

LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, ENVIRONMENT AND TERRITORY AND MUNICIPAL SERVICES

(Reference: <u>Annual and financial reports 2014-2015</u>)

Members:

MS M FITZHARRIS (Chair) MR A COE (Deputy Chair) DR C BOURKE MR A WALL

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 5 NOVEMBER 2015

Secretary to the committee: Mr H Finlay (Ph: 620 50129)

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.

APPEARANCES

Chief Minister, Treasury and Economic Development Directorate1

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Amended 20 May 2013

The committee met at 3.02 pm.

Appearances:

- Barr, Mr Andrew, Chief Minister, Treasurer, Minister for Economic Development, Minister for Urban Renewal and Minister for Tourism and Events
- Chief Minister, Treasury and Economic Development Directorate
 - Dawes, Mr David, Director-General, Economic Development, and Chief Executive Officer, Land Development Agency
 - Ponton, Mr Ben, Deputy Chief Executive Officer, Land Development and Corporate Division
 - Gordon, Mr Tom, Acting Executive Director, Land Development, Land Development Branch
 - Cicolini, Ms Margaret, Deputy Chief Financial Officer, Corporate and Governance, and Chief Financial Officer, LDA Strategy Finance
 - Collett, Mr David, Executive Director, Public Housing Renewal Taskforce
 - Clarke, Ms Liz, General Manager, Territory Venues, Arts, Business, Events, Sport and Tourism Division
 - Stankevicius, Mr Adam, Director, artsACT and Events ACT
 - McCabe, Mr Mark, Executive Director, Construction and Workplace Protection, and ACT Work Safety Commissioner, Access Canberra
 - Collier, Mr Christopher, Director, Community and Business Licensing, Access Canberra

THE CHAIR: Good afternoon, Chief Minister, Mr Dawes and officers. Welcome to this public hearing of the Standing Committee on Planning, Environment and Territory and Municipal Services inquiry into the annual and financial reports for 2014-15. On behalf of the committee I welcome you all here today, and thank you for coming.

Today the committee will be examining the annual report of the Land Development Agency and areas of the Chief Minister, Treasury and Economic Development Directorate annual report related to policy, strategy and infrastructure delivery, venues and events, and areas of Access Canberra related to environmental protection, construction and the Architects Board. Can I please draw your attention to the pink privilege statement. Could you confirm for the record that you understand the privilege implications?

Mr Barr: Yes.

THE CHAIR: Thank you. Can I also please remind witnesses that the proceedings are being recorded by Hansard for transcription purposes and webstreamed and broadcast live.

I understand, Chief Minister, that you do not wish to make an opening statement, so I will ask the first question, if I could, around affordable housing. With affordable housing, could you give us an update on the activities of the Land Development Agency, in terms of facilitating provision of affordable housing choices and also

around the land strategy aspects?

Mr Barr: Mr Dawes will begin.

Mr Dawes: With regard to the affordable housing action plan, there are a number of different initiatives occurring. Obviously this is a policy that has spanned eight years. As you know, we have had phase 1 and phase 2, but, as with everything, we need to be looking at and refreshing it. We are having further consultation meetings with both industry organisations—HIA and MBA—and also with the community housing directorate and ACTCOSS.

Just to give you a bit of a snapshot for 2014-15: 165 new land rent contracts were entered into; 393 first homebuyer grants were paid, at \$7,000; and 1,312 first homebuyer grants were paid, at \$12½ thousand each, under the new scheme, which targets newly constructed homes. That was announced as well. Obviously the first lot, the \$7,000, was being phased out, and we went to the larger grant. 202 over-60s home bonus scheme duty concessions have been provided. 1,361 families accessed concessions under the first homebuyer concession scheme. The recent sale of Denman Prospect includes a deed requirement to deliver 20 per cent affordable housing across that particular estate. That is some 400, when you look at that comprising 2,000, which the Capital Airport Group purchased. We have also transferred, in that financial year, 382 sites to the public housing renewal task force. So that gives you a brief snapshot of what has occurred in the last financial year.

THE CHAIR: Thank you. Could you talk us through the Denman Prospect example? Is it Homes for Homes that the Capital Airport Group have partnered with to deliver?

Mr Dawes: That is an initiative of that particular firm, the Capital Airport Group the Capital Estate Development group, as they are calling themselves there. We would have to clarify this 100 per cent, as to the planning and thinking behind that. As we know, Terry Snow supports the Snow Foundation, which provides grants to a number of different organisations, including needy organisations. The agreement they have is that 0.1 per cent of each of their sales will be put into a fund to go towards that particular foundation they are supporting.

In addition they have been talking to a number of the builders who have been purchasing sites, and they will have in their contracts, I understand, a provision for that to be carried on via the seller et cetera. That will then build up a sufficient fund. People can opt in and opt out of it at any stage. But they are starting it on the basis that everyone opts in for the first tranche, which I think is a wonderful initiative that the Snow family have undertaken to do.

THE CHAIR: What do you think are some of the challenges to housing affordability in Canberra at the moment? The recent hearing of this committee on DV 343, as you would have seen, made some recommendations about housing type and the mix of housing types that there are in Canberra. We had a lot of evidence to suggest that there was a lack of choice in some parts of the market. Do you have any commentary on that at this early stage, without wanting to pre-empt the government response?

Mr Barr: Certainly that evidence has not only come forward during the inquiry

process but it has been presented to government from the private sector, in feedback on sales of particular types of housing products. The recent prudential changes in relation to bank lending, particularly to investors, has had an impact on the real estate market. The pretty consistent feedback now is that, particularly in the apartment market, larger apartments are being sold to owner occupiers, the more prevalent end of market activity at the moment, and that the one-bedroom unit to investor market is pretty well supplied. Given the APRA requirement on the banks around lending in that area, that part of the market has slowed.

We are seeing the development industry responding to those changes in market trends by delivering a larger product in the medium and high density dwelling market, aimed more at owner occupiers. So there would appear to be a trend in that direction. When it comes to urban infill or urban renewal, and indeed elements of new greenfield design, catering for that change in the market is something that I have discussed with the LDA board at a recent meeting I had with the board. They are certainly looking at opportunities there in some of the new projects that the LDA will be involved in, over the next 12 months in particular.

Mr Dawes: Just building on what the Chief Minister mentioned, as we marketed Moncrieff, 20 per cent of Moncrieff is to be made available for affordable housing. Throsby is the new suburb that we are developing. We are in the final stages of getting the estate development plan approved there. That will also have 20 per cent affordable housing.

When I look at some of the builders ballots we have had, and even some of the builders auctions that we have had, they have been specifically for affordable product. They have been quite well received by industry. That is another initiative. We are looking at building on that. There is a bit of work that we are undertaking that has not been finalised. It is looking at how we can look at not only some of the affordable housing in the greenfields, but at how we can do that based on some median prices back within various locations throughout Canberra. As you know, Riverview is another one that is going to deliver affordable product, and that is progressing through. Hopefully, we will be able to start construction work at the back end of next year for that.

THE CHAIR: In terms of the 20 per cent requirement, for example, in Moncrieff and Throsby, how do you actually achieve that? How do you ensure that there is 20 per cent available? Is it in their pricing of the blocks or—

Mr Dawes: In the case of where we have gone out specifically in the builders ballots, we tick off and ensure that they are delivering that particular product. So we keep a handle on that. The same goes with some of the other estates where it has been a requirement for the developers before leases are issued. We look at the total number of leases that are being issued in those ones, just to monitor and to ensure that we are getting that 20 per cent.

THE CHAIR: Is the affordability measure annually revised and is it based on single dwelling—how many bedrooms?

Mr Barr: It is different depending on the dwelling size, yes. So there is a one, two

and three-bedroom threshold.

MR COE: With regard to the Riverview development, how much money has the ACT government spent so far on that project?

Mr Dawes: For the final numbers, I would have to take that on notice, Mr Coe. I am more than happy to do that and report back to you on that.

MR COE: Sure. What proportion of the work is being done in house as opposed to being done by consultants?

Mr Dawes: With that particular project, rather than having that done in house, we have engaged the Riverview Group to project manage that on our behalf. They have been working through and have led that particular development, on our behalf.

MR COE: Has there been any change of plan as to the footprint of the project, perhaps distinct from the territory plan variation?

Mr Dawes: I am not sure. I think the territory plan variation is as it is.

MR COE: Are there any plans to put housing, for instance, south of Drake Brockman, along William Hovell Drive?

Mr Dawes: I would have to go back and look at all of the plan and go through it, but one of the things, when we looked at that particular estate and the advantages of doing that, was that that estate is the Corkhill family's, partly; Riverview own the land in New South Wales. What we are able to do as well, by entering into that arrangement with them, is build into the area that we would normally have as a buffer area within Belconnen, because we can use the New South Wales land as the buffer. So that has been secured from that perspective. From memory, in the original part of it there were some 3,500 dwellings; because we were able to develop in the buffer area, it yielded another 1,800 dwellings. But it is as per the territory plan variation that we are seeking.

MR COE: What land has been acquired by the LDA for the Riverview development?

Mr Dawes: At this time, we have bought one additional one. We might be negotiating on a second one where there is a veterinary hospital out there in that area. As well, we have acquired some of that land, because that can be incorporated into the estate.

