



ACT
Government

IMPLEMENTATION OF THE LOOSE FILL ASBESTOS INSULATION ERADICATION SCHEME

1 JANUARY 2020 – 30 JUNE 2020

PRESENTED BY
MS SUZANNE ORR MLA
MINISTER FOR EMPLOYMENT AND WORKPLACE SAFETY

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OVERVIEW

The Asbestos Response Taskforce (Taskforce) is responsible for the delivery and management of the ACT Government's Loose Fill Asbestos Insulation Eradication Scheme (Scheme). The ACT Government provides regular reports on the activities of the Taskforce in delivering the Scheme and this report covers the period from 1 January – 30 June 2020. The reports are tabled in the Legislative Assembly to assist interested parties in understanding and monitoring the work of the Taskforce to eradicate loose fill asbestos insulation from the Canberra residential community.

Key achievements of the Taskforce during the January – June 2020 reporting period include:

- > The passage of the *Loose-Fill Asbestos Legislation Amendment Bill 2020* on 21 May 2020, which enacts initiatives to support the management of the small number of affected properties that remain in Canberra's suburbs.
- > An extension to the property surrender deadline for the voluntary Buyback Program, due to the challenges COVID-19 is having on many aspects of the Canberra community.
- > Implementation of activities relating to the remaining privately-owned affected properties, including:
 - supporting pathways to eradication; and
 - supporting community safety.
- > The acquisition of an additional four affected properties.
- > The safe demolition of seven properties (five affected and two impacted), bringing the total number of demolitions under the Taskforce program to 965 (955 affected and 10 impacted).
- > The removal of two blocks from the Affected Residential Premises Register (Register), bringing the total number of deregistrations to 979.

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- > One impacted First Right of Refusal (FROR) offer was made to the former homeowner providing an opportunity to purchase their block following demolition and remediation.
- > Continuation of the public Sales program, with 10 contracts exchanged on remediated blocks and 27 sales settled within the reporting period.
- > Steady progress on the 58¹ 'complex properties' with five properties demolished (three affected and two impacted), bringing the total number of complex properties demolished to 42 (32 affected and 10 impacted).
- > Preparation and tabling of the Government response to the Mr Fluffy Legacy Project: Consultation Outcomes and Recommendations Report (the Legacy Report), a report prepared by the Community and Expert Reference Group (CERG).

Key statistics as at 30 June 2020, for the 1046² properties identified as affected (1027) and impacted (19) by loose fill asbestos insulation, are provided below:

- > 974 properties surrendered to the Territory (959 affected and 15 impacted)
- > 993 affected and impacted properties demolished:
 - 964 by the Taskforce (954 affected and 10 impacted)
 - 12 assisted private demolitions
 - 16 private demolitions
 - One surrendered to the Territory following demolition
- > 979 blocks deregistered
- > 644 First Right of Refusal (FROR) offers had been made

¹ The total number of complex properties increased from 55 to 58 during the reporting period due to:

- the homeowner of 1 affected property (half of a duplex) previously not participating, entering the Scheme, resulting in the addition of the 2 properties in the duplex (1 affected and 1 associated impacted);
- the confirmation of demolition complexities for an affected Dual Occupancy Unit Titled property participating in the Scheme, resulted in the other property on the block being deemed as an impacted property eligible for participation.

² During the reporting period, two new properties were identified as affected by loose fill asbestos insulation and two properties were deemed as eligible impacted.

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- > 881 remediated blocks had been offered for public sale
- > contracts for sale exchanged on 898 remediated blocks (846 Public Sale, 47 FROR and 5 direct to an ACT Government Agency)
- > sales settled on 883 blocks (832 Public sales, 46 FROR and 5 direct to an ACT Government Agency).

GOVERNANCE ARRANGEMENTS

SCHEME IMPLEMENTATION

The Taskforce remains part of the Urban Renewal stream of the Environment, Planning and Sustainable Development Directorate (EPSDD) where it continues its work in implementing a compassionate, safe, efficient and innovative program to realise the Government's objective of eradicating loose fill asbestos insulation from Canberra's streets and suburbs.

