



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

**STANDING COMMITTEE ON PLANNING, PUBLIC WORKS AND
TERRITORY AND MUNICIPAL SERVICES**

(Reference: [Annual and financial reports 2010-2011](#))

Members:

MS M PORTER (The Chair)
MS C LE COUTEUR (The Deputy Chair)
MR A COE

TRANSCRIPT OF EVIDENCE

CANBERRA

TUESDAY, 22 NOVEMBER 2011

Secretary to the committee:
Ms V Strkalj (Ph: 6205 0435)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

WITNESSES

Environment and Sustainable Development Directorate..... 101

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Amended 9 August 2011

The committee met at 9.32 am.

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for the Environment and Sustainable Development, Minister for Territory and Municipal Services and Minister for Police and Emergency Services

Environment and Sustainable Development Directorate
Farnsworth, Ms Penny, Deputy Director-General, Policy, Corporate and Regulation
Ponton, Mr Ben, Acting Deputy Director-General, Planning Policy
Murray, Mr Chris, Acting Executive Director, City Planning
Meyer, Mr John, Acting Executive Director, Regulation and Services
Simmons, Mr Craig, Director, Construction Services

THE CHAIR: Welcome to this public hearing of the Standing Committee on Planning, Public Works and Territory and Municipal Services inquiring into annual reports for the year 2010-11. Today the committee welcomes the Minister for the Environment and Sustainable Development and representatives from the ACT Planning and Land Authority. You have all seen the privilege card. Would you just indicate that you understand the implications.

Mr Corbell: Yes, Madam Chair.

THE CHAIR: Thank you. We might go to questions straightaway. Minister, would you like to make any opening statements?

Mr Corbell: No, I do not, but I would be very happy to try to answer your questions, as are my officials.

THE CHAIR: Thank you very much. Ms Le Couteur.

MS LE COUTEUR: On page 116 and page 118—you do not really need the references—you talk about a low carbon future. My question is about a bit more detail. What is ACTPLA doing to ensure that we are moving towards a low carbon future? Have we got any measurable goals or targets?

Mr Corbell: The answer to your question is obviously that the government sets out its policies and programs to address greenhouse gas reduction through its various policy documents. In the area of transport and land use planning, those are primarily reflected in the draft planning strategy and in the transport for Canberra documents. You would be familiar with the content of those documents, but they are very much the policy settings that the planning authority, now the Environment and Sustainable Development Directorate, works to.

MS LE COUTEUR: So there are not any specific targets in terms of buildings or a built environment having to achieve anything? What are the specific targets in terms of the built environment as its contribution towards the 40 per cent?

Mr Corbell: The contribution of the built environment towards the 40 per cent reduction will be outlined in action plan 2 of weathering the change. Obviously the government also implements a range of improvements to building energy efficiency standards through national agreements which again you would be familiar with.

MS LE COUTEUR: Last time we talked to you, possibly in estimates, Mr Simmons, I think it was, spoke about the Building Act. He said that some of the changes that were being looked at with that were looking at improving the energy efficiency of existing building stock as well as, clearly, dealing with new building stock. Could you update me a bit about what is happening with things for the existing building stock?

Mr Corbell: The government has announced its intention to substantially review the Building Act. It is a relatively dated piece of legislation that requires a significant review. The purpose of that review is to look at both the performance of dwellings in terms of energy efficiency, for example, and improving the quality of build in areas where we are seeing some concerns and issues at the moment.

MS LE COUTEUR: Last time you specifically mentioned things with existing buildings. Do you have any more information about what you are thinking in terms of existing buildings?

Mr Corbell: That would relate to issues where buildings are undergoing renovation. There is a requirement to bring buildings up to a particular level of performance, depending on the extent of the renovation or addition being proposed to existing dwellings. I am not in a position to give you detail about what is going to be in the review of the Building Act, because that process only just commenced.

MS LE COUTEUR: I got the impression before that it was going to be a bit more far-reaching than that, but okay.

THE CHAIR: Minister, on page 9 of the ACTPLA report, it mentions the partnership between ACTPLA and the CSIRO for the project at East Lake, which concluded earlier this year, I believe. I was wondering whether you could advise the committee on what the project involved and the benefits to the Canberra community?

Mr Corbell: The CSIRO partnership at East Lake has been a very detailed and valuable exercise to identify directions, opportunities and policy settings to achieve an exemplar best practice sustainability project at the East Lake site. This has been conducted by the CSIRO urban systems program under the banner of the sustainable communities initiative, so this is a partnership project between the CSIRO and the ACT government. The idea is to look at processes and methods to develop a planning and design framework which will deliver sustainable development outcomes at East Lake. It is a very innovative project for the territory; it has been an extremely detailed project. The findings and completion of that work will inform the design and development framework that the government will subsequently consider and put in place for the East Lake precinct. I might ask Mr Ponton if he would like to add to that.

Mr Ponton: Thank you, minister. I think Mr Murray would be best placed; he has been involved in this project.

Mr Murray: I have been involved in this project for two years now. We used CSIRO to prepare a lot of the early technical information and consultation work that initiated the East Lake draft planning and design framework. This framework is in progress at the moment. We are hoping to complete it over the next year. We are going through some technical studies at the moment around the financial analysis of East Lake and regarding geotechnical studies and the location of the rail line and the general public transport system and how they integrate into East Lake. We have largely completed our contract of work with CSIRO. We are waiting for a peer review report at the moment.

THE CHAIR: Obviously, there are a lot of learnings that are coming from this particular project. As you say, it is not completed yet. Have there been some learnings, though, along the way—some information that has come forward along the way?

Mr Murray: CSIRO have prepared a number of technical documents, which we provided to the planning and design framework consultants, SGS, the lead consultants on that project. This essentially was the inception material that was provided to that team when they commenced that work. It was a body of information around sustainability innovations and technical design options. Quite a lot of it was at a very high level. It was international best practice type thinking. We have now taken that material and interpreted it in an applied way to East Lake. What we are doing now is grounding that information and endeavouring to apply it in the planning and design framework.

THE CHAIR: It sounds like a very exciting project.

Mr Murray: It is, yes.

THE CHAIR: Thank you very much. Mr Coe.

MR COE: I have a question about invoices. Last week I believe a question on notice was responded to by the directorate about the overdue invoices that the directorate has. Could you please give a breakdown as to what portion is within ACTPLA as opposed to other areas?

Mr Corbell: I would have to take that question on notice, Mr Coe. I do not have that information available.

MR COE: In addition to that, would you please take on notice to, in effect, answer questions No 1863 and 1868, but specific to ACTPLA, in terms of over 30 days, over 60 days et cetera?

Mr Corbell: Sorry; which questions are you referring to?

MR COE: The question on notice that was responded to by the Treasurer but included information by ESD.

Mr Corbell: Again, I am happy to take the question on notice.

MR COE: Thank you very much.

THE CHAIR: We will take those on notice. Ms Le Couteur.

MS LE COUTEUR: Continuing back with East Lake, what is happening with it now? The last we heard in the press was that it was going to cost \$100 million to remediate it and that we were having discussions with the commonwealth on the finances. Where are we up to with that?

Mr Corbell: The government is considering its final options in relation to the development outcome for East Lake. That includes an assessment as to whether or not the most appropriate course of action is to leave the material that has been identified of concern in place or whether to partially or fully remediate it. It is important to stress that the material at East Lake is not asbestos-type material, by and large. It is essentially old municipal waste. The site was used as a municipal waste dump—

THE CHAIR: Excuse me one moment, minister. I apologise. Mr Coe and Mr Seselja, if you want to continue to have conversations, would you mind going outside. It is very distracting for me—and for the minister, I would imagine, in giving his evidence. Unless you are going to talk more quietly, you should leave.

Mr Corbell: Thank you, Madam Chair. I beg your pardon; it was not municipal waste but builders' waste, so builders' rubble. The issue essentially is a geotechnical one at East Lake in that the land, should it have to support structures, may require some remediation to ensure that it is able to properly support those structures because it is essentially loose fill. An assessment is currently being made around that; the government will take the final decision about the final planning and development framework for East Lake in due course.

MS LE COUTEUR: Are we still trying to get money from the commonwealth government?

Mr Corbell: That is a broader question. It does not necessarily apply to East Lake, although it may. It is more a question as to the commonwealth's obligations as the manager of land in the territory in the period up to self-government. Obviously, we have had a number of other sites of public land where there has been contamination discovered which has not been previously identified—for example, the remnants of, again, builders' waste, including asbestos products, at the Lyneham playing fields. There is an ongoing discussion between the commonwealth and the Chief Minister's Directorate as to whether or not an agreement can be reached between the two jurisdictions that recognises the contribution the commonwealth have and the legacy the commonwealth have left us in relation to these sites and whether there is an obligation on them to help pay for the remediation of pollution that occurred on their watch. That is a discussion that is ongoing.

MS LE COUTEUR: Another ongoing discussion is on rail facilities in the East Lake area. Where are we up to with that? There were plans to move the railway station.

Mr Murray: I can give you an update on where we are at the moment with that. Working backwards from the next thing that will occur, we have been in discussions with the New South Wales Premier's department—it is Chief Minister's, Premier's

and ourselves—to have some conversations with the New South Wales department of transport. We are trying to pull together a meeting before Christmas to go over those broader issues. That will be a discussion around the future of rail and the current thinking of New South Wales. This will probably be undertaken in the context of the recent initiatives on cross-border service delivery. That is being led by Chief Minister's at the moment; we are providing support for that process.

When we had our consultant Jarrett Walker in town a month ago, we ran a project-based workshop around rail—the future of rail in East Lake and integrating it into the public transport system around the long-term development in the area. The theme emerging from that was that we want to seek to future-proof the public transport options at East Lake so that it can adapt to changing patronage and technologies, and other modes that go in there. So there is still an active body of thinking going into the heavy rail connection and the potential for long-term transport connections, with integration with the bus and public transport system in East Lake. This is work we are doing at the moment. We have captured some advice recently and had some conversations with the minister about that.

Mr Corbell: Since I took responsibility for this portfolio in May, I have sought to make sure that the decisions around the location of the railway station in East Lake do not compromise effective integration with other public transport modes and provide the opportunity for an integrated public transport oriented development around the railway station site. The planning authority has given me advice on a number of options around that. As Mr Murray has indicated, further work continues. I am confident that, whatever final decision is made there, we will ensure that, first of all, we recognise the capacity for regional rail connections to grow into the future and the important role that the station at Kingston will serve and, secondly, we recognise how that terminus for regional and interstate rail services potentially interconnects with other public transport provision in the territory.

MS LE COUTEUR: What is the current status of guarantees to the existing residents—ie, the Causeway residents? Where are they up to?

Mr Murray: This is a matter that is not directly within our area of responsibility, but we provide advice to the commissioner for housing. We attend regular meetings of the Causeway residents to provide updates. This is what you are asking me about?

MS LE COUTEUR: Yes. Basically what will you be advising HCSD who are then advising Causeway residents.

Mr Murray: We give regular status reports, written and in person, to the Causeway residents meeting. They meet roughly bimonthly. Often I or another officer of the team attends that meeting and provides that advice. We usually try to prepare a small information sheet that can be passed to residents that are not at the meeting. It is a constant update.

The position, as I understand it at the moment, is that they understand that East Lake is going ahead, that it will be redeveloped and that they have been given the choice of relocating in the long term or short-term options as well, and it is up to them to negotiate essentially with their landlord. We have been quite clear—the development

is proceeding and eventually the intention is that the area will redevelop. I think they are of a clear understanding that that will occur, and they have been for some time. There would be no surprises to them.

The actual logistics of managing those leases and tenancies need to now flow from that. I guess it would be for government to make available that site through clearing the leases and effectively offering that community alternative accommodation, either elsewhere in the inner south or back in East Lake. That is my understanding. But it would need to be confirmed.

MS LE COUTEUR: What sort of time line have these people been given?

Mr Murray: Twelve months ago they would have thought it was in two to three years, and I would say now we would still say it is in two to three years, because we are working through the geotechnical issues that the minister referred to. We are working through the transport issues, and we have been settling some very complex financial analysis issues with Treasury at the moment. We have only just yesterday completed that work to Treasury's satisfaction. So from that, we now have, if you like, the ingredients to provide the direction to our consultants to start to do the final work. I am very keen to have more information about the geotechnical conditions there so that when we are doing the planning we understand the site conditions we are planning into, because the nature of the ground is very important to the long-term land use.

