

2015-16 ANNUAL REPORT HEARING
STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT

Friday 10 March 2017, 2:00pm – 5:30pm

Ms Caroline Le Couteur (Chair)

Ms Suzanne Orr (Deputy Chair)

Ms Tara Cheyne

Ms Nicole Lawder

Mr James Milligan

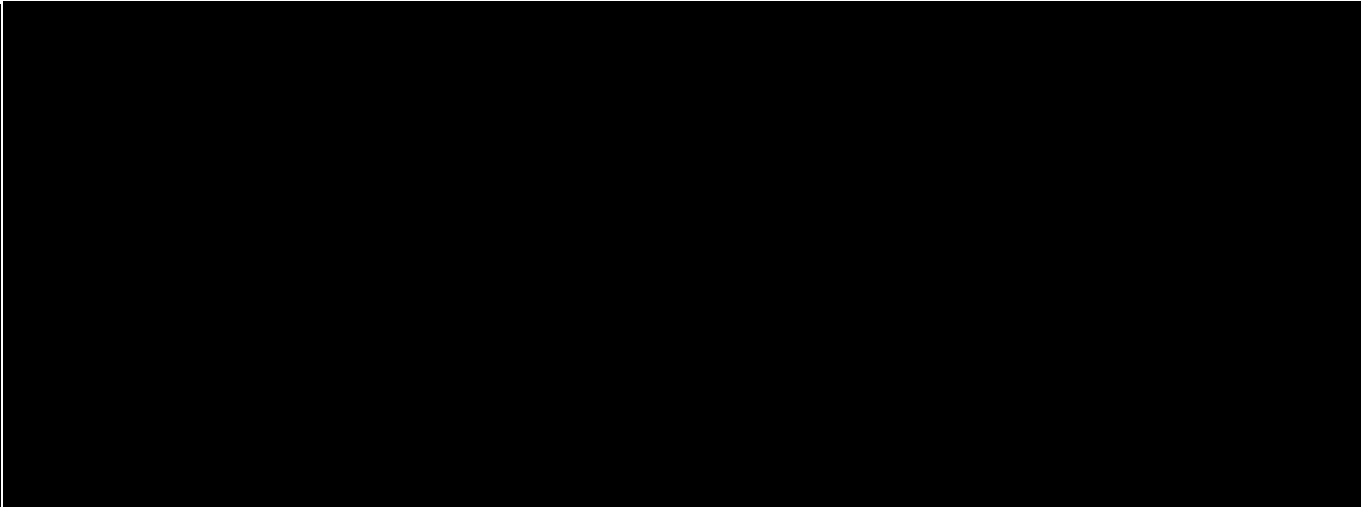
<u>No</u>	Title	Executive/Officer responding at Hearing
	Opening Statement	Minister Berry

Land Development Agency

1.	<u>Government Response to the Auditor-General's Performance Audit Report 07/2016: Certain Land Development Agency Acquisitions</u>	David Dawes
2.	Gungahlin development update	Tom Gordon
3.	<u>Molonglo development update</u>	Tom Gordon
4.	Ginninderry Joint Venture	Tom Gordon
5.	Industrial updates	Tom Gordon
6.	Land acquisitions	Tom Gordon Simon Tennent
7.	LDA Staffing Numbers	Bruce Fitzgerald

<u>No</u>	Title	Executive/Officer responding at Hearing
8.	Land Release Numbers – Actual and Forecast	Simon Tennent
9.	<u>LDA Return to Government</u>	Bruce Fitzgerald
10.	LDA GST Update	Bruce Fitzgerald
11.	<u>LDA Contracts</u>	Bruce Fitzgerald
12.	<u>LDA Community Engagement</u>	David Dawes
13.	<u>LDA Sponsorship</u>	David Dawes
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15.	<u>Land Supply and Block Prices</u>	Simon Tennent
16.	Freedom of Information – Land Development Agency	David Dawes
17.	<u>LDA Board</u>	David Dawes
18.	LDA Joint Ventures	Tom Gordon

Output 8.1 Urban Renewal



23.	<u>Greenway Southquay Estate – Update</u> (COPY FOR INFORMATION)	David Dawes
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**Government Response to the Auditor-General's Performance Audit Report 07/2016:
Certain Land Development Agency Acquisitions**

- It is important to remember that the Auditor-General's report made no findings of corruption, coercion or fraud.
- The Auditor-General's report did raise serious issues and the Government has accepted all the recommendations in the report.
- In addition to the Auditor-General's report, the Land Development Agency (LDA) was part of the Governance Framework Review conducted by the former Commonwealth Auditor-General, Mr Ian McPhee AO PSM.
- In response to the recommendations of these two reviews, the LDA has established a Governance and Quality Assurance team to drive improved processes and practices across the organisation and put in place a comprehensive implementation strategy.
- A number of business improvements have already been implemented including:
 - All valuations for core LDA business are now channelled through the Sales and Marketing Team to ensure a consistent approach;
 - All legal advice is now channelled through the Deputy Director-General's office and a centralised register for legal advice has been established;
 - Clear directions have been provided to staff on the requirements for compliance with the Land Acquisition Policy Framework, with all proposed land acquisitions assessed against the Framework and considered by the LDA Board;
 - More rigorous reporting processes for single source procurements have been established with monthly reports now provided to the LDA Board;
 - Conflict of interest requirements for the LDA Board and staff have been made more robust to facilitate better management of real and perceived conflicts, and support transparency in decision making;
 - Training and education sessions have been conducted on instructing valuers, fraud and ethics, records management, financial delegations, and procurement and will continue throughout 2017;
 - All-staff meetings have been held and all-staff emails have been distributed to ensure staff are kept informed of business improvements and how they are progressing;
 - A new Governance Executive Committee chaired by the Deputy Director-General has been formed to oversee the implementation of these business improvements and monitor compliance with new policies and procedures; and
 - The LDA Board, and the Board Audit and Risk Committee, are also monitoring the progress of these business improvements and receive regular reports at each of their meetings.
- All of the Auditor-General's recommendations will be addressed by 30 June 2017. To achieve this:

- The LDA is currently working with Chief Minister, Treasury, and Economic Development Directorate who are bringing together established procurement and recruitment policies in a whole of government context to address the issue of contracting former executives and staff;
- The LDA is centralising policies and procedures on all aspects of the land acquisition process including the purpose and means of acquisition, valuations, decision making and documentation requirements; and
- Education and training is being provided for LDA staff regarding the new policies and procedures as they are finalised.
- Implementation of the above business improvements will enable the new urban renewal and greenfield entities to commence operation on a strong footing in July 2017.

David Dawes

Gungahlin development update

- The Land Development Agency (LDA) is currently undertaking land development in Moncrieff, Throsby, Gungahlin Town Centre, Taylor, Jacka and the Flemington Road Corridor.
- The LDA's Statement of Intent identifies the receipt of approximately \$792 million revenue in 2016-17 to 2019-20 for LDA estate development in Gungahlin.
- LDA proposes to release a range of sites across the development fronts in Gungahlin over the period 2016-17 to 2019-20 which will provide approximately 3,200 dwellings.

Tom Gordon

Molonglo development update

- The delivery of land in the Molonglo Valley is in accordance with the ACT Government's Indicative Land Release Program.
- The Molonglo Valley is a major development front in the ACT with an expected district population when complete of around 45,000 residents in approximately 20,000 dwellings. Current population is around 3,000 residents in the suburbs of Wright and Coombs. This figure is expected to grow to around 24,000 over the next ten years with the development of Denman Prospect, Whitlam and suburbs in Molonglo 3.
- The Land Development Agency (LDA) has a number of developments and releases underway in the Molonglo Valley, including: North Wright, North Coombs, Coombs Peninsula, Whitlam, Molonglo Commercial Centre. Due diligence studies are being undertaken on Molonglo 3.
- In 2015, the LDA offered to the market 377 residential blocks (Stage 1A) and an englobo parcel (Stage 1B) within the suburb of Denman Prospect via an Expression of Interest process. Stage 1A and 1B were sold to Capital Estate Development Pty Ltd (CED) for \$241.3 million.

Tom Gordon

Ginninderry Joint Venture

- Ginninderry stretches from the north western suburbs of Canberra (Holt and Macgregor) across the ACT/NSW border into a part of the Yass Valley. It is bounded on two sides by the Murrumbidgee River and Ginninderra Creek. The first two suburbs of Ginninderry will be Strathnairn and Macnamara.
- Following the Commonwealth passing Amendment 86 to the National Capital Plan, the Ginninderry Joint Venture formally commenced undertaking development of the first neighbourhood in the suburb of Strathnairn.
- The public releases of land are expected to start in April 2017.
- Major project considerations currently being addressed are: environmental buffer zones; including the West Belconnen Landfill and Pace Farm; the Establishment of an Environmental Management Trust for the river corridor; and the formation of an energy strategy for Stage 1, including consideration about not providing gas to households.

Tom Gordon

Industrial updates

- A long term land release strategy has been developed to ensure a 20 year supply of land to support economic growth and diversification of the ACT economy.
- Investment in our economy is a government priority – in particular improving access to international growth markets for Canberra and its region.
- Following the announcement of the ACT Freight Strategy in March 2016, interest in industrial land has increased, particularly for land in the Majura corridor in close proximity to the airport.
- The indicative land release program allows for industrial land releases in Hume and three greenfield industrial estates in Symonston, Fyshwick and Majura Valley (Pialligo).

