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**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**Implementation of the Loose-fill Asbestos Insulation Eradication Scheme 1 July –  
31 December 2021**

**Presented by  
Ms Rebecca Vassarotti MLA  
Minister for Sustainable Building and Construction  
February 2022**





**ACT**  
Government

# IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME

1 JULY – 31 DECEMBER 2021

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# IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021



## OVERVIEW

The Asbestos Response Taskforce (Taskforce) is responsible for the delivery and management of the ACT Government's Loose Fill Asbestos Insulation Eradication Scheme (Scheme). The ACT Government provides regular reports on the activities of the Taskforce in delivering the Scheme and this report covers the period from 1 July – 31 December 2021. The reports are tabled in the Legislative Assembly to assist interested parties in understanding and monitoring the work of the Taskforce to eradicate loose fill asbestos insulation from the Canberra residential community.

Key activities of the Taskforce during the July – December 2021 reporting period include:

- > intensive tailored engagement in the leadup to closure of the Buyback Program on 17 August 2021 with homeowners of remaining affected properties (both Scheme participants and those managing privately), to ensure homeowners were aware of their options, responsibilities, and the assistance offerings that would be available post closure of the Buyback Program
- > the commencement on 18 August 2021, of a new voluntary ongoing Buyback Program (ongoing Buyback Program) for newly identified affected properties added to the Affected Residential Premises Register (Register) following closure of the current Buyback Program
- > the provision of support to the homeowners of two newly identified properties, added to the Register on 18 August 2021 and 21 December 2021, to assist them in exploring options available under the ongoing Buyback Program and identify a pathway to eradication
- > the acquisition of an additional six affected properties, including three under the tailored support arrangements of Transition Assistance (TA)

## **IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021**

- > the progression of an additional two TA applications to support homeowners with complex health or financial circumstances to assist with transition out of their affected property into safer living arrangements
- > the continued provision of individual case management, targeted communications, personalised support and assistance to assist those impacted by the Mr Fluffy legacy in accessing the support they need
- > the continued arrangements with CatholicCare, for delivery of free therapeutic support group services for residents and homeowners of affected properties
- > conducting research and assessment on current or required community partnerships to support the needs and circumstances of remaining residents of affected properties
- > the introduction of a Request for Acquisition process for deceased estates allowing executors or beneficiaries to apply to the Government to acquire the affected property of eligible homeowners once they have seen out their final years in their home
- > the safe demolition of nine properties (six affected and three impacted), bringing the total number of demolitions under the Taskforce program to 981 (968 affected and 13 impacted) as at 31 December 2021
- > progressing work on addressing the challenges associated with demolition of affected and impacted properties within unit complexes, including finalising design documentation for the rebuild of five units in a rebuild package within a multi-unit complex in Hackett
- > the removal of four blocks from the Register, bringing the total number of deregistrations to 996 as at 31 December 2021
- > the continued property maintenance service to ensure the safe, efficient and effective management of properties both prior to demolition and post demolition/prior to sale
- > having five First Right of Refusal (FROR) offers made to homeowners providing an opportunity to purchase their block following demolition and remediation

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

- > the continuation of the Public Sales Program, with:
  - one contract exchanged<sup>1</sup> and seven sales settled on remediated blocks, and
  - three contracts exchanged and three sales settled on townhouses erected within a multi-unit complex in Higgins
- > the upkeep of engagement and information sharing with community partners, industry peak bodies and other key stakeholders to support the community safety initiatives under the Pathways Package
- > placing occupancy prohibition measures on two affected properties following their private sale. This brings the total number of affected properties unable to be occupied following the transfer of ownership to a new owner, to three as at 31 December 2021.
- > the continued engagement with, and provision of support to, the Community and Expert Reference Group to deliver on projects identified in the [Government Response to the Mr Fluffy Legacy Project](#)
- > the commencement of the process to undertake an independent end of Scheme closure audit to evaluate the delivery of the Scheme in its entirety. The audit will focus on governance, communications and overall strategic management and outcomes of the Scheme. The audit will also identify lessons learned and inform future ACT Government programs
- > the commencement of activities in the lead-up to the conclusion of the Taskforce on 30 June 2022.

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<sup>1</sup> This property was originally sold at auction in May 2021 with the successful bidder rescinding the contract. The property was subsequently sold to the next highest bidder.

## **IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021**

Key statistics as at 31 December 2021, for the 1048 properties identified as affected (1029) and impacted (19) by loose fill asbestos insulation, are provided below:

- > 989 properties surrendered to the Territory (973 affected and 16 impacted)
- > 1011 properties demolished (998 affected and 13 impacted):
  - 981 by the Taskforce (968 affected and 13 impacted)
  - 12 assisted private demolitions
  - 17 private demolitions
  - One surrendered to the Territory following demolition
- > 996 remediated blocks deregistered
- > 652 First Right of Refusal (FROR) offers had been made
- > 891 remediated blocks had been offered to the open market for public sale
- > contracts for sale exchanged on 967 remediated blocks
  - 874 Public Sale
  - 50 FROR
  - 43 to an ACT Government Agency
- > sales settled on 965 blocks
  - 874 Public sales
  - 48 FROR
  - 43 to an ACT Government Agency.

