

2015

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

**QUARTERLY REPORT: UPDATE ON THE ACT GOVERNMENT'S RESPONSE TO
THE ISSUE OF 'MR FLUFFY' LOOSE FILL ASBESTOS
31 MARCH 2015 – 30 JUNE 2015**

**Presented by
Mr Andrew Barr MLA
Chief Minister**

Taskforce Quarterly Report – 31 March 2015 - 30 June 2015

Overview

The quarter of March to June 2015 marked a significant period in the Taskforce's work in the lead up to the voluntary Buyback Program closing, the release of the list of affected addresses on 1 July 2015 and the demolition phase of work commencing on 6 July 2015.

During this time intensive support and engagement was provided to homeowners affected directly by Mr Fluffy to ensure they had the opportunity to make an informed decision on whether to participate in the voluntary Buyback Program. Communication and engagement efforts also broadened during this period as the community education and engagement strategy began around historical connections to the houses in advance of the list release as well as safety and logistics of the demolition program.

It was also a period in which a large number of properties moved to ACT Government ownership as homeowners transitioned through the Buyback Program. By the end of June 599 houses were owned by the Territory with security and maintenance of these properties becoming the responsibility of government. This again involved immediate engagement with neighbours and community to ensure houses remained secure and any concerns were reported proactively and in a timely way.

The public release of the list of affected addresses eligible for the Buyback Program on 1 July 2015 marked a significant milestone in the legacy of this issue for the ACT. It also saw intensive work in communications and engagement as the Taskforce worked to educate the community on what risks

there were for those who identified a connection to an affected property for the first time. Owners and stakeholders were also supported in the lead up to the list release.

This period concluded with the demolition of the pilot properties commencing in four suburbs with the Taskforce again working to support owners through what was a period of mixed emotion and inform neighbours and community that these houses would be demolished safely, quickly and efficiently.

An overview of key activity across multiple areas of work is outlined below.

Buyback Program

On 30 June 2015 the ACT Government's voluntary Buyback Program closed with 1014 of 1022 homeowners (or 99 percent) agreeing to participate.

Significant efforts took place in the lead up to the Program closing to ensure homeowners had the information and support they needed to make an informed choice on whether to participate in the voluntary program. This included targeted one on one support by the Taskforce's Personal Support Team (PST) who worked with owners around their individual circumstances and provided linkages to other services in the community as needed. A key part of PST's role was to identify any barriers to owners making an informed choice such as language, mental health or wellbeing and to support this through targeted support as well as facilitating connections with services such as interpreters.

Two formal mail outs occurred in the lead up to the closure of the Program ensuring owners were aware of closure dates and what this meant for their participation and ACT Government support. The Taskforce also door knocked

owners who had had limited engagement with the Taskforce as a final means to identifying any participation barriers.

Homeowners were kept informed by the Taskforce between 28 October 2014 and 30 June 2015 around the Buyback Program through community forums, regular electronic and hard copy communications, individual meetings with Taskforce staff to discuss individual owners' circumstances and targeted meetings such as for Seniors.

The Taskforce also clearly communicated to owners wanting to return to blocks by exercising of their first right of refusal, that some information would not be available to them – namely the dates in which the property would be demolished and the price the block would be resold – prior to the Buyback Program closing and why this was the case.

In meetings flexibility available through the Program, such as around settlement times were discussed. To date 14 homeowners have indicated to the Taskforce they would like to stay in their homes to 2020 while 125 have asked for a settlement between now and 30 June 2016.

Intensive work took place around valuations of properties with each owner 'opting in' receiving two independent market valuations of their property and an offer then made for the average. During this period 110 valuations occurred. To date 947 have now been completed.

A small number (20) homeowners sought to have a Presidential Determination undertaken on their property if they had concerns around the valuations and therefore the offer. The Taskforce initiated 27 presidential determinations in line with its policy position if the valuations came in at greater than 10 percent variance.

The average price paid for properties to date is \$693,175 and median is \$637,500.

