



**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON ENVIRONMENT AND
PLANNING**

(Reference: [Inquiry into DPA-04 – Missing Middle Housing Reforms](#))

Members:

MS J CLAY (Chair)
MS F CARRICK (Deputy Chair)
MR P CAIN
MS C TOUGH

PROOF TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 12 FEBRUARY 2026

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Secretary to the committee:
Mr J Bunce (Ph: 620 50199)

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.

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Amended 20 May 2013

The committee met at 9.00 am.

BROCKHOFF, MR JOHN, National Policy Director, Planning Institute of Australia.
NASH, MR RICHARD, Principal Planner, SPACELAB, and Committee Member,
ACT Division, Planning Institute of Australia.

THE CHAIR: Good morning and welcome to the second day of public hearings of the Standing Committee on Environment and Planning for our inquiry into draft major plan amendment 04—missing middle housing reform. The committee will today hear from housing, heritage, planning and architecture experts, affordable and social housing advocates and the ACT government.

The committee wishes to acknowledge the traditional custodians of the lands we are meeting on, the Ngunnawal people. We wish to acknowledge and respect their continuing culture and the contribution they make to the life of this city and the region. We would also like to acknowledge and welcome other Aboriginal and Torres Strait Islander people who may be attending today's event or who may be watching from elsewhere.

This hearing is a legal proceeding of the Assembly and it has the same standing as proceedings of the Assembly itself. As witnesses, you are protected by parliamentary privilege, and you are also bound by its obligations. You must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. We are recording, transcribing with Hansard and publishing. We are also broadcasting and web-streaming live. If you take a question on notice—we do not often do this with our non-government groups, but, if you do—if you say, "I'll take that question on notice," that will help our secretariat track down the answers.

We welcome John Brockhoff and Richard Nash from the Planning Institute of Australia. We have your excellent submission. Would you like to make a brief opening statement as well or should we go to questions?

Mr Brockhoff: I would like to make a brief opening statement. I would point out that we have two submissions: one of 18 December and one of 11 July. The one from 11 July was a bit longer and detailed, and the one from 18 December wrapped up the key points, but they are the same for us. And I would like to point out that the Planning Institute regards the missing middle reforms as important for Canberra's future. As the professional body representing urban regional planners, we are very keen to provide a practical set of inputs to the working committee. We think that the draft amendment is a significant step in championing Canberra's future housing, and we support the intent of it to provide a wider range of housing choices on existing residential land across the ACT. But, with any planning reform, we always make the point that the reform should serve the strategic intents of planning strategy for the ACT and look at delivering the intent of the overall Territory Plan and district strategies.

THE CHAIR: Thank you. That is excellent. We have your submissions. Thank you very much. Could we get you to comment on neighbourhood character—it has come up from a few commentators—and how you think that is being treated in this missing middle reform. And this is a bit related. We have had some concerns about cumulative impacts of small decisions. It comes in lots of ways. It comes with cumulative impacts

on trees and green space and on car parking and transport—the sort of cumulative impact on neighbourhood character and amenity.

Mr Nash: The new Territory Plan, when it came in in 2023, included district strategies, and those district strategies talk to detailed future planning for the development of Canberra. We believe that it is essential that the future detail is brought forward now, in terms of identifying key landscape characters for various areas that are identified as, I suppose, being the hotbeds of missing middle housing. Central Canberra particularly is where we expect the missing middle to be taken up the most, in terms of these policies. Having those character statements to effectively deal with cumulative impacts and guide how we look at each area holistically is essential. This would be brought in by bringing more detail into those district strategies or looking at precinct based work in various growth areas.

Development outcome reports currently refer to policy assessment requirements, so you effectively deal with commenting on the guides and the mandatory rules. We also have a series of policy outcomes, and merely adding those into the development outcome report templates would mean that it is the proponent’s job to actually deal with those policy outcomes and respond to them, as well as respond to the rules.

THE CHAIR: Thank you, Richard. That was excellent. It sounds like your proposition would be that the district strategies need to be updated and the templates need to then have that policy outcome section added in.

Mr Nash: Correct. Obviously, those things are incremental, so identifying those key areas is essential to that as well. You would not necessarily think that missing middle housing is going to be taken up on the urban fringes in a massive way, just in terms of feasibility, but the central areas would be where I would focus my work to start with, in terms of developing those strategies and strengthening them.

THE CHAIR: Yes. Good advice, and I think it is a way for government to focus their resources.

MS CARRICK: With respect to strengthening the framework and getting down to the rules and the guidelines, a lot of rules are in the guidelines now. Some people have said that creates uncertainty because it is now very subjective. In the RZ1 area, apartments are permitted and there are zero setbacks. We can go down to zero setbacks. People are concerned about privacy, overlooking and overshadowing. What is your view about the settings that allow people to go right to the edge of their boundary? Developers will push the boundaries, so what are your views about those settings and whether they should be a little tighter?

Mr Nash: It is interesting because, I suppose, we move from a very much objective system. The 2008 Territory Plan had some very hard and fast rules, and those hard and fast rules brought their own issues as well, and it actually stifled innovation. It is about moving to an objectives based system. I think that having character statements—and I will go back to those once again—in the guide, in terms of limiting impacts to neighbouring properties and those sorts of things, will be a nice middle ground. I am still of the view that the assessment officers at the Territory Planning Authority are quite wise to this, so they will not permit a zero setback where it would impinge on a

neighbouring property's amenity. I see what you are saying, Fiona, in terms of uncertainty. I suppose it is a case of "trust us", whereas having some character statements and objectives—we have an objectives based system—and actually responding to those objectives, should be a key part of the assessment.

Mr Brockhoff: In practice around Australia—I operate nationally—in PIA we see this as a risk management exercise. You have some wider discretion with a performance based system, but you manage the risks that can arise from that by a degree of good policy and supporting spatial planning. Where you have master planning informing character statements, you are able to manage the risk better of going astray in your site-by-site assessment of things like setbacks. You provide that spatial and strategic planning context that sets out the desired character and the expectations around performance outcomes, such that you have greater confidence when you go to your development assessment process and deal with the issues that arise, be they setbacks or something else.

MS CARRICK: Thank you. Yes—we do not have those master plans at the precinct level, so I think that is where the nervousness comes in, in that cumulative impact.

Mr Brockhoff: It is certainly a risk management exercise.

MS CARRICK: Yes.

MR CAIN: I have a very general question, gentlemen, given you are from the Planning Institute of Australia's ACT Division. As you are aware, we have moved from, in very summary form, a rules based planning system to an outcomes based planning system. You are nodding, so, if you are happy with that encapsulation of the change, please elaborate, if you want. But, given that missing middle reforms are all going to happen within the new context of being outcome based, how well do you think the current approach for planning in the ACT is actually working? Whatever that is, the missing middle will be done under that approach. And, if we are kind of moving in the wrong direction now, it is only going to get worse, isn't it?

Mr Nash: There are a few things to that, Peter, and it is a very good question. I think moving to an outcomes based system is a very strong move. However, it means that there is more onus placed on assessors, and on the proponents as well, to deliver good outcomes. Basically, creating some guide rails as opposed to mandatory rules is important in that situation. Where we lean on the Urban Design Guide—and I suppose it is only new; it takes time to actually establish and strengthen the implementation—there needs to be a commitment to providing internal training to staff within the assessment teams. Once again, to echo what I said and what John stated earlier, it is about providing more guidance on what those policy outcomes actually are and requiring a response to those policy outcomes. I think that is going to be key as well. John, did you want to add to that?

Mr Brockhoff: Yes. I would like to add that PIA provided some advice to the ACT government at the time of the major reform steps coming into play, and our advice was that it is a desirable move. You can accommodate major city change and, indeed, the ACT can mature and have the confidence to use a performance based system. But a performance based system requires the things that Richard just said—firstly, a change

management exercise to equip—

Mr Nash: We lost you for a second, John.

Mr Brockhoff: I was basically saying that it is a change management exercise. You need to equip decision-makers and practitioners in the system about what the frame for managing performance outcomes is, how they interpret tech specs and do not deal with them in exactly the same way as they used to with the code, and how they use design guides. The two things that I have underlined, and which PIA have already underlined, are, firstly, to treat this as a change management exercise and resource the transition, and, secondly, use spatial strategic planning at a precinct scale, whether it is through an urban design or master planning element, to inform updates to district policies and strategies, or whether there are ongoing improvements to assessment criteria. You use spatial place based strategic planning to refine your outcomes and to give a greater deal of assurance that your decisions are made in a strategic context.

Mr Nash: To add to that a little further, John, I think consistency is going to be the key here as well. Anecdotally—and PIA members are constantly looking at DAs in the system—we are finding that there is an inconsistency with the level of documentation and the level of responses that are coming through, and there is potentially some inconsistency with some of the decision-making. So ensuring consistency is going to be key to build confidence, in the assessment team and also from the community, in the outcomes.

MR CAIN: An important consideration for me is whether the current approach is actually mature enough to embrace whole-of-Canberra rezoning, effectively.

Mr Nash: It is interesting you say that, Peter, because we are not seeing a lot of DAs that have been approved and have been constructed, so it is hard to comment.

MR CAIN: Well, that sounds like it is not quite ready yet.

Mr Nash: Well, it could be, but we do not know.

MR CAIN: If you do not know, then it is not, I guess, from that point of view! Sorry, I am not trying to put words into your mouth. A legitimate concern is that we have a new approach. The feedback I am getting as well from DA lodgers, planners and developers is that they are not sure what is going to get through. It is hard to construct something that will be an acceptable outcome to a particular assessor. So do we actually need to have a change or a tweaking or more time for the current approach to mature and become something people have confidence in before we do whole-of-Canberra rezoning, effectively?

Mr Brockhoff: I go back to the advice that the PIA gave the government several years ago: it is a major change, but it is a step in the right direction. The risks of the change can be managed by two major things. One is by buttressing the planning system reforms with stronger spatial planning and master plan guidance, and the other is with training case studies and working through examples, and—again using Richard’s point—starting with the areas that are most contested and likely to be the sites from which the most applications are going to be received.

THE CHAIR: I might pop back to cumulative impact. We have had pretty diverse views on cumulative impact. I reckon it is easiest to think about it in specific examples. The two that have come up for me are car parking and public transport, and green spaces and trees. We have had a range of views. One is that government should provide excellent public transport and then we just use enforcement to make sure we do not get spill-out of car parking in places where there should not be spill-out of car parking. There are plenty of places where government does not provide excellent public transport and there are genuinely no other options but to have a lot of people in cars and, therefore, we are likely to see a lot of pressure with on-street parking, illegal parking, difficulty for large vehicles to access streets, parking on verges, and compressing the limited green space we have left.

In these reforms, do you see any steps or any improvements that could be made to make sure some of those cumulative impact decisions are being made? Maybe they are being made differently in different places. I imagine that the decisions you make where there is excellent public transport might be different to the decisions you make where there is not.

Mr Brockhoff: Could I start with a general point, and I know that Richard will give you the details for the ACT. Many, or indeed most, jurisdictions around Australia adopt both maximum and minimum parking rates linked to different dimensions of accessibility and the availability of transport choices. In an idealised planning system—I am not saying anywhere is ideal—you would have maximum and minimum parking rates that respond to different levels of accessibility.

Mr Nash: I echo what John has stated. There was a recent move to parking maximums in core areas, and I think that was a very good move. In the previous Territory Plan, we had parking minimums. We have a changing transport environment, and the buildings that we are building now will be in place for decades, so, if you are installing basements in blocks for some contemporary—and not even contemporary; they are looking into the past for minimums—you often end up in a situation where you have empty basements that were built for no good reason. So, to echo what John has said, having a clear understanding of where those maximums should be in place and where those minimums should be in place is key to this.

THE CHAIR: That is excellent. Thank you. I will take you to the same question but with a different specific example. We have reduced the green space minimums in this missing middle reform, and the PIA was fairly supportive of that too. We have heard from quite a lot of industry experts that this reduction is acceptable on the basis that it is a higher quality of green space. The concern I flag—and we have had this raised by a number of people—is that, in a changing climate, we may be risking heat islands by reducing the amount of green space in our settings. At the same time, in the last five years our tree canopy coverage has reduced. I will put this to government: how we are increasing tree canopy coverage whilst reducing green space? Do you think that the cumulative impact of those decisions is properly taken into account in this missing middle reform, if it is done block by block?

Mr Nash: I am generally supportive of the changes. It is a bit of a loose example, but I suppose there is a trade-off. If we are going for greater density in central areas, that

means that we are not taking space in the green fringes either. That means that there is an element of trade-off. You also have the Urban Forest Act, which was put in place in 2023. That has a very strong protection of trees and canopy, and, in my view, combined with the Territory Plan 2023 and the missing middle reforms, that is a sufficient amount of policy lever pulling to enable that kind of canopy to remain and grow.

THE CHAIR: Do you think there would be merit in better monitoring of this? At the moment, the only monitoring we have of actual tree canopy is once-every-five-years LiDAR data. What we saw was that, between 2020 and 2025, it reduced, despite the fact that we would have wanted it to increase, because we are below our target. Can we manage that risk with some more timely monitoring?

Mr Nash: Jo, you certainly have pointed to something about which I will probably segue into another element of the policy. Having information on implementation is key. Just bringing in a policy and saying “She’ll be right” is not sufficient. Regarding the Urban Forest Act, I think there needs to be more monitoring of tree canopy. It has a cost, but it is a measure of “Is the policy working?” I will segue into this as well. In terms of missing middle housing, having a base for the types of buildings that come from this, the types of dwellings that come from this, and how they benefit the community are going to be key to understanding whether the missing middle reforms actually work.

Mr Brockhoff: The jurisdiction I am most familiar with is Sydney, in New South Wales. We have, for some standard designs, frontages and block designs that mitigate against tree planting. That needs to be avoided. There needs to be close scrutiny of the types of lot layouts for various missing middle designs, to ensure that there are no double garages, double driveways and services in locations, and trees cannot be planted. There is a real design element to this—a landscape design element—to ensure that the types of developments, the different typologies that are being approved, do not work against tree planting. The general examples I have seen are huge problems with double-fronted garages. I will not comment on the detail, because I am on camera.

THE CHAIR: Thank you.

MS CARRICK: On cumulative impact, subdivision allows us to go down to 300-square-metre blocks. In the older areas, we are used to having bigger blocks. When we go down to that level, there is more concrete, we are getting more run-off, and we are getting some serious floods, as we have seen over the weekend, and it has caused significant damage. I would like to understand your views. If the whole of Canberra can go down to 300-square-metre blocks, what impact does that have on water management? We have discussed the tree stuff, but what are your views about RZ1 areas being able to go down to that level?

Mr Nash: There is a balance here. Rather than moving to 300-square-metre blocks with the same size houses, it strikes me that there will be 300-square-metre blocks where it there was once a 900-square-metre block. The surface area may increase, but that can be dealt with, with more sensitive urban design measures and the like. I may need to take portions of this on notice as I would have to look into it a bit further, but, generally speaking, the urban design measures that we have in place in the ACT and nationally tend to deal with these issues, in terms of growth of permeable surface and better water

retention, to limit flooding and damage as they impact the stormwater functions of the area.

MS CARRICK: Yesterday, there was a lot of discussion about targeting development around local shops. It is walkable and there is liveability, with cafes, schools and what have you. Should there be densification in the further-out areas that are not walkable, we would end up with more cars. What is your view about targeting densification around walkable areas, like to local shops?

Mr Nash: My understanding is that the Territory Plan team are currently looking into local and group centres and densification around them. They are already looking at that. What I will say about the missing middle reforms is that you may suspect that there will be massive growth in density on the urban fringes and, therefore, hundreds of cars will be added to quiet cul-de-sacs. That is probably not going to happen, just from a feasibility perspective. There is the cost of building, the cost of LVC, the cost of money and then the sale price that you can get from an apartment in Conder. The invisible hand, the market, will result in those areas not being built in that way. You may see duplexes and triplexes in those areas, but you are not going to see a massive uptake, in my view. You are not going to see a massive uptake of apartments on urban fringes, in outer suburbs.

MS CARRICK: Do you think that, where there is material detriment to somebody with overlooking and overshadowing or what have you, there should be a right to appeal a government decision? There are people calling to abolish appeal rights in ACAT.

Mr Nash: If someone is materially impacted by something, they should have a right to say something—for sure.

Mr Brockhoff: In general terms, across jurisdictions in Australia, the issue of third-party appeals comes down to: what are they for? Are they to drive change to a particular decision; are they to put pressure on planning authorities to do better strategic planning to address off-site and cumulative impacts; or are they a reflection of an individual's civil liberty to express an opinion, because public rights are being exchanged through the planning process? Every jurisdiction takes a different view as to what third-party appeals are actually doing. But, if you take the view that third-party appeals are simply a backstop to a bad planning decision, then you can address that through securing and beefing up your strategic planning processes to manage the risk of poor planning decisions being made, by having a better spatial strategic context for making a particular planning decision.

I would argue that the more you place base strategic planning—support master planning to support the delivery of your performance outcomes—and the more you buttress your character statements with evidence around how outcomes are going to be reflected spatially the less there is a need for a backstop role for third-party appeals. That only knocks off one aspect of why third-party appeals might exist in a jurisdiction. One would have to explore the other reasons, around the culture of the ACT and the expectation for people's voice to be heard, and that is another matter I will not comment on.

MS CARRICK: There have to be some checks and balances in the system, though.

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Mr Nash: Fiona, I agree. My comment goes to materially impacting it. I think there needs to be a gauge of who is actually materially impacted by a decision. Is it someone who just walks their dog down the street and does not like the colour of the building or is it someone who is overshadowed by a development? That is the measure.

THE CHAIR: Thank you so much for your time today. I am glad we have our tech working. It is always a bit of a risk. That is great. Our secretariat—James—will be in touch with you about that question on notice, but we are very flexible with our non-government witnesses. We understand that you are all volunteers and we thank you for your time.

Short suspension.

HARRIS, MR SCOTT, Director of Workplace Relations and Policy, Master Builders Association of the ACT

NEELAGAMA, MS ANNA, Chief Executive Officer, Master Builders Association of the ACT

THE CHAIR: I now welcome Anna and Scott, from the Master Builders Association of the ACT. As witnesses, you are protected by parliamentary privilege and bound by its obligations. Witnesses must tell the truth. Giving false or misleading evidence is a serious matter and may be considered contempt of the Assembly.

Would you like to make a brief opening statement, noting that we have seen your submission?

Ms Neelagama: We have prepared a brief one.

THE CHAIR: Go ahead.

Ms Neelagama: I thank the committee for the opportunity to appear today. The ACT is projected to grow to a population of 700,000 by 2050, and we already face a significant shortfall in the number of homes available to meet demand. Master Builders ACT welcomes the ACT government's ambition to deliver 30,000 new homes and, in particular, we welcome the missing middle reforms, which will enable greater housing choices across the territory.

The ACT needs to deliver 4,206 homes per year, or just over 350 new homes per month, to meet this ambition. To catch up, the approval rate needs to increase by 31.9 per cent, while the rate of new home starts needs to increase by 42.4 per cent.

For the missing middle to genuinely drive housing supply and improve affordability, it must be supported by a set of parallel reforms that ensure projects are viable. In particular, we would like to draw the committee's attention to three priorities: taxes, fees and charges, ensuring that the cost environment supports rather than inhibits new supply; workforce pipeline, strengthening training, attraction and retention to meet the scale of construction required; and introduction of as-of-right pathways, enabling express approvals for compliant missing middle projects to streamline delivery.

Master Builders ACT is keen to assist the committee with its deliberations. Thank you for having us today.

MS TOUGH: I will start off. In your submission you talk about a number of systemic measures to incentivise and then implement the missing middle. One of them is an infill housing implementation unit. Can you talk about how you see this operating?

Ms Neelagama: In order for a project at this scale to be successful, we need dedicated resourcing within the City and Environment Directorate so that they can work through things like as-of-right pathways to support workforce outcomes and consider what reforms need to be made in order for these projects to be viable and then affordable for the end user.

MS TOUGH: On that, some of the ones you mentioned were introducing statutory

timeframes and LVC. With the statutory timeframes, right now, what are the delays, because of timeframes blowing out, with those third-party agencies?

Ms Neelagama: Delays are considerable. I will give you one example of what would be a missing middle style project. We had a builder that faced a 30-month wait time simply to build two townhouses on a single block, by the time they went through the utilities agencies and the planning and requisite approvals. Right now, that is the lived reality for builders and, at the end of the day, that is just costing Canberrans money.

Mr Harris: Just to support that, Ms Tough, the other part is that we hear continuously that there are no problems with going through the approval process inside the department. It is reasonably streamlined there. It could be better; I would say everything could be better. It is the externals to that—all the other facilities like Icon Water and roads. They are the ones that are slowing down the projects, when it comes to getting them through.

Ms Neelagama: Traffic.

MS TOUGH: Yes, it is Icon—

Mr Harris: Externals.

MS TOUGH: Externals.

Mr Harris: There is the slow-down inside, which depends on how complex it is. If we put in place, as we said, an implementation unit, so that there is a set program, there is a tick-and-flick to go through, in that you have met all the criteria and plans, it would make the process a lot easier and it would give a lot more certainty to the client, the owner of the property, and to the builder who is developing it on their site.

MS TOUGH: You mentioned that certainty also comes into the cost, with the LVC. Would you see that unit as potentially having a role in monitoring LVC?

Ms Neelagama: I note the Chief Minister has committed to broader LVC reform. As to where that sits in government, you are the machinery-of-government experts. You tell me. There is an important point to note, with respect to the LVC. In 2018, the ACT government commissioned AECOM to look at LVC and, in particular, how it would function in relation to infill capability. They identified that the cost saving was \$60,000 per dwelling to the ACT government.

The numbers stack up for the ACT. What they are saying currently is that, if people want to add a single extra dwelling under the missing middle reform, the government will save \$60,000, but they are also going to get charged \$43,000. That is a project viability issue for builders. It is also a big inhibitor for households who perhaps want to do an extra dwelling, say, for ageing parents or kids that they want to help into the housing market. They are lumbering households with that cost.

Mr Harris: A couple of members who have come to us are doing the applications at the moment. They are large properties. You are looking at 1.1 or 1.2 to do the redevelopment on the property side. There is no profit margin in it. If they go to resell

after that, they are not making much above that, if they have made anything. It comes down to viability. If your profit margins are not there, you are not going to do it.

MS TOUGH: It is turning people off making any developments at the moment?

Mr Harris: Especially if it is their retirement fund, too.

THE CHAIR: Anna, you mentioned a 30-month DA approval process. Did that meet the statutory timelines? We are hearing these complaints a lot. Government is giving us better reports that they are more often meeting their statutory timelines. Sometimes what we hear from the industry is that they are meeting the statutory timelines of two months or six months, but they keep stopping the clock, so six months might not be six months; six months might be a different period of time. Do you know whether the problem is that the government is not meeting the statutory timelines at the moment, or whether the problem is that they are meeting the statutory timelines, but the clock keeps stopping?

Ms Neelagama: I will make a comment; then Scott will help me out. I think what occurs is that they meet the statutory timelines, but, on the final day, they will come back with a range of queries which probably should have been returned within the first fortnight. It could be just a minor modification of a drawing or something; then it takes an additional six weeks or even another couple of months to get final approval. It is not like they get advice back that says, “Yes, this is approved on the following conditions.” It is a range of queries; the builder or whoever is applying for the planning approval has to comply with that; then they have to go back. It does reset constantly. That is a constant frustration for Master Builders members.

THE CHAIR: I wonder whether we need another metric, in addition to what government is using, of date from when the first DA was lodged to the date when the DA is approved. I wonder whether we need something like that, which is actually measuring that passage of time a bit more organically.

Mr Harris: We have actually raised that with Mr Peffer in CED, saying, “No problems at all; you’re meeting your statutory timelines on how long you have looked at that application, to go with it.” They are meeting that with no problems at all. But when you start adding, “I want some more information to go with it,” that is time down here. “I’ve got to make a change to the plan because of this.” The clock starts again, so they are meeting their times, but the builder is not. The time is just getting longer and longer.

THE CHAIR: Thank you; that was really clear.

MS CARRICK: You mentioned that the third parties are taking a long time—water and electricity. Do you think that the government has the planning in place? We have just seen major floods over the weekend and, as we densify and get more concrete and more run-off, are there plans in place to augment the power and water? Do you have certainty that, as we densify, the old networks that we have are adequate? Should there be better planning for it?

Ms Neelagama: I think that would be a question for the energy and utility providers, but—

Mr Harris: Based on experience—I am not an engineer—in the rural areas, where you see increased buildings and more concrete, you do note that there are more floods happening and more water is lying around. I would make the assumption that the same type of principle would apply to a city. It probably has not been considered as well as it should have.

MS CARRICK: Some of these things get augmented. I thought that, if there was enough capacity in the system, you build, and keep building; then, for the last person, there is not enough for them, so they have to pay for an augmentation of the line.

Mr Harris: It is more about the time that it takes them to go through the approvals process. I will give the analogy of a couple of our members. They were putting in a new block, a multistorey commercial block. Instead of using a straightforward digital plumbing system to do the measuring of the water, they had to put a line in for each unit. The cost just went out again. Instead of using digital technology to improve it, because of the rules from the water company, they had to put in a single line for each unit. It just got bigger and bigger. Those are the types of things that take time to get through.

MS CARRICK: Do you mean a single line item in the application?

Mr Harris: No, this was in the building itself. With tapping out your water mains, instead of going with a single digital reader to measure everybody's unit, they had to put in a unit measurer for each single unit that was being built.

THE CHAIR: Instead of a smart device, centralised—

Mr Harris: A smart device would have made it easier, but you had to follow their rules and put it in.

THE CHAIR: Yes, I understand.

Mr Harris: It is the same as putting in culverts and putting in water piping to go with it. They had to run the pipes for the initial development and, all of a sudden, you have increased the infill, and you have had to increase the pipe sizes.

THE CHAIR: There is a lot of debate, on an ongoing basis. I would say that most people would like the DA approval process to work well and efficiently. I would say that there are two different approaches to that. Generally speaking, the industry would like to reduce or remove the need for DAs and just have more exemptions, and there are people who would just like the system to work a bit better. Those are probably the two ways around that. One of the suggestions that has come up is that some developments would not need DAs. They would only need approval from a building certifier. Can you tell me what you think about that and some of the risks in that?

Ms Neelagama: I think a building approval process within a set framework that is pre-approved and pre-agreed to makes absolute sense. That is something that we support. It has been successful in other jurisdictions. It has certainly enabled more housing supply and made housing more affordable. Auckland is one of those cases and

New South Wales has had some success with that. It is really important that, when you are doing that, you are not removing the guardrails. There are still clear legal standards that people must comply with, the home owner is still very much protected and the builder is regulated.

THE CHAIR: In a system like that, how are you getting good planning outcomes? You talked about guardrails. A building certifier will sign off on the building standards, but how are you making sure that you are getting good design and good planning outcomes? Who is responsible for checking that that is happening?

Ms Neelagama: You are building, for example, from within a pattern book. That is what the government intends to do with missing middle, I understand. That is a pre-agreed design framework that, again, the builder must comply with, and the certifier must certify that it is built to a quality standard.

THE CHAIR: How do you get an assessment of a good planning outcome when it comes to neighbourhood character and amenity—cumulative impact? A pattern book will tell you what happens in a particular bit of concrete. Who will then make an assessment of what that area, that street and that layout look like?

Ms Neelagama: I am really glad you asked that question. A good builder—and I am talking about a family builder, a more mum-and-dad style operation compared to some of the more corporate entities that are out there—will run their own consultation process. They will meet with the neighbours, have coffee with them, give them their mobile phone number, talk through their issues, talk through what they can expect as the build goes on, and explain that, “Yes, some days, there will be a tonne of trades on this street, and that means 20 people will be parking here and that will be inconvenient, but it will be short term.”

I would say that, first and foremost, a good builder will always do their own community consultation and community relations. That will be fundamental to the missing middle working effectively. But that is business 101, and that is what good builders are good at doing.

THE CHAIR: I absolutely agree with you that good builders should do that, and I am sure quite a lot do. They are not required to, are they? What you have just described sounds like it is likely to get better outcomes, but it is not a requirement, and it would take more effort, more work and more time.

Ms Neelagama: It is not a requirement, but it is fundamental to a good build process.

Mr Harris: If you do not consult with the people next door to where you are doing the build, quite often, you will probably end up in ACAT with disputes and arguments going on about the building times when they are working onsite and blocking the roads. You will have inspectors turning up and WorkSafe will be there at the same time, if the builder does not have a relationship with everybody in the street. That includes working out how it sits on the block, where it looks out, how it looks across the gardens, onto backyards and everything else that goes with it. It is about having a discussion between the property owners: “Do we need to lift the fence line to protect the privacy in the neighbours’ yards? Am I actually looking through their bedroom window when I’m

working in the kitchen?” With those type of things, a good builder always does that. People who just come along and slap it up are usually not the people we want as our members, and we try and educate them on what it means to be a good builder.

THE CHAIR: I accept all of that. If there is no DA, how would the bad builders end up in ACAT because they have not taken into account something like neighbourhood character or they have not done that consultation? If there is no requirement for them to do it, and there is no DA or right of appeal in ACAT, there would not actually be a check on that at all, would there—a check on the builders who are maybe not doing what good builders do?

Ms Neelagama: Under a pattern-book process, there would be a pre-agreed set of guidelines, and there would be dispute mechanisms. There always are. This is a democracy.

THE CHAIR: Absolutely, yes. Under a pattern-book process, how are you taking into account the neighbourhood character, the overall amenity and the cumulative impact of those individual—

Ms Neelagama: The ACT government is yet to release that. It would be best if you—

THE CHAIR: You do not know. That is fair.

MS CARRICK: With the checks and balances, good builders are great. They consult. They care about how their build fits into the neighbourhood, and it is terrific when that happens. But there are builders out there that just want to flip properties and they will push the boundaries. What are the checks and balances? If there is material detriment to a neighbour regarding privacy—overlooking, overshadowing—what recourse do people have, if there are no appeal rights, no consultation and very limited DA assessment? Where are the checks and balances in the system?

Ms Neelagama: Again, I would suggest that is a question for the ACT government.