Getting back to your question, I think we would say two to three years as a rolling process, because we do not want them to think it is necessarily five to 10 years, because at any stage, once these things are clear, I think we would be moving swiftly to do a territory plan variation. That is a 12-month process, and then people would see the clock. The territory plan variation process is setting out the land use planning, statutory planning controls, and from there it would be just moving into the development process. That said, there are also some site availability issues in terms of other occupants of land in that area that the Economic Development Directorate is turning its mind to as well.

THE CHAIR: Minister, the report, in relation to the planning strategy, refers to the time to talk 2030 consultation and the discussion that happened around that and the comments that were gathered or collected. How has this information been integrated into our new strategy?

Mr Corbell: Time to talk was a very extensive engagement with a broad representative number of Canberrans about their preferred future for the city in terms of what they thought the city should look like and how it should operate in the coming decades. Time to talk gave us some very valuable feedback. Basically, time to talk confirmed that, overall, Canberrans are supportive of moving towards a more compact form for the city. They are supportive of more opportunities for live-work-type developments closer to centres around the city, town centres, group centres and along public transport corridors. They are very supportive of doing that to enhance public transport outcomes and improve access to reliable and frequent public transport services. But they also recognise and endorse the need to retain the characteristics of the suburban setting of the city and, in particular, the qualities of the city around the urban forests and the bush capital elements of the city as well.

These types of directions have been taken into account in the development of the planning strategy, which is why the planning strategy overwhelmingly focuses on more compact patterns of settlement close to centres and along public transport corridors whilst retaining opportunity for more modest and limited change in the suburban environment. So that is very much flowing from the types of feedback we had from time to time, and that has been a very valuable exercise in informing the future proposed planning strategy for the city.

MR COE: Can we have an update as to where things are at with the development of the Jamison inn site?

Mr Corbell: I understand that that matter is before the ACAT.

MR COE: But where are we at in terms of what is before ACAT?

Mr Corbell: My understanding—Mr Ponton will correct me if I am wrong—is that the planning approval was granted for a redevelopment of the Jamison site for an apartment complex. That decision has been subject to an appeal and is now before the ACAT for hearing and determination of that appeal. But Mr Ponton can add further details.

Mr Ponton: As the minister said, the matter is currently before ACAT. We have had a number of days of hearing before the tribunal and the matter has been set for a further two days of hearing at the end of this month. We would expect a decision from the tribunal some time after that.

MR COE: How much has the directorate spent on legal fees to date?

Mr Ponton: I cannot answer that question here.

MR COE: Is most of the legal work being done within the ACT government or is it being outsourced?

Mr Corbell: The Government Solicitor represents the territory in these matters.

MR COE: Have any consultants been engaged or external legal advice used?

Mr Ponton: In terms of consultants, no, but I understand the GSO has engaged counsel.

MR COE: One of the issues that this whole saga highlighted is that there is not much clarity as to who is responsible for consultation and responding to consultation. Minister, since you took over, is this an issue that you have identified as being an area of concern that you are working on?

Mr Corbell: Yes, it is, Mr Coe. In fact, I draw your attention to a bill that was introduced into the Assembly last Thursday—the Planning and Building Legislation Amendment Bill (No 2). The acronym is the PABLAB. The government is proposing a number of changes to the pre-DA consultation process. That bill proposes for the

first time some mandatory obligations on development proponents to engage in consultation with potentially interested parties prior to lodging a development application.

Those requirements are set out in the PABLAB that was tabled last Thursday, and they include expectations around engagement, for example, with a local residents group or community council, should one exist, and clearly providing information to the community that potentially has an interest in the proposed development as a precondition they must meet prior to lodging a development application.

MR COE: What sites or DAs do you think have had poor consultation?

Mr Corbell: The issue of consultation is always a vexed one when it comes to planning and development matters. I think the steps we are trying to take here are to highlight that the obligation to consult on a proposal is overwhelmingly on the proponent—the person who has the control of the site and is proposing changes to it. That is what the PABLAB seeks to achieve.

It requires particularly large development sites, such as multi-unit apartment sites like the one you are asking me about, to engage in a mandatory round of pre-DA consultation prior to the formal application being lodged and then publicly notified with the normal opportunity for comments and so on through the planning authority. I think this is a valuable addition to this exercise and will help to address community concerns about the adequacy or otherwise of the type of information they receive and their opportunity to have input prior to a development application being lodged.

MR COE: Of the roughly 230 people that attended the public meeting which I organised, a fair number of them—I would go as far as saying the vast majority of them—had concerns about parking at the proposed development. Is the parking code something that you have a concern with in terms of adequate provision?

Mr Corbell: The government's broad strategic directions on parking provision for the city as a whole are set out in the transport for Canberra strategy. There is detail there about how at a broader strategic level the government proposes to manage parking provision in the city to ensure both reliable supply of parking, but also recognising changing demand for land, particularly in centres, and the relative economic value of that land.

MR COE: But the actual parking code itself, are you satisfied that the parking code provides—

Mr Corbell: Parking provision rates in developments?

MR COE: Yes.

Mr Corbell: Parking provision rates in developments are matters the government is proposing to further review. Again, that is set out in the transport for Canberra strategy.

MR COE: Does that mean it is going to be downwards?

Mr Corbell: If I could answer your question, Mr Coe, the government is proposing to recognise that in some instances, for example, there may be value in development proponents cashing out their parking obligations in relation to their developments and that money instead being spent on the provision of centrally owned, potentially government-owned, parking structures as an alternative to requiring parking provision on the site of a development. That is to address issues such as the cost of providing significant levels of parking in a development site which can add significantly to the cost of housing. For example, if you require several levels of basement car parking, that comes at a cost, if I recall correctly, of around \$30,000 to \$50,000 per space. That, obviously, is ultimately a development cost that has to be passed on to the purchaser of, for example, apartments in an apartment complex, and there may be in some circumstances justification for instead providing alternatives to that, such as a development proponent cashing out a proportion of their parking obligation and providing that money to the government so that parking can be provided at a more effective price for everyone to use.

Of course, the other issue with parking provision is that often you are converting land which was previously public car park into a private car park which is not accessible to everybody. Whilst you might have sufficient parking in a development for the people who live, say, in an apartment complex, that comes with a net loss of public spaces for people to use because the parking becomes a secure car park. So in those circumstances, again, a parking provision fund such as that outlined in the transport for Canberra draft is a mechanism that the government believes should be further developed and considered.

MR COE: In effect, what you are saying is that any change to onsite parking is going to be downwards rather than upwards?

Mr Corbell: No, I did not say that at all.

MR COE: So you think it is possible we are going to see the parking code changed to see more parking on site?

Mr Corbell: What I am saying to you is that the parking provision requirements should meet the circumstances of the particular proposal. That will vary from proposal to proposal.

MR COE: Does the parking code currently support that view?

Mr Corbell: The current parking provision rates are quite clear. It depends on the number of units, it depends on the number of bedrooms in the unit. It depends on the specific proposal, which I think reinforces the point I am making. But the important thing is to make sure we look at what development means in terms of existing parking provision and future parking provision and, importantly, that we look at whether or not that parking provision is adequate to meet existing and future demand and we have regard to whether it is public provision or private provision. These are all factors that have to be taken into account.

MR COE: Finally, you made a couple of references to the transport plan with regard

to parking. Why do you make reference to that document as opposed to the draft parking strategy, which has been in that format since 2007?

Mr Corbell: That work has been surpassed by the proposals in the transport for Canberra strategy.

MR COE: Is the draft parking strategy current? If not, why is it still available?

Mr Corbell: It is a public document. We believe in open government and making these pieces of work available. But the government has made clear its proposed parking policy in the draft transport for Canberra document, and I look forward to your comments on that document.

MR COE: Do you think it would be appropriate, then, to mark on the website where the draft parking strategy is located that it has been superseded and is no longer current?

Mr Corbell: A lot of the work in that document has been used to inform the work in the transport for Canberra document, and that is why we think it is appropriate that that document be available.

MR COE: Businesses and residents would like certainty in terms of their preparations for investing in our city. When you have got a draft parking strategy which is neither ruled in nor ruled out, it creates some complexities for people that want to put money into our city. Do you agree?

Mr Corbell: No, I do not, and the reason for that is that the parking provision rates are clearly set out in the territory plan. Development proponents know exactly what they have to provide because it is in the territory plan. In relation to future overall policy settings, the government is quite clear about where it is at. It has got a proposal in transport for Canberra, which is out for public comment, and it is appropriate that we provide opportunities for public comment on these matters before making a final decision.

MR COE: If a constituent or a developer was to contact you and ask about the status of the draft parking strategy, what would you respond?

Mr Corbell: As I have just responded to you.

MR COE: Do you agree that that does not provide any certainty whatsoever to them?

Mr Corbell: No, I do not.

MR SESELJA: Minister, page 5 of the annual report talks about master planning. I wanted to ask some questions around Erindale, the process there. Bob Weight from the Southern Canberra Gymnastics Club—I think in conjunction with a number of traders at Erindale—wrote to you on 10 November putting a number of issues to you. I think what the traders are putting to you in that letter, and I think it has been expressed more broadly, is the need to balance both the longer term planning through the master planning but also some of the short-term problems and issues that exist,

particularly with car parking and traffic flows. In his letter he said:

The Gartside Street traders/operators believe that there are other options also available which are consistent with the existing area ... These include:

Widening Gartside Street by removing the existing dirt verge on the Southern side ... and providing a layover for drop-off and pick-up for the gymnastics centre on the Northern side.

Construction of a permanent car park identical to and directly across Gartside Street from Lot 2 section 293 ...

I am interested in your comments on that, because the traders I know are very keen to see both long-term planning but also some of those short-term problems resolved.

Mr Corbell: Yes, thank you, Mr Seselja. I am aware that I have received that correspondence. I am currently seeking advice from my directorate in relation to the matters that the writers raised in their correspondence. The planners are closely engaged with representatives of traders and other organisations and individuals in the Erindale group centre. It is the case that work on the issues around Gartside Street are particularly complex. That is why the government has extended the period of time it initially anticipated it would need to complete the draft master plan so that further work can occur on these areas.

So we are looking closely at all options in relation to addressing some of those more complex issues, particularly around where exactly a planned bus interchange at Erindale should be developed as well as managing other traffic and parking issues. That work is ongoing.

MR SESELJA: The letter also says:

... the traders as evidenced below, seek your urgent consideration of the traffic study report for Erindale ...

And they ask you to agree to a number of things:

1. Agree that the immediate/short term matters raised in the report in regard to traffic flows and car parking are in urgent need of attention;
2. Identify and provide the necessary program priority and associated funding for the immediate/short term upgrades in Gartside Street;
3. Agree that the related upgrades in Comrie Street are equally important but are less easy to both identify and implement similar upgrades and therefore agree to giving immediate priority to such identification and implementation in Comrie Street.

Do you agree with those concerns, and is the government favourably disposed to what is being put to them by the traders there?

Mr Corbell: The government agrees that there are a range of concerns. We recognise that these are very legitimate concerns for traders and organisations in Erindale. That

is why we are looking very closely at all of the options that are available to us as a result of consultant and technical studies before making final decisions and engaging in further consultation with those groups. I will ask Mr Ponton if he wants to add anything to that.

Mr Ponton: The only thing that I would add, thank you minister, is that this demonstrates the value of consultation. We have been out for, I think, four rounds of consultation now in relation to the Erindale master plan. These issues have been identified throughout that process. That has enabled us to engage appropriate consultants and to engage also with other directorates across government to ensure that we adequately address those concerns as best as we can.

As the minister said, that has meant that it has taken us a little more time than we would have liked to finalise the draft master plan for the final round of consultation. But I think it is important that we do take that bit of extra time so that we can adequately respond to these concerns of the traders. The planners within the directorate have been meeting the traders as well as other community groups in relation to Erindale, because it is not just the traders that have issues that they would like to see addressed through that process.

In addition to that, we are proposing to go out for a slightly extended period when we do release the final draft to ensure that we have captured those issues and addressed those adequately.

MR SESELJA: Could you remind me what that extended period is?

Mr Ponton: At this stage it is yet to go to the minister for him to agree, but we would be looking at about an eight-week period.