## GOVERNANCE ARRANGEMENTS

### SCHEME IMPLEMENTATION

The Taskforce remains part of the Development and Implementation Division of the Environment, Planning and Sustainable Development Directorate (EPSDD) where it continues its work in implementing a compassionate, safe, efficient and innovative program to realise the Government's objective of eradicating loose fill asbestos insulation from Canberra's streets and suburbs.

Under the Taskforce's governance framework, the Scheme is divided into four phases:

- > Assistance
- > Buyback
- > Demolition
- > Sales

Progress during the second half of 2021 is reported against each of these phases. The financial impact of delivery of the Scheme is also reported, as well as activities undertaken in relation to community information and engagement.

Ms Rebecca Vassarotti MLA, Minister for Sustainable Building and Construction, has ministerial responsibility for the Scheme.

### SCHEME GOVERNANCE

The Eradication Scheme Steering Committee (ESSC) provides high level oversight of the Taskforce's activities with a particular focus on good governance through to the conclusion of the Scheme. ESSC continues to monitor the Scheme's key milestone progress and performance and provides a platform to monitor the effectiveness of risk controls.

The ESSC met once during the reporting period and received out of session reports for every other month.

The Taskforce internal audit and assurance activities are also monitored by the EPSDD Audit and Risk Committee.

## ASSISTANCE

### HOMEOWNER SUPPORT

The Assistance phase work, undertaken primarily by the Taskforce's Personal Support Team (PST), continues with particular focus on:

- > providing information and support to homeowners who remain in their homes
- > tailored Transition Assistance support for households navigating complex family and financial circumstances in the completion of the surrender of their affected properties
- > contacting homeowners, tenants and landlords who have progressed through all phases of the Scheme to:
  - confirm their support and information needs are being met; and
  - if required, assist households with connection to appropriate community or individual supports
- > ensuring appropriate support remains accessible in the community for members of affected households that may require tailored support options
- > providing information and, if required, support for clients within the complex properties project, and
- > intensive tailored engagement with Owners Corporations and Strata Managers for unit titled properties within the complex properties project. This work has resulted in achieving authorisations to support demolitions, development applications and amendments required to a units plan for the rebuild of three units on remediated blocks, and the successful sale of the new units.

Additionally, during the reporting period PST continued:

- > its tailored engagement work with remaining affected and impacted household members to assist them explore the best option for their individual circumstances, understand their options, both within the Scheme and privately, and remind them of their ongoing responsibilities while they choose to remain in an affected property

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

- > intensive engagement with homeowners in the two months leading up to closure of the Buyback Program on 17 August 2021, to assist homeowners to have a smooth transition from their affected property to allow surrender
- > regular engagement with homeowners who participated in the Scheme and settled on the surrender of their affected property at closure of the Buyback Program on 17 August 2021, or who required additional support. Personal support linkages continued to be provided to assist remaining homeowners in navigating the best options for their individual circumstances
- > information provision and support provided to two homeowners seeking to progress private sale on the open market
- > information provision and support to two homeowners whom, prior to the Buyback Program closure, progressed their application to access Waste Disposal Fee Relief, to assist with progressing the private demolition of their affected properties
- > tailored assistance for the homeowners of the two newly identified properties under the ongoing Buyback Program which commenced on 18 August 2021. One of these homeowners progressed to surrendering their home during this reporting period.

Table 1 and Figure 1 reports interactions from commencement of the Scheme. Fewer interactions recorded during this reporting period reflects the declining number of affected households that remain within the community, in addition to the closure of the voluntary Buyback Program on 17 August 2021. The number of community support requests have also reduced, due to most homeowners having relocated and affected properties within the community having been remediated.

