

STANDING COMMITTEE ON PLANNING, PUBLIC WORKS
AND TERRITORY AND MUNICIPAL SERVICES

Report on Annual and Financial Report 2007-2008

MAY 2009

Report 1

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Resolution of Appointment

On 9 December 2008, the ACT Legislative Assembly agreed by resolution to establish general purpose standing committees to inquire into and report on matters referred to it by the Assembly or considered by the committee to be of concern to the community, including:

- (e) a Standing Committee on Planning, Public Works and Territory and Municipal Services to examine matters related to planning, land management, proposed capital works projects in the public sector, including works undertaken by territory owned corporations, municipal transport services, heritage and sport and recreation.

The Assembly agreed that each standing committee can consider and make use of the evidence and records of the relevant standing committee appointed during the previous Assembly.¹

Terms of Reference

On 11 December 2008 the ACT Legislative Assembly referred the annual and financial reports for the calendar year 2008 and the financial year 2007–2008 to Assembly standing committees, in accordance with a schedule. The reports had been presented to the Assembly pursuant to the Annual Reports (Government Agencies) Act 2004.

The reports, and parts of reports, referred to the Standing Committee on Planning Public Works and Territory and Municipal Services were:²

Annual Report	Reporting area	Ministerial Portfolio
ACT Planning and Land Authority		Minister for Planning
ACT Public Cemeteries Authority		Minister for Territory and Municipal Services
Department of Territory and Municipal Services		Minister for Territory and Municipal Services
	Heritage Council	Minister for the Arts and Heritage
Land Development Agency		Chief Minister

On 12 February 2009, the Assembly amended that resolution, and as a result, the following additional matters were referred to the Standing Committee on Planning, Public Works and Territory and Municipal Services: The Conservator of Flora and Fauna and the Animal Welfare Authority.³

¹Legislative Assembly for the ACT, Minutes of Proceedings No. 2, 9 December 2008, pp14–18, accessible at <<http://www.parliament.act.gov.au/downloads/minutes-of-proceedings/08MoP02.pdf>>

²Legislative Assembly for the ACT, Minutes of Proceedings No. 4, 11 December 2008, pp47–50, accessible at <<http://www.parliament.act.gov.au/downloads/minutes-of-proceedings/08MoP04.pdf>>

³*Minutes of Proceedings No. 7*, 12 February 2009, pp88–89, accessible at <<http://www.parliament.act.gov.au/downloads/minutes-of-proceedings/08MoP07.pdf>>

TABLE OF CONTENTS

Committee Membership	i
Secretariat	i
Contact Information	i
Resolution of Appointment.....	ii
Terms of Reference.....	ii
RECOMMENDATIONS.....	V
1 INTRODUCTION.....	1
2 DEPARTMENT OF TERRITORY AND MUNICIPAL SERVICES	5
Tree Protection.....	5
Tree Removal and Replacement Program.....	6
ACT NoWaste.....	7
Bushfire Management.....	9
Sport and Recreation Services	10
Transport Regulation and Planning	11
Roads ACT	13
ACTION.....	14
Territory Venues and Events.....	16
ACT Heritage Council	18
ACT Public Cemeteries Authority	18
3 ACT PLANNING AND LAND AUTHORITY.....	21
Resources	21
Development Approval and Review Mechanisms.....	22
Financial Management.....	24
Government Contracting.....	26
Direct Land Sales	27
Land Banking Prevention	28
Garden City Provisions and Character Guidelines.....	28

STANDING COMMITTEE ON PLANNING, PUBLIC WORKS
AND TERRITORY AND MUNICIPAL SERVICES

Molonglo	29
Gungahlin Town Centre	29
Woden Town Centre.....	30
Construction Policy and Regulation	31
4 LAND DEVELOPMENT AGENCY.....	33
Affordable Housing	33
Revenue and Commercial Return.....	34
Community Consultation	35
5 CONCLUSIONS	37
APPENDIX A SUPPLEMENTARY QUESTIONS	39
APPENDIX B LIST OF WITNESSES.....	41
APPENDIX C CCEW RECOMMENDATIONS	43
APPENDIX D QUESTIONS TAKEN ON NOTICE.....	45

RECOMMENDATIONS

RECOMMENDATION 1

2.40 The Committee recommends that the ACT Government continue to pursue options with regard to wheelchair accessible taxis.

RECOMMENDATION 2

3.17 The Committee recommends that ACT Planning and Land Authority ensure appropriate mechanisms are in place to make officers aware of their delegations. Staff responsible for processing payments should also be made aware of the agency delegation schedules.

RECOMMENDATION 3

3.23 The Committee recommends that ACT Planning and Land Authority comply with the *Chief Minister's 2007-2010 Annual Report Directions* with regard to reporting of Government Contracting.

RECOMMENDATION 4

4.15 The Committee recommends that the Land Development Agency consider implementing a variety of additional methods to consult the community on future land release programs.

STANDING COMMITTEE ON PLANNING, PUBLIC WORKS
AND TERRITORY AND MUNICIPAL SERVICES

1 INTRODUCTION

- 1.1 On 11 December 2008, the ACT Government's annual and financial reports for 2007–2008 were tabled in the ACT Legislative Assembly and referred to standing committees for inquiry and report. The Standing Committee on Planning, Public Works and Territory and Municipal Services had the following reports referred to it:
- Department of Territory and Municipal Services (including the Heritage Council, Animal Welfare Authority and Conservator of Flora and Fauna);
 - Land Development Agency;
 - ACT Planning and Land Authority; and
 - ACT Public Cemeteries Authority;
- 1.2 The inquiry process provides an opportunity for Assembly Members to seek clarification about issues raised in annual reports. To assist with the assessment process, and to clarify issues, the Committee held public hearings on 30 January, 27 February and 5 March 2009. A list of those who participated in the hearings is at Appendix B.
- 1.3 This report focuses on the issues raised and assessed during the Committee's public hearings for this inquiry. Full transcripts of the evidence taken by the Committee can be accessed via the Legislative Assembly's website.⁴
- 1.4 Following the hearings, a total of 53 supplementary questions were forwarded to the respective Ministers. The Committee received responses to all questions and details are provided in Appendix A, 'Supplementary Questions'. Responses to supplementary questions are published on the Inquiry website.⁵

⁴ <<http://www.hansard.act.gov.au/hansard/2009/comms/default.htm>>

⁵ Responses to supplementary questions and Questions on Notice can be accessed at:
<http://www.parliament.act.gov.au/committees/index1.asp?committee=113&inquiry=760>

Purpose and Intent of Annual Reports

- 1.5 Agency reporting requirements are set out in the *Annual Report (Government Agencies) Notice 2008*.⁶ This Notice includes the Chief Minister's Annual Reports Directions (the *Directions*) which are issued under the *Annual Reports (Government Agencies) Act 2004*. As key accountability documents concerning management performance, annual reports reflect on the year's performance, achievements and outcomes. They are also a concise way of accounting for the expenditure of public monies.
- 1.6 Agencies account for management performance through Ministers to the Legislative Assembly and the wider community. Since annual reports are tabled in the Assembly, they are historical documents on the public record, and are available for use by stakeholders, including educational and research institutions, the media and the public. Annual reports are also key reference documents, and documents for internal management.
- 1.7 As specified in the *Directions*, annual reports should be 'an objective account, primarily to the Legislative Assembly, of how the entity has performed during the reporting year'.⁷
- 1.8 The Directions also specify that an effective annual report will:
- provide a clear picture of the agency's purpose, priorities, outputs and achievements;
 - focus on results and outcomes – communicate the success or otherwise, including shortfalls, of the agency's activities in achieving government policy outcomes in the reporting year, while accounting for the resources used in the process;
 - discuss results against expectations – provide sufficient information and analysis for the Assembly and community to make a fully informed judgement on agency performance;
 - clearly identify any changes to structures or functions of the agency in the reporting period and explain changes in

⁶ Accessible at: <http://www.legislation.act.gov.au/ni/2008-225/current/pdf/2008-225.pdf>

⁷ *Annual Report (Government Agencies) Notice 2008*, p. 7.

performance over time;

- report on agency financial and operational performance and clearly link with budgeted priorities and financial projections as set out in annual Budget Estimate Papers and the agency Statement of Intent and Corporate Plan;
- provide performance information that is complete and informative, linking costs and results to provide evidence of value for money;
- discuss risks and environmental factors affecting the agency's ability to achieve objectives including any strategies employed to manage these factors, and forecast future needs and expectations;
- recognise the diverse needs and backgrounds of stakeholder groups and present information in a manner that is responsive to the maximum number of users while maintaining a suitable level of detail;
- comply with any specific legislative reporting requirement; and
- comply with the *Annual Reports (Government Agencies) Act 2004* and the Chief Minister's Annual Report Directions.

