

STANDING COMMITTEE ON PLANNING AND
ENVIRONMENT

Report on Annual and Financial Reports 2006–2007

APRIL 2008

Committee membership

Mr Mick Gentleman MLA	Chair
Mr Zed Seselja MLA	Deputy Chair (7 December 2004 – 12 February 2008)
Ms Mary Porter AM MLA	Deputy Chair (elected Deputy Chair 19 February 2008)
Mrs Vicki Dunne MLA	Member (appointed 12 February 2008)

Secretariat

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Resolution of appointment

On 7 December 2004 the ACT Legislative Assembly agreed by resolution to establish general purpose standing Committees:

- (1) The following general purpose standing committees be established and each committee to inquire into and report on matters referred to it by the Assembly or matters that are considered by the committee to be of concern to the community:

...

- (e) a Standing Committee on Planning and Environment to examine matters related to planning, public works and land management, conservation and heritage, transport services, and environment and ecological sustainability.¹

Terms of reference

On 25 September 2007 the ACT Legislative Assembly agreed by resolution that:

- (1) the annual and financial reports for the calendar year 2007 and the financial year 2006–2007 presented to the Assembly pursuant to the *Annual Reports (Government Agencies) Act 2004* stand referred to the standing committees, on presentation ...;
- (2) notwithstanding standing order 229, only one standing committee may meet for the consideration of the inquiry into the calendar year 2007 and financial year 2006–2007 annual and financial reports at any given time; and
- (3) the foregoing provisions of this resolution have effect notwithstanding anything contained in the standing orders.

¹ Legislative Assembly of the ACT, *Minutes of Proceedings* No 2, 7 December 2004, pp12–16

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RECOMMENDATIONS

RECOMMENDATION 1

3.4 The Committee recommends that the ACT Government ensure the ACT Planning and Land Authority is adequately resourced to be involved in significant national projects.

RECOMMENDATION 2

3.31 The Committee recommends that the ACT Planning and Land Authority consider the Committee's recommendations in report no 24: *Review of Draft Management Plan for Urban Open Space and Public Access Sportsgrounds in The Gungahlin Region*, particularly that the ACT Government continue its efforts to diversify the water resources it relies on for irrigating sportsgrounds in the ACT.

RECOMMENDATION 3

3.41 The Committee recommends that the ACT Government clarify the future of the two busway projects and the progress of the Real Time Passenger Information System implementation.

RECOMMENDATION 4

3.42 The Committee recommends that the ACT Government ensure the implementation of the Sustainable Transport Plan is adequately resourced.

RECOMMENDATION 5

4.10 The Committee recommends that, in the event the Australian Railway Historical Society's lease is withdrawn, the ACT Government work with the Society to establish an appropriate permanent home and provide financial assistance to support the Society's relocation.

RECOMMENDATION 6

5.4 The Committee recommends that the report into the role of the Commissioner for Sustainability and the Environment and government response be made publicly available via the website of the Commissioner for Sustainability and the Environment.

1 INTRODUCTION

- 1.1 On 25 September 2007, the ACT Government's annual and financial reports for 2006–2007 were tabled in the ACT Legislative Assembly and referred to standing committees for inquiry and report, as noted in the terms of reference (p.ii). The Standing Committee on Planning and Environment had the following reports referred to it:
- ACT Land Development Agency;
 - ACT Planning and Land Authority;
 - Canberra Public Cemeteries Trust;
 - Commissioner for the Environment; and
 - Department of Territory and Municipal Services;²
- 1.2 This report focuses on the issues raised and assessed during the Committee's public hearings for this inquiry. To assist with the assessment process, and to clarify issues, the Committee held public hearings on 24 October 2007, 30 October 2007 and 27 November 2007. A list of those who participated in the hearings is at Appendix B.
- 1.3 The Committee considered the agency annual reports and found no need to inquire further into the Canberra Public Cemeteries Trust.
- 1.4 The Members of the Legislative Assembly who participated in the public hearings, in addition to the members of the Planning and Environment Committee, were Dr Deb Foskey, Mr Bill Stefaniak, Mr Brendan Smyth and Mr Steve Pratt.

² Legislative Assembly of the ACT, *Minutes of Proceedings* No 112, 25 September 2007, pp1210–1213

Purpose and intent of annual reports

- 1.5 The 2006–07 *Chief Minister's Annual Reports Directions*³ sets out agency reporting requirements for annual and financial reports. As key accountability documents concerning management performance, annual reports reflect on the year's performance, achievements and outcomes. They are also a concise way of accounting for the expenditure of public monies.
- 1.6 Agencies account for management performance through Ministers to the Legislative Assembly and the wider community. Since annual reports are tabled in the Assembly, they are historical documents on the public record, and are available for use by stakeholders, including educational and research institutions, the media and the public. Annual reports are also key reference documents, and documents for internal management.
- 1.7 Annual reports are assessed each year by the Institute of Public Administration (ACT Division) against formal criteria which include:
 - compliance with formal guidelines and requirements;
 - internationally acknowledged attributes of good quality reporting; and
 - compliance with government and parliamentary guidelines of mandatory requirements as a minimum standard to be considered for an award.⁴
- 1.8 The inquiry process provides an opportunity for Assembly Members to seek clarification about issues raised in annual reports. All transcripts of proceedings can be accessed on the Assembly Internet site:
www.parliament.act.gov.au/committees/

³ Chief Minister's Department, *Chief Minister's Annual Report Directions 2006-2007*,
<<http://www.psm.act.gov.au/publicationsaz.htm#A>>

⁴ Institute of Public Administration Australia [ACT Division], Judges Report 2003-2004, p 5.

2 TERRITORY AND MUNICIPAL SERVICES

- 2.1 The Department of Territory and Municipal Services (TAMS) administers legislation relating to municipal, road transport and environmental regulation. It was formed on 1 July 2006 with the integration of the Department of Urban Services, Environment ACT, Australian Capital Tourism, Sport and Recreation ACT, ACTION Authority, Canberra Stadium Authority and parts of the Office of Sustainability.⁵
- 2.2 The Committee focused its inquiry on issues relating to Energy and Water, Sustainability Policy and Programs, Environment Protection and Heritage, Parks, Conservation and Lands and ACTION. These are discussed in further detail below.

Water and Energy

- 2.3 On 18 April 2007 the responsibilities for energy and water were transferred to the Department of Territory and Municipal Services and, in addition to environmental and land management responsibilities. These units now report to the Minister for the Environment, Water and Climate Change.⁶
- 2.4 The Committee was particularly interested in the progress of a number of water initiatives including the ACT Government's Think Water, Act Water strategy as well as current water policies and practices.

Water Conservation and Re-use

- 2.5 The ACT Government has a target of reducing the consumption of potable water by 12 per cent by 2013 and 25 per cent by 2023. The Committee heard, however, that the consumption of potable water had already been reduced by 13 per cent since the release of the Think Water, Act Water policy. That target was being reviewed in October 2007 because of the continuing drought.⁷

⁵ *Department of Territory and Municipal Services, Annual Report 2006-07*, p4, 8.

⁶ *Department of Territory and Municipal Services, Annual Report 2006-07*, p7.

⁷ *Transcript of Evidence, 24 October 2007*, pp34, 37

- 2.6 Think Water, Act Water also set a target of increasing the use of recycled water. Significant progress had been made in the use of recycled water and the target was being met in October 2007, with about 50 per cent (or 30 gigalitres of water a year) of the potable water that was used in the ACT being returned to the Murrumbidgee River and into the Murray-Darling basin system for potential re-use following primary treatment.
- 2.7 In order to minimise the use of potable water for construction works in the ACT, the Minister for the Environment, Water and Climate Change, Mr Stanhope MLA, advised the Committee that future contracts for ACT government funded infrastructure work and construction work would also contain, at a minimum, a clause that non-potable water will be used 'unless there is some overarching reason to exclude the use of non-potable water'.⁸
- 2.8 The Committee also heard that other initiatives such as use of lake water for irrigation in public domains, increasing use of grey water and the potential use of sewer mining would be investigated more rigorously as part of the \$7 million additional funding for drought proofing.⁹
- 2.9 The former chair of the ACT Government's Water Security Task Force, Dr Maxine Cooper¹⁰, advised that permanent water conservation measures had contributed approximately 30 per cent towards the recycling target and was in fact six years ahead of target. The former Task Force Chair suggested that even greater savings could be achieved through measures such the integrated urban waterways project, upgrading irrigations systems for schools, parks and ovals; retrofitting buildings; the grey water rebate; grey water hose giveaways; and information and awareness.
- 2.10 The Minister for the Environment, Water and Climate Change advised that the ACT Government would expand the sustainable schools program and implement more water audits. A new grey water and rainwater advice service would be offered, and grey water diverter hoses for washing machines would be given away to Canberrans. An irrigation smart design service and an irrigation smart pilot program would be introduced. Enhanced funding would

⁸ *Transcript of Evidence, 27 November 2007*, p109.

⁹ *Transcript of Evidence, 27 November 2007*, p109.