Under the Taskforce's governance framework, the Scheme is divided into four phases:

- > Assistance
- > Buyback
- > Demolition
- > Sales

Progress during the first half of 2020 is reported against each of these phases. The financial impact of delivery of the Scheme is also reported, as well as activities undertaken in relation to community information and engagement.

Ms Suzanne Orr MLA, Minister for Employment and Workplace Safety, has ministerial responsibility for the Scheme.

SCHEME GOVERNANCE

The Eradication Scheme Steering Committee (ESSC) provides high level oversight of the Taskforce's activities with a particular focus on good governance through to the conclusion of the Scheme. ESSC continues to monitor the Scheme's key milestone progress and performance and provides a platform to monitor the effectiveness of risks and controls.

ESSC meets bi-monthly and receive reports out of session on alternate months. The ESSC met three times during the reporting period and considered both current activities of the Taskforce and the planned work for the coming year.

The Taskforce internal assurance initiatives, are also monitored by the EPSDD Audit Committee. This committee provides independent assistance and advice to the Taskforce on risk, control and accountability responsibilities.

ASSISTANCE

HOMEOWNER SUPPORT

The Assistance phase work, undertaken primarily by the Taskforce's Personal Support Team (PST), continues with particular focus on:

- > providing information and support to homeowners and tenants who remain in their homes;
- > contacting owners, tenants and landlords who have progressed through all phases of the Scheme to:
 - confirm their support and information needs are being met; and
 - assist them to connect to appropriate community services as needed;
- > providing information and, if required, support for clients within the complex properties project; and
- > ensuring appropriate wellbeing supports remain accessible in community for members of affected households that may require tailored support options.

EXTENSION TO PROPERTY SURRENDER DEADLINE FOR THE VOLUNTARY BUYBACK PROGRAM

On Monday 16 March 2020 a Public Health Emergency was declared under section 119 of the *Public Health Act 1997* (COVID 19 Public Health State of Emergency) due to the public health risk to the ACT community posed by COVID-19.

The changing impacts COVID-19 was having on many aspects of day to day living for the Canberra community presented additional challenges to homeowners who were working toward surrendering their affected property to the Territory by the Buyback Program deadline of 30 June 2020.

Acknowledging the barriers and added stress this may cause in already uncertain times, the ACT Government extended the property surrender date and closure of the Buyback Program to either 30 June 2021 or six months after the COVID-19 Public Health State of Emergency is lifted, whichever date occurs later. This provides assurance to homeowners participating in the Buyback Program that they have until at least mid-2021 to make all necessary arrangements to surrender their affected property.

PATHWAYS TO ERADICATION FOR REMAINING AFFECTED PROPERTIES

The Half Yearly Report covering the July – December 2019 period reported the announcement of the new Pathways to Eradication Package (Pathways Package) to support community safety and management of any remaining affected properties.

Transition Assistance (TA) is available under the Pathways Package for eligible participants with complex financial and health circumstances. Eligible homeowners can access the equity in their home, prior to surrender, for payment of expenses associated with moving to new living arrangements.

Transition Assistance arrangements are only available for a maximum six-month period following the exchange of contract for the surrender of an affected property. At the conclusion of the six-month period, homeowners will need to vacate the affected property and complete the surrender.

The Personal Support Team (PST) is available to assist remaining homeowners interested in the TA arrangements to understand and navigate the process. Two applications were received during the reporting period. One has now progressed to a signed TA contract with transition payments made; and the other application has been approved, allowing the homeowner to consider all their options for a way forward.

During the January – June 2020 reporting period, PST also continued its tailored engagement work with remaining affected and impacted household members. This engagement assists household members to explore the best option for their individual circumstances, confirms they understand their options inside and outside of the Scheme, and reminds them of their ongoing responsibilities while they choose to remain in an affected property.

PST also conducted regular engagement with homeowners participating in the Buyback Program who have chosen a later settlement date or who require additional support. Personal support linkages were provided including information for community services that may be of assistance in navigating the best options for their individual circumstances.