4 **STANDING COMMITTEE ON PLANNING, PUBLIC WORKS
AND TERRITORY AND MUNICIPAL SERVICES**

2 DEPARTMENT OF TERRITORY AND MUNICIPAL SERVICES

- 2.1 The Department of Territory and Municipal Services (TAMS) is responsible for developing transport and road safety policy, managing sporting programs, venues, sportsgrounds and community events, the sustainable management of parks, nature reserves and waste, and the preservation of heritage and wildlife as well as building and maintaining Government infrastructure such as roads, paths and bridges.
- 2.2 TAMS is also responsible for providing Territory services including public transport, libraries, Canberra Connect shopfronts and online services, ranger services and operating commercial businesses such as the Capital Linen Service and the Yarralumla Nursery.
- 2.3 The Committee focused its inquiry on issues relating to urban trees, waste management, the cycle path and footpath network, taxi services in the ACT, and ACTION.

Tree Protection

- 2.4 The Committee heard about the current policy and progress of tree protection and was advised about the requirements of the *Tree Protection Act 2005* particularly in regard to anybody wishing to 'undertake a tree damaging activity on leased land'.⁸
- 2.5 Where an application for development approval under the *Planning and Development Act 2007* is received by the ACT Planning and Land Authority (ACTPLA), the conservator is provided a copy and must give advice to ACTPLA in relation to tree protection and the development within 15 working days.⁹ The Commissioner assesses all requests against the criteria under the *Tree Protection (Approval Criteria) Determination 2006 (No 2)*.

⁸ Transcript of Evidence, 27 February 2009, pp54-55.

⁹ *Tree Protection Act 2005*, s80 - s83.

- 2.6 The Conservator of Flora and Fauna advised the Committee that around 1 800 requests to undertake tree removal or tree damaging activity have been made each year for the last 2 ½ years, although, over the longer term the drought may have resulted in an increase in requests.¹⁰
- 2.7 The Committee notes the recommendations made by the Standing Committee on Climate Change, Environment and Water (CCEW Committee) in Report 1 *Report on Annual and Financial Reports 2007-2008*, regarding the operation of the *Tree Protection Act 2005*.¹¹
- 2.8 The Commissioner for Sustainability and the Environment raised a number of concerns with the CCEW Committee about the current tree protection arrangements, outlining her belief that the 'strategic intent' of the *Tree Protection Act 2005* had not yet been met.
- 2.9 This Committee supports Recommendations 7 to 11 of the CCEW Committee's Report and looks forward to seeing them implemented. The CCEW Committee recommendations are at Appendix C.

Tree Removal and Replacement Program

- 2.10 The Committee also heard about the removal of dead and dying public trees by the Parks, Conservation and Lands (PCL) unit in TAMS, which do not require an application through the Conservator.
- 2.11 The Committee was advised by Mr Watkinson, Director of PCL, that 15 000 dead and dying trees have been removed in the last five years. A routine inspection program exists to identify and mark dead and dying trees in addition to trees identified by members of the public as dead or dying. Trees are subject to a risk assessment and removed within two weeks if assessed as hazardous. Non-hazardous trees are added to the regular tree removal program.¹²

¹⁰ Transcript of Evidence, 27 February 2009, p55.

¹¹ Standing Committee on Climate Change, Environment and Water, *Report on Annual and Financial Reports 2007-2008*, pp29-35.

¹² Transcript of Evidence, 27 February 2009, pp55-56.

- 2.12 Replacement of trees is dependent on seasonal conditions although, at present, more trees are being removed than can be replanted due to increased numbers of dying trees and because of the replacement program's limited budget.
- 2.13 The Committee heard that around 400 000 trees will need replacing within the next 20 to 25 years. An expert reference group on Urban Forest Renewal is currently working through the issues of how to best undertake that task, such as how to stage the work and whether the same species will be replanted. Tree-by-tree assessments are commencing as part of the program to provide up to date data. The Committee also heard that staging options under consideration include, for example, complete replacement of all trees in a street, replacement as trees die or staggered replacement of every third or fifth tree. Formal community consultation will take place as the reference group's work advances.¹³

ACT NoWaste

- 2.14 The Committee inquired about the progress of the NoWaste by 2010 review and was advised that the policy responsibility for the waste strategy now lies within the Department of Environment, Climate Change, Energy and Water (DECCEW).¹⁴
- 2.15 The Minister for Territory and Municipal Services advised the Committee that the NoWaste by 2010 policy has not been dropped but remains an aspirational target. The current review will result in a new strategy which will recognise that there will be an ongoing requirement for landfill facilities in the future, particularly for wastes like asbestos which currently have no alternative disposal methods or recycling options.¹⁵
- 2.16 The Committee also heard that the ACT is at a point where 'every additional one percent reduction in waste to landfill now costs incrementally more'¹⁶, estimated at around \$2 million for the next one percent. The Minister

¹³ Transcript of Evidence, 27 February 2009, pp57-60.

¹⁴ Transcript of Evidence, 27 February 2009, p70.

¹⁵ Transcript of Evidence, 27 February 2009, pp71-72.

¹⁶ Transcript of Evidence, 27 February 2009, pp72.

highlighted that the employment of additional staff to separate out recyclable waste into stream at the tip face was possibly the most efficient 'per dollar' strategy being considered and is likely to remove around 20 000 additional tonnes of waste from landfill. The use of organic waste bins is also being considered.¹⁷

- 2.17 The Minister acknowledged that resourcing for waste reduction has not been increased incrementally and that additional investment will need to be allocated to the revised NoWaste program.¹⁸
- 2.18 The Committee noted the need for increased education around waste avoidance in production and purchasing and was advised that the ACT Government is an active participant in schemes like the National Packing Covenant to work with industry and reduce waste generation.¹⁹
- 2.19 The Committee also asked about the success of the Second-Hand Sunday initiative and was advised that, despite publicity and promotion, the take-up of the initiative has been low and it is under review.²⁰
- 2.20 The Committee was advised that commercial waste is one of the greatest challenges for increasing recycling levels in the ACT as only around 20 per cent of businesses are actively recycling and 'commercial waste to landfill went up by 14 per cent between 2006-07 and 2007-08'.²¹
- 2.21 The Committee also heard that the waste industry is well equipped for recovering cardboard and paper, although commercial operators may not find it viable to service small and medium-sized businesses.
- 2.22 The Committee notes that the above issues are being considered in the NoWaste program revision.²² The Committee looks forward to seeing the outcomes of the NoWaste review and trusts that the revised program will contain new targets for waste reduction.

¹⁷ Transcript of Evidence, 27 February 2009, pp71-73.

¹⁸ Transcript of Evidence, 27 February 2009, pp74-75.

¹⁹ Transcript of Evidence, 27 February 2009, pp73,75.

²⁰ Transcript of Evidence, 27 February 2009, p78.

²¹ Transcript of Evidence, 27 February 2009, p76.

²² Transcript of Evidence, 27 February 2009, p76.

Bushfire Management

- 2.23 The Committee asked about bushfire management policies and operations, including how TAMS communicates with the Emergency Services Agency (ESA) and the environmental impacts of fire management.
- 2.24 The Committee was advised that the ESA is responsible for the Strategic Bushfire Management Plan Version 1 (January 2005) (SBMP) which sets out the overarching bushfire management policies. Additionally, land managers such as TAMS produce an annual Bushfire Operational Plan (BOP) 'that details activities planned to manage fuel and fire in the landscape' and Sub Regional Fire Management Plans (SRFMP) 'that will look at proposed fire management activities over a 10 year period'.²³ ESA and TAMS have frequent meetings as well as a Memorandum of Understanding to outline how TAMS will provide fire-fighting, fuel management, and bushfire training and services.
- 2.25 With regard to environmental impacts of fire management, the Committee was also advised that:

...All activities are initially assessed for environmental impacts by the Research and Monitoring section of Parks Conservation and Lands. Any activity that triggers an EIS [Environmental Impact Study] under Territory or National legislation is project managed by the Fire Management Section to ensure that it meets all legislation requirements before any on ground works are commenced...