¹⁰ Dr Cooper was the chair of the ACT Government's Water Security Task Force to 9 September 2007.

also be provided to Housing ACT to ensure that there was some equitable distribution of water savings to public housing tenants through the installation of dual-flush toilets and water-saving showerheads in our public housing.¹¹ During the reporting year 75 water audits were also conducted on government owned and leased buildings, including Eclipse House and the Canberra Nara Centre to assess water usage levels.

- 2.11 The integrated urban waterways initiative is a joint project with the Commonwealth Government which aims to reduce potable water consumption principally through stormwater harvesting and sewer mining. The target is to replace 3 gigalitres a year of potable water with alternative sources for irrigation by 2015. The CSIRO undertook an investigation into the options and identified sites around Canberra that may be suitable for the project. The ACT Government is contributing about \$7 million to the project and the Commonwealth \$10 million.¹²
- 2.12 The former Task Force Chair advised that a comparison had been made of the water conservation measures in place in Canberra and Queanbeyan and found that while Queanbeyan had cost-effective measures in terms of kilolitres saved, they were not as effective as some initiatives in Canberra.¹³

Public Awareness

- 2.13 Dr Foskey was interested in current ACTEW billing and whether households were provided with the average water usage figures for Canberra households to compare against their own usage. Mr David Butt, Director, Energy and Water Policy, Environment and Recreation in TAMS explained that the time gap between water usage and the billing period was large that water restriction initiatives actually resulted in more immediate demand control to respond to changing supply levels.

¹¹ *Transcript of Evidence, 24 October 2007*, p36; Response to question PE08 from Ms Porter AM MLA to the Chief Minister, dated 12 December 2007.

¹² *Transcript of Evidence, 27 November 2007*, p110.

¹³ *Transcript of Evidence, 24 October 2007*, p37.

- 2.14 ACTEW and ACTEWAGL were working on the use of 'smart meters' which would provide households with an immediate readout of utility service usage for electricity, water and gas.¹⁴ The trial of roadside mobile electronic boards giving a daily readout of water consumption against the target was also designed to provide more immediate information on consumption to Canberrans and encourage water conservation.¹⁵
- 2.15 ACTEW were, however, continuing to develop arrangements should level 4 water restrictions be necessary. The nature of exemptions under level 4 restrictions for businesses and households were being considered, including the possibility of exemptions for households who rely on home-grown fruit and vegetables.¹⁶

National Water Initiative

- 2.16 The Committee also heard how the ACT has become a full member of the Murray-Darling Basin Commission through its involvement in the national water initiative. The key implication of full membership is to cap the Territory's water use, for which the ACT has submitted a proposal.¹⁷

Environmental Flows

- 2.17 On environmental flows and a comparison of initiatives being delivered in Canberra and Queanbeyan, the Minister for the Environment, Water and Climate Change advised that ACT Government funding for water efficiency programs would be increased by \$2 million in 2007–09. The dual-flush toilet rebate would be reinvigorated for supply and installation of 4.5/3 litre toilets.¹⁸ The greatest immediate savings could be made in the commercial and government sectors, which were very heavy users of water.¹⁹
- 2.18 The former chair of the ACT Government's Water Security Task Force advised that with the expansion of the Cotter Dam, some of the overflows that had been

¹⁴ *Transcript of Evidence*, 27 November 2007, p114.

¹⁵ *Transcript of Evidence*, 27 November 2007, pp115-6.

¹⁶ *Transcript of Evidence*, 27 November 2007, pp116-7, 126-7.

¹⁷ *Transcript of Evidence*, 27 November 2007, pp119-120.

¹⁸ Response to question PE30 from Dr Foskey MLA to the Chief Minister, dated 12 March 2008.

¹⁹ *Transcript of Evidence*, 24 October 2007, p36.

wrongly described as environmental flows would be retained in the dam. She also said that the benefits of piping some of the 30 gigalitres that were released from the Molonglo Water Treatment Works upstream, to get the full benefit downstream, was being examined.²⁰

- 2.19 Mr Bob Neil, Director of Environment and Recreation in the Department of Territory and Municipal Services, explained to the Committee that environmental flows protect the riverine environment and that, since the discharge from the lower Molonglo was fairly constant, it should not be classified as environmental flow because the discharge was not responsive to riverine conditions. Environmental flows were only used for some sections of river such as the Lower Cotter which received release from Bendora Dam; water was released from the Corin Dam to Bendora; and it was released below the Googong Dam, and into the Murrumbidgee River.²¹ Water that flowed through the ACT (or was exported), was measured, but not as environmental flow.
- 2.20 A technical advisory group consisting of ACTEW, university of Canberra, eWater Cooperative Research Centre and TAMS staff monitor the river quality on a constant basis and review the environmental flows.²²
- 2.21 The Minister for the Environment, Water and Climate Change told the Committee that more education on environmental flows was needed, and he would consider whether the data on the amount of water released as environmental flows could be publicly reported on a regular basis. The Director of Environment and Recreation advised that the amount was around 20 megalitres a day, equivalent to about two swimming pools.²³

Post-bushfire recovery

- 2.22 In response to a question from the Committee concerning the recovery of areas of former pine forests that were burnt during the 2003 bushfires, the Minister for the Environment, Water and Climate Change and officials advised that

²⁰ *Transcript of Evidence, 24 October 2007, p37.*

²¹ *Transcript of Evidence, 24 October 2007, pp38–39.*

²² *Transcript of Evidence, 27 November 2007, p118–9.*

²³ *Transcript of Evidence, 24 October 2007, p39; Transcript of Evidence, 27 November 2007, p118.*

there were significant management issues arising from the regrowth of pine wildings and weeds, including blackberries, in about 10 000 hectares of that area. Different areas presented different issues but the regrowth of native vegetation in some areas was encouraging.

- 2.23 The protection of the water catchment and water quality in the Lower Cotter Catchment was a priority and some remediation work had been undertaken in areas pursuant to the Lower Cotter Catchment management plan. The areas around Stromlo were being managed through the Molonglo and the Stromlo forest park developments. The future use of the pine plantation at Kowen was being reviewed in October 2007. That review would make recommendations about all areas of the former pine estate including Ingledene and Miowera.²⁴
- 2.24 In response to questions from the Committee about the Waterwatch contribution to assessments of water quality, the Minister for the Environment, Water and Climate Change advised that the annual ACT Waterwatch CAMPFIRE²⁵ report for years 3–4 after the 2003 bushfires had indicated that there were strong signs that ACT waterways were stabilising after the bushfires.²⁶ The CAMPFIRE program had provided a comprehensive network of competent people who can feed into the water quality reports.²⁷
- 2.25 The Minister for the Environment, Water and Climate Change also advised that training had been provided to Waterwatch staff, volunteers and other interested members of the community, as follows and with the outcomes noted:
- Two Quality Assurance/Quality Control training events
 - strengthened volunteers' ability to collect and submit data on par with certified water quality testing laboratories;
 - trained new volunteers; and
 - increased community capacity to monitor, assess and treat water quality issues.
 - Algae identification
 - introduced volunteers to algae identification techniques;

²⁴ Response to question PE05 from Mr Gentleman MLA, dated 13 November 2007

²⁵ CAMPFIRE stands for Community Assessment Monitoring Program for Fire Impacted River Ecology

²⁶ Response to question PE06 from Ms Porter AM MLA to the Chief Minister, dated 24 October 2007.

²⁷ *Transcript of Evidence*, 27 November 2007, p125.

- trained new volunteers;
- increased community understanding of the complex nature of algae in aquatic systems; and
- increased community capacity to monitor, assess and treat water quality issues.
- Rapid assessment of riparian (river bank) condition
 - introduced volunteers to Land and Water Australia's Rapid Assessment of Riparian Condition Surveys;
 - trained new volunteers;
 - increased community understanding of the complex nature of riparian and aquatic interactions; and
 - increased community capacity to monitor, assess and treat water quality issues.
- Community water forum
 - Increased community understanding of various water conservation and water quality management issues faced by our region in times of drought;
 - trained new volunteers; and
 - increased community capacity to monitor, assess and treat water quality issues.

2.26 There were two future training events planned for 2007: the National Waterwatch Conference and macroinvertebrate identification.²⁸ Additionally, support to the Waterwatch group was provided through a full-time Waterwatch coordinator who facilitates inspections of quality check programs and deal with the area coordinators.²⁹

Climate change strategy

2.27 The Committee heard that funding had been provided in the 2007-08 Budget and the second Appropriation Bill (November 2007) to implement the climate change strategy 'Weathering the Change'.³⁰ The initiatives include improving the energy efficiency of public housing and public schools, free bus travel for riders using on-bus bike racks, doubling the free plant issue scheme entitlement for new home owners, a scheme for urban forest renewal, a carbon sequestration audit and a grant program for community and not-for-profit

²⁸ Response to question PE07 from Ms Porter AM MLA to the Chief Minister, dated 24 October 2007

²⁹ *Transcript of Evidence*, 27 November 2007, p125.