MR COE: With regard to that property purchased in west Belconnen, in Parkwood, what is the process for making such an acquisition?

Mr Dawes: There is a process to go through. We go through and have the land valued, and we look at that in the context of how that might fit into the whole of the estate. That is then considered by the board. It goes through that process as well. Depending on the value, there are some other processes where we need to come back and get the Treasurer's permission or even a cabinet decision, but it depends on where that impacts on the threshold.

MR COE: With that property in west Belconnen at Parkwood, there would have been

a valuation; that has then gone to the board. Does the board have discretion to go to change that valuation? Or did you give a different amount? Or is it pretty much just paid at valuation and then—

Mr Dawes: We will always have an envelope in which we negotiate, because obviously we are always interested in making sure that we get the best result for the territory. Sometimes we will have a limit, depending on what the valuations are, and we might go up to that. Sometimes it can be a little less.

MR COE: In the case of west Belconnen the valuation was in effect what was paid?

Mr Dawes: Yes. I will just have to go back and double-check, but it was within that quantum, yes.

MR COE: With regard to rural blocks 1591, 1592, 1593, 1594, 1595, 1596 and 1597, they have all been acquired by the LDA. A fair few run south of Higgins through along William Hovell, as per that map. I am curious as to why the LDA would be acquiring all that land.

Mr Dawes: I might get Tom Gordon to look at the map to make sure that we give you the correct facts.

Mr Gordon: This was one property; it was described as Land's End. The owner approached LDA about acquiring the land. It sits in an area where there are potential offsets for environmental issues. It is adjacent to Kama reserve, which, on your map, sits just to the south of it. And also it sits at the main intersection of Drake Brockman and William Hovell drives, which provides opportunity potentially for playing fields, if we chose to go in that area.

MR COE: So you were approached by the property owner?

Mr Gordon: The owner. The owner was well into his 80s. He was looking to move out and move on, retire. He approached us directly about the purchase.

MR COE: How much longer was left on that rural lease?

Mr Gordon: I think it was a 99-year lease. I would have to check this, but I think they were re-issued around 2000 or 2001.

MR COE: How much was paid for that land?

Mr Gordon: I think it is of the order of \$3 million. I have not got the exact number in front of me.

MR COE: Yes.

Mr Gordon: It was 3.1.

MR COE: I am just curious about that process. Can anyone just come up and say, "I've got a block of land. Here's what I think you could use it for."—and there is a

fair chance that you will consider that?

Mr Dawes: No, not at all. There is a process we have a look at. One of the things is that sometimes a development opportunity may present. The other option is that in some cases there are very good environmental offsets. Under the EPBC Act, if, for example, we want to do something in a particular area, we have to have land for offset, so it can be quite valuable, whether it is native grasses, red box, yellow box or whatever the case may be. This particular parcel of land lends itself very much to that; it can be incorporated into the Kama region, into that Kama reserve, which is in central Molonglo.

MR COE: Have you actually had an environmental assessment to say that this would be appropriate for an offset?

Mr Gordon: There has been some preliminary work done on it. It has not had a high level of detail on it, but by association with Kama we are aware that the vegetation is similar to it in the area that is adjacent to Kama. As you can see, it stretches a fair way from north to the south and back down to the river. There will be a whole manner of things that we will look at in future investigations, but at this time we have not done the detailed ones yet.

MR COE: When you say you have done some preliminary work, is that just in house or have you actually had a consultant—

Mr Gordon: Yes, that is just in house. We have a got a due diligence team that look at these sorts of properties.

MR COE: Does that sort of acquisition go before the board as well?

Mr Gordon: Correct.

MR COE: And that would have received a valuation as well?

Mr Gordon: Yes.

MR COE: Are there a number of valuations that are required for this sort of acquisition?

Mr Dawes: We traditionally go out and get a couple of valuations, always as a peer review. There are not a great many valuations. It tends to be quite often either Steve Flannery from Knight Frank or Paul Powderly from Colliers that have those—not those individuals necessarily, but they have the expertise in rural properties. Richard Swinbourne also has experience in those rural ones. If there could be a potential conflict, we will go out of town; there are some people in Sydney that do them as well.

MR COE: In terms of that acquisition process, is that a published document or is it just a well-known process that you run through?

Mr Barr: The cabinet has a policy around thresholds in terms of the value of land acquired, and below a certain threshold that is a decision of the board. There is a

range that requires approval of the minister. And then there is a threshold above which requires cabinet-level approval.

MR COE: But is there a policy or a government document that you run through before purchasing?

Mr Dawes: Yes. We always go through and check whether it fits in with the approval process—whether it is a minister sign-off or just a board sign-off or cabinet process.

MR COE: But there is a policy document for this?

Mr Dawes: Yes.

MR COE: I think I made reference to it in here. Is it called a strategic acquisition?

Mr Dawes: Yes, acquisition.

MR COE: Is that publicly available?

Mr Dawes: It can be. There is no—

MR COE: If you are able to, that would be great. Thank you.

DR BOURKE: Just turning to the Yarralumla brickworks redevelopment, there is a range of issues that were raised by people during that process that meant significant changes to redevelopment proposals. What is the LDA doing for that process, and what changes will they be making to the consultation strategy in the future as a result of that?

Mr Dawes: What to do with the brickworks has been an issue since 1979, since well before self-government. With our original proposal, I think that if there are some lessons learnt, it is obviously about engaging. As well, there is the time frame taken on these. There have been different committees of the YRA and all of those sorts of things as well. I know that in one case we had agreement with the YRA and then there was a change so we went back to taws. We need to do them in a more timely way. I think that an explanation needs to be done. But again, out of all these, out of this community engagement, there are one or two that do not go according to how you would like them to go. I look at some very good examples around where we followed some similar processes.

One of the key lessons out of all of this is that one size does not fit all. I look at what we did with Downer, where we even had the Downer community work very proactively with Downer. We followed a very similar process to Yarralumla, where we had sessions and all of that but it did not quite work. With Downer, as you know, they were comfortable with where we got to with Downer and even suggested that it not be referred to a committee. They were comfortable with where and what we had got to. That was not the case with Yarralumla.

As well, I think there were some issues around traffic. The reason we came back out with the additional scope was to try to address some of the traffic issues. That

necessitated a higher density to cover some of those costs. I think we probably could have learned a lesson around how we differentiate between what was going to perhaps be developed in Yarralumla and Deakin. As well, I think it was all one number. If you look at where and what we were doing and if you look at the density that we are doing on the current site, it is around what we were predicting in the first case, a maximum of 380 dwellings in that first 16 hectares.

I think we have articulated things a little better to the community, but it is a fact of life that we always learn something and how to do things differently. We adopted that same process in Belconnen when we were engaged in looking at what was happening, especially with Higgins. We took some of those lessons on board there. It is a learning process all of the time with community engagement.

DR BOURKE: I might ask a few questions about housing affordability, chair.

THE CHAIR: Sure.

DR BOURKE: You mentioned that there were different criteria for affordability for one, two and three bedrooms. What are they?

Mr Barr: We will get back to you.

Mr Dawes: We will get back to you. There are criteria in size and up to 105 square metres et cetera.

DR BOURKE: Did you have targets for the number of dwellings to be constructed in particular years, given the role in that area?

Mr Dawes: In a forward—

DR BOURKE: No, just overall.

Mr Dawes: Overall, yes; we had a target of 3,000.

DR BOURKE: Do you have a target for the buildings constructed as opposed to housing sites released?

Mr Dawes: No. We had the land release targets each and every year, which we publish in our indicative land release program. As well, we had a target of 3,600 for the 2014-15 year, and we did achieve that, with 3,669. That was a milestone that was achieved.

DR BOURKE: But that is the land release, not the completed building and people moving in. While your criteria are to provide a variety of land and housing options, that implies that there is an interest in completed rather than the land release—or do you not see that as part of your role?

Mr Dawes: Not necessarily. We obviously track what is happening in the marketplace so that we can keep up to date with market trends, and that will help us shape our land release program. But we cannot always necessarily predict when builders will

commence and complete a project. It is about ensuring that we get the land out and made available for industry to get on with what they do best, build houses. But we do keep track of them; they come through from the stats from EPD that track the approvals for dwelling sites and unit sites.

DR BOURKE: Thank you.

MR WALL: Mr Dawes, your CEO's report in the LDA annual report talks about the intent over the next 12 months to grow the inventory of serviced residential land. How are you going to go about doing that?

Mr Dawes: When I look back at Moncrieff—and I think I might have said before that there are not too many developers in Australia that will develop a whole suburb in one go—we chose to do that as part of a stimulus. There were five civil contractors working in Moncrieff to deliver that particular project. I believe one of them did it as a joint venture, as we actually had six civil contractors. That is tracking very well.

With Throsby, as I mentioned earlier, we have gone out and let the contracts to two civil contractors. We plan to deliver that all in one go as well. Tenders closed for the third contract just in the last week. So we are in the process of doing that evaluation. That will deliver 1,200.

We are in the process of finalising the design for Taylor and we are in the process of finalising a business case which the board will be considering, I think in November, this month, where we will look at developing that as well in one swoop. That will actually culminate the single residential blocks that are needed.