Tom Gordon

Land acquisitions

- The Land Acquisition Policy Framework ([Attachment A](#)) is a Direction made by the Minister under the *Planning and Development Act 2007*. The Framework was notified on 19 June 2014 and is published on the ACT Legislation Register.
- Land Acquisitions outside of the Indicative Land Release Program (ILRP) are provided at [Attachment B](#). In summary for:
 - 2015-16: \$13.1 million (approved), and \$19.3 million (settled), which includes settlements of Stromlo Block 19 approved in June 2015, where settlement occurred after 30 June that year.
 - 2016-17: October year to date \$4.0 million (approved and settled).
- [Attachment C](#) provides a map of the Land Development Agency's rural land acquisitions.

Tom Gordon / Simon Tennent

LDA Staffing Numbers

- As a consequence of a number of Administrative Arrangement changes since July 2014, the Land Development Agency's (LDA) organisational structure has been amended to reflect resourcing requirements to efficiently deliver its services.
- The LDA's budgeted 2016-17 Full Time Equivalent (FTE) staff numbers are forecast to increase from 95 FTE (2015-16 actual) to 127 FTE.
- Increases can be attributed to:
 - Backfilling of vacant positions (primarily staff seconded to other roles);
 - Filling new positions to reflect land development and other activities being undertaken in 2016-17;
 - Transfer of functions to the LDA during 2015-16, including the Public Housing Renewal Taskforce and Urban Renewal.

Bruce Fitzgerald

Land Release Numbers – Actual and Forecast

- The Land Development Agency (LDA) undertakes the sale of residential, commercial, industrial, community and non-urban land identified in the ACT Government's Indicative Land Release Programs (ILRP).
- The market demand and complexity of sales conditions and terms determines the LDA's method of sale which includes auction, tender, ballot and over the counter sales.
- In 2015-16 the following releases were achieved:
 - 4,024 Residential dwelling sites
 - 88,255m² of Commercial land
 - 231,119m² of Community Land and
 - 102,256m² of Industrial land.

Simon Tennent

LDA Return to Government

- The total return to the ACT Government from the LDA's activities consists of:
 - acquisitions of land at market value from Territory entities;
 - the payment of national tax equivalents;
 - the payment of dividends;
 - the payment of land holding and stamp duty equivalents; and
 - payroll tax.
- An additional return to Government relates to the Asset Recycling Initiative (ARI) capital distribution. This distribution reflects the payment for ARI land transfers received from other government directorates.
- The actual return to Government in 2015-16 was \$349 million compared to the forecast of \$314 million - \$35 million higher than forecast.
- Excluding the ARI capital distribution, the 2016-17 budgeted return to Government is \$359 million, which is \$10 million higher than the 2015-16 return to Government.

- Forecast return to Government excluding ARI capital Distributions for 2016-17 is \$435 million, which is \$76 million higher than in the 2016-17 budget due to increases in operating profit as a result of a reduction in development expenses and ARI land costs being delayed to later years.

Bruce Fitzgerald

LDA GST Update

- A review initiated by the Land Development Agency (LDA) of its GST payments and liabilities has resulted in significant recoveries of overpaid GST on prior year land sales and reduced estimated GST payments on future land sales.
- The refunds and estimated lower payments of GST on future land sales are due to the application of GST concessions available to government entities and also GST-free provisions available in the legislation.

Bruce Fitzgerald

LDA Contracts

- In 2015-16, the Land Development Agency (LDA) entered into 84 contracts above \$25,000.
- Of these, 34 contracts were entered into on a single select basis, representing 41% of all LDA contracts.
- An exemption from the Procurement Guidelines was sought for all of the single select contracts.
- Under Section 10 of the *Government Procurement Regulation 2007*, the Chief Executive may provide an exemption in limited circumstances.

Bruce Fitzgerald

LDA Community Engagement

- The Land Development Agency (LDA) has adopted the International Association for Public Participation (IAP2) core values and public participation spectrum which represents industry best practice and differentiates between engagement models.
- These principles guide the type and extent of community engagement undertaken, ranging from 'Collaboration' where the community and Government work together to achieve a mutually beneficial outcome; to 'Inform', where the Government keeps the community informed on important issues that may affect them.
- The Canberra Brickworks Precinct Community Panel is an example of 'Collaboration'. Establishment of a panel of this type was a first for the ACT Government and has been embraced by those involved. The panel provided community members an opportunity to influence the design and development outcomes and involved direct discussion with the proponents in formulating their proposals.
- Members of the panel represented a range of interest groups including Yarralumla residents and the National Trust.
- Road upgrades in the Dickson precinct was an example of 'Inform' community engagement, involving a range of media, including road side signage, flyers and email alerts. The engagement process was well received by the local community, with many positive comments received on the level and availability of information.

- More recently, the LDA has undertaken extensive community engagement associated with the redevelopment of the Red Hill public housing precinct. Despite early opposition, the engagement has been effective in working with the community to develop a proposal that addresses and reflects community input, including a reduction in building heights. Recent feedback from the community has been very positive.
- This work is complemented by the Mingle program, which is a practical community development initiative that aims to assist residents in new LDA estates to develop the bonds of community. It seeks to build connections among residents and enable an emerging community to establish its own identity. The key elements of the program are education, celebration, information and capacity building. (more details and statistics below). There have been 30 Mingle events since July 2016.
- The LDA is continually reviewing and refining its engagement methods to ensure that the community is informed and involved on development activities. Based on positive feedback received, the work being done to improve community engagement is proving effective.

David Dawes

LDA Sponsorship

- Sponsorship of certain groups or activities provides an opportunity to enhance the LDA's and ACT Government's corporate identity and to promote government delivered programs and services.
- The LDA has a Sponsorship Policy which sets out the considerations for providing sponsorship, which include:
 - A preference for supporting not-for-profit organisations.
 - Sponsorship investment must offer tangible benefits to the LDA, such as marketing, communications and 'association' opportunities, or community engagement or education.
 - The public image of the sponsored organisation must be consistent with the goals and priorities of the LDA and, where applicable, applicant organisations must have honoured any past agreements with LDA.
 - All sponsorship proposals should be assessed in the context of the stated whole-of-government priorities for the relevant financial year. This will ensure that any funding provided to external entities through outgoing sponsorship assists in the implementation of those priorities.
 - An Outgoing Sponsorship proposal should provide a well measured mix of marketing rights and benefits.
- The LDA receives around 12 sponsorship requests each year and these are assessed against the policy. Requests for sponsorship over \$10,000 must be considered by the LDA Board.
- The LDA has a sponsorship budget of \$110,000 each year. This is generally fully expended. Sponsorship may also be provided through individual projects which are budgeted separately and directly related to an LDA project. Details of LDA sponsorships since 2013 are at [Attachment A](#).

- The LDA is a representative on a Whole of Government Sponsorships Delivery Group which is reviewing existing sponsorship policies to develop a forward thinking, easy to use strategy, that guides the thinking of sponsorship requests.

David Dawes

Ecologically Sustainable Development - LDA

- The Land Development Agency (LDA) continued to undertake comprehensive sustainability reporting for all of its projects in the ACT. Data was collected and aggregated against a series of sustainability indicators for inclusion in the LDA Annual Report.
- Ginninderry achieved a GreenStar Communities Rating of 6 stars in the 2015-16 financial year through the Green Building Council of Australia's Green Star – Communities tool.
 - The LDA, along with other Government Land Organisations, has been a sponsor of the tool, which is used to independently assess the sustainability of communities throughout Australia.
- The LDA finalised water quality monitoring at the Amaroo Group Centre in 2015-16 and continues to monitor water quality at Campbell 5, where water sensitive urban design features including rain gardens, permeable paving and the innovative Stratacell™ product (a soil structure system to support trees and plants), have been installed.

Tom Gordon

Land Supply and Block Prices

- Canberra's population is nearing 400,000 people and continues to grow at a rate of 6,000 per annum.
- Based on the rate at which households form (children leaving home, interstate migrants arriving, family breakdown, etc), the Territory needs to grow its housing stock by around 2,700 to 3,000 per annum.
- The Government, through the LDA, has released over 15,000 dwelling sites in the past four years, well above demand of around 12,000.
- The mix of releases has shifted from a 70/30 split (Greenfield versus infill) in previous decades to a 50/50 split. The mix of land types has changed with increases in apartment and townhouse/terrace sites and a decrease in single residential blocks. In 2015-16, this mix was 1,159 sites for single housing, and 2,865 for multi-unit housing.
- With the planned release of a number of new suburbs, the Government will rebalance this mix to accommodate more single residential and semi-detached housing sites.
- All blocks are independently valued and are sold at market rate by ballot or auction and in accordance with ACT legislation. Median single residential block prices per square metre in 2016 are as follows:

	LDA Release	Private Sector Release
Moncrieff	\$519	

Lawson	\$771	
Casey		\$581
Ngunnawal		\$661
Googong (NSW)		\$512

- The average price achieved in Throsby in 2017 is \$972 per square metre. This premium release in one of the last Gungahlin suburbs, with convenient access to North Canberra, and the major transport routes of the Federal Highway and Majura Parkway, was highly anticipated. In contrast, blocks currently being marketed in Taylor are at prices between \$630 to \$800 per square metre.