³⁰ *Transcript of Evidence*, 27 November 2007, p102.

groups to implement responses to climate change.³¹

- 2.28 As a long-term project, the Minister for the Environment, Water and Climate Change expected that most of the forty-three actions identified in the climate change strategy would need to be funded on an ongoing basis to ameliorate and adapt to climate change. As each of the actions is implemented, additional appropriations would be involved.³²

Feed in tariffs

- 2.29 The Committee inquired into the status of the inter-departmental committee set up to look into the proposed feed-in tariff law. The Minister for the Environment, Water and Climate Change advised that the inter-departmental committee would explore the implications around the national energy market, the role of the Regulator and cross-subsidisation issues.³³
- 2.30 The inter-departmental committee, which consists of representatives from the Chief Minister's Department (CMD), the Department of Territory and Municipal Services, the Independent Competition and Regulatory Commission (ICRC) and Department of Treasury, released its discussion paper for consultation in December 2007.³⁴

Solar Energy Projects

- 2.31 Another area of interest to the Committee in the climate change strategy was the matching contribution of \$2.5 million provided to the ANU to establish a climate change adaption centre. The centre is at an in-principle stage and different models for delivery of the centre were being explored.
- 2.32 The Minister and Mr Traves, Senior Manager for Energy and Climate Change in TAMS, also highlighted the proposal for an alternative energies showcase, demonstrating the possibilities of alternative energies such as solar and wind energy, particularly for residential use.³⁵ Additionally, a business and academic

³¹ ACT Government, Supplementary Budget Papers 2007–2008, Appropriation Bill No 2, p102.

³² *Transcript of Evidence*, 27 November 2007, p103.

³³ *Transcript of Evidence*, 27 November 2007, p104.

³⁴ Media Release, December 2007, Jon Stanhope, *Discussion Paper on Feed-in Tariff Released*.

³⁵ *Transcript of Evidence*, 27 November 2007, pp104-6

roundtable would be established to facilitate discussion. The roundtable would be a forum to showcase current research and potentially develop partnerships or find businesses to assist in the commercialisation of that research.³⁶ The Committee also heard that a suite of legislation would be developed to embed the climate change strategy, for example, a differential duty scheme for low emission vehicles will be implemented by 2009.³⁷

ACTION

- 2.33 ACTION is responsible for providing bus services to the ACT including regular and express route services to all suburbs and dedicated school services. ACTION became a business unit of TAMS from 1 July 2006.³⁸
- 2.34 The Committee was interested in how additional funding to ACTION in the second Appropriation Bill (November 2007)³⁹ was being spent. The Minister for Territory and Municipal Services, Mr Hargreaves, and Mr Elliot, Director ACTION Enterprise Services, advised that the funding assisted the development of Network '08 as well as establishing a special needs transport service and would assist the upgrade of interchange and bus security features.
- 2.35 Network '08 is the result of an extensive public consultation process, including online surveys, interchange surveys and discussions with drivers. The revised network is anticipated to meet public needs more closely especially when compared to Network '06, which the Minister for Territory and Municipal Services acknowledged was chiefly a 'desktop exercise' and did not respond to community needs at all.⁴⁰
- 2.36 The government allocated around \$5.5 million recurrent funding for additional routes and services such as those to Gungahlin, Brindabella Business Park and the parliamentary triangle as well as increasing the frequency of off-peak services.

³⁶ *Transcript of Evidence*, 27 November 2007, p106.

³⁷ *Transcript of Evidence*, 27 November 2007, p113; Response to question PE02 from Dr Foskey MLA to the Chief Minister, dated 12 March 2008.

³⁸ *Department of Territory and Municipal Services, Annual Report 2006-07*, p.43

³⁹ <http://www.treasury.act.gov.au/budget/index.shtml>

⁴⁰ *Transcript of Evidence*, 27 November 2007, p80.

- 2.37 In addition, \$50 million worth of additional buses would be provided over four years.
- 2.38 The Minister for Territory and Municipal Services advised that \$8 million had been allocated by TAMS for a new ticketing system as the existing system is 'antiquated' and spare machines are not available. A new system would also enhance data collection of bus usage statistics and trends.⁴¹
- 2.39 ACTION also allocated \$650 000 of the funding to provide a special needs transport service as part of a joint venture with the Department of Disability, Housing and Community Services (DHCS) and regional community services. It is an on-demand minibus to assist small groups or individuals. It would be managed by DHCS and ACTION will provide the fleet, fuel and maintenance for the service.
- 2.40 The Director ACTION Enterprise Services advised the Committee that around \$1 million was also allocated for the upgrade of bus interchanges, primarily Woden and Belconnen. Closed Circuit Television camera (CCTV) infrastructure would be enhanced as well as some lighting and signage improvements, and painting and cleaning work. The Minister also explained that all buses would be equipped with CCTV cameras by the end of 2007, directed towards the safety of passengers and bus drivers.⁴²
- 2.41 The Committee was particularly pleased that many of the recommendations made in its report on 'ACTION and the Sustainable Transport Plan' have been implemented by ACTION or are scheduled for implementation.
- 2.42 The Committee was also concerned at the delay in finalising the enterprise bargaining agreement with ACTION drivers. The Minister advised that under the Work Choices legislation the agreement must be reviewed and authorised by the Office of Workplace Services, a process which was completed in December 2007, and would be followed by a staff vote.⁴³
- 2.43 Additionally, the ratio of female to male drivers within ACTION was

⁴¹ *Transcript of Evidence, 27 November 2007, p82-83.*

⁴² *Transcript of Evidence, 27 November 2007, pp83, 85.*

⁴³ *Transcript of Evidence, 27 November 2007, p88.*

questioned by the Committee as it seemed disproportionate. The Minister explained that although ACTION were actively seeking women as drivers, the permanent to part-time ratio of 60/40 locked in with the union resulted in limited opportunities to undertake flexible working arrangements such as shift-splitting so the positions were less appealing to women.⁴⁴

2.44 Other issues discussed at the hearings included:

- Hours of domestic waste collection services
- Fraud detection and investigations
- Usage of surplus school site accommodation by community organisations
- Integrated waste management strategies
- Recycling at major events in Civic and the NoWaste awards which recognise businesses undertaking recycling and other waste minimisation schemes
- Graffiti removal by Parks, Conservation and Lands Unit
- Fleet vehicles
- Gungahlin drive extension
- Civic library
- Canberra Connect services
- Gas-fired power station proposal
- Second line of input for the ACT electricity supply
- Noise complaint investigations by the Environment Protection Agency
- Purchase of water rights and water transfer.

⁴⁴ *Transcript of Evidence, 27 November 2007, pp88-9*

3 ACT PLANNING AND LAND AUTHORITY

- 3.1 The ACT Planning and Land Authority (ACTPLA or the Authority) is responsible for strategic land planning in the ACT, lease administration, land information, and development and building regulation. Its key functions include administration of the Territory Plan. The Authority aims to 'promote and make the Territory a well-designed, sustainable, attractive and safe urban and rural environment'⁴⁵
- 3.2 The Minister for Planning, Mr Andrew Barr MLA, highlighted that the three key priorities he had outlined in his Statement of Planning Intent and the core of government policy priorities⁴⁶ were: responding to climate change, affordable housing and services in Gungahlin, and the planning system reform project.⁴⁷ These were also the chief areas of interest to the Committee.

Resources

- 3.3 The Minister for Planning and the Chief Planning Executive, Mr Savery, emphasized that budget cuts had required the Authority to focus its efforts in particular priority areas. As a result, some discrete projects such as whole-of-government responses and involvement with national projects were not able to be resourced quickly.⁴⁸ No further staff cutbacks were anticipated although ACTPLA had around 25 vacant positions which were subject to current recruitment processes.⁴⁹

⁴⁵ *ACT Planning and Land Authority, Annual Report 2006-07*, p4.

⁴⁶ *Transcript of Evidence*, 30 October 2007, p61.

⁴⁷ *Transcript of Evidence*, 30 October 2007, p59–60; Response to question PE02 from Mr Seselja MLA to the Chief Minister, dated 8 November 2007.

⁴⁸ *Transcript of Evidence*, 30 October 2007, p61-2.

⁴⁹ *Transcript of Evidence*, 30 October 2007, p62; Response to question PE20 from Mr Seselja MLA to the Minister for Planning, dated 15 November 2007.

