

Report to the Standing Committee on Public
Accounts and Administration and Standing
Committee on the Integrity Commission and
Statutory Office Holders

**Performance Audit Recommendations
Observations (2025) - 2025 Performance
Audits**

November 2025

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Auditor-General Report No.1 of 2025

Management of the Growing and Renewing Public Housing Program¹

(23 April 2025)

Auditee

The auditee for this audit was Housing ACT within the Community Services Directorate.

Audit Objective

The objective of the audit was to assess the effectiveness of Housing ACT's management of the *Growing and Renewing Public Housing Program*.

Summary

The Growing and Renewing Public Housing Program (Program) is intended to:

- replace 1,000 older, not fit-for-purpose public housing homes with new, fit-for-purpose homes; and
- add 400 new, additional homes to the Territory's public housing portfolio.

ACT Auditor-General's Performance Audit Report No.3/2024 Management of the Growing and Renewing Public Housing Program assessed the effectiveness of Housing ACT's strategic management of the Program. The report considered:

- governance and administration arrangements established for the Program;
- the framework and approach taken for making decisions about the public housing portfolio; and
- the framework and approach taken for selling existing public housing homes and building and buying new public housing homes.

This audit assessed the effectiveness of Housing ACT's operational management and administration of the Program. The audit considered:

- probity management arrangements for the Program;
- processes for making decisions about the suitability of public housing homes for sale or redevelopment;
- activities for selling and buying public housing homes; and
- procurement activities for the construction of new public housing homes.

Government response

Ms Yvette Berry MLA, Minister for Homes, Homelessness and New Suburbs tabled the ACT Government's response to the Performance Audit Report on 4 September 2025.²

¹ [Report No. 1 of 2025 - Management of the Growing and Renewing Public Housing Program](#)

² [PAAC – AG Report 1 of 2025 – Government Response Tabled 4 September 2025](#)

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	Reported Status	Agreed in principle
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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.

Annual Report (CSD)	Last Reported Status	Not reported
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2024-25 Annual Report:

Not reported.

Auditor-General's Observation

The ACT Government response indicated agreement in principle to the recommendation, but that there are sufficient probity measures already in place. The response does not commit to any specific actions to implement the recommendation, except for an intention to 'embed learnings from the Program, and about contemporary best practice in probity management, into future public housing infrastructure programs of work'.

CSD did not report on this recommendation in its *Annual Report 2024-25*.

Recommendation 2 – Asset Assessment Panel Member Conflict of Interest Declarations

Housing ACT should maintain a register of Asset Assessment Panel members' <i>Confidentiality and Conflict of Interest Undertakings</i> .		
Government Response	Reported Status	Agreed
<p><i>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.</i></p>		
Annual Report (CSD)	Last Reported Status	Not reported
<p><u>2024-25 Annual Report:</u> Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with the recommendation and that a register of declarations was instituted in April 2025 in response to the audit. The response identifies measures by which the register is being managed on an ongoing basis.</p>		

Recommendation 3 – Records of Decisions

<p>Housing ACT should ensure that records of decisions made by the Asset Assessment Panel about public housing homes include:</p> <ul style="list-style-type: none"> 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	Reported Status	Agreed
<ul style="list-style-type: none"> a) <i>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.</i> b) <i>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.</i> 		
Annual Report (CSD)	Last Reported Status	Not reported
<p><u>2024-25 Annual Report:</u> Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with the recommendation and that improved documentation and record-keeping practices were instituted in April 2025 in response to the audit.</p>		

Recommendation 4 – Procedural Guidance

<p>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:</p> <ul style="list-style-type: none"> 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	Reported Status	Agreed
<ul style="list-style-type: none"> a) <i>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.</i> b) <i>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.</i> 		
Annual Report (CSD)	Last Reported Status	Not reported
<p><u>2024-25 Annual Report:</u> Not reported.</p>		
Auditor-General's Observation		
<p>The ACT Government response indicated agreement with the recommendation and that action was being taken to address the recommendation. The response identified that all actions would not be finalised until September 2025.</p> <p>CSD did not report on this recommendation in its <i>Annual Report 2024-25</i>.</p>		

Recommendation 5 – Record Keeping

<p>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:</p> <ul style="list-style-type: none"> 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	Reported Status	Agreed
<p><i>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:</i></p> <ul style="list-style-type: none"> a) <i>the complete set of data and information on which recommended prices are based;</i> b) <i>a checklist evidencing completion of required process steps;</i> c) <i>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</i> d) <i>the positions and position numbers held by officers at the time of signature.</i> <p><i>These changes were in effect as of 30 June 2025.</i></p>		
Annual Report (CSD)	Last Reported Status	Not reported
<p><u>2024-25 Annual Report:</u> Not reported.</p>		

Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation and that improved documentation and record-keeping practices were instituted in June 2025 in response to the audit.

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

Reported Status

Agreed

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.

Annual Report (CSD)

Last Reported Status

Not reported

2024-25 Annual Report:

Not reported.

Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation. The ACT Government indicated that Housing ACT was 'currently updating their Tender Evaluation Plan (TEP)' and that 'this review is currently underway'. The response also stated an 'updated Tender Evaluation Plan was in effect as of May 2025'. The ACT Government response was confusing and contradictory.

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

Reported Status

Agreed

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.

Annual Report (CSD)	Last Reported Status	Not reported
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2024-25 Annual Report:

Not reported.

Auditor-General's Observation

The ACT Government response indicated agreement with the recommendation. The ACT Government indicated that Housing ACT was 'reviewing the procedural guidance for selecting suppliers' but that 'updated procedural guidance was in effect as of 30 June 2025'.