...All the larger projects are monitored before, during and after the activity by the Fire Management Section to ensure ongoing compliance and feedback for future operations...

...SRFMP will take into account all the environmental, ecological, aesthetic and cultural aspects of the landscape in determining the most appropriate fire management activities with the objective of achieving a fire mosaic pattern across the landscape...²⁴

²³ Supplementary Questions, PPWT 23; Transcript of Evidence, 27 February 2009, pp63-64.

²⁴ Supplementary Questions, PPWT 23.

Sport and Recreation Services

Ovals

- 2.26 The Committee inquired into the impact of the drought on Canberra ovals and was informed of the 'overarching goal' that by 2013 no ACT sport and recreation facilities will be solely reliant on potable water, with \$18 million budgeted for initiatives over the next 4 years.²⁵
- 2.27 The Committee heard about investments to date to support that goal including additional projects in the annual sport and recreation grants round. Around \$2 million in drought sports grants were released in the 2007-08 period, for improvements such as couch grass conversion, water storage tank systems, synthetic surfaces and stormwater retention ponds. The Committee was informed that around 30 per cent of those projects have now been completed.
- 2.28 An additional \$600 000 was used to install lights on some sportsgrounds in order to increase their longevity and usability and another \$400 000 towards consultancies, which are due to be completed in the next few months. The consultancies include an assessment of the quality of turf and irrigation systems in ACT sports facilities and development of a water management plan that considers alternative water sources for some sportsgrounds, such as pond water use.²⁶ The water usage levels and usage patterns of ACT sports grounds have also been assessed to determine which sportsgrounds would be the most successful for using alternative water sources.²⁷

²⁵ Transcript of Evidence, 30 January 2009, p6.

²⁶ Transcript of Evidence, 30 January 2009, pp7-8.

²⁷ Transcript of Evidence, 30 January 2009, p8.

Transport Regulation and Planning

Taxis Services

Licences

- 2.29 The Committee inquired into the taxi industry and was advised by the Minister for Transport that the ACT Government is working with the taxi industry to 'facilitate the development of a taxi service within the ACT' to meet the needs of all taxi users and work through some of the challenges faced by the industry.²⁸
- 2.30 The Committee heard about the taxi release program which aimed to improve taxi waiting times by releasing more taxi plates. No plates were released between 1995 and 2005; however, in 2006 40 new taxi plates were released. Despite those 40 additional plates, concerns about waiting times still existed. In 2008 an additional 50 standard taxi plates were released, of which most are on the road. These plates bring the taxi numbers per capita for the ACT in line with other Australian capital cities.²⁹
- 2.31 The Committee was advised that the balloting of extra plates was very successful with significant numbers of people interested in operating a taxi, for example 129 applicants applied for 25 plates balloted in May 2008 and 97 applicants applied for 25 plates in October 2008.³⁰

Nightlink

- 2.32 The Committee also inquired into the Nightlink initiative, developed in conjunction with the Australian Hotels Association to alleviate taxi queues in the city on Friday and Saturday nights.³¹

²⁸ Transcript of Evidence, 27 February 2009, p87.

²⁹ Transcript of Evidence, 27 February 2009, pp87-88.

³⁰ Transcript of Evidence, 27 February 2009, pp92-93.

³¹ Transcript of Evidence, 27 February 2009, p88.

- 2.33 Ms Greenland, General Manager of Transport, Regulation and Planning in TAMS advised the Committee that the Nightlink program has been provided with subsidies for the first 12 months for taxi operators and drivers, marshals at the taxi rank and a security guard presence.³²
- 2.34 The initial 12 months is about to expire and the program is being reviewed. The Committee heard that the level of patronage of the service has been less than anticipated and the program will therefore require a change in fare structure or ongoing subsidy if it is to continue.³³

Airport Taxi Service

- 2.35 Airport taxi queues were also of interest to the Committee, as well as bus services to the airport.
- 2.36 The Committee heard that TAMS has been in discussion with the Taxi Industry Association, airport management and local taxi company Aerial Taxis on how to alleviate airport queues including options to reinstate commissionaires to group people together in taxis travelling to the same destination. The industry is also in discussion to work out a cost-sharing arrangement for those commissionaires. High occupancy taxis are also being considered, possibly operating from a second airport taxi rank for passengers travelling to the same destination.³⁴

Wheelchair Accessible Taxis

- 2.37 The Committee was advised that 26 licences for wheelchair accessible taxis are available under the ACT regulations. These licences require those taxis to give priority to wheelchair accessible taxi bookings, however, the regulations have been modified so that additional vehicle types can now operate as wheelchair accessible, including vehicles that can only accommodate a single wheelchair.³⁵

³² Transcript of Evidence, 27 February 2009, pp88; 90.

³³ Transcript of Evidence, 27 February 2009, p88.

³⁴ Transcript of Evidence, 27 February 2009, pp88-89.

³⁵ Transcript of Evidence, 27 February 2009, pp90-91.

- 2.38 A number of incentives have also been created to maintain the wheelchair accessible fleet. These include a lift fee of \$11.25 paid to wheelchair accessible taxi operators 'for the time it takes to actually lift the person into the vehicle and unload the wheelchair at the end of the journey'.³⁶ A Christmas incentive payment has also been provided for the last two years to encourage drivers to work over the Christmas period. Wheelchair accessible taxi licences are only \$1 000, compared to the \$20 000 annual cost of a standard taxi licence.³⁷
- 2.39 The Committee notes the steps that the ACT Government has taken to date to increase the number and availability of wheelchair accessible taxis in the ACT. The Committee also notes, however, that taxi availability is of ongoing concern to people with disabilities and their families.

RECOMMENDATION 1

- 2.40 **The Committee recommends that the ACT Government continue to pursue options with regard to wheelchair accessible taxis.**

Roads ACT

Community Paths

On-road Cycle Lanes

- 2.41 The Committee inquired into the progress of the on-road cycle lane network, including concerns on particular streets where cycle lanes have been introduced by removing car lanes or creating cycle paths from existing emergency stopping lanes.³⁸ The Committee was advised that in some cases, like the intersection of Streeton Drive and Namatjira Drive, changes were made to address road safety issues, where the solution was to reduce the number of car lanes but to also take the opportunity to include on-road cycle

³⁶ Transcript of Evidence, 27 February 2009, p91.

³⁷ Transcript of Evidence, 27 February 2009, pp91-92.

³⁸ Transcript of Evidence, 27 February 2009, p94.

paths.³⁹

- 2.42 The Committee heard that Roads ACT are trying to provide on-road cycling lanes as an integrated part of the services it delivers rather than being seen as an afterthought.⁴⁰

Path Replacement

- 2.43 The Committee asked about the ongoing program for footpath replacement and how both footpath and cycle path work is prioritised given recent funding increases. Mr Gill, Director of Roads ACT, advised that there is an ongoing program of footpath replacement, prioritised based on public safety, proximity to schools and shops, whether it is a missing link on an important route or if alternative routes exist.⁴¹
- 2.44 There is also additional funding for new footpaths and maintenance of existing footpaths and cycle paths.
- 2.45 Mr Gill emphasised to the Committee the scale of the footpath and cycle path replacement program with the ACT having around 2 000 kilometres of community paths. Over the next two years 28 kilometres of off-road cycle paths will be rejuvenated.⁴²

ACTION

Ticketing System

- 2.46 The Committee inquired into the progress of the new ACTION ticketing system and was told that around \$250 000 had been spent so far on design, preparation and contract preparations. The Committee heard how the tender process has been protracted as ACTION investigated the right types of systems for its needs. ACTION is in negotiations with a vendor around project delivery and implementation and support arrangements. Full implementation

³⁹ Transcript of Evidence, 27 February 2009, p95.

⁴⁰ Transcript of Evidence, 27 February 2009, p96.

⁴¹ Transcript of Evidence, 27 February 2009, p96.