Petitions were lodged in the Assembly during this time from a number of owners seeking greater flexibility through the Buyback Program, such as allowing owners to retain their land at all times through an assisted private demolition model, and a call for a Board of Inquiry, or similar historical review of the Mr Fluff legacy issue in the ACT. The Taskforce continued to address these points in its correspondence and in meetings, advising the position of the government was clear that:

- it had considered a range of possible responses to the health, practical, social and financial consequences of the continuing contamination of Canberra houses with loose fill asbestos insulation to formulate the Scheme. In particular, it considered, and decided not to support, private demolition of affected houses, except where binding contracts were in place before the Scheme was announced. This had been advised and consistently communicated to owners since the announcement of the Scheme in October 2014
- there are elements of the response which could not have greater flexibility due to health, safety, practical or financial reasons. This included advice from experts that these houses could not be managed in the longer term due to safety and practical concerns and therefore longer settlement periods outside 2020 could not be supported. The anticipated cost to the community of the response to this issue, after the resale of blocks, anticipated to be \$400 million also meant flexibility which incurred additional cost to the taxpayer (such as broadening of stamp duty concessions) could not be supported

- for practical, social (including equity) and financial reasons multiple variations or streams of a Buyback and Demolition Program response was not practical as the government could not harness the economic and scheduling efficiencies needed for affordability of the Program if fragmented
- flexibility did exist around timelines with settlement periods able to be extended until 30 June 2020 and brought forward by owners at their request at any time during that period
- the Taskforce and government continued to listen to homeowners in developing flexible responses where it can. This can be seen in allowing owners to take fixtures and fittings from properties which had already been purchased by the Territory, and in allowing homeowners to return to their surrendered properties to retrieve plants from their gardens in the cooler months for transplanting as part of Plant Retrieval Month which closed on 31 July 2015. A total of 87 free permits were granted during this period
- the government has consistently maintained that a comprehensive review of historical events surrounding the continuing presence of loose fill asbestos insulation in ACT homes, including prior to self-government, has merit. However the government's current focus and therefore that of the Taskforce remains on delivering its response to support homeowners and the broader community through the Scheme. This includes purchasing affected properties at market value, demolishing them and therefore removing loose fill asbestos insulation from our community. The timing and form such a review will take will be determined by the government in due course, noting public comments that it would be most appropriate for this to occur once the majority of

the demolition works are complete to prevent a diversion of resources from the Taskforce.

The Taskforce continues to support homeowners as they move through the Buyback Program including whether they have purchased another property in the ACT, continue to seek to return to their block or have moved interstate. As at today, 422 of the 653 homeowners who have surrendered their property to the Territory through the Scheme have used their stamp duty concession on the purchase of another property in the ACT, an additional assistance of \$10 million.

Informing the community

During March to June 2015 the Taskforce continued its comprehensive engagement activity to inform the Canberra community about Mr Fluffy and the ACT Government's response. This was through all forms of communication including ongoing development of an enhanced web and social media presence, community meetings, forums and direct engagement.

The focus during this period remained primarily on informing the community of the Mr Fluffy issue and the implementation of the voluntary Buyback Program. In May focus began to shift to foreshadowing the release of the list of known addresses on 1 July 2015 and the commencement of the Demolition Program on 6 July 2015.

The Taskforce continued its work in attending Community Councils to provide updates and answer questions from the broader community with seven meetings attended between March and July.

The Taskforce has now presented at 14 meetings to approximately 295 attendees. Three Councils in partnership with the Taskforce hosted specific

Mr Fluffy meetings for residents, with the agenda centred on the ACT Government's response.

The Taskforce will continue to engage with Councils as demolition work continues across 56 suburbs.