Simon Tennent

Freedom of Information – Land Development Agency

- The Land Development Agency (LDA) received 21 Freedom of Information (FOI) requests during the 2015-16 reporting period.
- LDA made access decisions on 16 requests, two requests were withdrawn, and three were carried over to 2016-17.
- LDA processed two requests for internal review. Both requests for internal review were affirmed, but the decision maker determined that some additional information could be released without detriment.
- The ACT Ombudsman's Office received two requests for review due to extended delays in finalisation of FOI decisions. Both ACT Ombudsman investigations determined that no further investigation was warranted.

David Dawes

LDA Board

- The Land Development Agency (LDA) Board is established under the *Planning and Development Act 2007* (Planning Act).
- The Board must consist of between five and eight members, including the Chief Executive Officer (CEO) of the LDA, who is an ex-officio member.
- Board member appointments change over time due to new appointments, appointments expiring, or because of changes in member circumstances. Board membership for the 2015-16 reporting period is set out at pages 14 to 16 of the Annual Report.
- There are currently 8 members of the Board whose terms of appointment are set out below (asterisk denotes renewal dates for members appointed for more than one term):
 - *Ross Barrett (Chair) – 1 July 2015 to 30 June 2017

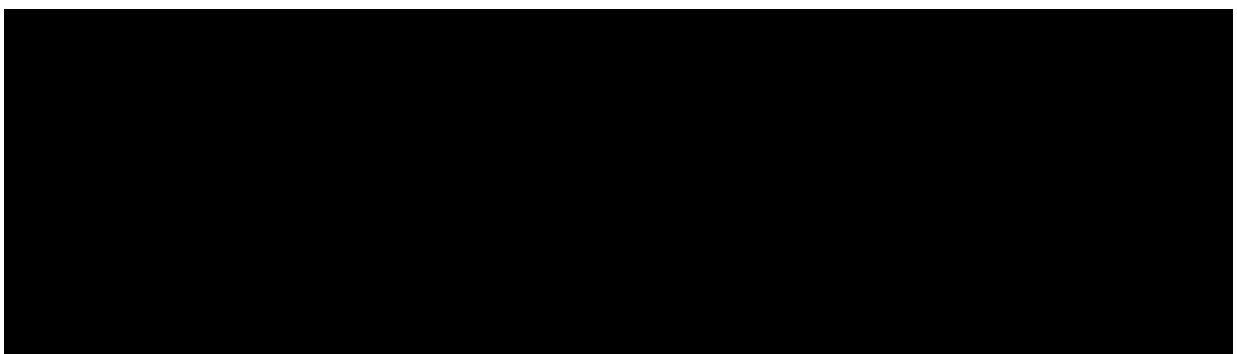
- *Sandra Lambert (Deputy Chair) – 1 July 2016 to 30 June 2018
- *Jim Shonk – 1 July 2016 to 30 June 2018
- Chris Purdon – 28 October 2014 to 30 June 2017
- Cherelle Murphy – 1 July 2016 to 30 June 2018
- Yvonne von Hartel – 2 August 2016 to 30 June 2018
- Con Kourpanidis – 2 August 2016 to 30 June 2018
- David Dawes – No fixed term of appointment for the LDA CEO
- The last member to leave the board was Rob Tonkin, whose appointment expired on 30 June 2016 following two periods of board appointment.
- Board appointments are made by the responsible Minister. The appointments made in July and August of 2016 were by the then Minister for Urban Renewal, Andrew Barr MLA.
- The Planning Act sets out the disciplines and expertise for the Minister to consider in appointing board members. The Chief Minister, Treasury and Economic Development Directorate provides advice on potential candidates that hold relevant expertise in the legislated disciplines of land development, landscape architecture, sustainable development, economics, public law, finance or accounting, public administration and engineering.
- Members may be appointed for more than one term.
- The Remuneration Tribunal, pursuant to the *Remuneration Tribunal Act 1995*, determines the remuneration for the CEO and Board members.

David Dawes

LDA Joint Ventures

- The Land Development Agency (LDA) engages in a variety of mechanisms including Joint Ventures and englobo sales to develop land.
- Joint Ventures (JV) were used to develop the suburbs of Crace and Forde. All land releases in Crace and Forde have been completed.
 - The Forde JV administration was concluded during 2015-16.
 - The Crace JV is awaiting completion of outstanding financial matters.
- A new long term JV has been formed to develop Ginninderry in West Belconnen.
 - The Joint Venture agreement for the delivery of West Belconnen – Ginninderry commenced on 19 May 2016, subject to the disallowance period for Draft Amendment 86 of the National Capital Plan, which expired in November 2016.

Tom Gordon



Opening Statement: 2015-16 Annual Report Hearing: Housing and Suburban Development (Land release, Public Housing Renewal Taskforce and Affordable Housing, and Land Development Agency)

- Thank you for the opportunity to discuss with the committee the work the Government has been doing to support land release, land development and housing renewal in the ACT, to help shape Canberra as a progressive, modern and inclusive city.
- In Canberra, we have the land on which to build and the Government is focused on making this new land available in places where people want to live, at prices they can afford, so no-one is excluded.
- The recent englobo sales in Denman Prospect, joint ventures like Crace and Ginninderry, and complete estate development are some of the models the Government is pursuing to develop land and provide choices for people who want to build new houses in new areas.
- Land release remains an important source of revenue for the Territory, contributing to financial, social and environmental objectives.
- In 2015-16, the Land Development Agency (LDA) delivered land sales revenue of \$593.7 million, almost \$35.4 million above the target of \$557.8 million.
- This resulted in a return to government of \$349.0 million, above the target of \$313.6 million.
- In the realm of land release, the LDA exceeded many of the key targets in its 2015-16 Statement of intent, including:
 - Releasing land for 4,024 dwellings, exceeding the target of 3,513 dwellings;
 - Releasing 120,725m² of commercial land, against a target of 57,194m²;
 - Releasing 198,649m² of Community/Non-Urban Land, against a target of 57,154m² (including a 91,428m² site to the Education Directorate for the development of a second school in Molonglo in the suburb of Denman Prospect); and
 - Releasing 90,687m² of Industrial Land to the market, exceeding the target of 64,485m².

- Some of the highlights included the first offering to the market of 543 dwelling sites in Throsby, Gungahlin's newest suburb, which were well received.
- Releases also continued in Moncrieff and Coombs, with 710 and 514 dwelling sites respectively.
- An auction of 515 dwellings at Section 52 Braddon was keenly contested, achieving a final sale price of \$47 million.
- The site for the first service station in the Molonglo Valley was also offered in November 2015 and sold competitively for \$5.75 million.
- Land supply is also an important factor in improving housing affordability and over the past 12 months the ACT Government has continued to implement its Affordable Housing Action Plan.
- This has included targeted actions such as providing dwelling sites for affordable home purchase, releasing sites under land rent, allocating sites to Community Housing Canberra and providing for the construction of new public housing.
- The public housing renewal taskforce is working hard to improve outcomes for public housing tenants in the ACT and support the renewal of Canberra's urban areas.
- 1,288 public housing dwellings will be constructed or purchased across Canberra to replace existing older, environmentally and socially outdated housing properties, and improve the overall quality of the public housing portfolio. This will have the added benefit of dispersing concentrations of disadvantage that currently exist in large multi-unit public housing properties with a salt-and-pepper approach to replacement sites.
- The Public Housing Renewal Taskforce exceeded its 2015-16 accountability indicator target by 48 per cent with a total of 520 dwellings under contract.
- Other achievements of the public housing renewal program included:
 - securing funding in the 2016-17 Budget for the redevelopment and replacement of 864 public housing dwellings, in addition to the 352 dwellings funded in the 2015-16 Budget;

- continuing construction on over 350 properties in Monash, Nicholls, Amaroo, Moncrieff and Coombs, and completing the construction of 20 public housing dwellings in Chisholm;
 - purchasing suitable residential developments from the private sector, securing over 150 dwellings for the public housing renewal program; and
 - working with Housing ACT to support over 100 public housing tenants to move home.
- As the Committee is aware, the LDA has also faced challenges in 2015-16.
 - The Government response to the Auditor-General's Report into Certain Land Acquisitions has made clear that it supports all seven of the Auditor-General's recommendations.
 - The LDA has established a Governance and Quality Assurance team and a Governance Executive Committee to drive improved processes and practices across the organisation. Improvements have already been implemented covering valuations, legal advice, land acquisitions, single source procurements, and managing conflicts of interest.
 - The LDA Board, and its Audit and Risk Committee, are also monitoring the progress of these business improvements and receive regular reports at each of their meetings.
 - It is important to remember that the Auditor-General's report made no findings of corruption, coercion or fraud and I would ask that you temper your comments so as to not make such false and misleading claims.
 - I would also ask that you remember that we are talking about a workforce here – people in our community, your neighbours and mine – who work in this agency. Many of these public servants have given many years of service to the ACT and I would ask that you do not make overly colourful assumptions or accusations about their actions, their culture or their motives.
 - Thank you very much for the opportunity to give you that update. We are now happy to take questions from the committee.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Responses to questions provided by Ms Le Couteur MLA at briefing on 22 Feb 2017	Division: Land Development Agency Output class: LDA Page/s:
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KEY MESSAGES:

1. What are the systemic challenges that arise from doing Land Development work inside the ACT Government

While both private and public land developers are bound by relevant governance arrangements, public sector land agencies are generally held to higher requirements, reflecting the nature of competing Government priorities and the appropriate management of public assets and expenditure.

