

**2025**

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

**ELEVENTH ASSEMBLY**

**ACT Auditor-General's Report No. 1 of 2025 - Management of the Growing and  
Renewing Public Housing Program**

**Government Response**

**Presented by**

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## **Introduction**

The ACT Government welcomes the Auditor-General's Performance Audit Report No.1/2025, Management of the Growing and Renewing Public Housing Program (the Program).

The ACT Government acknowledges the ACT Audit Office Report (the Audit), accepting all recommendations, agreeing 6 of the 7 and agreeing one recommendation in principle. To date, 6 of 7 recommendations are complete. We are committed to continuous improvement and to exploring ways to improve outcomes for our clients and communities in the remaining time of Program operation.

The ACT Government supports the Audit finding that processes for procuring building services were well managed, roles and responsibilities were clearly defined, and that conflicts of interest were effectively handled.

The ACT Government remains committed to the aims of the Program, which is to provide more, better, fit-for-purpose public housing to meet the needs of tenants, now and in the future.

As of 31 March 2025, the ACT Government has delivered 972 dwellings, comprising 764 dwellings constructed, and 208 dwellings purchased under the Program. Of those 764 construction dwellings, 98% are designed to Class C adaptable or Liveable Gold Standard, with an aim to achieve 90% across all constructions by end of Program.

New commitments made by the ACT Government will further expand the trajectory and scope of increasing the ACT's housing supply. Under Machinery of Government changes effective from 1 July 2025, these responsibilities will sit across multiple Directorates, including Infrastructure Canberra as a key delivery partner. Conversations have started on how to ensure lessons learnt from the Program flow through future programs of work, and maximise the convergence of systems, processes and people.

**ACT Government Response to the ACT Auditor General's Performance Audit Report:  
Management of the Growing and Renewing Public Housing Program.**

Recommendation 1: Probity Management

*Housing ACT should, with the support of an independent probity advisor, conduct a probity risk assessment and implement a probity plan for the Growing and Renewing Public Housing Program. The probity plan should:*

- a) identify specific probity risks for the different activities undertaken through the Program;*
- b) explicitly document risk treatments; and*
- c) be subject to regular review as part of an assurance program.*

**Government Response: AGREED IN PRINCIPLE**

Throughout the second performance audit, Housing ACT provided evidence to the ACT Auditor-General that probity management and risk assessments are embedded comprehensively across program documentation dating back to 2019. All documentation clearly states if a significant probity issue arises, external probity advice and management will be brought in. To date, there have been no probity issues identified in the Growing and Renewing Public Housing Program (the Program). If one should arise, this course of action remains the appropriate risk management strategy and is documented in the current Program risk register. Housing ACT conducted a risk workshop in April 2025 which reassessed probity risk for the program. The workshop found no change to the probity risk rating, which remains medium.

Advice from Procurement ACT indicates the Probity Statement, which accompanied program development materials provided to the Government Procurement Board in 2019, acts as a Probity Plan. Risk assessments undertaken on the Program were conducted regularly under delegate approval, with probity assessments and mitigations assessed in good faith. The Program is currently drawing to the end of year 6, commencing year 7, in an 8-year program. Given there have been no probity issues to date, the bulk of the program has been procured and delivered, with few procurements remaining; probity focus will now turn to contract management. Probity is embedded in Housing ACT contract management processes and procedures.

In line with The Capital Framework, there are numerous processes in place to ensure probity management and adherence to legislated requirements during the contract management phase of construction. Some examples of this include:

- Parties to the contract are bound by the contractual requirements supported by transparent processes, exercising appropriate delegations and disclosure of conflicts of interests.
- All conflicts of interest, actual, potential and perceived are maintained and managed as outlined by the ACTPS Conflict of Interest Policy.
- Contract management processes include effective management of contract variations with appropriate delegate assessment and approval.
- Regular Project Control Group meetings throughout the life of the contract supports clear and effective communication between the contractual parties and performance management.
- Invoice approval processes require appropriate delegate approval and are supported by the confirmation of goods and services received before recommendation of payment.

The ACT Government will also seek to embed learnings from the Program, and about contemporary best practice in probity management, into future public housing infrastructure programs of work. This will include procuring an external Probity Advisor for an initial assessment of what circumstances should prompt further independent probity advice in programs designed to increase the ACT's public housing stock to 13,200 by 2030. Opportunities to leverage existing Infrastructure Canberra systems and processes will also be explored.

Recommendation 2: Asset Assessment Panel member conflict of interest declarations.

*Housing ACT should maintain a register of Asset Assessment Panel members' Confidentiality and Conflict of Interest Undertakings.*

**Government Response: AGREE**

As of 30 April 2025, Housing ACT is maintaining a register of Asset Assessment Panel member Conflict of Interest (COI) declarations. The ongoing administration function will be managed by the Asset Assessment Panel's secretariat on a weekly basis, or as frequently as the Panel convenes. The COI declarations will be reviewed on a 12-monthly basis, or as a COI arises.