Taskforce Executive meetings have continued to be held to enable a shared exploration of each homeowners' circumstances and to provide information about the Transition Assistance option. To the end June 2020, since commencement of the Pathways Package work, 33 executive meetings with remaining affected homeowners had taken place.

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During the reporting period, PST supported four homeowners to finalise the surrender of their affected property to the ACT Government. PST also supported one other homeowner of an affected property, who is choosing to undertake a private demolition, in accessing the waste disposal fee relief which is available to them under the Scheme.

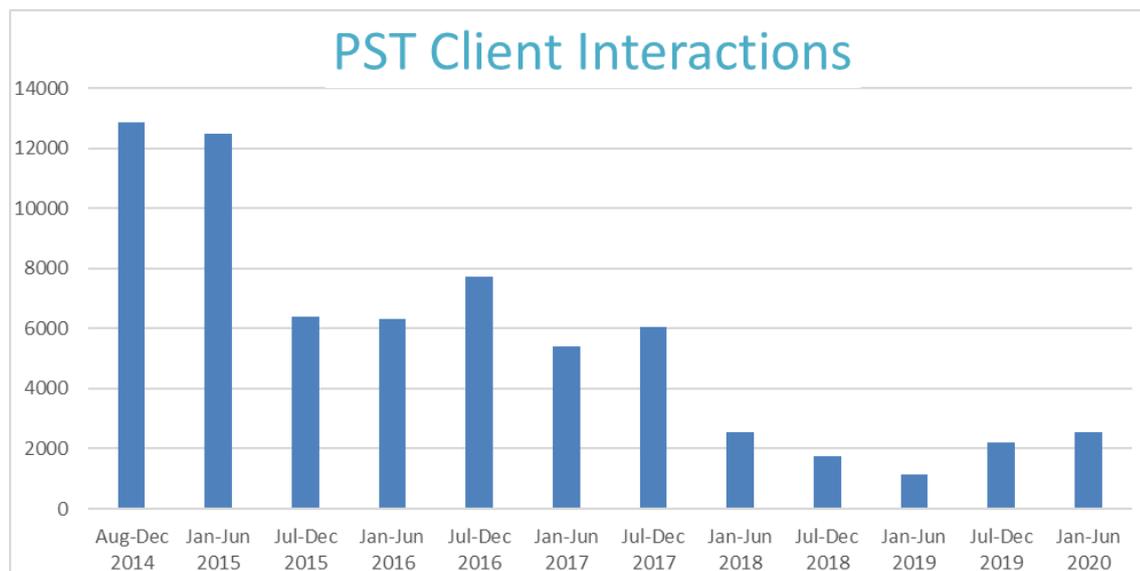
Additionally, to assist the implementation of community safety initiatives under the Pathways Package, PST undertook direct engagement with homeowners of affected properties to educate them about the additional AMP requirements coming into effect on 1 July 2020. PST and staff from ACT Property Group, offered practical assistance to homeowners to install the new AMP display cases, which 18 homeowners took up in readiness for the changes coming into effect.

Table 1 and Figure 1 reports the interactions by PST from commencement of the Scheme. The increase in interactions recorded during this time period reflects the ongoing Pathways Package engagement work, increased support contact during the COVID-19 Public Health State of Emergency and messaging regarding the extension of the property surrender deadline for the voluntary Buyback Program.

Table 1: Client Relationship Management (CRM) System Interactions

	As at 31 December 2019	As at 30 June 2020	Interactions during the reporting period
CRM Interactions	64,926	67,468	2,542

Figure 1: Client relationship management system interactions



THERAPEUTIC GROUP SUPPORT SERVICE

During the reporting period, the government engaged CatholicCare to provide a Therapeutic Group Support (TGS) service - a tailored support option available to the homeowners and residents of affected or impacted properties.