MR SESELJA: Eight-week period; so the final draft would be expected to go out roughly when?

Mr Corbell: That is yet to be determined. Obviously we are coming into the Christmas period. I do not want to have a big chunk of consultation that sits right over people's Christmas-new year holiday break. So it is still to be determined, but I expect to make a decision before the end of the year on that timing. You will recall that initially I think the Assembly asked the government to report on the draft, I think, in November.

I indicated to the Assembly that we were not going to meet that time frame because of the very issues that you raise and that in the government's view it was desirable to engage in further studies and consultation with individual groups, traders and other organisations before having a final draft master plan to put out for broader consultation.

MR SESELJA: Just finally on this, Mr Weight asks for the opportunity to meet with you directly to discuss the concerns and requirements with the traders. Will you be meeting with Bob Weight and the other traders?

Mr Corbell: I expect I will be, yes.

THE CHAIR: On that subject of master plans, page 13 talks about that particular master plan and others that the government has been undertaking. It talks about the fact that other locations will be identified and included in the program going forward. Could you talk a little more about the whole issue of master plans, please?

Mr Corbell: As you, Madam Chair, and other members know, there has been significant interest from members of the Assembly on different master planning exercises. The government has said very clearly that we agree that a broader program of master planning to address areas of change and growth in demand for services, land, development and so on must be put in place.

We have put such a program in place. The first stage of a detailed master planning program was announced by my predecessor, Mr Barr, earlier this year. We have completed master planning at two group centres—one at Kingston, which was endorsed in June this year, and one at Dickson, which was also endorsed in June this year.

These master plans enable us, where the government holds land that is available and ready for development and where demand exists, to release that land for development. That is certainly the work that is progressing in relation to Dickson. In relation to Kingston, the master plan provides guidance to private property owners on what opportunities exist for those property owners who wish to proceed with redevelopment or expansion of their existing properties consistent with the master plan outcomes.

We have talked obviously about Erindale. There is also master planning occurring in the Tuggeranong town centre as well and extensive engagement with the broader Tuggeranong community around that master plan, including the Tuggeranong Community Council, school groups, youth groups and business and community organisations. There is also master planning occurring in relation to the Kambah group centre, with the most recent briefing to the Tuggeranong Community Council on that work on 19 September this year.

Other master planning work that the government has indicated it will be proceeding with includes master planning for the Pialligo rural village to address issues around the maintenance of the rural characteristics of that village, quite an historic part of the ACT, given the significant changes occurring around the perimeter of the village, such as at the airport, major roads and so on.

The government has also indicated it will be proceeding to commence master planning for the Athllon Drive corridor as well as the Belconnen town centre and part of the service trades area. The Cooleman Court Weston group centre commenced its master planning in November this year and a community consultation session and a drop-in and information session was held at Cooleman Court about two weekends ago, which I understand was well received, as we commence master planning there. We have also commenced master planning at Oaks Estate and the Hall rural village.

So the government is focusing primarily on centres and along transport corridors that are consistent with the broader planning and development strategies for the city.

These are areas that are potentially going to undergo significant change, growth and development. We need to make sure our planning framework is up to date so that we can manage that change, manage that growth, provide the amenity and the services the existing community has come to expect and enjoy as well as to meet the demand of new residents, growths in population and other demographic changes as the city continues to grow.

MS LE COUTEUR: I will continue on planning processes but move to Gungahlin. What studies are being undertaken for the remaining future urban areas of Gungahlin? On page 13 you mention Throsby, Gungahlin, Moncrieff, Jacka and Taylor and, of course, Kenny. Is that the lot of them? It is page 13. It is the third paragraph down.

Mr Ponton: As I understand the question, you are asking whether those suburbs that have been identified are the only suburbs on the program to be developed.

MS LE COUTEUR: Yes.

Mr Ponton: And the status of those?

MS LE COUTEUR: Is that all the planning that is being left now for Gungahlin?

Mr Ponton: The short answer to that is yes. Those suburbs are identified on the land release program over the coming years, and those areas are the remaining future urban areas within Gungahlin.

MS LE COUTEUR: So what studies are you actually doing on these?

Mr Ponton: There are a range of studies that are being undertaken. I might ask Mr Murray to comment shortly. Obviously, we have the usual studies in relation to heritage, contamination, ecological studies and the like. For example, with Kenny, that work is now underway. We have undertaken some early studies in relation to Kenny and we are in the process now of working with the community to develop a planning and design framework and also important planning requirements for those areas. As part of that process, we will undertake more detailed studies in relation to those areas that I just mentioned.

Mr Murray: Kenny would be our most active area at the moment in terms of comprehensive planning work that we are doing. We have a project underway to complete a planning and design framework for Kenny. There are environmental studies and technical work to support that.

In the other areas, as Mr Ponton said, we are working on finetuning our planning work and addressing environment clearances, both under the commonwealth legislation and the territory legislation. There are some seasonal studies going on at the moment around striped legless lizards and building our information base on particular species.

MS LE COUTEUR: Talking about consultation on Kenny and other new suburbs, it was the same weekend that you had Kenny and Weston Creek. I went to both sessions, and there were great contrasts between the two. At Weston Creek there was a cast of thousands. At Kenny, there was one of me and I think about six various staff people

around—consultants. The Weston Creek community were there and engaged. The community of Gungahlin, they were not really in Kenny. How do you go about trying to engage people for the newer areas?

Mr Corbell: Obviously, people are more likely to be interested in a proposal that directly affects space where they live and work or shop every day compared to a new suburban development front where there are not any existing residents. Most people would probably view it as a bit of undeveloped bush or a paddock, depending on the state of the land. That is not surprising.

Obviously we are attempting, though, to give everyone who does have an interest the opportunity to be engaged. We do, for example, make it clear to groups and organisations that have a particular interest in, say, ecological and conservation outcomes, that we are undertaking a process and that there is an opportunity for them to be engaged in particular with the issues that affect new suburban developments, such as sites at Kenny.

So we make it clear that those opportunities exist. Obviously how people take those up, the way in which they choose to engage, is a matter for them. But I think the important thing is that we make that available and we let people know that we are doing it, which is what the government does.

MS LE COUTEUR: Yesterday when we were talking about EPIC they said that there was an EPBC referral for the new low cost accommodation there. Are there any other EPBC referrals for the Gungahlin area?

Mr Corbell: All new suburban development in Gungahlin will require an EPBC referral.

MS LE COUTEUR: Are there any active at present? I am interested to know whether any are currently going through it.

Mr Corbell: At the moment there is an active EPBC referral in relation to parts of Throsby. At this point in time there are referrals for parts of Throsby being made by the Economic Development Directorate and the Land Development Agency, the development proponent, for a number of sites at Throsby, as well as a referral live with the commonwealth in relation to the development of Moncrieff.

MS LE COUTEUR: There is an open tender on the Procurement ACT website for engineering consultancy for the construction services, including superintendency of civil engineering and landscape works for the Jacka 1 residential estate, comprising 116 blocks. Does this imply that all the EPBC and other environmental clearances have already happened?

Mr Corbell: I think that is best directed to the Economic Development Directorate. I am advised they issued that request for tender.

MS LE COUTEUR: So you do not know whether all of the environmental studies have been done in Jacka?

Mr Corbell: We will need to take that on notice.

MS LE COUTEUR: Could you also add cultural? I have just been looking at cultural heritage issues. Could you take that on notice as well?

Mr Corbell: Cultural heritage assessments are a standard assessment for all new urban developments.

MS LE COUTEUR: And they have been done for Jacka, then?

Mr Corbell: I would need to take that on notice.

MS LE COUTEUR: I thought you would need to take it on notice. When you do, can you also, if they have been done, say whether they are publicly available?

Mr Corbell: Again, I will take that on notice.

MR COE: Did you give EDD the all-clear to go ahead with that tender?

THE CHAIR: You will take all those on notice.

Mr Corbell: As I say, I am not familiar with the details of that tender or its purpose. I would need to seek further information before answering that.

MS LE COUTEUR: Would you normally expect before they went out for tender that they had seen ACTPLA and ACTPLA had said: “Yes, all the studies are done, sorted. We have no more. It’s ready to go. Get the shovel ready,” or whatever?

Mr Murray: If I can give a long answer. In terms of the process for the purposes of description—I am not speaking specifically about this case—in the ordinary course of events we would complete the planning work for an area in terms of making sure that we had done all the background studies and we had put in place, say, a planning and design framework, which is essentially the base planning work that we pass to the Economic Development Directorate. The Economic Development Directorate, through its agency, the LDA, would then do a series of its own due diligence on that work. It would verify our studies and it would look at whether it wanted to do any further studies. We essentially undertake a series of studies to prove the work up to what you might call planning ready.

When they go to development ready, their focus is on getting an estate development plan and going through the regulatory process. So our role shifts from becoming the planning authority to one of becoming the regulator in terms of the separation within the agency. Once they have satisfied themselves of that work, they would do detailed engineering designs and detailed subdivision layout and a range of other studies—landscape planning and cultural planning. They might do some specific work around ponds or water quality, depending on the nature of the area. By the time they get to the stage of releasing a tender of the nature of that, they have cleared it to a very high level. So they have added to our work and they have cleared it to their own satisfaction. That would be the normal course of events.

MR COE: When you say “they”, who are you—

Mr Murray: The Land Development Agency or the Economic Development Directorate. That would be where they would then do the works and prepare it for their own sale.

MR COE: There must be quite close communication to avoid a doubling up of investigations or studies. Would that be correct?

Mr Murray: Yes, there is. When we do our work we hand over the body of knowledge that we prepare to them; it is transferred. The current best practice is best reflected through Molonglo at the moment. We have undertaken, if you like, a collaborative process where in the work we have done around preparing the stage 2 area we have constantly engaged with representatives of the Land Development Agency. They have attended all our meetings. They have been, if you like, inside the planning process so that when it novates to them and they take over responsibility they have got the background knowledge and know the history of the site.

So not only by our handing over the background studies—all the technical appendices that go with that work are transferred to them formally—but also by being engaged in the processes that lead to that they understand a lot of the rationale and logic embedded in the planning work. This is a way of mitigating any risk where we hand over to them and they do not understand the reasoning or the rationale that has gone into our planning work. What we are trying to do is get a higher level of connection between the base planning work and the final development work.

MR COE: If you are still undertaking community consultation and the like, surely that means the community consultation is not being taken into consideration for the specifications of a tender?

Mr Corbell: I think the community consultation we were referring to earlier was in relation to Kenny. The consultancy Ms Le Couteur is referring to is a consultancy for Jacka.

MS LE COUTEUR: That is true. While we are on Gungahlin, your list of suburbs in the report did not mention Kinlyside. Is Kinlyside now off the development agenda? Is it going to become grassland? What is the status of Kinlyside?

Mr Corbell: I am advised that it is not currently listed as an area for any work at this point in time. It is potentially part of a future urban area, but it has not been the subject of any detailed planning or assessment at this time.

MS LE COUTEUR: Have you any idea of the time span before looking further at Kinlyside?

Mr Corbell: It is difficult to give a definitive answer, but it would be beyond the existing three to five-year program.

Meeting adjourned from 10.30 to 10.48 am.

Mr Corbell: Madam Chair, just before the break, Ms Le Couteur was asking about approvals for Jacka. In a moment I will ask Mr Ponton to give some further advice on that, but in relation to my earlier answer about EPBC referrals for Gungahlin, I should make it clear that what I was saying was that potentially all of the new urban development area in Gungahlin is subject to the EPBC legislation and approvals, but that will obviously depend on assessments that occur for those different sites and whether or not any of the necessary triggers of the EPBC legislation are triggered. But it is potentially all subject to it, and certainly for large parts of that area, we do expect EPBC referrals to have to be made. Mr Ponton can give some further advice about that consultancy in relation to Jacka.

Mr Ponton: Thank you, minister. I have been able to confirm that there is an estate development plan that has been submitted with the Planning and Land Authority for approval in relation to Jacka South. It is for a relatively small area of 100 or so blocks. Because Jacka South does not include any commonwealth EPBC matters or ACT EIS triggers, that matter is a relatively straightforward subdivision. It has been through the pre-DA circulation process, so we have actually gone through, referred to entities and obtained comments from other government agencies, and there is general support for that proposal.