Community Council	Date of Meeting
Belconnen Community Council	17 February 2015
Inner South Community Council – Special Asbestos Response Taskforce Meeting	5 March 2015
Weston Creek Community Council - Special Asbestos Response Taskforce Meeting	19 March 2015
Woden Valley Community Council	1 April 2015
North Canberra Community Council	21 April 2015
Tuggeranong Community Council	5 May 2015
Belconnen Community Council - Special Asbestos Response Taskforce Meeting	7 May 2015
Weston Creek Community Council Meeting	27 May 2015
Woden Valley Community Council Meeting	1 July 2015
Inner South Community Council Meeting – Special Asbestos Response Taskforce Meeting	9 July 2015
Belconnen Community Council Meeting – Special Asbestos Response Taskforce Meeting	14 July 2015
North Canberra Community Council Meeting	21 July 2015
Weston Creek Community Council Meeting	29 July 2015
Tuggeranong Community Council meeting	4 August 2015

The Taskforce's web presence also continued to grow over this time and since it (www.act.gov.au/asbestostaskforce) was re-launched on 9 March 2015.

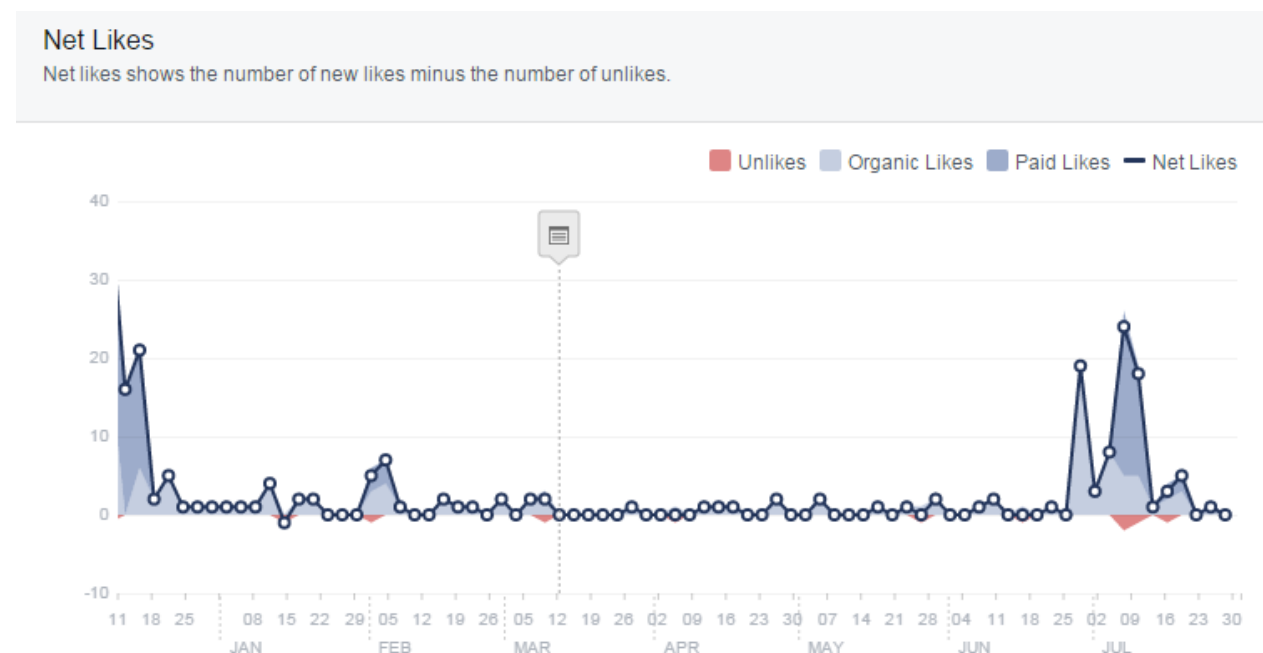
Since this time there have been 153,435 page views to the site from 24,818 users. The Taskforce continues to monitor activity on the page including information accessed by users and improvements and updates are made in real time following feedback from engagement activities to ensure it continues to provide high quality and comprehensive information for the community.