A program of face-to-face bi-monthly meetings was planned to commence in March 2020 and run until March 2022. Due to COVID-19 and associated public health measures this service did not commence during the reporting period. The government worked with CatholicCare to develop alternative delivery models that support community access to this service. A webinar providing information about the service was commissioned during the reporting period to enable great community access to relevant tools and support. It is expected that the webinar will be launched in August 2020, with face-to-face sessions commencing from September 2020, subject to COVID-19 restrictions.

The service is being established following recommendations from Dr Rob Gordon, a clinical psychologist and leader in the field of community recovery. Dr Gordon provided a review of homeowner support in 2017 and highlighted the importance of providing a continued space, beyond the scope of the Scheme, that would enable people to keep in touch, share information and have a place where their experiences will be understood and respected.

CASE CLOSURES

PST continues to work on closing cases for households who no longer require ongoing contact from the Taskforce and ensures all aspects of the Scheme are finalised. As at end of the reporting period, 1,215 cases had been closed. This represents an increase of 28 case closures since 31 December 2019. PST remain available should any of these homeowners, tenants or landlords seek further support.

FINANCIAL ASSISTANCE AND SUPPORT

GRANTS AND CONCESSIONS

A range of financial assistance allowances, including grants and concessions, are available to assist homeowners with relocation expenses.

Table 2 shows the progress on the number and value of relocation assistance grants and stamp duty concessions processed during the reporting period.

Table 2: Relocation Assistance Grants and Stamp Duty Concessions

	As at 31 December 2019		As at 30 June 2020		Activity during the reporting period	
	Number	Value	Number	Value	Number	Value
Relocation Assistance Grants	1,102	\$12.41	1,107	\$12.46	5	\$0.05m
Stamp Duty Concessions	692	\$17.05m	697	\$17.35m	5	\$0.3m

Notes:

1. The number of relocation assistance grants relates to packages paid in full. The value relates to grants paid in full and/or part.
2. The number and value of stamp duty concessions includes both affected and impacted properties.

LAND RENT

The Government extended the Land Rent Scheme in February 2016 to allow former owners, who meet the Scheme criteria, to use this option to assist them to return to their former block and neighbourhood.

Table 3 shows the total number of Land Rent applications lodged, approved and issued as at 30 June 2020 with there being no activity during the reporting period.

Table 3: Land Rent applications and leases

	As at 31 December 2019	As at 30 June 2020	Activity during the reporting period
Land Rent Applications Lodged	5	5	0
Land Rent Applications Approved	5	5	0
Land Rent Leases Issued	3*	3*	0

Note: Two of the five Land Rent Lease applications lodged and approved did not proceed to settlement.

BUYBACK

As highlighted earlier in this report, the property surrender deadline for the voluntary Buyback Program was extended to the later of 30 June 2021 or the date which is six months after the COVID-19 Public Health State of Emergency is lifted.

During the January – June 2020 reporting period, two new properties were identified as affected by loose fill asbestos insulation and added to the Register; and two others were deemed ‘eligible impacted properties’. This resulted in an increase by four in the total number of affected and impacted properties to 1,046 (1,027 affected and 19 impacted).

There were four affected properties surrendered to the ACT Government during the January - June 2020 reporting period.

Table 4 shows a comparison in the number of participants in the Scheme and those choosing to manage their affected property privately (not participating in the Scheme), between the December 2019 and June 2020 reporting periods.

Table 4: Participation in the Scheme as at 30 June 2020

	As at 31 December 2019			As at 30 June 2020			Activity during the reporting period		
	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total
Total Number of properties	1025	17	1042	1027	19	1046	2	2	4
Participating in the Scheme*	996	15	1011	1001	16	1017	5	1	6
Not Participating in the Scheme	26	2	28	24	2	26	-2	0	-2
Participation TBC	2	0	2	1	1	2	-1	1	0
Not Eligible	1	0	1	1	0	1	0	0	0

Notes:

1. This includes all properties with buyback offers accepted, 12 assisted private and 5 Housing ACT properties.
2. The number not participating in the Scheme includes properties that have been privately demolished.