We are at the point now where we are just waiting on the DA to be formally lodged through the payment of fees, and then it will go through its normal statutory process. So it would appear to me that the LDA, like any developer would, is feeling confident in relation to the process it has been through to this point in time and is looking to get the ball rolling in relation to the tender process, but obviously would not make a decision in relation to that until it obtained the necessary approvals.

THE CHAIR: Thank you very much, minister and Mr Ponton. Mr Coe, I think we are up to you.

MR COE: I have some questions about the approvals of solar installations.

Mr Corbell: I will ask Mr Simmons to join us.

MR COE: I understand that quite a few people who have had solar panels installed on their roofs have been told they have to wait until February or March for those panels to be approved by ACTPLA; is that correct?

Mr Corbell: Yes, that would be the case.

MR COE: Why is such a wait necessary?

Mr Corbell: The reason for that is driven by the significant increase in the number of people choosing to have solar panels installed. That was driven primarily by the decision of the commonwealth government to wind back the multiplier rate for its renewable energy certificates for small-scale solar installations. The commonwealth announced in early May that they would reduce the multiplier rate—that is, the level of up-front subsidy available for the installation of solar panels. That led to a very significant increase in the number of people entering into contracts to install PV panels and, for that reason, we saw a very large surge in the number of installations.

The reasons for the delay are primarily due to a very high percentage of failure rate on inspection. The ACT is the only jurisdiction that has a 100 per cent inspection regime for every PV installation prior to it going live. No other jurisdiction has that inspection regime. We believe that our inspection regime is proving why we need to have that sort of arrangement in place. We are seeing a very significant failure rate on the first inspection and, because that occurs, there then needs to be another inspection scheduled. So every time a system has failed, that adds another inspection to the waiting list.

I appreciate that some people are frustrated by the delay in inspection, but the government makes no apology for putting safety first. We do not want to see house fires or electrocutions. We want to make sure that systems are safe before they go live, and we want to make sure that those systems are safe for a 20-year period. So whilst there is a period of delay of some months, we think that is better for the longer term, for the 20-year-plus operation of these systems, and also for the obvious safety benefits that flow from that.

The territory has taken significant steps to increase its inspectorate capability to address the significant increase in demand to try to ameliorate delays to the greatest extent possible. The government has employed additional electrical inspectors. Another five inspectors have joined the inspectorate to increase our capacity to address delays, and we will continue to work as quickly and as promptly as we can to deal with all of the existing installations.

MR COE: If someone were to have had their panels installed relatively recently—say, in the last few weeks—and then have been told that the earliest they could get it approved by ACTPLA was March, is there any other way that they can get the panels approved earlier? Is there an additional fee they can pay to have it expedited or anything of the sort?

Mr Corbell: No.

MR SESELJA: I want to ask about a couple of things. Pages 6 and 7 of the annual report have a diagram “Components of the planning and development system”. It looks at the headline act, statement of planning intent, territory plan, spatial plan and all the other things that go into it before we get to development application assessment. Could you let us know, in the context of the supermarket policy, where the supermarket policy fits within this diagram? I am just trying to get a sense of it.

Mr Corbell: The supermarket policy would be reflected in provisions of the territory plan. So the supermarket policy essentially reflects the government’s broader economic objectives around competition in the supermarket sector and choice in retailing. To the extent that that would inform planning provisions, they would be reflected, first of all, in the territory plan and, to a lesser degree, in other planning documents such as a master plan and so on.

MR SESELJA: When Giralang was being considered and ACTPLA was being asked to advise and the supermarket competition committee was being asked to advise, what parts of the territory plan were being relied on in the advice that ACTPLA needed to

have regard to the supermarket policy?

Mr Corbell: I cannot cite the relevant provisions of the territory plan.

MR SESELJA: Perhaps Mr Ponton can.

Mr Corbell: Maybe Mr Ponton can assist.

Mr Ponton: Certainly. Criterion 33 of the local centres development code deals specifically with competition-related matters. It talks about the need to consider other viable local centres. That was the key consideration in terms of the territory plan provisions when considering the Giralang development application.

Of course, there are other provisions. Section 120 of the Planning and Development Act requires the Planning and Land Authority to consider a range of matters. These include suitability of the land and submissions that are received during the public notification. So it is not unreasonable for the Planning and Land Authority, through consideration of those provisions, to consider other relevant government policy to the extent that it can.

When I say “to the extent that it can”, some government policy documents are written in a way that has not yet been formulated into rules and criteria-type format. Certainly, in considering the Giralang DA, we had regard to the provisions of the policy, but obviously criterion 33 was the key consideration for us in determining that DA.

MR SESELJA: Are you saying that the supermarket competition policy had been incorporated into those provisions or it had not?

Mr Ponton: The supermarket competition policy has not yet been incorporated into the territory plan, but the implementation plan that was released at about the same time or soon after the release of the Martin report—which is available on the government website—did identify the need to consider a limit on GFA within local centres. As I recall, it was talking about around 1,500 square metres. That work is currently being done through the commercial centres code review.

MR SESELJA: With respect to that implementation plan that talks about 1,500 metres, what is its status? Has it been incorporated into any of the relevant codes or not?

Mr Ponton: It is in the process of being incorporated for consideration by government through the commercial centres review.

MR SESELJA: I am interested in the 1,500. Is that now the standard that ACTPLA considers to be reasonable for local centres? I understand that whilst it is 1,500 at Giralang, there is a development application now for Crace which is the same size. So is it ACTPLA’s view now that 1,500 metres for a local centre supermarket is the appropriate size or the appropriate limit?

Mr Ponton: We would need to have regard to criterion 33, as I said, which would require us to consider other viable local centres within the catchment. So it would be

on a case-by-case basis. In the case of Giralang, it was determined that there was sufficient capacity within the market to accommodate 1,500 square metres. In terms of whether that is now the norm, as I said, we are doing some work through the commercial centres review, and we will put ACTPLA's position for the consideration of government at the appropriate time. But that has not yet occurred.

MR SESELJA: Is there an ongoing role for the supermarket competition committee in advising ACTPLA on development applications?

Mr Ponton: The supermarket competition committee's primary focus is not, in fact, to advise on development applications. It is to advise the government in relation to land sales.

MR SESELJA: It has done that in terms of Giralang, though, has it not?

Mr Ponton: It provided broad advice in relation to Giralang, yes.

MR SESELJA: Broad advice? What was the nature of that broad advice?

Mr Ponton: I do not have the advice in front of me but I recall that it considered criterion 33, say, in terms of the impact on the broader catchment and whether a supermarket of that size would have a detrimental effect.

MR SESELJA: So it did not consider whether or not the supermarket would be a Woolworths, a Supabarn or an IGA?

Mr Ponton: Not that I recall.

MR COE: On supermarkets, with regard to what is proposed in the suburb of Crace, do you know what ACTPLA's advice was or what ACTPLA's provision was for the maximum amount of floor space for a supermarket in that suburb?

Mr Ponton: I would need to take that question on notice.

THE CHAIR: That one has been taken on notice.

MR COE: Thank you.

THE CHAIR: Minister, page 11 of the report talks about virtual ACT. It is in relation to development applications in particular. Could you explain that concept?

Mr Corbell: I will ask Mr Meyer if he can help you with that question.

THE CHAIR: Thanks. Could we have that concept or tool explained?

Mr Meyer: Virtual ACT is a project which is currently underway with government funding, to start to work through the mass of geospatial information that the ACT government holds through its various directorates. As you can imagine, since before and after self-government there has been an accumulation of an enormous amount of information. The problem is they are on different databases, they are structured

differently and they are very difficult to access.

So this project is doing a number of things. The first key part of that is to identify those data holdings, to look at their currency, to look at ways in which they can be updated and then to bring them together in a way in which they can be accessed through a portal, a portal which could be used for government purposes but which could also be available to the community for specific sorts of data sets and information. That is a fairly long-term project, because it is complex and it is something that needs to be worked through carefully. What it will do is integrate with the ACTMAPi, which is our web-based mapping system, which has just recently been upgraded. It will also integrate with 3D modelling which we are currently investigating as well. The end of the project would see, effectively, comprehensive and integrated access to geospatial information in its various forms, which would enable and assist decision making at various levels across government as well as in the community.

THE CHAIR: So you are saying this will take some considerable time, though?

Mr Meyer: Yes. The first stage will be the identification of the data sets. We have made some progress on the 3D modelling in terms of identifying the sort of software and facility that we would need to undertake that. As I mentioned, ACTMAPi has been upgraded and we are gradually layering information, additional information, on that now that we have got a more powerful tool to enable us to do it.

THE CHAIR: Are you getting any feedback from users of the ACTMAPi?

Mr Meyer: Yes, we are. I think it has turned a bit of a light bulb on for a number of users because the opportunity to now integrate layers of data and information, some of which would be privileged access, others which could be made publicly available, is certainly something that is seen as being a very powerful tool, in terms of, for example, health facility planning and environmental planning and so forth. There are so many different elements which come together in that system now which has started to become a very valuable tool.

THE CHAIR: Ms Le Couteur.

MS LE COUTEUR: On page 117, at the bottom, you are talking about now having a licensing regulatory system for energy rating assessors. That is obviously something the Greens have been pushing for for ages. Can you tell us how the transition to this new regime is going?

Mr Corbell: I will ask Mr Simmons back to the table. He can assist you with that.

Mr Simmons: Starting at the beginning of this year, the Construction Occupations (Licensing) Act was amended to include people who did energy rating as one of the occupational classes that we have. Typically when we introduce a new class, what we like to do is give people a period of time to adjust to the system before we start enforcing the law to the full extent. So we are in that process still. Our policy officers have been working progressively across the year to put in place all the documents and all the material necessary.

We have been working with and talking to the industry, the people who are actually already engaged. We have given them 12 months to bring across their licences so that people who have been undertaking activity and who are already in the market have got a 12-month period. So they have got till March 2012 to be able to actually bring themselves across. After that time, they will not be able to do the work without a licence. But everybody who is new and who comes into the system has been coming in with a new licence and we have been putting that material together for them.

All the necessary legislative documents will be in place before the end of this year. We are just finalising the last set of documents for people who will be working in the activity so that we are all ready to go.

We have also started to skill up on our side of the business to make sure that we will be able to do that enforcement and make sure that we are on top. Recently we had a dozen of the people across various teams skill themselves up in the new equipment that we have purchased that will be assisting us in making sure that not only are we able to look at the paper to do that analysis of what is actually on the paper, what actually gets built, but are actually able to start the process of onsite audits with proper equipment in place so that we can start to do the work that we have been wanting to do, which is about the verification on site of the paper-based system. So we want to make sure that the system works both in theory and in practice. So that needs some equipment and training. We have done that this month actually.

MS LE COUTEUR: So it sounds like you have not yet started the auditing. Is that correct? I obviously hoped you would have.

Mr Meyer: No, we have been doing some auditing as well. We have got people auditing. We are in the process of doing that auditing. In the very early stages of the regulatory system, the auditing is an educative process. So we audit for the purpose of education, not necessarily to punish.

MS LE COUTEUR: Not that you would punish, of course.

Mr Meyer: You would be surprised. Yes, we are still in the educative phase of that. Last week we organised a session with the Real Estate Institute and had real estate agents in our building to talk them through what the new processes were so that they have got an understanding as well. We are working the companies. The process has been a bit longer than we would have liked, but we are making sure we use the time effectively to get everybody across the system before we do start moving from our educative role into our more enforcement orientated role.

MS LE COUTEUR: Given that you are doing audits, even if they are only educative, what sort of compliance rate are you finding or what amount of problems are you finding, both for the desk audits and the physical audits?

Mr Meyer: In terms of the desk audits, it is largely the things that we are already finding that got us to the point where we needed to up the level of regulation. The next stage of that is really about being able to tie the whole process together—the flow of information from what you see on the paper to what actually gets done at the

end—and being able to demonstrate to people what things happen in buildings, because a lot of the time the choices that get made are post the plans being approved.

If somebody walks in and says, “Can you put in a couple of extra downlights,” that impact on the energy rating is really quite significant, and we have seen some examples of buildings that have lost half a star because of the introduction of more lights and what it does to the ceiling. Being able to know that and then being able to demonstrate that—and some of the new equipment we have got will actually be able to demonstrate those things in a much more visual way for people—is what we are hoping to really drive home the message about, how we move the theoretical models into practical models. It is that combination of getting things right that is the way forward as far as really doing something that impacts the energy performance of the buildings that we are seeing built now.