The LDA is not limited to seeking the highest financial return when engaging in land development. The LDA considers issues like housing affordability, sustainability and infrastructure requirements (including impacts outside the development area, on schools, hospitals, community facilities and road upgrades). Private developers do consider these issues, however, they are likely to be less of a focus, particularly affordable housing.

The LDA must return 100% of its dividend to the Government. Private developers will generally use their profit to grow their business or to make distributions to their owners.

There are benefits of government undertaking land development such as more rigorous and widespread community consultation, for example Red Hill Precinct, the Canberra Brickworks, and the Mingle Program in new suburbs, where significant resourcing and time goes into growing new communities and/or consulting on urban renewal opportunities.

In some cases, for example land acquisitions, the decision making requirements of a government authority (eg Board, Ministerial, Treasury and Cabinet approval) may make the LDA less agile than private developers who would usually have only one or two levels of approval.

2. How do you handle the inherent conflict of interest issues for LDA Board Members and staff who have connections to and work in the property and land development industry?

I do not agree with the proposition that there are inherent conflict of interest issues.

The Board and staff within the LDA develop and maintain professional relationships with external stakeholders as required as part of their roles. Prior to the Auditor-General's report, the LDA had in place robust conflict of provisions.

LDA staff are employed under the provisions of the *Public Sector Management Act 1994* and all staff are required to comply with those legislated provisions, and the policies and procedures mandated by the Commissioner for Public Administration and the Director-General of Economic Development/CEO of LDA.

Following the Auditor-General's report, the LDA has reviewed and enhanced its processes for managing conflicts of interest for the Board and staff.

Board Conflict of Interest declarations have been made more comprehensive and standard processes are in place for managing conflicts where they exist. All Board declarations are up to date.

Executives are required to complete declaration of interest forms as part of their engagement and these are updated annually or as their personal or professional circumstances change.

Staff are also required to notify any conflicts of interest and complete declarations where conflicts or potential conflicts exist.

Compliance with these processes is monitored by LDA Human Resources which reports to the LDA Executive Director - Corporate.

3. What are the reasons why the LDA had to engage in negotiations for land acquisitions required for public infrastructure plans, instead of relying on compulsory acquisitions provisions? What are the regulatory or administrative barriers that make it difficult for the LDA to rely on the compulsory acquisition provisions?

Whether an acquisition is compulsory or negotiated, the Government is required under the *Land Acquisition Act 1994* to acquire the land at market value.

It is preferable to achieve a negotiated outcome if possible prior to using the compulsory acquisition powers under the *Land Acquisition Act 1994*. A negotiated outcome is likely to take less time to settle, result in lower legal costs, and support the ACT Government's responsibility to act as a model litigant.

Compulsory acquisition under the *Land Acquisitions Act 1994* would be utilised when there is a pressing requirement for the land, and/or a negotiated outcome cannot be reached.

4. What strategy have you developed to allay community fears about corruption inside the LDA?

I do not accept the proposition in this question.

It is important to remember that the Auditor-General's report made no findings of corruption, coercion or fraud.

I am not aware of any community 'fear' about corruption in the LDA.

I am not aware that Ministers have received correspondence from the community about the audit findings of the LDA. I am informed that there has been no negative feedback provided to LDA staff as part of 21 Mingle program events held since September 2016.

There has not been a systemic breakdown in the operations of the LDA, a commercial organisation that has been in existence since 2004.

The Auditor-General's report did raise some serious issues and the Government has accepted all the recommendations in the report.

In addition to the Auditor-General's report, the LDA was part of the Governance Framework Review conducted by the former Commonwealth Auditor-General, Mr Ian McPhee AO PSM.

In response to the recommendations of these two reviews, the LDA has established a Governance and Quality Assurance team reporting to the Deputy Director-General to drive improved processes and practices across the organisation and put in place a comprehensive implementation strategy (see attached brief on the response to the Auditor-General's review for further information).

5. What strategy have you developed to address the public perception of a lack of accountability for the problems identified in the Auditor-General's report?

I do not accept the proposition in this question.

The Auditor-General's review, the Government's response to this and the scrutiny of this by the Assembly, together with the questions asked more broadly in the Assembly and in its Committee hearings, have provided a high level of public accountability.

The Government has accepted all the recommendations of the Auditor-General's report and has a comprehensive implementation strategy addressing these recommendations and those of the McPhee Governance Review (see attached brief on the response to the Auditor-General's review for further information).

The LDA Board and CEO have accepted the findings of the Auditor-General and have devoted significant time and effort into implementing improved governance processes to address those findings.

The Government has stated that it will be establishing two new entities for greenfields and urban renewal from 1 July 2017.

The LDA is currently working to further develop robust governance structures that will enable the new urban renewal and greenfields entities to commence operation on a strong footing.

6. What strategy and deliverables have you developed to address the perceived lack of transparency in LDA processes?

It is important to remember that the Auditor-General's report made no findings of corruption, coercion or fraud.

There has not been a systemic breakdown in the operations of the LDA or the transparency of its operations.

The Government has accepted all the recommendations of the Auditor-General's report and has a comprehensive implementation strategy addressing these recommendations and those of the McPhee Governance Review.

The LDA like all ACT Government agencies is subject to rigorous oversight and accountability, including the Legislative Assembly and its committees (including Estimates and Annual Report hearings); annual financial audits by the Auditor-General; the LDA Internal Audit Committee; Risk, Fraud and Corruption registers; financial and non financial delegations; Directions from the Minister, including Land Acquisition Framework; and compliance with a range of directions and reporting requirements through the Assembly, Chief Minister and Head of Service.

To enhance transparency in its decision making, the LDA Board will commence publishing the outcomes of Board meetings on its webpage following the March 2017 meeting. Other information regarding the LDA's business practices will also be made available to the public via the website as part of the implementation strategy (see attached brief on the response to the Auditor-General's review for further information).

7. What steps have you taken to identify whether the problems identified [in the Auditor-General's report] extend beyond the four deals that were investigated?

The Auditor-General's report and the McPhee Governance Review identified a number of areas of focus for the LDA regarding building more robust governance processes.

The LDA is focusing its resources on implementing the outcomes of these two important reviews.

The LDA has a comprehensive implementation strategy addressing the recommendations of the most Auditor-General's report and those of the McPhee Governance Review (see attached brief on the response to the Auditor-General's review for further information).

A number of business improvements have already been implemented including:

- All valuations for core LDA business are now channelled through the Sales and Marketing Team to ensure a consistent approach;
- All legal advice is now channelled through the Deputy Director-General's office and a centralised register for legal advice has been established;
- Clear directions have been provided to staff on the requirements for compliance with the Land Acquisition Policy Framework, with all proposed land acquisitions assessed against the Framework and considered by the LDA Board;
- More rigorous reporting processes for single source procurements have been established with monthly reports now provided to the LDA Board;
- Conflict of interest requirements for the LDA Board and staff have been made more robust to facilitate better management of real and perceived conflicts, and support transparency in decision making;
- Training and education sessions have been conducted on instructing valuers, fraud and ethics, records management, financial delegations, and procurement and will continue throughout 2017;
- All-staff meetings have been held and all-staff emails have been distributed to ensure staff are kept informed of business improvements and how they are progressing;
- A new Governance Executive Committee chaired by the Deputy Director-General has been formed to oversee the

implementation of these business improvements and monitor compliance with new policies and procedures; and

- The LDA Board, and the Board Audit and Risk Committee, are also monitoring the progress of these business improvements and receive regular reports at each of their meetings.

The Auditor-General has indicated that she is currently considering a future separate audit of the LDA. The LDA will work closely with the Auditor-General to support this review when it commences. This is an appropriate mechanism for further reviewing the LDA's past activities.

8. If you believe that these problems were restricted to these four acquisitions, what steps are you planning on taking to provide the public with concrete assurances that this is the case?

The Auditor-General's review, the Government's response to this and the scrutiny of this by the Assembly, together with the questions asked more broadly in the Assembly and in its Committee hearing, have provided a high level of public accountability.

The Government has accepted all the recommendations of the Auditor-General's report.

The LDA has a comprehensive implementation strategy addressing these recommendations and those of the McPhee Governance Review.

All of the Auditor-General's recommendations will be addressed by 30 June 2017.

(See attached Brief on the response to the Auditor-General's review for further information).

9. The Auditor-General suggested a broader audit of past LDA activities would be prudent. Do you know if this is in fact going to take place, and would your office and the LDA support it?

The Auditor-General has indicated that she is currently considering a future separate audit of the LDA. The LDA will work closely with the Auditor-General to support this review when it commences. This is an appropriate mechanism for further reviewing the LDA's past activities. This is an appropriate mechanism for further reviewing the LDA's past activities.

10. Are there any records kept inside the LDA that detail the valuations relied on for land acquisitions?

Yes.

Currently these are maintained at the project level across the organisation.

The LDA has now centralised the process of seeking valuations for core LDA business through the Sales and Marketing Team to ensure a consistent approach. Valuations will be stored centrally as part of this process, noting that valuations only considered 'current' for 3 months.

11. Has the LDA made its own enquiries into how many past land acquisitions relied exclusively on informal valuations?

The LDA does not seek or rely on 'informal valuations'.