VOLUNTARY BUYBACK PROGRAM

Table 5 reports an increase in the number of buyback offers accepted (6) and surrender settlements occurring (4) for affected and impacted properties for the six month period up to 30 June 2020.

Table 5: Voluntary Buyback Program Offers and Settlements

	As at 31 December 2019			As at 30 June 2020			Activity during the reporting period		
	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total
Offers Accepted	979	15	994	984	16	1000	5	1	6
Settlements	955	15	970	959	15	974	4	0	4

As at 30 June 2020, owners of 24 affected properties remained in the Buyback phase of the Scheme:

- > 23 with a planned settlement date by 30 June 2021; and
- > one considering their buyback offer.

The Taskforce anticipates a number of these may also choose to bring forward their settlements in the lead up to the closing of the Buyback Program.

DEMOLITION

The Taskforce continues to undertake the demolition of standard single dwellings as they become available, as well as progressing complex property demolitions. Where possible, these properties are grouped together in order to gain demolition efficiencies.

During the reporting period, two single affected dwellings and five complex property demolitions (3 affected and 2 impacted) were completed by the Taskforce.

The various types of complex properties has required a tailored solution and process for each, with the Taskforce working with a range of stakeholders to progress each property to demolition.

WorkSafe ACT and Major Projects Canberra (MPC) continue to play vital roles to ensure demolitions are undertaken safely and efficiently. Reflecting the declining number of demolitions being undertaken and length of packages of work, MPC has advised there were no active certification audits undertaken during the reporting period.

Table 6 shows the number of demolitions and deregistrations undertaken during the January – June 2020 period. As at 30 June 2020, 95% of affected properties had been removed from the Register.

Table 6: Demolition and Deregistration Activity

	As at 31 December 2019			As at 30 June 2020			Activity during the reporting period		
	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total
Demolished	978	8	986	983	10	993	5	2	7
>Taskforce	949	8	957	954	10	964	5	2	7
>Assisted Private	12	*	12	12	*	12	0	*	0
>Self-funded	16	*	16	16	*	16	0	*	0
>Surrendered following demolition	1	*	1	1	*	1	0	*	0
Deregistered	977	*	977	979	*	979	2	*	2
>Taskforce	948	*	948	950	*	950	2	*	2
>Assisted Private	12	*	12	12	*	12	0	*	0
>Self-funded	16	*	16	16	*	16	0	*	0
>Surrendered following demolition	1	*	1	1	*	1	0	*	0

Notes:

- * indicates not relevant for Impacted Properties.

COMPLEX PROPERTIES

Focus during the January – June 2020 reporting period continued on progressing the demolition and rebuild of complex properties owned by the Territory.

During the reporting period, a total of three complex properties were demolished within one multi-unit complex. This is the first multi-unit complex demolition the Taskforce has undertaken, and it included one affected and two impacted properties. The Territory has issued the procurement documents for the rebuild package to replace these units. This will be the first unit complex rebuild package the Territory will deliver under the Scheme.

The total number of complex properties increased from 55 to 58 during the reporting period due to:

- > the homeowner of one affected property (half of a duplex) previously not participating, entering the Scheme, resulting in the addition of the two properties (one affected and one associated impacted); and
- > the confirmation of demolition complexities for an affected Dual Occupancy Unit Titled (DOUT) property participating in the Scheme, resulted in the other property on the block being deemed as an impacted property eligible for participation.

With more than half of the 58 complex properties now demolished (42 as at the end of this reporting period), continued focus remains on the intensive work required to progress authorisation and approvals required for the demolition and where required, the subsequent rebuild of complex properties.

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Table 7 shows the progress of demolitions undertaken on complex properties during the January – June 2020 reporting period.