MS LE COUTEUR: Have you any feeling for what percentage of ERs are actually correct first go and what amount of problems you are finding? And do you think it has improved since you started the educative process or are we going to have to wait until you get on to a bit more enforcement?

Mr Meyer: We are going to have to wait. As you start to push the system and as you sort of start to squeeze it to see what is happening, in those early stages, it can take some time before you actually see the outcome. So we are very much in an early phase about how we see people’s behaviour change. And often times it is not until we get to some enforcement and people see the consequences of actually being subject to a regulatory regime that we see a stepped change in behaviour and performance. It is probably one of the more complex areas that we have got in terms of how this is going to play out, because there are so many points at which the energy performance of a building can be impacted between the design and the point at which the assessment is being made.

We have picked up the responsibility for this under the Civil Law (Sale of Residential Property) Act and the energy ratings at that point. So there are two really substantive things that are happening at quite different streams. At the same time, at the national level there is still an active engagement in these matters. Are the tools right? How do we improve their performance? How do they apply? What education? The commonwealth has pushed very hard to get qualifications put in place that the Construction and Property Services Industry Skills Council has been working on. We have been working with them, with our experience, to make sure that we get a training package which is effective and actually targets the type of work that needs to be done.

Once you get all the jurisdictions together, the national perspective sometimes diverges from where we actually are, because we are substantially quite a long way ahead of a number of other jurisdictions. As we often say, the ACT’s geographical compactness enables us to do things that other people could not. What we can do in the ACT is quite different to what the Queenslanders can do. So some of those processes and the shaping of those at the national level are difficult.

MS LE COUTEUR: You mentioned the sale of premises act. Am I correct that that is still using the old software, or have we managed to change that somehow?

Mr Meyer: I will have to confirm that for you. My understanding is that we are still on the old software for that, but we are moving. That is the other thing. For the developers, the three commonly used tools are, in fact, in that switchover to the next generation tools, and there is also a national impact around moving to the second gen. But second gen is quite clearly where we are setting the target at. It is certainly not to continue the use of the first gen. And they have done a lot of work to make those tools easier.

MS LE COUTEUR: So we would not anticipate moving to second gen for sale of premises until it is done nationally? Is that right?

Mr Meyer: No, our consideration is about the ACT and bringing in the industry. It is capable. Largely, there is a switchover point where if you are doing it for one, you do it for the other. It just makes more sense to bring everybody in at the same time.

MS LE COUTEUR: Yes, absolutely. It might happen fairly soon?

Mr Meyer: I will have to take that on notice and come back to you.

MS LE COUTEUR: That would be great.

THE CHAIR: We will take that one on notice. Mr Coe.

MR COE: I have some questions about the land rent scheme. Firstly, minister, would you please advise why the revenue is being collected by ACTPLA as opposed to Treasury?

Mr Corbell: It relates to the administration of the lease.

MR COE: Does that mean that all revenue that relates to the administration of leases is collected by ACTPLA?

Mr Corbell: Yes.

MR COE: Across the ACT government?

Mr Corbell: Yes, all leases issued by the territory are substantially administered by ACTPLA, although there are some related functions in other directorates, for example, the administration of land management agreements for rural leases. There are functions in Territory and Municipal Services, but the substantive legal issues around the administration of leases are the responsibility of the Planning and Land Authority.

MR COE: Does that mean that ACTPLA is responsible for administering the policy in its entirety?

Mr Corbell: No.

MR COE: Does that mean that you potentially have a disconnect, with ACTPLA collecting the revenue and another agency managing the actual policy?

Mr Corbell: One is a policy matter; one is an operational matter. ACTPLA is responsible for the operational elements of the administration of leases, and the leasehold system overall is the responsibility of the Planning and Land Authority and the Environment and Sustainable Development Directorate more broadly. But obviously land rent is an element of the government's housing affordability strategy. Of course, the government seeks to operate as one government, and different elements of the government seek to implement relevant elements of whole-of-government policy.

MR COE: In the annual report there is mention of a term called "land rent 30-year loans and interest". What revenue exactly is that and what—

THE CHAIR: Have you got a page number, Mr Coe?

MR SESELJA: Page 83.

Mr Meyer: I can only give a broad description of it. The 30-year loans were taken out in relation to rural leaseholders. This was a part of policy that goes back some eight or 10 years. It was a loan opportunity for 99-year rural lessees to effectively purchase the lease on particular terms. I do not have the figures in front of me to comment on the revenue stream. I will take that on notice.

MR COE: So it is totally separate to the land rent scheme that is commonly referred to?

Mr Meyer: Yes.

THE CHAIR: So you will take that on notice, Mr Meyer. Thank you.

MR COE: On this issue as well, would you please be able to advise, since the establishment of the scheme, how many contracts have been exchanged; how many blocks or contracts have been handed back or transferred to a crown lease?

Mr Corbell: We can certainly advise what the records are in relation to leases issued by the territory. I would have to take that on notice but I can recall that about 300-odd land rent leases have been issued and terms settled and a large number are waiting to be settled.

MR COE: If you would take that question on notice and if it could be broken down into quarters that would be good. Perhaps you could also take on notice how many contracts that were initially eligible for the discounted rent rate are now required to pay the standard rate; also the standard rate ones that have been converted to the discounted rate.

Mr Corbell: Yes. We will take that on notice.

MR COE: Thank you.

THE CHAIR: So we will take both those things on notice.

MR COE: Likewise, if that could be broken down by quarter that would be great.

THE CHAIR: Mr Seselja.

MR SESELJA: On the same page we see the change of use charge. The original budget was for \$14.2 million and the actual in 2011 was \$11.292 million. I will get you to comment on what might be the reasons for that given that there would have been a bringing forward by a lot of people ahead of higher rates. I am interested to know why that particular one has dropped in the government's opinion and what the evidence shows as to why that is less than what was budgeted for.

Mr Ponton: In terms of the \$14 million or so that was forecast, it is like estimating the number of development applications that are going to be lodged; it is a difficult one. We need to look back at previous years in terms of the development activity that has been occurring over that time. But ultimately we cannot make people pay. It is a decision as to whether or not a lessee wants to redevelop a site. Even if they were to go through the process of obtaining the development approval and having the change of use charge determined, whether or not they actually choose to proceed with the development is ultimately up to them. So it is a best guess in relation to what we were expecting, \$14 million, and we received closer to \$12 million. But it really just comes down to the development industry over that period.

MR SESELJA: On page 126 it says that there was a spike in active DAs in June 2011 from 236 to 341. Did that not play a part in increasing the amount of revenue in that period?

Mr Ponton: No, because the decisions for those DAs would be made in the latter part of 2011. You will see that the determinations will be made after that time. So you will see those figures reflected in the next annual report.

MR SESELJA: The first quarter reports that were recently published showed it was down from an estimated \$5 million to \$1 million. So does that mean that those have not been processed still?

Mr Ponton: I would expect so; that is right. There are DAs where either the decision has been made and we have not yet made the determination in relation to the change of use charge or we may still be in a situation of appeals to the tribunal.

MR SESELJA: And the 236 to 341 in June: are we seeing the target approval times met in relation to those DAs being assessed?

Mr Ponton: The approval times? Yes. We are currently sitting at 76 per cent, year to date, within time.

MR SESELJA: And remind me of the time frame?

Mr Ponton: It is 30 or 45 working days, depending on whether or not there are submissions received during public notification, and the target in the budget papers is 75 per cent within time.

MR SESELJA: So why then is that not coming through in the first quarter of this financial year in terms of revenue because all of those times would be in that first quarter if they were lodged in June?

Mr Ponton: Keeping in mind that the decision on the DA would have been made at that time, but then there is a process for the determination of the change of use charge which comes after; it is a post-DA process. That involves a referral to the Australian Valuation Office for their advice and then there is often a period of discussion with the private valuers where there is a difference of opinion. So that can take some time.

MR SESELJA: How many have been lodged since 1 July 2011?

Mr Ponton: I would need to take that on notice.

MR SESELJA: Could you also let us know what has been the average time frame for those approvals as well?

Mr Ponton: Yes. The DA approval?

MR SESELJA: Yes.

Mr Ponton: And in addition the determination?

MR SESELJA: And the determinations, yes.

THE CHAIR: So we will take those on notice.

MR SESELJA: Just a final one on this: given that spike in June 2011 how many, if any, additional staff had to be redirected to deal with that backlog?

Mr Ponton: We did not employ additional staff. What we did do was redirect staff from within the planning delivery division to the team that deals with those particular development applications.

MR SESELJA: How many staff were redirected?

Mr Ponton: As I recall, there were two.

MR COE: And does that mean that there is now a backlog in the area where those two staff were working?

Mr Ponton: No, there is not. As luck would have it, there was capacity within those teams.

THE CHAIR: Ms Le Couteur.

MS LE COUTEUR: On page 15 you mention that we all know that there has been a change of administrative structure due to the Hawke report and that this was under a notifiable instrument which changed the portfolio arrangements. But the planning and development legislation clearly enshrines that ACTPLA is an independent statutory

body and clearly you still use the word “ACTPLA”. We have an ACTPLA annual report. Are you planning to introduce legislation to change the situation of ACTPLA? My memory is that the Hawke report suggested that legislative changes would be necessary.

Mr Corbell: It is the case that the Hawke report made those recommendations. But the government did not agree with those elements of the Hawke report and the government has taken an explicit decision that it will not seek to make any changes to the operation of the Planning and Development Act. The Planning and Development Act specifies that the Planning and Land Authority is the chief planning executive, so the legal entity of ACTPLA is the chief planning executive and those who work to the chief planning executive. The chief planning executive continues to exist and is also the Director-General of the Environment and Sustainable Development Directorate. So the Director-General when performing the duties of the chief planning executive is the ACT Planning and Land Authority.

MS LE COUTEUR: Is there a possible conflict of interest given that the chief planning executive is also, as you mentioned, the Director-General of ESDD? Presumably at some point he wears a number of different hats in effect. How do you deal with the at least possibly perceived—hopefully not too many actual—

Mr Corbell: There is no difference from the previous administrative arrangements in that respect in that I think it has always been very clear that ACTPLA when it was a stand-alone agency and ACTPLA as it is now as part of ESDD performs two functions. The first function is a regulatory function to assess development proposals according to the relevant provisions of the territory plan and to determine whether or not to grant planning approvals or development approvals for those proposals. Those functions have always been exercised consistent with the legislation; that is, it is an independent statutory process where there is no reference or referral to the minister of the day or the government of the day except where the act provides for that, such as, for example, through the exercise of the ministerial call-in powers. So nothing has changed in that regard.

But the other function of ACTPLA, which again has not changed, has been its advice on government policy setting and the setting of government planning policy. When ACTPLA was a stand-alone agency it provided advice to the government of the day about what the territory’s planning policy should be, and the government was the decision maker on that policy. That remains the case today. That is the way it has worked previously. That is the way it operates now. It is enhanced by the fact that a number of other elements relevant to land use and transport planning now sit within the Environment and Sustainable Development Directorate, such as energy policy, water policy, nature conservation policy and so on, and provide us with the opportunity to have a much more integrated and holistic view about how planning decisions impact on those broader areas of policy and vice versa.

MR SESELJA: Just following on from that on the chief planner and the role, the org chart on page 3 of the annual report has Neil Savery as the chief planning executive. Is that now just replaced with David Papps as chief planning executive and everything else remains the same?

Mr Corbell: No. That organisational chart is the organisational chart prior to the changed administrative arrangements.

MR SESELJA: And so the revised organisational chart has Dr Papps as the chief planning executive; and what else has changed?

Mr Corbell: I am sure Mr Papps would be grateful that you have made him a doctor, but he is not.

MR SESELJA: He does seem very learned to me, so I thought he had probably some title.

Mr Corbell: He is a most learned individual. But Mr Papps is performing the role of the chief planning executive, and the new organisational chart would reflect the operations of the existing Planning and Land Authority and the other policy areas that have been integrated from both Territory and Municipal Services—that is, transport planning functions—and from the old Department of the Environment, Climate Change, Energy and Water, which includes energy and water policy, climate change policy, nature conservation, biodiversity policy and so on.