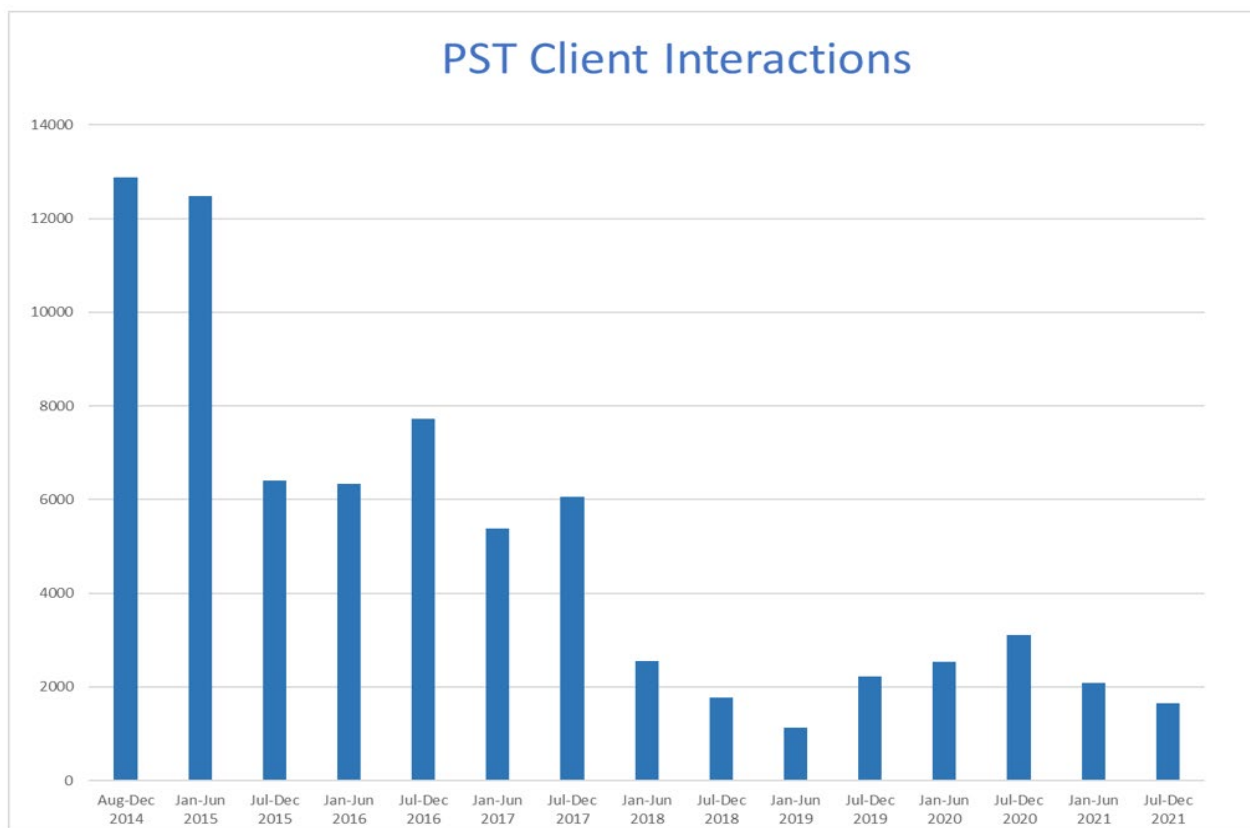
**Table 1: Client Relationship Management (CRM) System Interactions**

	As at 30 June 2021	As at 31 December 2021	Interactions during the reporting period
CRM Interactions	72,658 <sup>1</sup>	74,312	1,654

**Notes:**

1. The CRM system interactions were incorrectly recorded in the January-June 2021 Half Yearly Report as 72,617 as at 30 June 2021. The correct number of CRM system interactions as at 30 June 2021 is 72,658 (41 more than initially reported).

**Figure 1: Client relationship management system interactions**



**CASE CLOSURES**

Case closures continued during the reporting period for households who no longer require ongoing Taskforce-initiated contact, confirming all aspects of the Scheme are finalised for each case closure. As at the end of the reporting period, 1253 cases had been concluded. This represents only a slight increase of eight case closures since 30 June 2021. The Taskforce remains available should any of these homeowners, tenants or landlords seek to engage again or require further support.

**TRANSITION ASSISTANCE**

Transition Assistance (TA) allows eligible homeowners with complex financial and health circumstances to access the equity in their home, prior to surrender, for payment of expenses associated with moving to new living arrangements. TA arrangements are available for a six-month period following the exchange of contract for the surrender of the affected property.

At the end of the six-month contractual period homeowners will need to have vacated the affected property and completed the surrender.

## **IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021**

A Transition Plan is a key component of an approved TA application. The Taskforce works with homeowners to develop and action a Transition Plan to ensure the homeowners' identified support needs are implemented, that milestones are met, to better enable a smooth transition from the affected property allowing surrender.

During the reporting period one TA application was received, one was approved and three completed on surrender of the affected property. This brings the total number of TA applications received and approved to the end of the reporting period to seven, with five completed upon surrender to the Territory.

The Taskforce continues to provide tailored support to the homeowners of two affected properties approved for TA assistance:

- > one in a TA contract, working toward surrendering their affected property to the Territory by 30 June 2022, and
- > one with an exchange pending on their TA contract.

### **REQUEST FOR ACQUISITION FOR DECEASED ESTATES**

A Request for Acquisition (RFA) for deceased estates is an option available for executors and beneficiaries of any eligible homeowner of an affected property not surrendered under the Buyback Program. The executor of a deceased estate or the new registered owner, resulting from an inheritance, may apply to the ACT Government to acquire an affected property, once the eligible homeowner who chose to see out their final years in their home, has passed away.

This offering applies from 18 August 2021 for properties listed on the Register prior to 17 August 2021, or for properties listed on the Register after that date, 12 months after it is added to the Register. The RFA allows the ACT Government, upon request, to acquire an affected property by agreement. No RFAs were received during the reporting period.

### **THERAPEUTIC SUPPORT GROUP PROGRAM**

The Therapeutic Support Group Program (the Program), run by CatholicCare, is a free tailored support option facilitated by trained psychologists. The Program which provides a series of Therapeutic Support Group sessions, is available to all homeowners and residents of affected or impacted properties to connect, access support and information, and share experiences.

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Due to COVID-19 community health restrictions, only two sessions were able to be held during the reporting period. The two sessions delivered focussed on the following topics:

- > 9 August 2021 – Mindfulness and resilience: have fun with yoga
- > 6 December 2021 – Christmas Gathering and Reflection: Art therapy using herb potting.

Therapeutic Support Group sessions are planned to occur bi-monthly through to the middle of 2022.