RECOMMENDATION 1

- 3.4 **The Committee recommends that the ACT Government ensure the ACT Planning and Land Authority is adequately resourced to be involved in significant national projects.**

Land supply

- 3.5 In relation to housing affordability and the supply of land, the Minister for Planning, said that the Government's aim was to have five years supply of planning-ready land, or about 11 000 blocks. ACTPLA already had about 8 000 blocks ready. Land would be made available for development in north Weston and Molonglo Valley, the East Lake precinct, in Gungahlin, as well as in west Macgregor and Woden east.⁵⁰
- 3.6 The Chief Planning Executive advised that three concepts plans would be developed for the new Gungahlin suburbs of Moncrieff, Kenny and Lawson over the next 18 months.⁵¹
- 3.7 Private developers would increasingly become involved with the development of concept planning for suburbs because government policy was now to release up to one-third of land through englobo land sales.⁵² Concept plans provide high-level strategic design and broad policy objectives for an area, as distinct from the more detailed estate development plans which deal with lots and density, road layouts and traffic flow, access to and areas of open space, etc. The Chief Planning Executive advised that estate development plans were in effect the development applications for subdivisions, and that a voluntary pre-application process was available. Developers could talk with the Authority and potential referral agencies to identify any issues and minimise the prospect that development applications, when lodged, may encounter difficulties. Once applications enter the development application process they are treated according to legislative requirements.⁵³

⁵⁰ *Transcript of Evidence, 30 October 2007, p43.*

⁵¹ *Transcript of Evidence, 30 October 2007, p43.*

⁵² *Transcript of Evidence, 30 October 2007, p43-4.*

⁵³ *Transcript of Evidence, 30 October 2007, p45.*

- 3.8 The timeframe for the approval of an estate development plan has tended to average between 60 and 90 days as they are relatively complex applications, but the Authority was aiming for an average of 60-day processing. Under the Planning and Development Act concept plans would become the precinct codes against which development assessment officers assess estate development plans.⁵⁴
- 3.9 The Chief Planning Executive advised that some of the Authority's strategies for expediting the approval of concept plans include:
- asking referral agencies to specify their standards and requirements so that developers are aware of those early;
 - coordinating agencies so that they meet together early in the process, preferably at a pre-application stage, to identify what their needs might be and then articulating those to the developers, so that development applications do not lack required information;
 - dealing with problems as they emerge;
 - improving staff training; and
 - creating a unit within the development assessment area specifically to deal with subdivision applications and estate development plans.⁵⁵
- 3.10 To encourage the provision of affordable housing, the ACT Government would require up to 15 per cent of most new estates to be affordable.⁵⁶

Sustainable housing

- 3.11 On sustainable housing, the Chief Planning Executive advised that ACTPLA agreed with some of the views expressed by Mr Derek Wrigley in his publication *Climate Change Needs Housing Change: Why is Australian Housing Unsuitable for the 21st century?*. The Chief Planning Executive said that design of suburbs currently reflects the new urbanism principles that became widely adopted around Australia over the past decade. New urbanism promotes

⁵⁴ *Transcript of Evidence, 30 October 2007, pp44–6.*

⁵⁵ *Transcript of Evidence, 30 October 2007, pp43–4.*

⁵⁶ *Transcript of Evidence, 30 October 2007, p45.*

permeability and connectivity within and across suburbs, and tends to have higher density housing than older suburbs. However it has also reduced the ability of suburbs to respond effectively to solar orientation because of the grid layout for streets.⁵⁷

- 3.12 The Chief Planning Executive, Mr Savery and the Deputy Chief Planning Executive, Ms Lavis, advised that topography, block ratios, dwelling design, the location of private open space, road layout and subdivisional arrangements influenced the solar orientation of blocks.⁵⁸ The Territory Plan provides some controls and these would not be varied in the New Territory Plan because of the Government's policy of maintaining policy neutrality with the current Plan. The Authority was currently working within the requirements of the Building Code of Australia for individual buildings and in respect of subdivision design for the Territory Plan. But once the New Territory Plan was in place, the subdivision code would be revisited to enable a greater proportion of houses to achieve solar orientation.⁵⁹ The Authority was in the process of talking to the Minister about what further measures could be implemented. The Authority may audit the performance of different designs of suburbs and buildings.⁶⁰
- 3.13 The Minister noted that the ACT Government had introduced Water Sensitive Urban Design Guidelines which required a 40 per cent reduction in mains water usage. He described this as 'another significant example of government drawing a line in the sand... on future water usage in new residential developments and also for commercial buildings.'⁶¹

Energy efficiency ratings

- 3.14 Dr Foskey pursued the issue of energy efficiency ratings and asked why a poorly sited house with many appliances could get an energy efficiency rating of 5, when more sustainable dwellings designed by architects may not even get an energy rating. Dr Foskey also queried why multi-unit developments have

⁵⁷ *Transcript of Evidence*, 30 October 2007, p46–7.

⁵⁸ *Transcript of Evidence*, 30 October 2007, pp47–8.

⁵⁹ *Transcript of Evidence*, 30 October 2007, p47.

⁶⁰ *Transcript of Evidence*, 30 October 2007, p47.

⁶¹ *Transcript of Evidence*, 30 October 2007, p60.

lower energy efficiency ratings.⁶²

- 3.15 The Minister for Planning responded that while energy efficiency ratings were a laudable policy goal they were only as effective as the people undertaking the audits and the flexibility of the system. The Chief Planning Executive added that appliances were assessed under a different system administered by the Australian Greenhouse Office and that energy efficiency was assessed on the basis of the building structure.⁶³
- 3.16 The Chief Planning Executive advised that the Planning and Land Authority has also been working with the Australian Greenhouse Office, examining or reviewing the energy efficiency rating point-of-sale requirements, which is mandatory in the ACT. The Minister was expected to receive a report on that project in late 2007. The ACT Government had indicated through the Climate Change Strategy that it would pursue more rigorous standards for those devices and was considering issues, such as, at what point in an appliance's life-cycle the standards may be applied, as well as related issues of compliance, monitoring and auditing.⁶⁴
- 3.17 The Chief Planning Executive also advised that the Building Code of Australia is the mechanism through which energy efficiency rating is established: The Territory adopted the new minimum standard for individual dwellings from 1 July 2006 and it would be formalised in the New Territory Plan. The five star green star for apartment buildings was on the Australian Building Codes Board's work program. Minimum performance measures were in place for commercial buildings and apartment buildings because the regulatory impact statement for apartment buildings had not been completed when the new standards were adopted in 2006. The issue of common areas, including lifts and hallways, also has to be resolved because these account for a significant amount of inefficient lighting, heating and cooling.⁶⁵
- 3.18 The Building Code deals with the mass produced segment of the market and is less suitable for architect-designed buildings. The ACT currently uses

⁶² *Transcript of Evidence*, 30 October 2007, p55.

⁶³ *Transcript of Evidence*, 30 October 2007, pp49, 59.

⁶⁴ *Transcript of Evidence*, 30 October 2007, p59.

⁶⁵ *Transcript of Evidence*, 30 October 2007, pp55-6.

AccuRate, the most sophisticated system currently available for energy efficiency assessments, apart from Basix. Basix performs in a completely different way to AccuRate, as do many others energy efficiency assessment systems. In future, governments may move away from minimum regulation and utilitarian rating devices and introduce more tangible performance measures.⁶⁶

- 3.19 The Chief Planning Executive suggested that the introduction of a uniform framework and national targets and performance measures for planning and building regulators were desirable.⁶⁷
- 3.20 The Committee heard that the Land Development Agency was, however, working proactively with building industry associations on issues such as house size, passive solar accessibility and flow-through ventilation, to ensure that energy efficiency outcomes would be sustainable for the longer term. The Housing Industry Association had established in Forde the first GreenSmart display village in the ACT. The aim of the village was to promote the incorporation of sustainability innovations in new homes. The Land Development Agency was also auditing its estate developments to assess sustainability outcomes in relation to issues such as solar access.⁶⁸
- 3.21 ACTPLA may lobby at national forums, with support of organisations such as the Green Building Council, to adopt higher sustainability standards for buildings. In relation to climate change, the Authority was looking at measures to improve the adaptation of the built environment for the ACT, and was collaborating with research organisations to develop appropriate standards, educational initiatives, subsidies and pricing.⁶⁹
- 3.22 As part of the implementation of the Climate Change Strategy, the Authority was assessing sustainability considerations for hot water systems. A national project was also underway within the National Plumbing Regulators Forum and the Australian Greenhouse Office, to assess hot water systems.⁷⁰

⁶⁶ *Transcript of Evidence*, 30 October 2007, p49-50.

⁶⁷ *Transcript of Evidence*, 30 October 2007, p50.

⁶⁸ *Transcript of Evidence*, 24 October 2007, pp15-16.

⁶⁹ *Transcript of Evidence*, 30 October 2007, p58-9.

⁷⁰ *Transcript of Evidence*, 30 October 2007, p59.

The East Lake project

- 3.23 The East Lake project encompasses the Causeway, the Kingston railway station and the Jerrabomberra wetlands, and extends down to Fyshwick and up to the border of the Kingston foreshore development.⁷¹ The Planning and Land Authority has a successful planning partnership with the CSIRO for the project, as one of 10 CSIRO projects nationally on sustainability. East Lake will be built by other project partners and private equity may be invited on a shared risks and rewards basis.⁷² CSIRO bring technical expertise to the project as well as a broader group of high-level stakeholders who provide peer review to the CSIRO.
- 3.24 The Australian National Sustainability Initiative (ANSI), which had developed some proposals for the project, did not become a project partner as their business model involved transfers of public land at no cost to finance the development. The consultation document that had been released for public consultation did, however, include a possible site for the ANSI Institute.⁷³
- 3.25 The project will provide for about 90 000 residents in a mixture of public, community and private housing, however homes are unlikely to be completed before about 2011.⁷⁴ It will also provide about 3 000 jobs and aims for carbon-neutrality. Carbon emissions will be reduced if East Lake residents reduce their car travel, shop locally, go to local education facilities and access the lake for sport and recreation opportunities. It may involve the relocation of the railway station and the provision of a secondary education facility.⁷⁵ Several years ago, a UK-based organisation, One Planet Living, or BioRegional, had identified East Lake as a possible site to develop a carbon-neutral development area. This was consistent with the Canberra's Spatial Plan support for infill development. The Chief Planning Executive suggested the project could contribute to new standards in the Territory Plan in the future.⁷⁶

⁷¹ *Transcript of Evidence*, 30 October 2007, p50-1.

