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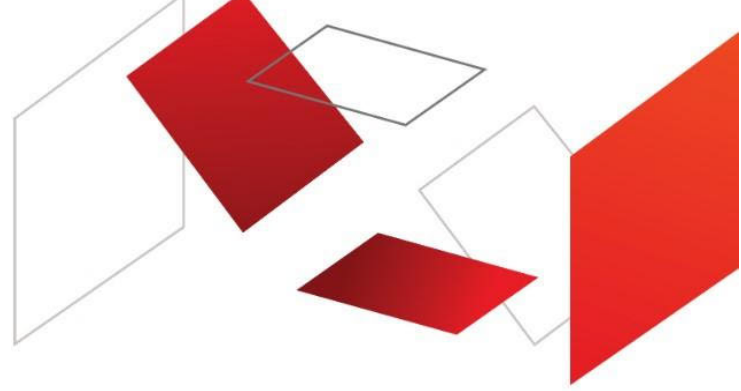
STANDING COMMITTEE ON PLANNING, TRANSPORT, AND CITY SERVICES
Ms Jo Clay MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Mr Mark Parton MLA

Submission Cover Sheet

Inquiry into Property Developers Bill 2023

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ACT Legislative Assembly
Standing Committee on Planning, Transport and City Services
By email: LcommitteePTCS@parliament.act.gov.au

RE: Inquiry into the Property Developers Bill 2023

Acknowledgement of Country

ACT Shelter proudly recognises the rights of Aboriginal and Torres Strait Islander peoples to own and control their cultures and pays our respect to these rights. ACT Shelter acknowledges the need to respect and encourage the diversity of Indigenous cultures and to respect Indigenous worldviews, lifestyles and customary laws. We extend our respect to the Aboriginal and Torres Strait Islander women who for thousands of years have preserved the culture and practices of their communities on country. This land was never surrendered, and we acknowledge that it always was and will continue to always be Aboriginal land.

Introduction

ACT Shelter is the peak housing body in the ACT. It is a not-for-profit organisation funded by the ACT Government to provide advocacy and strategic advice on systemic housing issues affecting people in the ACT. We are an informed and independent voice on housing policy issues affecting the ability of people on low, moderate or no incomes to have a home that is safe, secure, appropriate, and affordable. The right to adequate housing for all Canberrans underpins everything we do.

ACT Shelter welcomes the opportunity to make this brief submission highlighting our support of the Government's intention to promote good property development outcomes, increase community confidence in the property development sector, and protect consumers from poor building quality and unsafe buildings. ACT Shelter participated in the final consultation workshop, focused on community housing providers (who partner with developers) on 14 February. We support and draw attention to the submissions of the CFMEU, CHIA ACT and the Owners Corporation Network (ACT).

Developers play a significant role, as their title suggests, in the future development landscape of our city and our region. They also exert significant influence, at a political level in Australia, relative to that enjoyed by many other interest groups and professions. They are however, at some distance from the residents who buy or rent homes in the complexes developed. ACT Shelter therefore supports the key objective of Property Developers Bill 2023 – to include developers in chains of accountability through the introduction of a licensing scheme and regulatory requirements pertaining to governance, insurance requirements and quality and safety. The establishment of a publicly accessible information register and reporting tool, as well as the proposed community education resources are welcome measures that will enable people to make more informed decisions if and when they choose to live or invest in multiunit residences.

A mortgage is the biggest single investment most households will make in their lifetime, regardless of whether the home being paid off, is occupied by the mortgage holder, or leased to a tenant. The development, construction and real estate industries are composed of large

corporate entities, developers, holding firms and contractors at one level. Because the nature of the work is location based, and there are necessary processes before, during and after development approval, many players are involved.

Making information easier to find and embedding online tools to provide logical ways for people to assess the suitability of developments or to determine who they need to contact, or what, if any recourse is available, in the event something goes wrong is a good thing from our perspective. Too often, people we lobby for better outcomes for, are on the wrong side of a serious power imbalance that exists across most housing tenures. ACT Shelter therefore welcomes this element of the proposed legislation, and hopes to see this principle replicated elsewhere in housing assistance, policy, planning and procurement processes. This is consistent with previous submissions to government and related Inquiries that identify a need for greater transparency and accountability in a range of housing policy and systems level areas from the design and development phase to implementation.

ACT Shelter notes that experiences in the jurisdiction that surrounds us, have been noted and referenced in the supporting material for this consultation and stakeholder engagement process. Our colleagues at Shelter NSW have been proactively involved in supporting owners, tenants and local and state government to negotiate the least-worst outcome for people left financially ruined and in transitional accommodation as a result of serious structural faults in medium and high density multi unit complexes in Western Sydney.

ACT Shelter respectfully submits that establishing a regulatory framework for developers, including licensing, with clear, enforceable penalties for non-compliance will ensure the ACT is better placed to reduce the likelihood of similarly expensive and traumatic outcomes for owners and tenants here in Canberra. Recent planning reforms place a greater emphasis on outcomes, rather than rules. There can be no worse outcome for people who 'buy off the plan' and tenants who lease 'quiet enjoyment' of apartments, than to find serious faults in the structure within which the places they call home are uninhabitable, rendering them homeless.

Now is an optimum time to proceed with the proposed licensing scheme and reporting tool. The emphasis in the revitalized ACT Planning Strategy is on greater density, to achieve the 70/30 target for future residential developments. This means there will be more medium and high density apartment complexes built and more Canberrans making them home.

It is reasonable to expect appropriate checks and balances, insurance schedules and lines of accountability are in place to maximise the likelihood they remain structurally sound and habitable for at least a decade. At current median prices, mortgage holders are investing upwards of \$700,000, inclusive of interest for median priced new apartments. Private tenants are paying upwards of \$25,000 per year to a landlord, in exchange for temporary enjoyment of a place to call home. Canberrans are being asked to accept smaller, more compact homes will become the norm in the longer term.

Additionally, the ACT Government forgoes revenue and makes trade-offs with developers during the land release, assessment and approval processes.

It is there in our collective interest to ensure an appropriate regulatory regime is in place to incentivise amenity, quality and safety as well as due diligence and transparency in residential urban development.

ACT Shelter endorses this Bill and supports its stated intent.

Travis Gilbert

CEO