## FINANCIAL ASSISTANCE AND SUPPORT

### GRANTS AND CONCESSIONS

A range of financial assistance allowances, including grants and concessions, are available to assist homeowners with relocation expenses.

Table 2 shows the progress on the number and value of relocation assistance grants and stamp duty concessions processed during the reporting period.

**Table 2: Relocation Assistance Grants and Stamp Duty Concessions**

	As at 30 June 2021		As at 31 December 2021		Activity during the reporting period	
	Number	Value	Number	Value	Number	Value
Relocation Assistance Grants <sup>1</sup>	1,115	\$12.53m	1,122	\$12.62m	7	\$0.09m
Stamp Duty Concessions <sup>2</sup>	703	\$17.45m	704	\$17.47m	1	\$0.02m

**Notes:**

1. The number of relocation assistance grants relates to packages paid in full. The value relates to grants paid in full and/or part.
2. The number and value of stamp duty concessions includes both affected and impacted properties.

### LAND RENT

The Government extended the Land Rent Scheme in February 2016 to allow former owners, who meet the Scheme criteria, to use this option to assist them to return to their former block and neighbourhood.

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Table 3 shows the total number of Land Rent applications lodged, approved and issued as at 31 December 2021 with there being no activity during the reporting period.

**Table 3: Land Rent applications and leases**

	As at 30 June 2021	As at 31 December 2021	Activity during the reporting period
Land Rent Applications Lodged	5	5	0
Land Rent Applications Approved	5	5	0
Land Rent Leases Issued	3*	3*	0

Note: Two of the five Land Rent Lease applications lodged and approved did not proceed to settlement.

## ASBESTOS DISEASE SUPPORT SCHEME

The ACT and Australian Governments have committed to contribute \$16 million (\$8 million each) to establish an Asbestos Disease Support Scheme (Support Scheme) to provide financial support to people who contract, or have contracted, an asbestos-related disease after living in a loose fill asbestos insulation ('Mr Fluffy') affected property in the ACT. The Support Scheme will be administered by the ACT Government.

The Scheme is designed to provide financial support for people affected by the loose fill asbestos insulation legacy in a non-work-related capacity.

During this reporting period, the ACT Government has continued to work with the Australian Government and stakeholders to establish the Support Scheme as quickly as possible.

This includes working through how the Support Scheme will operate in conjunction with other forms of government assistance, so participants receive the support they need. The Support Scheme is intended to be simple, timely and streamlined for participants, and is expected to commence in early 2022. Workplace Safety and Industrial Relations (WSIR) within Chief Minister Treasury and Economic Development Directorate will be the point of contact for people to register for the Support Scheme.

A [fact sheet](#) is available online.

The Taskforce continues to remain available to provide guidance and support access to health services to assist current and former residents of Mr Fluffy properties who have been diagnosed with an asbestos related disease.

## **BUYBACK**

### **VOLUNTARY BUYBACK PROGRAMS**

The Taskforce remains operational until 30 June 2022 and continues to support homeowners participating in the original and the ongoing Buyback Programs, through all phases of the Scheme.

#### **BUYBACK PROGRAM CLOSURE – 17 AUGUST 2021**

At the time of closure, of the 1027 residential properties in the ACT known to be affected by loose fill asbestos insulation, there were only 35 yet to be demolished. 14 of these were owned by the ACT Government with planning for their demolition well under way. Of the 21 others remaining:

- > Eight were participating in the Scheme:
  - three with future settlement dates under a Transition Assistance arrangement
  - one approved for Transition Assistance with a surrender date yet to be confirmed
  - four others that had taken no action to surrender, one of which has since withdrawn from the Scheme to manage their affected property privately.
  
- > 13<sup>2</sup> were not participating in the Scheme.

#### **NEW ONGOING BUYBACK PROGRAM – COMMENCED 18 AUGUST 2021**

Between the commencement of the Scheme and the close of the Buyback Program on 17 August 2021, five additional residential properties were identified as containing loose fill asbestos insulation. With the expectation that further affected properties exist across Canberra suburbs, a new voluntary Buyback Program (ongoing Buyback Program) commenced on 18 August 2021.

Since commencement of the ongoing Buyback Program, an additional two residential properties were identified as affected by loose fill asbestos insulation and added to the Register: one in Reid, added on 18 August 2021; the other in Lyons added on 21 December 2021. This brings the total number of properties identified as containing (or having once contained) loose fill asbestos insulation, to 1029.

These two newly identified properties are being managed as part of the ongoing Buyback Program.

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<sup>2</sup> Three of these have now been sold to a new owner on the private market for demolition and are subject to an Occupancy Prohibition.

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

During the reporting period, six affected properties were surrendered to the Territory - one of these through the ongoing Buyback Program.

During the same reporting period, the homeowners of four affected properties exchanged on a Deed of Rescission to no longer participate in the Scheme and manage their property privately.

Additionally, the homeowners of three affected properties, expected to surrender their property by close of the Buyback Program on 17 August 2021 but did not, were issued a notice requiring surrender by 10 December 2021. The three properties did not surrender by that date and on 16 December 2021, the homeowners were issued a notice terminating their Surrender Deed, effective immediately.

Table 4 shows participation status comparison, for the 37 properties remaining (31 affected and six impacted) between the July – December 2021 reporting periods.