Table 7: Complex Properties Progress

	Number of Properties			Demolished as at 31 December 2019			Demolished as at 30 June 2020			Activity during the reporting period		
	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total	Affected	Impacted	Total
Duplex	7	2	9	4	1	5	6	1	7	2	0	2
Dual Occupancy Not Unit Titled	8	0	8	8	0	8	8	0	8	0	0	0
Shared Garages	3	0	3	3	0	3	3	0	3	0	0	0
DOUT	9	2	11	8	1	9	8	1	9	0	0	0
Strings	7	8	15	6	6	12	6	6	12	0	0	0
Unit Complexes	5	7	12	0	0	0	1	2	3	1	2	3
TOTAL	39	19	58	29	8	37	32	10	42	3	2	5

Of the 16 complex properties remaining:

- > Two Duplex properties (one affected and one impacted) have anticipated surrender dates up to 30 June 2021;
- > One affected DOUT property is owned by the Territory with one associated eligible impacted property awaiting valuation;
- > Three (one affected and two impacted) are String properties, two of which are owned by the Territory; and
- > Nine (four affected and five impacted) are Unit Complexes, seven of which are owned by the Territory with two eligible impacted properties not participating in the Scheme.

SALES

The Taskforce continues to deliver the Sales Program that triggers the rebuild of affected communities and assists in minimising the overall cost of the Scheme with the aim of achieving cost neutrality. As at the end of the reporting period, 898 contracts for sale had been exchanged and 883 settlements completed, including 47 FROR contracts exchanged and 5 sales to ACT Government agencies.

As at 30 June 2020, a total of 644 offers had been made to former owners holding a FROR with one offer being made during the reporting period. The FROR take up rate remains at just under 9%. The FROR continues to provide an opportunity for former owners to repurchase their block in an off-market transaction in order to return to their former community.

While over the counter (OTC) interest remains strong, sales activity such as auction events have been delayed during the first half of 2020 due to social distancing restrictions in place for the management of the COVID-19. The Taskforce is working toward an auction event in the latter half of 2020 depending on any COVID-19 restrictions that remain in place. Any auction event that does take place will be done so with strict adherence to social distancing requirements.

A range of sales strategies and auction events will continue to be explored during 2020 around the best way to market the remaining properties available for sale in the current environment. This includes preparing for the sale of built form once the rebuild work in the unit complexes is complete. OTC blocks will continue to be actively marketed through the Taskforce and the contracted Sales Agent, Civium.

As at 30 June 2020, a total of 881 blocks had been taken to market for public sale - 32 blocks remain for sale OTC, 22 under the Taskforce Sales Program and 10 under Civium. Of these OTC blocks, nine are currently under offer: six with the Taskforce and three with Civium.

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Table 8: First Right of Refusal and Public Sales

	As at 31 December 2019	As at 30 June 2020	Activity during the reporting period
Sales - FROR			
>Offers sent	643	644	1
>Offers accepted	94	94	0
>Acceptances withdrawn	37	37	0
>Offers declined	263	263	0
>Offers forfeited	282	282	0
>Sold (exchanged)	47	47	0
>Sold (settled)	46	46	0
Sales – Public Sale			
>Offered for Sale	881	881	0
>Sold (exchanged)	836	846	10
>Sold (settled)	805	832	27
Sales – Government			
>Contracts exchanged	5	5	0
>Contracts settled	5	5	0

Note: At any given time, a number of FROR offers may still be under consideration by former homeowners. For this reason, the offer status figures shown in Table 8 do not always total the number of offers sent.

FINANCIAL IMPACT

The estimated net cash cost of the Scheme as at the end of June 2020 has reduced to \$279 million from \$289 million as at end of December 2019 (excluding contingency). This estimate will continue to be revised through the ACT Government Budget and mid-year review.

Table 9: Buyback Program Expenditure (based on settlement for affected and eligible impacted properties)

	As at 31 December 2019			As at 30 June 2020		
	No	Total Cost	Average	No	Total Cost	Average
Properties Settled	970	\$695,035,457	\$716,531	974	\$698,105,601	\$716,741

Table 10: Demolition Expenditure (based on demolitions contracted, including contract variations)

	As at 31 December 2019			As at 30 June 2020		
	No	Total Cost	Average	No	Total Cost	Average
Properties demolished or under contract for demolition	965	\$87,435,631	\$90,607	972	\$88,059,356	\$90,596

Notes:

- Demolition expenditure includes Asbestos Removal and Demolition costs only. These figures exclude the costs incurred by government in disposing of affected properties, undertaking pre-demolition asbestos assessments and post demolition soil validations.
- The cost of individual demolitions is influenced by several variables including the property's location, construction type, size (including the size of footings), number of additional structures, block access, slope of the block, and amount and spread of asbestos present. Individual demolition costs can vary significantly from the average.