Mr Harris: I would say they would be part of the regulations. When you put together the pattern books, you say, “These are the checks and balances, the dispute mechanism within it, and here are the parts you’ve got to go through.” We are not saying there should be open slather, to go with it. There will still be checks and balances as you go through the whole process, and it is not about denying a person their rights. It is about making the process work a lot more smoothly and easily.

At the moment I have members that come to us, the build is almost complete and, all of a sudden, they end up in the commission with arguments over the building, because suddenly the neighbours realise, “That’s not what I envisaged it to be like.” We would prefer to see a process where there are still checks and balances. The government would set up the regulations that go behind the pattern book. From our side, we would manage it and make sure that the builders understand the rules that go with it and what their obligations are, especially on our members and the employers. But there would have to be a mechanism that government would put into place that does not slow it down, but does not deny the right to ask the question about it.

MS CARRICK: Should there be some compulsory regulation around consultation at

the beginning, so that there is transparency and clarity about what is going to happen next-door to you? Otherwise, as you say, you get a shock, you see the floor level above the fence line, and you end up in ACAT.

Mr Harris: The other one is that, usually, on the sign we place on the front of the gates when we are doing the build, it explains what it is, what the build and the DA numbers are that go with it, and who they can contact to have a discussion about it. That is compulsory. We must have it on the gates, on the fence line, when we are doing a build.

MS CARRICK: Things slip through the cracks, and sometimes the DA is not accurate when it comes to levels. While we want to densify, we want to do it well, and we do not want to be in ACAT all the time. The more transparency and discussion around it at the beginning—clarity—the better.

Ms Neelagama: I think we do agree. Again, we would encourage a communications-first approach and some guidelines for neighbourhood engagement.

Mr Harris: But there would have to be a timeline for that. It could not just be open slather, and go on throughout the period. It would have to be for a very short period—no different from the consultation session that the government runs with us. It would have to be for that set time.

MS CARRICK: There are zero setbacks now—small blocks, zero setbacks. As we densify, the anxiety on the part of existing residents is likely to increase, and I think we need to acknowledge that and work out how to minimise that anxiety.

MS TOUGH: In your submission and in the additional commentary, you have a few different areas that you touch on that might make missing middle more favourable for the public and more likely to work out. One of them talks about investment in social infrastructure. What kind of investment in social infrastructure are you envisaging?

Ms Neelagama: The ACT is a unique jurisdiction. We pay the highest rate of property and construction taxation, yet I know many of you in the room, as good community representatives, struggle with the amount of social infrastructure, not only in developing suburbs but also in the older suburbs. I think it makes sense that, if we are putting housing somewhere, some of that very large taxation spend is reinvested in community infrastructure and ring-fenced specifically for that. Canberra is a great place to live. We want it to remain that way. Directing some of these funds, which are higher than anywhere else in Australia, makes complete sense.

MS TOUGH: For things like playgrounds, local shops and public transport?

Ms Neelagama: Yes.

MS TOUGH: You also talk about the Urban Forest Act. We heard this morning the Planning Institute talk about the role of the Urban Forest Act in helping with the tree canopy. I know that the government has committed to a review of the Urban Forest Act. What do you see as the challenges with that and how is it helping to make sure we will not have heat islands?

Ms Neelagama: We welcome the ACT government's commitment to reviewing the Urban Forest Act. Right now, just on a visual assessment, people will not touch infill land, because of the amount or type of trees on it. It needs to be simplified, particularly where there are no rare and endangered trees. We need to look at a system so that, if a building envelope needs to be where a tree is, we need to replant the tree and put it in a tree bank et cetera. We want the bush capital to maintain its beautiful, vibrant feel, but it has to be practical. We all have a common goal here, which is having more homes in well-located suburbs for Canberrans. In order to deliver that on a viable basis, the Urban Forest Act will need to be reviewed. Again, we welcome the ACT government's commitment to doing so.

MS TOUGH: While ensuring that there is still some kind of protection for canopy and green space going forward, and a different way of working on blocks with infill.

Ms Neelagama: Correct; and having a replanting program will be vital to that.

Mr Harris: What a lot of them look at is, "What's the best way to put something on an infill block?" You say, "This is the best way I can allocate it, while getting all the passive requirements to meet the seven stars, but I've got to move these trees." I can't move these trees because of A, B and C, under the act at the moment. It is more about saying, "Okay, I want that moved. I've got to put it over here. How do I move it across there and put it back in there?" It is not about taking the trees out altogether. It is about how we recalculate and put them in better areas—maintaining that coverage while meeting our infill obligations at the same time.

MS TOUGH: You were talking there about the energy rating of a house?

Mr Harris: Yes, the seven stars. You have all the passive parts that go into that—which way it is allocated on the block, the overhangs, parts of the wrapping, the rooflines. That relates to the comments from the chair before, about making sure the blocks are right, for living and everything else.

MR CAIN: You have a recommendation to review LVC. Do you have an idea of what it should actually look like, from your point of view, to facilitate uptake of missing middle and other developments?

Ms Neelagama: For us, without thinking it through thoroughly, and not being a taxation expert, it would be looking at some way to have projects of a certain kind that support family-style developments and the small mum-and-dad builders.

MR CAIN: Do you mean to exempt them from LVC?

Ms Neelagama: I apologise; you were not here when we spoke about LVC earlier. In 2018, the ACT government put out a report that identified \$60,000 savings per dwelling for infill projects. That means right now, for a mum-and-dad builder, for someone who is perhaps putting a home on a block for ageing parents, or trying to help kids into the real estate market, they are not only creating a \$60,000 cost saving for the ACT government, but they are actually paying \$43,000 on top of that. The cost-benefit is clearly there, and it supports a waiver basis for, again, the smaller, mum-and-dad style builders.

MR CAIN: What about medium-density apartment, terrace-style developments?

Ms Neelagama: That is still impacting project viability, so that is something we would need to work through. We are very happy to come back to the committee with some thinking on it.

MR CAIN: If you have some ideas on that. Also, the current outcomes-based planning system has not had a long life span yet. Do you think it is mature enough to absorb a whole-of-Canberra rezoning approach?

Ms Neelagama: It will have to be.

MR CAIN: Do you think it needs more time, though?

Ms Neelagama: We do not have time. We currently have more people than we have homes, so the City and Environment Directorate need to generate that capability. Again—apologies, we did talk about it earlier—we have recommended establishment of a particular, dedicated unit, in order to drive the missing middle, which will be vital to its success.

MS CARRICK: I wanted to ask about housing typology. We want the missing middle because of ageing parents and young people trying to get into the market. Young people are stressed about getting into the market. I wonder about all the units that are being built, the 50-square-metre units. A lot of them are empty and there are high vacancy rates. In fact, the Real Estate Institute mentioned that it could be up to 15 per cent. What are your views about the typology that we are getting?

Ms Neelagama: The missing middle is full. It is full of townhouses and up to three storeys, so it is not that kind of high-rise typology. Instinctively, I feel that that works in Mawson, where I live. On my street, one side has townhouses and one side has single dwellings, and that works really well. It is a great street to live on. It is very vibrant. You have people from all walks of life there. It is very well located. People can walk to schools and shops.

What we do know, with respect to real estate, particularly for entry-level buyers, is that they want to be in new and well-located suburbs. Townhouse living is a fantastic option for them; also, three-and-under storeys work really well, and you can do it really nicely, with the right landscaping, green space and interface with the natural environment. I think that is a strong advantage of the missing middle.

MS CARRICK: Missing middle also talks about being around shopping centres, even though that is not RZ1; it is RZ2 and it is slightly different. I have noticed around Southlands, for example, that a DA went in, and it still had 50-square-metre units. It was bringing the Woden Tower apartment size to Southlands. Do you think that where we have apartments around our local shops, we should be looking at three bedrooms—ones that people want to downsize into? A lot of downsizers—a lot of the missing middle is about downsizers, too—do not want to go into the really tiny apartments. Is there any way that we can make sure that, around our local shops, we do not get mini-towers—with those sizes that we are getting there? We want people to—

Ms Neelagama: In terms of density of apartments?

MS CARRICK: Yes. We want people to downsize around our local shops, but they do not want these tiny, 50-square-metre apartments. A lot of people that are coming from their family home want an apartment of a reasonable size. How do we do that? It seems to me that, with a lot of the developers, it is about yield.

Ms Neelagama: I am sorry; what is the question?

MS CARRICK: How do we get the bigger apartments around our local shops, in order to attract downsizers and anybody else that wants to live there?

Ms Neelagama: I think the market will lead with that, as they are looking at demographics around ageing population. If that is where the big demand is, for shopping centre dwellings, that is what the market will deliver.

Mr Harris: That will still relate to the cost of actually doing the build and all the other on-flow costs, and whether it is sustainable and profitable. I will use the word “profitable” because they are private enterprises and they have to make a living, when it comes to making the developments and putting them into place. Can they onsell to the community? The community will dictate the terms. If you put up a one-bedroom and it is not selling, but you put up a two-bedroom and it is selling like anything, and you are getting a good profit return on it, the builder will go with the two bedrooms.

THE CHAIR: We have come to the end of our time. Anna, you mentioned a 2018 report. Was that the review of the lease variation charge report or was that another report?

Ms Neelagama: It is by AECOM. I can send it to the secretariat.

THE CHAIR: Can you send us the name of the report that you are referring to?

Ms Neelagama: Yes.

THE CHAIR: We will have the report. We would just like to know which one you referred to.

Ms Neelagama: Yes, we will send it through by email. It is a great read. You will enjoy it.

THE CHAIR: I might have seen the same report. We just wanted to check which one it was. Thank you very much for your time today. We had one report name taken on notice, and nothing else. Also, compliments to MBA on the submission. It was an excellently drafted submission.

Ms Neelagama: Thank you. We will take that back to the team. They will be thrilled.

THE CHAIR: I do not know who wrote it; tell them they did a good job.

Ms Neelagama: Wonderful; thank you so much.

MARTIN, MR ERIC, Member, National Trust Heritage Committee

THE CHAIR: We now welcome Mr Martin, from the National Trust. As a witness, you are protected by parliamentary privilege and bound by its obligations. Witnesses must tell the truth. Giving false or misleading evidence is a serious matter and may be considered contempt of the Assembly. Eric, we have your submission. Would you like to make a brief opening statement?

Mr Martin: Yes. There are a couple of things that I think are really lacking in what is being promoted as the missing middle. The issue is really a lack of recognition of ACT heritage and the garden city principles, which are really a fundamental part of our history and a part of our significance and why people live in Canberra. It is unfortunate that the heritage issues are not really referenced at all in the design guide.

The other thing that we find most disappointing is that there is a lack of recognition of the garden city principles in respect to the potential development within inner north and inner south and also the fact that there are no clear, enforceable rules that are provided to maintain the heritage values or the garden city concepts in those areas. We think it is quite disappointing that that recognition of Canberra's values is not adequately defined in this document.

THE CHAIR: Thank you. We will now go to questions. You actually touched on one of the related issues I was going to ask you first anyway. The existing planning controls have 40 per cent greenspace, and heritage would come at that as a way of maintaining Canberra's character. I think it is also important for climate change, heat islands and flood protection. It is important for a few things. These missing middle reforms reduce our private open space from 40 per cent to 30 per cent. Do you have concerns about that reduction in number?

Mr Martin: The garden city concept was set up with, basically, reasonable sized blocks of land, modest houses and plenty of landscape. It really was part of the whole principle behind Griffin's garden city ideals. The fact that you are now potentially reducing 10 per cent out of the landscape or the soft landscaping will have a dramatic effect on the overall impression and representation of the inner-city north and south Canberra—not only the heritage precincts but also the areas that are adjacent to heritage precincts. That is where our concern is. It will totally change the character—the character which is, I think, fundamentally important to ACT residents and even a wider avenue people in respect to its appreciation of what Griffin wanted in a garden city ideal.

THE CHAIR: The government in the past have sort of explained this reduction as they are setting up less overall space as a minimum but it is higher quality space, and they have increased the tree canopy targets as well. I am genuinely interested in a robust discussion about how those two things happen together. We have had a lot of industry comment that good design is more important than the overall quantum of space, and some of that has come from the architects and the planners as much as the actual construction industry. What is your view on that?

The other issue that has come up is whether the reduction is okay but it needs really careful monitoring about what impact it is having. We are getting once every five year monitoring on our tree canopy. From 2020 to 2025 that dropped and, on the current

government schedule, you would not even see what is happening until 2030, at the earliest.

Mr Martin: Any reduction in the landscape or soft landscaping areas on a site will actually have an impact on both trees and plants associated with it. The other thing that I think is really important is soft landscaping sometimes can be permeable paving, or considered that, and therefore you are actually reducing the, if you like, the green effect or the natural finishes in the inner areas.

The other area which I find really disappointing is that the design guide examples, I think, are not necessarily consistent with the current design ethic that is in the conservation areas of the ACT, as far as compatible characteristics and sympathetic development. This document relies on people's interpretation of the characteristics of an area and then the application of that. I do not think this design guide adequately addresses how that will fit within the inner north, inner south conservation areas and the areas adjacent to conservation areas.

THE CHAIR: I am partway through these hearings and I am still trying to work out how that neighbourhood character is actually being assessed on the ground.

Mr Martin: That is one of the problems. It might have reduced soft landscaping, but I think there are better controls within some of the key components of the conservation areas that exist at the moment than what is in this current design guide.

THE CHAIR: Are there specific examples of those better controls that you would like to give us?

Mr Martin: We did mention the maximum site coverage at 27.5, 40 per cent greenspace, maximum building height and retention of existing trees. That is not necessarily embedded in the current guide. It is up to the discretion of the designer and up to the discretion of the planning authority in the process of reviewing a development application.

THE CHAIR: That is great. Thank you very much.

MS CARRICK: When we refer to the garden city principles, that is coming from the National Capital Plan—is that right?

Mr Martin: There are certainly some principles that are embedded in the National Capital Plan but it is actually also in the Territory Plan. It really comes back to the principles that Griffin established in respect to having a garden city and making sure that we did not erode the landscape in the process of overdevelopment.

MS CARRICK: I wonder if those principles have ever been applied in Molonglo. What would be your view on that?

Mr Martin: No.

MS CARRICK: In my electorate, we have the leafy greens of the inner south and we have Molonglo and new suburbs coming on board. So there is a whole range of different

tree canopy that we live in. The leafy greens of the inner south are the most valued thing for the people that live there, according to the inner south survey. In Auckland, they had a carveout. The inner south suggested that there be some carveout for these heritage areas?

Mr Martin: When you say, “carveout”—

MS CARRICK: That the missing middle does not apply.

Mr Martin: Does not apply in those areas?

MS CARRICK: I think that is what they were saying. I think that is what the inner south were saying—that there is a carveout in particular areas.

Mr Martin: I certainly agree that these principles would be inappropriate to apply in heritage areas or adjacent to heritage areas in the inner north or inner south.

MS CARRICK: Do you support some sort of a carveout from these missing middle principles or do you think just the whole thing should be changed for everyone?

Mr Martin: There is certainly some increased densification in those inner areas. Some of it, I think, is done well and some of it is done very poorly. I think it needs to have some more articulated guidelines in respect of what is going to work and maintain the characteristics of those areas and protect the heritage of conservation areas plus the garden city areas.

MS CARRICK: The new missing middle allows blocks down to 300 square metres in RZ1 areas. It is difficult to see how it will be maintained, because, as we have densified, we have seen a loss of tree canopy. Anyway, I do not really have a question. I just guess that is a comment that, as you densify, you do lose tree canopy.

Mr Martin: I do not think it will be maintained if this can go through at this level.

MS TOUGH: In your submission, you talk about heritage considerations not being fully addressed and being unclear of some protections. What protections or mandatory standards would you like to see to demonstrate that heritage is being—

Mr Martin: The heritage protection at the moment is what is actually physically listed on a boundary defined under the Heritage Register. What is across the street, what is adjacent to it, is not protected at all, and it relies on the planning instruments to actually maintain the characteristic of the area. I think under these potential guidelines that adjacent area is going to get eroded, and it will affect the characteristics of the area and affect, if you like, the garden city and the heritage conservation areas. Our concern is that the key areas of inner north and inner south, which are really the fundamental principles of the design of Canberra—and what is recognised, I believe, nationally, if not internationally—will get eroded if these are permitted to continue in this current form.

MS TOUGH: Heritage things on a block are protected but what is around it is no longer—

Mr Martin: Is not protected and relies on planning instruments. That is where the potential erosion of those characteristic values can occur through this process of adopting this missing middle.

MS TOUGH: Would you like to see something in the DA stage or in some kind of planning stage to make sure those are considered?

Mr Martin: Certainly I would like much tighter controls and some better guidance for the designers and the owners with respect to how the characteristics of those areas can be maintained, with more defined regulations, guidelines or examples for something—which are certainly not in the current document.

MS TOUGH: But there is still a way of having some infill and more housing, just with the stronger protection?

Mr Martin: Infill is happening at the moment. The expansion of homes to accommodate more people is happening in those areas, and generally it is happening in a sympathetic way. The fact that it is heritage listed is not stifling development; it is controlling what is going on in those areas so the characteristics and the values are maintained.

MR CAIN: I note at the top of page 2 you express a bit of concern about the current outcome-based approach, particularly across similar sites there could arguably be similar DAs, similar sites and different outcomes. Given that the outcome-based approach is relatively new, do you think it has proven itself? As a follow-up, do you think it can be trusted to accept a whole-of-Canberra rezoning?

Mr Martin: The outcomes-based relies on, I believe, two components: a good designer, in the first place, and the authorities applying what they consider as good design in a consistent way. I think it relies, effectively, on the individual rather than a collective guidance document. So it ends up being a subjective view by the designer and a subjective view of the authority approving the DA. I do not think that is going to maintain a consistent character and a character that the National Trust really wants to see within the key areas of inner north and inner south Canberra. It is a subjective process, and I think it would be assisted by a tighter and better understanding in those areas.

MR CAIN: So a return to the code and rule-based system?

Mr Martin: I think returning to a code—or maybe not quite as rigid as the current code but certainly much stronger than the current guidelines or design guide as proposed.

MR CAIN: From your point of view, say this all gets rolled out and we start this whenever the minister says it can start—later in the year maybe—what is your fear for Canberra if this is unamended from its current form?

Mr Martin: If it is unamended, I think, in the middle and certainly in the long term, the garden city character will be eroded and ultimately lost. I think one of the key attractions of Canberra will be lost. Unfortunately, once you lose something like this, it

is not recoverable. I think that would be a really sad indictment on the whole process if, in half a generation's time, we have lost a very valuable city.

MR CAIN: Eric, were you on radio this morning?

Mr Martin: Yes.

MR CAIN: I thought it was you—that voice. I could not see whether you had a beard or not at the time. You talked about, as you have here, non-heritage listed property and the garden character—which is important to me as well, as well as our bush capital character. How do you protect that and yet increase the supply of housing for our community?

Mr Martin: I think there are two ways. There are certainly areas that have, even in the inner north and inner south, actually increased their densification—like with Northbourne Avenue. Whether you like or dislike it that is a separate issue, but there are certain areas that can handle it. I think the CBD area is certainly expanding in respect of residential spaces in that area. It will happen in the other town centres, where, seriously, there is less of Griffin's initial design concept. I believe it can happen but not necessarily erode the key heritage and characteristics of the original Griffin design.

That does not mean you have to remove whole areas within the inner north and inner south to actually achieve it. But there are some areas where I think you can increase the densification. Obviously, it has certainly increased with Gungahlin, Molonglo and the areas. I do not particularly like what has happened with respect to a consistent design ethic with respect to Canberra, but it has happened, and it has certainly increased the densification.

THE CHAIR: You talked about what might happen in the medium and long term. Do you reckon there is any way government could set up some metrics or ways to measure what the impact of change is every two years or so? At the moment, we do LiDAR tree canopy detection once every five years. We have not done heat mapping since 2017. I do not know if there are any metrics in the system to monitor anything like landscape, trees, neighbourhood character et cetera. I do not know if there is anything in here to check what is happening.

Mr Martin: I think the urban planners would have some metrics to do it. I am not aware of it in detail, but it should not be beyond a scientific approach to get that information. I am not aware that it is actually being done, but I think it would be a good thing to monitor before it goes too late.

THE CHAIR: In your submission, you talked about block consolidation. It has come up a lot. So far we have heard only positive comments about block consolidation, on the basis that you can often get better outcomes with bigger chunks of land. There has been a range of views about where it should be government, developer-led block consolidation or whether it should be private sector. This system has some fairly strict limits on block consolidation—2,000 and 3,000 metre square limits, which is only putting together two or three blocks. It is actually not big blocks. Do you think it would be better to have a different system that encourages block consolidation?

Mr Martin: One of the things that the current design in inner north and inner south is that you have a block with a landscape setting around it. To consolidate three blocks and put a two-storey or three-storey development between those, the character will totally change in that area. Particularly in the areas that the National Trust is concerned about—particularly the inner north and inner south—I think some of the block consolidation would be a concern.

THE CHAIR: Do you think the current limits are probably the right limits?

Mr Martin: I do not think the current limits have adequately been worked out and the implications of it. Some of the examples in the design guide just illustrate that you have discrete houses in a landscape setting and then you have this massive development in between. I think that is where the characteristics have not been adequately understood in that design guide example.

THE CHAIR: Should people be able to put together more blocks to do more consolidated development, or should people not be able to put together more blocks to do more consolidated development?

Mr Martin: I think, in certain areas, less.

THE CHAIR: Less?

Mr Martin: Yes.

THE CHAIR: Interesting. That is actually really useful, Eric, because that is a first. We have not had that.

MS CARRICK: In that same vein, there were a lot of discussions yesterday about targeting where we have block consolidations and where we densify. A lot of the talk was around shops and the government targeting areas there. You mentioned not putting huge development in the middle of a street but maybe at the ends of streets. Do you believe that the government should be more proactive in targeting where densification can go?

Mr Martin: I think the end result will be a better one if there were some appropriate and detailed planning studies about identifying areas where that sort of development can occur, and around some of the suburban shopping areas would be an appropriate area to deal with, yes.

MS CARRICK: At the moment, it is a very blunt instrument—it is just upzone.

Mr Martin: Yes.

MS CARRICK: That comes back to place-planning. People talk about, “We’re densifying and doing proper place plans for our commercial areas as well, so that we have the right social infrastructure for the new population”.

Mr Martin: But they have also increased the business opportunities within those business centres as well, for small business to actually operate effectively and viably.

MS CARRICK: Because of the walkability—because people can get there?

Mr Martin: Yes.

MS CARRICK: Are there any particular areas in the inner north and the inner south that are of more interest to you—like Barton is quite densified compared to Forrest? Where is this character that is of most interest?

Mr Martin: With the conservation areas within the ACT some have a tighter control than others. There are certain areas, like Blandfordia 4, which is part of Forrest, and Red Hill, which, in my opinion, have rather weak heritage controls on them, even though they are conservation areas, and they are undergoing a pretty rapid change. It still maintains some of, in my opinion, the heritage values, but it is being gradually eroded in those areas, despite they are still single houses on blocks of lands. The other areas have much tighter control and I think are better examples of where it is going. In the areas that are not within either of those sorts of controls, it is pretty much open slather.

MS CARRICK: So Forrest and Red Hill do not have very good conservation controls?

Mr Martin: The Red Hill precinct and Blandfordia 4, which is part of Forrest. There are two conservation areas within Forrest. One is the original Oliphant design precinct, which is tightly controlled, but the rest of Forrest is much more open, except for individually listed significant houses.

MS CARRICK: Is there anywhere where it is going well?

Mr Martin: I believe that the other conservation areas, whether it be parts of Ainslie, Reid, Braddon, Kingston and Blandfordia 5, which is Griffith, are going okay.

MS TOUGH: How do we ensure we get enough housing close to the city, where people are able to walk to work or have easier public transport to work, and maintain the heritage? I live in the outer suburbs, and I love Tuggeranong. I probably live further away from the Assembly than potentially any other MLA. I love living in the outer suburbs and the views I get. But how do we make sure people have that choice—to have enough housing in the inner suburbs and the outer suburbs—and that the density happens equally across Canberra and balance that with heritage concerns with the older parts?

Mr Martin: It is not an easy thing to solve. Canberra's original design was to work on the town centres and have business centres there and that people would be commuting within the town centres. Unfortunately, that has not happened. People live where they are and they will travel across town to get to work. I believe the original plan did have some merit, but it really has not worked out effectively. I do not think we should destroy our city for that. Somehow I think we should try and get back to some higher business-related things in the town centres and have the commuters basically become local. I think that we would end up with a more sustainable and a better outcome without destroying the centre of Canberra.

MS TOUGH: On the point that the original plan has not worked, I definitely agree with more business in the town centres and more opportunities for people to work in their local town centre. But, when the federal government controls the public service, and a significant number of the population are public servants and they are concentrated in Civic and Barton, with some in Belconnen, Woden and Tuggeranong—though there are not many left in Woden and Tuggeranong—how do we manage that? People are moving to Canberra to work in Barton and Civic and people who live in Canberra are getting jobs in Barton and Civic, and they do not have those opportunities in their town centre for that kind of work.

Mr Martin: It is difficult, and I do not have an answer.

MS TOUGH: Fair enough.

MS CARRICK: Just back to the appeals, if there is material detriment to people as we densify, do you think people should have access to ACAT?

Mr Martin: They will always have access to ACAT where they believe they have been hard done by.

MS CARRICK: Some people want to take away appeal rights.

Mr Martin: Some people?

MS CARRICK: Some people are advocating to remove appeal rights.

Mr Martin: No; I think that is an injustice.

MR CAIN: We thought you would say that.

Mr Martin: I think it is an injustice in society, if you remove the appeal right process if there is a genuine case to be put, I think it unfortunate that is the process, but you have to have something if you have been hard done by. The fact that ACAT overturns previous decisions is proof that it is sometimes needed.

MS CARRICK: What about trying to nip in the bud how many people go to ACAT—which I do not think in the whole of scheme of things is that many—by having consultation at the beginning and requiring developers to talk to neighbours to make sure that people know what is going to happen next door to them? I think often people do not realise what is going to happen next door and then they freak out when they see it emerging from the ground.

Mr Martin: That is a real point, and it is a real concern, particularly when certifiers can actually manage a DA process provided it fits within the planning controls. I do not believe that the consultation with neighbours is frequently adequate and adequately documented and then when the end result happens, they do freak out. Unfortunately, that ends up in ACAT, in a messy process to sort out the level of approval, the level of information and how much was correct and how much was implemented. It is a messy process.

PROOF

THE CHAIR: I think that consultations from building certifiers is not mandatory. So it may happen and it may happen well, but there is no requirement.

Mr Martin: And, if it does not happen, it creates problems.

THE CHAIR: Eric, you have been too concise and too on point in answering our questions. Thank you so much for your time today, for your evidence and for your very well-written submission.

Hearing suspended from 10.38 to 10.50 am.

AGOSTINO, MS EMMA, Senior Policy Advisor, ACTCOSS

BOWLES, DR DEVIN, Chief Executive Officer, ACTCOSS

DOBSON, MS CORINNE, Chief Executive Officer, ACT Shelter

PIPPEN, MS DEBORAH, Policy and Research Coordinator, ACT Shelter

THE CHAIR: Welcome to our witnesses from ACTCOSS and ACT Shelter. As witnesses, you are protected by parliamentary privilege, and you are bound by its obligations. You must tell the truth. Giving false or misleading evidence is a serious matter and may be considered contempt of the Assembly. Would you like to start with brief opening statements? We have got your submissions, but we are very happy to hear a brief opening statement if you like.

Ms Agostino: I have prepared one.

THE CHAIR: Please go ahead.

Ms Agostino: Thank you for the opportunity to appear today. The ACT has experienced a steady long-term decline in social housing. At self-government, social housing made up over 12 per cent of all dwellings; by 2024, it had declined to 6.5 per cent. Even with current government commitments, we are concerned that the proportion of social housing will continue to decline. This matters because social housing plays a unique and irreplaceable role in our system for people on very low incomes or on income support and for people facing barriers to the private rental market. Social housing is not a preference; it is the only pathway to stable, affordable housing for these people. Without it our system is pushed into crisis mode with growing demand for homelessness services, emergency health care, policing and child protection. Crisis services are short-term, less effective and more costly from both the human and fiscal perspective.

ACTCOSS supports the housing supply ambition behind the missing middle reforms, but we remain concerned that they are not clearly connected to the territory's goals for social and affordable housing. There are no mandatory conditions, targets or mechanisms to ensure that the additional supply enabled by these reforms will increase the proportion of social housing or deliver genuinely affordable homes for low-income households. We also note that there does not appear to be any clear mechanisms for robust data collection and regular evaluation to monitor uptake, outcomes and unintended consequences of these reforms over time.

At the core of our concern here is that with such low levels of social housing and the base rate of affordable rentals being so high, we are unintentionally creating a new missing middle. This is a considerable opportunity to strengthen equity in the ACT. We acknowledge the ambition the government has already shown, from enshrining the right to adequate housing in law, to planning reforms that support community and public housing. Our recommendations build upon that ambition and aim to ensure these planning reforms contribute meaningfully to a more equitable and affordable housing system.

THE CHAIR: Thank you. And Corinne?

Ms Dobson: Thank you, Chair, and to the members of the committee for this

opportunity to appear here. ACT Shelter, like ACTCOSS, welcomes the intent behind the ACT government's missing middle housing reforms. We recognise the pressing need to improve housing diversity, to make more efficient use of well-located land and to respond to Canberra's continued population growth. A city that consists predominantly of large, detached homes on individual blocks does not meet the needs of all Canberrans, and the continued outward urban sprawl of low-density housing carries significant affordability, environmental and social equity implications.

However, a central concern for ACT Shelter is that planning reform must be explicitly and intentionally designed to advance equity and affordability. These are not outcomes that can be assumed. There is a persistent and appealing narrative that if we liberalise planning controls and increase the supply of housing, including missing middle housing in established suburbs, affordability will invariably follow. The evidence does not support such a simple equation. Increasing supply is, to be clear, important. Over time it can moderate price growth at a system level, although this depends on a range of other factors.

But new supply delivered through market mechanisms does not automatically translate into housing that is affordable to low and moderate income households. In high demand markets, such as we see in the ACT and elsewhere, without additional policy measures and affordability mechanisms, the primary beneficiaries of upzoning can be existing landowners, rather than renters or households in housing stress. In other words, without deliberate policy intervention and complementary measures, additional market supply through upzoning will not automatically translate into homes affordable to people on low incomes.