Again, in discussion that I have had with both HIA and MBA, even in the last week, we have looked at how we might be able to ensure that we have the necessary builders ballots to accommodate the single residential to make sure that that is getting to builders, but also we have to balance that for the first homebuyers, mums and dads, who are looking also at buying those blocks. So we are looking at how we run those ballots to ensure that they get there.

MR WALL: What is the ultimate target over the next 12 months to have land on hand?

Mr Dawes: What we have got to look at here in the way we deliver these things is our policy as well. Industry needs to understand it is a fifty-fifty policy, that is, 50 per cent infill and 50 per cent greenfield. If we are in the order of 3,000 blocks, the target will be a mix of sites in the inner areas or in the brownfield areas and then the greenfield. We are looking at getting out as many single residential blocks as possible. We have an inventory of multistorey unit sites sitting on the shelf that we can take to the market. It is a matter of building up that inventory. We are a lot closer today than we were a few years ago, can I say, in getting to that end but we have still got a way to go.

MR WALL: That has not filled industry with a lot of confidence over the past years?

Mr Dawes: What we need to understand—and I cannot understate it—as well is that we had three years where we were not able to deliver our land release program. I was

at an LGA conference the other day and we are not Robinson Crusoe, if I can use that term, at issue with the commonwealth EPBC. There are things that we need to comply with, as each of the other states and territories has to comply, and that delayed us three years. If, for example, we had the magic wand and got on with it, we would have had a lot more blocks delivered to the market and that would have been satisfied. That is the issue that we have to work with and, as I said, other jurisdictions have exactly the same issue.

MR WALL: The purpose of the committee is to look at what is happening locally, not use what is happening in other jurisdictions as an excuse.

Mr Dawes: Correct. If the committee can-

Mr Barr: The law of the nation applies to everyone.

MR WALL: Absolutely it does but we are here to scrutinise the land supply in the territory.

Mr Dawes: If the committee has got some influence over the commonwealth EPBC I am right behind you. It would be fantastic.

MR WALL: What do you estimate, as the LDA, to be the demand for single residential blocks over the next 12 months, noting that there were only three blocks sitting on the shelf as at the end of this reporting period?

Mr Dawes: Our goal and objective with Throsby—and I have not got the exact numbers of what the individual blocks are—is some 1,200 dwelling sites, and Taylor some 2,500 dwelling sites. If you look at Moncrieff, that was about a fifty-fifty mix. I am just trying to equate the numbers. Sorry to give you a long-winded answer but it is about 1,200—

MR WALL: That is what is going to be delivered, is it not?

Mr Dawes: Yes.

MR WALL: What is the demand? What is industry calling for? How many blocks do they need over the next 12 months?

Mr Dawes: In the next 12 months probably 2,000, something of that order. It depends on whom you talk to as well because some of them have got land—

MR WALL: What is the LDA's forecast on this?

Mr Dawes: I would have to get back to you. We have got some of those stats. I would have to come back to you exactly but it is a couple of thousand.

MR WALL: Can you take that on notice?

Mr Dawes: I will take it on notice.

MR WALL: Assuming that this time next year when we are sitting here there should have been about 1,000 blocks in inventory as at the end of the year?

Mr Dawes: I do not know if we will have an inventory. That is the goal and objective. I would love to have an objective where we have an inventory of blocks of land where people can kick the curb, as it were, and walk on, but I do not know if we will be in that position in a year's time. That might be in the hands of builders where they have bought them off the plan and they are going through subdivisional work as well. I do not know if we will have that inventory because from the time an EDP is approved and we get civil works it is about 12 months to deliver the blocks of land. The fact is that we have just signed off on the first two contractors in Throsby. When they get underway and they get possession of the site it is about 12 months before blocks start being turned out. That is the norm.

THE CHAIR: Could I follow up on that. Moncrieff was not predominantly builders ballots?

Mr Dawes: Sorry?

THE CHAIR: The remaining 77 blocks in Moncrieff became available this week. That was not through a builders ballot? That was through a—

Mr Dawes: Tom, have you got the information on that?

Mr Gordon: No.

THE CHAIR: Were they all sold?

Mr Dawes: I would have to take that on notice. I have not been in the office in the last couple of days. I am sorry.

THE CHAIR: With Throsby do you plan to do a builders ballot as well?

Mr Dawes: Yes; we are looking at that. I sought some advice from the HIA late last week on how we might be able to work with both. I suggested to the HIA that they have a discussion as well with the MBA so that there is a common chord between those two organisations on how to do it.

THE CHAIR: The builders ballots were successful in Moncrieff?

Mr Dawes: Yes, they were. The first builders ballot was some 529 or 539 blocks. And we plan to do something the same. What we are doing is looking at tweaking that to make sure that the right builders get the blocks. We are working through those finer grain details to make sure it gets into the appropriately qualified builders but also the ones that have a home owners warranty in place or indemnity insurance in place—some of those sorts of thresholds that are required—to make sure that the blocks are being delivered.

MS LAWDER: I want to ask about the public housing renewal steering committee. Who is on that committee?

Mr Dawes: I am happy to answer that. Currently that is chaired by the Director-General of CSD. It was Natalie Howson; it is now Sue Chapman, who is acting in that particular role. David Nicol, the Under Treasurer, and I are on that particular committee. That is then supported by the housing renewal task force. We also have representation, as part of that, by either Dorte Eklund or her alternative, Gary Rake currently.

MS LAWDER: The building of some replacement properties is already underway in Chisholm and Monash. Is Nicholls underway?

Mr Dawes: Nicholls is not. Ben or David Collett could answer those questions. Certainly Chisholm and the other one are underway. Contracts have been let and construction is underway. As you are probably aware, Nicholls went to ACAT and there has been discussion and mediation there. We are in the process of waiting to find out where that has gone to.

MS LAWDER: I would like to explore a little more about Nicholls. Before I do, what is the expected completion date of the Chisholm ones and the Monash ones?

Mr Dawes: David will be able to answer you exactly on that because he is managing those projects.

Mr Collett: As David Dawes has just recounted, work is under construction on those two projects. We anticipate another six to nine months, depending on weather. As far as Nicholls is concerned, we have had a mediation session under the authority of the ACAT in which we have made a number of proposals in response to concerns that were raised by the applicants for the review. The Government Solicitor's Office represented the EPD, the Environment and Planning Directorate, and they have been instructed to prepare consent orders to pass back to the applicants for review. That will be done either tomorrow or on Monday, and we will give the applicants for review a week to indicate whether they are going to agree to those consent orders or not.

MS LAWDER: Remind me how many properties there are in Chisholm and Monash and are planned for Nicholls?

Mr Collett: It will take me a moment just to—

MS LAWDER: And the Moncrieff and Coombs ones.

Mr Collett: Monash is 25 units. Chisholm is 20 units. In Nicholls we have made concessions through the ACAT process that I described, and we will reduce the number from 16 to 14. We are discussing with the applicants whether there might be an advantage in reducing that by another one unit, which would take us down to 13. The others you asked about, sorry, can you just—

MS LAWDER: In Moncrieff it is 12 single residential blocks. Does that mean 12 properties or—

Mr Collett: Yes, that is correct. But there are a number of multi-unit sites in Moncrieff. In total, we are looking at 126 units in Moncrieff.

MS LAWDER: In Coombs there are two bundled projects consisting of three small multi-unit developments. How many properties or homes is that? I am looking at the bottom of page 47.

Mr Collett: In Coombs the total number of dwellings will be 150.

MS LAWDER: Does that add up to the 352 that is referred to further up the page? Off the top of my head I have not added them up. On page 47 of the CMTEDD annual report volume 1 it says:

... prepared business cases for the replacement and redevelopment ... for the construction of 352 replacement housing dwellings.

Is that the ones we have just talked about, or is there more than that?

Mr Dawes: There is more. While David is getting his thoughts together there, one of the other things that we did, which has been very well received by the private sector and especially some of the development industries, was look at where we have land available. There are a number of projects. As the Chief Minister mentioned at the start, some of the banks have taken a bit of a harder line on development of projects. You have to get so many pre-sales as well.

What we did in consultation with a number of the agents and from advice that we received from industry was run an expressions of interest process to go out and see what was there in the marketplace. We had about 208 responses. I think we are in the process of entering into contracts for in the order of 150—Dave will correct me if I am 100 per cent wrong—projects that had not been able to get started and will now get underway. That is creating employment opportunities for the building and construction industry, which has been good.

Because that has been so well received, we are looking at going out in the new year with a second tranche of just seeing what is available to satisfy that demand. Again, it is providing a much-needed stimulus in building and construction. We have certain thresholds and benchmarks that those properties have to meet, as well as price ranges. That is a key hurdle.

We also have people on board to oversee the construction of those. We are not constructing them per se. It is being done by the private sector but we have an inhouse person to oversee the quality of construction of the key points that are required to deliver that. People would know Mr Howard who used to be at the Master Builders. He is doing some work for us to ensure that we get the quality that we need.

MS LAWDER: But if I can go back to my question, the 352 replacement housing dwellings are identified in the second dot point of the second column. You have talked to me about 20 in Chisholm and 25 at Monash, 14 or 13 at Nicholls, 126 at Moncrieff and 150 at Coombs, which does not add up. Are there some at Amaroo that are not listed here? Amaroo is mentioned in the top of the second column but is not

mentioned further down on the page.