Table 11: Sales Program Revenue (based on exchanged contracts)

	As at 31 December 2019		As at 30 June 2020		Activity during the reporting period	
	Number	Value	Number	Value	Number	Value
FROR	47	\$37,396,700	47	\$37,396,700	0	\$0
Public Sale	836	\$547,041,251	846	\$554,325,751	10	\$7,284,500
>Auction	371	\$272,630,750	370	\$271,855,750	-1	-\$775,000
>By negotiation	43	\$25,232,300	43	\$25,232,300	0	\$0
>Over the counter	422	\$249,178,201	433	\$257,237,701	11	\$8,059,500
Sale to Government	5	\$2,340,000	5	\$2,340,000	0	\$0

Note: Three exchanged properties (1 at auction and 2 over the counter) were rescinded in May and June 2020.

COMMUNITY INFORMATION AND ENGAGEMENT

PATHWAYS TO ERADICATION – SUPPORTING COMMUNITY SAFETY

The *Loose-Fill Asbestos Legislation Amendment Bill 2020* (Bill) was passed in the Legislative Assembly on 21 May 2020. The Bill made the following amendments to legislation, commencing 1 July 2020, in order to implement three of the five initiatives in the Pathways Package announced on 19 November 2019, to support the management of affected properties:

- > Community safety initiatives relating to Asbestos Management Plans
- > Restriction of development and building approval to demolition or work essential for health, safety and reasonable living conditions
- > Restriction on occupancy (Occupancy Prohibition) activated on transfer of title or at the end of a current rental or subletting agreement.

In summary, the amendments:

- > Require specific information to be included on the Register, to show whether a property requires an asbestos contamination report (commonly known as an AMP) and whether a current report is in place with the required contamination management works completed.
- > Require owners/occupiers of affected residential premises to display the AMP in an approved display case in a visible location at the affected property so that visitors to the home including tradespeople and care providers are aware loose fill asbestos is present. This amendment also allows for the Minister to approve the way and place where an approved display case must be displayed, by way of notifiable instrument.
- > Allow for an AMP to have a validity period between 6 to 24 months, as determined appropriate by a licensed asbestos assessor.
- > Prevent development approval being granted for affected residential premises unless the development includes the demolition of the affected structures and remediation of the premises.

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- > Restrict building works on affected residential premises to work associated with the demolition of the affected property, including asbestos removal and structural demolition, or work essential for health, safety or reasonable living conditions.
- > Provide that upon transfer or transmission of an affected residential premises, only approved occupants can live in the premises.
- > Make void any residential tenancy agreement, occupancy agreement, assignment or sublet for a premises on the Register that is entered into on or after 1 July 2020.

From 1 July 2020, AMP compliance status for affected properties remaining on the Register are published on the Taskforce website at www.asbestostaskforce.act.gov.au/affected-properties/register. Of the 32 properties required to have an AMP in place, 16 are compliant as at the date of first publication.

WorkSafe ACT continue to monitor compliance and liaise with affected property owners around the additional compliance measures aimed at supporting community safety.

Most properties identified as affected by loose fill asbestos have been surrendered to the Territory or privately demolished. However, the goal of eradicating loose fill asbestos from the ACT residential community can only be achieved when every affected property has been demolished.

Whilst not the preferred option, the ACT Government acknowledges that it may need to take Compulsory Acquisition action if homeowners do not arrange for the demolition of their affected property prior to mid-2025.

