



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

**STANDING COMMITTEE ON PLANNING, TRANSPORT
AND CITY SERVICES**

(Reference: [Inquiry into annual and financial reports 2019-2020
and ACT budget 2020-2021](#))

Members:

**MS J CLAY (Chair)
MS S ORR (Deputy Chair)
MR M PARTON**

TRANSCRIPT OF EVIDENCE

CANBERRA

WEDNESDAY, 3 MARCH 2021

**Secretary to the committee:
Dr B Lloyd (Ph: 620 50137)**

By authority of the Legislative Assembly for the Australian Capital Territory

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

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Amended 20 May 2013

The committee met at 1.30 pm.

Appearances:

Berry, Ms Yvette, Deputy Chief Minister, Minister for Early Childhood Development, Minister for Education and Youth Affairs, Minister for Housing and Suburban Development, Minister for the Prevention of Domestic and Family Violence, Minister for Sport and Recreation and Minister for Women

Environment, Planning and Sustainable Development Directorate

Ponton, Mr Ben, Director-General

Brady, Dr Erin, Deputy Director-General, Land Strategy and Environment

Rutledge, Mr Geoffrey, Deputy Director-General, Environment, Water and Emissions Reduction

Sendaba, Ms Bethel, Executive Branch Manager, Building Reform

Suburban Land Agency

Dietz, Mr John, Chief Executive Officer

Bulless, Mr Neil, Deputy Chief Executive Officer

Gordon, Mr Tom, Executive Director, Development Delivery

Holt, Mr Nicholas, Executive Director, Built Form and Divestment

Westropp, Ms Caitlin, Senior Project Manager

THE CHAIR: Welcome to the second day of hearings for our planning, transport and city services committee. Today we are hearing from Minister Berry, in her role as Minister for Housing and Suburban Development and Minister for Sport and Recreation, and some of her officials. I am assuming that everybody here has had a chance to look at the privilege statement. If, the first time that you speak, you could acknowledge that you have read the privilege statement, we will have that in the *Hansard* transcript, which would be good.

We will start with questions to the minister in her capacity as Minister for Housing and Suburban Development. We will begin with the Suburban Land Agency's statement of intent.

I might kick off. We have a lot of sustainability requirements in the parliamentary and governing agreement, and a lot of those go to decisions that will be taken when a block is first allocated. We have things about 30 per cent tree canopy coverage and permeability surfaces. There are things about orientation, which is a really good way to make sure that we are building low-energy houses. We have some requirements about gas and gas connections, and we have a very clear pathway to not connecting new gas; we know that now. We understand that we are bringing in electric vehicles and we understand the need for separate wiring and metering. There are quite a lot of things that happen right at the start of the land development that we need to get right, from the beginning, in order to make high-quality, sustainable housing further down. We also have in the parliamentary and governing agreement a requirement that we issue blocks to high-quality proposals, not just to the highest financial bidder. I want to know what the SLA is doing to make sure that our land releases from now on will meet all of those high quality and sustainability requirements.

Ms Berry: Before we go to the response to that question, I should note that some of this questioning was probably best asked of Mr Gentleman, in the planning part of the Suburban Land Agency's work—pre land delivery, which is what the Suburban Land Agency is responsible for.

However, we have a statement of intent and expectation with the Suburban Land Agency about what the Suburban Land Agency does in delivering land to the ACT and our aspirations under the parliamentary agreement, moving forward. Some of the questions that you have asked go to the planning stage rather than the delivery stage. Mr Dietz, do you want to expand on that?

Mr Dietz: Yes. I acknowledge the privilege statement. Your question is probably best answered in two ways. One is at a macro level—how we deal with the objects of our act, the letter of expectations that we receive from our minister, to ensure that when we are making decisions and implementing, we are doing them in a way that best represents the policies and objectives of government. I will also ask Caitlin to talk in detail about our sustainability strategy and how we are implementing under that strategy.

At a very high level, you are right; the objects of our act, our minister's letter of expectations, really require us to optimise social and cultural, environmental and financial outcomes. Working with our board, we go through a strategy process to ensure that our future strategy appropriately takes into account these objectives. That strategy results in a road map and the road map has certain priorities which we ensure we are focused on.

Sitting under those priorities are some further strategies. We have both a sustainability strategy and another affordable housing action plan strategy, which is also very much defined in the minister's expectations.

Within the strategies we also have operational decisions that we need to make. Some of those decisions are around investment decisions. We have an investment decision framework. That framework has objectives which guide the decisions we make. It actually identifies a list of objectives. When we have a decision to make, we use the framework to score the outcomes of that decision against the objectives, and therefore guide ourselves in making those appropriate decisions.

Something very similar is land release. The way that we look to release land can have a very significant effect on the objectives of the land release. In that case we do it quite differently. We are very much looking right now, as per our expectations, to ensure that, whenever we release land, it is optimising the best financial, social, cultural and environmental outcomes.

In doing that, sometimes the decisions that we make are tailored specifically around optimising those. An auction, for example, that is not backed by a project delivery agreement is essentially leaning on the Territory Plan and the DA process to ensure that the balance of those different objectives is catered for. That is most appropriate in many cases. In some cases, however, it is not. We feel we can add value through our engagement process, which is now being driven by place making; then ensuring that

the tendering process appropriately captures the outcomes of an engagement process to give a tenderer the best idea of what a successful development would look like.

THE CHAIR: You have mentioned a few times the need for financial return. We have now a requirement in the PAGA that we make sure we are releasing land for the highest quality proposal, not necessarily for the biggest financial return. How will those goals match up?

Mr Dietz: I will take the example of where we are using a place-making process. The end of that place-making process results in a place design brief. That place design brief is then provided to prospective tenderers as part of the tender process. The tenderers need to respond to that place design brief. Openly, in our evaluation criteria, we give the response to the place design brief a weighting. We also give financials a weighting, and we usually give experience a weighting as well.

THE CHAIR: In that weighting is the place design brief a third of the decision or—

Mr Dietz: We do not necessarily have a goal for every release. It is specific to the release, specific on the outcomes of the release. I can give an example, though, that is quite recent—the Gold Creek release. In that case a community panel was created. It designed the place brief. I do not know what the answer is yet regarding the result. It is still being reviewed by the tender committee, so it would be inappropriate. However, the evaluation criteria had the place brief at 50 per cent and the financial outcome was less.

MR PARTON: Surely, the basis of the chair's question was: how is it possible to balance those four principles that you mentioned upon which you are basing land release? How is it possible for them to actually marry up? Surely, the best financial return is not necessarily going to be balanced by the others.

Mr Dietz: You are right; it is not easy, which is why, when we evaluate, we use the different evaluation criteria. I will use 50 per cent as an example: if we are weighting financial at 50 per cent and the quality of the outcome as defined by a place brief at 50 per cent, a tenderer who is willing to pay more but with less quality could be ranked below someone who is paying less but providing more quality.

MR PARTON: It gets down to the weightings?

Mr Dietz: It gets down to the weightings, the evaluation and how you best specify what “quality” is. That is why it is so important to work with the community to get a place design brief that you can score against.

THE CHAIR: How is the SLA deciding at the start of the process what weighting to give to those different criteria?

Mr Dietz: It comes back down to the executive and the area responsible for that release. Usually, for the larger releases, I am part of that approval process. I note that I have probably only touched the surface of part of your question.

THE CHAIR: Yes. With the other things I touched on, you mentioned some high-

level values but I am more down in the weeds, about how it actually happens. The specific things that we want to make sure we get are space in blocks and suburbs for 30 per cent tree canopy coverage and 30 per cent permeability. We want to make sure that buildings are oriented the right way so that they can be built in a low-energy manner. We want to make sure that electrical wiring is done to every car park so that it is separately metered, because it is very expensive to come back and do that later. Sometimes there are easements and reasons why that cannot be done at all. We want to make sure that we are not connecting gas. Are those five things covered in the high-level values that you mentioned?

Mr Dietz: Yes is the very short answer. I will ask Caitlin to talk through some of our sustainability strategy. I will also ask her to augment a little bit of the discussion on the policies of government which sit between government and us as the delivery agency. As the minister talked about before, EPSDD is very much responsible for planning. It is also responsible for the living infrastructure policy. That is where the policy aspect of that is all decided, and we are delivering against that.

Before I hand over to Caitlin, you mentioned gas. It is probably a good interlude before Caitlin talks about our sustainability strategy. The joint venture partner that we have had has very much paved the way for developments that do not have gas. We have taken the next step initially within our Whitlam development, where we have a rebate, which is incentivising people not to connect to gas.

The parliamentary agreement now does solidify our road map towards zero emissions suburbs. I talked before about a high-level strategy being implemented, and a sustainability strategy. One of the four themes of our sustainability strategy is zero emissions suburbs. I will hand over to Caitlin. Caitlin can probably give you a little more high level, because there are four themes. Some of the questions that you have asked are across some of the others. Responsible consumption of production is another example.

Ms Westropp: I acknowledge the privilege statement. As John mentioned, the SLA adopted a new sustainability strategy at the end of last year. The new strategy has a five-year horizon, 2021 to 2025. It picks up on the social and environmental requirements under the statement of intent, as well as the economic aspect that John mentioned, including cost of living for residents—all sides of that economic sustainability.

We have four themes in the new strategy. One is zero emissions suburbs. We have mapped out a road map for how we are transitioning towards zero emissions suburbs. We have resilient communities, where we are looking at the resilience of the actual residents in our developments, as well as the resilience of the built environment and the natural environment. We have healthy, prosperous and inclusive places, which picks up on a lot of the social sustainability themes, including place making, the health and wellbeing of residents and creating prosperous commercial centres. The last theme is responsible consumption and production, which is all about the resources that we use—water, waste and trying to consume in a responsible way.

As John mentioned, in developing this strategy we looked at existing ACT government policies and strategies, including the climate change strategy and

Canberra's living infrastructure plan. We have also done a number of other pieces of work. We developed a tree canopy cover framework for the SLA, which is an internal document that maps out actions that the SLA can take to contribute towards the targets set out in Canberra's living infrastructure plan, such as 30 per cent tree canopy cover and 30 per cent permeable surfaces, which is a little bit more challenging in the newer suburbs compared to the older suburbs. We have more compact blocks and less space in the verges for big street trees. People are building bigger houses and so on.