Information on valuations or prices can be obtained through two mechanisms:

- 1) Seeking advice, both internally within LDA or more widely from the market, on 'market intelligence'. This may comprise discussions, requests for advice or opinions on market conditions (both current and future), and analysis of information such as reports and studies.
- 2) Seeking valuations from qualified valuers through a request for a Valuation Report. This is a document provided by a certified practising valuer in a form consistent with industry standards and legal requirements.

The LDA seeks valuations for different purposes, such as acquisitions and setting reserve prices. Currently, these are maintained at the project level across the organisation.

The LDA has now centralised requests for all valuations for core LDA business through the Sales and Marketing Team to ensure a consistent approach. Valuations will be stored centrally as part of this process, which will make past valuations more readily available for review in future.

12. In a question on notice asked of Minister Berry last year she said she had been advised that calculating how many times the LDA had relied on informal valuations would be “a considerable task”. Given that such an inquiry is directly relevant to understanding the extent of the problems of reliance on informal or internal valuations why has it not been undertaken?

The LDA does not seek or rely on ‘informal valuations’.

As valuations are maintained at the project level it would be a considerable task to review all valuations.

The Auditor-General has indicated that she is currently considering further review topics including consideration of other acquisitions with the LDA.

The LDA will work closely with the Auditor-General to support this review when it commences and welcomes further review of its practices.

This is an appropriate mechanism for further reviewing the LDA’s past activities.

The LDA is focusing its resources on implementing the outcomes of the Auditor-General and McPhee reviews.

(See question 11 for further information about valuations).

13. How is the LDA and Government aiming to change the LDA so that these problems are not repeated?

The LDA has a comprehensive implementation strategy addressing the Auditor-General's report recommendations and those of the McPhee Governance Review.

The Government has stated that it will be establishing two new entities for greenfields development and urban renewal from 1 July 2017.

The Government will provide further information about these entities when it tables related legislation in the Assembly.

The LDA is currently working to develop robust governance structures that will enable the new urban renewal and greenfields entities to commence operation on a strong footing (see attached brief on the response to the Auditor-General's review for further information).

14. How will the splitting of the LDA into two separate bodies for Greenfield and infill developments address the cultural, transparency and conflict of interest problems identified in the Auditor-General's report?

The Government has stated that it will be establishing two new entities for greenfields development and urban renewal from 1 July 2017.

The Government will provide further information about these entities when it tables related legislation in the Assembly.

The LDA is currently working to develop robust governance structures that will enable the new urban renewal and greenfields entities to commence operation on a strong footing (see attached brief on the response to the Auditor-General's review for further information).

15. Could you provide us with copies of the current LDA organisational chart along with names and positions and the LDA organisational charts with names and positions for both mid 2015 and 2012?

The LDA organisational charts for 2012 and 2015 are publicly available information contained within the LDA Annual Reports. Copies of the LDA Annual Reports are available on the LDA website at www.lda.act.gov.au/en/publications-and-reports.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

<p>SUBJECT: Government Response to the Auditor-General's Performance Audit Report 07/2016: Certain Land Development Agency Acquisitions</p>	<p>Division: Land Development Output class: LDA Page/s: 21</p>
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KEY MESSAGES:

- It is important to remember that the Auditor-General's report made no findings of corruption, coercion or fraud.
- The Auditor-General's report did raise serious issues and the Government has accepted all the recommendations in the report.
- In addition to the Auditor-General's report, the Land Development Agency (LDA) was part of the Governance Framework Review conducted by the former Commonwealth Auditor-General, Mr Ian McPhee AO PSM.
- In response to the recommendations of these two reviews, the LDA has established a Governance and Quality Assurance team to drive improved processes and practices across the organisation and put in place a comprehensive implementation strategy.
- A number of business improvements have already been implemented including:
 - All valuations for core LDA business are now channelled through the Sales and Marketing Team to ensure a consistent approach;
 - All legal advice is now channelled through the Deputy Director-General's office and a centralised register for legal advice has been established;
 - Clear directions have been provided to staff on the requirements for compliance with the Land Acquisition Policy Framework, with all proposed land acquisitions assessed against the Framework and considered by the LDA Board;
 - More rigorous reporting processes for single source procurements have been established with monthly reports now provided to the LDA Board;
 - Conflict of interest requirements for the LDA Board and staff have been made more robust to facilitate better management of real

David Dawes, Chief Executive Officer, LDA

Phone Number: 6207 3331

- and perceived conflicts, and support transparency in decision making;
- Training and education sessions have been conducted on instructing valuers, fraud and ethics, records management, financial delegations, and procurement and will continue throughout 2017;
 - All-staff meetings have been held and all-staff emails have been distributed to ensure staff are kept informed of business improvements and how they are progressing;
 - A new Governance Executive Committee chaired by the Deputy Director-General has been formed to oversee the implementation of these business improvements and monitor compliance with new policies and procedures; and
 - The LDA Board, and the Board Audit and Risk Committee, are also monitoring the progress of these business improvements and receive regular reports at each of their meetings.
- All of the Auditor-General's recommendations will be addressed by 30 June 2017. To achieve this:
 - The LDA is currently working with Chief Minister, Treasury, and Economic Development Directorate who are bringing together established procurement and recruitment policies in a whole of government context to address the issue of contracting former executives and staff;
 - The LDA is centralising policies and procedures on all aspects of the land acquisition process including the purpose and means of acquisition, valuations, decision making and documentation requirements; and
 - Education and training is being provided for LDA staff regarding the new policies and procedures as they are finalised.
 - Implementation of the above business improvements will enable the new urban renewal and greenfield entities to commence operation on a strong footing in July 2017.

BACKGROUND INFORMATION

- As a result of a Public Information Disclosure (PID) request, the Chief Executive Officer (CEO) of the LDA requested the Auditor-General to conduct an investigation of the LDA's approach to certain land and business acquisitions.

- The CEO adopted this approach rather than an internal investigation to promote transparency, and encourage continual business process improvement within the LDA.
- The Performance Audit was released on 30 September 2016, covering certain acquisitions made during 2015.
- The report focussed on a timeframe in early to mid 2015 where the following acquisitions were made:
 - a) Block 24, Section 65, City (land adjacent to Glebe Park);
 - b) Block 13, Section 33, Acton (Mr Spokes Bike Hire); and
 - c) Block 16, Section 33, Acton (Dobel Boat Hire) and Lake Burley Griffin Boat Hire (a business which operated under a sub-lease from Dobel Boat Hire).
- I am advised that LDA Management pursued the acquisitions to enable the future realisation of the City to the Lake project – then one of the Government’s strategic priorities.
- The Audit Report concluded that transparency, accountability and rigour had been lacking in the processes used by the LDA for the acquisition of the three properties and two businesses.
- In September 2016, the LDA received a report prepared by the previous Commonwealth Auditor-General, Mr Ian McPhee AO PSM, concerning LDA governance arrangements, policies and procedures, and proposing remedial action.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Gungahlin development update	Division: Land Development Output class: LDA Page/s: 18-23, 25-27, 38, 46-47, 49, 51-53, 55.
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KEY MESSAGES:

- The Land Development Agency (LDA) is currently undertaking land development in Moncrieff, Throsby, Gungahlin Town Centre, Taylor, Jacka and the Flemington Road Corridor.
- The LDA's Statement of Intent identifies the receipt of approximately \$792 million revenue in 2016-17 to 2019-20 for LDA estate development in Gungahlin.
- LDA proposes to release a range of sites across the development fronts in Gungahlin over the period 2016-17 to 2019-20 which will provide approximately 3,200 dwellings.

BACKGROUND INFORMATION

- The delivery of land in Gungahlin is in accordance with the Government's Indicative Land Release Program (ILRP).
- Between 2016-17 and 2019-20 the ILRP identifies the release of:
 - 3,228 dwellings,
 - the Moncrieff group centre,
 - community facility sites across three development fronts, and
 - over 15,000m² mixed use and 25,000m² commercial site areas in the Gungahlin Town Centre.
- The LDA has recently completed civil infrastructure works in Moncrieff, allowing settlement of blocks secured under sale and forward stock of land available for sale. Home construction activity is underway.
- The LDA is currently undertaking:
 - civil and landscape infrastructure works in Throsby and Taylor with home building activity anticipated to commence in mid to late 2017;
 - planning, construction or sales activity in Moncrieff, Throsby, Gungahlin Town Centre, Taylor and Jacka;
 - the Mingle Program in Moncrieff, with Throsby and Taylor to commence in late 2017 to early 2018.
- Civil infrastructure works are anticipated to commence in the last quarter of this financial year for Gungahlin Town Centre East.

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Moncrieff

- Moncrieff is a residential estate of approximately 2,000 dwellings on 185 hectares: it includes blocks for single residential, medium density multi-unit development, community facility, and a group centre (commercial and retail). The Indicative Land Release Program identifies the release of 125 dwellings, a group centre and a community facility site in the period 2016-17 to 2019-20.
- The LDA, in partnership with the Master Builders Association and 12 ACT Builders, established the Moncrieff Display Village. This comprises 12 single and double storey homes showcasing innovations in housing design, sustainability and “liveable” housing with enhanced accessibility features.

