

2024

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

ELEVENTH ASSEMBLY

**Public housing—Minimum energy efficiency standard—Proposed upgrade - Assembly
Resolution of 29 November 2023**

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05 December 2024**

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ACT
Government

Report to Legislative Assembly

**Assembly Resolution 29 November
2023**

**Public housing – minimum energy
efficiency standards – Proposed
upgrade**

Six Monthly Progress Report

Introduction

- 1) On Wednesday, 29 November 2023, the Assembly passed a resolution in relation to the implementation of the minimum energy efficiency standard for ceiling insulation in public housing properties.
- 2) This included a call on the ACT Government as a model landlord to:
 - a. carry out the program expediently while ensuring upgrades are delivered safely, efficiently, at a high quality and with minimal inconvenience to tenants;
 - b. commit to ensuring all properties remain compliant;
 - c. report back to this Assembly every six months to update on the progress of the upgrades; and
 - d. report back to the Assembly, by the last sitting day of 2023-24 financial year, with a full estimation of the total cost of the upgrades to minimum standards for the public housing stock.
- 3) This report addresses the six-monthly update on the progress of the upgrades (part c).
- 4) The below table provides a summary response against each of the calls on Government within the Assembly Resolution.

Resolution	Summary of Response
a.	The program is progressing well with the data collection and Phase One of upgrades completed. A panel contract was established in March 2024 to ensure the remaining properties are upgraded on time and to a high quality.
b.	ACT Government has collected extensive data to inform the upgrade program and is committed to ensure properties remain compliant.
c.	As of September 2024, over 1,500 properties have received ceiling insulation upgrades. This reflects 43% of the 3,500 target by November 2026.
d.	The estimated cost to bring all public housing properties up to the minimum standard is approximately \$19 million.

Background

- 5) The ACT Government has introduced a regulation under the *Residential Tenancies Act 1997* to require all residential rental properties in the ACT to meet a new minimum energy efficiency standard for ceiling insulation. The new minimum energy efficiency standard for rental homes (the standard) will help improve energy performance, increase thermal comfort, reduce energy costs for eligible households, reduce greenhouse gas emissions, and contribute to climate change resilience.
- 6) The standard and its implementation have been informed by a Regulatory Impact Statement (RIS) and extensive consultation with the community and stakeholders.
- 7) The standard creates improved wellbeing for tenants by ensuring ceiling insulation is at least R2 or above. Where insulation is determined to be below R2 it will be upgraded to a minimum of R5. This will make homes warmer in winter and cooler in summer.
- 8) The standard came into effect from 1 April 2023 and will be phased in over a 4-year period, with most properties required to be compliant by 30 November 2026 (unless they have a valid exemption).
- 9) Following a comprehensive data collection program, it was determined that approximately 3,500 public housing properties will require ceiling insulation upgrades.
- 10) Phase One of the program was delivered from April 2023 to February 2024, with ceiling insulation installed in 585 properties.
- 11) \$28 million in funding has been committed under Phase Two, announced in November 2023, to ensure all remaining Housing ACT properties meet the standard, as well as opportunistic electrification.
- 12) While the Commonwealth Government has committed an additional \$7.2 million for Housing ACT and Community Housing owned properties, this relates to gas appliance replacements and will therefore not be included in this report.

Progress Update

- 13) The below table provides a summary of the status and impact of each phase of the program including the Pre-planning/Identification phase of Property Condition Assessment (PCA).

Program Stage	Timeline	Purpose	Update	Status
PCA Program (data collection)	May 2023 – Jan 2024	Identify properties requiring ceiling insulation upgrades.	Approximately 3,500 properties determined to require ceiling insulation.	Complete
Phase One – Property Upgrades	Apr 2023 – Feb 2024	Pilot to trial upgrades and inform Phase Two.	Ceiling insulation installed in 585 properties.	Complete
Phase Two – Property Upgrades	Mar 2024 – Nov 2026	Deliver all remaining ceiling insulation upgrades.	Approximately 3,000 properties will receive insulation – bringing all public housing up to the minimum standard. As of 30 September 2024, 930 properties have received ceiling insulation upgrades in Phase Two.	On Track

- 14) The PCA data collection program and Phase One of property upgrades were delivered concurrently, enabling the ACT Government to actively work towards improving the public housing portfolio, while informing the design of Phase Two. Both Program Stages are now complete.

PCA Program (data collection) - COMPLETE

- 15) Following the completion of the PCA program, the total number of properties expected to require ceiling insulation is approximately 3,500.

Phase One – Property Upgrades - COMPLETE

- 16) In Phase One, delivered from April 2023 to February 2024, 585 properties were upgraded.

Phase Two – Property Upgrades – ON TRACK

- 17) Phase Two commenced in March 2024, with a panel of contractors engaged through an open market request for tender.
- 18) As of 30 September 2024, 930 properties have received ceiling insulation upgrades in Phase Two, bringing the total properties upgraded to over 1,500, including the Phase One upgrades.