In that tree canopy cover framework, we have identified actions that each of the teams across the SLA can take. They range from educating the community to working with the community to understand the value that trees, greenery and gardens have to add to their homes. We offer a landscape rebate in a number of suburbs. It was offered in Taylor, Coombs and Wright. Ginninderry has a landscape rebate program.

This year we are looking to take that to the next level, to educate the residents on what sort of landscaping they can do. We have worked with a local landscape architect to develop climate-friendly garden designs. The landscape architect looked at some different scenarios for a front and back garden and a courtyard design that you could develop using appropriate plants for the Canberra climate that will be able to withstand climate change into the future. We are looking to develop those sorts of tools that can help to support residents who could be building a home for the first and last time in their lives, and who are not necessarily experts in that area. We have also looked at implementing rebates, as I mentioned, and incentives.

You mentioned tree canopies. We have a couple of other initiatives in that area, including in Whitlam. We partnered with EPSDD to deliver a living infrastructure demonstration pilot. This is looking at the verge, and the public domain, and looking at what we can maximise in the public domain. We have looked at things like digging larger pits for the trees, using higher quality soils, using larger street trees to start with, and passive irrigation. We have a number of different kerb inlets that funnel the stormwater into the tree pit to help keep the tree passively irrigated throughout the year.

We have soil and moisture probes, and permeable driveways. It is about trying to increase permeable surfaces, trying to keep the water in the landscape and support tree health. We will be working closely with a consultant to monitor the benefits of that system, with the potential opportunity to roll that out for other suburbs in the future.

In Whitlam we also have a collaboration hub. You might have heard about that. It is under construction. That is showcasing a number of sustainability features, including a green roof and a green wall. Residents can come and look at that and get inspired about what they could do in their own homes.

I will jump across to energy. Under the theme of zero emissions suburbs, in the strategy we have mapped out a road map that looks at what we are doing and where we would like to go in the future to get towards zero emissions suburbs. We are already implementing an energy rebate package in Whitlam. We are offering \$10,000 to eligible buyers who build an all-electric, highly efficient home.

We are working with Evoenergy and ANU to investigate the potential for large-scale

community battery storage in the suburb of Jacka, in stage 2 of Jacka. We are also looking at making Jacka our first zero emissions suburb. We are looking at potentially mandating solar panels and potentially using housing design guidelines to look at the things that you mentioned around building orientation—

THE CHAIR: Passive design; great.

Ms Westropp: Yes—double-glazed windows, and mandating those sorts of requirements. The Ginninderry Joint Venture has been using design guidelines. They have had a lot of success with those. We are looking to build on their experience and potentially to roll that out in Jacka.

Down the track, we have identified in our strategy that we would like to look at construction emissions in the civil construction phase when a suburb is being built. Transport emissions will be Canberra's next challenge, so we are looking at what contribution we can make in that space as well.

MR PARTON: I would like to know what work is being done. When you talk about Jacka, and about moving towards the first zero emissions suburb, I want to know what work is being done to ensure that the sort of things that you are talking about being mandated do not impact heavily, if at all, on affordability.

Ms Westropp: We have done a literature review, to look at the research that is out there, which shows that building a highly efficient, all-electric home saves residents—we have some figures—in the order of \$18,000 over the life of the home. Those figures are a little bit out of date but we are looking to update that.

The issues showing up in that research are that there are more up-front costs but the costs saved over the life of the home are significant. Also, with the Jacka project, we have partnered with ANU. We have engaged ANU to undertake a feasibility analysis of that project. They looked at whether what was being proposed would be cost-effective for residents. We are also working very closely with Evoenergy, who are collaborating with us on that project.

MR PARTON: I can only assume that if we are doing some work based around the energy costs over the life of the home, the entry-level costs will be greater.

Ms Berry: That is a good question. I might ask Mr Dietz to respond to that around affordability. It is about getting into the home in the first place, then being able to enjoy the affordability after that; that is the challenge.

Mr Dietz: You are right; it is a challenge. We are looking at whole-of-life affordability and ensuring that the product that we can provide has the right amenity; that it is in a location where they can travel appropriately and where their electricity bills are reduced, where possible; then reviewing to ensure that, if there is a small increase in the capital cost up front, that is taken into account within the policy.

Some of the pre-work that we have already done through our Ginninderry Joint Venture is flexi-living. It has been attempting to give us enough information to be able to review the data, to see whether the flexible living product—which did have a

slightly higher capital cost but had more of the maintenance and more of the electricity cost savings—was able to be afforded and lived in.

We also have actions within the minister's housing strategy, and those actions are very specific about how we can really influence affordability. Some of those leverage the studies that are already occurring at the joint venture to see whether we can do the next step in some of our developments. A possible option that we are looking at is in north Wright. We have some land available there where we would be looking at such a possibility.

MS ORR: You touched on this slightly but I want to pick up on it: how does the SLA take community priorities and views into account in the land releases? In particular, how do these steps ensure that the SLA tenderers promote the maximum community benefit?

Ms Berry: The land release process is prior to the Suburban Land Agency's delivery. A good example that the Suburban Land Agency has provided is around the community consultation and collaboration work around Gold Creek Homestead, which is going through its final stages. The Suburban Land Agency is also working on getting feedback from the community, doing that place-based work, a bit of co-design, understanding people's needs and aspirations around some land release in Belconnen as well—a whole range of different projects in Belconnen. There is a lot happening in Belconnen at the moment. There is lots of change, and change can sometimes be difficult for people. Giving them the chance to be a part of the conversation about that change can help them to get through that. Maybe we can talk a bit more about how we got to the Gold Creek situation, and Belconnen after that.

Mr Dietz: Gold Creek is a good example of how we do things differently now. Very much from the inception of the SLA, the letters of expectation from our minister have been that it is not just about carving up land and financial; it is about optimising financial, social, cultural and environmental outcomes.

With the example of Gold Creek, prior to the SLA's approach, it was released and pulled back—it was actually very much at the inception of SLA—because we felt there was a better way to do it. It had been tendered based on a financial response. The importance of the community requirement had been alluded to in the tender but the evaluation was 100 per cent financial. Becoming aware of that, the SLA decided that was not the way we do things. We took it back. We very much looked at our structure to support a better balance or optimisation of each of those objectives.

Place making is a much stronger driver in the way we release things now. Place making is really about that very first stage, sitting down and understanding with the community the uniqueness of a site—the historical uses, the cultural uses and the current uses. It is about the connections, both physical and emotional, that people might have with a site, and using that to inform and educate a place design brief.

That is our approach to ensure that a developer who is then looking to develop in this place has the best idea of what a successful development will look like. I am not sure how much of the earlier discussion you heard, but that is what we evaluate on. Our evaluation criteria really look to balance financial, social and the environmental

outcomes.

As the minister says, it is not just Gold Creek. We are taking similar approaches now with Belconnen, where there are three sites which have an opportunity—

MS ORR: What are the three?

Mr Dietz: There is the old water police site, where there have been attempts at releasing in the past. There is what we call the circus site, which is quite close to the water police site and where sometimes there were circus tents, and a site on Lathlain Street. Again, as the minister said, we operate within the Territory Plan. We're not doing the planning that EPSDD does. It is quite distinct. But when we release sites like those three all at the same time, there is a real opportunity for us to engage with the community around the three sites. The end solution might encapsulate all three. It might have different ideas for all three, but it is an ideal opportunity for the community to have the ability to consult with us at this time when they are releasing those sites.

MS ORR: Can you run through a bit more of the Gold Creek example? I appreciate that you have gone into quite a bit of detail on how the tender is approached, but can you talk about the community processes, the panel and how that feeds into the broader process?

Mr Dietz: Yes, I can. I note that Gold Creek is still a living example which is under tender review, so I do not know what the outcome is yet. I would suggest that it is successful, no matter what the outcome is, based on the process that we have had.

With the community panel, we worked openly with the community to create a panel, and we were very open with the panel around what the objectives of the panel were. It was to design a place brief. When you get the right cross-section of community, they may not necessarily be educated in some of the ideals of the specific place. It is important to work with the community to understand the history of the place and to understand the restrictions under which the community may operate. Again we are not looking to change the Territory Plan. We are working within the Territory Plan, which sometimes has particular use restrictions. We need also to ensure that the cross-section of the community are open, innovative and able to bring in their ideas. We need to operate with integrity to ensure that, regarding what the community has provided to us and the objectives we gave the community, we adhere to that as part of the tender process.

From the beginning it was very much about saying to the community, "We're working with you to get a place design brief," and that place design brief will be evaluated as part of the tender response.

MS ORR: What was the place design brief that came up through that process and how did it differ from, say, what you have previously put out?

Mr Dietz: I can say with the Gold Creek one that in the past there was no place design brief. It was, "Here it is, and whoever can pay the most, we'll sell it." In this particular case—and I am probably talking a little bit beyond my memory; I will go to

Tom Gordon—there were five major themes that came through the place design brief. They related to the cultural significance and the environmental significance. Tom, if you have those, that would be great.

Mr Gordon: I acknowledge the privilege statement. In addition to what John was talking about, it included a five-star green-star community rating, tree canopy, permeable surfaces, pedestrian access, cyclepath connections throughout the site and better connections to the surrounding residential areas. The matters that John talked about, as well as these, fed into the tender.

As John said they had different weightings in that process. With the weightings, essentially, the brief was around 50 per cent, the financial response was around 30 and some of the others made up the remaining 20.

MS ORR: The community came up with those priorities; is that how the process worked? They fed into the tender evaluation?

Mr Gordon: The evaluation is of the tender responses. The tenderers get the brief. They understand the elements of the—

MS ORR: The criteria that the tender is assessed against.

Mr Gordon: Yes.

Mr Dietz: The place brief, if I remember rightly, was signed off by the community panel. It was their creation. We have people to help create the place brief, but it is really about the wants and needs, educated by the community panel, which are then reflected in the place brief.