MR SESELJA: Mr Papps was recently reported in the *Chronicle* talking about problems with implementation of town centres in terms of the government's role in departments. He was quite critical of certainly federal government departments not being out in the town centres. Is it reasonable to say that that criticism could equally be thrown back at the ACT government, which is planning on centralising a large part of its workforce in the city?

Mr Corbell: First of all, the government is not proposing to centralise a large part of its workforce in the city—

MR SESELJA: Four and a half thousand staff is a pretty large part.

Mr Corbell: insofar as—

THE CHAIR: Excuse me; Mr Seselja, will you let the minister answer.

Mr Corbell: a large number of those staff are already in the city, albeit in separate buildings rather than in a single building. But leaving that aside, Mr Papps, regrettably, cannot be here today due to illness in his family. However, I know that he did wish to address this sort of question, as we anticipated that you may be raising it, Mr Seselja. All I can say on that matter is that, whilst I was not present at that meeting where Mr Papps was reported as having made those comments, I am advised by Mr Papps that his comments were taken entirely out of context. I think it might be sensible if I simply take your question on notice and Mr Papps can provide you with his written answer.

MR SESELJA: I would be happy for you to do that, but most of these are quotes. I have not seen any letter or anything that corrected that. I know that at another time when Mr Papps was misquoted, he wrote to me and said that he had been misquoted. I appreciated that. If he has not been misquoted, is it a bit difficult for the ACT

government to be advising the federal government that they should be putting commonwealth departments in the town centres—which I agree with—when the ACT government is proposing to build such a large office block for its workers in the city rather than having them out in the town centres?

Mr Corbell: I am advised by Mr Papps that your question has no foundation because he has been taken entirely out of context.

MR SESELJA: Was that made clear? Did he write a letter or anything to the *Chronicle* in order to correct the record?

Mr Corbell: I understand that Mr Papps has raised the matter. In what form, I am unclear. I would have to take that question on notice. Regrettably, Mr Papps is not here today to answer that question.

THE CHAIR: Thank you, minister. We will take that matter on notice. Ms Le Couteur.

MS LE COUTEUR: I want to go to Kingston foreshore. To the best of my knowledge, the day that you announced that there would no longer be third-party appeal rights to Kingston foreshore was the same day that approval was given for the CIC development on the Kingston foreshore. Would you agree that effectively what you did was call in that development? And if that is the case, why didn't you just do a call in rather than make an exemption of the whole site?

Mr Corbell: No, I did not call in that development. You can have an argument about whether the effect is the same or not. The fact is that the government was seeking to respond to a broader issue at Kingston, which was not relevant just to that single development proposal.

MS LE COUTEUR: Given the many comments that ACAT has made about an interpretation of planning laws in that area, and given that there have been successful ACAT appeals there, why are we getting rid of appeals when there appears to be a need—when ACAT is finding that some of them were reasonable appeals?

Mr Corbell: The government's view is that the development of the Kingston foreshore is, first of all, a priority in the context of urban consolidation activity in the city and renewal of a brownfield site. Secondly, it is a precinct that has been subject to extensive and exhaustive public consultation in the development of the planning and development framework for the site. And thirdly, there are extensive and comprehensive planning and development requirements for individual developments on the site.

In that context, the government believes that the use of planning appeals by commercial rivals to other development proponents is inappropriate. In the same way that we removed third-party appeal rights for Civic and the town centres because of their abuse by commercial rivals to gain some form of competitive commercial advantage over others—that was a very important factor in removing third-party appeals from those centres. The same applies in relation to Kingston foreshore. It is not acceptable for commercial rivals to use planning appeals for some form of

competitive or commercial advantage. That is a key factor in the government's thinking in relation to Kingston foreshore.

MS LE COUTEUR: ACAT has the power to say that something is vexatious and frivolous and just basically say no to it if it felt that was the case, which presumably it would if they were purely for commercial reasons, as you suggested. Kingston foreshore now has residents in it. Appreciably, 10 or 15 years ago it did not. Why do they not have the same rights as other people in the ACT?

Mr Corbell: Kingston foreshore residents are buying into an extensively master-planned community where the built form and the nature of the built form to be delivered have been comprehensively examined and publicly consulted on prior to the development framework and approvals framework being agreed to. So Kingston foreshore residents know what they are buying into. They are buying into a medium to higher density development estate, with all of the form and nature of that, the parameters of which are set out very clearly in the planning and development guidelines. For those reasons, the government thinks that, unlike other areas that go through change which is more uncertain and more significant, the development of a brownfields estate like this is a different set of circumstances that allows us to consider different approaches in relation to planning appeals.

THE CHAIR: On page 11 it talks about the Building Quality Forum—and also page 117.

Mr Corbell: I beg your pardon, Madam Chair, but Ms Le Couteur said, “Oh, but surely the ACAT would dismiss matters as frivolous or vexatious if they were purely for commercial advantage.” I can assure Ms Le Couteur that these cases are argued in much more complex and considered terms than that. It is very rare for the ACAT to make a finding of a frivolous or vexatious matter. It is normally the case that an objector can find a ground to argue an appeal that would avoid the frivolous or vexatious test.

THE CHAIR: Thank you; it was very important to clarify that. Getting on to the Building Quality Forum, which is mentioned, as I said, on page 11 and also on page 117, I wonder if you could expand on that, please.

Mr Corbell: My predecessor, Mr Barr, commenced the process of the building and development forum as a way to address concerns around some problems with building quality in the ACT. That forum was convened last year. In September 2010, my predecessor, Mr Barr, released a report called *Building quality in the ACT*, which outlined the findings of a series of working groups that were established following the development of the Building Quality Forum.

The working groups that prepared this report met four times. Their job was to analyse the existing position in relation to the construction industry as it related to building quality issues and to prepare a comprehensive review. That review was subsequently discussed at a reconvened building quality forum which I convened in July this year. And ACTPLA, in conjunction with the owners network corporation—the body that represents body corporate entities here in the ACT—the strata management institute and industry, finalised an electronic building quality survey for completion by owners.

This will allow us to identify areas of ongoing concern in people who own or who are members of bodies corporate here in the ACT.

That work will be used to inform the review of the Building Act, which the government outlined as an important priority in the most recent budget. The government has provided significant funding to allow for a complete and detailed review of the Building Act to commence. This will allow us to develop policy responses to issues around building quality, particularly for larger scale developments, as part of a review of the Building Act.

This is a very important body of work. The long-term strategic directions of the city are around encouraging greater density around centres and along public transport corridors. Therefore, the quality of the built environment and the performance of that built environment are particularly important if we are to maintain and further build community confidence in that style of living as a legitimate and quality housing choice. These issues and this work will allow us to engage effectively in that exercise.

THE CHAIR: Do I understand you to say that now people can access a way of putting in a complaint about building quality online? Is that what I understood you to say?

Mr Corbell: Yes. There was a survey undertaken earlier this year by ACTPLA, in conjunction with the Owners Corporation Network, which is effectively the lobby group that represents bodies corporate here in the ACT, along with strata managers and the broader industry. It is probably also worth highlighting that a number of reforms have been agreed out of the process to date. Those include measures such as mandating inspections of pre-sheet and wet area stages of building work by building certifiers. This is an area of common complaint—leakage of water between units. This is an area that has been identified as a priority in the short term. They include establishing a prosecution and pro-rectification policy towards developers and builders who fail to comply with the BCA when constructing class 2 buildings, as well as liaison with procurement agencies in the ACT to raise awareness of quality control processes in decision making.

These are all practical steps that are being taken in the short term to address building quality issues; there are also medium and longer term reforms that are being pursued.

THE CHAIR: How has this been received by the lobby group that you mentioned?

Mr Corbell: Overall, the response has been very positive. At the last meeting of the Building Quality Forum that I convened in June, there was a strong level of support for the work that had been undertaken by the planning authority in relation to looking at issues that needed to be addressed around building quality. I think there was a strong view that this is about targeting poor performance, not about labelling the whole industry as a poor performer—because that is certainly not the case. It is about targeting poor performance. There was a strong level of support for the process undertaken, the outcomes and reform proposals that were being identified and the next steps in terms of progressing those.

THE CHAIR: Thank you very much. Mr Coe.

MR COE: I have some questions about the triple-bottom-line reporting, but before I get there I have a quick one about a variance on page 88 of the annual report. It says:

The variance of \$20,000 between Original Budget and Total Appropriated for Expenses on Behalf of the Territory arises from Treasurer's Advance for payment of compensation to leaseholders for withdrawal of land.

Would you be able to give me some background to that \$20,000 payment?

Mr Corbell: I imagine that would relate to anticipated and actual costs for compensation for improvements on land that has been withdrawn for urban development or other purposes. I will need to seek some further advice on that.

THE CHAIR: We will take that one on notice.

MR COE: Thank you. With regard to triple-bottom-line reporting, which is mentioned on page 140 of the annual report, there are mentions of upgrades to Dame Pattie Menzies House which have improved the energy efficiency of the building. How much money has been spent on those upgrades and what is the value of the efficiencies generated?

Mr Corbell: There have been two projects in relation to Dame Pattie Menzies House. The first has been an upgrade to lighting in the building. Six floors occupied by ESDD and two occupied by ACT Procurement Services were recently retrofitted with LED lighting. The lighting upgrade has cost approximately \$200,000. It has been funded from the government's resource management fund, which is administered by ESDD overall as basically a revolving loan facility for government agencies to access for energy and water efficiency and other sustainability improvements. We expect a significant and immediate reduction in energy use, estimated annually at in excess of 225,000 kilowatt hours. They are the measures in relation to lighting.

In relation to building performance overall, ESDD, with Property Services, has identified a range of measures to further improve the building's performance. For example, the building's overall cooling level has been raised. Previously the building operated at a cooling level of 22½ degrees. That has been raised to 24 degrees and will achieve a significant saving in energy. That is for cooling. In relation to heating, the building was previously set at 23 degrees. The building heating has been lowered to 22 degrees, and heating systems shut down at 5 pm every weekday.

There has been a range of other measures. For example, a computerised lighting system automatically turns building lights on; 7.30 am on weekdays was the previous arrangement, so it was an automatic switch on of all lights. That program has now been reprogrammed to manual, so the building lighting is now turned on by the first person to arrive at work on each floor. Previously, building lights were often left on over the weekends and on public holidays. Again, the C-Bus system has been reprogrammed, requiring building lights to be turned on manually. That will last for an hour until they turn off again. That ensures that lights switch off after a particular period of time if they are not used, particularly over weekends or in public holiday periods.

Another example of work that has occurred is in relation to hot-water urns, which were previously running 24 hours a day, including at weekends. Again, the building management system has been reprogrammed. Hot urns are connected to the system and automatically turn on when the building lights are manually turned on by the person on each floor. Hot-water urns turn off at 7 pm every weeknight and follow the same programmed rules as for building lights.

Those are some of the changes that have been put in place. We have seen a decrease in electricity consumption of 29 per cent over the period 2005-06 to 2009-10. Those are some examples.

MS LE COUTEUR: How have the staff received it?

Mr Corbell: I would have to ask people who work in the building.

MR COE: How much money has been spent in total on these energy efficiency measures? You said \$200,000 for lighting, but how much in total?

Mr Corbell: I think a number of these other changes are really programming changes that may not have entailed a large amount of cost. I would need to take the question on notice. I do not have that information.

MR COE: Sure, and if you could also provide a breakdown of those costs in terms of consultants versus actual capital or hardware.

Mr Corbell: Yes.

THE CHAIR: You will take that on notice.

MR COE: On this issue of lighting, has this been something that has been in the pipeline for a little while? Is it something that the government or the directorate has been considering?

Mr Corbell: I understand this was identified as a measure a couple of years ago.

MR COE: If it was determined a couple of years ago, why did it go to a single select tender as opposed to putting it out to the market?

Mr Corbell: I would have to take that on notice, Mr Coe. I am sorry; I do not have that detail.

MR COE: If you would, because that tender was to the value of \$91,000, as listed on page 189. You would think that if it was planned a couple of years ago there would have been plenty of opportunities to go to market and to have got the best possible price.

Mr Corbell: It is not about time; it is about who is available to deliver that service. I will take the question on notice.

THE CHAIR: I am sure there have been some savings, too, minister, along the way with regard to these improvements.