Mr Collett: There are 21 dwellings in Amaroo. There have also been a small number of spot purchases, as it were, particularly where we have identified sites that are available in the inner suburbs, because they provide a good option for residents who are on Northbourne Avenue in the BAC flats in Currong, and some of the sites that we are looking at redeveloping in south Canberra. An example of one of those would be the eight units that were purchased from the ANU, a site in O'Connor, which has eight two-bedroom units available for occupation immediately, and good redevelopment potential.

MS LAWDER: I am glad you mentioned that one. Why have we bought houses in O'Connor from the ANU that are the same age as the units you are demolishing on Northbourne Avenue?

Mr Barr: Because they were refurbished before and can be refurbished again. Age is not everything, Ms Lawder. Building quality is also another factor.

MS LAWDER: We often talk in the Assembly about the age of those properties. That is often the terminology that you use—ageing properties.

Mr Barr: And poor quality, yes.

MR COE: So poor they are being heritage listed?

Mr Barr: No. That is a decision of the Heritage Council, isn't it? My views on the subject are pretty well known.

THE CHAIR: Just a follow-up question: was there a map prepared recently that had an indication of where these sites were in Coombs?

Mr Barr: Yes; it was in the Canberra Times.

THE CHAIR: That was prepared—

Mr Barr: I know no-one reads it anymore, but yes, it was.

THE CHAIR: So all the sites that you have—

Mr Barr: It was quite a prominent article, I thought, but obviously it has escaped most of our city's leaders.

Mr Dawes: We can provide you with a map, if that would be helpful to the committee, with the numbers of where we are doing that. That might be useful.

THE CHAIR: That would be helpful; thank you.

MS LAWDER: I promise this will be my last question. Over the page it talks about preparing and progressing business cases for the remaining 936 dwellings. Whereabouts will they be?

Mr Collett: The replacement—

MS LAWDER: It says in the dot point under "Future Direction" that the directorate will "prepare and progress business cases for the remaining 936 dwellings required as replacement homes to support the public housing renewal program". Do you have a feel for where any or all of those will be?

Mr Collett: Yes. They will be a mixture of sites, consistent with what we have sourced to date. We continue to work closely with the Land Development Agency to identify sites that are in preparation. Some of those will be in Denman Prospect, for instance, and other sites in the greenfields development area. We are working closely with the Property Group to identify surplus ACT government land that might be used for the renewal housing.

We are also, as Mr Dawes indicated earlier, preparing documentation at the request of the steering committee for a second round of an expression of interest. The level of inquiries that we have had since the first round closed indicates that there is a significant capacity within the private sector to make the same sort of contribution that they contributed before. Those three sources are continuing to look at greenfields land, sourcing other ACT government land across the metropolitan area, and what is anticipated now to be a second round of the expression of interest process.

MS LAWDER: Thank you.

THE CHAIR: Mr Smyth.

MR SMYTH: Is this the area that was responsible for the pop-up village at West Basin, or is that somewhere else?

Mr Barr: The Land Development Agency has—

MR SMYTH: So how much does that now cost the ACT taxpayer?

Mr Barr: It was about 970, wasn't it?

Mr Dawes: Chief Minister, could I just add to that. I think we indicated it was 970. There was a bit more to spend and it has gone to just over \$1 million. I would have to take the exact figure on notice.

MR SMYTH: So how far over a million?

Mr Dawes: It is not that far over.

MR COE: Does that include the water and electricity upgrades to supply the site?

Mr Dawes: Yes.

MR COE: It does?

Mr Dawes: I am happy to supply a break-up of that cost.

MR SMYTH: Now that it has been surrendered back to the government, how will it be run and who will run it? What are the objectives?

Mr Dawes: When we found out the private sector could not finalise and deliver on the project it came back into our hands. To cover the Floriade period, Property Group managed and undertook to complete all of the infrastructure that was required around electricity, sewerage and water, to get that completed. We are in the process of going back out to the market to have a place maker in place or a manager of it to run the events and work with the proprietors down there. The Property Group will be there in the background doing what they do best—that is, doing the maintenance and keeping it clean and tidy. I know that we have been talking to the National Capital Authority—because obviously they have some oversight of that as well—about improving signage and some visibility. Mr Ponton has been doing a bit of work with people who act within the LDA to look at place making and signage for the site.

MR SMYTH: So why has it taken so long to, for instance, not have signage?

Mr Dawes: It is very much under the control of the NCA. We just cannot go and whack up signs.

MR COE: But that is what happened, though, isn't it?

Mr Dawes: I beg your pardon?

MR COE: Did the NCA contact you and say that you did not have approval for a sign?

Mr Dawes: I suppose that is correct in some ways as well, but-

MR SMYTH: It is either correct or it is not. Did the NCA contact you?

Mr Dawes: I will have to go back and double-check. I do not want to mislead the committee in any way, shape or form. There is generally ongoing work—

Mr Ponton: In answer to that question, with the signage in relation to Westside, the large banner was consistent with the original works approval. There were some additional logos on that banner that we felt, in terms of the overall signage strategy, could be improved. So the government made the decision to remove the signage that was there whilst we continue to work with the NCA about an overall sign strategy. In terms of the sign that says "Westside", that was consistent with the approval that was in place.

DR BOURKE: What sort of utilisation has the site had since it opened?

Mr Barr: Somewhere between 50,000 and 75,000 people have attended events. There was another very successful event there on Saturday that a number of members of the Assembly attended. It has certainly achieved a significant level of public interest and public attendance at events. I imagine over the course of the summer we will tick over

to 100,000 visitors through the venue, given the program of events that is in the pipeline and the range of other activities that are supported there on a weekly basis.

There is a weekly Sunday market and there is a new live music organisation called the BeeHive, who have their first event on 14 November in the Aviary bar in the elevated section of the park. It will continue to have thousands of visitors weekly and with specific major events can attract 10,000 to 15,000 people over the course of a weekend. One would imagine that events in the autumn of 2016, associated with, for example, the Art, Not Apart festival, Canberra Day, the Enlighten festival and a range of other activities, will significantly boost total attendance numbers for 2016.

I know there is interest, with the expectation of the Australia-India one-day international at Manuka selling out very quickly, in having a number of live sites for those who cannot get a ticket at Manuka to watch the A v I in January. There is a possibility of Westside hosting an event of that nature as well. It continues to be a popular event and we will continue to support organisations who wish to utilise the space. There have been 50,000 to 75,000 more people utilising the space than before Westside existed.

DR BOURKE: There have been no complaints about noise from neighbours?

Mr Barr: Not recently. There certainly were some. I think the irate residents of Acton formed a group concerned about the Art, Not Apart festival in March. There were a lot of concerns expressed. I am not sure whether any formal complaints were lodged. The EPA and Access Canberra were able to manage various events there. But, no, I would not say it is a major issue for Westside.

THE CHAIR: One final question, Mr Smyth.

MR SMYTH: Were there some original targets for visitation and usage?

Mr Barr: The private sector providers may have had some in relation to some of the events that they had in the first six months, for example, but we will set some new targets with a new event manager.

MR SMYTH: But surely when the proposal came forward there were numbers?

Mr Barr: That is correct.

MR SMYTH: Can we have those numbers?

Mr Barr: Yes, we will get that information.

MR SMYTH: How much will the place maker cost?

Mr Barr: That will be determined through a competitive process.

MR SMYTH: Just on that, I have a final one. On page 12 there is the board attendance. There were 11 regular meetings. Note 4 says that there were three extraordinary meetings. Is it possible to have the agendas for each of the 14 meetings?

Mr Barr: We will take that on notice.

THE CHAIR: We might continue this if we are still going at a quarter past four. I might call an end to the questions on the land side so we can move to the other areas.

MR COE: I have just got one more.

THE CHAIR: Sure. That gives us 20 minutes more. Could I ask around the joint venture management committees, particularly for Crace and Forde: what is the nature of their activity now and how much longer will they have to—

Mr Dawes: We can give you some exact details. Meegan or Tom will have some exact details on that. Obviously Forde is in the process of being wound up as well. Crace—because all of the blocks have now sold, most of the estate has been handed back to TAMS and it is in the process of being wound up. There are just a couple of issues that need to be finalised.

Mr Gordon: From about August this year we have probably got about another 12 months. It is in the process of winding down. It is handing over assets and finalising bonds on defective municipal service items like pipes and footpaths. We are sorting all those out. That is just a process of winding it down. We anticipate from about August this year about another 12 months. It may even be sooner.

THE CHAIR: For Crace?

Mr Gordon: And Forde. Both of them, yes.

THE CHAIR: Both of them. After that the management of the public space reverts?

Mr Gordon: It reverts back to TAMS, yes.

THE CHAIR: It has been a successful model in both instances?

Mr Dawes: I believe Crace and Forde have been well received. Certainly in the case of Forde that was a joint venture between the LDA, CIC and Delfin Lend Lease. It has won many awards. It is a very popular place. I think Crace, again—it is a slightly different style of development—has been well received and is very popular with residents.

THE CHAIR: Great. A question on the Amaroo shops: I understand that all the blocks have sold at the Amaroo shops. Are you able to say where development on each of those blocks is up to? I know the residential blocks are well underway and some almost look complete, but do you know what stage the commercial blocks are at?

Mr Dawes: I would have to take that on notice. Tom, do you have anything to add?

