



STANDING COMMITTEE ON PUBLIC ACCOUNTS

Elizabeth Kikkert MLA (Chair), Michael Pettersson MLA (Deputy Chair),
Andrew Braddock MLA

Inquiry into Auditor-General's Report 4 of 2020: Residential Land Supply and Release
ANSWER TO QUESTION TAKEN ON NOTICE
27 April 2022

Asked by Mrs Kikkert on 27 April 2022: Dr Brady took on notice the following question(s):

Ref: Hansard Transcript 27 April 2022, Page 50-53.

In relation to: Reaching the target of 15% in the ILRP

THE CHAIR: Yes, that would be great. Okay, thank you. My new question is in regards with the 15 per cent land release that you have target for housing affordability, but it was not reached several years ago. Where—can you give us an update on that at the moment? It is still 15 per cent. Have you reached the target?

Mr Gentleman: Yes, 15 per cent is in the policy.

THE CHAIR: Yes, but have you reached the target of 15 per cent, minister?

Mr Gentleman: Of sales?

THE CHAIR: Of the land release for housing affordability.

Mr Gentleman: Yes, it is in the ILRP. 15 per cent is the target.

THE CHAIR: It is the target. But have you reached that target, minister?

Mr Ponton: So all land release—

THE CHAIR: You have not done it in the past.

Dr Brady: So the—

THE CHAIR: You did not reach the target of 15 per cent in the past. It is in the Auditor-General's report, minister.

Dr Brady: It was a—

THE CHAIR: Can you explain why it did not reach the target? And also have you fixed the problem?

Mr Ponton: Dr Brady, you might answer that one.

Dr Brady: So the 15 per cent was a commitment made in the Housing Strategy in—that came out in October, late 2018. So it was a commitment going forward that the government would—in forward

indicative land release programs include the 15 per cent of residential for community, public and affordable housing. So each year the ILRP, the program, has shown 15 per cent of releases. So each year the program does show that.

In terms of the actual timing of those pieces of land coming to market, there has been some lag in some of those. So while they might have been shown in the indicative land release program, let us say for example in 21-22, that the target was meant to be released that year as part of a release, if there has been a delay for some reason to the release then it might not get released that year. It might get released another year. But it will not get counted that other year because it was in the target of the year. So the release and the delivery time, there can sometimes be a lag.

Mr Ponton: So an example of that—

THE CHAIR: So if it released outside of the target year, it is counted still towards the target year, not so much the forthcoming year?

Dr Brady: Yes.

Mr Ponton: And an example of that, that I can think of, and I will look to Dr Brady to correct me if I am wrong on this one, but the indicative land release program for this year there was a number of blocks in Taylor. And that is subject to a third-party appeal through the tribunal, which means that that might mean that that land is not ready for release this financial year.

So those targets would be included for that Taylor release. But because we are going through that third party review process, which is completely appropriate, that ability is there for somebody to seek a third-party review to an approval to an estate development plan. If that takes longer than we would hope, then it might not be released until the next financial year.

THE CHAIR: But then it was still counted towards that target year, correct?

Mr Ponton: So if it was for this year, what it would show is that there might not—we may not have achieved the target for this year because it was released in the following year. But the following year it might have extras in it, if that makes sense?

THE CHAIR: So instead of like say 15 per cent, it might be a little bit more, because you have—

Mr Ponton: Indeed. But—

THE CHAIR: But that has not happened yet.

Mr Ponton: But over time it is 15 per cent every year—

THE CHAIR: Yes.

Mr Ponton: But in terms of the reporting there could be a lag, depending on the financial year and exactly when the land is released.

Mr Gentleman: It is also important to remember that this is an indicative program. So there are challenges to delivering the program each year. And we try and work through those as best as can.

With the evidence that Mr Ponton has provided to you there are circumstances outside of our control that we need to work through sometimes too. Our targets are set. It is a strong policy, I think. And we would like to deliver.