Throsby

- Throsby is a residential estate of 1,099 dwellings on 106 hectares. It will comprise single residential and medium density multi-unit housing, a community facility site of five hectares and a small mixed use precinct with 1,000m² of commercial and retail space. The Indicative Land Release Program identifies the release of 510 dwellings and a 30,000m² community facility site over 2016-17 to 2019-20.

Gungahlin Town Centre

- LDA is in the final stage of securing development approval for the remaining land in the Gungahlin Town Centre. The Indicative Land Release Program identifies the release of 15,000m² of mixed use site area and over 27,000 m² of commercial site area over 2016-17 to 2019-20 across 24 sites. Two sites will be made available to the Public Housing Renewal Taskforce in 2017-18.

Taylor

- Taylor is LDA’s newest residential estate of approximately 2,400 dwellings spread over 317 hectares. It will comprise single residential and medium density housing, and a community facility site for a government P-10 school, as well as a one hectare site associated with a local centre and district playing fields.
- The Indicative Land Release Program identifies the release of 1,693 dwellings over 2016-17 to 2019-20.

Jacka 2

- LDA is currently undertaking the Master Plan for Jacka 2. Initial investigations suggest a yield of 500-550 dwelling, which will be lower than the Indicative Land Release Program which identifies the release of 900 dwelling sites over 2016-17 to 2019-20.
- The reduced yield is as a result of land being identified for environmental qualities as part of the North Gungahlin Strategic Assessment.

LDA Mingle Program

- The LDA Mingle Program is an LDA initiative which aims to build a vibrant community through social inclusion activities. It provides a social forum through activities such as family events, workshops and fundraising opportunities. Mingle has been active in a number of LDA developments in Gungahlin, including Franklin and Bonner. Mingle is currently active in Moncrieff and will commence in Throsby and Taylor in 2017.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Molonglo development update	Division: Land Development Output class: LDA Page/s: 18-27, 38, 42, 45-46, 49, 50, 52-53, 55, 166-178
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KEY MESSAGES:

- The delivery of land in the Molonglo Valley is in accordance with the ACT Government's Indicative Land Release Program.
- The Molonglo Valley is a major development front in the ACT with an expected district population when complete of around 45,000 residents in approximately 20,000 dwellings. Current population is around 3,000 residents in the suburbs of Wright and Coombs. This figure is expected to grow to around 24,000 over the next ten years with the development of Denman Prospect, Whitlam and suburbs in Molonglo 3.
- The Land Development Agency (LDA) has a number of developments and releases underway in the Molonglo Valley, including: North Wright, North Coombs, Coombs Peninsula, Whitlam, Molonglo Commercial Centre. Due diligence studies are being undertaken on Molonglo 3.
- In 2015, the LDA offered to the market 377 residential blocks (Stage 1A) and an englobo parcel (Stage 1B) within the suburb of Denman Prospect via an Expression of Interest process. Stage 1A and 1B were sold to Capital Estate Development Pty Ltd (CED) for \$241.3 million.

BACKGROUND INFORMATION

- The Indicative Land Release Program for 2015-16 to 2018-19 identified the release of 400 dwelling sites in the suburb of Denman Prospect (Molonglo Valley) in 2015-16. A total of 815 new dwelling sites were released in 2015-16 in addition to the completion of the englobo sales in Denman Prospect.

Wright and Coombs

- Wright and Coombs are LDA Greenfield residential estates of approximately 179 hectares combined. They comprise a mixture of single residential, medium and high density developments, community, commercial zones, open space and a local centre in Coombs, ultimately providing approximately 4,834 dwellings.

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- The majority of development sites in Wright and Coombs have been released to market, with the LDA's involvement now in the post delivery / post occupancy activity, which includes the LDA Mingle program, landscaping handover works and administration of sites sold under agreements for the delivery of set initiatives.
- A portion of land adjacent to the Molonglo River in Coombs is yet to be developed as it had been awaiting the finalisation of Molonglo River Plan of Management to determine the development footprint.
 - The Plan of Management has now been approved and LDA is moving ahead with the planning and engineering studies to develop this area. It is anticipated that it will provide between 30 and 60 dwellings sites.

North Wright and North Coombs

- North Wright and North Coombs were not developed as part of the original Wright and Coombs development pending resolution of commercial and community uses, specifically sites for retail services and a school, and an engineering issue with a storm water easement. This work is now complete and these developments are being undertaken as an LDA Greenfield development.
- Combined, these developments will yield approximately 282 standard residential blocks and 555 multi-unit dwellings over 11 sites.
- The LDA has addressed all comments from ACT Government Agency circulation of the Estate Development Plan (EDP), and will resubmit the EDP for endorsement in early March 2017 to anticipate a Development Application submission in mid-March 2017.

Molonglo 3

- The land north of the Molonglo River known as Molonglo 3 is a Greenfield residential development of approximately 12,000 dwellings which is likely to include three or four suburbs (with Whitlam being the first), over a development timeframe of 20-25 years.
- The LDA is undertaking a number of planning and due diligence studies for the development of Molonglo 3 including the removal of unexploded ordnance dating back to World War One from past land uses as a military training firing range.

Whitlam

- Whitlam is the first suburb to be developed in the Molonglo 3 precinct of the Molonglo Valley.
- Whitlam is an LDA Greenfield development of approximately 240 hectares. It will include a mixture of single residential, medium and high density developments, community, commercial zones and open space.
- The LDA is currently running a procurement process to appoint planning and engineering consultants to undertake the necessary documentation to enable development of this suburb.

Molonglo Commercial Centre

- The Molonglo Commercial Centre will include potential uses such as: retail, bulky goods, commercial, community, education, emergency services, recreational, trades and residential.
- The LDA is undertaking work on planning and release options, which is likely to enable commencement of works in 2020. Timing for a staged release will consider

local population growth, market demand for larger scale operations balanced around local shopping opportunities.

Denman Prospect

- In 2015, the LDA offered to the market 377 residential blocks (Stage 1A) and an englobo parcel (Stage 1B) within the suburb of Denman Prospect via an Expression of Interest process. Stage 1A and 1B were sold to Capital Estate Development Pty Ltd (CED) for \$241.3 million.
- As part of the sale process for Stage 1A and 1B, the successful tenderer has the opportunity to negotiate the purchase of future Molonglo land. The LDA has commenced discussions with CED for a possible sale of Denman Prospect Stage 2.

LDA Mingle Program

- As part of the LDA's Communications and Stakeholder Management Strategy, the Mingle program has arranged a number of community events and activities in the Molonglo Valley in 2015-16.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Ginninderry Joint Venture Division: Land Development
Output class: LDA
Page/s: 19,24-25, 28, 38

KEY MESSAGES:

- Ginninderry stretches from the north western suburbs of Canberra (Holt and Macgregor) across the ACT/NSW border into a part of the Yass Valley. It is bounded on two sides by the Murrumbidgee River and Ginninderra Creek. The first two suburbs of Ginninderry will be Strathnairn and Macnamara.
- Following the Commonwealth passing Amendment 86 to the National Capital Plan, the Ginninderry Joint Venture formally commenced undertaking development of the first neighbourhood in the suburb of Strathnairn.
- The public releases of land are expected to start in April 2017.
- Major project considerations currently being addressed are: environmental buffer zones; including the West Belconnen Landfill and Pace Farm; the Establishment of an Environmental Management Trust for the river corridor; and the formation of an energy strategy for Stage 1, including consideration about not providing gas to households.

BACKGROUND INFORMATION

- In May 2013, the Government entered into an agreement with the Riverview Group to develop land in West Belconnen and adjacent land in NSW. On 15 December 2015, the Government agreed to the Territory entering into a land development joint venture with the Riverview Group. The area to be developed is approximately 1,600 hectares: 670 in the ACT and 330 in NSW. The balance of 600 hectares is for buffers to meet requirements of the National Capital Plan and protection for the ecology of the Murrumbidgee River corridor.
- The total urban release will comprise around 11,500 dwellings with 5,000 dwellings in NSW and 6,500 in West Belconnen. The development is expected to supply Greenfield land for new dwellings for up to 40 years, with NSW development commencing circa 2032.
- The project has been conceived and developed to date with high environmental and sustainability values. Project aims include:

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- a memorandum of understanding with the adjacent Strathnairn Community Arts facility to provide additional resources and facilities for Strathnairn and minimise the impacts of the development on the community;
 - the formation of a Trust to actively manage the river corridor, to protect the environmental values of the corridor whilst allowing community access;
 - a training and employment initiative in partnership with stakeholders across community services, vocational training and industry to deliver engagement training and employment opportunities for the Ginninderry community; and
 - implementation of a “Greenstar” sustainability rating system to ensure environmental efficiencies in the development. In order to attain a Greenstar rating, the development is assessed against Governance, Design, Economic Prosperity, Liveability, Environment and Innovation. Ginninderry has attained a six star rating, the highest possible under the scheme.
- Existing land will need to be managed to ensure Ginninderry can be successfully transformed into a quality urban area.
 - Processes are currently underway to manage the following:
 - the 750m exclusion zone caused by Pace Egg Farm operations in Parkwood;
 - interfaces with the ACT Government project that will deliver the second point of power supply to the Territory by TransGrid;
 - appropriate buffer zones for the Lower Molonglo Water Quality Control Centre; and
 - the current uses of the West Belconnen Resource Recovery Centre, including the management of green waste, and plans for the decommissioning the site.
 - The Variation to the Territory Plan No.351 allowing the development was approved in June 2016. The Estate Development Plan has been resubmitted following agency comments and approval is expected in March 2017.
 - The Joint Venture has now commenced after the disallowance period for Amendment 86 to the National Capital Plan expired on 23 November 2016.
 - Marketing of Stage 1 will commence in April 2017 with first resident occupation expected by late 2018.
 - The Indicative Land Release Program 2016-17 to 2019-20 targets the release of 300 residential dwellings per year.
 - The Joint Venture (JV) is valued at approximately \$1.6 billion, with the ACT share of profit allocation being \$208 million. The JV will undertake all supporting capital works projects with no additional impact on the Territory’s budget.
 - The JV becomes cash flow positive from around mid-2021.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Industrial updates

Division: Land Development

Output class: LDA

Page/s: 18, 22-23

KEY MESSAGES:

- A long term land release strategy has been developed to ensure a 20 year supply of land to support economic growth and diversification of the ACT economy.
- Investment in our economy is a government priority – in particular improving access to international growth markets for Canberra and its region.
- Following the announcement of the ACT Freight Strategy in March 2016, interest in industrial land has increased, particularly for land in the Majura corridor in close proximity to the airport.
- The indicative land release program allows for industrial land releases in Hume and three greenfield industrial estates in Symonston, Fyshwick and Majura Valley (Pialligo).