Mr Gordon: I am not privy to it. I am just thinking that EPD would probably have knowledge of any applications that have gone in.

THE CHAIR: But all the blocks were sold by LDA?

Mr Dawes: Yes.

Mr Gordon: Yes.

MR COE: Could you please walk me through the process that was used to acquire the blocks of land in Glebe Park.

Mr Dawes: With Glebe Park, again, that was classified as a strategic acquisition for a number of different reasons. We might have a dual role here. If you look at Glebe Park, not only was the site acquired, but, as we know, we have the city to the lake project. One of the key elements of the city to the lake project is around Parkes Way and how we deal with Parkes Way. As you know, there is a plan to move Parkes Way about 11 metres and infringe on and narrow the median strip there.

One of the issues is the pond at the end of Coranderrk Street, at the roundabout there. One of the parts of the city to the lake project is moving that pond into Glebe Park. That was sitting on land owned by Amalgamated Property Group at the time, which developed the Glebe apartments. They had to do certain things—some landscaping in the car park. So we have acquired that with a view to putting the pond there. We went through a process of valuations for that particular land and the use of that particular land.

What also has to be put into context, and which confuses a lot of people, is that we call the car park opposite CIT Parkes 3. So it is not Reid or whatever; it is Parkes 3. The fact that we are able to move the pond creates a far larger parcel of land on Parkes 3, which adds quite a significant amount of value to that particular work. As you go down Coranderrk and swing onto Parkes Way, part of that, with the removal of the pond, is then incorporated into a development site. So that adds in the order of \$6 million to \$10 million on that site. You have to look at the—

MR COE: Downstream?

Mr Dawes: The downstream, as it were, or at the benefits of doing that. So it is not just always about that particular parcel of land; it is about some of the other value-add that purchasing that land has.

MR COE: Has the National Capital Authority agreed to surrender the value of that land?

Mr Dawes: It is ACT land.

MR COE: The road verges are NCA land, are they not?

Mr Dawes: Yes, but that will come back into the territory land when we move the road. So that has all been agreed. It is part and parcel.

MR COE: The NCA have agreed to that, have they?

Mr Dawes: I would have to clarify that 100 per cent, but my understanding is that under the national capital plan that comes back in. We will take that on notice and come back to you.

MR COE: Presumably, under the strategic acquisition, there was a business plan for this proposal?

Mr Dawes: Yes, there was, and there was a lot of discussion with valuers and so forth.

MR COE: There is a requirement for a business plan to be written, is there not?

Mr Dawes: Yes, there is. We just have to go through that particular one.

MR COE: How many valuations were there? What did they come in at?

Mr Dawes: I would have to go back and have a look at the exact detail, but they ranged in value, as values do. One value was in the order of \$3.8 million, \$3.2 million to \$3.8 million, and we actually paid \$3.8 million, because you then have to add the GST to that, and that is why it comes up to \$4.2 million. But I look at the real price that we paid as being \$3.8 million.

DR BOURKE: Talking about the green star initiative, I was just wondering how that was progressing, particularly the work that has progressed in west Belconnen.

Mr Gordon: In west Belconnen they are trying to achieve the points scale that gets you to six stars, I think it is. There are many criteria involved in getting it to that position. We seem to be tracking slightly above—I think around 75 points—which would easily achieve the six stars. So it seems to be working well. It has to translate into the ground, so we still have a lot of design work to do to make sure that that works. At this point we are fairly confident that we can do it.

DR BOURKE: That is in west Belconnen. What about in Lawson?

Mr Gordon: I will have to get back to you on that. I do not have the details on that. It was a pilot project in Lawson to see, when it was initially released, how close we could get to a six-star rating on what we had actually done to date. I can get back to you with the details of where we landed at Lawson.

DR BOURKE: That would be good.

MR WALL: I have a final question. Mr Dawes, the annual report states that there was \$27 million worth of land acquisitions last year. When was the \$20 million threshold hit?

Mr Dawes: We did not hit the \$20 million threshold in the last financial year at all. From memory, we spent only just over \$8 million.

MR COE: On page 127 it shows the non-current inventories.

Ms Cicolini: Could you repeat the question, please?

MR WALL: The question was: my understanding is that there was a total of \$27 million in land acquisitions for the reporting period.

Ms Cicolini: Those land acquisitions would have been made up of both strategic land acquisitions and then land acquisitions as part of the business-as-usual projects of the LDA. In terms of what David Dawes was talking about, the strategic land acquisitions, during the 2014-15 year there was \$16 million approved, of which we spent \$8 million in physical costs, and the remainder of those costs would occur whether it is this year or next year.

MR COE: If I could ask a follow-up, what is the difference between a business-as-usual land acquisition as opposed to a strategic land acquisition?

Ms Cicolini: As mentioned earlier, what we refer to internally is the land acquisition policy framework. That refers to land outside our business as usual, being our core business, which is land that is acquired as part of projects on our land release program. The strategic land acquisitions are those that the LDA considers as over and above in terms of opportunities that arise, and some of those were mentioned earlier.

MR COE: In terms of the government's point of view, who makes the call? Surely, it has to be the board. Who makes the call as to whether something is business as usual or strategic?

Ms Cicolini: Internally there is a framework that we use that decides whether something falls within a project or it is in the strategic land framework. If it is strategic, it goes up through the channels at the board and the proper approval processes.

MR COE: Is that document a notifiable instrument?

Ms Cicolini: On 14 June 2014 the Planning and Development (Land Acquisition Policy Framework) Direction 2014 (No 1) took effect. On top of that we have an internal interpretation that we use to govern how we go about doing it.

MR COE: With that document, I am curious as to where the scope is to say when it becomes strategic and when it does not, because it really does not say anything about that.

Ms Cicolini: What the LDA and the board have approved is how we interpret that, and there is a document internally within LDA.

MR COE: The acquisition thresholds and the decision-maker say below \$5 million, the LDA board; \$5 million to \$20 million, Chief Minister and Treasurer; and over \$20 million, the government—in effect, cabinet. Therefore, surely everything under \$5 million has to go before the LDA board?

Ms Cicolini: Yes, and it does.

MR COE: What framework are you using if it is under \$5 million and it is still going before the board, but it is not deemed strategic? I do not understand what recourse you have, what notifiable instrument you are operating under, if it is not the Planning and Development (Land Acquisition Policy Framework).

Ms Cicolini: Can you just clarify an example? There are a number of acquisitions that are under \$5 million that happened during the year. I have a number listed here that went through that process, so what are you referring to?

MR COE: What is an example whereby you would acquire land under a business-as-usual definition which does not follow this framework?

Mr Barr: It might be helpful if we take that on notice.

MR COE: Yes, it would be helpful to get more information, but I would like to know. If you are not adhering to this policy framework, surely someone in this room should be able to give me an understanding of under what authority it has been done?

Mr Ponton: An example of where it is project based is in fact Glebe Park. If we are able to move the pond in Parkes Way, that allows us then to realign Parkes Way, and, as Mr Dawes said earlier, it also allows us to square up Parkes section 3 in terms of sale. So that is project based. With a strategic acquisition, if we have a parcel in a greenfields area that is in government ownership but it would make sense to either extend that or regain the land just beyond, and there is a gap in the middle, we might have to purchase that through strategic acquisitions. There is no intention to develop at this stage; it is just that this is something that might eventuate at some point in the future, as opposed to being able to be totally attributed to a project. In this case, the one I gave, Glebe Park, is able to be attributed to the city to the lake project.

MR COE: Mr Dawes said earlier that was a strategic acquisition. It is interesting because 3.3.1 of this document talks about these sorts of situations whereby they are attached to a project. It states:

If a commercial outcome is sought from the \dots site, a business case has been prepared that demonstrates that a satisfactory commercial return will be realised \dots

If a non-commercial outcome is sought from the ... site, any holding costs, redevelopment costs ...

So this document does seem to take into account all of those circumstances. I am wondering what framework a project acquisition would follow if it is not this one. I do not know how you legally do it if it is not under this acquisition policy.

Ms Cicolini: Some of the projects that require acquisitions of land that are not government land—and I will not quote projects—are under the business plan. So the framework is in the business plan. When the development project goes ahead they would have to list what the land costs are and what the development costs are. They are the two avenues to approve any land acquisitions.

Mr Dawes: Also the board signs off on all of these. When it is incorporated into a

business plan for the development of a particular suburb or whatever, the board signs off on that. Also it comes back to some terminology that we might be using internally.

MR COE: When was the first time a project acquisition was made?

Ms Cicolini: Under the strategic land acquisition in 2014-15.

MR COE: Was it Glebe Park? Is that the first time a project acquisition has been made under this new terminology?

Ms Cicolini: No. The first one that was approved that I have here is Land's End, which we talked about before. That was one of the first ones.

THE CHAIR: I think you have taken a number of questions on notice around the framework. We will move on to tourism and events. Could I ask about the Enlighten festival and its expansion. Welcome, Mr Stankevicius. Congratulations on your appointment.

Mr Stankevicius: Thank you.