⁴² Transcript of Evidence, 27 February 2009, pp96-98.

of the ticketing system is currently anticipated for June 2010.⁴³

- 2.47 Mr Elliott, Executive Director of Enterprise Services in TAMS stressed to the Committee that ACTION did not want to hasten the project if it would result in the failures and delays that other major Australian cities have recently experienced. Mr Elliot also explained that the ACT is fortunate not to have multiple modes of public transport and have a flat fare system because the ticketing system does not have to be as complex. The system will, however, be flexible enough to handle fare structure changes and additional modes of public transport.⁴⁴

Bikes on Buses

- 2.48 The Committee also asked about the effectiveness of the free ride program for people using bikes, particularly in light of the \$45 000 funding per annum to cover the ongoing cost of the free rides.⁴⁵
- 2.49 Mr Elliott advised the Committee that the allocated amount would have covered the 2007-08 financial year although due to higher bike usage would not cover the 2008-09 costs.
- 2.50 The Committee was also advised that, at this stage, the level of demand for bike racks needs to be monitored and ACTION may consider some modelling in the future to see if the fare price makes any difference to bike rack usage levels.⁴⁶

Community Transport

- 2.51 The Committee was also interested in the role of ACTION in strengthening community transport options, as recommended in Report 29 of the Standing Committee of Planning and Environment (Sixth Assembly) on *ACTION Buses and the Sustainable Transport Plan*. Mr Elliott explained to the Committee that ACTION invested in wheelchair accessible minibuses, referred to as 'community buses', and found a partner in the Department of Disability

⁴³ Transcript of Evidence, 27 February 2009, pp99-100.

⁴⁴ Transcript of Evidence, 27 February 2009, pp100-101.

⁴⁵ Transcript of Evidence, 27 February 2009, p103.

⁴⁶ Transcript of Evidence, 27 February 2009, pp103-104.

Housing and Community Services (DHCS). Through DHCS, existing regional community service providers were contracted to manage the community bus services which are run on an on-demand basis.⁴⁷

Network '08

- 2.52 The Committee heard how the consultation processes for developing Network 08 was one of 'the most comprehensive that has been done on the bus service for about 10 years'. Many changes were made, particularly with regard to school buses which in turn required changes to other services.⁴⁸

Bus replacement

- 2.53 The Committee inquired about the bus replacement program and was advised that an initial five-year tranche of a 15-year replacement program is currently being delivered. Out of 115 new buses, 16 have been delivered and the remaining 100 are in initial production. This acquisition will also meet the ACT Government's target of 55 per cent accessible buses in the Territory.⁴⁹

Territory Venues and Events

Stromlo Forest Park

2008 Mountain Bike World Cup and 2009 World Mountain Bike Championships

- 2.54 Mr Guthrie, General Manager of Territory Venues and Events (TVE), provided the Committee with a history of events and an update on the current status of the Mountain Bike World Championships.
- 2.55 The Committee heard how the Canberra Off-road Cyclists (CORC) in conjunction with their business partner APIS Events had initially approached the ACT Government around late 2005/early 2006 to seek support. APIS Consulting Group was to supply event management services and sponsorship

⁴⁷ Transcript of Evidence, 27 February 2009, pp104-105.

⁴⁸ Transcript of Evidence, 27 February 2009, p106.

⁴⁹ Transcript of Evidence, 27 February 2009, pp107-108.

services to the event.

- 2.56 The Government agreed to support a proposal in 2007 seeking \$1.096 million to support the World Mountain Bike Championships, which had been deferred from 2008 – 2009. In September 2007 APIS Consulting Group went into receivership, leaving CORC without a commercial partner. CORC was also approached at this time to host the 2008 Mountain Bike World Cup.⁵⁰
- 2.57 The Committee was advised that TVE and CORC reassessed the event budget in light of these changes and presented a revised proposal to deliver both events with CORC forming their own company, CORC World Events. The Government agreed to fund the proposal and TVE put a governance and advisory board in place to oversee the proposal and ensure the outcomes were being achieved.
- 2.58 The Committee heard that the World Cup, held on 30 and 31 August 2008 achieved a crowd of 24 000 but fell around half a million short of its revenue forecasts, in part due to the significant shortfall in trade revenues with professional teams purchasing the minimum package requirement. A proposal is currently with the Minister for Tourism, Sport and Recreation to identify the best way to proceed and ensure the World Championships will be delivered in September 2009.⁵¹
- 2.59 The remaining budget approval allocation to conduct the event is \$199 000 on top of a \$400 000 repayable loan as part of the CORC funding agreement. The Minister indicated to the Committee that he did not anticipate that loan to be repaid and noted that he would ‘have to bring forward a further budget bid’⁵² particularly in light of reduced private sector revenue towards the event due to the global financial crisis.⁵³ The Committee was provided with a reconciliation of funding provided to date to CORC, details at Appendix A.
- 2.60 The Committee is concerned that the \$400 000 loan will not be repaid and additional funding is being provided for the event. The Committee believes

⁵⁰ Transcript of Evidence, 30 January 2009, pp4-5.

⁵¹ Transcript of Evidence, 30 January 2009, p6.

⁵² Transcript of Evidence, 30 January 2009, p11.

⁵³ Transcript of Evidence, 30 January 2009, p11.

that further scrutiny of this issue by the Assembly is warranted.

ACT Heritage Council

- 2.61 The Committee heard that the Council:
- has been involved in a large range of discussions with government agencies in relation to the management of heritage property, the conservation of heritage property and sometimes the disposal of heritage property.⁵⁴
- 2.62 The Council is also involved in ongoing discussions with private heritage owners about individual developments.
- 2.63 The Committee was advised that the Council had input into the Tharwa Bridge conservation management plan, including discussions and inspections. It is also developing draft Aboriginal heritage guidelines with representative Aboriginal organisations and industry.⁵⁵
- 2.64 In response to supplementary questions, the Committee was advised that three members of the ACT Heritage Council are involved in the decision made by the Development Application Taskforce, which reviewed nine applications in the 2007-08 financial year. The Committee was also advised about the requirements in relation to heritage grants.⁵⁶

ACT Public Cemeteries Authority

- 2.65 The Committee inquired about the types of community consultation used to determine the burial and cremation needs of the community and was advised that the Authority meets with representatives of the community 'who have particular wishes and ideas'.⁵⁷
- 2.66 The Committee notes that a consultation process, including a community survey, has started for a proposed southern cemetery and crematorium.

⁵⁴ Transcript of Evidence, 5 March 2009, p129.

⁵⁵ Transcript of Evidence, 5 March 2009, p129.

⁵⁶ Supplementary Questions, PPWT 48 - 50.

⁵⁷ Transcript of Evidence, 5 March 2009, p130.

- 2.67 The Committee also asked about the status of perpetual care trust funds, which are established under the *Cemeteries and Crematoria Act 2003* for the short and long-term maintenance of the cemetery or crematorium, such as the grounds of the cemetery or crematorium; monuments, memorials, tombstones, gravestones, tablets, monumental inscriptions, mausoleums, vaults and graves within the cemetery or crematorium and walls, fences, paths, roads, drains.
- 2.68 The Committee was told that the Authority is putting aside funds for various perpetual care funding requirements as it is able, considering no 'seed money' was provided. The Authority is confident, however, that given time the cemeteries will continue to be well managed into the future with perpetual care trusts.⁵⁸
- 2.69 The Cemeteries Authority is also monitoring its water use, having just completed a major audit of current use and needs at Gungahlin Cemetery. The Authority is undertaking trials of different grasses for cemetery lawns.⁵⁹
- 2.70 Other issues discussed at the TAMS hearings included:
- The Sports Advisory Committee and ACT Advisory Committee on Women in Sport and Recreation
 - Sport and Recreation Climate Change Seminars
 - Wildlife caring licences
 - Plans of Management
 - Pine Plantations
 - Master Plans for Glebe Park and Black Mountain
 - Bushfire policy
 - Bushfire Fuel Management
 - Fire Trails
 - Libraries

⁵⁸ Transcript of Evidence, 5 March 2009, pp131-132.

⁵⁹ Transcript of Evidence, 5 March 2009, p133.

- Heritage
- Albert Hall refurbishments
- Road sweeping
- Airport road upgrades
- ACTION Gold Cards
- ACTION collective agreement
- ACTION Charter Services
- Animal Welfare investigations and prosecutions
- Desexing of cats

3 ACT PLANNING AND LAND AUTHORITY

- 3.1 The ACT Planning and Land Authority (ACTPLA) is responsible for planning for the future development and growth of the ACT. Its key functions include advising Government on land, planning and building policy, preparing and administering the Territory Plan, assessing development proposals, building regulation, leasing administration and maintaining land information.⁶⁰
- 3.2 The key issues discussed at the hearing with the Minister for Planning were ACTPLA's staffing resources, Development Application administration, financial management arrangements, government contracting, direct land sales and land banking, town centre development and construction policy regulation.