⁷² *Transcript of Evidence*, 30 October 2007, p52.

⁷³ *Transcript of Evidence*, 30 October 2007, pp52-3.

⁷⁴ *Transcript of Evidence*, 30 October 2007, pp51, 52.

⁷⁵ *Transcript of Evidence*, 30 October 2007, p51.

⁷⁶ *Transcript of Evidence*, 30 October 2007, p52.

- 3.26 The project will aim to include a component of affordable housing and would not be simply a continuation of the Kingston foreshore development. Despite its proximity to Fyshwick, there are no plans for Fyshwick to be a town centre and Fyshwick is very unlikely to include residential development.⁷⁷

A10 areas in the Territory Plan

- 3.27 The Minister for Planning advised the Committee that the Territory Plan provisions for A10 areas had worked effectively to concentrate development and residential intensification in areas close to public transport and to services. The A10 guidelines had provided protection for about 85 per cent of Canberra suburbs from ad hoc development as had occurred previously. The guidelines had required minor adjustments, however, such as in relation to developments in cul-de-sacs, and where there were narrow street frontages.⁷⁸
- 3.28 The former Minister for Planning, Mr Simon Corbell MLA, had asked the Authority to develop character guidelines for A10 areas, and particularly for inner north and inner south areas. The Authority had completed this work, and some information guidelines or practice notes would be placed on the Authority's website towards the end of November 2007. These were intended to assist designers and assessment officers in providing more compatible or complementary design for buildings, and could be used elsewhere in Canberra even though developed for inner areas primarily.⁷⁹ The New Territory Plan would also include a criterion which requires the design of A10 developments to respect neighbourhood character.⁸⁰

Sports and recreation facilities in Gungahlin

- 3.29 The Minister for Planning advised the Committee that the ACT Government had not yet settled on a suitable delivery model for the provision of a public swimming pool in Gungahlin. Additional funding for the Gungahlin precinct that would include a town park, stormwater retention, the college, an enclosed

⁷⁷ *Transcript of Evidence, 30 October 2007, p73.*

⁷⁸ *Transcript of Evidence, 30 October 2007, p60.*

⁷⁹ *Transcript of Evidence, 30 October 2007, pp60–61.*

⁸⁰ *Transcript of Evidence, 30 October 2007, p61.*

oval, and a sport and recreation facility, had been announced. The Minister's aim was to have the precinct completed by 2011. Options being considered for the pool included full government financing with management contracted out by tender, as is done with Civic and Dickson pools, as well as a private operator model which was similar to the arrangements for the Canberra International Swimming CISAC in Belconnen. But details such as the size of the pool, and the pool types, had yet to be finalised.⁸¹

- 3.30 Additional funding has been provided for the college precinct in Gungahlin which will include the indoor sports and recreation facility and enclosed oval.⁸²

RECOMMENDATION 2

- 3.31 **The Committee recommends that the ACT Planning and Land Authority consider the Committee's recommendations in report no 24: *Review of Draft Management Plan for Urban Open Space and Public Access Sportsgrounds in The Gungahlin Region*, particularly that the ACT Government continue its efforts to diversify the water resources it relies on for irrigating sportsgrounds in the ACT.**

Section 63 development (City Hill carpark)

- 3.32 In response to questions the Committee about the Section 63 development, the Chief Planning Executive advised that the National Capital Authority would be the development approving agency, but that the ACTPLA had participated in the development of the applicable guidelines and development conditions. Those guidelines had been informed by the Griffin Legacy amendments to the National Capital Plan, and the principles in the Canberra Central Taskforce final report where 11 key principles were articulated for the development of Canberra Central, including matters such as pedestrian movement, overshadowing and solar access, traffic movement, addresses to the street, active street edges, Griffin legacy amendments.⁸³

⁸¹ *Transcript of Evidence*, 30 October 2007, p54.

⁸² *Transcript of Evidence*, 30 October 2007, p54.

⁸³ *Transcript of Evidence*, 30 October 2007, p57.

E-business

- 3.33 The Minister for Planning noted that ACTPLA had made a significant investment in new technology, assisted with funds from the Australian Government's Regulation Reduction Incentive Fund. The Director of ACTPLA's Client Services Branch, Mr John Meyer, said that within the next three years the Authority would have one of the leading-edge building and development systems. A platform had been established and a series of modules would be added to that for electronic service delivery. Development applications would be able to proceed electronically through to the issue of the final certificate of occupancy. An electronic development application form had been trialled and would be introduced at the end of March 2008. That will then extend to a series of capabilities whereby builders, developers, architects and others will be able to access their own websites, track projects and see how these were progressing through the system towards final approvals.⁸⁴
- 3.34 Within three years, very little information would need to be accessed through the Authority's customer services centre, as much would be available electronically. ACTMAPi, a web-based mapping tool, had already been made available to the public. It enabled information to be layered from a range of ACT agencies and in response to community requests for information and the ability to access the information via laptop on site was particularly useful for compliance and land regulation officers. The Director of Client Services said that this program 'provides a powerful tool both internally to the organisation for planning purposes as well as to the general community for access to information.'⁸⁵ The Minister said that the estimated savings from electronic transactions were about \$4 million per annum. There had already been about a 40 per cent reduction in interactions at the Dickson front office⁸⁶ but face to face services would continue to be provided for customers who preferred not to, or were unable to, use electronic systems.

⁸⁴ *Transcript of Evidence, 30 October 2007, p63.*

⁸⁵ *Transcript of Evidence, 30 October 2007, p63.*

⁸⁶ *Transcript of Evidence, 30 October 2007, p64.*

- 3.35 The Committee commends ACTPLA for the savings achieved from implementation of e-business applications.

Molonglo Valley Stormwater Management

- 3.36 Options for stormwater management in the Molonglo Valley are currently being investigated by ACTPLA, including the option of a dam on the river, and will aim to 'demonstrate the highest standards of stormwater management'⁸⁷ A full environmental impact assessment on the various options is likely to be undertaken.

Community Consultation

- 3.37 Financial assistance is currently provided to community councils under a fairly informal agreement where the councils provide a network into their broader communities for ACTPLA to access during consultation processes. The councils, for example, help to distribute materials, advertise consultative meetings, participate on planning and development forums and review certain development applications. This community consultation program was established in response to an inquiry undertaken on behalf of ACTPLA and the Minister for Planning⁸⁸. The funding 'also has developed a significant degree of goodwill' with the community councils, as they are able to utilise the money for production of their newsletters and acquisition of electronic hardware to access ACTPLA's web-based systems. The Chief Planning Executive considered that, as a result of the program, ACTPLA had established a mutually beneficial relationship with community council groups.⁸⁹
- 3.38 Although there is no specific community development officer within ACTPLA⁹⁰, the manager and another employee in ACTPLA's government services area spend a considerable portion of their time liaising with the community and as the first point of contact for community groups, in addition to the liaison work undertaken by the planning advisor and the departmental

⁸⁷ *Transcript of Evidence, 30 October 2007, p70.*

⁸⁸ *Transcript of Evidence, 30 October 2007, p71.*

⁸⁹ *Transcript of Evidence, 30 October 2007, p71.*

⁹⁰ *Transcript of Evidence, 30 October 2007, p72.*

liaison officer within the Minister's office. The Minister for Planning noted that the success of the community councils largely depended on the individual participants within the local community volunteering their time to participate.⁹¹

Sustainable Transport Plan

- 3.39 Dr Foskey pursued the issue of integrated transport and land use planning and queried whether the relocation of transport planning to the Department of Territory and Municipal Services had been effective. The Minister for Planning, Mr Barr, responded that the government worked effectively across agencies and ministerial portfolios. He said he often expressed his views on transport issues to Minister Hargreaves at a ministerial level and in cabinet level discussions. So, whilst it is always difficult to adjust to changes, ACTPLA seeks to maintain very strong relationship with other agencies and other ministers and will continue to do so. The Chief Planning Executive, Mr Savery said that it was important to prevent the emergence of cultural silos in relation to land use and transport planning by ensuring that dialogue was constant.⁹²
- 3.40 Mr Darro Stinson, the interim acting Commissioner for the Environment, advised the Committee that the State of the Environment Report would include comment on the implementation of the Sustainable Transport Plan including the sense that reduction in resources may be leading to the delay in achieving the Plan's targets.⁹³ Some initiatives in the Sustainable Transport Plan had 'changed in ways that are unclear' such as the Belconnen to City Busway, Gungahlin to City busway Stage 2 which 'appear to be on hold indefinitely' and the delayed introduction of the Real Time Passenger Information System.⁹⁴

⁹¹ *Transcript of Evidence, 30 October 2007, p72.*

⁹² *Transcript of Evidence, 30 October 2007, p66.*

⁹³ *Transcript of Evidence, 24 October 2007, p5.*

⁹⁴ Office of the Commissioner for the Environment, Annual Report 2006-07, p16.

