoN	46	10 March 2017	Mr Coe MLA	CMTEDD	Parkes dwellings		16/05/2017
QoN	47	10 March 2017	Mr Coe MLA	CMTEDD	Changes after the Auditor-General's Report and McPhee review		16/05/2017
QoN	48	10 March 2017	Mr Coe MLA	CMTEDD	LDA – senior staff		20/04/2017
QoN	49	10 March 2017	Mr Coe MLA	CMTEDD	LDA – social media		13/04/2017
QoN	50	10 March 2017	Mr Coe MLA	CMTEDD	Solar hot water requirement		25/05/2017
QoN	51	10 March 2017	Mr Coe MLA	CMTEDD	LDA – staff transfers		11/04/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	52	10 March 2017	Mr Coe MLA	CMTEDD	LDA - staff		21/04/2017
QoN	53	10 March 2017	Mr Coe MLA	CMTEDD	LDA targets		20/04/2017
QoN	54	10 March 2017	Mr Coe MLA	CMTEDD	LDA - training		20/04/2017
QoN	55	10 March 2017	Mr Coe MLA	CMTEDD	Whitlam and Molonglo 3 suburbs		27/04/2017
QoN	56	10 March 2017	Mr Coe MLA	CMTEDD	Coombs public housing units		16/05/2017
QoN	57	10 March 2017	Mr Coe MLA	CMTEDD	Expression of interest proposals		5/05/2017
QoN	58	10 March 2017	Mr Coe MLA	CMTEDD	Public Housing Renewal Taskforce - Housing ACT		5/05/2017
QoN	59	10 March 2017	Mr Coe MLA	CMTEDD	Public Housing Renewal Taskforce – moving tenants		16/05/2017
QoN	60	10 March 2017	Mr Coe MLA	CMTEDD	Public Housing Renewal Taskforce – public housing development sites		21/04/2017
QoN	61	10 March 2017	Mr Coe MLA	CMTEDD	Public Housing Renewal Taskforce – research on public support of the renewal of public housing		5/05/2017
QoN	62	10 March 2017	Mr Coe MLA	CMTEDD	Public Housing Renewal Taskforce –staff		16/05/2017

Type of Question	No	Hearing Date	Asked By	Directorate / Portfolio	Subject	Uncorrected Proof Transcript page no	Answer date
QoN	63	10 March 2017	Mr Coe MLA	CMTEDD	Public Housing Renewal Taskforce – type of dwelling		5/05/2017
QoN	64	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal — City Activation Team		07/04/2017
QoN	65	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal — Community Clubs Taskforce		11/04/2017
QoN	66	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal — community engagement		
QoN	67	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal — community feedback		24/05/2017
QoN	68	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal — consultant on the City Activation Plan		20/04/2017
QoN	69	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal — heritage listed trees in Haig Park		
QoN	70	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal —international visitors and visits		20/04/2017
QoN	71	10 March 2017	Mr Coe MLA	CMTEDD	Urban Renewal —staff transfers		21/04/2017
QoN	72	10 March 2017	Ms Lee MLA	LDA	Sale of land to Foy Group		05/04/2017