The website experienced a significant spike in activity around the release of the list of affected addresses on 1 July 2015 with 21,000 views in the first 24 hours. The Taskforce had worked to promote the website as the primary source of referral and information for the community around the release of the list with targeted information covering key questions and areas of concern that had been informed in prior discussion with stakeholders. The Taskforce received positive feedback on the accessibility of information from the community. As part of the response and to further target information an e-register was established allowing residents and tradespeople to record a historical connection to a property. This will provide the Taskforce with further information to target education and engagement. For former residents who resided in these properties the e-form also allows them to indicate if they are interested in participating in the ANU Health Study. More than 400 people have completed this to date.

The Taskforce continues to grow its social media presence as a constructive two way channel to engage with homeowners and the broader community. The Facebook page has 912 followers and the Taskforce is working to establish this platform as a key source for updates and information for the community.

The Taskforce is using the medium to engage and directly respond to homeowner questions as well as share homeowner stories about their experiences through the Scheme, allowing an opportunity for owners to respond and reflect on their own journey. For the community it has been a useful tool to provide information on location and progress of the demolition work as well as inform about upcoming engagement activities.

Page activity has increased at a fairly consistent rate since its creation, however there has been a recent spike in activity, with the number of 'likes' increasing by 29% since 1 July 2015. This sudden increase can be attributed to two factors. Firstly, the release of the list which garnered significant interest from the broader community and a combination of a small number of boosted posts around case studies which resulted in a substantial increase in reach.



The Taskforce's Twitter presence continues with close to 300 followers. In addition the Taskforce has also created a series of videos of officials explaining the demolition process as well as issues such as health and safety. These

videos are located on the ACT Government's YouTube Channel. To date these nine videos have received 1604 views and are a useful community information and education tool.

The Taskforce's e-newsletter continues to be a key tool in engaging with homeowners and the broader community with eight editions sent in the quarter of March-June 2015. In total 36 editions have now been sent to an average of 2580 subscribers. In total, across all editions there has been a total of 39,600 views.

The e-newsletter recently went through a re-design to support a broadening readership of the community, with the latest design below. All copies of the e-newsletters are available on the Taskforce's website at

<http://www.asbestostaskforce.act.gov.au/Functions/newsletter/newsletter-functionality/all-editions>

NEWSLETTER

**Asbestos Response Taskforce**

Edition 36 - 5 August 2015

If you have difficulties viewing this email, please [view online at the ACT Government Information Portal](#).



[Demolition schedule of 38 'Mr Fluffy' properties announced](#)

The Asbestos Response Taskforce has issued the first schedule of 38 homes to be demolished, following the completion of work on the five pilot properties last month.



[Plant Retrieval Month proves popular](#)

Plant Retrieval Month proved very popular with 87 permits issued to homeowners to return to their gardens to remove plants or trees in the dormant season.

KEY STATISTICS

- 1022 Affected Properties
- 1014 Participating in the program
- 976 Offers Made
- 879 Offers Accepted
- 649 Affected Properties Purchased
- 418 Stamp Duty Concessions Claimed
- 675 Relocation Assistance Grants Paid
- 5 Properties Demolished

RESOURCES

- [FAQs](#)
- [Information sheets](#)
- [Newsletter Editions](#)