Dr Brady: And the SLA, in their annual report, reports against the targets. So that is another mechanism for tracking what actually got delivered in that 15 per cent target, through what SLA reports as their releases for the year.

THE CHAIR: Okay. So then is 15 per cent then—have you reached that 15 per cent every two years, would you say? Because you are counting the land release that is actually available the following year? I just want to see if you have actually reached the 15 per cent that is included.

Dr Brady: I need to check—I think the first year—I think 2019-20 year, I think we did. But I need to check. If I can take that on notice, please?

THE CHAIR: Yes, okay. And also the following year, did you say, the 2019-20?

Dr Brady: In terms—there was certainly 15 per cent in the indicative land release program. Whether they—I think your question is, were they released that year? I think that year it might not have been the full 15 per cent. So some may have been delivered this year. But we can get that information for you if—

THE CHAIR: Yes, that would be great.

The Auditor-General, in his report, I think there was two financial years that the 15 per cent did not meet. So if you could just clarify whether it kind of overlapped into the next financial year, that would be great. And if it did not, could you clarify that you actually did not reach that 15 per cent?

Dr Brady: Okay. We can clarify what the 15 per cent was in the indicative land release program and then what was delivered each year. So we can do it in a table, I think, is probably going to be the easiest way.

THE CHAIR: That is great. And you might—

Dr Brady: —to reconcile—

Mr Gentleman: We probably should look at it in response to what the four-year plan is, how we deliver within the four-year plan. Because that is what the Auditor-General looked at.

THE CHAIR: Yes. So is it 15 per cent every year—

Mr Gentleman: It is a key action of the housing strategy, 15 per cent, over the forward four years. So we can have a look at that—

Dr Brady: It is each year—

THE CHAIR: So it is 15 per cent for four years instead of 15 per cent per year—

Dr Brady: It is 15 per cent each year. But it is released—so when we—when the government releases the indicative land release program for four to five years, the housing targets apply to the first year of release. So for this year, for example, when the government releases 22-23 to 26-27

indicative land release program, there will be a 15 per cent allocation for 22-23. And then next year it would be 23-24—

THE CHAIR: Yes.

Dr Brady: So it is just one year is shown each time the land release program—

Mr Gentleman: But we do, we update it each year.

Dr Brady: Yes.

THE CHAIR: Yes. We just want to know if you have reached the target every year—

Dr Brady: Yes.

THE CHAIR: And how often is it overlapped? And when you do overlap, are you actually reaching that 15 per cent in that year?

Dr Brady: Yes, okay. I can take that on notice—

THE CHAIR: Because you do not include it into the forthcoming year—

Dr Brady: Yes.

THE CHAIR: Okay. Great. Thank you. Mr Petterson.

MINISTER GENTLEMAN: The answer to the Member's question is as follows:—

The table below shows the years the targets were set, and the years the sites were released.

Year	No. of eligible residential dwellings in the ILRP	No. housing target dwellings	% housing target	Number of housing target dwellings released						% of housing target released to date	Additional affordable housing dwellings released by the SLA*
				2017-18	2018-19	2019-20	2020-21	2021- 22	Total		
2017-18	2,355	530	22.51%	421	33	-	-	TBC	454	19.28%	122
2018-19	3,186	552	17.33%	-	394	145	-	TBC	539	16.92%	59
2019-20	3,920	628	16.02%	-	-	560	-	TBC	560	14.29%	120
2020-21	1,516	302	19.92%	-	-	-	295	TBC	295	19.46%	50

*The SLA has also released sites with a requirement for affordable housing to be included, over and above the target formalised through Notifiable Instruments. This includes single residential sites and sites where there was nil target included in the Notifiable Instrument, but the SLA included a requirement for public, community and affordable housing as part of its sales requirements.

Note that sites with housing targets that have not yet been achieved will be released as set out in the Indicative Land Release Program, and the targets remain attached to the sites.

Approved for circulation to the Standing Committee on Public Accounts.

Signature: 

Date: 18/5/2022

By the Minister for Planning and Land Management, Mick Gentleman MLA