MS ORR: Is it a similar sort of process that you are applying to those Belconnen sites?

Mr Dietz: Similar. At the high level there is an amount of community engagement to have a place brief. It is different, as to whether we use a community panel or whether we use other engagement criteria or other engagement processes to get to the place brief, based on the situation.

THE CHAIR: We have had some briefings from the SLA to the Belconnen Community Council on those three sites. Quite a few questions came up that have not yet been answered, including access to schools and demographic modelling, access to footpaths and cycleways, whether it will be connected to gas and, once again, with any multi-unit residences, whether they will have separately metered electricity. When you do the formal community consultation, will those questions be answered?

Mr Dietz: Yes, some of those questions will come from information that is not necessarily driven by the SLA. A lot of that is through the EPSDD due diligence type planning. But that does not mean that we cannot provide answers that we have coordinated through other parts—

THE CHAIR: Will that come through the community consultation process?

Mr Dietz: I will now make sure that we do have answers to those questions.

THE CHAIR: It is difficult when a member of the community is in a process; they do not know which agency to ask. They really just ask the first one.

Mr Gordon: In that regard there are a number of workshops where people are encouraged to come along and express those views. That all comes together as some of the main factors that we presented in that place design brief. It is important that we try and attract those people. Through December and the last month, we have been out there garnering interest, where the interests lie, and encouraging people to participate in the workshops and surveys that will help to inform that brief.

MR PARTON: With regard to land sales generally, what methods are used to sell land to the community, and what proportion of residential dwellings are sold under each method?

Mr Dietz: We have different methods, going from a direct sale, providing land over the counter, to a ballot process, an auction process, a request for interest, an expression of interest and a tender process, for different stages. It is almost a continuum where we can use different types of documents as part of our sales contracts. I am not sure that we currently have the statistic for how much land is apportioned between each of those.

MR PARTON: What do you think would be the biggest method?

Mr Dietz: In blocks of land?

MR PARTON: Yes.

Mr Dietz: Over the last 12 months?

MR PARTON: Yes.

Mr Dietz: It would have been ballot. Essentially, where we see that demand is very high, for single residential blocks of land, we will use a ballot process. We have a release methodology statement of operations which gives guidance as to which methodology we choose. It is based on understood demand or expected demand; the specifics of the site; and whether it is the first or last site of a commercial area. All those help us to decide which method we use to release the land.

MR PARTON: How many single-dwelling and/or duplex blocks were offered for over-the-counter sales in 2019-20 and how many are planned for 2020-21 and 2021-22? I think you have that information here—or should that be a question on notice?

Mr Dietz: We probably have something close to that information. When we say “on offer”, there is an amount that we would release in any particular year. One of the challenges over those two years was that since the SLA’s inception the government has had a policy to provide land in excess of demand. Leading up to this financial year, there was land available over the counter in the hundreds. That was there to help

reduce some of the price pressure on land and to provide diversity of choice. It is very difficult then to give that information. We can say how much is released in a financial year, but on offer is a larger number than that. We can also talk of how much actually exchanged in a financial year. When we are looking at those two years, it is really Jekyll and Hyde. The two years have been impacted by incredible, unprecedented uncertainty in those periods. When we look at the number of exchanges in the 2019 calendar year compared to the number of exchanges we had in the 2020 calendar year, we are talking five times—about 200-odd to 1,000-odd, which is significant.

MR PARTON: Yes, it is. It is interesting, though, isn't it? Given the general movement in real estate markets, as we move deeper into 2021, how on earth do you plan for numbers of blocks to be released in the coming year? It must be difficult.

Ms Berry: It is difficult; you are right. We have reflected a lot around what happened last year. Canberra was not the only state or territory where this occurred. An international health pandemic led to forecasting of situations which turned out not to be the case or not to be as dire as was expected. The SLA kept going with its land release program; nothing slowed down there. However, we thought there was going to be a slump, including this year as well, but that just was not the case. People were purchasing homes and land. We are hearing the same for the rest of the country and seeing it in the private market as well.

MR PARTON: When it comes to those over-the-counter sales, what restrictions or caveats are placed on those sales? There must be a number, for argument's sake, that are restricted to sale of a single block to a first home buyer.

Mr Dietz: We have restrictions on certain over-the-counter releases, depending on our understanding of predicted demand at the time. There is not a blanket rule for every over-the-counter release. When our knowledge of the demand is known, or when we have a great impact or understanding of what the demand is, we look to release single blocks per buyer.

When it comes to affordability, we have different methodologies for releasing our 15 per cent affordability targets, which are limited via their policy. We have registration of affordability prospective home owners who, appropriately, go through reviews of their income levels. That scheme and policy are designed for the affordability releases. When we release something over the counter, we would not be further restricting just for affordable. It is a different method of release for the different buyers within the market.

MR PARTON: So whenever one of the affordable blocks, one of the run-of-the mill blocks—

THE CHAIR: Are you asking about SUDs versus MUDS, single-unit versus multi-unit blocks?

MR PARTON: No, not necessarily. I want to ask about how it works for the regular blocks. Do they have a reserve price, is there a selling price that is determined by the highest offer, or is there some other method?

Mr Dietz: Our method is very specific around valuations. Firstly, it is driven by the act, which requires us to ensure that we are not selling something under valuation and that we get appropriate valuations that educate the price that we offer. Whenever we go through either a ballot process or an over-the-counter process, we go through a formal valuation process that results in a reserve price provided on that block of land which is then openly advertised and made available for all prospective buyers. It is very different from an auction. The price that we advertise is the price at which the block is available.

THE CHAIR: Mr Parton lodged a question on notice about single-unit versus multi-unit blocks for 2019-20 and planned for 2020-21 and 2021-22. If you can bring that back to us, that would be good.

Mr Dietz: There was one other part of your question that the minister alluded to, about the fact that the amount of over-the-counter stock available leading into this particular period of uncertainty had a positive impact on what happened within industry. No-one predicted what would happen in the established market eight months ago.

MR PARTON: They predicted it, but they were wrong.

Mr Dietz: Yes; the predictions were the opposite. The fact that, under the government's direction, we had been delivering land to a point where we had hundreds sitting over the counter meant that when that unpredicted demand came head on, as it did, we were in a position to still be able to supply that market.

I might hand over to Mr Bulless to add a bit of information. We have seen the price of land act quite differently from that of the established housing market. The established housing market has done that, especially over the period since the SLA's inception. It is fraught to try and look at the prices of land over time, but the data that we use shows that we have actually come down a bit in our price per metre, per square.

Mr Bulless: I acknowledge the privilege statement. Mr Dietz is right. If you look at the last data available from the ABS, you can clearly see that over the last few years median housing prices have risen by about nine per cent over the last three years. Our prices, based on per square metre—I think you have asked that question before—have fallen by about 11 per cent. The differential between our prices and the median house price as at September 2020, before this last six months when things have gone pretty crazy, is about 20 points. That is the difference between prices.

We have been very mindful that we have come out of old estates that the LDA originally developed: Coombs, Wright, Throsby. They were impacted by private sector developers in the markets adjacent to those areas. In particular, as I think we have previously discussed, Coombs and Wright were impacted by Denman Prospect, and Throsby was impacted by market behaviour in 2016. As we have moved through Taylor and into Whitlam, we have had more control over those markets because there was not a comparative product. That has seen the prices a little lower than in previous years.

To address the question you asked about what we are planning to do in 2021-22, we

cannot answer that question. There are two reasons for that. First, we do not know what the environment will be. I say that because in the last 12 months we have had to adapt our sales methodologies and processes to respond to COVID. For example, where we would have done a physical ballot process with people in a location, we have not been able to do that because of social restrictions. We came up with a different product which we call “book to buy”. People registered their interest. Either on a first come, first served basis or on a ballot process where we would do a randomised draw, people would get an appointment from our appointed agents and then have the opportunity to select a block of land. We did that as a response to the COVID health emergency. We also did, for the first time, an online auction for a multi-unit site. That was fully online, using a platform that was commercially available. We have had to adapt our processes, and we do not know what is going to happen in the next 12 months.

MR PARTON: Are we just going to freestyle it?

Mr Bulless: We are very practised now at doing “book to buy”. We are currently doing our third one for Whitlam. We are doing something similar in terms of appointments registering for Taylor. We are very used to doing it in this new way.

You asked a question about affordability. In the last 12 months we released over 150 blocks for land rent. We had an event a couple of weeks ago. That was done as our first physical event in 12 months. It was done in a very responsible, socially distanced manner, complying with all of the health regulations. That went really well. They were really happy customers and all blocks have sold. Again we offer different products for different parts of the market.

In terms of multi-unit commercial, that will depend on the circumstances—whether we can have a physical option, whether we are using a delivery method using a tender, an EOI process. It is asking what we are evaluating, what the outcome is that we want. Those processes will effectively define how we do those releases.

To answer the question now rather than sending a response back in a week, let me say that we cannot definitively answer that question, but we can, as Mr Dietz mentioned, cover off the particular types of ways to release land.

Ms Berry: Going to freestyling, the Suburban Land Agency has not stopped its land delivery. It did not slow anything down; it has kept going. We have even tried to move a bit faster with Whitlam, to make some more land available sooner rather than later.

Mr Dietz: I totally agree, Minister. I would call it a very responsible, agile process with appropriate governance that has allowed us to perform appropriately through an unprecedented, uncertain period.

MR PARTON: You are not happy with freestyling?

Mr Dietz: There are some connotations with freestyling.

THE CHAIR: I have a quick question which you are welcome to take on notice. In

the parliamentary and governing agreement, there is a provision that 70 per cent of new housing needs to be within Canberra's existing footprint and only 30 per cent in greenfield. What proportion of the 3,043 dwellings that have just been released were within our existing footprint and what proportion were greenfield?

Ms Berry: That is again more in the planning space, in EPSDD's area. I do not think you can make the calculation of 70-30 on just that amount.

THE CHAIR: No, but it is an indication of where we are going. Is that not data you would have?