**Table 4: Remaining Affected and Impacted Properties**

	As at 30 June 2021			As at 31 December 2021		
	Affected	Impacted	Total	Affected	Impacted	Total
<b>Total Number of remaining properties</b>	<b>35</b>	<b>9</b>	<b>44</b>	<b>31</b>	<b>6</b>	<b>37</b>
- Territory-owned	11	6	17	11	3	14
- Privately-owned	24	3	27	20	3	23
<b>Participating in the Scheme</b>	<b>24</b>	<b>6</b>	<b>30</b>	<b>13</b>	<b>3</b>	<b>16</b>
<b>Not Participating in the Scheme</b>	<b>10</b>	<b>1</b>	<b>11</b>	<b>17</b>	<b>3<sup>1</sup></b>	<b>20</b>
<b>Participation to be confirmed</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>1<sup>2</sup></b>	<b>0</b>	<b>1</b>

Notes:

- Two of these were deemed eligible impacted properties due to their association with affected properties but are not required to complete the demolition of the associated affected properties. The Taskforce has engaged consultants to propose a tailored solution to the demolition and remediation of the affected properties and remediation of the third impacted property not participating in the Scheme.
- This is the newly-identified property in Lyons added to the Register on 21 December 2021. By the end of the reporting period, the homeowners' invitation to participate in the ongoing Buyback Program remained open with the decision on participation pending.

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

Table 5 reports contract exchange and surrender settlement activity for remaining affected and impacted properties during the reporting period.

**Table 5: Voluntary Buyback Program Contract Exchanges and Settlements for Remaining Affected and Impacted Properties**

	As at 30 June 2021			As at 31 December 2021		
	Affected	Impacted	Total	Affected	Impacted	Total
<b>Total Number of affected and impacted properties remaining</b>	<b>35</b>	<b>9</b>	<b>44</b>	<b>31</b>	<b>6<sup>1</sup></b>	<b>37</b>
<b>In contract</b>	14	0	<b>14</b>	1	0	<b>1</b>
<b>Surrender Settlements</b>	5	0	<b>5</b>	6	0	<b>6</b>

**Notes:**

1. Three of these were deemed eligible impacted properties due to their association with affected properties but two are not required to complete the demolition of the associated affected properties. The Taskforce has engaged consultants to propose a tailored solution to the demolition and remediation of the affected properties and remediation of the third impacted property not participating in the Scheme.

As at 31 December 2021:

- > three affected properties remained in the Buyback phase of the Scheme:
  - one with a planned settlement in the first half of 2022 under a TA arrangement
  - one approved for TA with a surrender date yet to be confirmed
  - one<sup>3</sup> with a live invitation to participate in the ongoing Buyback Program

<sup>3</sup> This is the newly identified property in Lyons added to the Register on 21 December 2021.

## DEMOLITION

The Taskforce continues to undertake the demolition of standard single dwellings as they become available, as well as progressing complex property demolitions. Where possible, these properties are grouped together in order to gain demolition efficiencies and better engage with the industry.

There were four standalone single dwellings and five complex property demolitions undertaken during the reporting period. Additionally, at the end of the reporting period, contract award was imminent, for the safe removal of asbestos and demolition of an additional eleven residences, comprising of six standalone single dwellings and five complex properties in two sites.

The Taskforce continues to work closely with relevant stakeholders and regulators to support the safe, effective and efficient implementation of the Scheme.

Table 6 shows the total number of demolitions and deregistrations undertaken as at 31 December 2021. Ninety-eight per cent of affected properties have now been removed from the Register.

**Table 6: Demolition and Deregistration Activity**

	As at 30 June 2021			As at 31 December 2021			Activity during the reporting period		
	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total
<b>Demolished</b>	<b>992</b>	<b>10</b>	<b>1002</b>	<b>998</b>	<b>13</b>	<b>1011</b>	<b>6</b>	<b>3</b>	<b>9</b>
>Taskforce	962	10	972	968	13	981	6	3	9
>Assisted Private	12	*	12	12	*	12	0	*	0
>Self-funded	17	*	17	17	*	17	0	*	0
>Surrendered following demolition	1	*	1	1	*	1	0	*	0
<b>Deregistered</b>	<b>992</b>	<b>*</b>	<b>992</b>	<b>996</b>	<b>*</b>	<b>996</b>	<b>4</b>	<b>*</b>	<b>4</b>
>Taskforce	962	*	962	966	*	966	4	*	4
>Assisted Private	12	*	12	12	*	12	0	*	0
>Self-funded	17	*	17	17	*	17	0	*	0
>Surrendered following demolition	1	*	1	1	*	1	0	*	0

Note: \* indicates not relevant for impacted properties.

## COMPLEX PROPERTIES

During the reporting period, there were five complex properties demolished (two affected and three impacted) within one multi-unit site.

The Taskforce continued to work with a range of stakeholders to develop a tailored solution and process for remaining complex properties in brownfield environment. This included intensive consultation, engagement and investigation work to progress design, authorisation and approvals required for demolition and subsequent rebuild.