The register has been widely communicated to all Panel members of the Asset Assessment Panel to ensure COI declarations are maintained.

### Recommendation 3: Records of decisions

*Housing ACT should ensure that records of decisions made by the Asset Assessment Panel about public housing homes include:*

- a) a clear and logical explanation of the criteria on which the decision was based and how the home was assessed against these criteria (including all information and considerations that were relevant and important for the decision); and*
- b) clear identification of all Panel members present in the meeting and responsible for making the decision.*

#### **Government Response: AGREE**

3a) The Asset Assessment Panel implemented an assessment matrix which outlines the data and information taken into consideration. This information is reflected in Fulcrum and is to be read in conjunction with the outcome. To provide assurance the information has been taken into consideration, the outcome now notes the driving considerations for land and property characteristics, portfolio considerations, redevelopment and disposal potential, tenancy and neighbourhood information, maintenance and any other nuances.

3b) As of 30 April 2025, the system template to record Panel decisions include an additional field against each property under assessment. This field identifies all decision makers and their position numbers.

### Recommendation 4: Procedural guidance

*Housing ACT should review and update its procedural guidance for selling and buying public housing homes so that it provides clear and consistent guidance, including by:*

- a) updating the Auctions Standard Operating Procedure and Acquisitions Standard Operating Procedure; and*
- b) ensuring policies about price setting, including the use and applications of the Valuation Guidelines are widely communicated and applied.*

#### **Government Response: AGREE**

4a) Housing ACT is reviewing the Standard Operating Procedures (Auctions and Acquisitions) for buying and selling public housing homes to provide clear and consistent guidance. The review and updates will be implemented by 30 September 2025.

4b) Housing ACT will communicate policies about price setting, including the use and applications of the Valuation Guidelines to all staff who make decisions about buying and selling public housing homes. This recommendation was completed by 30 May 2025.

**Recommendation 5:** Record keeping

*Housing ACT should implement a consistent template to record officers' recommendations and delegates' approvals to set reserve, offer, sales and purchase prices for public housing homes. The template should contain:*

- a) the complete set of data and information on which recommended prices are based;*
- b) a checklist or similar information evidencing completion of required process steps;*
- c) a clear and dated record of officers' recommendations and delegates' approvals, including approvals for initial reserve and offer prices and final sale and purchase prices; and*
- d) the positions held by officers at the time of signature.*

**Government Response: AGREE**

Housing ACT will implement a template identifying recording officers' recommendations and delegates' approvals to set reserve, offer, sales and purchase prices for public housing homes.

This template will include:

- a) the complete set of data and information on which recommended prices are based;
- b) a checklist evidencing completion of required process steps;
- c) a clear and dated record of officers' recommendations and delegates' approvals, including approvals for initial reserve and offer prices and final sale and purchase prices; and
- d) the positions and position numbers held by officers at the time of signature.

These changes were in effect as of 30 June 2025.

**Recommendation 6:** Composition of Tender Evaluation Teams

*Housing ACT should formally document its requirements for the formation of Tender Evaluation Teams for the procurement of construction services by specifying:*

- a) the minimum number of team members;*
- b) requirements for professional learning and experience; and*
- c) expertise to be represented in a Team.*

**Government Response: AGREE**

Housing ACT is currently updating their Tender Evaluation Plan (TEP) for Residential Construction Building Contractors Panel Procurement. Amendments will specify the formation of Tender Evaluation Teams (TET), including:

- a) the requirements of TET from Housing ACT Infrastructure and Delivery Team to consist of a minimum of three (3) members;
- b) any training requirements set by a Territory entity and mandatory completion of the ACT Government's Probity in Procurement training module; and
- c) expertise required for members of the TET including officer/s responsible for construction design and overseeing construction projects.

This review is currently underway and updated Tender Evaluation Plan was in effect as of 30 May 2025.

Recommendation 7: Selecting suppliers to receive requests for quote or tender

*Housing ACT should develop procedural guidance that identifies:*

- a) *the complete information and considerations required to be used to select suppliers on the Residential Construction Building Contractors Panel to receive requests for quotation or tender; and*
- b) *requirements for documentation of the considerations in the Procurement and Contract Authorisation Minute (PCAM) Part A.*

**Government Response: AGREE**

Housing ACT is reviewing the procedural guidance for selecting suppliers to receive requests for quote or tender. In reviewing, Housing ACT is developing a Builders Capacity Report Standard Operating Procedure and a Selection of Panel Builders Standard Operating Procedure; these will be referenced in the PCAM Part A template.

- a) Housing ACT will create and implement Standard Operating Procedures for both the Builders Capacity Reporting and the Selection of Panel Builders.

b) In addition to the already existing information and considerations required to select suppliers, Housing ACT will update the PCAM Part A template to include references to the use of the Selection of Builders Panel Standard Operating Procedure, and consideration of the monthly Builders Capacity Report.

This review and updated procedural guidance was in effect as of 30 June 2025.