RECOMMENDATION 3

- 3.41 **The Committee recommends that the ACT Government clarify the future of the two busway projects and the progress of the Real Time Passenger Information System implementation.**

RECOMMENDATION 4

- 3.42 **The Committee recommends that the ACT Government ensure the implementation of the Sustainable Transport Plan is adequately resourced.**
- 3.43 Other issues discussed at the hearing included:
- The Territory Plan Reform Project Reference Group
 - Lawson
 - Land Rent functions
 - ACTPLA staffing numbers.

4 THE LAND DEVELOPMENT AGENCY

- 4.1 The Land Development Agency (LDA) is a statutory corporation of the ACT Government which develops, enhances and sells land on behalf of the Government and carries out strategic urban development projects. The LDA provides land for development directly to the market, undertake joint ventures with the private sector and initiate land development of its own estates.⁹⁵
- 4.2 The Committee was primarily interested in LDA's land release policy, the disposal of the QEII site, as well as the progress and future of a number of development projects.

Kingston foreshore development

- 4.3 The acting Chief Executive, Land Development Agency, Mr John Robertson, the Chief Minister and Mr David Dawes, Deputy Chief Executive of the Chief Minister's Department, provided an update on progress at the Kingston Foreshore Development.
- 4.4 This area is evolving as a major residential and commercial hub. The acting LDA Chief Executive advised that there has been strong market interest in the First Edition, and Stocklands developments, and the harbour works were well underway in October 2007. The sales prices in the First Edition development had been twice the values which had been estimated when the project first started.⁹⁶
- 4.5 The ACT Planning and Land Authority and the CSIRO were developing proposals for the re-development of Eastlake which included discussions around the relocation of the electricity sub station. A silt retention screen had been installed in the lake near the Jerrabomberra wetlands to prevent environmental contamination by the development works.⁹⁷

⁹⁵ *Land Development Agency, Annual Report 2006-07*, p.8.

⁹⁶ *Transcript of Evidence*, 24 October 2007, p9.

⁹⁷ *Transcript of Evidence*, 24 October 2007, p9.

- 4.6 The glassworks had also been opened in the heritage and cultural precinct.⁹⁸
- 4.7 The CMD Deputy Chief Executive advised that units and some commercial and office space in section 52 behind the Meridian development on Wentworth Avenue, were at the development application stage with construction expected to follow after approval.⁹⁹
- 4.8 The ACT Planning and Land Authority was undertaking a feasibility study on the relocation of the railway station. The costs of the railway relocation (with estimates as high as \$30 million), would be partially offset by the increased value of the land being sold in that area. A site within the EpiCentre development had been reserved for a possible railway station, and discussions had occurred in relation to that. Less expensive options were also under consideration, including reconfiguring the yards and old sheds at the back of the current railway station.^{100, 101}
- 4.9 A lease extension had been granted to the Australian Railway Historical Society (ACT Division) but discussions had also begun in relation to the long-term location of the Australian Railway Historical Society, possibly at Fyshwick. The Society was in a position similar to many other lessees in development areas who had leases which were capable of being withdrawn at relatively short notice.¹⁰²

RECOMMENDATION 5

- 4.10 **The Committee recommends that, in the event the Australian Railway Historical Society's lease is withdrawn, the ACT Government work with the Society to establish an appropriate permanent home and provide financial assistance to support the Society's relocation.**

⁹⁸ *Transcript of Evidence, 24 October 2007, p9.*

⁹⁹ *Transcript of Evidence, 24 October 2007, p10.*

¹⁰⁰ *Transcript of Evidence, 24 October 2007, p13.*

¹⁰¹ *Transcript of Evidence, 24 October 2007, p13.*

¹⁰² *Transcript of Evidence, 24 October 2007, pp11–12.*

Land release policy

- 4.11 The Committee pursued the issue of englobo land releases, such as in West Macgregor, and the relative costs of that approach as against development by the LDA or through a joint venture. The Committee was advised that at the time the ACT Government made the decision to release a large englobo site to the market, Macgregor West was chosen as the most suitable site, as the ACT Planning and Land Authority was then close to finalising the concept planning for the area.¹⁰³
- 4.12 In response to questions from the Committee about land release policy and housing affordability and availability in Canberra, the CMD Deputy Chief Executive advised that quite a bit of work had been done on the land release program. When the Minister for Planning gave the ACT Planning and Land Authority his Statement of Planning Intent in June 2007, the LDA had 2 200 blocks to be released in the 2007–08 financial year. In response to the Australian Government's 2007–08 budget, the ACT Government decided to increase that supply by 1 000 blocks for 2007. However despite considerable effort, the target had not yet been achieved. The Government was working towards having approved estate development plans (EDPs) in place so that it could better respond to demand as needs arose. The Forde EDP was one of the largest lodged for many years, and included 604 blocks. Sales began for the Franklin 2 part of the estate, which has 400 blocks, in November 2007. Franklin 3 was of a similar size and the estate development plan was under consideration in 2007. The suburb of Crace was to be developed by joint venture, and was expected to include about 1 200 blocks. The Government also needed to ensure that an oversupply of land did not occur.¹⁰⁴
- 4.13 The acting Chief Executive advised that in October 2007 the LDA had about 80 blocks in Dunlop available for sale over the counter, and the Government's aim was to increase that number.¹⁰⁵

¹⁰³ *Transcript of Evidence, 24 October 2007, p13-4; Response to question PE04 from Mr Seselja MLA to the Chief Minister, dated 8 November 2007.*

¹⁰⁴ *Transcript of Evidence, 24 October 2007, p22-3.*

¹⁰⁵ *Transcript of Evidence, 24 October 2007, p22.*

The QEII site (cnr Marcus Clark and Rudd St, Canberra City)

- 4.14 In response to questions from Mr Seselja, the LDA advised that in January 2005 it had sought expressions of interest (EOI) for commercial developments in the Gungahlin Town Centre and other sites. The response of nine firms to the EOI indicated that those firms understood that the EOI process was not just about Gungahlin. Walker Corporation had been selected as being the most appropriate organisation for the partnership. The acting Chief Executive tabled the EOI document for Members' information and quoted it as follows:

This EOI is seeking responses from the development sector keen to cooperate with LDA in what will be an exciting opportunity to advance the design and construction of commercial and mixed use developments within Canberra.

The current priority of LDA is to seek private sector participation in commercial development projects, with a particular focus on the Gungahlin Town Centre. However, other opportunities may be pursued as appropriate to assist in achieving a range of economic, design and commercial objectives

...

In addition to the Gungahlin Town Centre, LDA has other land under its control for which it may also seek to pursue commercial development opportunities. In pursuing these opportunities, the Agency would be seeking participation of the private sector, to assist in the delivery of a number of key objectives including: ...¹⁰⁶

- 4.15 The acting Chief Executive also advised that in February 2006, the LDA had responded to an Australian Government process seeking leased office accommodation in Civic. In March 2006 the Australian Government Department of Education, Science and Training (DEST) advised the LDA that it had been short-listed for that tender process. The LDA had then decided that the QEII site was appropriate to be put into that process, as one of the options

¹⁰⁶ *Transcript of Evidence, 24 October 2007, pp26–27.*

then under consideration for its re-development.¹⁰⁷

- 4.16 The Chief Minister advised the Committee that a valuation of the site had been provided by a leading licensed valuer, Colliers. Their formal valuation for the LDA was \$14.5 million.¹⁰⁸
- 4.17 Apart from the EOI process, the LDA had also received an offer of \$20 million for the site for transfer by direct grant, without a pre-commitment, and another offer of around \$38 million which included a pre-commitment. The LDA then approached the firms who had responded to the Gungahlin EOI about the potential DEST arrangement for the QEII site.¹⁰⁹
- 4.18 According to the LDA, securing a pre-commitment is a Commonwealth process run by Commonwealth agencies. As the LDA would not have been in a position to go to an auction offering a pre-commitment, it used the valuation of \$14.5 million of what the site would get at auction without a pre-commitment.¹¹⁰
- 4.19 The acting Chief Executive advised that the EOI document did not list the 'extensive land holdings' that the LDA had through the Territory, and that the QEII site may have been disposed of through a different process. He said in relation to the section 63 site that a different process had been used, and the LDA certainly would not have wanted to create an impression in the Gungahlin EOI process that particular blocks would be disposed of by that process.¹¹¹
- 4.20 The General Manager for Finance at the LDA, Mr Gerry Ryan, advised the Committee that in 2005, prior to responding to the DEST EOI, the LDA had entered into a process for the Civil Aviation Safety Authority, CASA, the previous year in a similar situation and had chosen a site at Gungahlin to be the site to put forward in the competitive process. But the LDA had not been successful. The LDA Board subsequently decided that it would set up a panel for potential development partners so that the LDA could better respond to

¹⁰⁷ *Transcript of Evidence, 24 October 2007, p24.*

¹⁰⁸ *Transcript of Evidence, 24 October 2007, p29.*

¹⁰⁹ *Transcript of Evidence, 24 October 2007, p26.*

¹¹⁰ *Transcript of Evidence, 24 October 2007, p31.*

¹¹¹ *Transcript of Evidence, 24 October 2007, p27.*

such opportunities in future in a much more efficient way.¹¹²

- 4.21 In response to a suggestion from Mr Seselja that the \$39 million eventually received for the site was not such a good price given earlier offers, the acting Chief Executive said that subsequent offers made for the site were substantially lower than that offered by Walker Corporation.¹¹³
- 4.22 The acting Chief Executive responded to a question from Mr Brendan Smyth MLA that he would be discussing with the Board whether the process put in place in 2005, and the panel that was established needed to be refreshed. The acting Chief Executive said that in future EOI documents the LDA would probably not name individual sites but may refer to all the town centres and the regional areas or rural areas of the ACT just to be covered if that was the intent of the panel, just to avoid doubt.¹¹⁴