MR COE: What is the value of the electricity bill? You said that from 2005-06 through to today there was a 29 per cent saving. What is that in actual terms?

Mr Corbell: Prior to the installation of the lighting upgrade, Dame Pattie Menzies House tenant electricity costs were sitting at just over \$100,000 per annum. That was for the 2009-10 year.

MR COE: And for 2010-11?

Mr Corbell: I do not have figures for 2010-11.

MR COE: What about for 2005-06, if you had the 29 per cent variance?

Mr Corbell: In 2005-06 electricity costs were closer to \$105,000.

MR COE: So you had a reduction in 2009-10 from 2005-06 and that was without the changes. So if it is a 29 per cent saving that means that we can expect to see about \$75,000 for the cost of electricity in 2010-11.

Mr Corbell: I am advised that cost savings on electricity bills as a result of LED lighting are expected to be in the order of \$50,000 annually.

MR COE: Is that just for lighting or for the entire electricity bill?

Mr Corbell: That is the contribution of the lighting measure to the overall electricity bill.

MR COE: Okay. If you could take that on notice in terms of the lighting bill for each year that would be great.

Mr Corbell: Yes.

MR COE: And the proportion that the lighting makes up of that bill and, in fact, how you got to 29 per cent.

THE CHAIR: Thank you. We will take that on notice. Mr Seselja.

MR SESELJA: Picking up from where Mr Coe left off, on pages 188 and 189 there are a number of contracts, some of which are very large. I estimate it is about \$1.2 million in total worth of contracts that are single select. I wanted to through the reasons for some of those. One was for the Molonglo River park concept plan. It is a \$215,000 contract that is single select. Is there a reason why that is single select?

Mr Corbell: Mr Murray might be able to assist.

Mr Murray: Thank you, minister. I believe there is a strong reason for why we went to single select there. The matter of doing the river park concept plan was decided by

cabinet and some funds were set aside. There was an urgency to align that work with the next stage of development in Molonglo, stage 2. We were midway through the planning and development framework for stage 2 at the time. I was very keen to ensure that we integrated that work. There is an interface between the urban area and the river park.

We were also in the process of negotiating the strategic assessment for Molonglo with the commonwealth at the time. A lot of the matters of national environmental significance were located in the river park. We felt that this process would also give greater surety or reassurance to the commonwealth as part of that process. In a sense, it was integrating the work of the strategic assessment and the planning and development framework for stage 2 of Molonglo.

There was, firstly, an urgency to do it. It was also extremely important that we had a high quality job undertaken and we had a team that was able to start very quickly. In conjunction with Territory and Municipal Services at the time, we held some discussions with them around candidate consultants that could lead this team. Essentially, we handpicked a consortium to undertake the work. The project was led by Hassells. The project leader is a well renowned designer of these sorts of development areas and parks. They have had a lot of experience. Tony McCormack was chosen for his experience and expertise. We also chose some consultants that were familiar with the area and had worked on it and had some local knowledge to support that team. In a sense, it was a consortium that was chosen in conjunction with Hassells to undertake the work.

Fast forwarding to where we are now, that project has been extremely successful. We have produced a very competent piece of work. It has integrated well with the planning and design framework of Molonglo. It has also helped support the approval of the strategic assessment which we received from the commonwealth this month. There was an urgency to do the work. We were extremely satisfied with the reputation of the team who were being put forward and the consortium that were finally put together and there was a timeliness to do it.

MR SESELJA: What was the process? Did you seek quotations from a number of potential providers?

Mr Murray: No, we did not. We chose the consultant and we negotiated directly with Hassells as the consortium leader for that work.

MR SESELJA: Would it have slowed things down considerably to get three quotes?

Mr Murray: I believe it would.

MR SESELJA: The procurement guidelines say that if it is between \$25,000 and \$200,000 you have to seek three written quotes and if it is \$200,000 or more you have to go to a public tender. It seems there are a lot of contracts that are significant that are single select. We saw \$106,000 for a spatial plan evaluation and urban form scenarios. Why was that single select?

Mr Corbell: Just before we deal with the detail of your question, Mr Seselja, I should

make the point that there are provisions that permit exemptions from the requirements you have just mentioned at the decision of the relevant chief executive or director-general, as they are now. I assume in those instances that that discretion was exercised. It cannot be exercised by line officers. It must be cleared by the relevant chief executive or director-general. Going back to your specific question, Mr Murray?

Mr Murray: Firstly, I can confirm that the documentation and the case were put to the chief executive and he exercised his authority to make that choice. In terms of the one you are asking me about now, it was not a project that I was involved in. I would have to take that specific question on notice.

MR SESELJA: Okay. But the director-general would have had to approve that? Maybe the director-general can answer that question then. What was the rationale for a spatial plan evaluation and urban form scenarios being single select?

Mr Corbell: Given these tenders were authorised by the previous Chief Planning Executive, I would need to take the question on notice and seek some advice on those matters.

MR SESELJA: Okay. We have got another one—Moncrieff stage 2: cultural heritage investigations, \$99,000. Again, it is single select. What was the rationale there?

Mr Murray: I can give a general answer. If it is not satisfactory, I would need to give you a specific answer. My recollection of that matter was that there was an extension of existing work that was being done and the consultant had, in a sense, an advantage in undertaking this work and, therefore, an extension to a previous quote was sought. If you need further detail, I would like to take that on notice.

MR SESELJA: Minister, there is a lot here. There is about \$1.2 million in single select tenders that are reported. That seems a lot. Are you able to assure the community that we have got value for money on that \$1.2 million-odd worth of contracts when, in some cases—and I presume in most cases—we did not even seek quotes and certainly there has been no tender process for fairly large contracts?

Mr Corbell: I am confident that at all times the then chief planning executive will have exercised their discretion appropriately. The law does provide for exemptions and discretion to be exercised to proceed to single select in certain circumstances. Those are matters for judgement on the part of the relevant chief executive. I am confident at all times the relevant chief executive has exercised a discretion appropriately. It is the case that, from time to time, there is a need to proceed to single select, either due to the urgency of the matter or because of specific expertise, knowledge or previous understandings or, indeed, previous work undertaken by that consultant on behalf of the government that warrants a continuation of using that particular contractor. So these are matters that are dealt with on a case-by-case basis.

As you can see, the overwhelming majority of tenders have been through a competitive process. But as is the case here and, indeed, in other government agencies, single select is used from time to time in the types of circumstances that I have indicated and consistent with the procurement guidelines of the territory.

MR SESELJA: Could you, on notice, provide to the committee the rationale for each of those that are reported as single select in the annual report and whether or not quotes were sought and if not, why not?

Mr Corbell: Yes. There are reasons for all of those single select. They must be recorded as part of the decision-making process in relation to single select. And we can take that on notice and provide that to you.

THE CHAIR: So we will take that on notice. Ms Le Couteur.

MS LE COUTEUR: I would like to ask some more questions about tune up Canberra, not specifically about Dame Patty Menzies House, which you mention on page 11 and page 55. On page 11 you say it was wound up after two years and four rounds, having distributed about \$1 million. But in the 2009-10 budget there was actually \$2 million allocated to it. Why did we manage to only allocate half of the money? It is page 11, the fifth para down. You may need to get more information.

Mr Corbell: Ultimately, there was not the level of take-up from industry that the government expected in relation to this program, which is the reason for the expenditure being under expectation. But that said, we did see initially the program, which was launched in April 2010, was proposed to comprise five rounds. The grant was to eligible owners. It was available to owners of building code of Australia class 5 commercial buildings of greater than 500 square metres in area.

Stage 1 applications involved a grant of up to \$8,000 to complete a tune up report, identifying the building's existing baseline energy and water performance, how energy and/or water savings could be made and what targets could be anticipated and an estimate of costs to achieve them. Stage 2 applications involved a grant of up to \$100,000 to undertake agreed capital works based on the findings and recommendations of the tune up report. Four rounds were conducted, with six stage 1 applications and 10 stage 2 applications, totalling grants worth \$961,725 being committed.

Successful applicants were required to sign a deed of grant outlining the terms of the grant, conditions regarding what the money could be used for and what information was to be provided to the government once it was completed. Currently, \$137,805 has been expended and throughout the next 24 months, as building works are completed, the remaining \$826,000 is expected to be dispersed.

MS LE COUTEUR: Have you any idea why there was not so much interest? Was it a lack of publicity? Did building owners in general know about it?

Mr Ponton: I certainly do not think that it was a matter of a lack of publicity. Certainly the Planning and Land Authority undertook extensive advertising in relation to the program and also engaged directly with industry, professional associations and industry bodies. Why there was not the take-up that we expected, I cannot answer that. But it certainly was not through a lack of trying to generate interest.

MS LE COUTEUR: Have you done some work on trying to answer that? I would have thought that improving our commercial buildings was something that we would

still want to do.

Mr Ponton: Not directly.

Mr Meyer: Perhaps I can add to that. As a member of the evaluation committee, it was an exercise that we looked at very closely. We did talk extensively to building owners to get a sense of why the lack of take-up or the issues that arose. Many of them were really at that stage of their cycle of redevelopment or upgrading buildings where it simply was not the right timing to do that. Others were approaching the stage where they were going to do major upgrades and the tune up program provided some additional support to that which would enable them to supplement the funds that they were going to add in.

But much of it really did come down to the fact that in terms of the building's life cycle, it was not the right time for them to invest or they had done their own work previously. So there were elements around that which seemed to come out quite strongly.

MS LE COUTEUR: When you said it was not the right time in the life cycle, what time was the wrong time?

Mr Meyer: I think some of the extensive periods that they look at might be a 10-year or a 20-year cycle to do major upgrades. I think the good news from the point of view of the grants that were given is that there are a broad range of buildings, from newer ones to significantly older ones, that will have some benefits from this, and I think we will see some results that will give an indication as to the effectiveness of the program. That was the other issue that the evaluation panel took into account. It was that until we started actually getting some evidence that the investment was returning dividends, it was going to be difficult to again go out and promote to other sectors of the business community that this is a worthwhile venture and that it will make a difference to their bottom line effectively.

MS LE COUTEUR: Does that mean that you anticipate having some case studies in the future and restarting this program?

Mr Meyer: I could not comment on that. That is a decision for the minister and government, but I think there is an opportunity that we will be doing follow-up on the work that it is in train and that should hopefully provide us with a body of information that will give a sense of what worked and what did not work.

THE CHAIR: Minister, on page 121 it talks about the customer service section implementing the building application model e-development system and it talks about the work with regard to this e-development system continuing in this financial year that the report covers. Could you give us some more information about how this has been received and how it is proceeding?

Mr Meyer: The e-development platform for the directorate is a very significant project that was started some six years ago, and it is nearing the end of its construction period. Effectively, what we will have when it is fully up and running—and we are within two months of that work being completed—is an end-to-end electronic

lodgement system which enables the lodgement of DAs. That is the most informed part of it—and we have something in the order of between 55 and 60 per cent take-up rate at this stage—through to the BA side of the organisation's operations, which will enable work to be done on that side of electronic lodgement of certificates and so forth. So we are working with certifiers and trade representatives to make sure that they get an understanding of that system so that when we fully go live with it—we expect some time in January—then most of the applications in any form will be lodged electronically.

Associated with the system are work flows so that from a DA perspective, that information enables assessment officers to manage their case load and understand where they are at a particular point in time, as well as management to monitor that to determine the level of applications that are being undertaken by different individuals, and they can be shifted and moved around. So it is a very sophisticated system that is certainly continuing to gain a lot of support.

We are continuing to work with the development sector to ensure that they have got the appropriate training and support to use the systems effectively, and I think that has certainly been paying dividends.

The other element to it is that with the field inspectors, the electrical inspectors, the plumbing inspectors and so forth, when they are out in the field, what they are using and starting to use are such things as iPads and so forth to record information and send it back electronically to the office. They do not have to come back and file reports and so forth. So it is becoming certainly an extensive and integrated system which provides a great deal of management information as well as support to the development sector.

THE CHAIR: Has this necessitated some retraining of staff in the use of these applications?

Mr Meyer: Yes, it certainly has required that. The administrative support staff that look after that, as well as the IT teams and so forth that service that need, have required training and support. In terms of the users, we have put a lot of effort into running seminars, having trained staff go out to the offices to assist the businesses to get up and running and use the system effectively and provide a help desk function as well where they are having difficulties with the system at any particular point in time.