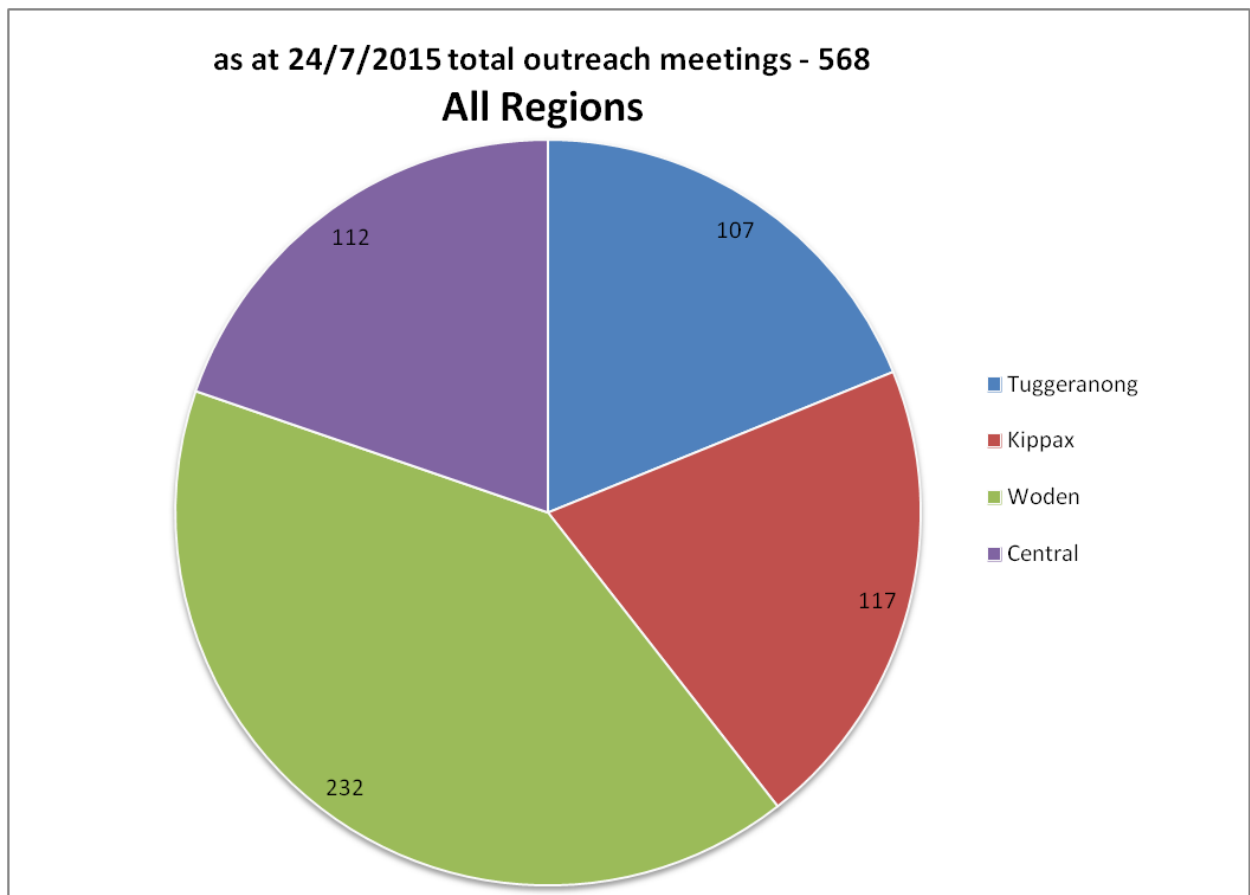
The Taskforce has also undertaken a number of homeowner and community forums as another way to answer questions and provide information and updates. Between March and June 2015 there were three forums held, including one specific to the disposal of demolition waste at West Belconnen Resource Centre. In total, since the Taskforce was created, there have been 10 community forums with a total attendance of more than 1463 people.