Mr Dietz: Do we have that available?

Mr Bulless: I will see if I can find out.

THE CHAIR: You are most welcome to take it on notice.

Mr Dietz: We can take it on notice. If we happen to get it on our screens in the next 15 minutes, we will let the committee know.

THE CHAIR: That would be fine.

Mr Dietz: As the minister said, a lot of that happens as part of the planning process within EPSDD.

MS ORR: I understand some blocks were recently sold to community housing providers. What will that be delivering?

Ms Berry: That has been a really good process. This week my office had a chat with Community Housing Canberra, who were the successful purchaser of that community housing land. Some of that land will count towards the 600 affordable housing target that we put in the parliamentary agreement. Three sites, I think, were sold in the end. Mr Holt can give a bit more detail.

Mr Holt: I acknowledge the privilege statement. We have had some releases of community land over the last 12 to 18 months, through various processes. Some of those have been successful, and we are looking again at some because we have been looking at ways to increase the amount of community housing.

As Mr Dietz mentioned earlier, we are looking at different ways of releasing land to the community housing sector. We engage with the community housing sector on their requirements going forward, their business models and how they would like to procure land to deliver the services they do. We recognise that probably the ACT market for community housing is constrained by their business models. They look to manage their portfolio in a way that enables them to not only grow the supply of community housing but also transition stock, turn stock over, so they are constantly renewing their stock.

To get to the specifics of the question, there have been some releases in Taylor and Whitlam where there have been some sales done. We have also had some supportive

housing sites at Giralang and Scullin that have gone to the market. Not all of those have been resolved yet; some are in negotiations with prospective purchasers.

The controls on those blocks of land are unique to each block, depending on what land use planning is proposed and based on feedback or consultation with the community housing providers. One of their concerns is around land value and access to land at a price point that enables their business model to work. When we release land to community housing providers, there are constraints that are a part of those sales that are restricted to community housing providers.

Some of those constraints include restrictions on the transfer of title down the track. The challenge for some of the community housing providers is that if they want to turn stock over, that might make it a bit harder. The benefit for them is that it also puts downward pressure on the land price. The recent sales we have had which have been successful—with Community Housing Canberra, for example—have included restrictions on the transfer of the crown lease, which has put some downward pressure on land value.

Mr Bulless: Chair, I can offer an answer to the earlier question. Page 152 of the August 2020 economic and fiscal update has a table for the ILRP, this year's Indicative Land Release Program. According to that table, the percentage of dwellings is 59 per cent in new suburban areas and 41 per cent in existing suburbs.

MR PARTON: Minister, where a real estate agent is selling land on your behalf, are you aware of any instances where a real estate agent selling SLA residential land has created the impression for a prospective buyer that the land that appears to be for sale is actually on hold for a builder?

Ms Berry: Very interesting question.

Mr Dietz: I can probably answer that one for you. We have a very mature complaints process. That complaints process is integrated with legislation around the Public Sector Standards Commissioner and the Integrity Commissioner. In this year, when we have had unprecedented demand and a significant number of transactions, we have had some complaints coming in. More often than not they are from people who have missed out on a block; they are making a sometimes once-in-life decision, and if they do not get the block, we do hear complaints.

It is important that we process and review each of those complaints appropriately, and we do. In reviewing those complaints, we will provide something to either the Public Sector Standards Commissioner or the Integrity Commissioner. I would not want to talk specifics, but I am aware of a complaint which we are having independently investigated.

MR PARTON: How long can a builder have a hold on a block or blocks? How does that work? Or does it not work? Is that not how the process is supposed to work?

Mr Dietz: There are probably two ways to look at a builder being perceived as holding on to a block.

One way is through our put and call system. Our put and call system is a way we can leverage and work with our builders to better market our product. It allows a builder to work with prospective buyers knowing that the block of land they have is available if that prospective buyer wishes to buy. That is the put and call system.

The other way is that if a builder looks to buy one of our blocks of land over the counter, we have a process which allows a short period for an individual—a mum and dad, a couple or a builder—to reserve the block before they exchange. That period is usually quite short; leading into Christmas, the period perhaps extended a bit longer. It may be that in that period a builder suggested they had a block that was reserved and were looking for a buyer.

MR PARTON: For how long could the block be on hold?

Mr Bulless: Perhaps I could answer that, John?

Mr Dietz: Yes, thank you.

Mr Bulless: Typically, we have about a month to allow people to move through the process of getting their finance approved. We are aware that over the last four or five months in particular, particularly as the housing boom has taken off, banks' approval processes have blown out to about 13 weeks. We have been more lenient in those circumstances. We have allowed up to two months in some circumstances for people to confirm that they are going to exchange on the block.

As Mr Dietz said, most builders, if they are going to acquire a block, will look to pursue the put and call option, because it allows them six months. You asked how long; they can have the block effectively under their responsibility for six months to allow them to work with the customer. At the end of the six months, we will exercise the option and we will put that block to the builder, which means he has to acquire the block outright. If before the six months he has a customer who wants to proceed to sale, he can call that option and we will sell that block to the customer.

MR PARTON: As a broad question—not referring to a specific example—is it feasible that real estate agents could engage in this practice to try and force the prospective buyer to use this builder in exchange for the real estate agent receiving a kickback from the builder?

Mr Dietz: It is theoretically possible. I would suggest it is unlikely, but if someone has provided to us a thought that that could happen, it is appropriate for us to investigate or to have an independent authority investigate.

MR PARTON: And there is at least one complaint of this nature that is being investigated?

Mr Dietz: I can check the numbers.

MR PARTON: Do you think it is more than one?

Mr Dietz: The number of investigations is very small. I think there may be two

complaints which have resulted in one particular investigation.

THE CHAIR: Could we have an update on Lawson stage 2.

Mr Dietz: Yes. I will ask Tom Gordon to introduce it. It has gone through a second stage tender release. The challenges of the site have meant that the second stage release did not result in a purchaser either. We are looking to work with our board to investigate future opportunities to develop that site. Theoretically, we could try and go to market again; we could develop it ourselves; we could joint venture at a very high level. They are the options that are available to us. The second tender only finished recently. We are in the process of working through it with our board and with the minister to understand the objectives of that site.

MS ORR: In broad brush strokes, why has that not worked? What are the challenges?

Mr Dietz: In very broad brush strokes, there is an electricity subzone that is sitting within the development footprint which is both a technical challenge and a planning challenge. If you need any further detail, I am happy to pass to Tom Gordon.

THE CHAIR: You cannot miss the substation, though.

MS ORR: Sure. I am not sure how a separate process will fix that problem.

Mr Dietz: It is looking at who is the most capable of mitigating those risks. I can take you through the first stage. We looked at a design solution for the technical problem. That design solution and feedback from the tenderer suggested that the cost to implement the design solution was significant and therefore they were not wanting to buy it, based on the costs of the design solution.

Again in broad brush strokes, the second approach to market allowed flexibility in a technical solution: an ability, for example—not underground but overground—to leave that open for industry to come up with innovative ideas to solve it. In removing the technical solution or allowing a technical solution to remove, the planning aspect and the approval aspect become a higher risk. At a high level, what we are seeing is a very challenging site.

MS ORR: It is a difficult site to develop.

Mr Dietz: The feasibility of delivering appropriately on that site is probably very slim; therefore they are seeing a risk.

What could we possibly do as a future way of solving this problem? Perhaps we could change the problem space a bit. If there is an opportunity for government to investigate build-to-rent options or other affordable options, they are things that we would investigate in this second process. By sharing the risk between different areas that have a better ability to mitigate the risks, either through a joint venture or in another way, it may be that we can find a solution.

MS ORR: Was that problem not known from the start, though?

Mr Dietz: Yes, it was, but we were very open to industry coming up with a technical solution that they could provide. We would not pretend that we have all the answers. Therefore we thought that, in working with industry, we might come up with something that we had not quite thought of. At the moment we have not. There are a lot of issues that we are across and are working towards, but industry has not been able to come up with a solution.

MS ORR: Can you tell me more about the Mingle community development program and how you are going to be rolling that out to the newer suburbs?

Mr Dietz: I will hand over to Tom. The Mingle community development program is a wonderful way that shows we are not just about selling land and moving away. It is a program that ensures that our whole process, our vision, is for communities that thrive, not just for a block of land: when you deliver new land into a new greenfield suburb, you are wanting that community to prosper, grow and thrive. The Mingle program is very much around helping and educating that community to be able to deliver the community outcomes that they wish in the future.

It is an interim period, initially at the start of a greenfield project. We work with them. We educate the community, we show ideas and we organise certain events in the attempt to educate that community, to help that community thrive in the future.

Mr Bulless: The challenge for the last year has been trying to deliver a Mingle program when we could not really mingle because of social distancing. We have implemented a range of different events—open-air events, coffee crawls, dog walks, gardening clinics, small open-air musical performances and things like that.

You asked what we are doing in new suburbs. We are doing something very different for Whitlam. Whitlam is just having its first settlements. We hope to have people moving in by the end of this calendar year. We are going to start rolling out Mingle in Whitlam this year. In a few months we will start our original engagement processes with the community to form a body of people who are interested in Mingle well before they actually get there and move into their homes.

That goes back to the chair's question about sustainability. This is about social sustainability and building a community within a brand-new suburb well before we would have done it before. That is a pretty exciting thing, and that will kick off in a few months.

MS ORR: What drove that change in timing?

Mr Bulless: We have been reviewing the Mingle program—it has been going for a number of years now—looking at ways we can continue to deliver a valuable benefit to the community in a different way. Some of the feedback we were getting was that people wanted to start this process earlier—rather than waiting for a few hundred people to be in the suburb, starting it as people move into the suburb. It was taking that on board and looking for an opportunity to try something different. That is why we decided to do it this way.

THE CHAIR: That is the end of this session. In the next session we will be

discussing land strategy and urban renewal.

Short suspension.

MS ORR: Mr Ponton, in 100 words or more would you tell me what is covered in the housing policy section?

Mr Ponton: I will hand over to Ms Sendaba, who can give a summary of what the housing policy team is currently working on; then we can see where the session goes from there.