EpiCentre (cnr Canberra Ave and Newcastle St, Fyshwick)

- 4.23 The acting Chief Executive advised that following the review of the LDA's sale of the EpiCentre site, the LDA was 'making very sure' that there was only one source of information to prospective buyers. The LDA General Manager for Finance confirmed that the valuations the LDA received prior to the auction of the EpiCentre site were \$11.5 million and \$13 million, but the site sold for \$39 million. The Jones Lang LaSalle report had referred to market interest for this type of release and said that in an auction situation prospective purchasers may seek to pay well above that valuation to secure market share. The valuation methodologies used were as standard in professional valuations, a historical comparison supported by a hypothetical development methodology.¹¹⁵
- 4.24 The Chief Minister responded positively to a question about future EOI processes and whether the approach taken in relation to the Gungahlin Town Centre and QEII would be repeated:

¹¹² *Transcript of Evidence, 24 October 2007, p28.*

¹¹³ *Transcript of Evidence, 24 October 2007, pp25–6.*

¹¹⁴ *Transcript of Evidence, 24 October 2007, p29.*

¹¹⁵ *Transcript of Evidence, 24 October 2007, p30.*

We are, as one says, the custodian of this land on behalf of the people of the ACT and it behoves us as circumstances demand to meet a range of policy or potential policy or desired policy outcomes. And one of those, of course, is to return to the people of the ACT, through the sale of their resource, a premium or optimal return. In this particular instance there is absolutely no doubt that is what the LDA have achieved and they should be congratulated. This is an absolutely outstanding result by the LDA for the people of the ACT. They have returned a premium of a minimum of \$20 million and on the basis of the [Colliers] valuation a premium of \$25 million. I think we should all stop and give a round of applause to the LDA for an absolutely outstanding piece of work. Congratulations, LDA.¹¹⁶

Ecologically sustainable development

- 4.25 The acting Chief Executive advised that the LDA used both staff and consultancy skills and experience in relation to making progress on sustainability issues. The LDA was working towards having a framework for measuring its performance on a range of environmental issues. The LDA also worked cooperatively with the ACT Planning and Land Authority and environment and heritage staff in relation to its work.¹¹⁷

Reducing urban water use

- 4.26 The Chief Minister advised that water-sensitive design was now an important issue for all greenfields estates in Canberra. The Chief Minister commended the LDA and its joint-venture partners for some of the water conservation and urban amenity outcomes that had been achieved, which he described as 'absolutely fantastic'.¹¹⁸

¹¹⁶ *Transcript of Evidence*, pp31–32.

¹¹⁷ *Transcript of Evidence*, 24 October 2007, p18-9.

¹¹⁸ *Transcript of Evidence*, 24 October 2007, p14.

- 4.27 As examples of progress, the acting Chief Executive cited the installation of underground watering systems in Forde, which used at least 50 per cent less water than above-surface watering systems. The installation of quality control ponds and the capture of stormwater run-off were also reducing the use of potable water. Soil surfaces in some areas were being stabilised temporarily until weather conditions change, including with the use of some bitumen-based products. Native grasses would be planted when conditions were suitable. Other erosion control measures would also be put in place to ensure that there was no undue erosion run-off.¹¹⁹
- 4.28 In response to a question from the Committee in relation to water sensitive urban design in the Woden East estate, the Chief Minister advised that there were some ongoing issues in relation to the design of the proposed pond in that area in relation to flood level capacity.¹²⁰
- 4.29 Dr Foskey asked the LDA about affordable housing in Franklin and Dunlop and whether water and energy efficiency measures would contribute to more affordable housing in those development areas. The LDA responded that it had limited influence over how private individuals and builders chose to build on their land beyond what the ACTPLA might specify in conditions for a particular development precinct.¹²¹

Woden East

- 4.30 In response to a question from the Committee taken on notice in relation to the Woden East development, the acting Chief Minister, Katy Gallagher MLA, advised:
- the Woden East development was being delivered by a joint venture between the LDA and the Hindmarsh Group and was expected to be completed in 2014;

¹¹⁹ *Transcript of Evidence, 24 October 2007, pp14–5.*

¹²⁰ *Transcript of Evidence, 24 October 2007, p18.*

¹²¹ *Transcript of Evidence, 24 October 2007, p15.*

- the estate would be developed under a Deed of Agreement, Estate Development Plan and individual development applications which were consistent with the Territory Plan and the Woden Town Centre Master Plan;
- subject to approval by the ACT Planning and Land Authority, the estate could deliver approximately 500 residential dwelling units, including an aged care facility, and approximately 40 000m² of commercial space within the Commercial B Precinct B. Under the Territory Plan, this precinct permits offices and business services and small shops providing convenience shopping and personal services for the local workforce and residents.¹²²

Sales offices for the LDA

- 4.31 In response to questions from the Committee about the reported cost of the Harrison display village sales office, the Chief Executive of the Business and Projects Division in the Chief Minister's Department, Mr David Dawes advised that a display home had been used temporarily as the sales office, and that such arrangements were common in modern display villages because sales offices should fit into the streetscape.¹²³
- 4.32 Responding with more detailed information in response to a question taken on notice, the Committee was advised of the components of the cost of \$640 877 for the 325m² sales office. Its construction had cost about \$516 000, with about \$30 000 for landscaping the block, \$60 000 for other environmental initiatives, and the remainder spent on design and architectural work. The 2007 valuation of the property for private sale was \$740 000.¹²⁴

¹²² Response to question PE01 from Mr Seselja MLA to the Chief Minister, dated 8 November 2007

¹²³ *Transcript of Evidence*, 24 October 2007, p20

¹²⁴ Response to question PE02 from Mr Seselja MLA to the Chief Minister, dated 8 November 2007

5 OFFICE OF COMMISSIONER FOR SUSTAINABILITY AND THE ENVIRONMENT

- 5.1 The Office of the Commissioner for Sustainability and the Environment has responsibility for producing the ACT's State of the Environment Report, investigating complaints regarding environmental management by the ACT Government and its agencies and conducting investigations as directed by the Minister, as set out in the Commissioner for the Environment Act 1993.¹²⁵
- 5.2 Mr Darro Stinson was the interim Commissioner for the Environment following the resignation of the previous Commissioner, Dr Rosemary Purdie¹²⁶. The interim Commissioner dealt with the legislative responsibilities of the office, but also reviewed the role of Commissioner, and on 9 August 2007 made various recommendations to Government. At the 24 October 2007 public hearing the interim Commissioner said that he was unaware of the Government's response to his recommendations as he had been overseas.
- 5.3 Dr Foskey noted that documents produced by the Commissioner for the Environment tended to be public documents and that it would be a 'new direction' for a Commissioner's report on the review of the office to be withheld from the public.¹²⁷

RECOMMENDATION 6

- 5.4 **The Committee recommends that the report into the role of the Commissioner for Sustainability and the Environment and government response be made publicly available via the website of the Commissioner for Sustainability and the Environment.**

¹²⁵ *Office of the Commissioner of the Environment, Annual Report 2006-07*, p1.

¹²⁶ Mr Stinson was the ACT Commissioner for the Environment from 1 May 2007 to 31 August 2007; Dr Purdie was Commissioner for the Environment from 26 May 2004 to 20 December 2006.

¹²⁷ *Transcript of Evidence, 24 October 2007*, p2.

Role

- 5.5 In response to the Committee's questions, the new Commissioner for Sustainability and the Environment, Dr Maxine Cooper¹²⁸ considered her role would involve working with stakeholders and the ACT Government to achieve outcomes on sustainability and the implementation of the ACT Government's Climate Change Strategy. It would include addressing issues such as managing water catchments, water security, reducing greenhouse gas emissions, maintaining the integrity of biodiversity and ecosystems (including by addressing the impact of weeds and the proposed *ACT Weeds Strategy* under climate change), and adaptation to climate change. The work of the Office would be guided by data in the ACT State of the Environment report. But it would also involve audit and advisory activities which were quite separate from the operational activities of ACT Government agencies.¹²⁹
- 5.6 The interim Commissioner, Mr Stinson noted that some of the work of the Office also involved facilitating agreements between parties and as a source of information on environmental issues.
- 5.7 In response to questions from Dr Foskey MLA, the new Commissioner for Sustainability and the Environment advised that she would have no difficulty in taking an independent stance when scrutinising initiatives, similar to when she was concurrently Executive Director of Environment ACT and the Conservator of Flora and Fauna.¹³⁰

Resources

- 5.8 In response to the Office of Commissioner for Sustainability and the Environment's expanded role and responsibilities the ACT Government substantially increased the funding for the office on 13 November 2007 by \$449 000 for 2007–08.¹³¹ The new Commissioner for Sustainability and the

¹²⁸ Dr Cooper took the re-titled position of Commissioner for Sustainability and the Environment on 9 September 2007.