BACKGROUND INFORMATION

- The Indicative Land Release Program 2016-17 provides for industrial land releases in Hume (20,000m²) and Symonston (10,000m²). The LDA is currently working on a release in Section 22 Hume to meet this requirement. Current constraints on Symonston caused by Commonwealth consideration of the Eastern Broadacre Strategic Assessment are likely to preclude the ability of achieving any release in Symonston this financial year. It is therefore proposed to release 30,000m² in Hume to cover the Symonston target.
- An Industrial Land Supply Strategy developed by the LDA has assessed potential industrial land in the ACT. A progressive release strategy in the areas of Hume, Symonston, Fyshwick, and Majura has been formulated which offers a range of block sizes that will be able to respond to industry trends and requirements.

Tom Gordon, Executive Director, Greenfield

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STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Land acquisitions

Division: Land Development

Output class: LDA

Page/s: 82, 95, 119,122

KEY MESSAGES:

- The Land Acquisition Policy Framework (Attachment A) is a Direction made by the Minister under the *Planning and Development Act 2007*. The Framework was notified on 19 June 2014 and is published on the ACT Legislation Register.
- Land Acquisitions outside of the Indicative Land Release Program (ILRP) are provided at Attachment B. In summary for:
 - 2015-16: \$13.1 million (approved), and \$19.3 million (settled), which includes settlements of Stromlo Block 19 approved in June 2015, where settlement occurred after 30 June that year.
 - 2016-17: October year to date \$4.0 million (approved and settled).
- Attachment C provides a map of the Land Development Agency's rural land acquisitions.

BACKGROUND INFORMATION

Land Acquisition Framework

- The Framework sets out the **principles** that govern the exercise of the Land Development Agency's (LDA) functions under the *Planning and Development Act 2007* (the Act).
- The Minister through the instruments **directs** the LDA to act in accordance with the principles of the Framework.
- Section 1.2 of the Framework states: "The framework is to enable the LDA to pursue business opportunities for the acquisition of land available on the market."
 - The Framework outlines the approval thresholds that apply to acquisitions under the Framework, including an annual acquisition limit, reporting requirements and guiding principles.
- The **thresholds** under the Framework are:
 - a. below \$5 million – agreement by the LDA Board with advice to the Minister for Economic Development or the Minister responsible for administering Chapter 4 of the *Planning and Development Act 2007*;
 - b. between \$5 million and \$20 million – agreement by the Chief Minister and Treasurer. LDA is to provide a business case to ACT Treasury for all such proposals; and

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- c. above \$20 million - agreement by the Government.
- The **Annual Acquisition Limit** under the Framework requires Government agreement “for any acquisition by the LDA that results in a cumulative annual total of \$20 million in acquisitions being exceeded.”
- Advice received from the Solicitor General has confirmed **that the Framework applies to all LDA acquisitions and not just those constituting new land development opportunities outside the LDA’s core business of delivering the ILRP.**
- Additional advice from the Solicitor General has clarified that land transfers between Directorates are a transfer of administrative responsibility and therefore do not fall under the reporting and accounting arrangements of the Framework.
 - Additionally, the \$20 million annual acquisition limit **applies upon settlement or transfer of land to the LDA**, not at the time of approval of an acquisition.

Authority for land acquisitions

- Section 32(1) of the *Planning and Development Act 2007* (the Act) outlines the functions of the LDA, which include developing land, carrying out works for the development and enhancement of land and carrying out strategic or complex urban development projects. Section 32(4) refers to the LDA exercising its functions in accordance with the latest LDA Statement of Intent. The LDA purchases and releases land under these provisions.
- The Auditor-General’s Performance Audit Report 07/2016 – Certain Land Development Agency acquisitions recommended that the Land acquisition policy framework be applied to strategic and policy-related land acquisitions. The LDA is implementing robust governance and business processes that fully implement the Framework.
- The LDA may undertake strategic land acquisitions:
 - To ensure that future governments have suitable long term landholdings for new suburbs over the 20-30 year time frame and in accordance with the ACT’s Planning Strategy 2012.
 - To implement Government policies, for example, acquiring land to support the construction of renewable energy infrastructure.

Non urban Land in Belconnen

- Round Hill Station (the former Wintergarden estate), has recently been purchased for the provision of infrastructure and roads to support existing and future urban development in the Molonglo Valley. The previous owners have arrangements to sub-lease three dwellings on the Round Hill site and they are to carry out various land management functions on the rural lands in the short term.

Acquisitions from the Commonwealth

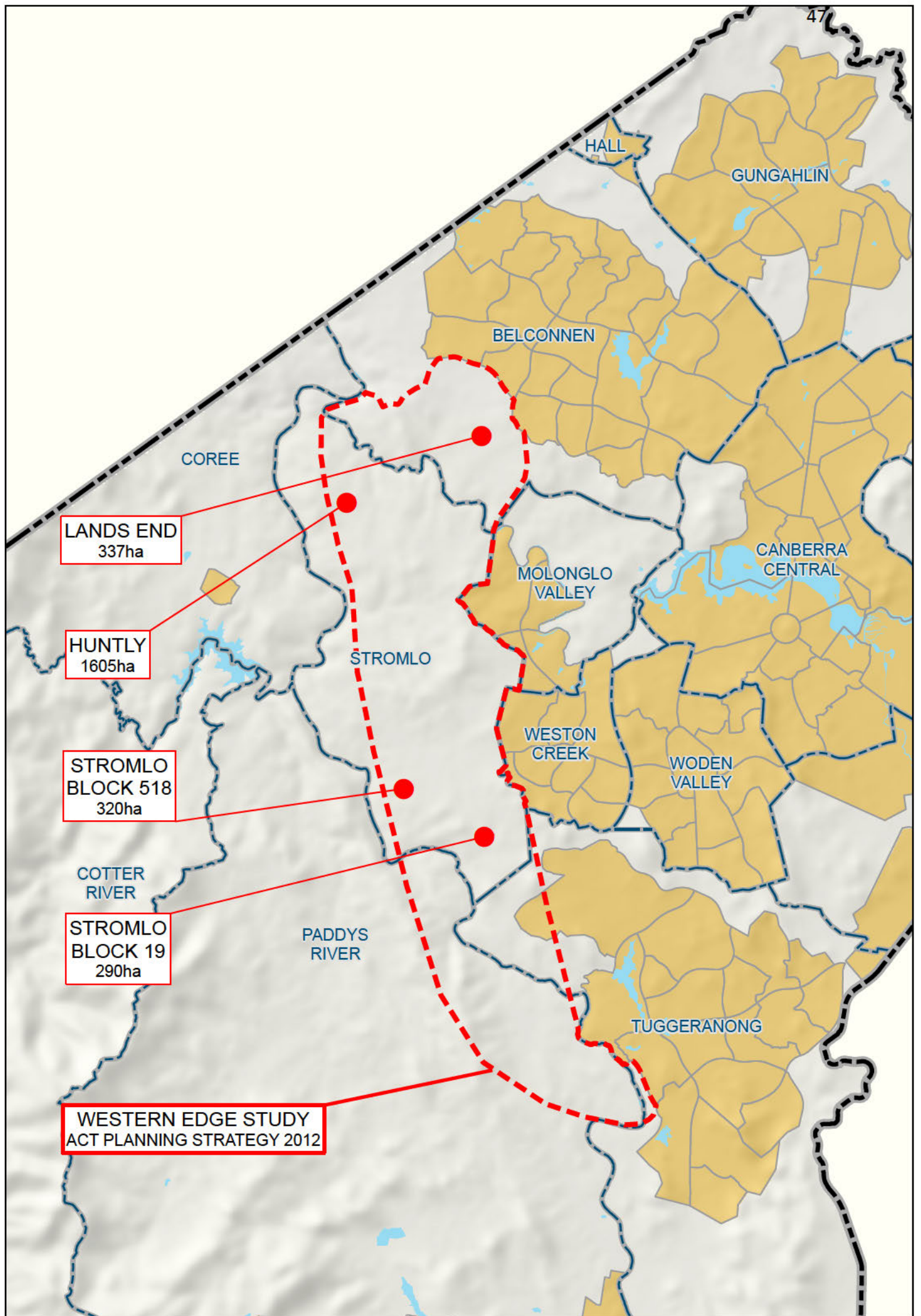
- From time to time land is acquired from the Commonwealth. Subject to planning considerations, this land may be redeveloped for greenfield sites, for example Lawson, or land may be retained for environmental buffers, for example for former Navy transmission station, Bonshaw.