As Emma mentioned, the ACT has almost 3,500 households on the public housing waitlist. Over several decades, social housing in the ACT, including public housing, has shrunk dramatically as a proportion of overall housing. The most recent National Housing Supply and Affordability Council report found that the ACT has experienced, proportionately, the steepest decline in social housing of any state or territory. Even if the ACT government met its current commitments to increase public housing by 2030, and the public housing component of that, the proportion of public housing relative to total housing stock and relative to Canberra's population will continue to decline. We echo ACTCOSS's call that reversing that trajectory is absolutely fundamental, and it will require a range of policy mechanisms and investment from government.

Against that backdrop, missing middle reforms need to be considered not only through the lens of supply but also through the lens of structural housing need and housing inequality. We acknowledge that this is not straightforward. The interaction between planning controls, land values, taxation, construction costs, infrastructure and social outcomes is multidimensional and complex. ACT Shelter continues to actively grapple with these issues, drawing on evidence and community perspectives. As members of the committee probably know, we are convening a forum tomorrow to further interrogate some of these questions. We had hoped to do it before these hearings, but we are grateful to the committee for allowing us to provide some additional material following that discussion.

We also recognise that when we are thinking about housing equity, we need to understand that not just at a dwelling by dwelling or block by block level. Medium

density development must support inclusive, liveable communities, with access to green space, transport, schools, health services and community infrastructure and amenity. For example, if tree canopy loss and increased impervious surfaces exacerbate urban heat, we know that it is lower income households, older people and people with disability who disproportionately bear the health impacts.

In closing, ACT Shelter supports the development of more missing middle housing in Canberra, but if reforms are to meaningfully contribute to more equitable housing outcomes, that objective must be explicitly embedded in policy mechanisms, in the strategic use of public land, in value capture that preserves public revenue, in protections against displacement and in robust monitoring of distributional impacts. The reforms must be judged not only by how many dwellings are enabled but through the lens of distribution: who gains, who bears the risk, and whether these reforms move the ACT closer to being an inclusive city where people of all incomes can secure affordable, quality homes in liveable neighbourhoods. Thank you.

THE CHAIR: Thank you very much. Yes, we have seen a sharp decline in social housing—in public and community housing. The figures I have been running off are that it used to be 11 per cent of all housing stock was owned by government and that has dropped to below six per cent, and my office has run through the government targets, at the moment, and it looks like if those targets are met, we will still be below six per cent. There is no actual increase, so that causes me concern.

We are talking about the missing middle reforms, but in your submissions and evidence—and it has come up a lot—we have also talked about the lease variation charge, which is one way government captures some of the benefit for the public purse. And inclusionary zoning has also come up, which is another way that government can capture some of the benefit for the public purse. Have you got any comments on how those tools could or should be used to make sure that some of these reforms, and our planning reforms all round, are not just increasing supply but are also increasing public and community housing as well?

Ms Dobson: I can go to the lease variation charge first.

THE CHAIR: Yes, please.

Ms Dobson: We very much have had a longstanding support, along with ACTCOSS, for the lease variation charge. It does serve an important function in ensuring that the value uplift that is created when you rezone does go back into the community and the public benefits, and that is really vital. We know that when you do rezone there is also additional infrastructure costs that can be created, but it is also important that the public are capturing some of that benefit and it is not just contributing to more private wealth and more housing inequity, effectively. So we do see that as effective, and we know that there has been a concerted lobbying to abolish it—

THE CHAIR: Remove it all—yes.

Ms Dobson: or at the very least reduce it. In broad terms, we really are very concerned about that—certainly without any thorough, transparent analysis of what any proposed changes might do and what the outcomes are, and whether they achieve the actual

outcomes in terms of increase in supply, because that is a genuine question, I think. Also in terms of some of those other revenue, equity and speculative landholding and other issues—they need to be properly considered.

In terms of social and affordable housing—and I know the government did recently make an announcement about some changes to facilitate more social and affordable housing—of course, as I said, we support the lease variation charge, and we are concerned about changes that might erode its integrity. At the same time, we very much acknowledge that we do need more social and affordable housing, and in terms of development feasibility, there does need to be government support to enable that type of housing to happen.

We do not know enough about the details of what they have proposed to the lease variation charge, and a lot does depend on the detail. It is quite complex, as you will know. It is quite complex how it works, so it is hard for us to make a judgment on that. But I think one of the considerations that would inform our position, if we had a bit more detail about it, is also whether it is the best means of providing that funding and addressing that feasibility issue.

As I said, clearly there is a need for funding, and government needs to play a role in supporting that housing. But in terms of whether the lease variation charge is the best mechanism to achieve that, as I said, with any changes to the lease variation charge, we do think there needs to be clear modelling and a clear analysis of those different issues and whether they are going to achieve the objective that the changes are seeking to achieve.

THE CHAIR: The lease variation charge is an incentive. Inclusionary zoning, by space or dwellings or paying a fee, is requiring a certain amount of housing getting set aside, essentially, for public and community housing. It is a mandatory thing. Do you think inclusionary zoning is a useful part of this? We have now got a government top-line commitment to inclusionary zoning, but we do not have a lot of detail on what that means.

Ms Dobson: Again, in broad principle we do support inclusionary zoning. A lot of it always depends on the detail of how you implement it. In relation to the missing middle and the type of development we are talking about in this inquiry, I think ACT Shelter would certainly be open to looking at how that could be used as a mechanism to support the housing outcomes we want to see, but we probably need to understand a bit more about how it would work. In principle, we are very open to looking at that.

Certainly, as was noted previously, looking at the current package of reforms that are proposed, it is very hard to see how it is going to support more social and affordable housing, and, as I have mentioned, housing affordability overall. We do need to look at mechanisms, and I think that would probably be by a range of means. I wish there was a simple, silver bullet here. Certainly, inclusionary zoning is one approach that I think should be much more closely considered.

Dr Bowles: If I can add another lens—agreeing with everything that Ms Dobson has said—the distinction between social housing and affordable housing is often glossed over, and you can almost say them quickly in one breath. We need to be really

disciplined in not thinking about them in the same way, because the social purpose they serve is different in terms of the cohort of people they are able to assist. Also, for the value of the investment for the ACT government, I think it varies. Social housing is targeting the people on the lowest incomes, and it is clear that it has shifted from being preventative to it not being preventative: if you are on the standard waitlist, you are waiting five years, so we clearly need more social housing, quite rapidly.

As for affordable housing, that is targeting a cohort that, because of Canberra's very high housing costs, is increasingly affluent, or relatively affluent, in terms of being able to pay even 75 per cent of market rate. For new developments, say, near the lake, I suspect that most people in the community sector would not be able to pay 75 per cent of the market rate there or market cost. Particularly, when that stock ends up being sold, there is a winner: some lucky person who happens to be in the right income bracket at the right time and wins this little lottery. But it is meeting a different social need.

What we are starting to see, I think, is the creation of a different sort of missing middle, where social housing is appropriate for people down in the lowest income quintile and affordable housing is becoming increasingly affordable for the people that are just above being able to access social housing. In creating that missing middle, we need to be very thoughtful about the distribution of government investment between social housing and affordable housing.

One other important difference is that community housing, particularly in the hands of community housing providers in the community sector, is likely to stay as a public benefit for many decades. With affordable housing, the requirement is often 15 to 20 years. If it cannot be rented out, then it is sold, and you get one winner and they can turn around in five years, or however long, and sell it. That is great for them, but in terms of meeting clear social needs, that is probably not at the top of the list of the ACT's wants. And in terms of a social infrastructure balance sheet, it gets removed from the balance sheet in a way that community housing does not.

THE CHAIR: Thank you. Some of those contracts are for two years, I believe, as well.

Ms Dobson: I will add to that too—about the feasibility of developing social housing. Because the return on investment that you get is so much lower, with the feasibility of developing social housing, the funding gap is much greater. As Devin said, we have seen some mechanisms—and, again, I am not sure about the lease variation charge, and whether there is a distinction that is made. But there is a big difference in terms of whether certain mechanisms are just bundled together and targeting social and affordable housing. Often it will not stack up for social housing, and I will note that under the Housing Australia Future Fund, the ACT has the lowest proportion of social housing that has been developed using that fund, so there is an issue in the ACT.

To be clear, we support more affordable housing. It has a very important role to play as part of a functioning housing system, taking into account some issues that Devin has just mentioned that need to be looked at more closely. But we really must see that, with social housing, the trajectory we are currently on is dire, and we cannot stay on that trajectory. The costs are too great for the community and particularly for those people who just do not have housing in the private rental market.

MS CARRICK: My question is about that trajectory and how we get it up. There are the greenfields areas and the land release program; there is the densification and block consolidation, perhaps. With the greenfield areas, are we identifying enough sites? Should they be free to community housing providers to reduce the cost and make them stack up? Secondly, around shopping centres and elsewhere in the whole missing middle, are there opportunities? Should the government be doing some more detailed planning about where it can consolidate blocks and, say, get co-housing in—more women over 50s, green space in the middle? Is the government doing a good enough job at targeting their opportunities?

Ms Dobson: I think we need to look at every policy lever in terms of how we increase social housing. We are not going to achieve our target through the missing middle. We need to look at how we can, to the extent possible, increase the supply of social housing and the missing middle. As you mentioned, with some of those other developments the policy levers for government are much easier to implement, but it does require investment from government, so the government does need to up its game.

Currently, I think, of the 30,000 by 2030 target, if they reach the target, the target for public housing is 1,000; that is 3 per cent. That will mean that we continue to decline in terms of the proportion of social housing, so we need to look at all of the different options. I would absolutely say that some of the greenfield and other types of development we need to be looking at more to ensure there is both community and public housing. I want to stress that they both have an important role to play in the social housing system.

With block consolidation, that is something that we are still thinking about in terms of what the opportunities are. If we are looking at missing middle housing, that might be where there is scope to have housing developments where we can embed more social and affordable housing. There is also potential, when you do have block consolidation, provided you have the appropriate planning supports around it, to ensure that you look at community infrastructure and amenity and how that is done in a way that gets good outcomes at the neighbourhood level. Again, I think the specific mechanisms and how you would do that through, say, block consolidation is something that we are still grappling with, but I absolutely think that it should be part of what we are looking at—really foregrounding the social and affordable housing aspect of that.

Dr Bowles: The missing middle is in some ways trying to transform our city. When most of us have rented or bought we have often spent a lot of time thinking about finding the right neighbourhood and then finding the right spot. The worry is that, as we are supercharging construction, if we do not do it the right way, there is not going to be a right neighbourhood and there is not going to be a right dwelling in that neighbourhood. So how we do it really matters.

It strikes me that, similar to how it is not evident that there is a government distinction in the targets of how many social versus affordable housing dwellings it is looking for under the broader target, there are a number of vital information pathways that maybe are not yet established. Particularly for infill, it is not clear, externally, that there is any decision or any monitoring capability to ask, “Are we getting all of the infill in one place, and what are we doing for the infrastructure in that place?” Similarly, if that does happen, it is not evident to us, at this stage, that government has created levers for itself

to be able to influence that.

Greenfield has the appeal of being able to be more centrally evaluated, and that is a benefit, but I think that it is important to recognise that with infill, if we do not do it right and we do not create the right information systems for government and the community, as well as the appropriate levers, we are going to be left with a mess that we cannot undo.

MS CARRICK: Thank you.

MS TOUGH: In the ACTCOSS submission, you talk about complementary measures to go along with the planning reforms, such as incentives to build different types of housing as part of this reform, including housing that is more accessible for older people and people with disability. How would you like to see that as part of a mix in the housing, and how do you see incentives working in encouraging the more diverse types of housing?

Dr Bowles: Yes, thank you. I think there is a particular opportunity, when a larger development is happening, to require a certain proportion of dwellings to meet those objectives. When it comes to infill, though, the policy options are perhaps less obvious. If that is the case, then there should be thought applied to what is right. Does that mean you need to increase the level of that sort of incentive or construction requirement in the greenfield sites, knowing that your infill efforts are not going to be as good? It may also be, however, that you can create incentives for infill, so that when people are doing it, they are either required or incentivised to meet those objectives, like supporting aging in place or people with disabilities.

MS TOUGH: Yes. Using mechanisms so infill housing is suitable for ageing in place and for different groups of people to live close to where they want to live—maybe staying in the same suburb rather than being pushed out to greenfield developments.

Dr Bowles: Yes.

Ms Dobson: And monitoring that too—again, as Devin said, one of the challenges with how planning reform is currently proposed is that it takes a universal approach. I can understand some potential reasons why that approach is taken, but it does increase the potential for it to be an ad hoc approach—having development in a way that does not necessarily look at if we have disability accessible or aging-friendly housing in those well-located places and that is ad hoc. Do we actually know what is going on?

I think, also, as to some of those feasibility issues that I mentioned before, building a home to a gold standard does cost more money, so often when decisions are being made on the basis of maximising returns, that consideration is not always foregrounded. Similarly, if we are looking at social and affordable housing, it means that the feasibility equation is different, so it does need some type of government support to enable that type of housing to happen at scale.

MS TOUGH: Yes, and then some monitoring that it is happening.

Ms Dobson: Monitoring is important here. There is a real risk that we could just have

a lot of ad hoc development and not really know what is going on and who is benefiting.

MS TOUGH: Wonderful. Thank you.

THE CHAIR: Setting aside public and community housing, will the missing middle help us with more affordable housing? What do you reckon?

Ms Dobson: As I alluded to today in my opening statement, it is often presented as a solution, a key solution, to addressing housing affordability. I think it is much more complex than that. Obviously, supply does play a role in housing affordability. When you have constrained supply, that will push up the price of houses, but we are in a situation where, even if we develop housing and we meet all the targets we are not currently on track to meet, demand is still going to continue to outstrip supply. If we were to get more missing middle housing and that increased supply, it is not necessarily going to mean that there is increased affordability. It might, as I said, over the long term, but it is mediated by other factors.

It is also a consideration, when we talk about affordability, that even if we were to see that it might moderate the growth in house prices, for example, we are still not likely to see housing that is affordable to people on the lowest incomes. The increase in house prices relative to income over decades now has been so steep that, again, we need to have that social housing.

Another part in considering this is also the role of strata title, which is something we will be looking at in our forum tomorrow. We do need to be careful about not just looking at the ticket price of housing—how much it costs when it is sold. We know that strata title housing often has ongoing costs that you need to factor in when you are thinking about affordability.

Not all missing middle housing must be and necessarily should be strata title, which is something that needs to be considered—in how we make sure that we are not seeing strata titling where it is not needed, because it is very complex for the reasons that I think we are probably aware of. But of course, some of the missing middle housing will require strata titles—so ensuring that we are looking carefully at some of the complexities and potential issues that that can generate. We know the Assembly has looked at this and committees have looked at this elsewhere. It is relevant to thinking about the missing middle and how that might shape housing affordability.

THE CHAIR: We have heard from Greater Canberra and the ACT government about the filtering effect, which sounds a wee bit like trickle-down economics to me.

Ms Dobson: Yes.

THE CHAIR: What is your view on whether the filtering effect is likely to make homes genuinely affordable for people who do not currently find them affordable.

Ms Dobson: We are not convinced by the filtering effect. It depends on the methodology that you use—with the evidence you can get conflicting outcomes. We do not think that there is strong evidence to support it and we are quite sceptical about the filtering effect and the likelihood of having more housing. As you say, it does sound a

bit like trickle-down economics.

It is also that the market operates in very complex ways with housing, and it is mediated by a whole range of factors. We are also talking here about the supply of new housing, and how developers operate is also a factor in terms of how certain changes will lead to the supply of housing as well and then what that means in terms of house prices. It is complex, and it is context specific. Certainly, if we look at the best available evidence, we are not convinced by the filtering theory in terms of delivering more affordable housing.

Dr Bowles: I think, also, that the government needs to consider where it is investing and focus on equity. The filtering effect is not likely to have a substantial influence on the people who are most at risk of homelessness and who are most at risk of housing stress: that is why ACTCOSS is so keen on social housing and affordable rentals.

To the extent that government is providing incentives for construction, it needs to be really thoughtful about asking, “Is this the target population that we are trying to help?” I think there is a real risk that measures end up benefiting the median Canberran, when that is not something that the government particularly needs to invest in. That is something that a market can sort out slightly better than its clear failures for people with the lowest incomes.

THE CHAIR: Thank you so much. I am so sorry; there was a lot to cover, and we have run out of time. We thank you very much for your time and for your evidence and for your excellent submission.

Dr Bowles: Thank you.

Ms Dobson: Thank you

Short suspension.

FORREST, MS ANNE, Member, Canberra Planning Action Group

OBERDORF, MR ALBERT, Member, Canberra Planning Action Group

THE CHAIR: Welcome, Albert Oberdorf and Anne Forrest from the Canberra Planning Action Group. Thank you for coming in today. As witnesses, you are bound by parliamentary privilege and you are bound by its obligations. You must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly. Do you want to make a brief opening statement? We have your submission but we would welcome an opening statement too if you have brought one.

Mr Oberdorf: Well, we have brought—we would like to cover four points. The first is our purpose here. The second is that we are concerned that missing middle developments could cause some environmental problems and we are suggesting two ways of obviating that. The third is that we are concerned that great care needs to be exercised in putting in place any missing middle initiatives, particularly densification, and we would like to give the example of Kambah, which I do not know if many people know, is par excellence in design. It was developed in 1966. The planning concepts are successful. The last one is we would like to put forward a slightly radical proposal on how to build more low-cost housing, utilising the Singapore model which is very successful and harking back to the old post-war public housing scheme. So those are the four points that we would like to cover if we can, if we have got time.

THE CHAIR: I think we do have time and those are an excellent four points. Albert, I am just going to start with your views on public housing, community housing and what government should be doing about that, given that you have flagged that as one of your key focuses.

Mr Oberdorf: Okay. Well, the first thing is that we have—I will do one thing. One of the reasons we have got a significant shortage of housing—I was listening to the people out there—but, in my view, it is that we have made a couple of missteps. So take Northbourne Avenue, for example. We, we as the Canberra government, decided that we are going to knock down public housing and put up high rise. And that was great. The big problem is we immediately knocked down the public housing. Ten years later, there is still at least one empty block up there. So we have artificially created demand. And in Strathgordon in Woden, for example, five years, seven years, still empty. So my suggestion is that the government could immediately alleviate a lot of problems by planning more carefully and leaving the houses there until the last moment. So that is the first one.

The second one is that the government needs to, in our view, move over to a system where it takes more control of the construction funding of low-cost housing. Now under the Singapore model, 90 per cent I think, 80 or 90 per cent of the people own houses and they are constructed by the local authority.

THE CHAIR: Yes.

Mr Oberdorf: Basically, you get a small apartment. You buy it and you can fund it partially with your super. After five years, you can flog it and move up to a bigger one but it is to a first homeowner. So over the last 40-50 years they have 80 or 90 per cent

home ownership.

In Australia, and I have to put my glasses on and find that sheet of paper, we used to have a system called the public housing scheme. It was aimed at providing affordable housing for low-income earners, target my father and my mother. It was a broader scheme to assess housing shortage and improve the opportunity for people to get into housing. For some reason or other, and I do not know why, I did not have time to look it up, it was abolished and not replaced. So our suggestion is that, looking at it from an Australia-wide perspective, because we cannot just solve it in Canberra—although in Canberra, the government being the sole landowner, has a great opportunity to start again.

THE CHAIR: Yes.

Mr Oberdorf: So what we are suggesting is that the government itself look at starting with a similar scheme. You cannot use the superannuation scheme but at least start developing low-cost housing. Pick a site. As an example, in Ulverstone Street, there used to be a childcare facility; government run, two ex-govie buildings, been empty for 12 years. Some squatters went in—one had a nice goat—but now they have been kicked out and it is fenced. But that is a nice building where you could probably develop about four or five low-cost houses.

The government, from memory, has changed the rules so that you can actually take up greenspace for low-cost housing or public housing. So my suggestion is that you look at implementing a pilot scheme. You look at some place like Ulverstone to put it in. It is very good. There is a lot of social housing there at the moment, and very successful by the way. I live around the corner.

So that is basically it. We are concerned about the lack of social housing. I will not mention the stuff that was sold off to fund stage one because that would be politic. But we suggest that you try and start some sort of a pilot program, not hugely expensive, but the four or five families that you would house at Ulverstone would be very grateful.

MS CARRICK: On that subject, do you think the government should be more proactive in targeting where they can put missing middle and low-cost housing around shopping centres, doing some precinct planning that includes low-cost housing, public housing, social housing—you know, the amenity that a community needs as you densify the community around a shopping centre so it is more walkable, so there is place plans, make sure you have a playground and you have the things that a community needs?

Mr Oberdorf: The answer is yes. But the problem is that over the last several decades, like 30 or 40 years, ACT planning has gone from a planning group into a regulatory group. So what you need to do is to bring in skills in who can actually do the actual design and look at that. You also need to put in place far better forecasting, you know, because when I used to work in a ACTPLA we had a five to 10-year plan. Mike Quirk used to do it. I do not think he got it right, but he was pretty close.

So yes, the answer is yes. We should be doing more. We should be giving the planning authority—because most of the planners are quite highly qualified and they are well intentioned, if not all—they just need to be given the remit and the capability to start

doing that sort of design work. I can tell you that if you do not do that, it is going to be more expensive in the long run because if you stuff up, as this gentleman was saying, it is very hard to knock down buildings and start again.

MS CARRICK: And that was like what Peter was saying, that with less planning controls you need that land use plan, the spatial plan—

Mr Oberdorf: Yes.

MS CARRICK: —to provide the guidance, otherwise we have just got this piecemeal thing and how does it all hang together? And that comes back to block consolidation, which at the moment has the 2,000, 3,000, square metre limit on it. Do you think the government should be targeting where they can consolidate blocks, not necessarily in the middle of a street, but where there are opportunities at the end of a street, and trying to enable it?

Mr Oberdorf: Yes. If it was me, and I am just a simple planner, I would go through the government's assets—Ulverstone Street—because there are lots of other places where you have got two or three public houses at the moment—you have to deal with those very carefully because a lot of the people living in them are old and have been there for decades. But the thing is, they do not stay there forever, but the block of land stays there. So yes, if it was me, I would be going through, looking through and doing an audit of all the government owned land, seeing where there are suitable blocks, and that is just in terms of both size and location, and seeing the potential for intensifying the development.

MS CARRICK: Does it have to be just government owned blocks, or could it be private sector owned blocks, but there is some incentive if you are close to a shop to come together and sell to a developer or something? You know, some education to the community that this is what we are trying to achieve, so talk to your neighbours and so on.

Mr Oberdorf: Well, it would take—of the developers I know, and I struggle to bring a name forward who would be altruistic, but a lot of them, as long as they make money, want to do something that is not objectionable and something that is beneficial. So yes, I think that if you spoke to someone in the Property Council and sort of started an inquiry, and I would do it over a cup of coffee to start with, I would float that idea. Because the government cannot do everything. One, it costs a lot of money, and two, you have got other things to do; health, education and stuff like that.

MS TOUGH: You mentioned Kambah in your opening comments. Kambah has a really fascinating history as a suburb. I am interested in what you see from Kambah that can be used across Canberra. What part of Kambah do you want to use as an example?

Mr Oberdorf: My first home was in Kambah. I spent a lot of happy times in it; it was great. If you look at Kambah—and I will give you these two sheets of paper—as George Tomlins said, it was not a neighbourhood based on a school; it was a territorial unit based on geography, with a flexible spine of community facilities. The whole thrust was to integrate urban development with the environment. You cannot re-wild, but you can reintegrate. There were huge challenges—water management, sustainable

development and the soil stability. We needed enormous community infrastructure, and there needed to be bushfire management.

Back in the 1960s, the NCDC engineers and planners came up with this idea. The key aspects were: (1) integration with nature; (2) the community focus; (3) sustainability; (4) accessibility; and (5) aesthetic appeal—that is, landscape that contributes to the aesthetic appeal of the area, while enhancing the overall wellbeing of the residents. If you look at Kambah, there is a lot less infrastructure, like drains and stuff like that, because the land has been sloped so that the water runs away.

Our problem is that Kambah has always been challenged. When I lived there, the NCDC decided that the space behind us, in Bullock Circuit, would become a development site, so we fought for five years. We were not successful, but we managed to keep an open space for a golf course. Blow me dead, now the golf course people are trying to chop off some more land so that they can fix their infrastructure.

I have titled this paper “ACT government’s next target? Kambah” because when we had a look at the district plan, even though the projections were that Kambah would remain static—it probably declined over the recording period—one of these plans sets out how they will almost double the amount of buildings in the area.

THE CHAIR: The district strategy.

Ms Forrest: The district strategy, yes.

Mr Oberdorf: The district strategy; that was it. I was thinking, “If it’s not going to grow, why would you do that?” Forward planning is pretty good, but forward planning for a place that is not going to grow is pretty stupid. I would go to a place that is going to grow and look at it. The big problem is not that we are looking at putting more development there, but that we are destroying one of the best-planned, environmentally-friendly, neighbourhood-friendly—we have two generations living there—suburb. We have no objection to the missing middle being developed. It is just that we would like it to be done properly.

MS TOUGH: Looking at which suburbs it goes into.

Mr Oberdorf: Which suburbs and how. Talking about the district plans, we wondered what had happened. At one stage, we did a lot of work on district plans.

Ms Forrest: Yes.

Mr Oberdorf: We and a lot of community groups worked together so that we could identify where they were, put it on maps, and it is now sitting on our website because it was abandoned. We would really like the missing middle people to put it in place, but put it in place properly.

Ms Forrest: They were called “investigation areas”, under the so-called district strategy, and it appears to have all been abandoned.

MS CARRICK: Interestingly enough, with what is going down the transport corridor,

I think it has expanded. The investigation areas have got bigger, I think. When we are talking about different areas, do you have any concerns about the planning controls and how they might impact less dense areas like the inner south? Molonglo is already very dense, but, with the inner south, there have been concerns about the impact on the tree canopy and the character of the neighbourhoods. Do you have concerns about particular areas?

Mr Oberdorf: We do. I will read this, if you do not mind: our purpose is to ensure that Canberra, which was named the best city in the world for the quality of life by Oxford Economics in 2025, remains as such. The global index analysed 1,000 cities across the world, measuring everything from safety to housing, income et cetera, and we hit the top. We want to stay there, mainly for the quality of life for ourselves and our children—in our case, our grandchildren.

The concern we have about the missing middle, and putting it into the inner south, is the fact that, at the moment, we are going backwards in terms of tree coverage. I think the report said we have dropped to 21.8 per cent from 22.7 per cent. It is pretty difficult to increase densification without using land for buildings. One of the property councils said, “That’s land wasted.” But you can densify, and you can go up to two or three storeys, so you do not need to selfishly occupy every inch of land. You can densify.

There is a development which I have seen where they knocked down three houses and put up seven units, but they left quite a big amount of green space. There is a very old development in Dickson, around the back. It is in the Jewish kibbutz design. Basically, it is a rectangle, with houses put in place. In the middle there is green space, and at the front there is a small private space. I noticed that it is being upgraded now. I think it will sell for millions. But the design is one that could be applicable. Keep X amount of space for green space; you are allowed to go up this high in building.

MS CARRICK: Do you have concerns about the current controls? A lot of them have been moved to guidelines and there is very little left in the law. We have zero-metre setbacks, so there are concerns about detrimental impacts on neighbours’ privacy, overlooking and overshadowing, and how it is managed.

Mr Oberdorf: I do have concerns. The responsibility of government is to manage things. The developer’s function is to maximise their return. There is nothing wrong with that; it is just the nature of the beast. The function of government is to control it. Yes, I would have preferred to see more powerful legislation in place, because the two objectives are totally against each other.

MS CARRICK: There is the tension between the two—development and trees.

THE CHAIR: Local character is recognised in the planning system, but there is not a lot of detail about how it is recognised in the planning system. Anne, can you tell me what you think about local character and the reforms that we have before us?

Ms Forrest: I think it is just words in the planning system—“local character”. I would like the planners to tell me what they think that is. The district strategies appeared to be moving towards recognition of individual characteristics in the different districts, and now we are looking at a proposal for infill development across the board, a flat earth

policy. Unless there are tight controls on what that infill is, you are wiping out local character. I would like to go back to the public and community housing point.

THE CHAIR: Please do.

Ms Forrest: There was a huge misstep in the inner south. We lost Stuart Flats, Red Hill, Gowrie Court—hundreds and hundreds of units that were all public housing, and not one single public house came back into those developments. They are all very upmarket and expensive. It is an over-gentrification of our area. In fact, it affects the wellbeing of our wider community. There is a tension, obviously, when there is public housing, community housing, side by side with private residences. For instance, in Manuka, at Stuart Flats, there was a thing called the “Thursday verandah”. I know people who, as volunteers, went there every Thursday, with all sorts of support mechanisms for people that needed it in the Stuart Flats. All of that was lost. Personally, I think that the wellbeing of the community is degraded by that over-gentrification.

There is a solution in the inner south, even though our district already has the highest densification in the whole of Canberra, although people find that hard to believe. At the moment there are a number of development proposals on the books, and one of them is East Lake. Again, we have fought for public housing to be returned to East Lake. There are people that have lived there for most of their lives. There is no government guarantee that we will have any public housing in the future development, because it is all about money.

THE CHAIR: There are 47 public homes there. I have asked, in various parliamentary proceedings, five or 10 times, “Will you guarantee that all those 47 will be rebuilt and more, and will you guarantee that these people will be offered?” And there is no decision taken.

Ms Forrest: No guarantee.

THE CHAIR: The planning minister says it is a Housing ACT decision; the Housing ACT minister says it is a planning decision. I have absolutely no indication of what the decision will be, or who will make it. You are quite right.

Ms Forrest: You were talking about the treed landscape and the loss of canopy. There seems to be a real disconnect between the various government departments that oversee all the legislation. On the one hand, you have a document that tells you about the tree canopy and what they are aiming for. On the other hand, you have indications, certainly, with this new—I hate to use the words “missing middle” because it is not missing—proposal. You have new driveways, extra driveways, increased footprints and reduced private open space. Those two things do not sit comfortably together. I can talk from personal experience in my particular area of the loss of the tree canopy, despite people’s best efforts.