Resources

- 3.3 The Committee inquired into ACTPLA initiatives to improve staff recruitment and retention to improve timely service delivery, in light of recent staffing challenges. The Committee notes that Report number 33 of the Standing Committee on Planning and Environment (Sixth Assembly) on *Annual Reports 2006–07* highlighted ACTPLA's difficulties participating in some discreet projects such as whole-of-government responses and involvement with national projects due to budget cuts and staffing levels. At that time ACTPLA had 25 vacant positions.⁶¹
- 3.4 The Minister for Planning acknowledged that ACTPLA has had some past difficulty filling positions. He advised the Committee that ACTPLA has since made significant progress filling vacant positions, including in 'traditionally hard to staff areas in development assessment and customer services'⁶².

⁶⁰ACT Planning and Land Authority, *Annual Report 2007-2008*, pp 4-5.

⁶¹ ACT Planning and Land Authority, *Annual Report 2006-2007*, pp 15-16.

⁶² Transcript of Evidence, 30 January 2009, p17.

ACTPLA noted, however, that workforce churn will always exist. The Committee heard that the 'aggressive' ACTPLA recruitment campaign included some deliberate over-recruitment where multiple candidates were suitable, promotional activities at interstate universities as well as career days as part of a national planning congress.⁶³

- 3.5 Additionally, the Committee heard that ACTPLA has entered into a partnership with the University of Canberra regarding the town planning degree, to establish a local source of skilled town planners.⁶⁴

Development Approval and Review Mechanisms

- 3.6 The Committee inquired into two recent, well publicised, building approval mistakes and requested an overview of the mechanisms and safeguards in place within ACTPLA procedures to prevent similar mistakes in future.
- 3.7 Mr Savery, Chief Planning Executive of ACTPLA, informed the Committee that the two cases were quite distinct. In the case of the Kingston development, regarding approval of a mezzanine floor in a new development, the error was not the result of poor or absent organisational review procedures and he considered that it was quite an isolated incident.
- 3.8 The Committee heard that the necessary safeguards, including two threshold tests based on the scale of the development, had not been observed by the individual officer prior to issuing Development Approval.⁶⁵ The two threshold tests included assessment by a project review committee and the executive policy committee involving the most senior planners in the organisation.⁶⁶
- 3.9 Mr Savery highlighted that, in response to that incident, the officer involved had been subject to disciplinary action for breaching ACTPLA internal business rules, including demotion for 12 months and increased supervision.⁶⁷ All Development Approval officers have been reminded of their

⁶³ Transcript of Evidence, 30 January 2009, p17.

⁶⁴ Transcript of Evidence, 30 January 2009, p17.

⁶⁵ Transcript of Evidence, 30 January 2009, p19.

⁶⁶ Transcript of Evidence, 30 January 2009, p19.

⁶⁷ Transcript of Evidence, 30 January 2009, p20.

responsibilities and of the ACTPLA business rules. Additional peer review mechanisms have been established for increased scrutiny and a position was reallocated to Quality Assurance Coordinator to audit Development Assessments and 'review processes and practices within development assessment and look for opportunities for improvement'⁶⁸.

- 3.10 The Committee was informed that the second case, related to the sale of Section 63 in Canberra City, was the result of a procedural fault 'essentially about the assembly of documents from a number of parts of the organisation into a single document that in this case forms a deed of management'.⁶⁹ The control mechanism which includes compiling the multiple documents into a single PDF with version control did not occur and as a result one attachment was left out of the final document.
- 3.11 There was a three month delay between the error being made in the contract of sale and the problem being discovered.⁷⁰ The Committee was advised that the ACT Government Solicitor did not look at the contract documents in whole or in part on behalf of LDA.⁷¹
- 3.12 Mr Savery told the Committee that he was confident that this type of incident would not happen again due to increased use of version control, PDFs and the 'Objective' electronic development management system, which had not been used in this case.⁷²
- 3.13 The dispute over the contract is now before the courts.⁷³ The Committee heard that similar situations have occurred previously on more minor cases, with around two or three cases in the last five years resulting in court action to resolve.⁷⁴

⁶⁸ Transcript of Evidence, 30 January 2009, p19.

⁶⁹ Transcript of Evidence, 30 January 2009, p21.

⁷⁰ Transcript of Evidence, 30 January 2009, p21.

⁷¹ Minister for Planning, Response to question taken on notice, 'GSO involvement in LDA contracts', 5 March 2009.

⁷² Transcript of Evidence, 30 January 2009, p21.

⁷³ Transcript of Evidence, 30 January 2009, p22.

⁷⁴ Transcript of Evidence, 30 January 2009, p23.

Financial Management

3.14 The Committee inquired into the financial management arrangements within ACTPLA, specifically the processes for approval of expenditure in light of the recent Auditor-General's Report on 2007-08 Financial Audits⁷⁵ which highlighted that ACTPLA was exposed to the risk of payment errors and fraud due to breakdowns in authorisation controls over capital payments:

6.71 The approval of payments is a key control which reduces the risk of incorrect, irregular or fraudulent payments. In relation to capital payments, the Audit Office found that:

- invoices were sometimes paid without evidence of having been approved. The payment amounts ranged from \$130 000 to \$360 000; and
- delegation limits were exceeded on some occasions. The payment amounts ranged from \$58 000 to \$86 000 compared to the delegation limit of \$10 000.

6.72 ACTPLA has advised that these capital payments were valid and properly related to its operations.

6.73 Such control breakdowns increase the risk of payments errors, irregularities and fraud.⁷⁶

3.15 The Committee heard that ACTPLA conducts six-monthly reviews of delegations within the organisation and has since altered them to enable business sections to have appropriate levels of delegation to operate within allocated budgets. Mr Wurfel, ACTPLA's Chief Financial Officer noted that the area in question traditionally has a larger budget and handles larger sums of money than others in the organisation, making it appropriate to increase the delegations for that section.⁷⁷

3.16 The Committee inquired into why officers would exceed their delegations and was advised that delegation information is available to all staff on the internal

⁷⁵ Transcript of Evidence, 30 January 2009, pp29-30.

⁷⁶ ACT Auditor-General's Office, Audit Report, *2007-08 Financial Audits*, December 2008, p67.

⁷⁷ Transcript of Evidence, 30 January 2009, p30.

server. The Committee was told that some confusion may arise when staff acting in a higher duty have not been formally appointed so do not hold the relevant higher delegation, however they may believe they hold the higher delegation.⁷⁸ Further information on delegations was provided in response to a supplementary question, indicating that:

...An informal review of processes concluded that disciplinary action was not appropriate. The errors had been made in good faith and separate checks had validated the payments as correct and for the purpose intended. It was also accepted that the delegation limit then applying was inappropriate and has subsequently been significantly increased...

...Delegates and accounting staff have been reminded of their obligations. A further review of delegations is currently being undertaken and further advice will be provided to all staff about their responsibilities. This element of accounts processing is also now regularly reviewed at meetings of the finance team, as well as included in on-the-job training.⁷⁹

RECOMMENDATION 2

- 3.17 **The Committee recommends that ACT Planning and Land Authority ensure appropriate mechanisms are in place to make officers aware of their delegations. Staff responsible for processing payments should also be made aware of the agency delegation schedules.**
- 3.18 The Committee also inquired into the matter raised in the Auditor-General's report where invoices were paid without evidence of approval being obtained.⁸⁰
- 3.19 Mr Wurfel advised that in some cases particular approval stamps had not been signed to indicate expenditure had been incurred properly, however when returned to those responsible the stamps were signed and other evidence showed the goods or services had been delivered.⁸¹ Further information on

⁷⁸ Transcript of Evidence, 30 January 2009, p31.

⁷⁹ Supplementary Questions, PPWT 21.

⁸⁰ Transcript of Evidence, 30 January 2009, p31.

