



Inquiry into Appropriation Bill 2026–2027 and Appropriation (Office of the Legislative Assembly) Bill 2026–2027

Answer to question on notice

Asked by: Ms Fiona Carrick MLA

Addressed to: Treasurer

Redirected to: Minister for Planning and Sustainable Development

Reference: Planning – City and Environment Directorate

Hearing: 21 July 2026

In relation to: Mr Fluffy - loan

Question received: 3 August 2026

Answer Due: 10 August 2026

Minister, with respect to the Loose Fill Asbestos Insulation Eradication Scheme (Mr Fluffy):

- 1) Has the ACT Government prepared a **final** financial reconciliation of the Mr Fluffy Scheme?
 - If so, has it been tabled in the Legislative Assembly and is it available on the ACT Government Loose Fill Asbestos Coordination website?
 - If not, when will this reconciliation be completed and published on the website?
- 2) What is the total financial outcome of the Loose Fill Asbestos Insulation Eradication Scheme, calculated as:
 - total loan
 - plus remediation costs (e.g. cost of demolition, asbestos remediation and site clearance undertaken under the Scheme);
 - plus administration costs (e.g. staffing, consultants, valuations, legal costs and other overheads);
 - plus financing and interest costs;
 - plus other costs:
 - less total sale proceeds;
 - less other proceeds;
 - less principal repaid;
 - Closing balance – (loss/surplus)

- 3) Have all borrowings associated with the Scheme now been repaid; if not, what is the outstanding balance, and what interest has been paid over the life of the loan, and what is the interest expense for 2026-27?
- 4) Will the government offer people in the remaining houses the same compensation paid for houses entering Housing ACT stock for demolitions and rebuilding under Missing Middle provisions?

Chris Steel MLA: The answer to the Member's question is as follows:

- 1) The Loose Insulation Eradication Scheme (the Scheme) was originally administered by the Asbestos Response Taskforce (the Taskforce). The Taskforce formally closed on 30 June 2022 following completion of the major delivery phase of the Scheme. The net cost of the Scheme as at 30 June 2022 was \$268.38m, 27% less than originally forecast.

Details of the financial outcomes achieved during the Taskforce's administration of the Scheme are set out in the *Asbestos Response Taskforce Closure Report (November 2022)* which is publicly available on the Loose Fill Asbestos Coordination [website](#).

Following the closure of the Taskforce, responsibility for administering the Scheme transferred to the Loose Fill Asbestos Coordination (LFAC) Team which continues to support affected homeowners and administer the sale of remediated blocks acquired through the Scheme.

- 2) As the Scheme is ongoing, the ACT Government has not prepared a final reconciliation of the Scheme.
- 3) The ACT Government repaid the outstanding balance of the loan to the Australian Government in full on 1 November 2019.
- 4) The ACT Government is not considering a further compensation program for owners of the small number of remaining affected properties that have not participated in the Scheme. Participation in the Scheme remains voluntary and affected homeowners continue to have access to [existing Scheme pathways](#) being private demolition and sale, acquisition by the Territory for deceased estates and sale to the Territory as the purchaser of last resort.

Approved for circulation to the Select Committee on Estimates 2026–2027

Signature: 

Date: 6/8/26

By the Minister for Planning and Sustainable Development, Chris Steel MLA