MS CARRICK: In your submission you state:

When zoning restrictions are loosened, the value of the land can increase, making it more expensive to build new housing and leading, potentially, to higher property rates for existing homeowners. This can result in the demolition of older, more

affordable housing units to make way for new, more expensive developments, forcing out current residents, especially renters.

With the increase in the unimproved land value when you densify, because you can fit more on it, are we seeing rates increase and people getting pushed out?

Mr Oberdorf: The answer is yes. Take Aranda, for example. On the corner block, just as you turn left, there was an old townhouse development there, designed by a fairly prominent architect.

Ms Forrest: Dirk Bolt.

Mr Oberdorf: Yes. That was knocked down and the increase in land value was irrelevant, because the replacement townhouses that were put in were so marketable. That is the problem, as the people before were saying; you are competing one against the other. You have people who can afford it, people that hope to be able to afford it and people who cannot afford it. The problem is that the people who are missing out are the people down at the bottom. Yes, the answer is that it is.

MS CARRICK: Yes, gentrification—

Mr Oberdorf: It will happen.

MS CARRICK: Basically, that is what we are doing; we are gentrifying the inner areas.

Mr Oberdorf: In my suburb, Lyons, when we went down there because we had to knock down Burnie Court, we went in with police. It was dreadful. That was an extreme case. I rocked down to see whether I could buy a place in a retirement village and the lady wanted \$1.2 million for it—the same place. I said, “Years ago, I was standing here with the policemen, and now it is just so expensive.”

MS CARRICK: You mentioned that we are not sprawling in the ACT, but we are sprawling out into New South Wales. Googong is growing. What are your views on that? We are trying not to have sprawl but, in effect, we are getting it. What are your views about that?

Mr Oberdorf: The answer to that statement is yes. The Y plan was still in effect. Sutton is a future development under the Y plan—1966, or something like that. A couple of old friends of mine are developers, and they have had blocks of land out there for the last 20 years—probably 4,000 hectares. At Hall, John Anderson owns a heap of land there, waiting for the development to come through. With the urban sprawl, the government has succeeded. I think 70 per cent of development is within the existing space, the urban footprint. Jacks Creek, Googong and Jerrabomberra are taking over, because people do want blocks of land with a backyard, and they are willing to pay and to go out into the areas. It is not that far from Googong to here.

The only way to stop development is to stop people having babies and just have a static population. The reality of life is that Canberra will grow. The plan, in my view, would be to try and get a mix. It depends on what the government wants. Is the government happy to have this as the high-rise capital of Australia and with the single-unit

developments around the place? There is a solution, administratively, to that. It would involve cancelling the ACT self-government act and becoming part of New South Wales.

MS CARRICK: What is your view of the Scentre Group proposal to go up to 55 storeys?

Mr Oberdorf: I think that is a bit excessive. You are talking about Woden; I did read that. My grandson and I did a development last year. He is going to be an architect engineer, and we did a proposal there. We only managed to fit five towers in.

MS CARRICK: They have fit 17.

Mr Oberdorf: They have left the school out, so you are still going to have to drive off to school somewhere. They need a school. The answer is that it is too intensive. With getting the infrastructure in there—sewerage, electricity and water—I could not see that happening under the existing amount of infrastructure that is there. We had problems in the north many years ago, when they started to intensify development, and discovered that all the Croatian builders had added ensuites onto their houses, without bothering to tell them about that.

We had similar problems in Gungahlin, where intensive development was created. My joke was that people would have to use the plumbing on alternate dates. Luckily, the land, to use a development term, was sanitised, because of all the endangered species. There are about five potential suburbs. The answer is: too high and not achievable, and I do not know what the objective is.

MS CARRICK: When we densify, there is more concrete around and more run-off. With the recent floods in the Yarralumla Creek, it was full on. How do we manage the water, when we cover so much of the land? Should we be re-naturalising the creek, for a normal flood event, just to try and slow it down a bit?

Mr Oberdorf: It is very difficult. The more intensive your development, it has to be accepted that it is more difficult to control run-off and things like that. The benefit of Canberra is that that happens very rarely, because we are in a very dry area. I cannot see, from an engineering perspective, how you could deal with that 100 per cent. You can minimise it, and it will be expensive.

Your major problem, of course, is run-off into Lake Burley Griffin, and creating all the pollution there. That does not just come from the inner suburbs; it comes from way out. With Dairy Road, for example, there is quite an interesting development there, which I will talk about later. They have a system where they are going to try and get rid of the pollutants. It is a really good system, and there is a little video on it. It was put in place in Port Macquarie, a similar system, under the Cassegrain family. They had artificial ponds which cleansed the water.

MS TOUGH: In your opening comments you mentioned Singapore, and lessons that could be learnt from Singapore. Can you explain how those lessons could be applied here?

Mr Oberdorf: Yes. The federal government's low deposit scheme has already caused about a five per cent increase in housing. Saul Eslake says it misses the bigger picture, because it boosts demand without addressing the supply side weaknesses, as you alluded to.

The Singapore model is great. At the moment, it has a million apartments spread across 24 towns—not bad for a country of 6.03 million. As a result, Singapore has home ownership of 90 per cent. I have tried to push for its adoption based on Cameron Murray's model. I will leave these links with you. Cameron Murray is a very intelligent guy and, as an economist, he can do what I cannot do. I can sit here and say, "That's greenfield there; we should put houses on it." He has a way that you can put the Singapore model in place in Australia. It is basically a model where the government builds houses and sells them cheaply to people who do not own them.

You can go back to the old World War II public housing scheme, which was highly successful—really successful. That is where the Australian dream started. You could actually afford to own your house. There were certain qualifications. My father had to go to war to qualify for his lot, but you do not have to do that.

The last thing I would suggest is that we look at adopting the Singapore model of superannuation. Those 6.03 million people have one of the biggest superannuation schemes in the world, run by the government—one. Everyone has to contribute to it, and you can use it to fund your housing. After five years, you can take out a certain percentage and use that to buy your housing.

The Australian super scheme is quite successful in a lot of ways, but it is a dismal failure in another way, because it has so many different schemes, and everyone is marching to a different drum. I have half-a-dozen trade union mates who have been so lucky to become members of the superannuation book. It is like winning lotto.

Basically, my suggestion is to copy the Singapore model, adapted to the Australian system, and try and get the government to agree to the superannuation schemes putting more money into low-cost housing. They have already put money into high-cost developments.

MS TOUGH: Going back to Singapore, it is quite dense, in terms of population. A lot of people are living in high-rise. You go to Singapore, and it is high-rise. That is what families are living in. The population is much bigger than Canberra's. With applying that model, while I agree we do need more lower cost housing, to achieve that, with a population that is not even a million, we would probably need to have the density, to have the population for that to work. The comparison seems to be quite different.

Mr Oberdorf: You do not have to do apartments. Take Ulverstone Street, for example. You could put in six, or maybe eight, townhouses, with green space all around it, walking distance to the school, the shops and all the facilities. The government owns the land. Of course, trying to get it off the education department would be an interesting exercise. You build seven houses, add 10 per cent on. In the development field, we would like to add a little bit more than 10 per cent. You add on 10 per cent, recover your costs. I reckon that those houses—97 square metres, which is a good size—would go for \$450,000 or \$550,000, and the body corporate fees would be very low.

MS TOUGH: It is still a strata-type development. Yes, it is interesting.

Mr Oberdorf: You would have to. The problem with strata is that it is terrible.

Ms Forrest: You were alluding to high-rise development in place of single dwellings et cetera. I noticed yesterday that the speaker from the University of Canberra Health Research Institute referred to studies that they have apparently done, as I understand it, focusing only on RZ1, and that it should not be an across-the-board proposal to infill all the backyards. In fact, their studies have identified certain areas, discrete areas, of RZ1 that could take more development.

I keep hearing so many people talking about block amalgamation, which goes all the way back to the garden city variation in 2002. It was about RZ2 block amalgamation and not retaining long-term single houses in those particular areas. I was interested to hear someone say that there has been some study done about certain RZ1 areas.

In answer to a question, he pointed out that they were not asked—I think that is what he said—to look at RZ2, because RZ2 has not reached the potential, by any stretch of the imagination, that it was meant to do. I am familiar with areas of RZ2 zones in the inner south where property has changed hands; people have bought property and built enormous single homes in an RZ2 zone. That should not have been allowed. That whole approach is becoming a failure, so what is happening is that we are moving into the RZ1 zones.

MS CARRICK: Yes, we are missing the opportunities for RZ2.

Ms Forrest: Yes.

THE CHAIR: We have run over time. Thank you very much for your time and your evidence today.

Mr Oberdorf: Could I make one quick comment? We are worried about the environmental impacts of increasing density. We suggest that, if you have not already done it, you mandate that sustainable eco-concrete be used to a far greater extent. The second thing is that we suggest that you start looking at other building material that is less environmentally damaging, including rammed earth structures. I refer specifically to Dairy Road, because they are hoping to put up a four-storey development using rammed earth—earth that was moved from Capital Hill and dumped. Thank you for your time.

THE ACTING CHAIR (Ms Carrick): On behalf of the committee, I thank you for your attendance today. The committee will now suspend the proceedings for lunch.

Hearing suspended from 12.13 to 1.13 pm.

BUTLER, MR LACHLAN, Chair, Belconnen Community Council

THE CHAIR: We now welcome Lachlan Butler, from Belconnen Community Council. As a witness, you are protected by parliamentary privilege and bound by its obligations. Witnesses must tell the truth. Giving false or misleading evidence will be considered a serious matter and may be considered contempt of the Assembly. Lachlan, would you like to make a brief opening statement?

Mr Butler: No; I am happy to go straight to questions.

THE CHAIR: Excellent. I had a look at your submission, and you talked quite a lot about the consultation process and some of the things government can and should do about making sure people are being heard. Can you tell me a little bit about what you think needs to happen and maybe what has not happened yet?

Mr Butler: Yes. I think when it comes to community consultation, people want to be able to have faith that, when they participate, it is being heard, it is being acknowledged and it is being responded to, even if it is not something that is actioned because it goes against government policy or whatever. They want to know that what they are saying is actually being heard by someone. When it comes to the transparency of that, we do not want to see comments just going to a black box that is never seen or heard of ever again. We want to see an open conversation with all the comments that come through.

THE CHAIR: Do you think that has happened on this inquiry?

Mr Butler: When they put up all the submissions for the missing middle design guide or the reform they were all put on a website with no index. It was quite challenging to go through and find particular submissions. I think they did a reasonably good job with the consultation processes this time around compared to previous consultations that have occurred. But, when it came to actually publishing that, I do not think they did a very good job at that.

THE CHAIR: Consultation is interesting, isn't it? You never know what you are going to get till you start asking the questions. We have heard a lot of people talk about the need for better infrastructure to go with density. Some people have commented on the missing middle reforms themselves. There have been a lot of people commenting on the need for better public transport, better green spaces, public spaces and all of the amenity that you need to go with that density. Does Belconnen Community Council have any views on the social infrastructure and maybe public transport that is needed to support these reforms to work?

Mr Butler: Yes. The second part of our submission was very much on that infrastructure side of things. When people live in a suburb, in a town centre or near a group centre, they want to know that, when more people come there, they are going to get more services—for example, upgraded parks—and how that stuff is managed. I think that one of the big concerns people have when their suburbs are changing is they are not always changing with the pros and the cons of densification.

When we look at the Belconnen town centre, for example, or even just the Belconnen Markets section, there is very clearly hundreds of new dwellings going in there but no

increased public transport and the public realm upgrades are not there. So when people see very publicly that there are lots of new homes and there are no infrastructure upgrades, they do not have faith that, when there is an increase in a few dwellings around the place, those picked up and responded to.

THE CHAIR: Are you hearing much about public transport out in Belconnen?

Mr Butler: Yes; definitely, with the changes to the rapid routes. West Belconnen has about 50,000 people in it and no rapid buses anymore and they have no direct connection to the city. If we are going to increase the amount of dwellings that are out there, everyone there is going to be using a car at this point. When we talk about parking minimums or densification in general, it is a completely different story when we are talking about the inner city versus the outer suburbs like Dunlop and Macgregor.

THE CHAIR: It has been unfortunate timing, hasn't it, that the rapids get cut right when the missing middle reforms are coming through?

Mr Butler: Yes, it is a bit of a rough time for West Belco.

THE CHAIR: Yes.

MS CARRICK: The population is growing and we need more housing and the young people have stresses about housing affordability. What are your views about the settings? Will they encourage more affordable housing, particularly for young people?

Mr Butler: I think there is definitely opportunity to change the settings to deliver on that. At the moment, we have a lot of free-standing homes and a lot of apartments. The apartments tend to be one or two bedrooms. When you see a three-bedroom apartment or a four-bedroom apartment, it is usually a luxury penthouse and marketed as such. At the moment, we are seeing an absence of new dwellings that are viable for young people especially.

MS CARRICK: With respect to the settings, going back to our RZ1 areas, there are going to be apartments permitted there and with some side boundaries, they have zero to six metres—so you can have zero metre setbacks. Do you think that the controls are strong enough to ensure that people have confidence that privacy, overlooking, overshadowing and all that sort of thing will be dealt with well?

Mr Butler: It is hard to say with the new planning reforms and the outcome-focused planning that has come through. We have not really seen any big developments come through that to say if it actually stacks up as a process to deliver a good outcome. But privacy and infrastructure are the things that people bring up. On the infrastructure side of things, I do not think there are any measures in place to actually control that.

It is interesting when we talk about missing middle and all the dwellings that come with it—because, if you have a big concrete mansion with one dwelling, is that so different to that same building size but with three dwellings on it? I always try and think about the outcomes rather than the raw dwelling numbers. But it is hard to say. I think it could go either way.

MS CARRICK: Because it becomes a bit more subjective now, even if you have a patent book, which might be a good thing but it still has to be assessed regarding the impact it has on neighbours. There are people who have called for abolishing appeal rights to ACAT. Do you think neighbours should have a right, if there is a material detriment to them in terms of privacy or overlooking, to be able to say, “Hang on a sec; this is not a good outcome.”?

Mr Butler: I think it is challenging, because a lot of development is already exempt from appeals. The current system sort of targets this type of dwelling particularly. I think if there were to be an appeals process it should be reasonably fair for all types of dwellings, not just specifically targeting one type of dwelling. I think the worry about appeals comes from the fact of a lack of confidence in the planning system to deliver good outcomes.

MS CARRICK: Thank you.

MS TOUGH: Thank you, Lachlan. In compiling the community council’s submission to government and your own consultation with members of the community. Do you think that the missing middle and all these planning changes will start to see a process of opening up more development opportunities and different types of housing across Belco, particularly West Belco and then in the outer suburbs?

Mr Butler: Yes, I think there is definitely the chance for it to open up a lot of housing. When the government did its initial reform for RZ1, Belconnen was one of the biggest districts to have potential for more dwellings. I think the media reported only 17 people took them up on that. Belconnen is a big district; there are tonnes of RZ1 blocks that would be impacted by this.

MS TOUGH: Once this goes through, do you think people are going to start going, “Actually, yes; on my block I can now put a duplex or a triplex,” or “I can talk to my neighbours and now that I am getting older and want to move out of this size house this is a good opportunity.”?

Mr Butler: I think the opportunity will be there. I do not know how many people would want to become developers. When you live in your house are you willing to tear it down? There is the LVC aspect, and I think there are a lot of other factors and mechanisms that need to be properly adjusted to allow for it. But, yes, there will definitely be opportunity.

MS TOUGH: Did LVC come up when you were doing the consultation with community to put in submission to government?

Mr Butler: It comes up. I think a lot of people do not understand how it works and how it would impact them. During the consultation there was not a lot of information about the LVC to provide that context. Feedback we gave during the early stages of consultation was to provide that context for people. But I think there is a lot of uncertainty in how that would impact them.

MS TOUGH: So the opportunity is there but people are not sure how it is going to work in practice when that happens?

Mr Butler: Definitely.

MS TOUGH: Thank you.

MR CAIN: We have had a few groups from parts of Canberra, in particular the inner north and inner south, with a particular interest in preserving the garden city character of the area. Do you see any particular challenges in Belconnen with the missing middle—any particular Belconnen-focused features that you would like to see and any risks? We want an enhancement of Belconnen not a deterioration of it?

Mr Butler: Definitely. Again, with this mechanism, there is definitely opportunity for it to occur when they are assessing the outcomes. Densification in Dunlop should be completely different to densification that happens in the inner south and inner north—when you look at, for example, the number of cars that people in West Belco have to have because the public transport is not there.

I appreciate the interests that you spoke of having their viewpoints. But I think that, at the end of the day, the consequence of that is that more people live in Belconnen and more people live in the Molonglo Valley, and so we are pushing densification onto the fringes of our city, and that has costs. Again, West Belco does not have a direct connection to the city, but we are seeing seven- and eight-story apartments being built in West Belco. I think, realistically, it makes sense for densification to occur closer to the city centre than on the fringe.

MR CAIN: I have a broader question that touches on how the missing middle might be rolled out. We have obviously got a fairly new planning system with an outcome focus, and I know you have had some thoughts on that as well. Do you think it is mature enough to absorb a whole-of-Canberra rezoning?

Mr Butler: That is a great question. I do not know if the directorate or the planning authorities are as prepared for it as they should be. I have spoken to the SLA about what happens in greenfield sites. If you do the territory-wide planning changes and you sell a bunch of RZ1 blocks in Macnamara or one of the new suburbs there and you are planning for those to be single-dwelling houses and then people buy one and immediately change it, how are they controlling for that? How are they making sure that the suburbs they are designing are fit for purpose with the dwellings that get built there? The answers we have received—up until the end of last year, when we last spoke to them—have been like, “Yes; we are sort of thinking about.” I think the design guide is a good step but I think the planning authorities really do need to step up and start getting ready for it.

MR CAIN: Do you think they are?

Mr Butler: It is not for me to say.

THE CHAIR: Lachlan, during the hearings, we have heard from a lot of people about the reduction in green space. Open green space drops from 40 per cent to 30 per cent. A lot of people are very relaxed with that; a few people are not. At the same time, once every five years the government does LiDAR satellite data on tree canopy and, from

2020 to 2025, that went backwards. Our tree canopy is decreasing, and the report said it is due to densification. I am a little concerned about putting those two things together, and I am wondering if you have any views on that. We had 2017 CSIRO heat mapping that showed that some of our suburbs like Lawson were several degrees hotter, and I am concerned about the effects of climate change with more heat and more flooding, as my colleague Ms Carrick has pointed out. Do you think the settings are right as to how much green space is going to be factored into this?

Mr Butler: I am always a bit hesitant to conflate the two issues. If you look at pictures of the older Belconnen suburbs when they were first being built there were not very many trees in those photos. Trees take time to grow. In Aranda, in the 2025 LiDAR one, there is 43 per cent canopy cover. When it comes to Dunlop, it is 19 per cent. In Macnamara, the newer suburb, it is three per cent. Lawson is pretty low as well. We have to allow for the fact that, in the newer suburbs, trees are younger and they take time to grow. We have to be aware of that aspect when we are talking about this and make sure that the settings we have to increase the tree canopy are based on fact, are deliverable and we can actually get to that 30 per cent cover.

THE CHAIR: To make sure it is based in fact if these reforms went ahead, do you reckon some really clear monitoring, like some LiDAR data, a bit more frequently, maybe some more heat mapping and maybe some other metrics on water flows and things would be a way to check whether the changes you are making are getting a good impact and not a bad impact?

Mr Butler: Yes, definitely. We should be doing this on all aspects of it—regularly monitoring it and making sure that measures, even neighbours' privacy, are actually delivering and working and the tree canopy is coming through. The classic one that most people say is that, if you have to plant two trees, you just wait a year for everyone to stop looking and then go out with the Roundup and kill it. We have to make sure that we are doing consistent monitoring—not just six or 12 months.

MS CARRICK: On the tree canopy, I appreciate your point that, in the older suburbs, the trees have grown and you have got a better canopy than you do in the newer suburbs where they are just coming on. But when you change the settings whereby you can have a zero setback on the boundary and the setbacks at the front of the blocks have come forward too, so there is less of a setback, and you put double driveways in, you start limiting the room when you have got services underneath where you can put deep-rooted trees. I have seen where there are these beautiful big street trees, the building disturbs the roots, and the big street trees die because of the roots being disturbed. In some places, like in Molonglo, there are what people call lollipop trees. They are just small trees, because they do not have the room. Do you think that the settings play an important role in being able to have a good canopy and not just lollipop trees?

Mr Butler: They definitely have an impact. I think that is why there is an argument for not just having Gungahlin style freestanding homes—not to use that as a derogatory term—where it the roof is 10 centimetres or 30 metres apart over and over again. I do not think that is a good outcome under the current system. In my mind, if you had a terrace townhouse there instead and parking underneath and you have one driveway going onto the road, rather than lots of driveways followed by very small trees and very small landscaping. The missing middle dwelling types have the potential to increase the

green space, but I think there is also the chance of them not doing that, based on the settings, of course.

MS CARRICK: One of the things that has been discussed, particularly yesterday, was precinct planning—we had an inquiry into the Hawker shops—and doing some proper place planning by the government. Do you think that that is important in the context of RZ2, in somehow enabling RZ2 to develop more block consolidations? It is set at 2,000 and 3,000. Do you think the government could be targeting the densification better and where it is appropriate?

Mr Butler: I think they have tried doing that when they made the earlier change to RZ2 zoning. What we heard was, “Oh, they changed that to an RZ2 block but that makes no sense and this RZ1 block across the street would make much more sense to densify.” I think there is value in changing the settings territory wide. Block consolidation seems to make sense to me. Having a bigger picture when you are planning these spaces makes sense to me. It is why I have been advocating for a Belconnen renewal authority or some sort of task force there to have that bigger lens. Again, when people look at a town centre where there is massive population growth and it is very visible and they are not seeing the outcomes that the government is saying that you will get with missing middle, I think that is the thing that makes them a bit hesitant. If we can actually deliver our town centres and group centres well, I think people will be more confident that the Planning Authority will deliver good outcomes in the suburbs.

MS CARRICK: Thank you.

THE CHAIR: Lachlan, thank you so much for coming in. On behalf of the committee, we thank you for your time and thank you for being so clear and concise.

MS CARRICK: Yes, thank you.

Mr Butler: Happy to help. Thank you.

THE CHAIR: Thank you.

Short suspension.

BROOK, MR MARK, Chair, Planning and Practice Committee, Australian Institute of Architects

HENRY, MR ROB, Chair, Housing Committee, Australian Institute of Architects

UTOMO, MR NUGROHO, President, ACT Chapter, Australian Institute of Architects

WILLIAMSON, MS GAY, Vice-President, Australian Institute of Landscape Architects

THE CHAIR: We welcome witnesses from the Australian Institute of Architects and the Australian Institute of Landscape Architects. You are bound by parliamentary privilege. As a witness, you must tell the truth. Giving false or misleading evidence is a serious matter and may be considered contempt of the Assembly. Do you have short opening statements or would you like to proceed straight to questions?

Mr Henry: We can go straight to questions.

Mr Utomo: We can go to questions.

THE CHAIR: That is a great answer. I would love to get a view from you, Gay, and the Institute of Architects. We have seen a drop in green space and private open space. It has gone from 40 per cent to 30 per cent. Quite a lot of our industry folk are quite comfortable with that and government has said, “It’s higher quality, and the tree canopy target is going up, so it’ll be okay.” At the same time, we have just done the LiDAR canopy coverage rate. We do that only once every five years. It was done in 2020 and we were at 23 per cent, and it was done again in 2025 and it has dropped to 22 per cent. The report that went with that said that it is as a result of densification. I am sorry—that was a lot of information. My question is: in a changing climate, with the decrease from 40 per cent to 30 per cent, do we have that setting right or is that going to be a problem, with floods and increased heat?

Ms Williamson: In our submission, we did not specifically address the figures, but we said that, in support of missing middle housing, it is going to change the landscape character and spatial form. You are quite right: the change in private open space means less deep root zone, less canopy cover and less infiltration. I am aware that, to compensate, the policy says, “We’ll increase the canopy cover targets overall.” What we stressed in our submission, recognising that it is going to make a change, is that it is not just a matter of changing the policy targets; it is also a matter of actually following up those policy targets and saying, “We will invest in that public realm. We will invest in those street spaces.”

We believe there needs to be a real change in terms of how the public realm is presented, invested in and considered as a system and a network. It is not just a matter of saying, “We’ll increase the canopy cover.” There is also going to be loss of biodiversity, because we know that Canberra suburbs contribute to biodiversity. So there needs to be a commitment that says, “We’ll increase biodiversity in the public realm. We’ll increase tree canopy in the public realm. We’ll change how we’re thinking about some of those things.” And it probably means greater investment in the public realm, in terms of water-sensitive urban design and getting infiltration. We feel that needs to be far more nuanced.

We have been lobbying for a long time for an ACT government landscape architect. It is a great opportunity to say, “That’s good,” but it is so important that the person gets on board very quickly, starts to really look at the information that you just cited, and says, “We need to start marrying the open space and the policy commitments and monitor the living infrastructure targets and the policy.” That would ensure that, for want of a better phrase, we are not throwing the baby out with the bathwater.

Mr Henry: As Gay said, a lot can be done in terms of the public realm. We are supportive of this change because we know that we need densification, and that is on a block-by-block basis, but we need to look at this on a suburb-by-suburb basis, and therefore the public realm needs to be considered in that. We feel that a lot can be done with public spaces to improve our performance. There is a reality to this that we are looking at—for instance, lease variation charges. That money could be put back into the public realm and improvements to it.

Mr Utomo: It is a challenging question insofar as it relies on very quantifiable metrics and percentages. Without knowing the definition of public open space in that study, it is important to also understand accessibility to public open space. In the institute, as Rob was saying, we support density, and it does not necessarily have to be at the expense of public open space.

Ms Williamson: Private open space.

Mr Utomo: Yes—they are not two things in conflict with one another. When it comes to the broader environmental question of how we occupy the city and the country, it has to be denser, because, by virtue of it being so sparse, it is, by definition, unsustainable.

THE CHAIR: What I have heard is that, if private open space decreases, we need to invest more in public open space, and we also need to very carefully monitor what is happening.

Mr Henry: Correct.

Ms Williamson: I would add to that: the way that private open space is designed in conjunction with these houses, and thinking about private open space in perhaps a different way, in terms of creating these spaces between buildings. Also, there are opportunities to think innovatively about how that private open space is used. Especially with the opportunity for co-housing, private open space can be brought together and made much more useful private open space than just being a number and not really being accessed.

MS CARRICK: You said that we have to densify to be sustainable. We heard a lot yesterday about local shops and densifying where it is walkable to get to an amenity—a primary school, a cafe or what have you—as opposed to out yonder, in the big street around the hills and ridges. There are some pretty big houses out there. What are your views about the government targeting walkable areas to local shops and block consolidation?

Mr Utomo: I think it is excellent.

MS CARRICK: Do you think they should be proactive? You can look for public blocks

to try to consolidate, but do you think there is a role for the government to send a message to private owners: “You’re pretty close to the shops. Talk to your neighbours about what can be done”? RZ2 is very slow. It is there and there are opportunities, but are they being realised? How could we realise RZ2 opportunities better?

Mr Henry: We are looking at this reform piece and we are working with government on it. We were part of many review cycles of this, and we made it very clear from the beginning that this is one piece of the puzzle. Rezoning needs to occur to do exactly what you are talking about. Changes to RZ1 are really important to bring on different typologies of architecture in housing. There is an absolute need to increase the level of RZ2 throughout the city, appropriate to not only local shops but also public transport networks. Then some increases to RZ3 would also be really useful. The institute will always be supportive of doing a fundamental review of the city in terms of zoning.

MS CARRICK: You talk about microblocks. When we are trying to get tree canopy and permeable spaces, because of all the concreting and run-off—the floods down Yarralumla Creek were pretty full-on—how do microblocks fit into the picture when each one might have a bit of a setback, as opposed to consolidating a slightly bigger block?

Mr Henry: The reason we are talking about microblocks and also co-housing is more around the definitions and an understanding of what they actually are, and then incorporating them into our planning system. A cluster of microblocks may not be suitable in terms of our biodiversity, our tree canopy cover and things like that. What we are trying to look at here is allowing one or two microblocks at the back of a property or, indeed, in the front yard of a property, and including it in the mix. Microblocks are really important from an affordability perspective: small parcels of land, small houses, more affordable solutions.

MS CARRICK: Would the small blocks be subdivided?

Mr Henry: Yes; they could be subdividable. There is some work to be done on this, to be honest—to include microblocks into our thinking, and then show how they can actually be developed on different parcels of land and why you would develop that way. That would be part of the guide that you would be putting out to the public to understand the benefits of micro-lot housing.

MS CARRICK: We heard from someone along the way about adding driveways as you subdivide—dual occies. You end up with more driveways. Do you have a concern about how the number of driveways impacts street trees—there are services underneath and they can disturb roots—and parking on the streets?

Ms Williamson: I can talk to that. It is a concern. That is what I was alluding to in my last comment. You cannot make an omelette without breaking eggs. We support the intent of missing middle housing, but we firmly believe that it is not just about putting in density; we also need to monitor what goes around the density and how we create and maintain the enviable landscape character of Canberra. There are other ways to minimise crossovers to lots, in terms of sharing driveways. It is not that each lot needs a driveway.

Mr Henry: Exactly.

Ms Williamson: There are ways of applying this policy in a much more innovative way rather than in cookie-cutter fashion. We are all saying that it is really important that we do not apply this in cookie-cutter fashion. We need to take these things on their merits and think about where some of the things are in the policies that we need to change to allow innovation to happen. Does everybody need a fence to make their boundary? That sort of thing could really change the face of things. It is about trying to be innovative and then monitoring—truly monitoring—what is happening and being prepared. It is not just about monitoring the numbers; it is also about monitoring quality and being prepared to say, “This is working. This is how we could amend these policies.”

There are ways of achieving density without sacrificing everything and saying, “There are more cars” et cetera. I am a designer. Canberra’s streets are quite wide. There are all sorts of ways we could start to narrow streets to create some friction and allow parking on the street without parking on the verge. Going back to your first question, it requires a lead from government to allow people to put in that infrastructure so that private investors can actually do that. It is about putting in walkways to shops. It is about changing some of the street sections so that we are encouraging mum-and-dad investors to do that.