Ms Sendaba: I acknowledge the privilege statement. Broadly speaking, the primary piece of work of the team within EPSDD undertaking housing policy work is to coordinate and take forward work relating to the ACT housing strategy. There are a number of actions, you will be aware, in that strategy; some are for EPSDD and some are led by other agencies such as CSD and the Suburban Land Agency. The team there undertakes policy work to develop programs and new policies to support implementation of the strategy.

One of their primary functions is working through the affordable, community and public housing targets each year that sit alongside the Indicative Land Release Program. They undertake work with community housing providers to support them in looking at different models in relation to community housing. A number of different projects sit alongside the delivery of the housing strategy.

THE CHAIR: Our parliamentary and governing agreement requires 400 public dwellings and 600 affordable dwellings by 2025-26. How is the directorate sequencing the budget to make sure they are built?

Ms Berry: Those are decisions for the executive. But in the last session we were talking about different kinds of ways that we might be delivering on the affordable housing target of 600. We talked about the different ways the Suburban Land Agency is working with community housing providers to get that land and have a different use for them so they can continue with their work in providing affordable housing.

The Suburban Land Agency is doing work on different affordable housing models, for example shared equity, build to rent and anything else we can think of to go towards that work of delivering the 600, understanding the challenges in our way around land supply et cetera. The work is definitely happening in that space. We will continue to work with community housing providers on how they can be part of that delivery as well. Do not forget that Common Ground now has a concrete slab. We have just delivered Toolangi, and we will be delivering more of that.

THE CHAIR: Of the 400 and the 600, how many have been funded to deliver and what will the sequencing be as to when the rest of them will be delivered?

Ms Berry: I do not think it is as simple as just an amount of money to deliver the 600, because there are other complexities with delivering affordable housing. Probably five of the 600 have been knocked off in the last couple of weeks, so that is a good start, and of the 400, I think there are 16, which was the announcement made at the renewal

of public housing last week at Dickson. We are just getting our way through that, and in doing that work our advisory group will be helping us to deliver the strategy and that housing renewal.

Ms Sendaba: The delivery of the 600 will not look necessarily like dollars for a brand-new home attached to a particular land release. There are quite a few different mechanisms we try and encourage to make sure there is additional affordable rental in the marketplace. They are things like land tax exemptions, other incentives, and support for privately owned properties to be put into the mix. A combination of different programs will help us achieve that ultimate stretch target of 600.

THE CHAIR: I am assuming the 400 will have to be built.

Ms Sendaba: Yes, so we are focused on the 600 in that space.

THE CHAIR: Who should I be talking to about the 400?

Ms Berry: Well, me, but not in this session.

MR PARTON: You mentioned incentivising the private sector to provide more affordable rentals. How is that going to work? What can you tell me that I do not already know in that space?

Ms Sendaba: There is the land tax exemption pilot we are running at the moment and that gives a subsidy to owners who will rent a property at 75 per cent market value. That is one way of doing that. The other big thing happening at the moment is the funding provided to undertake a feasibility study in relation to build to rent. That is key. That model is well established in other parts of the world but has not been something we have seen a lot of in Australia. We know other jurisdictions are doing work to look at the feasibility models and the policy settings that might need to be adjusted to incentivise private developers or whoever to build and then take up that model for the provision of affordable rental.

MS ORR: Can you run through what build to rent is?

Ms Sendaba: The traditional model we are used to seeing in Australia is that a developer will take on a piece of land and build to sell individual units or houses. Build to rent is where that property is retained and then offered to the market for rental, and we are trying to incentivise that to be affordable rental.

Ms Berry: The other investigative work is looking at church land. A lot of churches have spare land around, so we are looking at ways we can work with them so they have got skin in the game. They have the land to build on and we need to work around some of the planning constraints for them to be part of delivering affordable housing.

THE CHAIR: When we are doing those build to rents, how are we going to make sure that we get good, sustainable design on the basis that the person who builds it will not be getting the benefit of the financial savings over the life of it? Are we putting controls in to make sure they are low energy, not connected to gas, they have electric sockets, and all of those elements?

Ms Sendaba: A lot of those considerations come in at different stages of the process in delivery. In terms of looking at the feasibility, we are just looking at the threshold issues that need to be resolved in order to make it feasible and encourage build to rent to be available in the market in the ACT.

THE CHAIR: I completely understand, but the feasibility of it will depend on how much it costs to build. Some of those considerations will fit into the cost to build. When you are looking at the feasibility, are you costing it as very cheap, low-quality housing?

Ms Berry: We are probably not at that stage of the planning yet; it is more just investigating the multiple kinds of models. Then we will get to the part of what the product looks like. We want them to be sustainable, good-quality homes; there is no point in building things that have a limited life or are expensive to live in, particularly given that the whole focus of this is about having affordable homes. So making them expensive to run does not work.

The other work that has been happening in this space around the strategy is the innovation fund, which is looking at different kinds of housing. All of that funding has been distributed and a bunch of organisations are now working across different innovative models of housing.

Ms Sendaba: The affordable housing innovation fund provided a series of grants to various organisations to test—whether it be policy work or new delivery models—some of the specific projects that have come out of the first round. Some \$230,000 was previously provided to develop an affordable rental real estate management model to Community Housing Canberra. Funding of \$15,000 was allocated for a co-housing project for an environmental collective housing organisation. That was an eco project specifically looking at developing a model to provide units. An additional \$35,000 was provided to undertake work looking at a co-housing project.

MS ORR: With the allocation of the 2019-20 housing targets, can you break those down for me, please?

Ms Sendaba: We had a total target of 628 and that comprised 80 new public housing properties, 60 community housing properties and 488 individual properties.

MS ORR: The public housing renewal program that finished in 2019-20 is outlined in the report. Can you provide an overview of the program and how it achieved its overall outcome?

Ms Berry: It was a very successful program, despite some of the negative commentary from a very small number of individuals. The newer homes that tenants are now living in have made a significant difference to their lives. We have managed to renew our housing stock by around 11 per cent, which means that our maintenance costs will be improved over the years as well.

Mr Rutledge: The Public Housing Renewal Task Force, as the minister outlined, modernised the stock of public housing in the ACT. It was driven by tenants and the

client needs going forward. The model of housing of large, older units—Northbourne Avenue being the easiest example to cite—was not fit for purpose for modern families and the size of the families that needed public housing. The asset recycling initiative helped with some of the funding, but we were able to bring stock to market very quickly that was suited to the needs of Canberrans.

As the minister said, some of the sites were not as popular with the neighbours as others, but because we have built them to the site and with enormous amounts of community engagement, they really fit the sites. One of the key things I have heard again and again is that you used to be able to drive down the street and know which property was the public housing property, but now you drive down the street and you do not realise, because they are modern.

We took Mr Parton to visit some properties out at Kippax and, as we explained then, there was universal design, they were all universally accessible, and there were the little things that seem to make a lot of difference both to the tenants and to the communities, such as curtains. With the first ones we put in, we did not put curtains in, and we got that feedback; then we were able to buy stock that was ready to market, so we did buy some that was off the plan. We bought some stock that was almost finished. There might have been, say, 20 townhouses in a unit and we may have picked up three of those. So we were able to deliver right across the city a number of new dwellings. On some specific occasions we were able to deliver something specific to a client—that is, literally buy off the market with a client in mind for the purpose of that person moving in.

It was a very successful program, as the minister said. I am proud to say—and I think it is testament to the minister and the focus the government placed on this—it came in on time and under budget. The total budget was \$60 million and \$11 million of that was rolled into public housing for this year under the extending social housing and a further \$48 million will go into next financial year. So all the efficiency gained throughout that program the government has decided to reinvest in public housing.

The other thing that happened is that all the lessons learned, skill sets and project management have now been moved into business as usual within Housing ACT. With the government's additional investment, going forward with the renewal program it is not the task force but it is certainly a huge step up from where we were before the task force started. We have reviewed it to death, but on any measure it was a successful task force.

MR PARTON: Mr Rutledge, you indicated that so much thought was given to those older dwellings on Northbourne Avenue that they were not suitable for the residents that were in them, for families, and that underpinned a lot of the planning for that renewal. I know this is going to drift across and straddle some portfolios, but when I look back to the CSD annual report, it suggests that eight per cent of all public housing properties are four-bedroom dwellings.

Last week I was contacted by a single mother with seven dependants who informed me that Housing ACT told her there is currently only one four-bedroom public housing property available in the ACT—just one. Does the government plan to increase the number of three to four-bedroom public housing properties as per the

earlier comments from Mr Rutledge, to better suit that cohort?

Ms Berry: It is not really in this portfolio, but if you have not done so yet, can you please forward me that person's details so we can follow up for them? Yes, that was one of the issues with the 300 or 400 flats at BAC—they were single beddies and were designed for a different purpose; so it was about replacing those with the same or similar. We were just replacing it with the same. I cannot remember the numbers now—we will get it for you—on what the replacements looked like, but you are definitely right; there is a shortage.

Over the last decade more and more larger families through separations as a result of domestic and family violence need support with public housing. Because the families are larger they need bigger houses, and our stock was designed for a different purpose, for different families earlier on. This renewal is about changing that up and recognising that the need has changed as a result of our community changing and this terrible challenge of domestic and family violence and larger families needing larger houses. The idea of the renewal is to make the stock fit for purpose so it meets people's needs.

MR PARTON: We had some discussion earlier on affordable housing targets. I want to have a discussion not about affordable housing targets but on outcomes. I want to know who has ended up with properties that were tagged as affordable housing.

Ms Berry: That is for the SLA, but we can tell you that last year we achieved above our targets with regard to affordable, community and public housing.

Dr Brady: I acknowledge the privilege statement. Our target last year was about 630 and we delivered about 680.

Ms Berry: So last year was a good year and that means we achieved the 15 per cent of community, affordable and public housing across all developments—brownfield and greenfield. That target of achieving at least 15 per cent remains this year. Last year we exceeded that.

MR PARTON: But if we drill down and find out who is living in these houses, are they really the people this policy is designed for or have they ended up in the hands of others?