Supporting affected homeowners

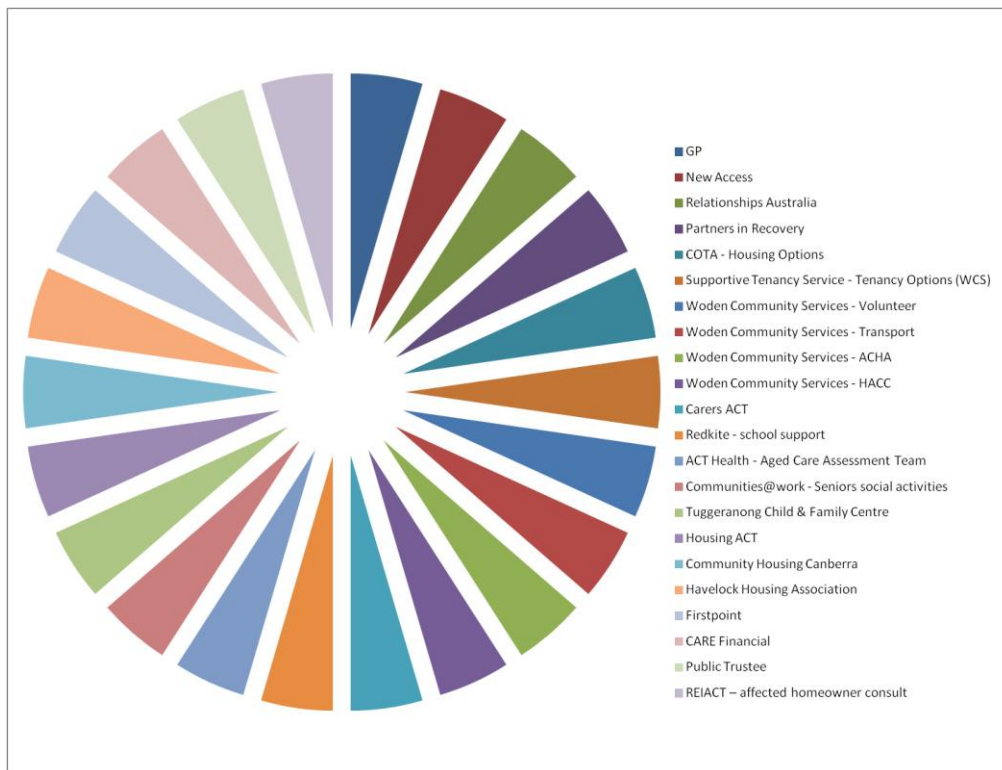
A key part of the Taskforce's support for homeowners has been an intensive one on one engagement through the Personal Support Team. Homeowners are assigned officers based on geographical area and in most cases have had the continuity of the one officer throughout their experience with the Taskforce.

In January 2015 the Taskforce expanded its reach into suburb areas to increase accessibility for the homeowners and community to meet with the Taskforce directly. This included co-locating at Woden Community Services, Northside Community Services at Dickson, Kippax Health Centre and Tuggeranong Community Health Centre. Linking with these services also supported greater connectivity and seamless referral to community based services for owners as needed.

In total since the community-based locations came online there have been 568 meetings held at these sites. A geographical split showing the regions these meetings were held is below:



Between March and June 2015, there were 275 meetings across the four sites. The Taskforce keeps data on the nature of the contacts and key issues or questions raised and has used this to further inform its communications and support to other homeowners. An example of the connectivity and reach of referral support the Taskforce has provided and facilitated to homeowners is demonstrated below – with this data just representing the Woden community-based centre.



Breakdown of homeowner referrals to community services provided by the Woden PST.

A key focus for Taskforce support has been senior homeowners with senior specific meetings held five times across the regions between March and June. In total eight have been held with more than 300 seniors and family members attending. These morning teas have provided information and support for owners considering their options through the Buyback Program as well as informal networking and relationship building opportunities.