Mr Henry: Design guides and potentially a pattern-book approach can start to illustrate visually how you can go about certain design decisions—around driveways, for instance. A singular driveway onto a block of land can stay and you can have four dwellings on the block using that one driveway. You can look at things like community titling and parking areas on a block of land, so that you do not have a driveway for the full extent of a block. People park their car and then walk into their house. People are becoming far more accepting of that these days. It is about thinking outside the box and illustrating that through a design guide, so that people can take on that idea and use it.

MS CARRICK: Regarding Mr Fluffy blocks, you had the greatest plot ratio if you faced homes onto the street, so you ended up with two huge jalopies that take up the whole block, and they each have a driveway. I am not sure that was the best way to go, in hindsight.

Mr Henry: It was not, and the institute was fundamentally against that approach.

MS TOUGH: In your submission, you talk about a potential review of heritage before missing middle reform starts, to get an understanding of what heritage there is, and guidelines. Then you talk about bluefield housing. Could you talk through what bluefield housing is and how that works with heritage, and how you see a review of heritage working.

Mr Henry: Bluefield housing is an approach that is being done in South Australia. There are elements of it across the country as a whole. It is looking at how you develop heritage-sensitive areas with new buildings in and around them, proving that we can maintain our heritage but also look at innovation for a suburb. The point regarding Canberra and why we need to do a review of heritage regulations is that we are—dare I say it—behind in listing important pieces of architecture and we are at risk of losing really important pieces of architecture. I am personally an advocate of mid-century housing. Very few buildings are listed in the ACT, and they are being lost as a result of

densification.

Hopefully I am answering this in two parts. We need a review of not only what we consider as heritage but also what will be future heritage in this city. There are beautiful pieces of architecture from the 80s and 90s that are probably going to be lost as a result of this. What do we consider to be our built heritage beyond the current list, and how do we go about protecting that? That is one side. The other side is: how do we go about working with existing heritage, allowing us to be a bit freer in how we think about that? There are very prescriptive rules on how you are meant to develop beside a heritage building, which, in many ways, if you look at planning in other cities, is quite archaic.

MS TOUGH: Something heritage not just something that was built from, I guess, the 20s to the 60s; heritage is also a living thing.

Mr Henry: That is right.

MS TOUGH: So we are looking at things that might have been built 10 years ago and saying, “That is something that should be preserved.”

Mr Henry: Yes. The Institute of Architects has a list of notable buildings in the ACT, from the 20s through to not quite now. There is a list of important pieces of architecture and why they are important. Many of them fit within the points that you need to get a heritage listing. We put in submissions and, for whatever reason, they are accepted or rejected. We consider that there are probably hundreds, if not thousands, of buildings out there that really need to be reviewed and considered.

MS TOUGH: Thank you.

MS CARRICK: When we were in heritage areas, people from the inner areas, like the Inner South, were concerned about how they keep the character of their suburbs and the leafy, green trees. Do you have any views about how missing middle housing can help save those special leafy, green suburbs—the character of them?

Mr Utomo: I would encourage the Assembly to be brave on this issue. Character is something that we, as an institute and design professionals, think changes. It evolves. We have to also understand: is there a cost on the broader environment when it comes to retaining not just heritage but also character and more qualitative elements? What we have seen to date, or at least in recent history, is that it is sometimes easier not to go there and then build where there are lots of significant trees when developing in suburbs. I am sorry that sounds a bit preachy. It is a tough one, but we would encourage a bold approach in that respect. Through design and creativity, we can retain the character of the streets. Some of what is perceived to be the character, which is a qualitative thing, is not necessarily as quantifiable as the number of dwellings per hectare. That is where, at least as a discipline, we can help. But we also have to accept that maybe it is no longer acceptable to live on 2,000-square-metre blocks that are three kilometres from the city.

MS CARRICK: They are happy to densify, but they want to keep the character.

Mr Henry: Think about the character of certain suburbs in the Inner South, for instance.

They are effectively hedge rows. So what is the character? It is trees and front hedges and not the built form behind it, yet we are prescribing what we can do behind the hedge. So why can't we have density in terms of dwellings behind the hedge? The original character was not hedges.

Ms Williamson: I would like to elaborate on that. In a former life, having done some work on the garden heritage character of Canberra, they are quite right. The leafy suburb is important. It is part of Canberra's heritage. It goes all the way back to why we do not have front fences. And the building is set back in that landscape. Many have grown hedges, and the hedges have grown over and obstructed footpaths. Many do not. There is the feeling of a leafy, green tree and the canopy over a tree, which everybody loves and finds a delight. Fair enough; we all would. Then the building setback is important. The other thing that is important, though, as part of that leafy-green thing, is the view between the buildings. We did a study on it, way back for another variation many years ago, and we discovered that what is really important is that it is not just about those leafy, green trees; it is also about the views between the buildings.

With respect to my colleagues, I think there are ways to maintain some of that character and intensify. If you say about a suburb, "These are the key elements of the character: it is the view to that hill; it is the view to Mount Ainslie; it is the sense of scale," it means you can actually change the built form. You could intensify that built form and keep some of that other spatial scale. I have to say that it is the street trees that do most of the heavy lifting in terms of that character. I believe we need to do more to retain the urban forest. We have had a heatwave. I would hate to think how much we might have lost of the urban forest.

Mr Henry: The current rules and regulations allow us to build a facade effectively across the block. There are heritage rules to follow, but that does not prevent you from extending off to the side of a building and taking the whole streetscape as built form. These changes make no difference to what is currently able to be done.

MR CAIN: I have a broad question and then a very focused one for you. I asked this earlier today. There is the relatively new outcome based planning system. Firstly, I am interested in your evaluation of it. And, secondly, do you think it is mature enough and working well enough to absorb whole-of-Canberra rezoning under these reforms?

Mr Utomo: I think the spirit of the new Territory Plan is excellent, but I think the administration of the plan is severely under-resourced, to put it quite simply. I think its intent and a lot of the guides that it has put forward are excellent, but it needs further funding. The delays that we are seeing in the planning system are serious symptoms that suggest broader structural issues. Are they going to get in the way of us delivering the houses that we need to deliver? That is to put it very simply. Sorry if that was too broad.

MR CAIN: Is it ready for a missing middle housing and whole-of-Canberra rezoning, effectively?

Mr Utomo: I do not think we have the luxury of waiting.

MR CAIN: No matter what it might produce?

Mr Henry: It comes down to resourcing. What we are doing here today is advocating for increased resourcing to allow it to happen. Further reform can still be done to the Territory Plan to simplify it even further. We picked up a few of those things in our report, around maximum building heights, building envelopes, and things like that. There are quite a few contradictory regulations. They can actually be simplified. Other cities have 10 rules and we have hundreds.

Mr Brook: Further to that, the structure of the plan and the change is not going to be affected by the resourcing, the robustness or the maturity of that planning decision. It might cause further delays, but, fundamentally, it does not change the structure of the rule change. In some ways, it is more about the administration of it—delaying that.

Mr Henry: I believe the government is also looking into, through a pattern book—which may happen—a fast-tracked process. From an administration perspective, that is good. I would like to highlight that we noted in our submission the need for a design review panel for this. That is a way to fast-track and simplify this whole process. It needs resourcing, but I think that, if we had that, it would need less resourcing, in terms of the number of DAs that have to be reviewed and how long it takes them. A design review panel can very quickly assess a design and give some really good recommendations, and it would allow it to go through a smoother DA process.

Ms Williamson: We, too, support the fact that it is going to an outcome-based system; we think that is excellent. Like our colleagues, we believe it needs resourcing. That would certainly help with its maturity.

We also believe that it could be clearer in stating, even in regard to the pattern book and things like that, what the negotiables and the non-negotiables are. It is very easy to say what you do not want, but it is not very easy to say what you want. If you have a planning system that says, “This is what we want,” and which allows people to get on with delivering it in a more innovative way, because it is resourced properly, that is a far better way to go, rather than saying, “No, you can’t have that.”

For us, the fact that there is investment in an ACT government landscape architect who will do a strategic plan helps to say, in terms of your question about being city-wide, “These are some of the things that are no-go in terms of landscape architecture,” or there could be some things where you might need to go, in terms of allowing that change to happen.

We think that investment in understanding the situation, understanding it strategically and where there are go’s and no-go’s, is really important.

MR CAIN: What about consistency of the current outcome-based approach, in terms of decision-making—what is approved, what is held up?

Ms Williamson: All of my colleagues are suggesting that that is where the resourcing is truly important. I believe that, if you are saying, “These are the outcomes we want,” it is much easier to be consistent than saying, “That’s not the outcome we want, but we don’t know what outcome we do want.”

Mr Utomo: With respect to consistency, that is a tough question, though. I think that is subject to interpretation as well, which makes it difficult because, with the assessment of new buildings or projects, there are a lot of qualitative elements within the new Territory Plan. With respect to what someone might see as different or inconsistent, some may perceive it to be the same, from a qualitative design aspect.

MR CAIN: That does not give a lot of comfort to people who are lodging DAs, though.

Mr Utomo: No, it does not. Beyond my role at the institute, I am part of a large practice, so we do see a large cross-section of applications through our studio. There is anxiety, for those who are looking to apply for a DA, but I think this is a by-product of it being new, and it is to be expected.

I do not think we should abandon the outcomes-based system. I think we have to understand more what it means and accept that the rules are no longer under the old terms; in the NCC, it would have been deemed as “satisfied, this complies”—if you met that, that was fine—and there was some wiggle room over here. If we are going to move to a system—which we encourage—that assesses things one by one, as well as understanding it in terms of the broader picture of the city, we have to accept that it will take more time.

Mr Henry: A fair bit of the concern that our members have is not necessarily about the planning department itself, but all the entities, and the lack of communication between the different entities. I know that the names have all changed, but it is about TCCS, Icon, Evo et cetera not talking to each other, and you will quite often get comments back on a design that are conflicting between those different entities. That is the greater concern here. The outcomes-based approach has a lot of good in it, but if the entities are not on board with that, it makes it very difficult.

Mr Utomo: Correct.

THE CHAIR: On the resourcing question, is it mostly that we need more in the statutory planning team? Do we need more staff, more FTEs?

Mr Henry: Yes. One big area is heritage. That is the biggest roadblock that I am aware of at the moment in the ACT approvals process—if you are dealing with a heritage project. If you are dealing with heritage and not lodging a DA, 120 days is the minimum; then they are required to provide information within 20 days if you are lodging a DA. There are a lot of things that are going in for a DA that do not need a DA, so that they can get through that quickly. That is one key area. What we are talking about here is putting this missing middle through and having a design review panel. The resourcing of that would be fantastic—to keep the resourcing of business-as-usual there, while allowing this to happen.

THE CHAIR: My other resourcing question is: would you expand the National Capital Design Review Panel?

Mr Henry: Absolutely.

Mr Utomo: A hundred per cent.

THE CHAIR: You would have a missing middle part of that?

Mr Henry: Part of that, yes.

Mr Utomo: At one point you would have had to book almost six months in advance to get an audience with the design review panel.

MS CARRICK: They do vary—over five-storeys, and the missing middle is a different beast from what the National Capital Design Review is doing at the moment. That would be a significant increase in—

Mr Utomo: Indeed.

Mr Henry: They have a really great system put together now. It has taken a few years for them to get their system working. The system is there, and the system is the same. It is the expert panel that is different or varied. They have an expert panel that is clearly focused on large-scale architecture for the city. They can have an expert panel that focuses on a slightly smaller scale.

We are reasonable about this. We are not saying that every development needs to go through that. We are looking at complex projects—trying to expand what is currently set out here to allow 3,000 to 4,000 square metre blocks of land, where appropriate, to be developed, with a review panel that will provide commentary on the suitability of that.

Mr Utomo: That is right, and I think that is why it has formed part of our recommendation, in order to put that in place, recognising that the current remit of the National Capital Design Review Panel is for much larger projects.

MS CARRICK: I would note that, with that panel, though, it is still on a block-by-block basis, so you do not get that precinct view. For example, with Phillip pool and the five towers there, if you look at how you get that on one block, regarding how that fits into a precinct, there is no visibility of that.

Mr Henry: I see your point there. I have been through some design review panels before, and I think the people that are assessing it do take a broader perspective.

Ms Williamson: From my perspective, in terms of resourcing, it is not just about having more people; it is about having more information as well. It is about providing more information to those people who are doing some of this assessment. It is not about empowering them to make decisions faster, but there could be information such as a strategic landscape plan. If some of this information is packaged more easily for staff and proponents, that makes it much easier for decisions to be made.

There is information all over the place. It might be easier for you guys, but, as a landscape architect, I can tell you that, even in terms of the missing middle pattern book, landscape is a bit in streetscape, a bit in private open space, a bit here and a bit there. Nothing brings it together, in terms of what you are talking about. Nothing actually says, “Have a good look at the street and how you might respond to some of that.”

I think part of the resourcing is actually about resourcing and getting information, then giving information to the staff who are doing this assessment and to the developers and the proponents That is a really important part, in terms of the resourcing.

THE CHAIR: I have another question about something that was in your submission, about the solar building envelope. That has been increased from 31 per cent to 45 per cent for our multi-unit housing developments. Can you tell me your thoughts about that?

Mr Henry: From memory, in our submission we were trying to work out what drove the calculations, more than anything, so we asked for a review of this, in order to see what is best practice here. There is a solar building envelope in terms of angle, as well as height. What drives good outcomes? At the moment we have a primary building zone and then a rear zone that has different envelopes; that creates really awkward architecture. It is on the understanding that everyone has a backyard. We need to think more broadly about where private open space is. It is not a one-spot solution in the future.

We think that further analysis needs to be done to get the best of both worlds. Obviously, we want to support neighbours having sunlight into their spaces, but we also want to have good development. Setting something at a 2.1 metre angle, when a boundary fence can sometimes be 2.4 metres, makes no sense.

THE CHAIR: Did you get any clarification of why they have come up with the settings that they have?

Mr Henry: No. That one, as part of the process, was, in my mind, a last-minute inclusion as to what they had done. We did not see the background work on that.

THE CHAIR: Rob, did you come up with a clear view from the Institute of Architects on what would be a good parameter—to get that balance right between having good design and having solar access for people?

Mr Henry: We definitely had a discussion on that when we were writing this paper. We did not come up with a solution, but we would love to have the opportunity to work on that together.

Mr Utomo: It is an interesting question, though, because, in many ways, that is the spirit of the new Territory Plan, in terms of—

THE CHAIR: Yes, outcomes based.

Mr Utomo: Correct.

MS CARRICK: Yes, it is outcomes based, but we do not legislate for the good design and the good builders; we legislate for the ones that are not so good. There are developers out there that just want to come in, push the boundaries and flip the buildings. That is where the design review panel could provide some checks and balances, and a feedback loop, regarding what is acceptable and what is not acceptable.

Mr Utomo: Certainly.

MS CARRICK: There are developers that just want to push the boundaries and flip buildings; what about where there is a material impact on neighbours? You have a zero-metre side setback now; should they have recourse to ACAT when there is a material detriment?

Mr Henry: With the current rules, developers are getting around them in other ways—in ways that will have really bad outcomes for housing in the future. Yes, there is a height limit on the boundary, and an angle. They will just dig down. That causes all sorts of issues in terms of the longevity of a building that is underground, for instance. They will just do something else.

It does not have an impact on the neighbour, whether we go up an extra 400 millimetres or not; that is what we are trying to say here. Let us actually think about construction, in terms of what is the typical height of a garage on a boundary wall. What does it need to be? We could then work out what that means, in terms of a building angle, so that there are no perverse outcomes of overshadowing of a neighbour.

MS CARRICK: Or even privacy.

Mr Henry: Or privacy—things like that.

MS CARRICK: Some push the boundaries in that regard.

Mr Henry: Yes.

MS CARRICK: Every block is different; every design is different. Some will be done well, and some care about the neighbours and the neighbourhood, but some do not. Where you have ones that do not, and they just want to—

Mr Henry: The ones that are challenging it now are just challenging it to get regular construction methodology in place. They are going up that extra height so that they can build easily. I do not think they will say, “Now we’ve got an extra 400 millimetres to play with, we’re going to make it bigger again,” because they are always going to have their standard 2.4 ceilings and the garage on the boundary line.

Mr Utomo: I think Fiona is talking about a broader issue here, though. Correct me if I am wrong, but it is about how to create policy for—for lack of a better word—the lowest common denominators. How do you do that?

MS CARRICK: Yes, the lowest common—

Mr Utomo: Yes.

MS CARRICK: Because it happens, and stuff slips through the cracks.

Mr Utomo: It does indeed. But how do we do that without constraining creativity and better outcomes? It is a scenario whereby, if you are allowed to go taller, quite counterintuitively, you might actually overshadow less, depending on how you position the building. This relates to the envelope as well—that flexibility. It is a bit more

complicated than just having setbacks. I would also advocate for: if you were to mandate a minimum 500-millimetre setback, is that a good outcome, anyway? We have seen this throughout the newer suburbs where there are setbacks applied, but you might as well not have one, as they are so small.

Mr Henry: You cannot do anything with that land.

Mr Utomo: Yes. I could pass a cup of sugar to my neighbour through this setback; you might as well be wall-to-wall. I think there are those parts to it, too. This is probably pushing the friendship a bit far, but I think that, with any positive design outcome that we would like to mandate or encourage for private developers, it has to have incentive to it. It could be a faster approval timeframe, but it has to be material; otherwise they just will not.

MS CARRICK: My problem is how we deal with the lowest common denominator. A lot of people advocate taking away appeal rights, so where are the checks and balances when we do not have that up-front consultation, the DA process goes into a black hole and, if we take away appeal rights, where is the feedback loop to try and keep the standards up?

Mr Brook: One thing that we put in our submission which speaks to that is that the biggest risk factor for that is a lowest common denominator with a big, large impact across large sites. That is why we advocated for complex projects—typically, large projects—needing to have, similar to what they do in New South Wales, mandated involvement from professionals that are incentivised through our membership, our skill set and our training, to push for better and good design outcomes. That is one way.

Of course, you cannot stop every bad decision from that lowest common denominator actor, but we can limit the impact that they can have by making sure that they are unable to do a bad outcome on a big site, with lots of loss of amenity. One of the checks and balances that we are advocating for is mandating the use of design professionals on complex projects, which has had fantastic outcomes in New South Wales.

Mr Utomo: Yes. To put it really plainly, the lowest common denominators will not engage members from this panel if they do not have to.

MS CARRICK: No, it is not—

Mr Utomo: If I were constantly flipping things, as you put it, and I did not have to engage design professionals, registered architects or landscape architects to get something up, I would not.

MS CARRICK: No, they do not.

Mr Utomo: They do not.

THE CHAIR: We have come to the end of our time. I am so sorry that we have run out of time. Thank you so much for coming in. On behalf of our committee, thank you for your evidence.

WALMSLEY, MR FRANK, Director, Canberra Granny Flat Builders and Fixed Price Extensions

THE CHAIR: Welcome Frank Walmsley. You are protected by parliamentary privilege and you are bound by its obligations. Witnesses must tell the truth. Giving false or misleading evidence is a serious matter and may be considered contempt of the Assembly. On that, Frank, you have presented us with a document. Would you like to table this document for our committee?

Mr Walmsley: I would love to. Can I acknowledge Emily Keane from our office who has helped me do this because she put in the work?

THE CHAIR: Yes, you can.

Mr Walmsley: She is at uni, so she cannot be here, but let us go ahead.

THE CHAIR: Brilliant. Good on you, Emily. Frank, would you like to make a short opening statement before we do questions?

Mr Walmsley: Yes, I will give you the 60 second version.

THE CHAIR: Brilliant, yes.

Mr Walmsley: I meet 500 people a year who need to build something for their unique family circumstances. All of those people in one way or another thinks the Planning Act or the planning acts do not serve their interest. This is a good opportunity for the Assembly to take control and help those families. Three things for the discussions about the missing middle. One is that it needs to be rule based not outcomes based. Two, if you try to do this in the community and you do not provide separate titling that gets people away from body corporates, it will not be taken up. Three, if you provide this change to legislation and do not streamline the departments and the good people that work there, this will fail dismally.

I have provided five or six little examples of how hard it is to get something approved. That is what I would say to you; that it is the obligation of the business to serve customers, to create products that they want. A business succeeds when it provides customers products that they want, not creating a very rigid product that customers have to buy that does not serve their needs. Does that make sense?

THE CHAIR: Yes, absolutely.

Mr Walmsley: That is my position. I can answer whatever questions you want now.

THE CHAIR: Great. thank you.

MS TOUGH: Thank you for coming in, Frank.

Mr Walmsley: You are welcome.

MS TOUGH: I know you have got a lot of experience building in Canberra and a lot

of experience with things going wrong or being held up and you have met a lot of frustration points.

Mr Walmsley: I do. Yes.

MS TOUGH: Over the last two days we have heard about frustration points with timings of approvals and frustrations with ACAT. Can you elaborate on some of those points that really do hold up and create the uncertainty?

Mr Walmsley: Yes, I will. The frustration is you have got people with good intent in government, but the problem is you have got eight or nine different agencies that we have got to deal with and no clarity about what they are each doing. Does that make sense?

MS TOUGH: Yes, that makes sense.

Mr Walmsley: Can I give you the best example of this, that we have raised three or four times—and I want to give credit to Dave Peffer because I think he has been very receptive and he needs credit for that. But when they brought in the new act—let us say you live in Tuggeranong, you live in Chisholm and you want to build a granny flat for your dying mother—she has got cancer—you want to do something for three years. If you wanted to log on to know the sets of plans that you need to provide the Planning Authority, that is not available publicly. You can come to our business, and we will do it for you, but I want to know why a mum and dad do not know all the rules that they need to meet. Because they keep adding those layers of rule, Caitlin, but then mums and dads do not know the rules and the plans that they need to provide the Planning Authority for them to assess their application. That is a very good example, if that family in Chisholm wants to build that, to know what they have got to do.

Then, I suppose it is then a new layer of regulation, a new requirement, a new form is brought in and the left hand, the transport department, does not know what the planning department wants. And then, as a professional helping 70 families, like, if they change one rule, that department does not know. So that would be the frustration of mums and dads that we represent. Is that the sort of answer you are looking for?

MS TOUGH: Yes, that is helpful. So the average person just does not know where to go to get the information and then when things change in one spot it does not flow on.

Mr Walmsley: Yes. When we started the business you needed 10 documents, effectively. Now, you need about 52. All of those are about 10 pages, right. You have got to get through a thing called a completeness check for a development application. But here is the logic. The example documents, the template documents that you would need to find as a mum or dad, are not online. You know, this is a base system. If you want to put together something at Ikea, they give you a plan. That is how they want the plans to be. That is what they mean by a tree management plan. That is what they mean by a solar fence. All the heavy lifting is being done by mums and dads under a lot of emotional stress and pressure who have got to build something for a family.

MS TOUGH: Yes, so it kind of needs a one-stop online shop, “Here is what you”—

Mr Walmsley: Yes.

MS TOUGH: Yes, like, walk into Ikea, you get the thing, the one spot, yes.

Mr Walmsley: Yes. I mean, the New South Wales government has done it very well, right, with template plans and stuff. They have got an intent. I think all the heavy lifting has been done.

All the onerous rule changes have been on the lessees. You have taken away area coverage, you have reduced building heights, but you then have not created more footprint where they can build into the west, where they can build into a setback. So for the families, their blocks have become more limited to be able to infill, but then you have not imaginatively said, “Okay, well, you can only build 40 per cent of your block. That is great because we are trying to build a canopy. Why don’t we allow you to build more to the west so you can have a broader northerly frontage?”

But why is all the onerous lifting on the lessees? Why aren’t we then making our Planning Act more flexible to get the outcomes that you talk about? Because all you have done, sorry, in the last three years is restrict homeowners in established suburbs. Do you want to know the most popular product that no one can legally build in Canberra? Do you want to know what it is?

MS TOUGH: Yes.

Mr Walmsley: It is a three bedroom, two bathroom, double garage on a 400 square metre block that has an EER of 7.5 that is separately titled. There is no overlay, there is no planning environment in Canberra, that they can do that on. And you meet them at the shops. You meet them. They are like, “We are living on a 1,000 square metre block in Torrens and we want to downsize, but there is no product for us.” You have done the one bedroom units in Woden town centre and Belconnen. That market is filled and that is great. But what is the incentive for an empty nester to say, “We will keep our front home, and we will build something nice, but we do not want to deal with a body corporate.” Because anyone that deals with a body corporate in Canberra, they just do not want them. They have just been a nightmare.

So the first draft, and I love the intent, the first draft of the missing middle was terraces and so forth. The missing housing, I believe, is to unlock people over 60 that are sitting on big 1,000 square metre blocks and enable them to build the housing that they want and pass over their four-beddy ensuite in Chisholm, in Torrens, in Kaleen, to another family. We do not just knock it over and send it to landfill. You do not have any planning solutions right now for this at all. Sorry, that is just the facts.

MS TOUGH: No, thank you, that is very helpful.

Mr Walmsley: That is all right.

MR CAIN: So when you point out what appears—frankly to everyone here, I think—some really obvious unavailabilities, what is the answer you get back from the planning department?

Mr Walmsley: Well, I think the intent there is now to fix things. If you are genuine about it, it is blame-free autopsies, right. That is what it is, if you are prepared to do that. So Peter, it is an intent.

Can I just give you a scenario? You want to build a 50 square metre granny flat for your daughter who is returning home. You have got to vary the Crown lease. This has gone on for 12 months. To get the Crown lease varied—and it simply says this—on the Crown lease they can only say three things; residential purposes, single dwelling or dual occupancy—you have to go through eight different steps, four different departments and book an appointment. You could pass today, as the Assembly, one change that said, “If you have a block above 500, you do not need to vary the Crown lease.” You will save people so much stress, you will save them so much time and you can do it. You do not need the planning department. You can do that as the Assembly. Hey, so I mean, have we put up any motions off the floor of the Assembly to take control of this?

MR CAIN: I know there was a motion last year for a centralised hub. You have talked about the different entities and utilities and that came up with the architects, to actually make a centralised decision-making hub, so it is not on the owner to talk to half a dozen different utilities.

Mr Walmsley: No. In the current regulations—I will help you out, Peter. Your family, if you do a representation to—I call them leviathans, Evo and Icon. They are. That is what they are. They are corporate bullies. If you get approval to build something—and that is six months. I know you have been very good. I appreciate you and Jo in my electorate, you have been great. But if you get approval, they are meant to accept that approval so you do not need to resubmit. Now they are breaking the law. I am a witness. They are breaking the law, that they then force families to resubmit it again, right. So I think we start with actually—well, if you are genuine—why isn’t there a right of appeal for utility providers? If their decisions are so just and sound, why don’t average homeowners in Canberra—that theoretically own these—have a right to appeal their decisions? Why don’t they?

MR CAIN: Well, obviously you do not want arguments when you are trying to get something built if you can help it.

Mr Walmsley: But if you are trying to build something with your family, you cannot build it until you get approval from those utilities. Good families, organised designers, write to them and say, “This is what we are building, we want to get it cleared.” Then when you submit a DA, they then take a second bite at the cherry to then interfere. So you should have a right as a homeowner to take a utility to a court and say, “Hang on, you are out of order.” When that is publicly disclosed, then I think they will be less likely to treat the individuals the way they have been treated, which—

MR CAIN: I love the way we are having a conversation too, Frank.

Mr Walmsley: Good. I mean, good, yes.

MR CAIN: With respect, Chair, this could be just a freewheel conversation.

Mr Walmsley: I love this. Good, it is good.

MR CAIN: In terms of the DA process, one thing that has come up a couple of times in our hearings is the consistency under the new outcomes-based focus. People lodging DAs think, “I know that one got through last month, but I’m not sure how this one, which is almost the same, will be treated.” With that lack of certainty and inconsistent decision-making, how do you fix that?

Mr Walmsley: I say that, in town centres, you need outcome-based planning and, in the suburbs, you need rule-based planning.

MR CAIN: That is interesting.

Mr Walmsley: If you meet all the rules to build something on your block, and you do not breach your neighbour’s privacy—and I agree with what the architects were saying—you should be able to build it. If you shatter your neighbour’s northerly aspect, no. If you breach their privacy, no. You meet the rules. It should not be up to a public servant—no offence. It is not really outcomes; it is opinion based. If they do not like the development, you are stuck. Why don’t we have master plans for town centres—because a lot of Canberrans that I meet think, “That’s gone wrong.” With the suburbs, we could say, “You meet all these rules. Done, go through with it.” We do not have the staff, frankly, to be the officiator between that neighbour saying that and the other saying another thing. Why would you put a public servant in that position? That is my opinion.

MR CAIN: Who is not necessarily a planner, either.

Mr Walmsley: No. With a rule-based system, “You want to build that; it meets the national construction codes, it doesn’t breach privacy or overshadow.” Here is the thing; I think Paul Keating once said this: the great safeguard against poor design is that people will not buy it in the future. You can get bad outcomes; I am sorry. But what we have now in our system is 684 homes that we have built—freestanding homes. That is what we built last year—houses. There are enough multi-unit developments. We need to build the housing that people need. For people with disabilities, we need to build that housing. And they will get it right because, if they do not, people will not buy it. That is the safeguard, Fiona. I heard you talking about it before. That is the safeguard in a free market. People just will not buy it.

MS CARRICK: If people come from London and Sydney, they have different standards from what the typical Canberra standard is.

Mr Walmsley: Yes, I get that. People that have grown up here want to preserve the bush capital, but they also want a critical mass in the town centres, and—

MS CARRICK: And around local shops.

Mr Walmsley: Yes. If you have a set of rules that say, “You can build on a 150-square-metre block in your backyard,” and if you do not hurt anyone, you should be able to get on with it.

MS CARRICK: Yes, I agree.

THE CHAIR: Frank, we have had a couple of proposals come through, and I want to test them out with you. The government is getting better at meeting their statutory DA timeframes, but everybody is pointing out that meeting the statutory timeframes of two months or six months does not mean that something is approved within two months or six months; often, on the last day, they send out another request for information. The suggestion was: what if we got them to start reporting on, “What is the first day on which somebody first came to you, and what is the last day on which they got an approval?” Do you think that it would help everyone to track how it is working if we started doing that, in addition to the statutory timeframes?