Ms Berry: That is probably more in the SLA space, for the detail around that.

Dr Brady: The public housing portion ends up with the people who are in public housing, and community housing would be similar. For affordable housing we would need to check the information because there are criteria they need to meet to be able to be eligible for that. But in principle, yes, it should be the people it is intended for within those developments and that housing.

MR PARTON: In principle, but it is tough, isn't it? I know many things have been learned from the joint venture in the north. I know that Riverview have a slightly different model in terms of their allocation of affordable dwellings. Whether it is within this space or not, is anyone able to reflect on what we have learnt from

Ginninderry?

Ms Berry: This is not this area, but Mr Dietz touched on that with regard to the units that have been available at Ginninderry which were targeted to individual families or people who were invited to be part of that. That is very similar to how affordable housing is offered to the community. You have to meet a bunch of different criteria. If you meet that criteria then you are on a list and you say what kind of dwelling you want. Then as affordable housing is released you get the chance to apply for that affordable housing.

The work that the Suburban Land Agency is doing now is along the lines of that sustainability question—how we make sure these houses are affordable for people when they move into them and affordable to purchase up front. With the units at Ginninderry, basically you put your key in the door and you move in—everything is done. You have been there, so you know all about that. It is those kinds of models that the Suburban Land Agency will be investigating as part of delivering affordable housing.

MR PARTON: In my discussion recently at Ginninderry, Mr Maxwell and his team indicated that they were frustrated on occasions when it came to affordable sales that a number of the preconditions could not actually be enforced. You could go looking for a certain cohort but at the end of the day it was very difficult to enforce a number of things around those affordable sales.

Ms Berry: I am not sure what they have told you.

MR PARTON: For argument's sake, how long someone is mandated to live in that house and things like that.

Ms Berry: Like caveats. Yes, that is right. That is a challenge and we understand that. Amongst everything else we are looking at how we can consider those kinds of things.

Ms Sendaba: I cannot speak specifically necessarily to any matters that have been raised in relation to Ginninderry, but, generally speaking, as part of the policy support we would provide the SLA, there have been lots of discussions. We continue to work with them on making sure we achieve the best conversion rate in getting people into those properties and also that those properties have the appropriate structures, whether they be legal or through the leasing system or something that we need to put in place, to make sure they are held as affordable properties as well. I think that is what the minister is referring to with caveats and that kind of thing.

On one hand we would want to make sure that that property stays as an affordable property, but on the other hand one of the considerations is that people get a step up through their property increases as well, so it is about making sure how we make it fair through the system if there are changes.

Ms Berry: Yes, what the equity is that they can get out of it, and how we can maintain it as affordable; that is a challenge.

Mr Ponton: Going back to the comment about lessons learned from Ginninderry, the

government is a 60 per cent partner in Ginninderry, and whilst our programs are slightly different, we are working with Ginninderry to make sure that the programs are aligned. That work is underway.

If I could go back to that earlier conversation around the number of bedrooms in public housing, in terms of the renewal program we replaced the one-bedroom dwellings with two-bedroom dwellings which resulted in 600 additional rooms for that program.

THE CHAIR: I am interested in the different consultative processes in designing and building Housing ACT properties and what sorts of representation we have from people with a disability on those committees?

Ms Berry: We have been through that; I responded to those questions this morning in another session.

THE CHAIR: Are you able to tell me?

Ms Berry: There was a significant amount of consultation.

THE CHAIR: It is all on the record?

Ms Berry: Yes, you will see it. Louise Gilding went to significant lengths to supply as much information as possible on all of the consultation.

THE CHAIR: Are people with a disability represented on each of those bodies?

Ms Berry: Maybe not on each of them, but the group now called GRIP includes ADACAS and ACTCOSS and those organisations. Craig Wallace is on that group and they provide feedback around the renewal and whether the product meets the needs of the individuals, including disability groups, mental health, ageing, and young people.

THE CHAIR: Does Housing ACT think they are getting the balance right? What is the feedback on what they are building and whether it suits the needs of the people who are going to use it?

Ms Berry: Again, that is sometimes an individual need; people will have different needs based on the place they are in their lives. But recently—and we will begin again now that it is safer to do so—people like Sue Salthouse and Craig Wallace will come with us to go through the place to make sure it is not just a pretty picture and that it does meet the needs of somebody in a wheelchair.

If modifications are needed, Housing ACT have occupational therapists that can provide the different kinds of modifications—lower kitchens, handrails, automatic opening doors. They are all built to be modified depending on people's needs. Yes, there is significant consultation with a variety of groups to make sure the housing we are building as part of the renewal meets the needs of those individuals.

THE CHAIR: Is Housing ACT keeping a record of the lessons learned so we know going ahead what works and what does not?

Ms Berry: Again, we learned a lot through the last renewal process about how we engaged with public housing tenants in particular about what their needs were and whether the houses we were building met their needs. Sometimes they need to be adjusted depending on a person's life experiences. As we are learning and getting better with our built form, we are making sure they are more accessible for everyone, regardless of their needs and that they can be adaptable depending on a person's individual needs.

For example, one of the tenants that moved into the renewed housing in Dickson is an older lady. I think her unit is class C adaptable, but because she is an older lady with a chair she needs handrails through the house. So the occupational therapist was going to work with her about where those could be situated to help her to better get around her house.

THE CHAIR: Thank you very much for your time.

Hearing suspended from 3.06 to 3.31 pm.

Appearances:

Berry, Ms Yvette, Deputy Chief Minister, Minister for Early Childhood Development, Minister for Education and Youth Affairs, Minister for Housing and Suburban Development, Minister for the Prevention of Domestic and Family Violence, Minister for Sport and Recreation and Minister for Women

Transport Canberra and City Services

Playford, Ms Alison, Director-General

Alegria, Mr Stephen, Executive Branch Manager, City Presentation, City Services

THE CHAIR: When you speak for the first time, I ask witnesses to acknowledge the privilege statement. I hope everybody has had a chance to review that statement. We will begin with questions about output 2.4, city maintenance and services, in relation to sportsground management. Minister Berry, thank you for coming back.

We are moving into a phase with climate change where we know there is going to be a lot less water around, we are going to have much longer and more protracted droughts, and we are going to have different temperatures. We need to be building our sportsgrounds in a much more drought and heat-resilient way. What are we doing to make sure that our government facilities and privately maintained recreational facilities are able to adapt to that environment when they are going to need different plants in a different environment that can tolerate more heat and when there is going to be less water?

Ms Berry: The end of 2019, the horrible, smoky summer, made everybody pay attention to climate change and the kinds of things that could happen as a result of that much more than they had before, and pay attention to how we needed to adjust to those possibilities happening more often. Sport and rec and I met with all the sports clubs and said that we needed to work on a strategy around how we make our sports, particularly our outdoor sports, more sustainable going into the future; how we adapt to increasing temperatures; how we manage playing in heat or playing in a smoky environment if that happens again; and what policies we should have around that. That happened, and then COVID came, so that got paused.

We have now made it a priority again to go with that strategy with the sports clubs. Sports clubs have different strategies in place for playing in extreme heat. We want to bring all of that together into a whole climate change strategy about how we manage, particularly, outdoor sports fields.

There are a number of sports fields in the ACT that are not irrigated grass. The technology for that is improving and evolving every day, but they are also very hot in hot weather. Whilst they do not need irrigation so much, they are very hot playing surfaces in extreme temperatures. That is one solution, but not a solution to everything. And I do not know that the technology is quite there yet around more sustainable irrigation at the elite level. There is a possibility to investigate other kinds of irrigation that do not use as much water and are more sustainable, but at the moment they will not necessarily be at the level where you could play sport at the elite level.

THE CHAIR: Are we looking at non-potable water? Are we making that accessible for both the government and privately maintained sports facilities?

Ms Berry: I will ask Mr Alegria to answer that.

Mr Alegria: Some sportsgrounds are irrigated by non-potable water where it is possible. For example, in the inner north we have a north reticulation network that feeds stormwater into storage tanks. We also tap into underground aquifer water, but that is contingent on having that resource under the ground and able to be used. That is certainly a strategy.

Another strategy is to maximise the use of the facilities we have. The minister mentioned irrigation. We know there are more modern forms of irrigation that we can use that have larger water droplets, for example, and are less prone to evaporation and give better coverage between the sprinkler heads. There are quite a few examples like that. At Calwell we have recently upgraded the pump and some irrigation down there to make the water that we use more efficient; we cover the area better and less water is lost to evaporation. That is something that we keep rolling through, to update.

Many of our sportsgrounds are quite old. They might have been built when the suburbs were developed, whenever that was. We are updating and upgrading those as we can, making sure that what we have is fit for purpose so we can sustainably manage a sportsground base.

THE CHAIR: That is the government ones. What about the private recreational ones, the clubs, golf clubs and all sorts of bits and pieces of high-value recreational land? Are we helping them to do the same sort of water efficiency?

Mr Alegria: We certainly can give them advice. I know the director responsible for the water allocations can assist with determining whether there is a water allocation available from a non-potable source. We recognise that there is pressure on those groups.

THE CHAIR: So they can apply to the directorate for a non-potable water allocation?

Mr Alegria: No, not to us; we just manage the government sportsgrounds. Where we have expertise and when we are approached, we are happy to try and help, but we do not have responsibility as such.

Ms Berry: I think it is more the Chief Minister.

THE CHAIR: But they could talk to you about a more efficient use of what they already have access to?

Mr Alegria: Yes.

Ms Berry: We are happy to share the information.

THE CHAIR: That might be good. If you are not doing that in a structured way, it might be useful to do it in quite a structured way. I do not know about you, but I am

getting a lot of feedback from a lot of different sportsgrounds in our electorate that are struggling. They are not government ones, but other recreational facilities.

Mr Alegria: I was going to mention other things we do. We use more water-tolerant grass species. A great example is at Higgins, where we have used a couch grass, which uses less water. It goes brown in winter, so it is not green all year round, but the trade-off is that it is very resilient and has a low water use.