At the end of this reporting period, there were eleven complex properties across four sites remaining. Of these:

- > two properties (one affected and one impacted) form a Duplex and are both owned by the Territory with demolition planning underway
- > two (one affected and one impacted) are part of a Dual Occupancy Unit Titled (DOUT) property:
  - the affected property is owned by the Territory; and
  - the impacted property is not participating in the Scheme and, although deemed an eligible impacted property to support the efficient demolition of the associated affected property, is not required to complete the works.
- > three (one affected and two impacted) are String properties and are all owned by the Territory with demolition planning underway
- > four (two affected and two impacted) are properties within Unit Complexes:
  - three in one complex:
    - two (both affected) are owned by the Territory; and
    - one impacted remains privately owned<sup>4</sup>.

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<sup>4</sup> The homeowner of the impacted property at this complex is not participating in the Scheme. The Taskforce has engaged consultants to propose a tailored solution to the demolition and remediation of the affected properties and remediation of the impacted property.

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

- one is an impacted property in another complex and, although deemed an eligible impacted property to support the efficient demolition of the associated affected properties, was not required to complete the works.

Table 7 shows the progress of demolitions undertaken on complex properties during the reporting period.

**Table 7: Complex Properties Progress**

	Number of Properties			Demolished as at 30 June 2021			Demolished as at 31 December 2021			Activity during the reporting period		
	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total
<b>Duplex</b>	7	2	9	6	1	7	6	1	7	0	0	0
<b>Dual Occupancy Not Unit Titled</b>	8	0	8	8	0	8	8	0	8	0	0	0
<b>Shared Garages</b>	3	0	3	3	0	3	3	0	3	0	0	0
<b>DOUT</b>	9	2	11	8	1	9	8	1	9	0	0	0
<b>Strings</b>	7	8	15	6	6	12	6	6	12	0	0	0
<b>Unit Complexes</b>	5	7	12	1	2	3	3	5	8	2	3	5
<b>TOTAL</b>	39	19	58	32	10	42	34	13	47	2	3	5

### REBUILD OF AFFECTED AND IMPACTED PROPERTIES IN UNIT COMPLEXES

With the successful engagement and collaboration with Owners Corporations and Strata Managers for unit titled properties in Higgins, the first rebuild project, comprising three townhouses erected on remediated blocks, were sold (settled) during the reporting period.

The design of these three-bedroom townhouses was sympathetic to the adjacent units, in terms of scale, form and character. They were designed on energy efficient principles, that offer minimal environmental impact and maximum human comfort.

Taskforce continued to focus on the work required to progress the rebuild for the second unit complex in Hackett, including but not limited to prepare drawings for building approval. The tender for the rebuild is expected to be released in the third quarter of the 2021-22 financial year.

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Planning and due diligence also commenced during the reporting period for the multi-unit complex in Macquarie. Redevelopment options for these properties will continue to be explored in the next reporting period.

## SALES

The Taskforce continues to deliver the Sales Program that supports the renewal of affected communities and assists in minimising the overall cost of the Scheme to the Canberra community and the ACT Government.

As at the end of the reporting period, 967 contracts for sale had been exchanged and 965 settlements completed, including 48 First Right of Refusal (FROR) sales and 43 sales to Housing ACT via asset transfer.

There were no direct sales to Government Agencies during the July – December 2021 reporting period, although Housing ACT and EPSDD have expressed interest in some blocks remaining when they become available for sale.

As at 31 December 2021:

- > 652 offers had been made to homeowners holding a FROR, with five of these having been made during the reporting period. The FROR continues to provide an opportunity for former owners to repurchase their block in an off-market transaction for them to return to their former community
- > 891<sup>5</sup> blocks had been taken to market for public sale, and
- > no blocks were available for sale over the counter.

The Sales Program continues, on a smaller scale delivery basis, as surrendered blocks become available. At the end of the reporting period, the Taskforce had four remediated blocks in its sales inventory:

- > one reserved for potential direct sale to a Government Agency
- > three will be auctioned during the first half of 2022.

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<sup>5</sup> This includes the three units in a unit complex in Higgins rebuilt on remediated blocks, which were sold via auction during the reporting period.

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

Table 8 shows the progress of sales activity during the reporting period for the FROR, Public Sale and Sale to Agency phases.

**Table 8: First Right of Refusal and Public Sales**

	As at 30 June 2021	As at 31 December 2021	Activity during the reporting period
<b>Sales - FROR</b>			
>Offers sent	647	652	5
>Offers accepted	96	98	2
>Acceptances withdrawn	36 <sup>1</sup>	48 <sup>2</sup>	0 <sup>3</sup>
>Offers declined	263	265	2
>Offers forfeited	287	289	2
>Sold (exchanged)	47	50	3
>Sold (settled)	47	48	1
<b>Sales – Public Sale</b>			
>Offered for Sale	888	891	3
>Sold (exchanged)	870	874	4
>Sold (settled)	864	874	10
<b>Sales – Government</b>			
>Contracts exchanged	43	43	0
>Contracts settled	43	43	0

**Notes:**

1. This figure was incorrectly reported as at 30 June 2021 as 37. The correct figure as at 30 June 2021 is 36.
2. This includes 12 properties where the homeowner defaulted on their FROR Sale Contract after accepting their FROR offer.
3. Previous reports had captured the number of properties with 'FROR acceptances withdrawn' without consideration being given to those who had defaulted on a FROR Sale Contract that were subsequently sold to a new owner (12 as at 31 December 2021). This brings the total of FROR acceptances withdrawn as at 31 December 2021 to 48, with there being no activity during the reporting period.