Mr Walmsley: Do you mean if you got, directly, information that you could not ignore? Is that what you mean?

THE CHAIR: Yes, that is exactly what I mean.

Mr Walmsley: I think that would be a great circuit-breaker. What is currently happening is that they might be meeting their statutory timeframes, but I can tell you that, in the industry, we do 60 DAs. You lodge a DA. There is a request for further information, then there is no statutory timeframe, and they do not have any obligation to answer it.

THE CHAIR: And the clock stops.

Mr Walmsley: The clock stops. I am not being cynical; if you build a system which says, “We’re going to request further information,” you provide it, and then there is a second round where there is another lot of requests for further information, does that seem fair or just? I am not attacking; I am just giving you the facts. Remember we referred to brutal autopsies? You lodge your DA—

THE CHAIR: Blame-free autopsy.

Mr Walmsley: That was it. You get four requests for further information. You and your family answer that. “That’s what we’re doing. There’s the second driveway. That’s why we’re doing that.” Then, in a second round, they say, “We didn’t ask you these questions in the first round, so we’re going to add these new questions.” Is that fair?

THE CHAIR: We are hearing that a lot. I want to test something with you, and it is not actually in the missing middle reforms. It is something that the minister has talked about that has not yet been launched, so nobody can see what it is. He has spoken about pattern books, which is something they do in New South Wales, which is kind of like having pre-approved things. What you are describing sounds a little bit like a pattern book for small developments or granny flats. No?

Mr Walmsley: What I say to you is: make the rules really clear, what you can do, and it will be a lot easier for building designers to do it. With pattern books, Canberra does not have the restraints of Sydney. I am not trying to be condescending. We have 50,000 blocks above 700 square metres. What are we doing with them? Pattern. The pattern books are what customers want. Chris Minns’s government is about, “Here, make it easier for working people, ordinary people, to buy housing.” We do not have that

problem in Canberra. If you set the rules and the boundaries about setbacks, easements and so forth, I think customers will design that. But if you do it in a way that forces them to have body corporates or terrace housing, and they do not want it, there will not be a take-up. Not only that, they cannot practically do it. I am not really into pattern books. I am into rule-based planning: if you meet all the rules, you can build.

THE CHAIR: Yes, it is approved. The other thing that you have spoken about—and it has come up before—is whether the Planning Authority can give better guidance for some of these small-scale developments, such as a really good sample: “Here’s how you write an application. Here are some that passed,” so that it is a little bit easier for people who are the smaller developers to see what is needed, do that, and know that it will probably get approved. Would that be helpful?

Mr Walmsley: That is a self-evident question—100 per cent. I would prefer that families can go onto that website and think, “They’re all the plans that we need. These are all the ideas. This is how we do it.” Of course, it would be helpful. I will give you the equivalency. It is like trying to drive your family from Canberra to Perth with a series of texts in legislation: “Do this, do that, do that.” Or they could have a map that shows you how to drive there.

You have a lot of good people with experience. Why don’t you just put on there, “These are the 34 plans that you will need to build something for your daughter, if you want her to live in the backyard”? “These are the 38 documents that you would need.” I feel that the guides should be provided under legislation. What they do to the industry is that they say, “We’ve changed our interpretation.” Do you know that we have had plans rejected from Icon and, unfortunately, the Planning Authority, because the annotations were not circled in the way they wanted them to be shown?

THE CHAIR: Really?

Mr Walmsley: I will give you the examples. I am under oath, aren’t I? I will give you the examples.

THE CHAIR: Yes, you are.

Mr Walmsley: I will give you the examples of where they have done it. There is an economic incentive to reject in the completeness check. If you accumulate the delays and the RFIs, and the utilities have a second bite of the cherry, it can add four months to the whole process. The consumers are just ordinary people.

I say to you that the planning system right now does not work for everyday Canberrans, and it is evident in the fact that we are not building the homes that they want in the communities that you represent.

MS CARRICK: On the right of appeal to the utilities, that would slow down that second bite, or rejecting something because of the way they circled it, because if they were at risk of having an appeal against them, that would shut down some of the silly stuff?

Mr Walmsley: If, with all of their decisions, their work, they could stand behind them

morally and legally, they would not have any fear about a mum and dad taking them to an appeal. Do you agree?

MS CARRICK: Yes.

Mr Walmsley: Under the legislation now, if you want to build something in your backyard and you get them to endorse it, they cannot come back when you do a DA, because you have already got it. What we do is write to them and get them to approve it. But then they, in the DA process, against the law, want a second bite of the cherry in order to say, “No.” I feel that the law should be followed, because you ask builders to follow the law. You ask developers to follow the law. Why can’t those authorities do so? You are not a very good role model, to the builders and developers, for safe workplaces and so forth, when government-owned entities and departments do not meet the law. That is my opinion. Did I over-answer that question?

MS CARRICK: No, but I will move on to the next one. With the 150-square-metre, three-bedroom, two-bathroom—what people want in their backyard—and they want to subdivide that, it is basically subdividing that second residence.

Mr Walmsley: The difference between unit titling and subdivision is that they are separately titled and there is no common property.

MS CARRICK: So what we want to do is a unit title?

Mr Walmsley: No, we want to subdivide. A unit title is a small body corporate.

THE CHAIR: Strata.

MS CARRICK: Right. But if they are in the backyard, they might have a common driveway.

Mr Walmsley: Yes, but with 70 per cent of blocks—I do not know what suburb you live in—they have 15 or 20-metre frontages. It should be easy to have two driveways. We have to protect street trees; I get that. But with the product for a 65-year-old disability customer, she or he want to be able to drive to their driveway and park their car. They do not want to have a Christmas barney about, “You didn’t pay the insurance bill,” or “You’ve painted your fence red.”

Yes, you will need two driveways, or you could look at what Auckland does, and you could have community title. That would be interesting. Or maybe we could have separate title, but we amend the act to allow crossovers. The town planners need to get imaginative about getting the results that the ratepayers, the voters and the people of Canberra want. And they have not done it, to be brutal to them. Yes, there are solutions, but customers do not want “unit 1” and “unit 2”. They do not want that, with a body corporate. They do not.

MS CARRICK: Isn’t that what missing middle allows—subdivision?

Mr Walmsley: Not really; not in the first iteration. It did not, no. We met with you, and we gave feedback. It did not. It was about unit titling. Round 1 of the RZ1s, blocks

above 800, was unit titling at 120 square metres, 45 per cent plot ratio. The take-up of that—information you cannot ignore—has been less than 100. Do you want me to explain why?

MS CARRICK: Yes.

Mr Walmsley: Let us say you have someone who is 70; she is on a fixed income, and she is living on a block in Pearce. If she wants to unit title, she literally has to build the other home in order to unit title, to register the units plan. She has to find 500 or 600 grand to build it. If you allow her to subdivide, to come up with a concept, “I want to cut off 400 square metres; this is what I want to build,” she could subdivide, sell her home to a working family that might want to live in Woden. They buy that; then she uses those proceeds to build what she wants. There is no environment right now, if you have an RZ2 block and you have enough frontage—maybe.

The concept of the RZ1 unit titling is not appealing to her. Not only that; she has to finance the build. Would you let her subdivide, and say, “That’s my concept of what I want to build”? She can sell that front home to a family that wants to buy in—no urban out-fill, no cutting down trees, no sprawl—and she can take that million dollars, go on a holiday for six months while we build it, and come back and move in.

MS CARRICK: I think they are looking at subdividing before you build.

Mr Walmsley: They are looking at it, thankfully, and that is your opportunity to tell them that that is what mums and dads want. That is what families want. Does that make sense?

MS CARRICK: Yes. That is what my mum and dad wanted; then they moved, because they could not do it.

Mr Walmsley: Yes, I get that. The big issue is the driveways. You bring these mega apartments together; that is good. But you are going to have to deal with crossovers. People do not like cars, but everyone at this table has a car. We can get more efficient cars, but we need to use the frontages to allow two driveways. We just need to deal with it. In Sydney, they have 10-metre frontages with double crossovers. If you drive down any suburban street, in Evatt, Weetangera or wherever you live, that is the opportunity. If you do not do that, you are going to have street parking, which will clog pathways, walkways and bike paths.

You have a real opportunity. I feel that there is a big opportunity. You have a six-metre setback. You know about that, in your suburban environments. You have said that you want more solar access, but you have never dealt with the fact that there is a six-metre setback to the west. Why shouldn’t a family be able to put a garage in that zone, so that they can have a longer northerly aspect where their kids could play, they could grow veggies, or enjoy the natural aspect? All you have done is to say, “We’re going to take 20 per cent off you,” and not do the hard work of pushing into those westerly or southerly setbacks.

MS CARRICK: It is okay to push into them, as long as you are not overshadowing and overlooking.

Mr Walmsley: Again, without being condescending—I am not trying to do that—what you have in a front setback is that it faces the street. You have this dead zone around Canberra. If you can let people build more into that, they will not need to chew up as much of their backyard and shadow their neighbours. If you drive around Canberra tonight you will see the dead zones that exist. We have to be imaginative about using that. In the 80s it was cool; we did not allow fences, and that was great. People are just illegally doing it, anyway. That is what I am talking about.

With respect to the two things under the new Planning Act, one is that you cannot shadow your neighbour—no way. Preserve their north and easterly aspect. The other is to preserve their privacy.

MS CARRICK: Yes, that is fundamental.

Mr Walmsley: That is it; that is the foundation. If you do that, everything else can be worked out.

MS CARRICK: Yes, I agree.

MS TOUGH: You mentioned community title in Auckland. Auckland has been raised by a few different witnesses regarding things they have done differently with planning. Can you explain to the committee how that works differently from strata and everything else?

Mr Walmsley: I am not an expert on it. I would say that you could look at all these different forms of title and, as an innovative, smart city, you could come up with a solution to it. That is where you have crossover. You cannot change something on your block without them changing on their block. A unit title is still a corporation. It has common property. I put it to you that the solution is somewhere in between what they have done and unit titling.

Would it be the intent of everyone here that you would like those 65 to 80-year-olds maybe to start doing something with their blocks? Is that your intention? Make it easy for them to be able to put in a development so that they can sell their home to fund what they are building; otherwise developers will be the ones that benefit out of this, with unit titling.

You cannot unit title, Caitlin, unless you have built the other structure. Maybe the intention is: we let you approve to build, you split your block, we build that and then we come up with an overriding title system that works for everyone. In New Zealand, I know about it because I do competitions over there, and I thought, “That’s interesting. We don’t have that in Canberra. That’s great.” If you want, I can get the answer for you. Emily is smarter than me; she will get it—

MS TOUGH: If Emily has the information to hand, I would appreciate it.

MR CAIN: One thing that came up was underground parking. That is a big expense when you are building, particularly residential, in the suburbs. In terms of long-term benefit, it means you are not using a space on the street or on the land. Depending on

the topography, you can have underground anything you like. I know the expense is not good at the front end. Do you have any thoughts on underground parking?

Mr Walmsley: In theory, under the act, if you do not have a roof system above 400 mms in a front zone, you could actually, under the rules now, excavate your front zone and build a car spot at 400 mms. I think there needs to be a balance. The old upper level was to 1.8; now you have lowered it to 1.5. I think there can be a compromise between underground flooring, lots of underground garaging, at maybe 1.5, because the deeper you go, the harder it is. You have a pier. In the front zones, particularly, that is where parking should be.

MR CAIN: Or it could be under just open space, not necessarily under the house.

Mr Walmsley: Okay. Families are pretty pushed financially. I think that would go really well in the inner south and the inner north, but, to be honest, in Tuggeranong and Belconnen, they probably cannot afford it. But I like the logic. I say to you: if you build it at 1.5 and then put a level on top of it, so that you submerge it a metre, that is a good use of space. Does that make sense?

MR CAIN: Sure.

Mr Walmsley: I am not an expert on that. My customers are not really the type of people—

MR CAIN: You should never tell anyone you are not an expert. Bad for business!

MS CARRICK: Why did they drop it from 1.8 to 1.5?

Mr Walmsley: A good question. With all the rules—and I was speaking to Jo about this—you brought in an area coverage rule of 40 per cent; then, in the calculations, they did not count eaves.

THE CHAIR: And then we got a home built without eaves.

Mr Walmsley: You got that. All the rules have been onerous. You have asked customers to take 20 per cent off their blocks; but, in building an extension, for the first 12 months, they were calculating eaves, so we were designing homes on smaller blocks without north-facing eaves. An eave should be, in theory, 50 per cent of the height of the windows. A 1.5-metre eave is what we want. The sun is a lot higher in summer.

MS CARRICK: I know. The sun does not come in, in summer, but in winter it pours in; it heats up the floor and it is beautiful.

Mr Walmsley: So here is the thing: you have town planners saying, “This is the building outcome,” and not talking to building designers. You change that and it takes nine months to fix it. This is the most alarming thing. We took on all the changes in the National Construction Code. We were the only state or territory to do it. The industry was left in limbo—I am talking about people that do simple extensions—trying to calibrate how to make the new home that we add, the new extension that we add, to an old 1960s home comply with the mandated rules. No-one has thought it out. What are

the economic consequences of that? “We’ll just knock over the home and we’ll send it to landfill.” That is what you are getting.

How could this have been resolved? The team at Access Canberra that sets those building rules could have created a section stating, “This is what we mean.” It is impossible. Yes, with a new design, a hallway should be one metre for disability access. That is great; I agree with it. The new home should have an ER of seven. But how do you ask a working family to adapt their existing home to meet all that compliance—and with every home needing to have a ramp to get into the front door? It is not practical. It adds \$30,000. The people that can afford it say, “We’ll just knock our house down.” But the other 80 per cent that cannot are left with not being able to extend their home or upgrade their home because they cannot comply with the rules.

It has not been thought out. That is the great opportunity for you to get everything into AI, map everything, and say, “There’s a black hole, there’s a black hole.” That is what AI should be doing for your entities—not replacing people’s jobs but seeing the blind spots that you cannot see because you are sitting over there, the building people are over here, and the tree protection act is here. How do we get AI just to view it all and read it? Small businesses can do it, so why can’t they?

That is what I would say to you. It would pick up these little black spots. We have mandated people that were calculating eaves in their area coverage. That means we are building homes without eaves; great. We want people to build disability-friendly homes; great. The new homes should be absolutely disability friendly, but it is impossible to retrofit a home with an 800 mms hallway to make it compliant.

What has happened? Building approvals have climbed 50 per cent, because you keep creating these rules, and the industry has no guidance, no examples and no templates, and all you do is punish. With building certifiers, they do not want to be punished. I said this to you before we met: if you build those skyscrapers in Woden, there is one stage of inspection; if you build a 40-square-metre granny flat, there are five stages of inspection.

THE CHAIR: Frank, thank you so much for coming in. Please say thank you, on behalf of the committee, to Emily, too.

Mr Walmsley: I will.

THE CHAIR: We have really appreciated your evidence. It was great.

MR CAIN: I feel like applauding.

Mr Walmsley: I really appreciate that you are representing the people—no-blame autopsies. You will sort it out for the people that need this. Thanks for that. If you need me to come back, I will come back.

THE CHAIR: Thank you.

Short suspension.

BERRY, MS YVETTE, Deputy Chief Minister, Minister for Education and Early Childhood, Minister for Homes, Homelessness and New Suburbs and Minister for Sport and Recreation

STEEL, MR CHRIS, Treasurer, Minister for Planning and Sustainable Development, Minister for Heritage and Minister for Transport

BENNETT, MR JAMES, Executive Branch Manager, Building, Design and Projects Branch, City and Environment Directorate

COX, MS KIRRA, Executive Branch Manager, Strategic Policy and Programs, City and Environment Directorate

ENGELE, MR SAM, Deputy Director-General, Planning and Sustainable Development, City and Environment Directorate

KAUCZ, MS ALIX, Executive Branch Manager, DA Services and Support, City and Environment Directorate

THE CHAIR: Welcome, Chris Steel MLA, Minister for Planning and Sustainable Development, and Yvette Berry MLA, Minister for Homes, Homelessness and New Suburbs, and officials. We also welcome Adam Davey from the Suburban Land Agency. As witnesses you are protected by parliamentary privilege and bound by its obligations. Witnesses must tell the truth. Giving false or misleading evidence will be treated as a serious matter and may be considered contempt of the Assembly.

We are not inviting opening statements, so we might jump straight into questions. We will ask our questions and look to your guidance as to which minister or official should answer them. We are very pleased we have got a good panel of experts so whoever is best placed to answer the question would be great.

One of the issues that has come up in this, the missing middle reforms have led to a drop in private open green space of 10 per cent. The canopy target has increased with that, but the actual space for planting has dropped. That is an interesting thing given that our latest LiDAR satellite imagery has shown that from 2020 to 2025 across Canberra our overall tree canopy dropped from 23 per cent to 22 per cent, so we have gone backwards.

We have asked a few witnesses about this issue and we have got a range of views about whether that is a problem in a changing climate for heat islands and for floods and permeable surfaces or whether it is comfortable and we just need really good monitoring and implementation. Can you tell me what work you have done on where that drop in 10 per cent has come from and how you are confident that it is not going to lead to increased heat, increased flooding and some of those negative effects we really do not want to see such as decreased habitat and trees?

Mr Steel: I will hand over to Mr Bennett shortly to talk you through that specific issue. But just at a higher level in terms of the canopy targets, it is important to note that the policy as set out under the Living Infrastructure Plan is to progress towards a target by 2025 to provide Canberra's urban footprint with the equivalent benefits of a 30 per cent tree canopy cover. So it is not a block-by-block target; it is a 30 per cent target across the whole city.

Leased land contributes to that, but also public land. Unleased land contributes to that in the form of nature strips adjacent to leased blocks but also in the parks and hills,

ridges and buffers around the city, That combines to contribute to that overall 30 per cent target.

So, yes, leased land needs to make a contribution to achieving the target, and that is why the Territory Planning Authority is proposing to increase the target amount required on a leased block from 15 to 20 per cent under the missing middle housing reforms. But the idea is that those other things in addition to that get you to that 30 per cent target.

THE CHAIR: I do understand, and thank you for that explanation. I am interested in what we will do differently from now going on if we were relying on our leased land and we have gone backwards. When you bring in the missing middle reforms, what are you going to do differently to bump us up from that loss from 23 to 22? How are you going to turn that around?

Mr Bennett: The key aspect to that is the new canopy cover requirements. The increase from 15 to 20 per cent is the primary response through this reform program to increase the canopy cover that will be delivered, as a result of these reforms.

We have also worked very closely with our climate change policy colleagues in developing these reforms. And have been working with them on understanding the contribution that the leased land needs to make to that. They are continuing to do work to understand the modelling of tree canopy across the city and the range of options they need to explore so we have policies that support achieving the 30 per cent of canopy cover target. So it is something that they are monitoring at the moment and that they are doing further work on to understand.

THE CHAIR: Having increased from 15 to 30 per cent canopy, what happens in the assessment process to make sure that is happening assessment by assessment, block by block?

Mr Bennett: That is a DA consideration; it is assessed as part of the development application process. Applicants need to show on their plans that they are meeting that requirement in order to achieve an approval.

THE CHAIR: The 20 per cent requirement on each DA?

Mr Bennett: On each residential block for each redevelopment. So that is something that is assessed and needs to be met in order to achieve that requirement and achieve approval.

THE CHAIR: Yes. And some of the other suggestions that have been made are about what monitoring do we do to make sure this is not giving us a negative impact? The LiDAR satellite imagery is only being done once every five years, have I got that correct?

Mr Engle: Yes, that is correct. I think we are in the process of procurement for the next round of LiDAR.

THE CHAIR: Five years is quite a long time. We would not see that again until 2030,

and if we saw a problem it would probably be 2032 by the time it was addressed. Do you think five years is the right time to be doing something so important?

Mr Engele: The LiDAR is also supported by aerial imagery, and we do that every quarter at the moment. So that provides an opportunity for regulators to confirm. It is not as sophisticated as LiDAR, I accept that, but for the changes that we see generally at a city scale, the LiDAR is a reasonable time period. Then the more enforcement elements are picked up by that aerial imagery.

THE CHAIR: That quarter-by-quarter reporting, is that public reporting?

Mr Engele: I believe that is uploaded to ACTmapi, so that is where you will get the latest imagery.

THE CHAIR: Can you take on notice where that quarterly reporting appears and whether it is in annual reports and how people could check that.

Mr Engele: Yes, it is an image; it is not an analysis of the image. Before the end of this session I will get some details on that.

THE CHAIR: Yes, what analysis is done in a shorter timeframe than that five-year analysis. The other one that was mentioned is the 2017 CSIRO heat mapping. Does government have any plans about doing heat mapping again or doing heat mapping on a regular basis?

Mr Engele: I would have to confirm that with the team as to when the next heat mapping is. Generally heat mapping is similar to LiDAR—you do not get significant changes in a period of time. So we know that particular grasslands and the urban areas that about those will have higher levels of heat just as a result of the lack of trees over the grassland areas. So it really is used to inform our planning and policy responses. We need them as part of preparing for things like district strategies and the refresh of the Planning Strategy. So it is having that information at a period of time when we can actually use it rather than just a series of updates where we are not proposing a response.

THE CHAIR: When the statutory planners are checking DAs, do they look at that aerial imagery that is quite freely available?

Mr Engele: They will check the site. Part of a DA proposal might be tree removal then replanting proposals. So depending on the nature of the site and the reports that are there, they may use that imagery to confirm the details on it.

THE CHAIR: They might or they might not—it depends?

Mr Engele: It really depends on the nature of the proposals coming through and the significance.

THE CHAIR: Water is the other big one for climate change and hard surfaces. Is government tapping expertise at UC or getting any other sort of longitudinal regular feedback on whether what we are doing in the built environment is okay for an increased climate risk of flooding or whether that is taking us backwards?

Mr Engele: Absolutely, yes. We do flight modelling on a semi-regular basis. So every five years we have some work underway on flood modelling as part of the Southern Gateway work, which is really understanding the nature of the flows and changes in possible development proposals, so what we think the trajectory of development will be across that. And climate change, of course, is the big one.

THE CHAIR: Is that happening Canberra-wide or are you just doing that on Southern Gateway?

Mr Engele: It is across sort of different catchments. At the moment I know we have some work in the inner north along Sullivans Creek and then in the inner south along the Yarralumla Creek into the Woden area.

THE CHAIR: Could you take on notice probably in the last five or 10 years—whatever is handy—what reports and what work government has on flood mapping in different areas of Canberra?

Mr Engele: Yes, sure.

THE CHAIR: And also whether those are regular things?

Mr Engele: Yes, I can take that on notice. I know the results are presented in ACTmapi, so you can search for, say, the inner north and look at the latest flood modelling and it will show you the two per cent and one per cent inundation areas.

MS CARRICK: Will the recent flooding in Yarralumla Creek impact on your modelling?

Mr Engele: Yes. The modelling takes into account the rainfall and it does observe what these maximums are. So the big thing is what is the maximum downpour. I think associated with Yarralumla Creek was some of the infrastructure lifted up and then created its own challenges in terms of essentially the cement pieces of the stormwater disconnected. It does not do that; it does not sort of estimate failures in the structure. It looks at the general areas and what the estimates and the likely flows are. It will give us estimates about will the flow rates be higher than what the capacity of the infrastructure is able to handle. It is all about peak flows so when we get these extreme rainfall events and the ability to absorb that or to discharge that water.

MS CARRICK: With the Southern Gateway, the peak flow was pretty high. You can see where the residue was left. It broke the banks of the creek and up the grass is where the residue is left. Is that impacting on the Southern Gateway planning and how close you can densify around the creek?

Mr Engele: The creek is a very fast flowing piece of water at peak flow. So we are definitely aware of that, and the flood modelling is looking at. We have not got the final flood modelling back at this stage, so we are really waiting on that before we can have any concrete development proposals and the proximity to the creek.

MS CARRICK: I moved a motion last year that asked for some planning to be done

about what naturalisation would look like. How is that progressing, the planning to look at options for naturalisation of the creek?

Mr Engele: Yes, that is underway. But we are relying on the floor modelling because the challenge with re-naturalisation is when you get these really large flows they will essentially strip back all the organic material and then discharge into the lake or the river. Those are flows that we do not want in those waterways because it adds phosphorus. So we have to be careful to make sure that when we re-naturalise we understand the impacts and the ability to continue to function in those heavy rainfall periods.

MS CARRICK: That is interesting because you secure the banks with shrubbery, but Yarralumla Creek actually flows into the Molonglo River and not the lake.

Mr Engele: That is right.

MS CARRICK: How often does the planning directorate override the conservator when it comes to trees?

Mr Engele: How often does it depart from the views expressed by the conservator?

MS CARRICK: Yes.

Mr Engele: I would have to take that on notice. We do not have the Chief Planner here, but happy to take that on notice. In relation to trees, specifically?

MS CARRICK: Yes. What else would there be?

THE CHAIR: Do you want it for each year, for a particular period of time?

MS CARRICK: Yes, for over five years.

THE CHAIR: Yes, so how often each year over the last five years?

Mr Engele: I will see if Ms Kaucz can provide a bit more clarity on that.

Ms Kaucz: So with the DAs we do not have specific figures on the number of times we do it. We can look that up and find over the past year or something. We do look at whether or not the removal of a tree is supported on design grounds. If it is located in the middle of a block, for instance, it might be that you cannot develop the site without the removal of the tree.

MS CARRICK: Can you see each year over the last five years how many times the conservator has been overruled?

Ms Kaucz: We will do our best to find out that information.

MS CARRICK: Because it will be in the decision.

THE CHAIR: Have a look and . if for some reason that level of work is onerous, come

back to our secretariat, who will check with us. And might be useful to get pre and post new planning system, so there the five years is quite useful.

Ms Kaucz: Yes, we can do that.

MS CARRICK: How often is a DA approved when it not meet the 20 per cent tree canopy? I take your point that released land does not necessarily meet the 30 per cent because you have all these other things that are bringing the canopy up, but how often would a DA be approved where it does not meet even 20 per cent of tree canopy?

Ms Kaucz: I could not say off the top of my head. So some of the developments are exempt. So they would have to be fully compliant with those requirements for tree canopy cover and then planting area in order to be exempt development. That is usually single dwellings. But for other DAs we can give an estimate of how often that might be the case. It is usually balanced with other changes. Usually a DA is lodged because it might not meet all the requirements in the specifications, including tree canopy cover or planting area. But I can get back to you on how regularly.

MS TOUGH: We have had a few witnesses talk about the Urban Forest Act with some saying how it is a really important part of making sure the canopy does not go backwards and that we are protecting trees on blocks and on unleased land around blocks. But we have also heard that it can be quite stifling for some development because where a tree is on a block, maybe that part of the block would be the best part to build on to have better northern facing or just better use of that block. They are calling to maybe cut down those trees and put trees somewhere else. Where is the review of the Urban Forest Act is up to and if this is one of those things that is being considered?

Ms Cox: The Urban Forest Act review is substantially progressed. One of the objectives of bringing forward the review from two years of operation to one year of operation has been that we have the opportunity to make sure we are getting balanced outcomes.

When we have met with the construction industry about this review specifically, what we heard was that the outcomes they are getting are not necessary something they have an issue with but the process is. So we are looking at introducing a new process that would make the decision about when to essentially sacrifice a tree for a development or a design outcome a more transparent process.

MS TOUGH: Wonderful. So it sounds like there is some feedback and consultation going on. When is the review expected to be completed?

Ms Cox: Subject to the government's agreement, in the course of this year. We expect to be able to give advice to government on some recommended changes in the first half of this year.

MS TOUGH: Wonderful. That will complement missing middle quite well.

Ms Cox: Yes. We have worked quite closely together on the projects. And certainly, in terms of the processes that we are looking at, our planning colleagues have helped us design those processes and make sure that it works with the DA system.

Mr Bennett: I might add one additional point, that when we go through the consideration about whether a tree can be removed, we also have the tree canopy contribution scheme. So if a tree is removed there are replacement tree requirements. For example, for every tree that is removed two new trees need to be replanted or a contribution needs to be made into the boarder canopy contribution fund. So over time we see an increase in canopy as opposed to a decrease. Although there may be a tree removed to support a development, the canopy will improve over time based on the replacement requirements.

THE CHAIR: We might now move to affordable housing questions.

MR CAIN: Minister, say the middle missing reforms rollout as currently stated, have you done any modelling on the impact on affordability of homes, particularly in our suburbs?

Mr Bennett: Fundamentally the response to that question is that this is a broad-based planning reform that applies across the whole city. It creates opportunity for the planning system to respond to future demand across the city. So this will build the capacity into the planning system to respond to future demand if and when it arises—

MR CAIN: What do you mean by capacity?

Mr Bennett: I mean the rules that let you build certain numbers of dwellings on blocks are increased so that people have that opportunity to build under the new rules as opposed to seeking a spot rezoning every time we want to increase density in a particular area. So by uplifting what people can do on residential blocks, that means that redevelopment opportunities can occur across the city if and when the market demands extra housing to be built.

MR CAIN: So when you say uplifting what people can build on residential blocks, what do you actually mean?

Mr Bennett: I mean the fundamental elements of the reforms about allowing greater numbers of dwellings on residential blocks. So where we currently have one dwelling, the rules will now allow more dwellings to be built. That will allow, as market demand requires, the ability for the planning system to respond to that.

The sorts of housing we are talking about through the missing middle housing reform are the different typologies around dual occupancies, tri-occupancies, townhouses, terraces. These are relatively lower entry point housing compared to large single dwelling housing. So the sorts of housing that we see as a replacement, although new, will be at a lower price point than the cost of construction of a new single dwelling house.

MR CAIN: Minister, in terms of social housing, housing commission properties, what is the plan for providing matching numbers of social housing to get closer to meeting the actual demand, noting that we have actually seen a decline in total number over the years.

Ms Berry: Definitely through the middle housing project Housing ACT and ICBR will look at opportunities for affordable housing and meeting our 13,200 target of government housing homes. Definitely it is an opportunity for us to have more options to purchase off the plan or purchase homes built as more homes are being provided. That is all part of the plan to meet the 13,200.

MR CAIN: You say an opportunity, but what are your actual targets? Missing middle reform will produce how many extra social or public housing?

Ms Berry: Our target is 13,200.

MR CAIN: By when?

Ms Berry: 2030.