Any compulsory acquisition action taken by the Territory will take into consideration the specific circumstances of each remaining homeowner as well as the safety risk any remaining property will pose to the community. The Bill made no provision for compulsory acquisition, as this will be undertaken, if necessary, under the provisions of the *Lands Acquisition Act 1994* (LAA). It does, however, facilitate the placing of an Administrative Interest on the title of remaining affected properties advising that the property may be subject to acquisition under the LAA.

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The Taskforce also continues to keep the community informed of planned works in their neighbourhood, with letters delivered to neighbours when a contract is awarded for demolition and when a property is deregistered. [Table 12](#) below shows the progress of activity during in the first half of 2020.

Table 12: Correspondence with neighbours

	As at 31 December 2019	As at 30 June 2020	Activity during the reporting period
Contract award letters	8,231	8,275	44
Deregistration letters	9,278	9,278	0

Notes:

1. Figures reflect Demolition Communications Process commenced in March 2016.
2. Contract Award and Deregistration Letters represent the two communications sent directly by the Taskforce. The full Communications Process with neighbours also includes a letter issued by ACT Property Group upon acquisition of the affected or impacted property, and demolition timing letters issued by the head contractor.
3. Two properties were deregistered during this reporting period; however, Deregistration Letters were not delivered until after the reporting period.

COMMUNITY AND EXPERT REFERENCE GROUP

On 7 May 2020, the Government tabled, in the Legislative Assembly, the Mr Fluffy Legacy Project: Consultation Outcomes and Recommendations Report (the Legacy Report) prepared by the Community and Expert Reference Group (CERG). At the same time, the Government response to the Legacy Report was also tabled. These documents consider how the legacies of more than 50 years of Mr Fluffy in Canberra homes may be acknowledged and responds to community interest in recognising the impact of Mr Fluffy and its legacy for the Canberra community.

CERG made 13 recommendations in the Legacy Report to the ACT Government following a consultation program run throughout 2019, which sought views on how the ACT community may wish to acknowledge the legacy of Mr Fluffy. The Government response to the Legacy Report commits to projects that reflect the wide-ranging impact Mr Fluffy had, and continues to have, on the lives of homeowners, tenants, neighbours and the community. The Taskforce is supporting the coordination and delivery of these projects with close engagement from CERG.

CONCLUSION

The slowing down of activity in the Buyback and Demolition phases of the Scheme has made way for the Taskforce to remain focussed on assisting homeowners as they consider their best option for managing their affected property, and supporting community safety.

The intensive engagement support provided by PST to this cohort has assisted homeowners of remaining affected properties with provision of information and connections to community and industry around options suited to their individual circumstances, both within the Scheme and privately.

The second half of 2020 is expected to see:

- > continued support provided to homeowners of remaining affected properties (both Scheme participants and those managing privately) to assist them in exploring all their options and identify individual pathways to eradication;
- > continued provision of individual case management, targeted communications, personalised support and assistance to ensure those impacted by the Mr Fluffy legacy can access the support they need;
- > the upkeep of engagement and information sharing with community partners, industry peak bodies and other key stakeholders to support the roll-out of the community safety initiatives under the Pathways Package;
- > provision of continued engagement and support to CERG to deliver on projects identified in the Government Response to the Mr Fluffy Legacy Project;
- > the announcement of a PhD Scholarship program that will encourage and support research that responds to the presence of loose fill asbestos insulation and its community impact;
- > the commencement of a documents review project intended to support independent research and community access to information about loose fill asbestos insulation in the ACT. This project will support subsequent document releases of administrative records from the period 2000 to 2011 in the 2021 calendar year;

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- > the commencement of free bi-monthly therapeutic support service for residents and homeowners;
- > work progressed on addressing the challenges associated with demolition of affected and impacted properties within unit complexes, including the rebuild of units;
- > continued roll out of a safe Demolition Program as properties become available;
- > continued progress of the final phase of the Scheme through the FROR and Public Sales processes;
- > consistent communication and engagement with neighbours of affected properties; and
- > continuation of internal assurance initiatives to ensure the current high levels of performance and accountability are maintained.