



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

QTON No. 22

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL

CAROLINE LE COUTEUR MLA (CHAIR), SUZANNE ORR MLA (DEPUTY CHAIR), TARA CHEYNE MLA,
NICOLE LAWDER MLA, JAMES MILLIGAN MLA

**Inquiry into referred 2016–17 Annual and Financial Reports
ANSWER TO QUESTION TAKEN ON NOTICE
13 November 2017**



Asked by MR COE MLA:

In relation to: Regular and Prescriptive reporting and difference with LDA and since LDA was disbanded

MR COE: What are some of the prescriptive changes that have been made?

Mr Peffer: So we will tend to look at a business case process that now requires consideration of the Director-General of the Environment, Planning and Sustainable Development Directorate, the Director-General of the Transport Canberra City Services of Directorate and the head of Treasury before it can actually be put to the board for consideration before it then goes to Cabinet and a minister can take a decision on whether an acquisition takes place.

MR COE: That is only for acquisitions. Acquisitions are only a very small part of what the SLA does. What other prescriptive changes other than that which actually differentiate the SLA from the LDA?

Mr Peffer: So the minister, as has been mentioned, wrote in no uncertain terms her expectations of the board and of the agency as it operates. Part of that is ongoing transparency and reporting in terms of decision—

MR COE: Prescriptive changes.

Mr Peffer: Prescriptive changes in terms of regular reporting which is now provided to the minister on a range of projects that are undertaken on decisions that are taken within the joint venture of which the Suburban Land Agency is a partner. So in terms of the transparency of decision making that is occurring, Mr Coe, it is fundamentally different.

MR COE: There were monthly project reports from Ginninderry and all the other projects in the LDA.

Mr Peffer: No. I think what the minister has asked of the agency is a range of things in terms of looking at not just reporting on joint ventures or specific projects but right down to the level of the mix of housing that is going to market month to month, all sorts of things—

MR COE: But that was on the LDA.

Mr Peffer: —which in the past did not have the same level of reporting sitting around it or the regularity of reporting.

MR COE: Okay. Well, if you can take on notice what regular prescriptive reporting is done and which are new.

YVETTE BERRY: The answer to the Member's question is as follows:—

Regular reporting requirements of the Suburban Land Agency include the following:

Annual and financial reporting

- The agency must give the Treasurer a statement of intent for each financial year: section 61 of the *Financial Management Act 1996*.
- As soon as practicable after the end of each financial year, the agency must prepare a statement of the performance of the agency in meeting the objectives in the statement of intent for the year: section 68 of the *Financial Management Act 1996*.
- The agency must prepare an annual report under the *Annual Reports (Government Agencies) Act 2004*.
- A report prepared under the Annual Report Act must include the authority's statement of performance for that year and the auditor-general's report about that statement of performance: section 71 of the *Financial Management Act 1996*.
- As soon as practicable after the end of each financial year, the agency must prepare annual financial statements for its operations during the year: section 63 of the *Financial Management Act 1996*.
- The responsible Minister for the agency may, in writing, direct the relevant person for the agency to give the Minister financial or other statements relating to the agency: section 102 of the *Financial Management Act 1996*.
- The agency must, as soon as practicable, tell the responsible Minister of any significant event that affects, or seems likely to affect the value of the agency, a significant part of the agency's assets, the performance of the agency as a whole, or the carrying out of a significant activity of the agency: section 101 of the *Financial Management Act 1996*.

CEO reporting

- The Chief Executive Officer must develop corporate strategies and operational strategies, for approval of the agency board, and report to the board on implementation of the approved strategies: section 57 of the *City Renewal Authority and Suburban Land Agency Act 2017*.
- The Chief Executive Officer is required to regularly advise the board about the operation and financial performance of the agency, and immediately advise the board about significant events: section 84 of the *Financial Management Act 1996*.

Board reporting

- The Chair of the governing board must ensure the responsible Minister is kept informed about the operations of the agency: section 82 of the *Financial Management Act 1996*.
- If a governing board member has a material interest in an issue being considered, the Chair of the governing board must report to the responsible Minister in writing about the disclosure, the nature of the interest disclosed and any decision by the board on the disclosure: section 89 of the *Financial Management Act 1996*.

Land acquisition

- The agency must, not later than 10 working days after the end of a quarter, give the Minister a report that includes details of any land acquired by the agency during the quarter, a copy of all valuations of the acquired land that the agency considered in relation to the acquisition and any other information prescribed by the regulation for the report: section 43 of the *City Renewal Authority and Suburban Land Agency Act 2017*.
- The Minister must present the report to the Legislative Assembly not later than 5 sitting days after the Minister receives the report: section 43 of the *City Renewal Authority and Suburban Land Agency Act 2017*.

- Prior to the acquisition of a private lease, the agency must provide the Minister a business case for endorsement: *City Renewal Authority and Suburban Land Agency (Suburban Land Agency Land Acquisition) Direction 2017*.

In my letter to the Chair of the Suburban Land Agency on 25 August 2017 I outlined the following reporting requirements (amongst other matters):

- Decisions of the agency should be underpinned by information management practices that consider the regular public release of board papers or reports to inform, build community understanding and confidence in the operations of the agency.
- The provision of accurate and timely advice on significant issues as they arise. This might include:
 - matters for which the Government is or is likely to be accountable in the Legislative Assembly;
 - matters scheduled for deliberation by the board and by the Ginninderry Joint Venture;
 - important operational or budgetary issues, including under the *Work Health and Safety Act 2011*;
 - achievement against set development targets;
 - matters related to internal governance, including compliance with the Government's framework for management of risk;
 - matters likely to attract significant public interest.
- Regular updates on the initiatives that are deployed across the agency to establish and embed a positive organisational culture founded on the ACTPS values.
- Advice from the agency on ideas to ensure developments can be delivered in a way that meaningfully and genuinely engages our community, trusts their views and ideas, and ultimately enhances the attractiveness and liveability of our city.
- The statement of intent process under the *Financial Management Act 1996* must include a response outlining how the board proposes to deliver on the Minister's expectations as outlined in this letter.

In my letter to the Chair of the Suburban Land Agency on 1 September 2017 I outlined the following reporting requirements (amongst other matters):

- The board is to provide the Minister, each quarter, a report on what activities or other business operations have been undertaken or implemented in support of the below functions:
 - ensure a mixture of public and private housing in new suburbs;
 - increase the supply of affordable housing that meets or exceeds the affordable, community and public housing targets set under section 65 of the *City Renewal Authority and Suburban Land Agency Act 2017* (the Act); and
 - carry out the development of land in a manner that is environmentally sustainable.
- Approval to sell any leases of land (grant of Crown leases) in the agency's land inventory is conditional on the board providing the Minister, each quarter, with an assurance statement confirming that the sales of land in that period were in accordance with the objects of the agency under s38 of the Act.
- Approval to settle contracts to purchase leases of land that were included in Schedule 2 of the Transfer Instrument is conditional on the board providing the Minister each quarter, with a land acquisition report in accordance with s43 of the Act.

Approved for circulation to the Standing Committee on Planning and Urban Renewal

Signature:



Date: 29/11/17

By the Yvette Berry MLA, Minister for Housing and Suburban Development