Mr Engele: It might also be worthwhile mentioning the recently announced lease variation reduction for social and affordable housing. That is a complementary measure to improve the feasibility, and we expect that that will interact with the missing middle reforms given that it will essentially reduce the lease variation charges for converting those leases to multi sites.

THE CHAIR: Housing ACT gets a 50 per cent reduction in LVC, and you have just announced an LVC reduction for community housing. Is that where we are at?

Mr Engele: Yes.

THE CHAIR: What is what is the LVC reduction for community housing?

Ms Hall: If a dwelling is owned and managed by CHP the reduction is \$250,000 per dwelling in the development, up to the total value of the LVC.

THE CHAIR: Mr Cain noted we heard bit of concern from ACT Shelter and from ACTCOSS today about the proportion and that even if government did build the 13,200 by 2030 we would still be decreasing as a proportion of total housing stock. We have had an awful lot of submissions from Canberrans asking us to increase our proportion of public housing against total housing stock. Has government looked at that and at the opportunities in the missing middle to actually increase public housing as a proportion of total housing stock rather than it declining?

Ms Berry: What we have looked at is a range of different housing types to suit a range of different income quintiles for people who are seeking a more affordable housing home. So whilst there has been a change to the numbers of public housing, there has been an increase in the number of community housing homes that are available in the ACT than they were before.

Yes, all of those together still have not met the growth in population. I think every state and territory recognises that there is a lot of work to do in the affordable housing space, including in the public housing space. The ACT government has set an optimistic but achievable target in all of those areas of 5,000 affordable community and public housing by 2030, and that is our intention. If by chance everything goes smoothly and there is

an opportunity to do more, then we will take those opportunities.

Working with the federal government with HAFF rounds one, two, and now three, provides us with even more opportunities to partner in the delivery of our public housing targets but also to partner with community housing providers or for them to go it alone and access funding through the Housing Australia Future Fund targets.

I think what we are seeing now is a willingness across the country to actually address this issue as a country with more partnerships than we have ever seen before. We are taking advantage of every single one we can and looking at every opportunity we can. The missing middle housing is another opportunity for us, so we will look at those going forward in meeting our target of 5,000.

THE CHAIR: It is certainly a challenge all around Australia, but ACT Shelter indicated—I think it was based on the state of the housing system 2025 report—that the ACT had actually declined at a quicker rate than quite a lot of states. I think that is concerning. We obviously have a national problem, but if the ACT is performing worse than other states, then we are obviously not doing something here other states are doing.

Ms Berry: I would dispute that. The New South Wales government sold off something like 30,000 public housing homes under the former Liberal government, and that has not been the case here in the ACT. We have had a different story with government housing over the history of our city, and I think everybody understands that the focus for public housing is for those people who are most in need. Then there are other housing types around the affordable and community housing space for families who need additional support to get into a home of their own and then potentially a future pathway of even owning a home of their own.

We are looking at a range of different innovations across the board to provide homes for everybody in those lower or no-income brackets. But I probably would dispute ACT Shelter's claim in that respect, but they might have data I am not privy to and I am happy to chat with them about that.

THE CHAIR: Minister, I think that is probably the end of that conversation. We might put that data to you on notice and give you the opportunity to respond.

Ms Berry: Sorry, you will put—

THE CHAIR: ACT Shelter indicated they were going to give us the data they were talking about. So when we get that data we will give it to you and let you have a look at it and come back to us.

Ms Berry: That would be great. That would be really helpful.

MS CARRICK: Some of the narrative is that more supply equals more affordable housing, and another narrative is that more supply will help moderate the growth in prices. But it is still expensive. So what is true? Does more supply equal more affordable housing or does more supply help moderate the increase in growth but we still have pretty expensive housing? Like townhouses in Woden will go at \$1.5 million each. That is not that affordable for a young person. How does that narrative play out

in your mind?

Mr Steel: I am happy to hand over to the team to talk through the specific impacts, but overall the laws of economics are well understood that when you have a lack of supply and quite significant demand the price of the product goes up, in this case housing. You can tackle that by increasing the supply of housing, in this case by enabling more supply of the type of missing middle housing that has been prohibited.

It is also a form of housing that typically is not as expensive to build as a new standalone house would be for each individual missing middle home. It really depends on how big each house is and so forth and the quality of the build and those sorts of factors. But overall it will help to support housing affordability and will provide housing choice as well.

The reason it is called the missing middle is because we have quite a substantial supply of single residential homes and a substantial supply of single units—apartments being built mainly in the town centres in Canberra—but there is not a huge amount in between. So what you will start to see is people who might be living in a unit, they might have had a child and will be looking for something slightly bigger. They will be looking to go up a rung in the housing ladder and move into a townhouse that might have a small garden that is a bit bigger for their family. The missing middle will provide them with that option that has not necessarily been available before and they may not have been able to afford the leap into a large single residential home on a large block. It will also free up the apartment they used to live in for someone else to live in, which might be a much more affordable option for them.

So you will start to see that filtering effect across the housing market with more supply but also more housing choice available for people to move into a home that meets their needs, depending on where they are at in their life, whether it is a first-time buyer, second-home buyer or someone who is looking to age in place and downsizing from a large home into something a bit smaller and more manageable/ That then frees up a larger home for a family.

So that will have a flow-on effect through the market, and there is pretty good literature around the effect that housing supply can have. There is also, of course, the recent substantial number of case studies on the Auckland changes which were somewhat similar in terms of zoning uplift to enable missing middle housing to be built.

MS CARRICK: I suppose it depends on demand too, because there are the two sides of the equation—there is the supply and there is the demand. So if the population does not grow much and we have this level of supply, that will be a good impact on affordability. However, if we have a very high population growth and the same level of supply increase, then it will not result in more affordability. So demand side has to play into the whole affordability piece too.

THE CHAIR: Minister, are you able to tell us how many homes ACT Housing has applied for under round three of the HAFF?

Ms Berry: Not at this point in time.

THE CHAIR: Is that something you can take on notice?

Ms Berry: I can take it on notice, but I may not be able to tell you.

THE CHAIR: If you cannot tell us the answer can you tell us when you might be able to tell that answer?

Ms Berry: Yes, I can do that. I can find out when we can tell you.

THE CHAIR: Minister Berry now has to leave, so please continue.

Ms Engele: I can add to the minister's answer, Ms Carrick. It is a really interesting question about housing affordability. As you point out, there are a lot of different moving parts—there are interest rate settings, there is demand and particularly economic growth. There was an interesting article in the *Sydney Morning Herald* earlier this week, I believe, which actually did some analysis of the rental growth in different jurisdictions versus wage growth. It also looked at the rate of building approvals, and so the ACT has had a very high rate relative to other jurisdictions. The article quoted Cotality data, which is a data source, that we are approving about 11 buildings per 1,000 population versus other jurisdictions which are averaging about eight buildings per 1,000 per year. I can provide the article to the committee, but it did look at the different rental growth rates. The ACT over the last five years had a rental growth rate of 18.5 per cent. The nearest other jurisdictions were Victoria and Tasmania, which had 33.4 and six per cent. So the ACT has been building houses. We are very close to our accord targets. So you can see that that additional supply into the market has been having some impact on restraining the growth in rents across the ACT.

So going back to Mr Bennett's point about the missing middle reforms, it is really about improving the flexibility of the housing market. We know we get these dislocations where we get a surge of population growth or interest rates fall and there is a demand or when people were wanting to live on their own when we had COVID rather than in larger group houses. That puts quite a lot of strain on the market. This is one reform to try and improve the flexibility so that the market can respond much quicker in terms of building new houses as opposed to waiting for a few years for a rezoning or changes in the allowable uses.

So going back to these reforms, it really is a process of improving the flexibility, as you say, when population growth is up. They allow the building growth to increase likewise.

MS CARRICK: I think a lot of that supply that has come online, from me looking at SQM Research, it seems a lot of it has been apartments, and we have a lot of empty apartments too. Woden has got a high vacancy rate. In fact, the Real Estate Institute said the apartments could be up to 15 per cent. There is a lot of anecdotal evidence of one apartment block having 100 unsold units and others having a lot of empty apartments. I guess that part of the market is more affordable. But, let's move on.

THE CHAIR: Fiona, did you want to ask a question on notice on vacancy rates or just make a comment?

MS CARRICK: I will lodge something about the vacancy rates are across town. There is a glut of very small apartments, and we have controls about the mix of very small apartments and two, three and four-bedroom apartments. It would be good to see around our group centres and town centres a mix that included some bigger apartments that people want to downsize into. When I walk around my suburbs I find a lot of people do not want to downsize into the towns with very small apartments.

MS TOUGH: I am interested in the work that is being undertaken looking at group and local centres, which I know is more RZ2 than RZ1, but I want to know how that feeds in with the broader missing middle and different types of housing stock being available. Where is that work up to?

Mr Steel: The focus of the major plan amendment that we are discussing today is on RZ1 and RZ2 blocks. That further piece of work we will be looking at, particularly around shopping centres and within the shopping centres themselves, so shop-top housing but also shop-adjacent housing. So it is more focused the CZ areas, the commercial zones, but also the RZ3 and RZ4-type zones under the Territory Plan, so that mid-rise housing and providing more density around the shopping centres, They are obviously very well located in terms of close access to services, but also to public transport particularly to the group centres. They are very well served, generally speaking, with public transport in Canberra.

The reforms we are discussing today, the RZ2 zone is included within that, and those are typically located in reasonable close walking distance to a shopping centre, whether it is a local centre or a group centre. And also the RZ1 blocks, which still may be walkable to some of those shopping centre locations. That is a separate piece of reform, that shop-top, shop-adjacent work, and that will be coming forward later.

The current reforms are proposing is what you can do within the existing zoning of RZ1 and RZ2. It is really focused on providing low-rise housing in those areas to help maintain character of the suburbs but provide more opportunities for housing choice.

MS TOUGH: This is really focused on the suburb itself and what is happening there.

Mr Steel: And the starting point is that based on some of the data that we have seen through the State of the Environment report federally is that Canberra is the top-rated city of all Australian cities in terms of access to public transport stops within 400 metres of someone's house. So we have pretty good coverage of public transport. There is debate around the level of service being provided, but that is defined as a reasonable service.

So the starting point is we have pretty good coverage of public transport. We have the great shopping centre hierarchy that was established by the NCDC and our city of local group and town centres. So there is an opportunity within the existing RZ1 and RZ2 zones to provide more housing that is still low rise but then through that further piece of work that you mentioned to look specifically around the shopping centres and then also transit-oriented development and looking at the transport corridors for that mid-rise housing, slightly higher density housing that could be made available through that.

That will be a separate piece of work that will be coming forward for consideration, but

this is really focused on what can happen within the existing RZ1 and RZ2 zones. But through the consultation process we expect that the housing proposals that we will see come forward if this reform is supported would more likely be located closer to those amenities, services, shopping centres, and transport links than anywhere else.

MR CAIN: Are you able to provide this committee with the take-up percentage of the RZ2 option around local shops, even per shopping centre if that is not too much work, although you should have that number. I am interested because that is similar to a missing middle reform from a long time ago and anecdotally—it was certainly my observation—the uptake is really, really low, which makes me wonder what is the point of all this.

Mr Steel: We can take that on notice. I would probably have a different observation, and maybe Ms Carrick would as well. In Mawson there is actually quite a lot of RZ2.

MR CAIN: I am interested in the spread.

Mr Steel: There has been considerable take-up in that area. But you are right—there are some RZ2 blocks where they have had the option to build a second dwelling or more on the block and that has not been taken up by the lessee. That is really based on the choice of the lessee as to whether they want to build that sort of thing on their block or sell it to someone who would like to take up that opportunity.

I think it goes to the point that we do not expect if these missing middle housing reforms were passed tomorrow that every single block in Canberra that is RZ1 or RZ2 would be redeveloped overnight. This would be a change that would happen over many decades. It provides the opportunity for lessees to take up that option, but it does not force them to take up the option. It will be up to the lessee in their individual circumstances as to what they would like to do on their own blocks. We expect you will start to see patches of development, particularly in the well-located areas in Canberra—closer to the city, closer to amenities, shops and transport—and perhaps less in other areas. That is the pattern of redevelopment.

But it is a really good question, and we can see whether we can come back with an answer. But I know as part of the shop-top, shop-adjacent planning work that is going on considerable focus has been given to those walkable catchments around shopping centres, which often do include the RZ2 zones. They are looking at what has been developed thus far and are there any further opportunities for more housing density in those locations.

MR CAIN: Obviously it is the lessee's choice. Why do you think there is not the uptake in some areas compared to others? Are there some general reasons why there is a reluctance to do so?

Mr Steel: There is a range of different factors. People might enjoy the home they are living in. They may not have the capital to invest in the cost of building multiple homes on their block or an additional home to the existing home they have, if there is room. We fully acknowledge—and this goes to the affordability question asked earlier—that it costs a lot to build a home. The cost of construction materials has gone up considerably over recent years. That is a significant challenge to the feasibility of

developments, together with construction financing costs, interest rates and so forth. Yes, there are barriers that exist in the broader housing market, and Mr Bennett might be able to comment on a few of the challenges.

Mr Bennett: I might just talk a little bit about the history of the Territory Plan as well where the Garden City variation back in around 2003-04 introduced the RZ2 zone.

MR CAIN: I am really interested in the more immediate rather than a lot of background.

Mr Bennett: The reforms that were progressed in 2003 and 2004 to introduce the RZ2 zone are about 20 years old and a lot of our suburbs are older than 20 years old. So the housing that is on them was built before the RZ2 zone was applied to those houses. So while there are increased development rights for RZ2 zones, the existing housing was built before those extra development rights were available. So for a lot of our suburbs, there are pockets of RZ2 medium density townhouse-style developments around the shops. For some of those blocks where the RZ2 zone now applies, the existing housing pre the reform coming in was probably a single dwelling housing block. So that has dictated some of that uptake.

The other observation is we recently had the Mr Fluffy program where there was change to development rights as well. For a lot of those properties people chose to knock down a single dwelling and rebuild a single dwelling. There have been some dual occupancy opportunities taken up, but that is a good example that people are making different decisions based on what type of housing they want to live in. This reform and the opportunity to build greater density and more houses has not been available because the planning system has not allowed this sort of thing to occur in the past. That is why the new reforms and the opportunities for an increased number of dwellings is likely to entice more people to view that development opportunity favourably.

MR CAIN: But if they are in a suburb that has already got the established place they like, as you have pointed out, some people have a home so why change? What is the motivation to do anything?

Mr Bennett: This provides a range of housing choice for different people who want to make different decisions and live in different types of housing. That is absolutely a suitable housing type for a significant part of the population, and there are other people who want to live in different housing types for a range of reasons.

THE CHAIR: I would like to chat about the infrastructure that is needed to go along with the missing middle reforms. It is not part of those reforms, but it has come up from a lot of our witnesses. Some people have engaged with the planning reforms, but a lot of people have said we need better public transport, more active transport, town squares, amenities, social infrastructure. What work is government doing to make sure that as we densify we are actually supporting those suburbs? Perhaps you could listen to Lachlan Butler's very entertaining testimony about what he thinks of cutting the Rapid service in West Belconnen at the same time as bringing in these reforms. He was quite eloquent.

Mr Steel: The starting point is that, as I said before, once the reforms are in place we will start to see some missing middle housing opportunities taken up, but it is certainly

not going to be every house in every street that will be redeveloped at once; it will take a long period of time. So there is opportunity to plan for that population growth, and the government already does that. We undertake the population projections through Treasury which, of course, have factored in some of the reforms that are being planned by the government, including this one. Also infrastructure studies are undertaken together with planning reforms to help inform those. So that is being done on the Southern Gateway work, for example, and there was work in relation to the Northern Gateway.

The planning system reforms, there was quite a bit of work done on infrastructure planning as part of that and considerable engagement with the utilities, for example, on what infrastructure is required to be able to support residents. What we know as a whole is that it is far cheaper to invest in infrastructure and augmenting existing infrastructure within existing suburbs and urban footprint of Canberra than it is to build new infrastructure in greenfields areas, which is much more expensive and becoming even more expensive because the land is harder to develop. The geography of the blocks in greenfields areas are not the flat blocks they might once have been in the more established areas of Canberra when they were first developed.

There is an opportunity for much more efficient housing being built because we can utilise existing infrastructure, noting that it will require augmentation over time to be able to support the population. I will hand over to the team about the missing middle, noting that the missing middle will be relatively gentle in terms of its impact compared to some of the higher density developments that may require more intensive infrastructure to support them.

THE CHAIR: I might focus the answer a little bit. The Public Transport Association of Canberra suggested that we need much, much better public transport and footpaths—active transport—and that we should not wait until we have so many people there that we have lost control and people have already bought their cars and formed their habits. They say we should be leading with that, and that was very much echoed by Belconnen Community Council and at least half a dozen other witnesses. How is the government leading to give us more and better public transport? PTCBR says we should have buses every 20 minutes moving down to every 15 minutes, which is not the kind of service we are offering. What is government doing for that kind of transport planning?

Mr Steel: The government's policy is to move to 20-minute services, and we took a step towards that last year. Obviously we are now in a temporary construction period where there has had to be some changes to the network to provide reliability. But we expect to be able to step back up to those previous service levels and then also undertake the further work to get us towards the commitments that we have made and introduce new Rapid services particularly to growing communities.

But the starting point of the public transport network is that we are the top city in Australia in terms of providing access to a public transport stop within 400 metres of someone's house. So we expect that as we see more housing we will see better take-up of public transport over time. It is going to be gradual because we are not going to see every block redeveloped overnight, but that will provide an opportunity to increase service levels because the demand will be there and we can match those service levels with the number of residents that may be in a suburb as we see the population grow

because of reforms like this and other planning reforms in existing areas of Canberra.

The other thing I would say about the broader transport network is that the actual road infrastructure upon which buses run in the established suburbs is really good. We have very wide roads in a lot of our established suburbs in Belconnen and Woden and Tuggeranong that can accommodate the extra traffic that we expect through the growing population. We have reasonable access to footpaths, those sorts of things. There is always augmentation that can be delivered to that, and there will certainly be opportunities that we need to look at. We have a representative here, Bruce Fitzgerald, who can talk to the infrastructure work that is done around the city to meet those population needs.

THE CHAIR: Just focusing on public transport, given that we are in this temporary reduction of about two years—which is quite a long temporary reduction—when do we get to that target of every 20 minutes? And is that weekends as well as weekdays?

Mr Steel: The current timetable does deliver that service level for quite a significant number of routes, so those are available in the timetable to have a look at.

THE CHAIR: Sure, but the commitment of 20 minutes is for all the routes.

Mr Steel: The commitment is to move to that over time. We made a step towards that last year.

THE CHAIR: Is there a timeline for that?

Mr Steel: In this term. We do not expect every block in Canberra to be redeveloped under the missing middle by the end of the term. We will start to see that happen over a longer period of time. And service levels, whether it is public transport, whether it is other infrastructure investment will be made over time to align with the growth of the city. Of course, we also need to look at other things like social infrastructure as well, and that is being looked at as part of the Southern Gateway transit-oriented development work, for example.

THE CHAIR: There has been a bit of work on transport and the social infrastructure. The Urbis report on social infrastructure at intensification locations is not yet out, and that would help quite a lot. I think that has been with you for about a year. Is that going to be published?

Mr Steel: There is some work that I alluded to before that is a separate piece of planning work really focused on shop-top, shop-adjacent developments, so intensification areas where you might see a slightly higher medium-rise density. There is also the work around transit-oriented development. That is still in development at the moment for government consideration. But I expect at some point we would be able to make that available once it has been considered by government for the missing middle housing reforms.

THE CHAIR: I think that one has been under consideration by government for a year. When will that one be ready for publication?

Mr Steel: We might come back on notice.

Mr Bennett: That piece of work has been prepared to support this next round of planning reforms that the minister is talking about. So I think the opportunity would be when that work is completed and government has finalised its position on that report that it could be released with that.

Mr Steel: An example would be there are a range of supporting reports for this current missing middle housing reform that we are discussing today, and they have been published.

THE CHAIR: Mr Bennett, were you talking about the SGS report on identifying the optimal locations, or were you talking about the Urbis report on the social infrastructure?

Mr Bennett: I was talking about the SGS report.

THE CHAIR: So that report has been with the government for about a year and is not yet published but may be some time?

Mr Bennett: That is informing this next round of work, and we would look at including that with public consultation on that work.

THE CHAIR: So you would intend to publish it when you go out for consultation on the next round?

Mr Bennett: As the minister said, that is what we have done for this round of reforms. The example is the Purdon Planning report that had been commissioned in the early phases of this work that we released when we went out for public consultation on this. So we will share that information.

THE CHAIR: The Urbis social infrastructure report, when would that be published? I think that has also been with government for about a year.

Mr Engele: The community needs assessment work has been undertaken over the year, but we have not had a finalised report for a year.

THE CHAIR: The report is not yet finalised?

Mr Engele: I think we are working through the finalisation—sorry, I would have to take that on notice.

THE CHAIR: Can you take that on notice and come back with the exact status of those two reports, when government would expect to publish them and how long they have been with government.

Mr Engele: Yes, we can do that.

MS CARRICK: There has been a lot of conversation over the two days about place-based planning. PR talked about that and whether you call it spatial planning. I

call it land use planning, so there are a lot of words for it. UC talked about the walkable areas to the local shops. This next tranche of work, will it look at some place-based planning for our local shops that looks at where we have opportunities for the public realm, playgrounds, local schools and community halls to ensure that those people that live in that densified environment have the amenity to walk to create those local communities?

Mr Engele: Yes, of course. The work is to essentially look at different study areas. A lot of them have been identified already in the district strategies for further investigation. As you point out, we have kind of ideas of a 400 and 800-metre radius around those areas, looking at the existing typologies of housing, what are the opportunities and what are the site and infrastructure constraints. And then also looking at the centres about how they function, what opportunities are there, should sites be reserved for future community facilities that might be needed in five, 10 or 50 years. That type of work will be undertaken as part of those site investigations.

MS CARRICK: Will that be for each local shops and group centres?

Mr Engele: I do not think the program will cover all of the local centres and group centres. We have identified in those district strategies the key priority ones, so we are working through those. We have not yet made full recommendations to government on which ones should be included. We have been doing some broad-based analysis. I think I mentioned previously at the Hawker hearing that we are looking at different parking utilisation rates, so that was a very broad piece of work. The next advice that will go to government is which site should be prioritised in terms of more detailed levels of planning.

MS CARRICK: Do you know how many you will prioritise?

Mr Steel: You are asking questions about future paces of work that are still under consideration. I appreciate the interest in that, but we have a limited amount of time with you to discuss the reforms on the table, so I encourage you to ask questions about that because we are limited as to what we can say about future reforms.

MS CARRICK: There was a lot of conversation about place-based planning. There was conversation about it being piecemeal—block by block—without the holistic picture, and there were concerns about that. There was also talk in the RZ2 areas and anywhere in the whole thing about block consolidation. We are trying to densify particularly around the local shops where they are walkable to cafes and little supermarkets. There are some limits on the consolidation of 2,000 and 3,000 square metres, so how do you encourage privately leased blocks to be consolidated? Is there any way to incentivise RZ2 areas? Have you targeted where you might be able to densify?

Mr Steel: The answer will be yes, but I will hand over to Mr Bennett to talk a little about that. But I think it is important to point out that these reforms would allow block consolidation for the first time to achieve better outcomes. We heard that strongly through the consultation done on the reforms last year. People want to see that opportunity, particularly in RZ1, because you might be able to get a better designed outcome, potentially more homes and more green space if you do it across more than

one block. There are some constraints around that, which Mr Bennett will explain.

But I just want to make it really clear—because I think some suggestions have been put forward around the government playing an active role in land assembly in terms of going out there and compulsorily acquiring blocks—that we are not intending to go out there and compulsory acquire en masse blocks for consolidation of land assembly. I want to make it absolutely clear that that is not our position. I know that is being put forward by some academics, and I think the greyfields work was referenced as well.

I think a suggestion had been made around the sort of government change agent that might be able to do that kind of work. We do not think that is necessary. We think the market will take up those opportunities, but there needs to be reasonable constraints on that, particularly to manage the impact of block consolidation on the character of our streets. That is why the current arrangements have been proposed. But I will hand over to Mr Bennett to talk a bit about that and the specific areas.

Mr Bennett: The important point to make is that the requirements allow block subdivision and the limits that we have put in there are in the technical specifications, so they are not mandatory. They are guidelines applying to the RZ1 zone to try and limit the scale and intensity of development. So we are looking at that RZ1 character, and we have put in those guidelines of the technical specifications to limit the scale of development there.

In the RZ2 zone there are no limits on block consolidation and no technical specifications apply. We have also increased the available height limit up to three storeys. So we think that that incentivisation of people of no consolidation limits and the greater height allowance for multi-unit housing will mean that developers, builders and landowners will start to actively look at that opportunity and talk to their neighbours. We think that people who work in the development industry and know it well will see those opportunities where the existing housing stock might be a lower purchase price and they can turnaround a consolidated development outcome and they will be actively pursuing those opportunities.

MS CARRICK: You talked about the character. One thing that has come up a fair bit is the character of the inner areas and the leafy green suburbs and the heritage areas. How are you going to protect that character when we have seen a decrease in tree canopy when areas have been densified? People are concerned about that and not enough controls on keeping our heritage.

Mr Bennett: So that has been a really key consideration of how we have undertaken this design-led process to make sure we are recognising, reflecting and respecting the character of different suburbs across the city. I think you mentioned leafy green suburbs. In a lot of suburbs the character is defined by the width of the verge and the tree planting in the public space that is on that verge, and these reforms are really clear that needs to be maintained as a really important part of the streetscape. So tree planting, mature trees, large canopy trees that go down large verges in older established suburbs will be maintained, supported by some really strong guidance in the missing middle housing design guide.

We have some really important guidance up front about context and character which

people who are designing new housing need to respond to as part of the development process. They need to look at character, they need to look at context, they need to design new developments to fit that character. And as a result of the feedback during the consultation process we have been working really closely with the Heritage Council to develop some extra guidance in relation to heritage aspects. We will be bringing forward some additional information into the design guide to support heritage considerations as well to make sure that people are really considering those factors as part of the decision process.

MS CARRICK: Are those character and heritage things in the district policy—which is the law in the outcomes—are they clearly specified?

Mr Bennett: There are assessment outcomes that require consideration of several elements, and that includes assessment of impacts on local character. There are some assessment requirements that need to be met, and that is supported by the design guide and the technical specifications to shape what that would look like. Then the applicant needs to respond to that as part of the development application process and make their case as to why this is a good outcome and how it is consistent with that. So there are requirements and there are guidance and supporting provisions to help steer outcomes.

MS TOUGH: There is obviously limited land in the ACT for new development. We have still some greenfields developments happening and plans to have them in the future. Why, then, is the missing middle important to assist in having more developments and achieving the target of enabling 30,000 homes but having that different type of space? If we cannot go further out, why is the missing middle important to help us stay in?

Mr Steel: We have provided some statistics through the major plan amendment documentation about the number of RZ1 blocks that exist in Canberra. It makes up by far the majority of residential blocks in the ACT. So if you are looking within the existing urban footprint to be able to supply more homes in addition to what limited greenfield space is available for new suburbs, then you have to look at RZ1 for those opportunities.

The town centres have developed considerably over recent years with new apartments, and the opportunities for land release in those town centres will become more scarce over time. So there will be limitations to the supply of apartments in those areas and there will be a need to look at the existing areas. That is somewhat of a change from what has been there in the past, but the Territory Planning Authority has tried to limit that change in terms of the proposal particularly by restricting the height to the same height limit that currently applies in RZ1 zones and then increasing the height for RZ2 to up to three storeys plus attic. So that helps to keep that low-rise character within those areas.

Obviously there are separate pieces of planning work looking at those intensification areas around transport-oriented development and shop-top and shop-adjacent development as well which might provide another opportunity for particularly the mid-rise housing segment, but that would probably largely be apartments. This is the opportunity to get those other forms of housing, that housing choice within the suburbs.

We know a lot of people live in those RZ1 zones, they love the area that they live in, but especially if they are a first-home buyer they may not be able to afford a single residential home in those areas. This will provide the opportunity for that. The reforms have largely been driven around the need to provide housing typology, housing choice, for those people who have not yet gone into the market as well as taking into consideration the opportunities for ageing in place. That is where this is coming from, as well as trying to address the overall supply of housing across the market.

MS TOUGH: So keeping people in the suburbs and communities they know without pushing them out to the far edges, if possible?

Mr Steel: Where there will be an increasingly scarce amount of land in the future. Part of the bush capital ideal of Canberra is that we have those large areas of nature reserve and access to green space. This is a way to preserve them by allowing housing to be built in areas that do not have those things, for blocks that are already zoned for residential to build a home on a place that is there for housing but just allowing a little bit more than what was permitted before.

What we have effectively seen since the DV200 Garden City Variation back in the early 2000s was a prohibition on this type of housing, so this will overturn that prohibition and enable more homes to be built but done in a sensitive way, trying to keep the character of the suburbs that we love.

MR CAIN: LVC—obviously missing middle is starting to see some concessions and exemptions added in the mix for housing and certain types of social housing as well, as we heard a bit earlier. What is the progress of the government's review on this tax in terms of how it is actually calculated and when it is payable. I hear—and I am sure others do—from developers, DA lodgers and planners that it is a significant disincentive to infill.

Mr Steel: Whilst we are not proposing any changes to LVC as part of the missing middle housing reforms before the committee, it was an issue that came up through the consultation. It is a valid one and one the government has indicated we will look at, particularly given that the current LVC exemption for this type of housing is coming to an end at the end of June this year. So there will be a need to consider what tax policy settings are put in place beyond that period of time to support this type of housing. That consideration is part of the 2026-27 budget process, which is just getting underway at the moment, and that is being given consideration.

We certainly know there is a range of different inputs to the cost of housing, which we discussed earlier in the inquiry, such as cost of construction and financing, but certainly tax is part of that mix. We have been thinking about those feasibility issues as we have been going through the reforms because we do want to see the outcome of more of these homes being built so that it can contribute to the housing supply task.

MR CAIN: Is there any particular plan for a significant change in LVC from your government?