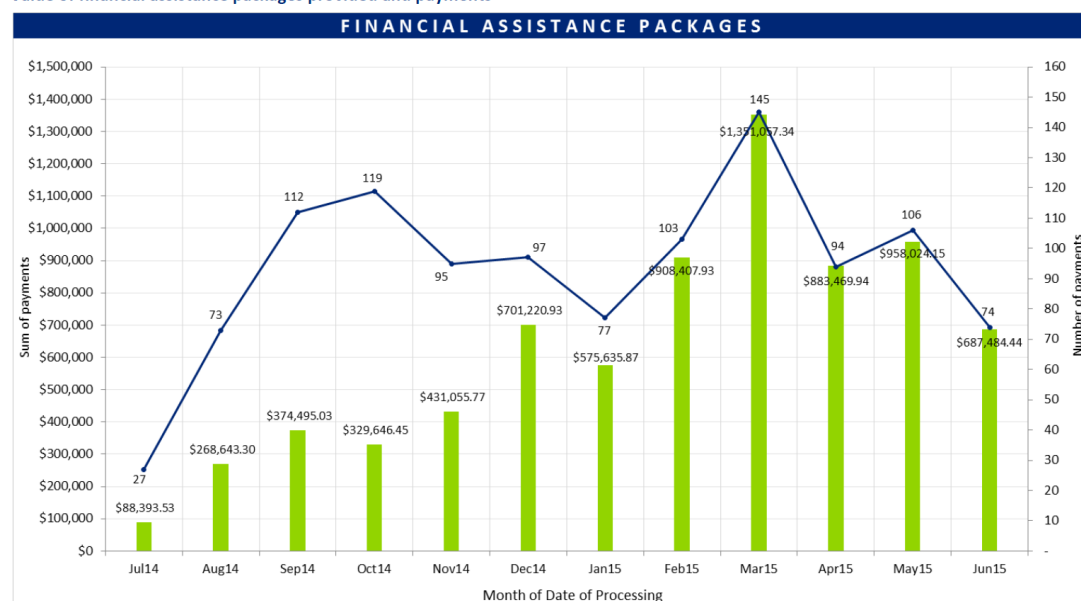


R Chair of the Community and Expert Reference Group Dr Sue Packer and Matthew Rothwell of the Taskforce's Personal Support Team talk with homeowners at the Senior Morning Teas

As well as information support, the Taskforce has administered financial support to homeowners through emergency funding assistance or payment of Relocation Assistance Grants to support homeowners moving to safer accommodation. This is \$10,000 per household and an additional \$2000 per dependent who resided at the property, minus any previous assistance. Landlord assistance is also provided at \$5000.

Between March and June 2015 \$2.5 million in support was provided and 237 Relocation Assistance Grants paid. In total \$8.4 million has been funded to date and 696 Relocation Grants processed. Another \$1.4 million has been provided for asbestos assessments for 966 properties.

Value of financial assistance packages provided and payments



Demolition Program

Five properties were safely demolished as part of the pilot in July 2015. These properties were located at:

- 81 Sternberg Crescent, Wanniasa
- 60 Guthridge Crescent, Wanniasa

- 18 Emerton Street, Evatt
- 8 Flower Place, Melba
- 16 Longerenong Street, Farrer



"We have been kept well informed... I don't think they could have done much better without camping on our front lawn." Neighbour, Warren Fitzpatrick, *The Canberra Times*, 6 July 2015, Demolition of 81 Sternberg Crescent, Wanniasa

Head contractors for the pilot program were Manteena Pty Ltd and Shaw Building Group. The works were regulated by WorkSafeACT and licensed asbestos assessors and removalists undertook the asbestos testing and removal work.

A lessons learned and improvement workshop for all involved in the pilot as well as The New South Wales Government will be held on 11 August 2015 with key details to be made public.

One of the key purposes of the pilot was to inform and refine how the Taskforce engages and communicates with the community around the demolition works. The Taskforce door-knocked neighbours of the five pilot sites four times throughout the demolition. This engagement was intensive with the aim to educate about the program and process, manage expectations and experience of the demolition works and, after the property was demolished, evaluate what worked and what could be improved around the level of information and engagement provided. At each wave of engagement the Taskforce sought feedback and fed questions asked back into broader communications materials to support broader community understanding around the demolition. In total the Taskforce undertook 660 engagement actions through the pilot program with feedback broadly positive.

The next 38 houses have now been scheduled for demolition with initial work beginning on sites as at 31 July 2015. All 38 homeowners have been informed as have more than 800 neighbours in the area. A community forum was held on 5 August 2015 for neighbours in suburbs to be impacted by the next round of work and another is scheduled for 12 August 2015.

A national tender was advertised on 7 August 2015 for the next round of demolition works. This tender follows a process of market soundings on an informal basis by Procurement and Capital Works (Chief Minister, Treasury and Economic Development Directorate) and an industry briefing attended by around 200 people from around Australia in July.

All homeowners who have exchanged through the Buyback Program will receive advice from the Taskforce by the end of August 2015 on an indicative six month window their property will likely be demolished between now and 2020 with the timing to be narrowed as work progresses and scheduling is refined. The Taskforce will be working intensively with owners who are looking to return to their block through the exercising of a first right of refusal around improvements which may be able to remain on the blocks.