⁸¹ Transcript of Evidence, 30 January 2009, p31.

capital payments was provided in response to a supplementary question indicating that officers handling those transactions have since been reminded to ensure all appropriate signoffs are completed.⁸²

Government Contracting

- 3.20 The Committee inquired into the use of single select tendering for a number of ACTPLA procurements and was advised that, for a number of procurements, single select processes were used due to the urgency of the project as well as specific contractor familiarity with projects. The Committee was told that ACTPLA do test the rates of a single select tender against the market to 'ensure that the community is still getting value for money'⁸³. Details of individual procurements were provided to the Committee in response to supplementary questions.
- 3.21 The Committee notes that section C.14 of *Chief Minister's 2007-2010 Annual Report Directions* requires that entities:
1. Provide a narrative assessment of expenditure on contractors for works or services (i.e. external sources of labour and services), including strategic partnerships, by theme or type of service, to provide a clear view to what extent funds are being expended on particular types of services or functions...
 2. Information to be reported is to include for each contract (or group of contracts):
 - description and reason for contract;
 - total expenditure (GST exclusive) in the financial year;
 - procurement type – either open tender, select tender, single select, or standing offer arrangements (either common use arrangements e.g. NSW Department of Commerce contracts, or whole of government panel);
 - date contract let; and
 - reason for use of Select Tender procurement process, if applicable, for

⁸² Supplementary Questions, PPWT 20.

⁸³ Transcript of Evidence, 30 January 2009, p49.

contracts of value greater than \$100 000.⁸⁴

- 3.22 The Committee is concerned that the ACTPLA Annual Report 2007-08 does not include a narrative assessment of expenditure on contractors as required at C14 (1) of the *Chief Minister's 2007-2010 Annual Report Directions*. The Committee also notes that the report does not include a Procurement Type for each contract, other than those listed as Select Tenders. Furthermore, the report does not include a reason for the use of Select Tender for contracts valued greater than \$100 000.

RECOMMENDATION 3

- 3.23 **The Committee recommends that ACT Planning and Land Authority comply with the *Chief Minister's 2007-2010 Annual Report Directions* with regard to reporting of Government Contracting.**

Direct Land Sales

- 3.24 In response to the Committee's questions, Mr Savery outlined how ACTPLA is consulted on all direct sale proposals and how ACTPLA reinforces the need for the Chief Minister's Department to be satisfied that a direct sale is warranted.
- 3.25 The Committee was advised that ACTPLA review all direct land sale proposals against the Territory Plan and indicate whether the proposal can be considered by ACTPLA. In some cases additional information is sought to clarify intended land uses. He explained that some of the issues ACTPLA raises include whether other potential 'players' exist in the market, whether all site options have been explored and whether the size of land proposed for direct sale is adequate or excessive.⁸⁵
- 3.26 The direct sale of land for religious groups was also raised. The Committee heard that a draft report on the future planning and land needs of religious organisations was developed by ACTPLA following discussions with religious

⁸⁴ *Chief Minister's 2007-2010 Annual Report Directions*, pp31-32.

⁸⁵ Transcript of Evidence, 30 January 2009, pp36-37.

groups about their future needs. The process aimed to assist religious organisations properly consider all relevant issues before seeking a direct sale of land and to help allocate community facility land.⁸⁶

Land Banking Prevention

- 3.27 ACTPLA is also involved in compliance aspects of the Affordable Housing Action Plan, administering the 'land speculation fee' which is embedded in the *Planning and Development Act 2007*.⁸⁷
- 3.28 The Committee heard how the 'speculation' fee is designed to stop developers 'sitting on' plots of land for many years without actually starting construction. The Fee was introduced in response to a review that identified a number of sites where developers had exceeded the compliance requirements for starting development. Mr Savery advised that these land banking practices were occurring to an extent that it was impacting on the supply of housing.⁸⁸
- 3.29 The fee is designed to minimise land banking by increasing fees for lessees where commencement or completion of building or development has not taken place within the prescribed timeframe.

Garden City Provisions and Character Guidelines

- 3.30 The Minister for Planning provided the Committee with an overview of the Garden City Provisions and Character Guidelines including a brief history on why the guidelines were created.
- 3.31 In light of community concerns raised in a series of public consultation processes, the Garden City Provisions and Character Guidelines were developed to address concerns around density of housing on particular blocks such as cul-de-sac blocks with narrow street frontages. Rules were therefore incorporated into the Territory Plan to limit the number of dwellings on sites with limited street frontages or small sized blocks as well as limiting

⁸⁶ Transcript of Evidence, 30 January 2009, p47.

⁸⁷ Transcript of Evidence, 30 January 2009, p25.

⁸⁸ Transcript of Evidence, 30 January 2009, p25.

apartment-style development to maintain a suburban character.⁸⁹

Molonglo

- 3.32 The Committee was advised that a range of infrastructure studies are required now that the Territory Plan Variation and National Capital Plan amendments have been completed, as well as refining estate design for the first Molonglo suburbs.
- 3.33 Additionally environmental impact assessments have to be completed for some sites in the Molonglo and North Weston region including a strategic assessment required under the Environmental Protection and Biodiversity Conservation legislation. ACTPLA anticipates that the first land releases will occur before the end of the 2008-09 financial year, with residents able to move in early 2010.⁹⁰
- 3.34 The Committee heard that the Molonglo development will reflect the Government's climate change strategy including promoting the use of alternative forms of transport with early design of the main public transport spine and pedestrian access corridors. Solar orientation design issues are being addressed at the concept planning level. The Committee was told that planning for the Molonglo region also supports the notion of a compact city with high density developments planned along the main arterial corridor and local centre.⁹¹

Gungahlin Town Centre

- 3.35 The Committee inquired into the progress of development for the Gungahlin Town Centre and was advised that a town centre planning study is underway. The study was initiated to review key issues for the Town Centre such as transport, including public transport and interchange options and the amount

⁸⁹ Transcript of Evidence, 30 January 2009, pp41-43.

⁹⁰ Transcript of Evidence, 30 January 2009, p27.

⁹¹ Transcript of Evidence, 30 January 2009, pp26-27.

of residual commercial land.⁹²

- 3.36 To date the study has included close consultation with Gungahlin Community Council in developing a discussion paper. Public information sessions were held when the discussion paper was released for comment and some businesses were individually consulted.⁹³
- 3.37 The consultants undertaking the planning study are currently drafting a report for government including recommendations on any necessary Territory Plan variations.

Woden Town Centre

- 3.38 Similarly, the Committee asked about additional parking and public transport plans for the Woden Town Centre and was advised that a number of projects have been completed to provide additional parking in the area. The Committee heard that works centred around Phillip oval aim to provide additional commuter parking on weekdays and for events at the oval on weekends. Parking was also increased in the Phillip pool area with removal of some concrete barriers.⁹⁴
- 3.39 The Committee was advised that the Draft Parking Strategy addresses broader parking policies and the Minister for Planning outlined his belief that improved public transport and improved parking facilities do not have to be mutually exclusive.⁹⁵
- 3.40 The Minister also highlighted to the Committee that a plan for public transport routes in Woden has been established and partly funded. The funding included \$3 million in the 2007-08 financial year allocated 'for the first stage of the road infrastructure for the new public transport system in Woden town centre'.⁹⁶

⁹² Transcript of Evidence, 30 January 2009, p44.

⁹³ Transcript of Evidence, 30 January 2009, p44.

⁹⁴ Transcript of Evidence, 30 January 2009, p48.

⁹⁵ Transcript of Evidence, 30 January 2009, p48.

⁹⁶ Transcript of Evidence, 30 January 2009, p48.

Construction Policy and Regulation

Energy Efficiency

- 3.41 The Committee heard about the intergovernmental agreement for the operation of the Australian Building Codes Board which sets minimum standards for energy efficiency in buildings. The first standard was set around 2004 and the Board continues to increase the requirements for residential and commercial buildings.⁹⁷
- 3.42 Revised energy efficiency requirements may be incorporated into the building Code of Australia in 2010, pending a decision by COAG which will enable further reviews of the standards to be conducted.⁹⁸ The revisions may include a minimum 6 star rating for all new residential buildings.⁹⁹
- 3.43 Mr Savery advised the Committee that the ACT benefits from being a member of the Australian Building Codes Board through access to national work such as the review of the National Framework for Energy Efficiency (NFEET).¹⁰⁰ The Committee was told that through NFEET the ACT Government is working with the Commonwealth, States and Territories 'to develop a consistent national approach to improving energy efficiency options for housing' including work on minimum energy rating tools for appliances.¹⁰¹
- 3.44 Similarly the Committee was advised that work on solar hot water systems is being done through the National Plumbing Regulators forum, including work advising governments of the implications of mandating solar systems. The ACT Government is awaiting the results of initiatives in Queensland and South Australia mandating the elimination of electric hot water systems, before deciding what action to take in the ACT and whether that action will be alone or part of a national approach.¹⁰²

⁹⁷ Transcript of Evidence, 30 January 2009, pp34-35.