We are putting LED lights on sportsgrounds. That is obviously energy efficient, but also it means that potentially, as the minister said, people can train and even match play after hours to avoid the heat.

THE CHAIR: What was the community response to the recent Higgins upgrade? Did they like it?

MS ORR: No; they hated it!

THE CHAIR: But using that different type of turf was okay?

MS ORR: Yes.

Mr Alegria: Good feedback. The main aim is to have a surface that is even and nice and not too hard; it fits the bill there. It has been good.

THE CHAIR: It is probably a better outcome than artificial.

Mr Alegria: The synthetic pitches have great advantages. They do not need irrigation. They do need some maintenance. They do not get affected by rainfall events, so they do not become muddy. Obviously, they are a perfect surface for high-level sports.

MS ORR: With the female-friendly change room upgrades, can you give me a bit of information on how you are going with those?

Ms Berry: Yes. There has been a significant commitment by the government regarding change rooms that were built a very long time ago, when there was not even a thought that women might play those sports as well. Changing them to make sure that they are more inclusive and that women and girls get the chance to play sport, and feel safe and comfortable while doing that, has been a program of works for a number of years. I am sure Mr Alegria can tell you the number of facilities that we have upgraded to date. We have a number of pavilions in the pipeline that still need to be upgraded.

Mr Alegria: The number I would be looking for is: many. We have a set of guidelines which are available on the website that talk about the principles around being female friendly, making these aged pavilions more attractive, more usable and more fit for purpose for women and girls. We have done a whole lot of that, most recently in the stimulus funding that we received last year. We did pavilions at Amaroo, Wanniasa, Deakin, the Narrabundah Velodrome and Hawker softball.

These can be relatively small projects where we just add some power points and

mirrors, remove urinals, put in better cubicles and so forth; or they can be more substantial, like the one at Waramanga, where we put in completely new flooring and heating. We completely refurbished that whole pavilion, including the canteen.

Depending on the scale, obviously, we can achieve a lot with a relatively small amount of money. We know there is a long list of future priorities for that. As we go through the budget process, we will prioritise the next pavilions on that list. We know, of course, which particular sports venues are well used by women and girls; obviously, they will be a priority. Football is a really popular women's sport, so that is something we would look at as well. There is a rolling program as we go forward, and it is something that is very important.

THE CHAIR: Do you have posted online the list of facilities that have been upgraded and the list that has not, so that people can access that information?

Mr Alegria: I do not believe we have a specific list, certainly not for the forward program. I do not know whether we have a list of what we have done. It would be a long list. No, I do not believe that we do.

THE CHAIR: Would it be possible to do that? Often people ask us, "When will this be upgraded?" or "Has this been done?" It is quite helpful for the community, and they can also see whether there is one nearby. If they want to switch sports or if they want to use a different facility, they will know where it is.

Mr Alegria: Certainly, when users go onto our bookings website, they can see the nature of the facilities that are available. That may not go into whether it was recently renovated. Certainly, it tells people whether there are toilets, pavilions, lighting et cetera, or whether there is a canteen. We can look at whether we could provide more of an idea about what has been done in the past.

THE CHAIR: It might be helpful; a lot of people who use the fix my street app would similarly like to be able see what is coming up or what has been done.

Mr Alegria: Sure.

MR PARTON: I might go back to a matter that I raised with you, Minister, several days ago. You indicated that perhaps it would be best for us to tackle it in this session. This is in regard to the petition and related correspondence from a number of local football clubs.

Ms Berry: I thought I said I was going to follow up on that one.

MR PARTON: I am happy to leave it at that. If you are following up on it, I look forward to that follow-up.

Ms Berry: I was going to do that, anyway. I do not think we have had the chance to do that between Monday and now, just to see where it is up to and if anything has changed. I understand that was a petition from a little while ago.

MR PARTON: January, not all that long ago.

Ms Berry: We might have something for you now.

Mr Alegria: I do know that there have been a lot of conversations between Capital Football and the petitioners, and between TCCS and Capital Football as well. My understanding, without having the full knowledge, is that those issues are being resolved.

MR PARTON: Being resolved in what way, though, Mr Alegria?

Mr Alegria: I guess there were two issues raised. One was that the women felt that they were not being allocated equitably through Capital Football. Part of that was around the structure of their competition, I am advised. The women's state league tends to have a cluster venue arrangement, where all of the teams come together to a venue and they all play at different times in the same location. That obviously causes pressure on the grounds.

One resolution is that we are working with Capital Football to see whether we can provide more opportunities for different cluster venues, to spread the load. I also understand that ANU and UC are offering up their own privately owned pitches for that competition, which will obviously again help with the pressure. As I understand it, that is a conversation that has been happening since the petition, and there is certainly a lot of progress being made to address those concerns.

Ms Berry: But I will definitely still follow it up.

MR PARTON: Excellent. I look forward to hearing more. I have quite a broad question, referring to—

Ms Berry: Feel free to freestyle, Parton!

MR PARTON: budget statements H, at page 18, managing sportsground facilities. Minister, is there any way for us to access a consolidated summary that lists all of the sporting grounds and facilities that are publicly funded? Try as we might, we just could not seem to get onto that. Is it possible for us to get onto that?

Ms Berry: The booking system has them all identified.

MR PARTON: Does it?

Ms Berry: Yes.

MR PARTON: How many are there in total?

Mr Alegria: I am glad you asked that. There are 884 individual, hireable sporting fields.

MR PARTON: With respect to budget statements H, page 18, are you able to tell us what amounts within the figures at table 8 on page 18 are allocated for sporting grounds and for recreational facilities—where these are different from sporting

facilities? I am gathering that there is some delineation between sporting grounds and recreational facilities, but I am not sure whether that is correct.

Ms Playford: That was page 18?

MR PARTON: Table 8 on page 18.

Ms Berry: Do you want a bit more of a breakdown? We might have to take that on notice.

Mr Alegria: Table 8 relates to all of the area that I am responsible for. My understanding is that that output relates to all of the items above—city presentation, sportsgrounds, Birrigai, Yarralumla Nursery et cetera.

MR PARTON: Is it possible to get a breakdown of how much of it is allocated for sporting grounds?

Ms Berry: Yes.

Ms Playford: We will take that on notice.

Mr Alegria: We will take that on notice.

MR PARTON: What role do sporting bodies and community groups play in determining budget allocations in that space?

Mr Alegria: That budget relates to our recurrent expenditure. That is provided through government payments and it is used on the core maintenance and operational aspects. There is a little bit of flexibility in there for us as a directorate to apply those funds to emerging priorities or unforeseen circumstances. Some of those—

MR PARTON: But most of it is based on historical spending?

Mr Alegria: Yes, most of it. A lot of our work is done year in, year out, so most of it is in that case.

Ms Berry: If the question is how sports clubs are considered in how that recurrent spending occurs and how upgrades and maintenance occur, obviously, we get feedback from sports clubs all the time, and different individuals. We meet regularly with the sports clubs who receive triennial funding, to understand where their priorities are or something that might have happened that we were not aware of or something that they particularly want to happen at their club. That can all form part of the priorities within where the funding goes each year.

Mr Alegria: Likewise the trends in usage and participation, and how sports might be growing; that is all part of the mix as well.

THE CHAIR: We have a lot of old sportsgrounds that are no longer maintained and that are recreational facilities now.

Ms Berry: Neighbourhood ovals.

THE CHAIR: Neighbourhood ovals; thank you very much. There are a lot of neighbourhood ovals and they are a bit of a source of gripe in the community because often people can see a better use for them. Recently, I was chatting to some people in Florey and there were some great suggestions like, “Could we have a dirt-bike track? Could we get some more trees and planting, and get it to be naturalised into a bit of a nature play area? Could we do something with it, rather than simply have unmaintained turf?” How does the community go about pitching those ideas? How do we get that sort of work done?

Ms Berry: The neighbourhood ovals were previously sports fields that were turned off during the last drought that Canberra experienced. Thirty, or maybe more, of those sports fields were turned off and not irrigated anymore. I guess it goes to that question around how we manage climate change in the future. Big green fields in the middle of suburbs are very expensive and not sustainable, moving forward. What are the options for those kinds of spaces?

With the one at Florey, I have had a chat to some of the community, as well as the school, about potential uses for that space, because the school is landlocked as well. That work is very preliminary, in that we are starting with a conversation about what the space could be used for and which parts of it are appropriate.

We will go out to the community and talk to them after we have started with the school, initially, because they need some space as well. Because it is across a couple of different directorates, we have to work through that. That will not be a problem but it does cut across two or three different directorates—sport and rec, TCCS and Education. I am responsible for the field, in sport and rec; TCCS maintain it; and the school needs the space. There are a couple of technical things that we need to work through, as well as the needs of the school in the future.

THE CHAIR: We want to keep the space. I would say that, in all of these, we want to keep the space as an outdoor recreational space, just not a big, flat bit of turf. There will be a lot of ideas. With Florey, what is the schedule on that?

Ms Berry: Very soon. We are having a conversation with the school community and engaging the kids in that, because it is their space that we are developing. We want to make sure that they are engaged in it. They really need a smaller sports field.

THE CHAIR: A play area, yes.

Ms Berry: It does not need to be the whole area but they do need a small, half-size soccer pitch or something to give them some space to run around.

THE CHAIR: Those conversations might happen this year and the work might happen next year?

Ms Berry: I do not have a time frame for that. Definitely, the conversations with the school are starting soon.

THE CHAIR: Where we have other neighbourhood ovals like that, how does the community start that process? If they say, “We have this; we want something nicer than what we have,” where do they go first?

Ms Berry: They lobby government, as they normally would in any other budget year, or lobby individual members for that to occur. It is a matter of the government prioritising decisions around where funding is spent and whether those sports fields are needed for the greater sporting community. That is why we engage regularly with the sports community about where their needs are and whether a sports field in a particular place, or a neighbourhood oval, is what is needed or whether those spaces are better maintained where they are—and whether there is another way that we can maintain them so that they are not as rough around the edges, if you like.