THE CHAIR: So it has been well received at the staff level as well as with the developers themselves?

Mr Meyer: I am sorry, I did not catch that.

THE CHAIR: It has been well received overall at the staff level as well as with people that are making applications?

Mr Meyer: Yes, I believe it has. I think certainly the DA side of the operation is more mature in terms of its application. The BA side is starting to come on stream, and naturally it takes time to work with industry. They are not used to lodging applications that way or doing work online that way to get them used to it and to understand that,

in fact, there are inbuilt processes that will make their management of their businesses a lot easier.

THE CHAIR: Mr Coe.

MR COE: I would like to ask some questions about the departure of the former chief planner. Will you please advise, with regard to the circumstances of his departure, whether a package was offered to him to depart?

Mr Corbell: Those are matters between the chief planning executive and the head of the service, Mr Cappie-Wood. There were a series of discussions between Mr Cappie-Wood and Mr Savery and following conclusion of those discussions, Mr Savery concluded his tenure with the ACT government.

MR SESELJA: On what date did his tenure end?

Mr Corbell: Mr Savery was absent from 1 September this year. The position of chief planning executive became vacant.

MR SESELJA: On the question by Mr Coe, are you saying you do not know whether or not a payout was given, or are you just not going to say?

Mr Corbell: I understand that there were discussions around Mr Savery's contractual terms. Mr Savery's contract was in place until a period beyond 1 September. I do not have the exact date in front of me, but he had a contract. He ceased his tenure with the ACT government on 1 September. I understand there were discussions around his contractual terms, but I am not familiar with the details of those discussions.

MR SESELJA: Did he resign or was his contract terminated by the government?

Mr Corbell: The position became vacant on 1 September.

MR SESELJA: So it was terminated by the government? Is that correct?

Mr Corbell: The exact legal position I would need to seek advice on, but I understand that, by agreement, the position of chief planning executive became vacant on 1 September.

MR SESELJA: If he did not resign, why is he no longer in the role?

Mr Corbell: Mr Savery indicated to the government that he wished to pursue other career directions. He was not sacked. He was not dismissed by the government. He indicated that he wished to pursue other career directions and there was a negotiation around his contractual terms to allow him to do that.

MR SESELJA: Are you able to provide then how much was paid out? I imagine it was more than a year of his contract.

Mr Corbell: I am not privy to those details. I will need to take advice on that matter and provide an answer to the committee.

MR SESELJA: It is a fair question, is it not? Mr Savery is on record asking the question whether his position was any longer tenable. Was Mr Savery effectively pushed out because he did not agree with the government's view of the world on things such as Giralang?

Mr Corbell: Absolutely not. The government made very clear to Mr Savery, as did I when I became the minister, that we wished Mr Savery to continue in a senior executive role in the ACT government. I indicated to Mr Savery very clearly my strong support for him, for his professional leadership and ability and the desirability of him remaining in the employment of the ACT government. Mr Savery took the view that he wished to pursue other directions in relation to his professional career. I accepted that position, I have to say with some regret. I would have preferred Mr Savery to remain a senior executive in the ACT government, but Mr Savery decided he wished to pursue other career avenues. And that matter became a matter for discussion between him and the head of the service, Mr Cappie-Wood.

THE CHAIR: Ms Le Couteur.

MS LE COUTEUR: Thank you.

THE CHAIR: I just remind you for our purposes that you are seeking further advice on that matter. Sorry, Ms Le Couteur.

MS LE COUTEUR: On the bottom of page 13 you say:

... the prospect of a streamlined, integrated approval process for what has, until now, been overlapping jurisdictions. While this will require legislative and cultural change, it was advocated for when the Planning and Development Act was established and should be pursued.

What is required? It is the bottom para on page 13. You specifically mention heritage and tree conservation.

Mr Corbell: Yes. In general terms that is referring to approval functions for heritage matters. Tree removal or impacts on certain trees sit in other parts of the ACT government, or did previously prior to the establishment of the Environment and Sustainable Development Directorate. One of the functions and issues that Dr Hawke raised in his review, which the government has agreed to, is the desirability of all of these urban governance functions, if you like, particularly as they relate to the planning and development framework, sitting within the one government directorate, so that is now what occurs.

Tree management issues through the conservator and heritage through the ACT Heritage Unit now are part of the Environment and Sustainable Development Directorate. This provides the opportunity for closer integration of decision making and coordination of decision making across the relevant statutory frameworks. In the future I think there is the ability to formalise that closer cooperation through statutory changes, but that will need to be considered by the government in due course in terms of the operation of the Planning and Development Act, the Heritage Act and so on.

MS LE COUTEUR: Given the closer integration and streamlining, does that potentially mean that in fact heritage and tree issues are given less attention? With streamlining you have got to streamline something.

Mr Corbell: Absolutely not. What it means is that rather than needing to get separate approvals on, for example, a development matter from the planning authority, the heritage unit or the Heritage Council and the conservator, there is the potential to have those approvals dealt with more holistically within a single statutory framework rather than multiple statutory frameworks. But that is a matter which the government will be exploring further. No concluded view has been reached on that, but we recognise the desirability of allowing for people going through the planning and development process to have to deal with only one agency rather than multiple referral agencies.

MS LE COUTEUR: I understand the conservator position is now automatically the Deputy Director-General of ESDD. Is that an issue given that that person would presumably be required to have substantial knowledge of trees if they are the conservator of them?

Mr Corbell: I make the point that all conservators have been served by expert technical advice when it comes to their statutory decision making. That was the case with the previous conservator and with the current conservator. The current conservator is Ms Farnsworth, so I will ask her if she wants to address your question.

Ms Farnsworth: Yes, as conservator I receive advice from a number of experts within the directorate and make decisions based on that advice. Further to that I would say that the role of the conservator in the longer term is an issue that is being actively examined through the review of the Nature Conservation Act. So should there be any further changes to that role it will be addressed through that process.

MS LE COUTEUR: Okay.

THE CHAIR: Mr Coe.

MR COE: The Auditor-General's report on the north Weston pond project discussed gateway reviews. With regard to recommendation 3 of that report, what consultation have you had with Treasury about the reviews and what role both parties will have going forward?

Mr Corbell: I will ask Mr Murray if he can assist with your question, Mr Coe.

Mr Murray: We are in the final stages of completing the government's response to the Auditor-General's report. This has involved extensive discussions with other agencies and other departments to take forward the recommendations of the Auditor-General's report. You have asked specifically about recommendation 3.

MR COE: Yes, that is right.

Mr Murray: Recommendation 3 states:

For future high-risk infrastructure projects, the project owner should ensure that:

(a) a strategic operational plan for the entire project is prepared, as a key project governance document and ongoing reference source for the project oversight or governance committee; and

(b) a series of gateway reviews are incorporated within the plan. This should involve a series of critical reviews of the ongoing feasibility and appropriateness of the project at appropriate stages, which seek to test the project's underlying assumptions and cost considerations, based on new and accumulated information and knowledge.

I would say that the government is still to consider a formal position on this, but our advice to the government is that we support this response as a way of learning from the exercise and experience. This was a complex project. There were a lot of elements and facets to the project. We regularly run complex projects and we are seeking to learn from these processes in terms of our governance.

A strategic operational plan in similar projects in the future would be prepared to outline the objectives, risks, mitigation options and review requirements at the commencement of a project. These would be reviewed and amended as needed by the project manager and agreed by the governance committee as a part of project reviews during the life of the project. These reviews will be undertaken at the issue of brief, preliminary sketch plan, final sketch plan and document readiness stages of the projects as a minimum, so essentially constantly throughout the project but at key milestone points. A particular recent initiative is the establishment of value management workshops which will become commonplace on major projects.

MR COE: Has the directorate or the ACT government used the gateway review process before?

Mr Corbell: The government has recently agreed to use the gateway review process and that process is now starting to be applied to a number of key projects.

MR SESELJA: Is there an update on the total cost of this project now? I know it has been scaled back, but what is now the latest estimate for this ponds project?

Mr Murray: I would have to take that on notice in terms of the latest on that at the moment because I have not got that advice to hand.

MR SESELJA: And where is that project roughly now in terms of its completion? Do we have an expected completion date?

Mr Murray: Again I am a bit uncertain about that. I would like to take that on notice to give you a clearer idea of that.

Mr Corbell: All I can say from my own visual observation is that work is progressing on the project and the shape of the pond is now becoming very clear as you pass by the construction site. We can provide a more detailed answer in relation to the project timetable.

THE CHAIR: We will take that on notice.

MR COE: Nearby to that of course are the RSPCA headquarters. Has ACTPLA been working on trying to find other sites that would be appropriate for the RSPCA to relocate to?

Mr Corbell: That is a matter for the Economic Development Directorate. They have responsibility for that given that it is fundamentally about a grant of government land.

MR COE: Sure. I understand that. But has ACTPLA been engaged to look into sites for any other directorate?

Mr Corbell: I am advised no. Generally speaking the Economic Development Directorate would make an assessment of unleased territory land in accordance with the existing zoning policies in the territory plan.

MR COE: Sure.

THE CHAIR: Ms Le Couteur, do you have any more?

MS LE COUTEUR: Absolutely, I have got more, Madam Chair. Page 39 mentions rural leases, although admittedly in a financial sense only. Can you explain how these work. You have got these 30-year loans to rural lessees. How do they work, and why do you then offer them a 69-year lease? Why don't they get a 99-year lease in the first place?

Mr Corbell: Rural lessees were given the opportunity to convert their rural lease to a 99-year lease about a decade ago. That involved the transfer of a significant amount of value to the lessee. As part of that process the previous government, the then Liberal government, agreed to a process whereby that purchase was based on a loan at a fixed amount of interest which was payable on a periodic basis as a way of paying out the assessed improved value of those leases.

MS LE COUTEUR: Okay.

Mr Corbell: There were other conditions also attached to those grants of long-term leases. For example, rural lessees were not able to sell or transfer their leases for a specified period of time—I think it was 10 years—as part of recognising the significant gain that they were receiving in terms of tenure.

MS LE COUTEUR: Can you give us an update on what is happening to the rural leases in the Naas Valley? Are they now being offered 99-year leases?

Mr Corbell: I have received representations from lessees in the Naas Valley in relation to their longer term tenure due to the effective finalisation of decisions around whether or not the Naas dam should be constructed. As the committee would be aware, the Naas dam is not proposed to be constructed, for a range of reasons, and therefore lessees are now agitating for longer term leases that give them long-term tenure and security over their land and allow them to make investments in the management of their leases.

I am very sympathetic to that position. I have recently advised a number of rural lessees that I support their request for long-term lease tenure. The government is currently finalising what the nature of that lease term should be and the terms and conditions of it. But I have indicated that in principle the government agrees that long-term tenure should be granted to rural leaseholders in the Naas Valley.

MS LE COUTEUR: And what about the Majura Valley? I understand some of the lessees have been looking for 99-year leases for house blocks.

Mr Corbell: In relation to the Majura Valley, those matters will be determined as the government completes further investigations in relation to planning for the Majura Valley as a result of the eastern broadacre study.

MS LE COUTEUR: Has there been progress on getting an IDC, a task force or someone who would liaise with the Majura lessees, particularly given the Majura parkway is going to be constructed?

Mr Corbell: In relation to the Majura parkway, Territory and Municipal Services have responsibility for that project. Territory and Municipal Services convene regular meetings with all affected leaseholders in the Majura Valley in relation to that project. The issue of lease tenure for leaseholders in the Majura Valley is raised at those meetings and I think ACTPLA is engaged in those meetings with leaseholders.

MR SESELJA: One final question, chair, if I could: page 57 of the annual report deals with act of grace payments. In 2011 there were none but in 2010 there was one for \$92,000 for payment relating to return of funds for a development application. What are the details of that act of grace payment?

Mr Corbell: I am sorry; there is no-one here who can assist with that question but we will take it on notice for you, Mr Seselja, and provide an answer.

THE CHAIR: That will be taken on notice. Thank you, minister. It now being just after half past 12 we will bring this hearing to a close. I reiterate that members have five days to put questions on notice after this hearing. Once you have received the questions, minister, you have about four weeks to get those questions back to us. There were obviously some questions taken on notice during this hearing. Thank you very much, minister. Thank you, officials. The hearing is now adjourned.

The committee adjourned at 12.29 pm.