Mr Steel: We are looking at that at the moment. One of the things I will point to at the moment is that it applies obviously when a lease is varied. That would be required to

change a lease to enable, for example, more than one home to be built on a lease. Each lease is different, so the lease variation may be different. That is something we are giving consideration to and it may have different tax implications depending on what is in the existing lease.

MR CAIN: Is the LVC a factor in why there is such a low uptake in some shopping centres at least of the RZ2 option?

Mr Steel: Certainly lease variation would be payable in those circumstances. We are giving consideration to current LVC settings for missing middle homes at the moment. But I do not agree with the premise that there has been low uptake; I think we have had that discussion.

MR CAIN: We will see what you come back with.

THE CHAIR: I have some technical questions about the missing middle reforms, which should cheer everyone up. We have got block consolidation limits of 2,000 and 3,000 square metres. How do we get to those numbers? Generally speaking most witnesses quite like block consolidation. There are a few who are nervous about it, but a lot of people are wondering if it should have been a bit bigger than that. Where did those numbers come from?

Mr Bennett: We tested a range of different planning scenarios, and while we have consolidation limits, I will make the point again that they are technical specifications and are non-mandatory. So if someone came in with a proposal that was a great outcome and it was 3,300, there is the flexibility there to consider for that and potentially approve that application. So they are not hard caps; they are guidance points. It generally relates to the number of blocks that might be consolidated and appreciating a whole range of different block sizes, but we are talking sort of two to three blocks as a standard consolidation in the sort of RZ1 suburbs, allowing some slightly greater consolidation outcomes up to 2,500 where it fronts an open path or open space network. That is because you have fewer neighbours because you are fronting onto open space, so relatively less impact.

We have also increased that to 3,000 metres for the end-of-section outcome. So you have three street frontages, limited neighbours over the back, and you can then resolve things like access by going behind the block, different accesses from having those three street frontages on corner blocks. So from a planning perspective, it has been driven by planning principles about when these situations might arise and generally that idea of a two to three block consolidation with the flexibility to consider beyond that in the right circumstances where the applicant makes a good argument about why it is reasonable.

THE CHAIR: Good to hear about the flexibility. I think for small freestanding homes, two or three blocks is reasonable, but a lot of people are talking about townhouse-type developments with shared gardens. And two-to-three block consolidation is actually not enough, but the tech specs would already allow a bigger pitch.

Mr Bennett: Yes.

THE CHAIR: The architects suggested to us that perhaps with bigger block

consolidation you might end up with a missing middle design review panel. So you would not need a missing middle DRP for every two and three block thing but maybe you would have some kind of quality assurance to make sure you are getting some architectural input. Have you looked at that idea at all?

Mr Bennett: This has been a design-led process and design has been a fundamental part of making sure that the outcomes we are getting in terms of the built form outcomes are well designed and are informed by best practice. That is the purpose of the missing middle housing design guide. We have been careful not to add extra layers into the planning system, and we have a range of qualified experts in our statutory planning area who can look at these applications. They will be designed by professionals with the support of the missing middle housing design guide as well.

So with the genesis of design-based planning at the starting point that has then led to where we are and the significant investment that we have put into the missing middle design guide we think that will help support really good and well-designed outcomes coming through the system.

Just on the point about block consolidation, the numbers relate to where those sorts of outcomes might occur. So what we are also keen to see is that we do not have isolated developments occurring in the middle of sections, in the middle of streets, because there might be more impact on the streetscape, rubbish collection, all those sorts of things. But on the end of the section, planning principles suggest that you can have other street frontages and more opportunities to design your access. So for the mid-section blocks, that is why we have limited the ability to have a really large consolidation.

In our policy development process as well we workshopped a range of ideas with the technical advisory group that we had, which had a range of industry and design architecture experts and also a pool of practitioners who we tested these ideas with. One of the strong bits of feedback from the design community, was support for having restrictions on consolidation in our RZ1 zone to limit the scale of impact and change that might occur.

That was a strong bit of feedback from the architecture community to say that we need to look at the character, and this is a good way to sort of control and limit that change in character of our suburbs. That was one thing that we workshopped that came out of those conversations with design professionals.

THE CHAIR: Another technical question, the solar building envelope has been increased from 31 per cent to 45 per cent. I think that change was made in response to consultation. How did you come up with those numbers?

Mr Bennett: So the solar building envelope as a requirement works with a range of other requirements. An important point to make here is that there is not just one provision that is controlling certain outcomes. We have setbacks, we have height requirements, we have the solar building envelope. We have proposed to change rear and side setbacks to allow some flexibility about where you can build on your block provided that it does not then have an overshadowing and overlooking impact. So while we have changed the solar building envelope percentage and the setback, we have modelled that to show that it has a very minor impact on overshadowing on the

neighbouring block.

So based on the built form outcome that you see there, there are a range of other provisions that help limit what can be built but then support that provision as well. So it is not operating in isolation; there are two or three or four provisions that are controlling the built form outcome that are all working together.

THE CHAIR: So those specific numbers you came up with are based on consultation? The Institute of Architects suggested that was probably not the right formula and they were interested in how you came up with those figures.

Mr Bennett: The 45 degrees aligns with the equinox, so the sun angle, during autumn and spring. There are different planning principles and reference points for solar access and shadowing, and that is something that we had been working on with our consultant, Urbis, who provided some advice based on their literature review and their urban design expertise to support that change as well.

Mr Steel: This actually had been raised as a concern by some architects who, in their practices, were seeing some quite poor design outcomes from the 31 degree solar envelope, wedding-cake-type houses that were being built, mainly single residence, that would also limit the ability under the reforms to build terrace housing, for example That may not be able to comply with but might provide a really good outcome in terms of the missing middle housing typology that we want to see.

Combined with all of the other changes, the intention is to provide greater flexibility while not impacting on neighbours. So it is hoped that the range of other constraints might play a role, as Mr Bennett has said, to be able to provide good outcomes in terms of the planning while enabling things like terrace homes to be built for the first time that would not have been possible if that wedding-cake-style typology was enforced by a solar envelope of 31 degrees.

THE CHAIR: You explained the flexibility in the technical specifications in one context. We have that minimum 20 per cent private open space in the technical specifications, but obviously something could be approved that has less than 20 per cent. When someone is checking the DA, what are they doing to assess the cumulative impact in a whole street or a whole suburb? If they get a whole lot of applications that come in with 10 per cent private open space, how are they doing that to make sure they are not getting the wrong outcome.

Ms Kaucz: This probably continues from what Mr Bennett said about a few different requirements working together. So for private open space it is more about the usability of a space for the residents of the area, which is a bit different. It can be the same area as the planting area, but it can be a different space. So we would not necessarily look at the principal private open space across developments in a section, for instance, because it is about meeting the needs of the residents of that particular development.

THE CHAIR: But when you are assessing this DA and that DA and that DA and that DA, how would you put them all together and say overall that you are going to get enough green and tree canopy in this area? How would you assess that cumulatively?

Ms Kaucz: That is that separate requirement for the planting area and tree canopy cover.

THE CHAIR: Which is also in the technical specification?

Ms Kaucz: It is, but we have the assessment outcome that talks about the need to have some good tree canopy cover in the living infrastructure.

THE CHAIR: Is that assessment outcome done cumulatively? Is somebody looking at all of these DAs or all of these developments in this area and adding it together, or are they looking at each individual one?

Ms Kaucz: It is usually by DA, but if it is proposing something that goes really below what the specs are requiring, then we have a look at whether it is next to open space or how wide the verge might be. So if it is something that is, say, borderline and it is just not complying, we would look at it for the site. But it comes down to the proposal being assessed at that point in time. It is a bit hard to say across the board because it is all site by site because they are all very different from each other in the proposals.

MS CARRICK: On that line of questioning, how did you come up with zero setbacks on the side boundaries to six metres?

Mr Bennett: We have done a range of design testing to support maximising the developable area in the block and trying to give people flexibility about where they can build on a block. In relation to the setbacks, there is a proposal to reduce side and rear setbacks from three metres to zero to three metres so you can build more into that setback. That is the side setbacks. That is contrasted with the rear setback which is increasing. So we are increasing the rear setback from three to six metres so that you have that separation between the usable part of the back area of your block.

So people can build potentially into the side setbacks. There are other provisions that then limit when you can actually do that based on how much overshadowing you are putting on to the block next door. So there are other provisions, and we have strengthened how much solar access the neighbouring property is required to receive and we have defined that to make sure that they are receiving reasonable solar access. That has been strengthened. It does not mean that people can necessarily build to zero in every single instance. They will need to demonstrate that by building to within the zero to three they are then not having that negative impact over here. So that will be part of the assessment process. That all depends on that orientation, the height and the built form. But there is the provision to say you may be able to build this under this rule on your block but this other rule that is protecting your neighbour and their right to solar access cancels out your ability to do that.

MS CARRICK: Why did you drop the footing from 1.8 to 1.5?

Mr Bennett: I might have to ask for a little bit of guidance as to which provision you might be talking about there.

MS CARRICK: It is the 1.8 metres before you get to the upper floor level, and that got dropped to 1.5 before it becomes an upper floor level.

Ms Kaucz: I am not sure this changes with this planning amendment; it was a change with the new planning system. It was really because once you get to 1.8 with the old system different setbacks apply. We felt that that was too high out of the ground for people and impact on neighbouring blocks, so we reduced that to 1.5. It was originally, from memory, I think 1.2 for consultation, and then we increased it up to 1.5 based on the outcomes of consultation. But we still reduced it from the 1.8. That is the usual height of a fence. So it is that impact on neighbours, particularly for exempt developments that could go up to that height. That is why we have brought in that change.

MS CARRICK: A developer is there to make money. You do not necessarily have to legislate for good developers because they do the right thing, but there are ones out there that push the boundaries and they are flipping their properties and they are trying to make a big profit out of it. They do not necessarily consider the neighbours. So how do you ensure that your assessors have the neighbours' interests at heart?

Ms Kaucz: Obviously we do public consultation depending on the type of development that is proposed. So exempt development does not require public notification because they have very clear rules they need to comply with to be exempt. So depending if it is something small, we just send letters to the neighbours surrounding it. If it is a bigger development, they have a sign out the front and there is a public notice to advise people about it. We read those submissions that come in, the team does, when they are assessing it.

There might not be a representation on a matter but we still look at it, thinking about what the impact will be on the neighbours and on the street and things. We put ourselves in their shoes because some people do not respond, they might not have bothered to look it up. We take into consideration what is raised in written responses. Sometimes the responses may raise other issues that are not specific to the DA, but we look at that and we address those, either through a change to the development if it is something we agree has too much of an impact or it is not something we can support, or we can put in the notice of decision the explanation about why we have made a decision that is not what the neighbour had had in mind.

MS CARRICK: I suppose you might find yourself in a situation whereby you have a very influential or persuasive developer trying to make their case for why they should have the particular settings they want and then you might have a silent neighbour because a lot of people do not have the capacity to engage with all of this. Things slip through the cracks sometimes, so what checks and balances are there to ensure that we minimise what slips through the cracks to protect neighbours?

Ms Kaucz: The technical specifications give a good guide for saying we think this benchmark is what will be an appropriate outcome for the site. If people are putting in a DA that has gone beyond that, either higher or less, depending on what type of specification it is, we then assess it and, as I said before, we take into consideration what that impact will be, even if we have not heard from the neighbours. We do know a lot of people do not participate and do not necessarily give us their representation. Sometimes we get a lot of feedback but, as I said, just because we do not get a representation does not mean that we think it is not an issue, unless the neighbour puts in a submission saying they are very happy with whatever next door is doing, and

then we take that into consideration. But silence from the neighbour does not mean we assume they are okay with it.

MS CARRICK: So for the checks and balances, there is not the consultation at the front end anymore. Perhaps there was not for single house developments. With the DA process, a lot of people feel like their submissions go into a black hole and you never hear anything more about it. Will you assure us that people who have had a material detriment against them—because it is not a perfect world and things slip through the cracks—will have an avenue for appeal rights?

Mr Steel: The changes in the missing middle housing reforms are not proposing to change appeal rights.

MS CARRICK: I know.

Mr Steel: So a development application would be required for missing middle housing developments once this goes through. Of course, we are considering patent book opportunities as well down the track, and that will have a process that will be outlined. It is under development at the moment about how that works, but New South Wales has something similar in place that members can have a look at. So there is that opportunity, of course, with development applications that they are assessed against the outcomes in the planning system and there is the opportunity for owners who already have a home adjacent to where a development is being proposed to have their say in that. Indeed, even under circumstances where the appeal right is not available, such as under a Territory Priority Project, there is still that opportunity for them to have their say even though it is not appealable.

The other thing I would say is, as I said before, as we have been crafting these reforms we have been really thinking about those people who do not currently own land and do not currently own a home, and they are the people who are often left out of the discussion, particularly around an individual development proposal. They are not necessarily involved at that point but their interests are affected because they do not have a home and they want to get into the housing market. They want to get that first run on the housing market or upsize. So while the conversation is often between the proponent, being a developer, the adjacent residents and with the Territory Planning Authority, there is actually another stakeholder that is often missed out of the conversation—the people who are trying to get to buy an affordable home in what is quite a challenging market in Australia right now.

The City and Environment Directorate has tried to engage that group particularly as part of the development of these missing middle housing reforms through the consultation. There was a big communications campaign; it was one of the biggest consultations ever done by the City and Environment Directorate to try to engage with a group of people that do not necessarily always have their say when it comes to individual DAs.

MS CARRICK: That is true, but two things can be true at once. There are people that need a home. I have three fellows in their 20s. They need a home. I appreciate that people want to get into the market. But it can also be true that existing residents need protections and they need an avenue to stand up for themselves. You will find that most

people are happy for development. There is no argument against development; people want development, people need homes. It is just doing it well and protecting people's rights. So can you assure us that you will not take away appeal rights for missing middle homes?

Mr Steel: We have said that we are considering what New South Wales is doing at the moment, particularly around a patent book of pre-approved government designs and reforms around exempt developments. We will look at those opportunities. I know the committee has heard from a range of witnesses—I will not comment on what they have said, their evidence stands—but I know a lot of them are looking at streamlining of planning and building processes. I think that in the current state of play it is important to remind everyone that the huge majority of single residential dwellings are classed as exempt development and so they do not—

MS CARRICK: But that is replacing single for single. This is densifying and adding more in, and this is where the pressures emerge in a neighbourhood.

Mr Steel: Sure, but the current system preferences single residential housing over a more affordable type of housing for the community. It is far easier to build those homes, and that is often why people do build ahead of missing middle housing. So we do need to consider the settings and balancing the needs. I do not envy the job of our planners because they have a difficult role in balancing all the competing interests of the whole community when they are considering development applications that come through and other planning proposals. That is why the outcomes-based planning system we think will deliver a better outcome because it will be clear around what the outcomes are that we are trying to achieve where the rules-based system was not necessarily achieving the outcomes the community wanted from our planning system.

MS CARRICK: It is a difficult thing. It is subjective, and nobody gets it right 100 per cent of the time. And all I am saying is on those few occasions where it is not right, people should be able to put their hand up and have an avenue to say that.

MS TOUGH: I am interested in how missing middle helps address population decline in older suburbs. Take Tuggeranong for example, population growth is now predictably quite small, but there is growth. As suburbs get older the people living in them also get older and then pass away and you have fewer people living in big houses. Kids grow up and move away because there are not the types of houses for them to move into when they become adults as opposed to the ageing-in-place houses. How does something like missing middle help those older suburbs to have that population growth again?

Mr Steel: Tuggeranong is a great example. It used to be known as Nappy Valley and there were a lot of families there with young children. Those children have grown up and gone through school. They might still be with their parents in some cases, but a lot of them would have moved out to other suburbs and be seeking opportunities within those own suburbs to live. They may not be finding those opportunities and might have to move out of those areas. The population in Tuggeranong and similar areas has not grown as much as the rest of the city because we have seen younger people moving out of those areas and you are left with empty nesters often in quite large homes.

The opportunity with this is to see more vibrancy and a return to growth in the

population in those established areas. That is through that filtering I was talking about before of the opportunities to age in place and downsizing for those parents who might be in a larger home that has become a little bit unmanageable for them in their older age. Where they want to have a garden and they can get that with a townhouse or a terrace development that might be permitted under this style of reform. Hopefully that will also attract in to some of the established areas younger people who might be the first-time buyers or wanting to upsize to a slightly bigger home for a growing family.

We often hear concerns of that type from communities. I hear it in Chifley with people asking us to reopen the old Melrose Primary School. There needs to be a demand from the population of children over time. That will come with population growth, but that will only come if there is housing available to support families. All of that existing infrastructure can be better utilised in those areas when you have that mix of population and not just older Canberrans but younger families as well.

Mr Bennett: One other comment to add is that in Tuggeranong, for example, there are a lot of older suburbs with larger blocks and there is the ability to utilise some of those blocks for housing choice, potentially adding a secondary residence or dwelling, taking advantage of the subdivision provision. There is an opportunity for multigenerational living where the parents own the block and the existing dwelling might be sited such that the block can be subdivided and you can create a new parcel of land and build another dwelling. That might reduce some of the entry costs for that family to come in and build their own dwelling. So the opportunity for housing choice, for multi-generational living and for supporting different living arrangements will allow people to enter the market at different points.

Mr Steel: When we consulted on the reforms last year we heard that people would like to see subdivision opportunities in the RZ1 zone. It was previously allowed in the RZ2 zone. The requirement was originally put forward under the consultation draft where a block could be subdivided only when a home had actually been built on the subdivided block. We heard from the community that that created a barrier for a lot of people—they need to have capital to be able to build the home prior to subdivision in order to get that outcome. So some changes were made in the current major plan amendment to enable subdivision to occur without a dwelling first being built.

What we expect to happen from that is that if a block is subdivided without a home on it, if it is eligible for subdivision—there are rules around that—we would expect someone to purchase that block and build something. That was certainly the feedback we got through the consultation—that people would take up that opportunity. That would also help people, particularly those who are aging in place, to be able to sell off their parcel of land they perhaps can no longer manage or are not utilising to the fullest extent.

MS TOUGH: So there will be that opportunity, if someone has a big block with a house on it, to subdivide first and sell one of the parcels? Potentially if they sell the parcel with the house they can build on the vacant block or sell the vacant block for someone else to build on?

Mr Steel: Correct. So they can actually stay on the block they might really like and live in the same street and same community that they have for a number of decades. But it

might be the opportunity for another family to utilise and build, or vice versa as you were outlining.

MR CAIN: We have heard through the day, particularly from those involved in DA processes, concerns about the consistency of DA decisions through an outcome process that is still not cemented for some level of certainty for the community. There have also been questions of whether the resourcing is adequate to ensure timely decision-making on DAs. You have been hearing this for a while. What is the government planning to do about it?

Mr Steel: Yes, the construction productivity agenda is currently underway. So that is looking at all the planning and building systems, regulations, looking at opportunities to streamline pathways for particularly the assessment and construction approvals of new homes. That will potentially include missing middle homes as well. So we have been looking at a whole range of different things there.

I will hand over to Mr Engele, to talk a little about that and then maybe Ms Kaucz can talk about the assessment of DAs and what we are doing through the new planning system and the evaluation.

Mr Engele: As the minister said, since the City and Environment Directorate was formed, there has been a focus on examining both the DA approvals to the planning system but also post-approval conditions. This has been facilitated by bringing together a lot of the entities that used to sit in the old TCCS. There has been a series of pieces of work to unpick those and look at the flows of the processes. Where we can change internal processes, we have. We have undertaken an organisational restructure, which announced last year but came into place from 1 February. We moved a few teams across so there was some synergies. Some of those assets where we would do design review are now sitting in the planning system whereas previously they sat outside of that. We're making these changes as a way of addressing some of those concerns.

I note that the DA performance is tracking quite well at the moment. Ms Kaucz may have at hand the stats, but they are all above our KPIs at the moment. We are also standing up development solutions, which the government has previously announced. They will be essentially a front door for developers but also a control centre where we will be tracking the movement of DAs both through the DA system but also once they have been approved tracking how they are progressing through all the different entities, including Evo and Icon, to make sure we do not have contrasting pieces of advice. For example, the conservator might be saying one thing in relation to where tree planting should be whereas Evo might have a different view in relation to their assets. That can cause confusion for applicants. This new process will allow us to actually look at that holistically as part of those post-approval conditions and resolve them with the different referral entities.

MR CAIN: You mentioned DAs tracking well at the moment. Is that due in part because there are fewer DAs?

Mr Engele: We have some statistics—

MR CAIN: What are the DA lodgement numbers per quarter for the last 18 months?

Mr Engele: These are all on our website, yes.

Ms Kaucz: Not per quarter but for the past six months they have been going up a bit. We had heard from industry that they were expecting them to go down so we were expecting a bit of a downturn, but we have been getting a lot and they are increasing. Our benchmark for our targets with DAs is 75 per cent on time and since August we have been meeting that. The past couple of months have been 85 per cent, so that is a strong outcome for getting through the DAs.

MR CAIN: Has there been any change in the complexity of DAs lodged to explain why they are moving through quicker?

Ms Kaucz: No, we are finding we are getting bigger ones because a lot of people go through the exempt process or what we call the 1N process, the exemption declaration process. That is where they are almost exempt but there might be a couple of things that do not comply so people apply to us and we say we think it is an appropriate thing. The year before that was down a little bit but it certainly picked it up last year. We usually sit at about 800. The year before last was about 600 and it has picked up.

MR CAIN: Are you able to provide the committee with the history of DA lodgements for the last 18 months?

Ms Kaucz: They are on our website.

Mr Engele: It is all listed on our website. We can provide you with the address.

MR CAIN: Sure, provide that. I will have a look at it to see if there is any other factors that need to be interrogated.

Mr Engele: They are monthly statistics and it breaks it down by different categories. This is how we track it. We will provide the address.

Ms Kaucz: Then just with the question about consistency in decisions, obviously that was something we recognised with the change from a prescriptive system to an outcomes-focused system. We have a DA decisions register that we keep track of some of these decisions, so assessing officers can look at precedents set by different decisions to keep consistency in mind because we know that can be a challenge. However, each DA has different characteristics.

MR CAIN: So how are you evaluating the consistency of approvals for arguably similar types of applications where perhaps people are getting different answers even in a similar scenario?

Ms Kaucz: I suppose sometimes that might happen. We work frequently with the teams to help make sure everyone is consistent as we can. Obviously each individual officer is going to have their approach to the assessment, but for—

MR CAIN: So an individual officer will determine one DA one way, and then a different officer will determine the same DA a different way, is that what you are

saying?

Ms Kaucz: No. I was going to say that is why we have that decision register, to have that record. It might be where we have considered a reduction in apartments that have solar access, for instance, what we might have deemed to be appropriate in that situation, there might have been a slight change in the hours they get sunlight. So if another one comes along we can consider that it might be appropriate for that situation and whether this one is in the same boat. We would make a decision consistent with that, so we have that sort of record. If it is something that is a completely different situation then we need to take into consideration the nature of the block, the orientation, for instance, what is proposed.

MR CAIN: How are you able to persuade this committee—particularly me but maybe others—that similar DA scenarios are being treated in the same way? How would you explain to us that you have that covered?

Ms Kaucz: As I mentioned before, the technical specifications give that first benchmark of what we consider appropriate, and that is where we generally start. Then if it is not meeting that we look at how far does it not meet that by. Then we also have internal assessment meetings where we talk through some of those matters, so we get a group to consider that and we also bring that in as part of the consideration process.

MR CAIN: Why would one of the architects who were before us earlier today say they are concerned about the inconsistency? Again, how can you convince this committee that there is not a problem with consistency?

Ms Kaucz: All I can say is that we work really hard and continue—

MR CAIN: Thank you for that, but that does not really demonstrate anything to us.

THE CHAIR: Just let the witness finish the answer, please.

Ms Kaucz: We work really hard to make sure we are doing what we can to keep decisions consistent. We have meetings a couple of times a week where people can bring those DAs to a group and talk through the nature of them, what do other people think, what are similar proposals we have had.

MR CAIN: So whatever you can provide our committee—other than good intentions, which are good and I am glad you have those intentions—to convince us that DAs that are of a similar character are being treated consistently.

THE CHAIR: Do you have a specific different question? You have asked the question and were given the answer—training.

MR CAIN: That is the question I am asking.

Ms Kaucz: All I can say is that we have the Territory Plan in place. We have the technical specifications in place, we have internal processes—

MR CAIN: I am looking for some sort of data or way of objectively answering my

question.

Ms Kaucz: We have the decision register, as I have mentioned, to help keep track of the decisions we make. It is a very difficult thing to compose given the nature of developments. They are all very different from each other—different locations, different projects.

Mr Engele: Just a clarification, there are assessing officers and then there is a limited number of delegates that are actually signing off. So it is not as if every single person in the team is off doing their own thing. There is a process that it funnels through where you have the more senior delegates who are actually conferring. They are like team managers and they are looking at their teams so you get that natural consistency as it flows up to those more senior officers.

THE CHAIR: Is that decision register public or is that an internal thing?

Ms Kaucz: It is internal.

MR CAIN: Maybe we could have a look at it and keep it in confidence, unless it is actually available for us to use in our report.

Mr Bennett: All DA decisions are published online. This refers to particular issues and particular decisions that are made and are grouped to help assessment officers and be the knowledge bank that we keep internally.

MR CAIN: I am interested in that.

THE CHAIR: Well, that is public, so maybe that is the source of data—

MR CAIN: No, no.

THE CHAIR: You can look at that and see if they are inconsistent.

MR CAIN: Well, whatever you can show us from your internal work environment to give us some confidence that there is not a problem with inconsistency.

Ms Kaucz: As has been mentioned, the process we have involves three different parts. We have the assessment team, we have someone who does a review and then we have the decision team, so that does help. It is not just one person who—

MR CAIN: Anything you can do to convince us—maybe just perhaps me—I am happy to take.

Mr Bennett: We could provide you the process, if that is a useful thing to contribute.

THE CHAIR: Take that on notice. I have noticed that the authority is meeting the statutory timelines much better. That is not the complaint from industry; the complaint from industry is those statutory accountability indicators are not really measuring the right thing. So if you have a timeline of within two months, for instance, what happens is an entity might on the last day send out a request for information and that stops the

clock. Is there any reason that government cannot provide an accountability indicator about the day that somebody first lodged the DA for the full period of time to when their DA is approved without any clock-stopping? Is it six months, is it a year, is it three years? That would be an accountability indicator that government could come up with?

Ms Kaucz: One of the things we provide details on is the average number of days for decisions. That is for the total and the median days to make decisions from lodgement to decision. It is not the statutory timeframe to make the decision. That is something that we publish and we can send through the details.

THE CHAIR: Can you send through the details of that set of figures, and we might have a look at it and see if we have another set of figures to suggest. Or is that too cumbersome?

Mr Engele: That average day will not recognise the complexity of the things coming through. If we have lots of simple DAs that will drag that number down, and if we have more complex DAs, which actually have longer statutory timeframes to make a decision, that will come up. We will provide you the link and we can provide you with some explanation about some of the caveats around that data.

Mr Steel: I think it is important to provide the context around why that extra information is required. It is often because the proponent has not provided that information in the initial documentation, for example. So there may be genuine gaps the assessment team needs to actually look at, and the timeframe that the proponent might take to be able to provide that information might be quite a long time. That is obviously out of the control of the government and in the proponent's control. So there would be a variance in the responsiveness of those proponents, noting that I am sure they are keen to get their developments approved as soon as possible, and many of them would.

Of course, there are also the referral entities, and that was the work Mr Engele was talking about, where we have had Icon Water involved in particular, but also Evo and some of the other referral entities engage with us as part of the construction productivity agenda looking at opportunities where they are involved in development assessment, where there might be opportunities to try and streamline and fast track some of the input into developments.

MS CARRICK: Do you have a review process for these DAs to review the consistency and whether they met the outcomes?

Mr Steel: We might take that on notice so we can provide some detail.

Mr Bennett: We have a planning system evaluation framework and a key part of that is a DA audit that undertook as a baselining exercise when the new planning system came in. We are working through a next round of DA audit at the moment to check in to see that we are getting the outcomes that we intend from the planning system. So that is a piece of work that our policy team is doing at the moment as part of the planning system evaluation framework. That is monitoring and checking how are we going with the sorts of developments that we are seeing and are we getting the outcomes that we want to see through our policy requirements.

MS CARRICK: Will you review the Mr Fluffy outcomes?

Mr Bennett: The Mr Fluffy responses have been a key part of how we have informed our demonstration housing project and also the outcomes that we have looked at through the missing middle housing reforms. We have we have looked at that as a reference point to inform where we have landed on some of these reforms. Some of the balance that we are talking about here in terms of redevelopment of existing areas has been informed by some of those redevelopment outcomes as well.

MS CARRICK: So can you tell us where some of the Mr Fluffy went wrong that is informed?

THE CHAIR: We are out of time. Do you want that taken on notice?

MS CARRICK: Yes. Where were some of the shortfalls in Mr Fluffy that you have picked up on?

THE CHAIR: So what the mistakes were and how this system does not repeat those. Is that a question you can take on notice?

Mr Bennett: Maybe not framed with regard to what were the mistakes, but we can talk about the—

THE CHAIR: Yes, the lessons learned.

Mr Bennett: Yes.

Mr Engle: Mr Fluffy was under the old planning system. It did not have the same level of design focus to it, so they are very different planning controls.

Mr Steel: Also, there was an RZ2 zoning change for Mr Fluffy blocks whereas this reform is largely focused on RZ1 but also includes RZ2.

MS CARRICK: It did not change Mr Fluffy blocks to RZ2. It gave different controls, but they were not the same as RZ2.

Mr Steel: I apologise if I have that incorrect.

THE CHAIR: Do you want that taken on notice?

MS CARRICK: Yes, I would like to know what lessons you learned out of Mr Fluffy. Even though there were different controls, where were the outcomes not that great that informed this reform?

Mr Bennett: I think the biggest thing is a design-led process to inform future planning changes, which has been one of the big drivers for us. Really strengthening the design requirements that people need to have into the planning system. We can elaborate on that further.

PROOF

THE CHAIR: Awesome, thank you very much for your time. That was a mammoth session. We thank you for your time and your patience. We have had quite a lot of questions on notice and the secretary will help you out with those within five business days. Anyone who wants to ask a question on a notice, please lodge it within five business days. Our hearing is now adjourned.

The committee adjourned at 5.03 pm.