That has been considered as well by TCCS—how we can manage them a little bit better as neighbourhood ovals and keep them as that. But this all comes down to budgets, priorities of government and what the needs are for those neighbourhood ovals.

THE CHAIR: We just do it case by case; we do not have any overarching vision for those neighbourhood ovals?

Ms Berry: They are maintained as public open space.

Mr Alegria: Yes, that is right.

Ms Berry: That is what they are used for at the moment.

THE CHAIR: But in a changing climate, they will deteriorate.

Mr Alegria: Certainly, going away from Minister Berry’s portfolio, with Minister Steel’s portfolio, in terms of managing open space in general, not sportsgrounds, we have a draft in progress for a play space strategy that talks about the community wanting maybe some play elements to be constructed. That conversation can be guided by this strategy that we are developing at the moment, which takes into consideration a lot of community input and sets out all of the challenges. The minister mentioned the challenges for sportsgrounds; they are the same challenges for play spaces and other open space facilities.

It is about putting that into context and having sets of principles there to guide decision making and guiding the community in doing a bit of a self-assessment of what they would need to consider. Obviously, it is easy to have an idea, but once you unpack that idea, there may be some showstoppers or there may be some opportunities. That strategy may well help in the context of open space in general—not necessarily directly with sportsgrounds. Sportsgrounds are really designed to be used for formal, organised sport.

THE CHAIR: A particular purpose, yes.

Mr Alegria: They have certain characteristics that they must have in order for them to be safe and fit for purpose, whereas with open space in general we have different

hierarchies. We have district play spaces, right down to your local play spaces. There is a whole lot more opportunity in that area to think about how the community could be better served—again within all of the competing priorities.

MS ORR: The COVID-19 sportsground fee waivers: can you run me through how that worked and the benefits that have come from that?

Ms Berry: That finishes at the end of March, I think, but it was very much welcomed by the sports clubs. It was a conversation we had with the sports community about where the support was needed most. With respect to what we have seen across sports over the last year, again, what was predicted to be a dire circumstance, with lots of people withdrawing their registrations, did not actually happen. Most people kept their registrations with sports. That was a good thing, but sports were not able to fundraise. Of course, they did not have the other costs, with the ACT government doing the sports waivers. Do you want to talk in a bit more detail about the amount and whereabouts we provided the waivers?

Mr Alegria: The waivers were applied from the beginning of March last year right through to the end of March this year. It really covered a full year. That meant that it provided benefits both to winter and to summer sports. We came out of the worst restrictions of COVID in winter; that meant sport could start getting back to normal operations. As the minister said, people were still paying their fees. They were still out there playing their sport. Obviously, not paying the ground hire fees was a contribution that enabled them to save a little bit of money and put that back into their sport or get ahead and ready for next season. As I think you said on Monday, Minister, fees make up about 16 per cent of the cost of running sportsgrounds. Obviously, the sports did make a saving in that regard and they were appreciative, as we have heard.

Ms Berry: We also provided waivers on pool fees.

MR PARTON: I was going to ask a question about those sporting fees, but you have answered part of it. It must have been a figure that I missed earlier. You say that the sportsground hire fees make up about 16 per cent of the money that is required to maintain those facilities. What is that as an actual dollar figure?

Mr Alegria: This year has been very unusual because of COVID. We have actually seen an uptick in the number of bookings. All through the waiver period, we still took bookings, because we still needed to track the usage to make sure there were not clashes and to capture the data. All things being equal, we believe that the revenue will be well over \$2 million this financial year. That gives you an indication. It is a reasonable amount of money, but only a relatively small proportion of what is required to maintain the facilities.

MR PARTON: How do you go about setting those individual fees? I guess they change a little from year to year. Is it done on the number of participants? What is the story?

Mr Alegria: That is a good question. They reflect partly the nature of the venue. An enclosed oval which is very high quality and used only for match play costs more to hire than a lower quality, unenclosed oval, for example. A synthetic pitch costs more

than a non-synthetic pitch. They are based on the type of use as well; some sports have more of an impact than others. Cricket does not have a huge impact on maintenance requirements, whereas the football codes generally have a higher impact. We take into account whether it is match play or training and we take into account whether it is senior sport or junior sport. The fees for junior sport are half the equivalent senior sport rate. These things have been set over many years, and they are updated by WPI each year.

MR PARTON: Does water usage come into effect? Does that play a role?

Mr Alegria: Not directly. All the venues are hired on an hourly basis. If you have a group of 50 people training for football, the cost is split by 50. In apportioning the fees, a given facility anywhere in the city will have the same fee as any similar facility. We do not think about the individual management requirements of the oval, because we do not manage them that way. We manage them across the board.

Ms Berry: So if the cost of water goes up—

Mr Alegria: That becomes a budget pressure.

Ms Berry: the fees do not go up.

Mr Alegria: No.

MR PARTON: Related to this, if I can hark back to a previous question regarding those green space community ovals, I recall when the decision was made to cease irrigating those spaces. I am wondering if that is ever revisited. The big dam is now full and we have just had this beautiful summer of rain. Is there a possibility that it would be revisited at some stage in regard to a possible decision to irrigate some of those spaces again, or is that done and dusted?

Ms Berry: No. Higgins oval is a perfect example of where you need to understand the need of particular sports in a particular area. Higgins connects nicely with the sports hub that already exists down at Kippax across a number of sports. For that sports field or neighbourhood oval to be switched back on—that was appropriate because it was in the right spot: that was where the sports needed it. That works well.

MR PARTON: It is always a possibility?

Ms Berry: It is always a possibility, taking into account that we are working on a climate change strategy. Yes, our dams are full now, but they have been full before and we have ended up having challenges with water supply. Ovals take a lot of water, even though we try to use different and sustainable methods. It is never closed off. You have to consider the needs of the sports. When we talk to sports at the moment, a lot of it is around sports fields being generally pretty quiet during the day when school is on, but coming alive at night. Sports are telling us more and more that investing in lighting on sports fields is what they need so that they can activate those sports at night for training and play.

MR PARTON: I recall watching the process of reinvigorating the Bonython ground

at the bottom of the primary school, which was just a community oval. From watching that process pretty closely, I assume it is a fairly expensive exercise to reinvigorate what was once a sporting ground, but a community oval.

Ms Berry: Yes, it is.

Mr Alegria: It is a common question we get from the community: “Can’t you just turn the irrigation back on?” It is not that simple. Often in reinstating an oval you need to rebuild it from the ground up. You might even need to bring in new soil—as well as the turf, the irrigation and the pumps. Then sporting groups generally want associated infrastructure. They generally want a toilet block, a bin and maybe lighting. From memory, Higgins was about \$2 million. I am not sure if that is exactly right.

Ms Berry: I think it has to be a bit more than that.

MR PARTON: But it is ballpark?

Mr Alegria: It was \$2.7 million.

Ms Berry: I think it was a bit more because we had to empty it all out, take all the dirt out, and bring fresh new dirt in.

Mr Alegria: Yes, the provision of everything else. So reinstating to a sportsground standard can be a significant investment.

Going back to your question, Ms Clay, building something of a lesser standard that is not suitable for sport can be a cheaper option, but that may or may not meet community expectations. Certainly anything with irrigation is a significant consideration.

Ms Berry: It does not seem like a lot of money when you are thinking of \$600 million budgets and a billion dollars here and there. But it is the ongoing cost and whether there is a need for it.

MR PARTON: I do note that that Bonython ground is exceptionally well used.

Ms Berry: Yes, that is right, and the same with Higgins. I do not know if Weetangera is one of them. You see them being used all the time.

MR PARTON: And you wonder how they got on without it.

Ms Berry: Sometimes.

THE CHAIR: For a long time, for decades, Disability Enterprises held the contract for sportsground facility maintenance. That was done under our social procurement structure. In the annual report we still state that social procurement is considered wherever possible and our procurement processes are designed to encourage it. We noticed that last year the contract went out to open tender and there was no social procurement included. And it has gone without social procurement. Why was that?

Mr Alegria: I am not sure which one you are referring to, but we are just about finished with social procurement for cleaning of sportsground pavilions, which was a social procurement. If it is the cleaning of pavilions contract that you are referring to, that is a social procurement and it has been or will be allocated to a social organisation.

THE CHAIR: I may not have enough detail in my notes here, but it was a large contract to clean the sportsgrounds facilities and it was readvertised late last year as an open tender. Is that the one you mean?

Mr Alegria: Yes.

THE CHAIR: My notes say that it was advertised as an open tender. Are you telling me that that is a social procurement?

Mr Alegria: I am not completely across every detail of the tender, but there would have been a large weighting, at least, in the tender documentation, and there was definitely a requirement for the tenderer to provide evidence of how they are engaging with disadvantaged people and providing work for them.

THE CHAIR: Has that been awarded?

Mr Alegria: That is in the process of being awarded.

THE CHAIR: You cannot tell me any more?

Mr Alegria: No.

THE CHAIR: When is that due to finish?

Mr Alegria: Let me think.

THE CHAIR: If you would like to take that on notice, that would be fine.

Mr Alegria: I might take that on notice, yes. I do not want to give you the wrong information.

THE CHAIR: It is work that has been done by people with disability for a long time. The purpose of my question is to find out what that tender will deliver and where it is up to.

Mr Alegria: Yes, sure.

THE CHAIR: I have a general question on social procurement. Feel free to take this on notice, too. Which of our sportsground contracts do we have social procurement involved in, and what is that delivering?

Mr Alegria: The only one that has that social element is the cleaning contract. All the other works we do, like mowing, are done in house. All the maintenance, the plumbing and so forth are done in house. All the other services are largely done by

in-house staff, with some contractors where expertise is required.

THE CHAIR: They are not contracted out at all?

Ms Berry: No.

Mr Alegria: Only where, for example, we need an electrician to do lighting or a specialist plumber to do irrigation. The vast majority of stuff is done in house.

THE CHAIR: It is only that sportsground cleaning one?

Mr Alegria: Yes. It includes some other depot-type cleaning as well. It is the pavilions and some depots.

THE CHAIR: I look forward to receiving that.

The committee adjourned at 4.09 pm.