⁹⁸ Transcript of Evidence, 30 January 2009, p34.

⁹⁹ Supplementary Questions, PPWT 17.

¹⁰⁰ Transcript of Evidence, 30 January 2009, p34.

¹⁰¹ Supplementary Questions, PPWT 08.

¹⁰² Transcript of Evidence, 30 January 2009, p35.

Technical Regulator

- 3.45 The Committee raise questions about delays in electrical inspections related to the installation of photovoltaic cells and ACTPLA's role as technical regulator. It was informed that additional resources for ACTPLA were likely to be determined in the next budget in light of the feed-in-tariff legislation and rising demand for photovoltaic cell installation.¹⁰³
- 3.46 The Committee was also interested in how energy efficiency assessors are audited. Mr Savery advised that, whilst there is no legislative requirement for ACTPLA to audit energy assessors, a position has been funded within ACTPLA to set up a licensing regime for energy assessors which will in turn enable ACTPLA to audit their performance.¹⁰⁴ The Committee heard that the position was initially filled, however the individual did not stay with ACTPLA long. ACTPLA was therefore recruiting back to the position at the time of the Committee's hearing.¹⁰⁵
- 3.47 Other issues discussed at the ACTPLA hearing included:
- Land release policy
 - Belconnen Bus Interchange
 - Kingston planning consultation
 - Suburb of Throsby
 - Tuggeranong power and data centre
 - Constructions Occupation Registrar and Training

¹⁰³ Transcript of Evidence, 30 January 2009, p18.

¹⁰⁴ Transcript of Evidence, 30 January 2009, pp34-35.

¹⁰⁵ Transcript of Evidence, 30 January 2009, pp34

4 LAND DEVELOPMENT AGENCY

- 4.1 The Land Development Agency (LDA) is a statutory corporation of the ACT Government that develops land, carries out works for the development and enhancement of land, and carries out strategic urban development projects. The LDA provides land for development directly to the market, undertakes joint ventures with the private sector and initiates land development of its own estates.¹⁰⁶
- 4.2 The Committee focused on issues of affordable housing, LDA revenue projections and community consultation.

Affordable Housing

OwnPlace

- 4.3 The Committee heard how the OwnPlace program has been actively running for a year, working with a panel of builders selected through a public tender process to develop house and land packages for under \$300 000. The \$300 000 packages include a range of additions such as floor coverings, curtains and landscaping. A monitoring scheme also exists to ensure the builders are providing purchasers with the full package of inclusions.¹⁰⁷
- 4.4 The Committee was advised that LDA aims for enhanced solar orientation for blocks where possible and requires minimum standards through lease and development or lease and planning conditions to maintain a balance between affordability and social concerns with housing standards.¹⁰⁸

¹⁰⁶ Land Development Agency, Annual Report 2007-08, p8.

¹⁰⁷ Transcript of Evidence, 5 March 2009, p114.

¹⁰⁸ Transcript of Evidence, 5 March 2009, p115.

Community Housing

- 4.5 The Committee also inquired into the delivery of community housing, and was advised that a Memorandum of Understanding is in place with providers such as Community Housing Canberra to make blocks available to them for the creation of Community Housing. That MOU requires Community Housing Canberra to deliver 1 000 dwellings in the next 10 years.¹⁰⁹
- 4.6 Community housing providers have taken up land in various estates developed by LDA and the englobo estates (undeveloped land sold to private developers) being developed through joint venture.
- 4.7 The Committee heard that LDA is also working with Housing ACT to make land in new estates available for public housing.¹¹⁰

Revenue and Commercial Return

- 4.8 The Committee inquired into the revenue generated from land sales and how the LDA balances its objectives, such as affordable housing, with the requirement to deliver a commercial return to the Territory.
- 4.9 The Committee was advised that total revenue for the year to the end of February 2009 was around \$128 million.¹¹¹
- 4.10 Revenue projections have been revised from \$480 million down to around \$280 million although those figures are still being reviewed as part of the 2009-10 budget development. There are also a number of auctions still to take place this financial year and a number of blocks are expected to settle over the next few months which would change final numbers.¹¹² Some of the anticipated revenue will also slip to the next financial year due to delays in projects such as the initial land releases in Molonglo.¹¹³

¹⁰⁹ Transcript of Evidence, 5 March 2009, pp115-117.

¹¹⁰ Transcript of Evidence, 5 March 2009, p117.

¹¹¹ Transcript of Evidence, 5 March 2009, p117.

¹¹² Transcript of Evidence, 5 March 2009, p118.

¹¹³ Transcript of Evidence, 5 March 2009, p121.

- 4.11 The Committee heard that the variation between the projections is partly due to the lower than expected price per block achieved for the Casey 2 sale compared to Casey 1. The Casey 2 sale came at a time when the land release program had been recently published, so many prospective buyers were aware of other opportunities that would be available in the coming years. Additionally, finance fell through for a couple of registered bidders. Both these factors may have contributed to a lower than expected sale price.¹¹⁴
- 4.12 Mr Robertson, Chief Executive Officer of the LDA explained how the LDA achieves a good commercial return compared to other comparable government and private land organisations. He advised that LDA balances competing objectives by looking at 'long-term benefits or contributions to the growth of the ACT community' on a case by case basis, for example achieving record profits for commercial land at Section 63 compared to profits forgone when the LDA chose not to auction residential blocks in Franklin individually for the sake of housing affordability.¹¹⁵

Community Consultation

- 4.13 The Committee inquired into the types of community consultation undertaken by the Land Development Agency in relation to land sales, such as the sale of the Hawker shops.
- 4.14 The Committee was advised that community consultation processes are embedded in the land release program and the agency aims to undertake community consultation before the land goes onto the land sales program. The appropriate consultation requirements are determined on a case-by-case basis as land is identified for sale because pre-sales consultation is not appropriate for all commercial, industrial and residential land.¹¹⁶

¹¹⁴ Transcript of Evidence, 5 March 2009, pp118-119.

¹¹⁵ Transcript of Evidence, 5 March 2009, p120.

¹¹⁶ Transcript of Evidence, 5 March 2009, p113.

RECOMMENDATION 4

- 4.15 **The Committee recommends that the Land Development Agency consider implementing a variety of additional methods to consult the community on future land release programs.**
- 4.16 Other issues discussed at the hearing included:
- Land Rent
 - Global Reporting Initiative
 - Sustainability and solar orientation.

5 CONCLUSIONS

- 5.1 The Committee believes that the annual reporting for the ACT Planning and Land Authority can be improved, particularly in regards to reporting of government contracts, as indicated in the recommendations of this report.
- 5.2 The Committee made additional recommendations in relation to public consultation activities by the Land Development Agency and wheelchair accessible taxis options.
- 5.3 The Committee thanks the ACT Government Ministers, departmental agency officers, and members of governing boards, for assisting the inquiry and for providing their time and expertise as witnesses at public hearings.