## FINANCIAL IMPACT

The approximate net cash cost of the Scheme as at the end of December 2021 is \$272 million. This cost will continue to be revised through the program based on progress of buyback, demolition, and sale of properties.

**Table 9: Buyback Program Expenditure (based on settlement for affected and eligible impacted properties)**

	As at 30 June 2021			As at 31 December 2021		
	No	Total Cost	Average	No	Total Cost	Average
Properties Settled	983	\$706,140,601	\$718,353	989	\$712,085,701	\$720,006

**Table 10: Demolition Expenditure (based on demolitions contracted, including contract variations)**

	As at 30 June 2021			As at 31 December 2021		
	No	Total Cost	Average	No	Total Cost	Average
Properties demolished or under contract for demolition	973	\$87,984,276	\$90,426	981	\$88,236,890	\$89,946

**Notes:**

- Demolition expenditure includes Asbestos Removal and Demolition costs only. These figures exclude the costs incurred by government in disposing of affected properties, undertaking pre-demolition asbestos assessments and post demolition soil validations.
- The cost of individual demolitions is influenced by several variables including the property's location, construction type, size (including the size of footings), number of additional structures, block access, slope of the block, and amount and spread of asbestos present. Individual demolition costs can vary significantly from the average.

**Table 11: Sales Program Revenue (based on exchanged contracts)**

	As at 30 June 2021		As at 31 December 2021		Activity during the reporting period	
	Number	Value	Number	Value	Number	Value
FROR	47	\$37,396,700	50	\$40,823,700	3	\$3,427,000
Public Sale	870	\$576,785,751	874	\$580,761,251	4	\$3,975,500
>Auction	377	\$282,039,750	380	\$284,565,250	3	\$2,525,500
>By negotiation	43	\$25,232,300	43	\$25,232,300	0	\$0
>Over the counter	450	\$269,513,701	451	\$270,963,701	1	\$1,450,000
Sale to Government	43	\$29,024,700	43	\$29,024,700	0	\$0

## COMMUNITY INFORMATION AND ENGAGEMENT

In addition to the tailored engagement work in the complex properties project, the Taskforce also continues to keep the community informed of planned works in their neighbourhood, with letters delivered to neighbours when a contract is awarded for demolition and when a property is deregistered.

Table 12 below shows the progress of activity during the reporting period, with no contract award letters and 58 deregistration letters being distributed during this time.

**Table 12: Correspondence with neighbours**

	As at 30 June 2021	As at 31 December 2021	Activity during the reporting period
<b>Contract award letters</b>	8,381	8,381	<b>0</b>
<b>Deregistration letters</b>	9,454	9,512	<b>58</b>

**Notes:**

1. Figures reflect Demolition Communications Process commenced in March 2016.
2. Contract Award and Deregistration Letters represent the two communications sent directly by the Taskforce. The full Communications Process with neighbours also includes a letter issued by ACT Property Group upon acquisition of the affected or impacted property, and demolition timing letters issued by the head contractor.

## COMMUNITY SAFETY MEASURES

The ACT Government has implemented several measures to support the management of remaining privately-owned affected properties aimed at reducing the risk to the broader community of the presence of loose fill asbestos insulation in Canberra homes:

- > community safety initiatives relating to Asbestos Management Plans
- > restriction of development and building approval to demolition or work essential for health, safety and reasonable living conditions, and
- > restriction on occupancy (Occupancy Prohibition) activated on transfer of title or at the end of a rental or subletting agreement.

## **IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021**

### **ASBESTOS MANAGEMENT PLAN COMPLIANCE**

Asbestos Management Plan compliance status for affected properties remaining on the Register are published on the Taskforce website at

[www.asbestostaskforce.act.gov.au/affected-properties/register](http://www.asbestostaskforce.act.gov.au/affected-properties/register). As at 31 December 2021, of the 20 properties required to have an AMP in place, six were compliant.

WorkSafe ACT continues to monitor compliance and liaise with affected property owners around the additional compliance measures aimed at supporting community safety.

### **DEVELOPMENT APPLICATION AND BUILDING APPROVAL RESTRICTIONS**

Amendments have been made to the [Planning and Development Act 2007](#) and the [Planning and Development Regulation 2009](#), and the [Building \(General\) Regulation 2008](#) to restrict allowable development and building work to only demolition or work which is essential for health, safety or reasonable living conditions at affected residential premises.

Since commencement of these restrictions on 1 July 2020 there have been no Development or Building Applications lodged for affected properties subject to these restrictions, other than for demolition.

### **OCCUPANCY PROHIBITION**

In the interests of community safety, it is important that a new generation of residents are not exposed to the health, social and financial risks associated with living in an affected property.

An occupancy prohibition prevents properties on the Register from being occupied following the transfer of ownership (except where the new owner has already been a long-term occupant) or at the expiration of a current rental or subletting agreement.

During the reporting period, two properties changed ownership and are now subject to occupancy prohibition. Since the introduction of occupancy prohibition measures on 1 July 2020, a total of three remaining affected properties have become subject to occupancy prohibition.

## IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021

### ASBESTOS SAFETY AND ERADICATION AGENCY

The Asbestos Safety and Eradication Agency (ASEA) is a national body that oversees all jurisdictions' actions to improve asbestos awareness and the effective and safe management, removal and disposal of asbestos. The ACT has a commitment to contribute to the [National Strategic Plan 2019-2023](#) (NSP 2019-2023) through a Memorandum of Understanding with ASEA. During this reporting period, the Taskforce worked collaboratively with WSIR to prepare a presentation on asbestos management challenges and opportunities in the ACT, which was presented at the 2021 National Asbestos Safety Summit.

The Taskforce engaged with ASEA to provide information on asbestos disclosure requirements for residential properties to inform a review ASEA is undertaking as part of an action in the NSP 2019-2023. Subsequently the Taskforce commenced work to review and update the [ACT Asbestos Advice Notice](#) about the likely location of asbestos in residential premises built, or the building of which started, before 1985. This notice is required in the key points of a transaction, where a current asbestos assessment report is not available, for:

- > residential tenancy agreements - section 12(3) of the [Residential Tenancies Act 1997](#), and
- > the sale of residential premises - section 9(1) of the [Civil Law \(Sale of Residential Property Act 2003\)](#).

### COMMUNITY AND EXPERT REFERENCE GROUP

The Community and Expert Reference Group (CERG) is an advisory group to the Taskforce.

CERG continues to support the Taskforce as an independent source of expertise, information and advice on community and stakeholder sentiment about policy, delivery and emerging issues.

As the Taskforce enters the final phases of the Scheme delivery, CERG has prioritised work to progress actions from the Mr Fluffy Legacy Project: Consultation Outcomes and Recommendations Report (the Legacy Report), prepared by CERG in 2019. The Mr Fluffy Legacy Project considers how the legacies of more than 50 years of Mr Fluffy in Canberra homes may be acknowledged and responds to community interest in recognising the impact of Mr Fluffy and its legacy for the Canberra community.

## **IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021**

The ACT Government is progressing responses to the recommendations made in the Legacy Report, in consultation with CERG, to deliver responses that are sensitive to the broad and diverse community experience with loose fill asbestos insulation.

Activities being progressed include:

- > promoting independent research that builds knowledge on the ACT community's experience with loose fill asbestos insulation, through the Community Impact PhD Research Scholarship Program (Scholarship). The Scholarship is \$38,000 per annum stipend over three years and up to \$5,000 in total for research expenses. It is administered by the Australian National University (ANU) Population Health Exchange, and applications are assessed by representatives from the Taskforce, ANU and CERG
- > working with health professionals in the ACT region to connect families who have, or have had, loose fill asbestos insulation exposure risks with the appropriate services when they need them, this includes the delivery of the Therapeutic Support Group Program through CatholicCare
- > consideration of establishing a place of reflection to acknowledge and understand the impact that loose fill asbestos insulation has had on the community
- > progress the Loose Fill Asbestos Insulation Documents Release Project, which is an early release of eligible records relating to the management of loose fill asbestos insulation between 2000 and 2011. This early release will support independent research and community access to these records
- > scoping of a second ACT Asbestos Health Study (Study) to examine the health impacts of living in a house containing loose fill asbestos insulation. The Study will be undertaken by the ANU and will repeat the original data linkage study but incorporate cancer and death data from the period of 1983 to 2019, or later if available. It is expected that the Study will take approximately 1.5-2 years to complete, with one year for ethics approvals and data linkage.

## CONCLUSION

With the closing of the original Buyback Program on 17 August 2021, the focus of the Taskforce will remain on supporting community safety with the provision of information and assistance options to homeowners of privately owned affected properties, to ensure they are fully informed of their obligations in managing their property.

With commencement of the ongoing Buyback Program on 18 August 2021 and the Taskforce due to close on 30 June 2022, the first half of 2022 is expected to see:

- > continued provision of individual case management, targeted communications, personalised support and assistance to ensure homeowners remaining in their affected properties can access the support they need (whether participating in the Scheme or managing their property privately)
- > the delivery of required community partnerships to support the needs and circumstances of remaining residents of affected
- > consistent communication and engagement with homeowners and neighbours of affected properties
- > the continued provision of personalised support and assistance to ensure those impacted by the Mr Fluffy legacy can access the support they need, including the free bi-monthly therapeutic support services for residents and homeowners
- > the continued roll out of a safe Demolition Program as properties become available
- > work progressed on addressing the challenges associated with demolition of affected and impacted properties within unit complexes, including the commencement of the rebuild of units in a multi-unit complex in Hackett
- > the continued exploration of redevelopment options for properties in a multi-unit complex in Macquarie
- > progression of the final phase of the Scheme through the FROR and Public Sales processes

## **IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME 1 JULY – 31 DECEMBER 2021**

- > delivery of policies to support the continuation of the Scheme post 1 July 2022 and the eradication of loose fill asbestos insulation from Canberra’s residential properties
- > provision of continued engagement and support to CERG to deliver on projects identified in the Government Response to the Mr Fluffy Legacy Project
- > delivery of the Loose Fill Asbestos Insulation Documents Release Project
- > delivery of communications related to the Taskforce closure on 30 June 2022, and ongoing deliverables of the Scheme by the ACT Government.