Mr Barr: With Enlighten 2015, given that Adam was not in his position at the time, I can assist. The 2015 event attracted 287,874, which included attendance at ticketed events and the outdoor entertainment precincts. That, I can advise, was a record attendance for the event. Research demonstrated an estimated 10,434 interstate or international visitors specifically in Canberra for Enlighten, which I am advised was a 97 per cent increase on the 2014 figures. The new element in Enlighten for 2015 was the partnership with Fairfax Events to deliver the inaugural Enlighten night noodle markets, which attracted 156,000 people.

THE CHAIR: Will that continue next year? Are you able to say?

Mr Barr: I understand it will be expanded as a result of popular demand.

THE CHAIR: Bigger and better.

Mr Barr: Yes.

THE CHAIR: In the same location?

Mr Barr: I believe so, yes. I think they have got capacity to utilise more of the space within that precinct.

Mr Stankevicius: The footprint of Enlighten will remain consistent, but we are having discussions with the NCA because they have views about where the large food areas, for example the night noodle markets, are best located. Obviously this is one of the primary areas over which they exercise a lot of control. The footprint should remain the same, but where the night noodle markets exactly are may be negotiated.

THE CHAIR: With the visitors to this event and others, how much do you know about who is coming and where they are coming from?

Mr Stankevicius: It is the result of sampling methodology. It is one of those things that are extraordinarily technical in terms of how you assess sizes of crowds, who they are, where they are coming from. We use a number of companies, but the methodology is relatively similar, whether it is the University of Canberra tourism research people, Repucom or a number of the other survey agencies. They are on site. They talk to people. They usually ask a few initial questions and either get an email address or give a follow-up website address for people to do more things online. If people are willing to be spoken to either in a focus group or through a telephone survey, they will follow up that way. That is how we usually get the relatively good demographic data on who, how, what they spent, as the Chief Minister said, how long they stayed, where they came from, and whether they came specifically for this or they came for a range of tourist activities in Canberra.

THE CHAIR: What do you know about the people who visited Enlighten last year and where they came from?

Mr Stankevicius: As the Chief Minister said, I think we had a 97 per cent increase—over 10,000, so 10,434 people from interstate or overseas.

THE CHAIR: That is a big increase.

Mr Stankevicius: It is massive, and it is part of being associated with a national provider of events. Fairfax Events provides a range of these kinds of events and many others across the country, so they have an infrastructure which drives publicity and promotion—ably assisted by VisitCanberra and the promotional work that we do. In terms of reaching those external audiences, this kind of arrangement is very positive, and the results are in those statistics.

THE CHAIR: Thank you.

MR WALL: Just a supplementary, chair. What is the assumed visitor spend for the Enlighten festival?

Mr Stankevicius: Assumed visitor spend?

MR WALL: What is the research showing that visitors are spending on average in Canberra?

Mr Stankevicius: For Enlighten? I do not have per person figures, but we do have some. For 2015 it was 3.35 million as direct expenditure in the ACT economy by the visitors to Enlighten. In the first year, 2011, it was 600,000. We dipped a bit. In 2013 it was 650; in 2014 it was 2.3 million; and this year it was 3.35 million.

MR WALL: That is combined, interstate and local attendees?

Mr Barr: Yes. The data I have states an average of 1.9 nights, spending an average of \$175.29 on each day they were in Canberra.

MR WALL: Obviously the 3.5 is the gross territory product impact of the event, so

that answers the other one.

Mr Barr: It is 3.72.

DR BOURKE: Given the seven per cent increase in Floriade attendance from last year and the news that Floriade will possibly move from Commonwealth Park, what options are there to put the infrastructure demands of Floriade in another location if you transfer it, given that there seems to be this increase in patronage?

Mr Barr: It is very difficult. In short, there is no easy alternative site. A number have been examined over the years, and none provide the totality of experience and proximity, transport, accessibility and the like that Commonwealth Park does. It has been pleasing to hear reassurance from the National Capital Authority that it is not their intention to boot Floriade out of Commonwealth Park. The discussions now are over what is a viable footprint for the event within Commonwealth Park, recognising the issues that the NCA have raised that are legitimate in relation to the length of time it takes to set up the event and then to pack it up after the event is completed. And they have some specific issues about damage to some mature trees in the park that can be addressed through further discussions with them.

The challenge has been that the original proposition put to the territory government on what would be made available to the government to run Floriade, and the size of the footprint made by running Floriade in Commonwealth Park, are completely impractical. We have expressed that view back to the NCA at official level. And I myself have expressed it directly to the members of the board, including the chair, and to the chief executive officer.

Negotiations are continuing for a viable footprint within Commonwealth Park, but we also recognise that there are opportunities in the delivery of the event to change the way that we deliver the event to minimise the exclusion time before and after to ensure that we are not disrupting Commonwealth Park for the same length of time as has been the case in recent years. We certainly think we have the capacity to respond to the NCA's concerns there.

There will be opportunity, though, to look at a variety of Floriade fringe-type events that would extend the festival's footprint more broadly into the CBD. This is where opportunities like Glebe Park, Garema Place, Westside, New Acton and others can be considered.

DR BOURKE: Mr Stankevicius, you talked a bit before about the marking strategy into international and interstate markets. Maybe you could elaborate about not just NightFest but also Floriade and other events that we have.

Mr Stankevicius: The strategy is a combination of the promotional efforts that Events ACT does and the extensive work that VisitCanberra does to target those interstate and international markets in relation to Floriade. Given the length of the event, it is an established market. There are people that we know come to Canberra just for Floriade. Last year, we saw a tipping point where it was about half and half in terms of our audience—half people from interstate and overseas and half locals in terms of the total numbers.

So it is a significant influx of people from interstate. As I say, that established event, added to the significant work that we both do in promoting it, is continuing to build that audience quite substantially.

Relating to what the Chief Minister said about the site, we do need to look at the demographics, going back to your question on Enlighten. If you look at the demographics, there is a particular type of large-scale visitor. It is the people of an older demographic who come in on a bus. We need to make sure that we have got a site that is accessible for them. I know that even in town, my grandmother goes through on a minibus from her aged care facility. That is part of the attraction. At the moment, on the current site, it is a very accessible site for a wide range of people who have mobility challenges and a range of other issues in accessing the site.

If we have to find another site, it is not just laying the flowers out and making the bulbs grow; there is a whole range of accessibility issues that we also need to come up with—as well as having a space, again going to your question, that is suitable for NightFest. We cannot just pop up NightFest somewhere if we are competing with existing traders or we are going to have a whole range of other issues that might impede on the smooth running of that night-time event. The site we have at the moment is great. As the Chief Minister said, we are talking to the NCA about the footprint, and we are talking about a range of ways in which we can make that work better.

Part of the accessibility challenge is also safety. You will notice that the event at the moment goes around in a kind of circle. When you follow the crowd, the crowd goes around in a circle. It is deliberately designed that way, so that if we have an incident, there are a range of places where people can exit off the site safely. What we were looking at from the previous plans was something that would not have allowed us to address those issues. In consultation with our planning partners in TAMS and NCA, we would have had significant issues had we just accepted what the NCA had asked us to accept.

That is why we are in the process of negotiations the Chief Minister is talking about in terms of making something that is accessible, that is safe, but is also a successful event for next year and the years following.

DR BOURKE: Finally, Chief Minister, you might like to elaborate on how an integrated city-wide light rail system would encourage more public participation in ACT events, given that many of them are in or near the parliamentary triangle.

Mr Barr: Certainly there is a challenge for us as these events continue to grow in their level of participation, and we have every reason to expect that crowds will continue to grow year on year. There is a physical limit to how much car parking can be provided in the immediate vicinity of these major events, so the only option for future growth is to enhance public transport provision in these precincts.

In the context of the parliamentary triangle, I think five million people a year work, visit or transit through the parliamentary triangle. This is where we stage a number of our city's major events. Enhanced public transport provision, particularly through a

future stage of the light rail network, would not only underpin connectivity amongst the large number of commonwealth agencies located within the triangle, but also assist thousands—tens of thousands, hundreds of thousands—of tourists and Canberrans to access the event spaces that are very popular year round for major city events.

MR WALL: Minister and officials, if you can turn to page 61 of volume 1 of the annual report, under the heading, "Future direction", we might get a bit of an explanation of what you are seeking to do under each of those dot points?

THE CHAIR: Sorry, under each?

MR WALL: Each of the dot points. The first dot point on there is "further develop and improve the ACT Event Fund online application tool". Who is going to be doing this work, what is the estimated cost, and when is it likely to start?

THE CHAIR: You are asking for that on each of the 15-odd dot points?

MR WALL: There are different questions on each of them. We will go through a few of them and we will see how time goes.

THE CHAIR: Okay.

MR WALL: This is the purpose of this exercise.

Mr Stankevicius: The ACT event fund has been going for two or three years. It was previously the festival fund and special events fund, and they were merged. The team is moving on to using the SmartyGrants portal, which is the online grants portal that most of the ACT government uses to make both the application and assessment processes easier, smoother, cheaper and more efficient. We used that in the most recent round, the round that just closed and was assessed last week. We used that online tool in a more developed way than we had before. It reduces costs, rather than costing us, because we bought the licence previously. So it is not something that is actually costing us additional money; it is reducing the costs that we actually expend in assessing, collating and gathering the information required for that assessment process.

MR WALL: What is this year's saving from that change?

Mr Stankevicius: What was that?

MR WALL: What is the saving?