Auditor-General Report No.2 of 2025

Energy Efficiency Standard for Rental Properties³

(9 May 2025)

Auditees

The auditees for this audit were the Environment, Planning and Sustainable Development Directorate (EPSDD) and Justice and Community Safety Directorate (JACS).

Audit Objective

The objective of the audit was to assess the effectiveness of the implementation of the minimum standard for ceiling insulation in rental properties.

Summary

On 1 April 2023, the ACT Government commenced a new minimum standard for ceiling insulation in rental properties by way of regulation.

The standard requires owners of rental properties in the ACT with no insulation, or existing ceiling insulation below an R-value of R2, to install or upgrade the ceiling insulation to a minimum R-value of R5. Rental properties with existing insulation of R2 or higher are considered to meet the standard.

The audit assessed the effectiveness of the implementation of the minimum standard for ceiling insulation in rental properties from the pre-commencement period in 2022 through to mid-2024.

Government response

Ms Suzanne Orr MLA, Minister for Climate Change, Environment, Energy and Water, tabled the ACT Government's response to the Performance Audit Report on 4 September 2025.⁴

³ [Report No.2 of 2025 - Energy efficiency standard for rental properties](#)

⁴ [PAAC – AG Report 2 of 2025 – Government Response Tabled 4 September 2025](#)

Recommendation 1 – Communication of the Minimum Standard

JACS should review and document the ongoing communication needs of different stakeholder groups (including owners corporations) and develop relevant, targeted communication material as required.		
Government Response	Reported Status	Agreed
<i>The Government is committed to improved, effective communication with different stakeholder groups, including owners corporations. The Government will review and document the needs of different stakeholder groups and will develop targeted communication material in response to these needs.</i>		
Annual Report (JACS)	Last Reported Status	Not reported
<u>2024-25 Annual Report:</u> Not reported.		
Auditor-General's Observation		
The ACT Government agreed to the recommendation and committed to reviewing and documenting the needs of stakeholder groups and developing targeted communication material, in line with the recommendation. JACS did not report on this recommendation in its <i>Annual Report 2024-25</i> .		

Recommendation 2 – Access to Landlord Records

The ACT Government should seek amendments to section 12 of the <i>Residential Tenancies Regulation 1998</i> to provide a mechanism for ACT Government agencies to request landlord records to demonstrate compliance with the standard for the purpose of compliance and enforcement.		
Government Response	Reported Status	Not Agreed
<i>See response under Recommendation 3.</i>		
Annual Report (EPSDD)	Last Reported Status	Not reported
<u>2024-25 Annual Report:</u> Not reported.		
Auditor-General's Observation		
The ACT Government disagreed with the recommendation and does not commit to any action to address the recommendation. The Audit Office considers the recommendation remains valid.		

Recommendation 3 – Monitoring Compliance with the Minimum Standard

The ACT Government should develop and implement risk-based compliance activity for the minimum standard, which provides assurance with respect to:		
<ul style="list-style-type: none"> a) landlord compliance with the requirements to: <ul style="list-style-type: none"> i. install ceiling insulation according to the requirements of the standard (unless there is a valid exemption); and ii. accurately disclose the status of ceiling insulation in rental advertisements; and a) insulation company compliance with the requirement to use certified and/or provisionally certified installers. 		

Government Response	Reported Status	Not Agreed
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The Government considers the framework surrounding the minimum standards for ceiling insulation adopts a measured and risk based compliance and enforcement approach, appropriately balancing renters’ rights with the costs to landlords and the Government. The current approach:

- Places a legal obligation on landlords to ensure the rental property complies with the minimum standard;
- Requires landlords to maintain evidence of compliance with the standard;
- Requires landlords to disclose whether the property complies with the standard both when advertising the property for lease and when entering into a tenancy agreement;
- Provides renters with the right to access the landlord’s evidence in relation to compliance;
- Provides a dispute resolution framework for tenants where they are concerned about compliance with the standard, or where evidence is unavailable, inaccurate, or not genuine; and
- Provides a range of remedies for tenants in the event of non-compliance, including the ability to seek a rent reduction, compensation for other costs they incur as a result of non-compliance. It also gives tenants the right to end the tenancy, should they wish to do so.

These provisions, and the framework as a whole, take a proportionate approach to assure compliance with the standard.

Additional background to the Government’s Responses to the Recommendations:

- **Design of provisions assures compliance without a regulator:** Aspects of the framework have a deterrent effect, further assuring compliance. For example, the prospect of criminal sanction for failing to include relevant information in advertisements strengthens compliance.
- **Consultation:** The Government’s approach was tested with stakeholder groups during consultation on the development of the standard.
- **Government does not generally play a regulatory role in private contractual agreements:** Residential tenancy agreements are private contractual agreements between a landlord and a tenant, and, in line with other civil and contractual disputes, rely on party-to-party enforcement of the contractual rights and obligations. Governments do not generally intervene nor take a significant regulatory role in private contractual arrangements, and it would be a disproportionate response to do so in this instance.
- **Consistency with existing residential tenancy enforcement pathways:** The ACAT has a long history of resolving disputes between landlords and tenants, and the enforcement approach provided for minimum standards is no different to that for any other tenancy dispute. It would be incongruous to provide additional enforcement pathways or mechanisms for one small aspect of tenancy law in isolation.
- **Cost:** As noted above, there is no existing regulator for residential tenancy laws. Establishing additional oversight mechanisms for minimum standards would require the establishment of a person or agency with regulatory functions. This would require significant legislative change and financial investment.

Annual Report (EPSDD)	Last Reported Status	Not reported
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2024-25 Annual Report:

Not reported.

Auditor-General’s Observation

The ACT Government disagreed with the recommendation and does not commit to any action to address the recommendation.

The Audit Office considers the recommendation remains valid.