A comprehensive policy will be provided to owners in August 2015 on exercising their First Right of Refusal.

Key policy and regulation

During the March-June quarter a number of introduction of new or amendments to existing regulation and legislation occurred to allow the ongoing administration of the ACT Government's response to this issue. This included:

Legislation introduced

- *Dangerous Substances (Loose-fill Asbestos Eradication) Legislation Amendment Act 2015* made (March):
 - o This legislation required the Minister to maintain and allowed for the publication of a register of residential premises that contain or have contained loose-fill asbestos insulation ('the affected residential premises register') under the *Dangerous Substances Act 2004*
 - o It also allowed a tenant or landlord to terminate a lease on an affected property at short notice

- o It provided for an administrative interest be attached to the title of affected residential premises, in order to improve disclosure to potential tenants and buyers.
- *Electricity Feed-in (Renewable Energy Premium Act) 2008 amendment* is made (March)
 - o This amendment allowed affected homeowners who had solar tariff arrangements under the ACT Government Solar Feed-in-Tariff (FiT) scheme to transfer the tariff to their new place of residence, where ordinarily the solar system and associated tariff would have remained with the house
- *Dangerous Substances Regulations* passed
 - o These regulations require any owners who remain living in their affected property to have an Asbestos Management Plan in place by January 2016 with mandatory actions undertaken by June 2016.
 - o These regulations are designed to minimise exposure to homeowners, workers and the public from loose fill asbestos in homes. Homeowners surrendering their property to the ACT Government through the Buyback and Demolition Program before 1 July 2016 are exempt from these requirements

In addition between March and June 2015, 14 pieces of legislation were amended:

1. Dangerous Substances (Loose-Fill Asbestos Eradication) Legislation Amendment Act 2015 which amends:

- (i) Civil Law (Sale of Residential Property) Act 2003
 - (ii) Dangerous Substances Act 2004
 - (iii) Dangerous Substances (General) Regulation 2004
 - (iv) Electricity Feed-in (Renewable Energy Premium) Act 2008
 - (v) Information Privacy Regulation 2014
 - (vi) Land Titles Act 1925
 - (vii) Planning and Development Regulation 2008
 - (viii) Residential Tenancies Act 1997
 - (ix) Work Health and Safety Regulation 2011
 - (x) Land Titles Regulation 2015 (new regulation)
2. Dangerous Substances (General) Amendment Regulation 2015 No 1
 3. Dangerous Substances (General) Amendment Regulation 2015 No 2
 4. Civil Law (Sale of Residential Property) Amendment Regulation 2015 No 1
 5. Building (General) Amendment Regulation 2015 No 1

Assisted Private Demolition Program

During this reporting period 17 applications were received and assessed relating to homeowners seeking support for assisted demolition.

These were homeowners who believed they were in a binding contract prior to 28 October 2014 to demolish their property. In total 12 applications were approved, four declined based on not meeting eligibility requirements and one was withdrawn.

Governance

In March the Eradication Scheme Steering Committee (ESSC) held its first meeting. This is an internal cross-government governance group which

provides high level monitoring and direction to the Taskforce Head on policy and program delivery. This group meets monthly.

The Community and Expert Reference Group (CERG) met with the Taskforce four times this quarter and on 3 June 2015 hosted a forum in partnership with the Taskforce to bring Dr Rob Gordon, a clinical psychologist and community recovery expert to speak with homeowners. In total the CERG have met 17 times with minutes of the meetings available publicly on the Taskforce website at: <http://www.asbestostaskforce.act.gov.au/media-and-engagement/community-and-expert-reference-group>

As the Taskforce moves to the next phase of its work being the broader demolition program, resale of remediated blocks, supporting those homeowners returning to their blocks and the community impacted by this issue it will continue to engage with homeowners, stakeholders and the community to provide a coordinated and compassionate response to eradicating this legacy issue.