Mr Stankevicius: I cannot tell you what the exact saving is. I would say for 2015-16 I am sure we will report how we have made it more efficient in next year's annual report.

DR BOURKE: Sorry to interrupt there: is the ACT event fund where a Belconnen 50th celebration would be funded from? Am I correct, Chief Minister?

Mr Barr: That will be one potential funding source, yes.

DR BOURKE: Excellent.

Mr Stankevicius: It is certainly where they could apply to, and that relates to the next dot point, which is basically that the fund is obviously an annual fund, which is used to continue to support a range of events and festivals right across the ACT in a whole range of areas. It ranges from sporting kinds of events to cultural and artistic kinds of events to regional and location-based events. In the reporting year we had everything from parties at the shops to pipes and drummers championships to a range of sporting related events. It goes right across the spectrum, and we will continue to use the event fund to support that activity in Canberra. It is really important as part of an events framework that communities get to celebrate—I say celebrate; demonstrate—and encourage visitation.

MR WALL: And has there been an increase in funding into that fund from the previous year?

Mr Barr: There was an increase. I cannot remember if it was the fiscal year before, but, yes, we did provide an increase. I will go back, and we will take on notice exactly when that was.

MR WALL: The third point says "maintain and expand the ACT Government's program of major events for the community and visitors to the city to the highest quality". How much has been added to this area?

Mr Stankevicius: We look at our events every year. Obviously we have a calendar of programs. We also get offered events—things that we will have seen recently, like the World Cup football, the cricket. We obviously work very closely with Territory Venues on hosting those events and VisitCanberra for making sure people know that we are hosting those events.

MR WALL: In terms of this dot point, what is the definition then of "highest quality"?

Mr Stankevicius: Highest quality? It is the satisfaction level that we receive from the survey process that I talked about before. Repucom, as part of its surveying of people who attend our major events—and other surveys; it is not just Repucom—look at satisfaction as one of the elements that they ask people about in terms of those who have attended the events.

DR BOURKE: And do you benchmark that against interstate events?

Mr Stankevicius: I am not sure that these events would give us their satisfaction ratings. I think that would be considered competitive. We certainly benchmark it against ourselves in terms of how we are going year on year. I am not sure how long we have been collecting—I have only been in the job three weeks—that satisfaction data over a number of years, but certainly we can find that out and get back to you, if you want.

MR WALL: Okay. We will skip a couple of dot points to "seek new events to the Territory's venues and increase attendance, activities, revenue and participation". What new events are being considered?

Ms Clarke: The stadium and Exhibition Park have a business development team. We actively seek new events. For example, we have had a number of new events at Exhibition Park, including Big Boys Toys, a couture fair, Night Attack—a number of events. It is very important for us to seek as many profitable events as possible.

MR WALL: And how do you then measure what events are worth supporting against those that are not? Is there a target of attendance that is supposed to draw revenue activity? What are the criteria for proposals to get assistance?

Ms Clarke: With the events that we bring into those venues—apart from, for example, at the stadium; obviously that is a sporting focus—particularly at Exhibition Park, we are looking at community involvement, meaning how many people are coming to the venue as well as the revenue that is generated. It is a good opportunity for the territory to increase its revenue. Exhibition Park and Territory Venues are mainly self-funded and so it is certainly that community involvement for the events. You can see that, for example, Big Boys Toys attracted over 10,000 for a weekend.

MR WALL: I just have one final one. I am glad you mentioned the stadium. My understanding is that the government is still in negotiations with the Australian Sports Commission over the future use of that venue. Is that right? Or what is the long-term view of use of the GIO stadium?

Ms Clarke: At the moment we are in discussions with the Sports Commission on the lease arrangements. Obviously, it is a very viable stadium, and we are planning to be there for a while, so we need to ensure that we have an appropriate lease arrangement there.

MR WALL: And what is the current operating cost of the venue to the government?

Ms Clarke: I will take that on notice.

THE CHAIR: I wanted to ask about the low cost accommodation on the EPIC site and the time frames for that. What sort of impact is that going to have on the supply of tourism accommodation? I know that Tourism is at a later date, but if you are able to comment on the longer term.

Ms Clarke: Absolutely. FreeSpirit, who are the developers for the site and will be managing the site, are proposing to appoint a builder in mid-November and have the civil works commence in mid-February. Their projected commencement date is the end of September next year. This will be fantastic, particularly for the visiting school groups that come to Canberra. The first stage of the development will have dormitory style accommodation for over 400 schoolchildren, so it is a very exciting project that we have been working through. It will also help patrons that are visiting Exhibition Park. For example, visitors to the National Wine Show, Summernats and the National Folk Festival will be able to stay very close by, so it will be another good opportunity to build more visitation to Canberra.

THE CHAIR: The first stage, you said, is the dormitories, up to 400. What are the next stages of the—

Ms Clarke: As part of the first stage there also will be cabins, as well as caravan bays. The second stage will just develop more of the cabin style and then it goes into the third stage, which is a budget style motel.

THE CHAIR: Right. Will it have camping sites on it?

Ms Clarke: There will be caravan sites, yes. Exhibition Park still has a caravan park, which is animal-friendly, so that will still be in existence, yes.

THE CHAIR: And will it be animal-friendly at the local tourist accommodation or will that be your point of difference?

Ms Clarke: It is our point of difference at the moment. FreeSpirit are still determining whether they will allow pets into the accommodation.

THE CHAIR: In terms of animals, is it domestic animals or, for example during the show, is it other animals as well?

Ms Clarke: Interestingly, not even at the Canberra Show but during the year, we have camels, we have the standard dogs, cats, birds, fish—there is a whole menagerie of animals that are allowed to come.

THE CHAIR: Are they the camels from the—

Mr Barr: The Christmas in the City.

Ms Clarke: Yes, and a lot of horses for the War Memorial. When they do ceremonial events, we often host the horses in our stables.

THE CHAIR: Is there anywhere else in Canberra that could provide animal-friendly accommodation?

Ms Clarke: Not at the moment. The way the site is developed, we have got a lot of space out the front so we can obviously have stables and areas for dogs to be walked.

THE CHAIR: A final question from me on Stromlo Forest Park: there is some data in the annual report about the number of events that have been held there, but then future development planning for Stromlo Forest Park. What is on the table for Stromlo Forest Park?

Ms Clarke: As part of the business development team at Territory Venues, we are actively seeking more adventure type events at Stromlo Forest Park. It is a unique venue and it has got national and international recognition, so we are certainly actively working towards bringing more of those types of events to Stromlo Forest Park.

THE CHAIR: There being no further questions on venues and events, thank you very much. We will now move on to Access Canberra. Welcome, Mr McCabe.

Mr McCabe: Thank you, Chair.

DR BOURKE: Perhaps you could tell us about the impact of the implementation of recent environmental regulations in Molonglo, such as the banning of wood fires in new housing, and what effect that might have had on pollution or potential pollution in the ACT?

Mr McCabe: Thank you for that question. I have just been appointed the EPA. I might call on Mr Collier, who was previously in the chair, to assist me with that question.

Mr Collier: The short answer to your question is that it is a qualitative impact. The regulation is actually through Planning, not through the EPA as such. We have influenced the planning legislation, but it is actually a planning decision. The airshed in Canberra over the past few years is getting better. It is a combination of not only that particular initiative that you mentioned but also education programs. The wood heater program—"don't burn tonight" and "burn right"—has had a large impact, because that of course takes into consideration the whole city.

To repeat the answer, it has had a positive impact. Every bit of smoke that we can prevent is a good thing. We have also had a very favourable climate condition over the last few years. The issue is that when there is an inversion it traps the smoke. We had no inversions last year, and I think from memory only one or two the previous years, so that does help with the situation too.

DR BOURKE: Are you able to quantify that effect for us?

Mr Collier: There are some statistics. I will take it on notice, but the EPA produces an air quality annual report, so the specifics of that will be in that report. The quantification is in that. That is where I am getting my information, and in the last few years it is trending very well.

DR BOURKE: Are there any other measurable impacts on pollution in the ACT which are coming about as a result of these new developments?

Mr Collier: Again, education is the primary one—educating folks with current wood heating systems. There is the replacement program with ACTEW of the old wood heaters. Education has had a marked impact. Again, it is the summation of it, so to be able to point to a campaign in the Molonglo valley or a specific campaign on one night is difficult, because of course it is all year. The air quality is measured four times a year by the Department of Health, and the EPA reports on it, as I said, in the annual report. It is difficult to pick one specific thing that makes a big difference, but certainly the combination has made a big difference.

DR BOURKE: Do you do any other assessment of the value of that education process apart from those air quality emissions? For instance, do you do surveys of people to indicate whether they had heard or retained memory of the message or

changed their behaviour?

Mr Collier: That is a good question. Not directly. We can indirectly through complaints—people complaining about, say, their neighbour's wood heater, smoke and that kind of thing. We can get information indirectly, but we do not go out and survey in a direct way. It is indirect.

DR BOURKE: Why not?

Mr Collier: Why not? Because we can get the information indirectly through complaints.

DR BOURKE: Given the fact that you have mentioned that changed climatic conditions over the last couple of years have had a positive effect on the environment, how do you know that the reduction in complaints is not related to the reduction in inversions as opposed to people doing the right thing?