¹²⁹ *Transcript of Evidence*, 24 October 2007, p3.

¹³⁰ *Transcript of Evidence*, 24 October 2007, p4

¹³¹ ACT Government, Supplementary Budget Papers 2007–2008, Appropriation Bill No 2, p102

Environment had been optimistic that the resources of the office would be increased.¹³²

Responses to drought and climate change

- 5.9 The interim Commissioner for the Environment, Mr Stinson, advised the Committee that the work done by the staff of the Department of Territory and Municipal Services to aid the recovery of the sphagnum bogs in Namadgi National Park after the 2003 bushfires was 'cutting-edge', but even so, the bogs may never fully recover.¹³³
- 5.10 On water security issues, the Commissioner for Sustainability and the Environment advised the Committee that the eWater Cooperative Research Centre had identified a range of issues, but also advised that these were manageable. She described the eWater Cooperative Research Centre's work as 'excellent' and 'comprehensive'. The science community, ACTEW and government agencies now had to work through those identified issues.¹³⁴

Grassland investigation and kangaroo management

- 5.11 The Commissioner for Sustainability and the Environment advised that she may hold an inquiry into kangaroo management and the impact of kangaroos on rare and endangered species. She noted that the issue was complex as it involved Commonwealth and ACT legislation.¹³⁵
- 5.12 The Committee notes that on 30 November 2007 the Commissioner announced that an investigation into ACT Lowland Native Grasslands would be undertaken and invited public submissions. Mr Watkinson, Director of Parks, Conservation and Lands, Environment and Recreation in TAMS, highlighted to the Committee that the terms of reference for the investigation were broad and would encompass the issue of grassland management and the pressures on

¹³² *Transcript of Evidence, 24 October 2007, p7*

¹³³ Legislative Assembly for the Australian Capital Territory, Standing Committee on Planning and Environment, *Reference: Annual And Financial Reports 2006 2007, Transcript of Evidence, 24 October 2007, p1*

¹³⁴ *Transcript of Evidence, 24 October 2007, p4.*

¹³⁵ *Transcript of Evidence, 24 October 2007, p6.*

grasslands. An assessment of kangaroo numbers within the lowland grassland area would also be undertaken as part of that investigation.¹³⁶

- 5.13 The report for the Belconnen Naval Transmission Station was released on Thursday 6 March, 2008 and the Commissioner's investigation into other ACT lowland native grasslands is continuing.¹³⁷

¹³⁶ *Transcript of Evidence*, 27 November 2007, pp122-4.

¹³⁷ Office of the Commissioner for Sustainability and the Environment,
<http://www.environmentcommissioner.act.gov.au/investigation>.

6 CONCLUSION

- 6.1 The Committee is generally pleased with the overall standard of the Annual and Financial Reports it considered.
- 6.2 The Committee did, however, make six recommendations in this report pertaining to the adequate provision of resources for key government programs, public accessibility to agency reviews and up to date information on government programs and initiatives.
- 6.3 The Committee thanks the ACT Government Ministers, and the departmental and agency officers who accompanied them, and members of governing boards, for providing their valuable time and expertise as witnesses.

Mick Gentleman MLA

Chair

April 2008

Appendix A Annual and financial reports hearings: follow-up questions

Question No	To	Subject
PE 01	Chief Minister	Woden East
PE 02	Chief Minister	Harrison display village sales office size and cost
PE 03	Chief Minister	Energy Efficiency Ratings and solar orientation.
PE0 4	Chief Minister	West Macgregor englobo land release
PE 05	Chief Minister	Future of former forest estate areas
PE 06	Chief Minister	Community training
PE 07	Chief Minister	Waterwatch report
PE 08	Chief Minister	Integrated Urban Waterways project
PE 09	Chief Minister	LDA advertising expenditure
PE 10	Chief Minister	LDA marketing expenditure
PE 11	Chief Minister	LDA hospitality expenditure
PE 12	Chief Minister	QEII disposal
PE 13	Chief Minister	Commission of buildings/site offices
PE 14	Chief Minister	Disposal of buildings/ site offices no longer in use
PE 15	Chief Minister	Strategic advice and marketing contract
PE 16	Chief Minister	Price of land purchased by the LDA
PE 17	Chief Minister	Average cost of residential land in the ACT
PE 18	Chief Minister	LDA liabilities
PE 19	Chief Minister	LDA capital commitments
PE 20	Minister for Planning	Vacant positions at ACTPLA
PE 21	Minister for Environment, Water and Climate Change	Energy efficient street lighting
PE 22	Minister for Environment, Water and Climate Change	Risk management policies and climate change
PE 23	Minister for Environment, Water and Climate Change	Report on Urban Open Space Procurement Processes

Question No	To	Subject
PE 24	Minister for Environment, Water and Climate Change	Differential vehicle registration prices
PE 25	Minister for Environment, Water and Climate Change	Garden waste processing scheme
PE 26	Minister for Environment, Water and Climate Change	ACT NoWaste Business Strategy consultation
PE 27	Minister for Environment, Water and Climate Change	Water initiatives to reduce potable water use on parks, trees and recreational facilities.
PE 28	Minister for Environment, Water and Climate Change	Water saving in TAMS properties
PE 29	Minister for Environment, Water and Climate Change	Dry land grassing
PE 30	Minister for Environment, Water and Climate Change	Dual Flush Toilet rebate scheme
PE 31	Minister for Environment, Water and Climate Change	ACR Linkage project and Superb parrot report
PE 32	Minister for Environment, Water and Climate Change	Commercial operator use of dual flush toilets and waterless urinals
PE 33	Minister for Environment, Water and Climate Change	New home requirements for dual flush toilets, water efficient shower heads, rainwater tanks and water efficient plumbing
PE 34	Minister for Environment, Water and Climate Change	Greywater Rebate Program and Irrigation Smart Program
PE 35	Minister for Environment, Water and Climate Change	Toxicity levels in fish from ACT lakes
PE 36	Minister for Environment, Water and Climate Change	Canberra Integrate Urban Waterways Project
PE 37	Minister for Environment, Water and Climate Change	Water efficiency incentives program
PE 38	Minister for Environment, Water and Climate Change	Annual waste removal contract
PE 39	Minister for Environment, Water and Climate Change	Renewable energy use in the Nara building
PE 40	Minister for Environment, Water and Climate Change	Southern Tablelands Ecological Project
PE 41	Minister for Environment, Water and Climate Change	Water recycling plant

Appendix B List of witnesses

On **24 October 2007** following witnesses attended the Committee's public hearing on the annual and financial reports of the Commissioner for the Environment, the Land Development Agency, and the Department of Territory and Municipal Services:

- Dr Maxine Cooper, Commissioner for Sustainability and the Environment (from 9 September 2007).
- Mr Darro Stinson, interim Commissioner for the Environment (1 May 2007 to 31 August 2007).
- Mr Jon Stanhope MLA, Minister for the Environment, Water and Climate Change.
- Mr John Robertson, acting Chief Executive Officer, Land Development Agency.
- Mr Gerry Ryan, General Manager, Finance, Land Development Agency,
- Mr Andrew Cappie-Wood, Chief Executive, Chief Minister's Department.
- Mr David Dawes, Deputy Chief Executive, Business and Projects Division, Chief Minister's Department.
- Mr Mike Zissler, Chief Executive, Department of Territory and Municipal Services.
- Mr Hamish McNulty, Executive Director, Environment and Recreation, Department of Territory and Municipal Services.
- Mr Bob Neil, Director, Environment and Recreation, Environment Protection and Heritage, Department of Territory and Municipal Services.

On **30 October 2007** the following witnesses attended and responded to Members' questions on the annual and financial reports of the ACT Planning and Land Authority:

- Mr Andrew Barr MLA, Minister for Planning
- Mr Neil Savery, Chief Planning Executive, ACT Planning and Land Authority
- Ms Jacqui Lavis, Deputy Chief Planning Executive, ACT Planning and Land Authority
- Mr Ben Ponton, Director, Development Services, ACT Planning and Land Authority
- Mr Peter Wurfel, Chief Financial Officer, ACT Planning and Land Authority

- Mr John Meyer, Director, Client Services Branch, ACT Planning and Land Authority

On **27 November 2007** the following witnesses attended and responded to Members' questions on the annual and financial reports of the Department of Territory and Municipal Services:

- Mr John Hargreaves MLA, Minister for Territory and Municipal Services.
- Mr Mike Zissler, Chief Executive, Department of Territory and Municipal Services.
- Mr Phillip Tardif, Executive Director, Policy Coordination and Communication, Office of the Chief Executive.
- Mr Jon Stanhope MLA, Minister for the Environment, Water and Climate Change,
- Mr Russell Watkinson, Director, Parks, Conservation and Lands, Environment and Recreation.
- Mr David Butt, Director, Energy and Water Policy, Environment and Recreation.
- Mr Bob Neil, Director, Environment Protection and Heritage, Environment and Recreation.
- Mr Chris Horsey, Manager, Sustainability Policy and Programs, Environment and Recreation.
- Mr Tom Elliott, Director, ACTION, Enterprise Services.
- Mr Alan Traves, Senior Manager, Energy and Climate Change.