Mary Porter AM MLA

Chair

May 2009

Appendix A Supplementary questions

Question No	To	Subject
PPWT 01	Minister for Planning	Non commercial development applications
PPWT 02	Minister for Planning	Appeals in the AAT
PPWT 03	Minister for Planning	New Development Application requirements
PPWT 04	Minister for Planning	Policies on reducing climate change gases
PPWT 05	Minister for Planning	Review of Territory Plan
PPWT 06	Minister for Planning	Housing and subdivision codes
PPWT 07	Minister for Planning	Targets for sewage connection audits
PPWT 08	Minister for Planning	Climate Change Strategy
PPWT 09	Minister for Planning	Sustainability committee
PPWT 10	Minister for Planning	ID CC Implementation Group
PPWT 11	Minister for Planning	AccuRate
PPWT 12	Minister for Planning	Affordable housing
PPWT 13	Minister for Planning	Development Applications - notification period
PPWT 14	Minister for Planning	Preliminary Assessments
PPWT 15	Minister for Planning	DHCS childcare report
PPWT 16	Minister for Planning	Territory Plan review
PPWT 17	Minister for Planning	Building energy efficiency
PPWT 18	Minister for Planning	ESD indicators
PPWT 19	Minister for Planning	ESD indicators
PPWT 20	Minister for Planning	Capital payments for the 2007-08 financial year
PPWT 21	Minister for Planning	Delegations - Capital payments for the 2007-08 financial year
PPWT 22	Minister for Planning	Single Select Tenders
PPWT 23	Minister for TAMS	PCL – Fire Management and Environmental Impact
PPWT 24	Minister for TAMS	PCL – Fire trails
PPWT 25	Minister for TAMS	EPA and Heritage – willows
PPWT 26	Minister for TAMS	ACT Property Group – property disposal
PPWT 27	Minister for TAMS	ACT Property Group – Weathering the Change

Question No	To	Subject
PPWT 28	Minister for TAMS	ACT Property Group – Government Agency Environmental Network
PPWT 29	Minister for TAMS	ACT Property Group – Video conferencing
PPWT 30	Minister for TAMS	ACT Property Group – TAMS & sustainable transport
PPWT 31	Minister for TAMS	ACT Property Group – TAMS & sustainable transport
PPWT 32	Minister for TAMS	ACT Property Group – bike parking
PPWT 33	Minister for TAMS	ACT Property Group – national energy efficiency strategy
PPWT 34	Minister for TAMS	TAMS and bus use
PPWT 35	Minister for TAMS	Response to the ‘Action Buses and the Sustainable Transport Plan’ report
PPWT 36	Minister for TAMS	Pay parking in the Parliamentary Zone
PPWT 37	Minister for TAMS	ACT Property Group - OSCAR
PPWT 38	Minister for TAMS	Energy efficiency fund for agencies
PPWT 39	Minister for TAMS	Climate Change – sustainability policy
PPWT 40	Minister for TAMS	Canberra Connect website
PPWT 41	Minister for TAMS	Green duties scheme
PPWT 42	Minister for TAMS	TravelSmart program
PPWT 43	Minister for TAMS	City public transport loop
PPWT 44	Minister for TAMS	Sustainable Transport Plan
PPWT 45	Minister for TAMS	NCA coordination of sustainable transport
PPWT 46	Minister for TAMS	Green vehicle policy
PPWT 47	Minister for TAMS	Rapid transport options
PPWT 48	Minister for TAMS	Heritage Council - Development Applications taskforce
PPWT 49	Minister for TAMS	Heritage Council – Development Application referrals
PPWT 50	Minister for TAMS	Heritage Council - Mr Zivko’s role
PPWT 51	Minister for TAMS	Heritage Council – Conflict of interest procedures
PPWT 52	Minister for TAMS	Heritage grants
PPWT 53	Minister for TAMS	ACTION – dead runs.

Appendix B List of Witnesses

On **30 January 2009**, the following witnesses attended the Committee's public hearing on the Annual and Financial Reports of Department of Territory and Municipal Service (TAMS) [Sport and Recreation, Territory Venues and Events] and the ACT Planning and Land Authority.

- Mr Andrew Barr MLA, Minister for Tourism, Sport and Recreation, Minister for Planning.
- Mr Gary Byles, Acting Chief Executive, Department of Territory and Municipal Service, TAMS.
- Mr Neale Guthrie, General Manager, Territory Venues and Events, TAMS.
- Ms Sue Marriage, Director, Sport and Recreation Services, TAMS
- Mr Neil Savery, Chief Planning Executive, ACT Planning and Land Authority (ACTPLA).
- Mr Ben Ponton, Director, Development Services Branch, ACTPLA
- Mr Adrian Walsh, Manager, Human Services, Client Services Branch, ACTPLA.
- Mr Peter Wurfel, Chief Financial Officer, Corporate Services, Client Services Branch, ACTPLA.
- Mr Vic Smorhun, Manager, Communications and Government Services.

On **27 February 2009**, the following witnesses attended the Committee's public hearing on the Annual and Financial Reports of Department of Territory and Municipal Services.

- Mr Jon Stanhope MLA, Chief Minister, Minister for Transport, Minister for Territory and Municipal Services, Minister for Arts and Heritage.
- Mr Gary Byles, Acting Chief Executive, Department of Territory and Municipal Service, TAMS.
- Mr Hamish McNulty, Executive Director, Environment and

Recreation

- Ms Sue Morrell, Executive Director, Community and Infrastructure Services
- Mr Tom Elliott, Executive Director, Enterprise Services
- Mr Russel Watkinson, Parks, Conservation and Lands
- Mr Graham Mannall, Manager, ACT NoWaste
- Mr Gerhard Zatschler, Manager, Heritage
- Mr Tony Gill, Director, Roads ACT
- Ms Karen Greenland, General Manager, Transport Regulation and Planning
- Ms Vanessa Little, Director, ACT Library and Information Services
- Mr Tim Swift, General Manager, ACTION
- Mr Ryan Stephen, Director, ACT Property Group.

On **5 March 2009**, the following witnesses attended the Committee's public hearing on the Annual and Financial Reports of the Land Development agency, The ACT Public Cemeteries Authority, the ACT Heritage Council and the Animal Welfare Authority.

- Mr Jon Stanhope MLA, Chief Minister, Minister for Transport, Minister for Territory and Municipal Services, Minister for Arts and Heritage.
- Mr David Dawes, Deputy Chief Executive, Chief Minister's Department.
- Mr Hamish McNulty, Executive Director and Animal Welfare Authority, Environment and Recreation.
- Mr Gerhard Zatschler, Manager, Heritage.
- Mr Hamish Horne, Manager, Canberra Cemeteries.
- Mr John Robertson, Chief Executive Officer, Land Development Agency.
- Mr Matthew Kelly, Chief Finance Officer, Land Development Agency.
- Mr Bob Smeaton, Chair, ACT Cemeteries Board.
- Dr Michael Pearson, Chair, ACT Heritage Council.

Appendix C CCEW Recommendations

Standing Committee on Climate Change, Environment and Water (CCEW Committee) in Report 1 *Report on Annual and Financial Reports 2007-2008*.

RECOMMENDATION 7

The Committee recommends that legal advice provided to the Department in 2008 concerning the operation of the Tree Protection Act be provided to the Committee.

RECOMMENDATION 8

The Committee recommends that the Auditor-General review the Department of Territory and Municipal Service's administration of the Tree Protection Act 2005 (ACT).

RECOMMENDATION 9

The Committee recommends that in future annual and financial reports, the Department of Territory and Municipal Services provide accurate analyses of its performance, including variances and performance shortfalls.

RECOMMENDATION 10

The Committee recommends that the Minister for Territory and Municipal Services develop a communications strategy for the Tree Protection Act 2005 (ACT) so that the statutory objectives of the scheme can be better met.

RECOMMENDATION 11

The Committee recommends that future declarations and maps showing built up urban areas and tree management precincts under the Tree Protection Act include sufficient information to enable householders to identify the status of their suburb.

Appendix D Questions Taken on Notice

Additional information

Question: Mr Coe requested a reconciliation of funding provided to date to CORC.

Response: Territory Venues and Events has provided the following funding to date for the delivery of the round of the 2008 UCI Mountain Bike World Cup and the 2009 UCI World Mountain Bike Championships. The funding has been provided under individual grant agreements for the first three amounts and under a final funding agreement for the last amount listed in the Table below. The balance of funding is still being held by TVE. CORC have provided acquittal documentation in late 2008 for the first three grants and the acquittal for the remaining amount is not due until June 2009. The approved funding for 2009-10 is not due to be provided until July 2009.

Moneys Paid for International Mountain Bike events to Date

	<u>Full Claim</u>	<u>Claimed</u>	<u>Balance</u>
14/02/2007	100,000.00	95,000.00	5,000.00
10/09/2007	122,000.00	115,909.09	6,090.91
13/03/2008	241,000.00	228,181.82	12,818.18
29/07/2008	924,000.00	877,800.00	46,200.00
Total	\$1,387,000.00	\$1,316,890.91	\$70,109.09

The approved budget allocations are as follows:

	2006/07	2007/08	2008/09	2009/10	Totals
TA Funding	\$100,000				
2007/08 Budget -expenses		\$122,000	\$348,000	\$526,000	\$1,096,000
TA Funding		\$241,000			\$241,000
2008/09 Budget -expenses			\$576,000	\$73,000	\$649,000
2008/09 Budget -revenues				(\$400,000)	(\$400,000)
Totals	\$100,000	\$363,000	\$924,000	\$199,000	\$1,586,000