Mr Collier: It is a good question. You are right in saying that. It is a combination of all those things. A year with lots of inversions will have lots of issues with respect to smoke held in the atmosphere. Again, irrespective perhaps of what is actually being pumped out through chimneys, a bad night is a bad night from an inversion perspective. We have to deal with those variables which we cannot control, such as the weather, but we can control things like education campaigns. That is where we push.

DR BOURKE: Do you also calibrate bad nights with perhaps attendances at emergency departments or nurse-led walk-in centres?

Mr Collier: No, not from an EPA perspective. Perhaps that is a question for the department of health.

DR BOURKE: I just thought there might have been another way to calibrate your information.

Mr Collier: It is a good question for Health.

MR WALL: Does the EPA attribute the reduction in wood smoke issues at all to, I guess, the advent of what are cleaner, more efficient wood-fired heaters?

Mr Collier: Correct.

MR WALL: I understand the standard now is amongst the best in the world.

Mr Collier: That is right. The EPA was very much pushing the standard. The ACT was taking the lead, actually, from a national perspective—we and Tasmania—because of course those are the two jurisdictions most impacted. To answer your question, we very much encourage any improvement in standards with respect to wood heaters. Indeed, there is quite a bit of work at the commonwealth level in that space as well.

MR WALL: Has any measuring or monitoring been done to ascertain the difference in air quality as a result of people taking up the opportunity to renew their wood heaters?

Mr Collier: Again, it is that aggregate of all the things that make a difference. Through the annual report we can actually show that trend. To refer to your question, again, it is about education and the standards of wood heaters improving. All of those things together, combined, make the difference.

MS LAWDER: On noise complaints, which is on page 238 of the report, I think there is a 27 per cent increase overall in noise complaints.

Mr Collier: Yes.

MS LAWDER: Not only but largely amplified music noise. Of all of these noise issues, do you have a breakdown available by area or by suburb?

Mr Collier: Yes, we do.

MS LAWDER: Are you able to provide that?

Mr Collier: That will be taken on notice. That level of statistical analysis is available. The reason I say that is because when the complaints come in we obviously will attend to them, if they are serious, at a level right down to the address.

MS LAWDER: When you have complaints, what do you mean by "actions taken"? You have got 23 complaints, for example, and 128 actions. What does that mean?

Mr Collier: That is the summation of the response from the EPA. For instance, one of the actions taken could be a site visit. Sometimes, if it is quite a serious matter and we have been out two three times, there will be a letter. It is the summation of our response. It is on a scale in terms of starting off with education and, as we work up within a compliance framework, a more serious response is warranted and taken over time, especially for repeat offenders, which of course is no different than any other compliance framework.

MS LAWDER: On the previous page, page 237, near the top, you talk about your residential noise awareness campaign. Presumably you meant November 2014?

Mr Collier: Yes.

MS LAWDER: You have said that may have contributed to increased complaints due to greater awareness within the community. Would there be a corresponding awareness that some things are allowable? What was in the campaign that made you think that you would get more complaints?

Mr Collier: It is a general comment, very much like the wood smoke situation. It is about folks becoming more aware of the issue and that there is an avenue for complaint. For instance, we had a campaign on the side of buses about noise in the neighbourhood. Until that advertisement went past them people may not have realised

that there was an avenue for complaint. So instead of perhaps copping it, as it were, they are now aware of an avenue through which they can complain. Folks are becoming more aware that they can actually do something about it, or perhaps they had not realised it before until they saw that bus drive past them.

MS LAWDER: So with all of the environmental issues—air, firewood, noise et cetera—the number of complaints is quite a crude measure.

Mr Collier: Yes.

MS LAWDER: Do you have another piece of information that says how many were proven or valid that you took actions on and those that you did not take actions on? Do you understand what I mean?

Mr Collier: Yes, I do. It is a good question. The short answer is that we do statistical analysis of the complaints. For instance, we keep track of every complaint that is received from Canberra Connect and Access Canberra now and our response to those. That is kept in a database. There is a statistical analysis that is available for that level of granularity.

MS LAWDER: You have talked elsewhere in the report about the use of social media and other channels.

Mr Collier: Yes.

MS LAWDER: Is that branded under Access Canberra or are there other media channels that the EPA use as well, and what would they be?

Mr Collier: For this particular year, this reporting period, initially it was with EPD up until Access Canberra, and then from that point forward—so 16 December—it became an Access Canberra campaign. The EPA logo would still remain in some situations, but it changed over when EPA became part of Access Canberra.

MS LAWDER: For example, the EPA runs community noise awareness programs using several media platforms—

Mr Collier: Yes.

MS LAWDER: and targeted social media and articles. Unless you follow Access Canberra on Twitter or something, how would you be aware of these campaigns?

Mr Collier: The way of looking at it is this: what has changed is the directorate. Previously we were part of EPD, so we had websites both on EPD and our own <u>noise.act.gov.au</u>. That was also part of that bus campaign. There was a branding of EPA with that too. What has changed is the directorate. Those campaigns continue. Things like our fact sheets about wood smoke, for instance, are still available. They are available online, as they have always been, and they are also available in hardcopy at shopfronts.

MS LAWDER: If I was following EPD on Twitter, how would I know that I should

now be looking at Access Canberra for that kind of information?

Mr Collier: It is a technical question. I will have to take that on notice. I am not sure how the technical folks figure that out, but that sort of website transition has taken place.

MS LAWDER: I am not talking the website necessarily.

Mr Collier: Or Twitter.

MS LAWDER: Yes.

Mr McCabe: An easy way to deal with that would be for us to put out a Twitter message, for example, saying that EPA issues will now be included in the Access Canberra tweets, for example.

MS LAWDER: Only if I look at my tweet, my feed, right at that time.

THE CHAIR: That is Twitter, though.

Mr Barr: Twitter pages do allow for a descriptor of the activities associated with a particular Twitter handle.

MS LAWDER: Yes, but you have to go looking for it.

Mr Barr: Yes, but if you were going looking for it you would probably use a search engine. That tends to be the way people go looking for information without necessarily knowing which specific area of government it is. Then the search engine will refer you appropriately. Google would be the most famous of them, but there are others.

Mr McCabe: If you searched under a search engine for EPA you would now find that within the Access Canberra family, and that would then direct you to the communication vehicles from Access Canberra.

Mr Barr: But, equally, if you searched for noise complaints, we would go that way as well.

DR BOURKE: Do you have any data on how people access your websites, Chief Minister? Do they actually drill in through the front page or do they go in through search engines?

Mr Barr: I think these days, in addition to search engines, with a lot of smartphones now you press a button and make a Google request. Certainly one particularly famous American company has a service where you press a button on your device, talk into the smartphone, put an information request in and it will go away and find it for you. But that is not the case with every new piece of technology, as we understand it.

I think Mr McCabe made a very good point. We can issue tweets on that account, and over time whenever there is change, Ms Lawder, we can seek to promote the new

location of information. I am very happy to utilise the Canberra newsletter to promote this particular change in future editions.

Mr McCabe: I know, for example, that the WorkSafe newsletter can identify who has opened and read particular articles. If there were a person interested in an article on height safety, for example, or a group of people, we could target further messaging out to them because we know they have shown that interest. The same would apply to issues like this.

Many websites also utilise a product called Google Analytics, which enables you to identify whether people drill down into the website, which pages they go to and which ones they do not ever use. So the websites are constantly being reviewed on the basis of analysis like that to see what is being used and what is not.

Mr Barr: Maybe Ms Lawder was in the room when we discussed this. We did talk, in the CMTEDD communications area, about a review that is part of the work program for this year of government communications, including the sheer number of websites and social media accounts that we have, which I think counted well over 100 in both categories. There is a view that that is too many and that some consolidation will be necessary. This issue and these discussions can feed into that review.

MS LAWDER: Thank you.

DR BOURKE: Is that a maintenance issue or an accessibility issue?

Mr Barr: There is a range of issues that come with keeping information up to date. As Mr McCabe indicated, you get data on usage and visits to the number of pages, and there are some that attract, obviously, a large volume of use and others that attract very little. Whilst we can make certain value judgments about the community's overall level of interest in noise complaints versus, say, strategic land acquisition policy—you name the area of community interest as to how often someone might visit a particular site—we need to make that value judgment together with questions of easy access.

MR COE: Quite a bit in the past 24 hours.

Mr Barr: Apparently so, yes. A lot of people come into the ACT government through act.gov.au and that page would be one of our highest ranking in terms of a landing point, I guess, for engagement with ACT government web or social media presence.

THE CHAIR: We are at the end of our time. If I could ask one final question on noise complaints? There was a complaint acted upon in the last financial year regarding gym equipment noise. Do you have any insight into what—

Mr Barr: It was not me.

THE CHAIR: It was not me.

Mr Collier: We are very responsive to the community.

THE CHAIR: That is an excellent answer.

Mr Collier: Somebody must have complained about gym equipment.

THE CHAIR: No idea which particular gym equipment it was?

Mr Collier: No is the short answer to the question.

THE CHAIR: Thank you very much. I would just like to thank you again for your time and for the officials' time in coming in and preparing for this afternoon. Members, could I just ask that supplementary questions be provided to the committee office within three business days, and if we could get replies to the questions taken on notice by 26 November, that would be great.

The committee adjourned at 5.00 pm.