Urban Renewal

- The LDA also makes operational land acquisitions for urban renewal activity and to re-purpose assets from agencies which are being relocated, modernised or consolidated. LDA is also tasked to facilitate or coordinate land transactions, for example, the current work program supporting the ACT Asbestos Response Taskforce.

LDA Rural Land Acquisitions

	2014-15				2015-16				2016-17				Total	Comments
	2014-15				2015-16				2016-17				Total	Comments
	Approved Date	Approval By	Approved Value	Settled/Paid	Approved Date	Approval By	Approved Value	Settled/Paid	Approved Date	Approval By	Approved Value	Settled/Paid	Settled to date	
			\$000	\$000			\$000	\$000			\$000	\$000	\$000	
Tuggeranong Blocks 1470, 1471 and 1405 (Burraburoo)	26/03/2015	Board	3,100	3,100									3,100	
Belconnen 1591, 1592, 1593, 1594, 1595, 1597 (Lands End)	28/05/2015	Board	3,100	2,925									2,925	Approved to 3.1m, settled 2.925m
Stromlo Block 19 (Milapuru)	19/06/2015	Minister	7,000	700				6,300					7,000	Deposit paid June 15, settled 2015-16
Stromlo Block 491 (Fairvale)					24/09/2015	Board	3,100	3,100					3,100	
Stromlo Block 412,413,426,487,489 (Huntly)					23/02/2016	Minister	10,000	10,000					10,000	
Belconnen Blocks 1491 & 1492 & 1587 (Wintergarden)									19/07/2016	Board	4,000	4,000	4,000	
Total Rural Land Acquisitions			13,200	6,725			13,100	19,400			4,000	4,000	30,125	



STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA Staffing Numbers

Division: LDA Corporate

Output class: LDA

Page/s: 35, 126

KEY MESSAGES:

- As a consequence of a number of Administrative Arrangement changes since July 2014, the Land Development Agency's (LDA) organisational structure has been amended to reflect resourcing requirements to efficiently deliver its services.
- The LDA's budgeted 2016-17 Full Time Equivalent (FTE) staff numbers are forecast to increase from 95 FTE (2015-16 actual) to 127 FTE.
- Increases can be attributed to:
 - Backfilling of vacant positions (primarily staff seconded to other roles);
 - Filling new positions to reflect land development and other activities being undertaken in 2016-17;
 - Transfer of functions to the LDA during 2015-16, including the Public Housing Renewal Taskforce and Urban Renewal.

BACKGROUND INFORMATION

- Since July 2014 additional responsibilities have resulted in the transfer of the following functions into LDA: these comprise Public Housing Renewal Taskforce (PHRT) and Urban Renewal (from Economic Development).
- The following table provides a summary of the individual branches within the LDA and the associated FTE.

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Branch	2014-15 Actual FTE (A)	2015-16 Actual FTE (B)	2016-17 Budget FTE (C)	2016-17 Variance FTE (D)=C-B	2016-17 Jan 17 YTD FTE
Office of the Deputy CEO / DDG	5.5	4.0	5.0	1.0	7
Sales, Marketing and Land Management	17.4	21.7	22.0	0.3	20.23
City to the Lake	4.7	6.4	10.0	3.6	4.41
Greenfield	27.5	28.8	37.0	8.2	26.51
Urban Renewal	16.6	22.2	28.0	5.8	23.68
LDA Corporate ¹	16.0	13.7	25.0	11.3	16.72
Total	87.7	96.8	127.0	30.2	98.55

- The forecast increase in FTE (30.2) in the 2016-17 Budget from the 2015-16 Actual is due to:
 - 16 new FTE positions across Greenfield, Urban Renewal, and City to the Lake;
 - 6 FTE seconded to Asbestos Response Taskforce; PHRT and other Directorates, resulting in backfilling of those positions;
 - 6 new FTE positions in LDA Corporate to establish a Human Resources and Governance function in house and additional resources required for business and systems improvement; and
 - 2 Graduate positions.

¹ Was LDA Strategic Finance

Bruce Fitzgerald, Chief Financial Officer, LDA Corporate

Phone Number: 6207 8294

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STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Land Release Numbers – Division: Land Development
 Actual and Forecast Output class: LDA
 Page/s: 23

KEY MESSAGES:

- The Land Development Agency (LDA) undertakes the sale of residential, commercial, industrial, community and non-urban land identified in the ACT Government's Indicative Land Release Programs (ILRP).
- The market demand and complexity of sales conditions and terms determines the LDA's method of sale which includes auction, tender, ballot and over the counter sales.
- In 2015-16 the following releases were achieved:
 - 4,024 Residential dwelling sites
 - 88,255m² of Commercial land
 - 231,119m² of Community Land and
 - 102,256m² of Industrial land.

BACKGROUND INFORMATION

2015-16 Land Program Outcome

2015-16 Land Program	Residential Dwellings	Commercial Site Area	Industrial Site Area	Community & Non-Urban Site Area
Target	3,513	57,194	64,485	57,154
Actual	4,024	88,255	102,256	231,119
Variance	511	31,061	37,771	173,965

Simon Tennent, A/g Director, Strategy and Program Design

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The table below lists the land released to date and scheduled to be released in 2016-17.

2016-17 Land Program	Residential Dwellings	Mixed Use Area	Commercial Site Area	Industrial Site Area	Community Site Area
Released @ 23 Feb 17	2,518	94,969m ²	5,055m ²	0	85,021m ²
ILRP 2016-17 Target	4,550	86,219m ²	12,811m ²	30,000m ²	131,404m ²
YTD Variance	-2,032	8,750m ²	-7,756m ²	-30,000m ²	46,383m ²
Scheduled for release - 24 Feb to 30 Jun 17	2,036*	13,693m ²	1,070m ²	20,000m ²	41,860m ²
Forecast Variance	4	22,443m ²	-6,686m ²	-10,000m ²	4,523m ²

*See information below (not for public release).

Not for Public Release:

- While the target is forecast to be met for 2016-17, the mix of releases will be different to that published due to:
 - the delay of 450 dwellings in Red Hill;
 - a reduction in yields across two ARI sites.
- The delay in the Red Hill release is to allow more time to ensure an outcome that maximises return to government while accommodating the desires of the community.
- To offset these delays and yield reductions, part of Denman Prospect Stage 2 will be accelerated, subject to LDA Board agreement.

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STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA Return to Government Division: LDA, Corporate
Output class: LDA
Page/s: 81, 83

KEY MESSAGES:

- The total return to the ACT Government from the LDA's activities consists of:
 - acquisitions of land at market value from Territory entities;
 - the payment of national tax equivalents;
 - the payment of dividends;
 - the payment of land holding and stamp duty equivalents; and
 - payroll tax.
- An additional return to Government relates to the Asset Recycling Initiative (ARI) capital distribution. This distribution reflects the payment for ARI land transfers received from other government directorates.
- The actual return to Government in 2015-16 was \$349 million compared to the forecast of \$314 million - \$35 million higher than forecast.
- Excluding the ARI capital distribution, the 2016-17 budgeted return to Government is \$359 million, which is \$10 million higher than the 2015-16 return to Government.
- Forecast return to Government excluding ARI capital Distributions for 2016-17 is \$435 million, which is \$76 million higher than in the 2016-17 budget due to increases in operating profit as a result of a reduction in development expenses and ARI land costs being delayed to later years.

BACKGROUND INFORMATION

- The table below compares the total budgeted returns to the ACT Government for 2016-17 and the 2015-16 actual returns.

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	2015-16 Budget \$m	2015-16 Actual \$m	2016-17 Budget \$m	2016-17 Forecast \$m	Forecast Variance to Budget \$m
Land payments	80	92	51	44	-7
Stamp duty/interest	9	9	5	3	-2
Payroll tax	1	1	1	1	-
Income tax/dividend	224	247	302	387	85
Ordinary Return to Government	314	349	359	435	76
ARI Capital Distribution	-	-	78	36	-42
Total Return to Government	314	349	437	471	34

- The increased Total Return to Government of \$88 million from 2015-16 compared to the 2016-17 budget largely reflects:
 - a \$55 million increase in income tax and dividends due to a higher operating result, due to the timing of land sales between financial years;
 - a \$78 million increase in the ARI capital distribution relating to ARI land transfers from other government directorates;
 - partially offset by a \$41 million decrease in land payments as a result of the change in product mix from greenfield land sales to urban renewal land sales.

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STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA GST Update

Division: LDA, Corporate

Output class: LDA

Page/s: 105

KEY MESSAGES:

- A review initiated by the Land Development Agency (LDA) of its GST payments and liabilities has resulted in significant recoveries of overpaid GST on prior year land sales and reduced estimated GST payments on future land sales.
- The refunds and estimated lower payments of GST on future land sales are due to the application of GST concessions available to government entities and also GST-free provisions available in the legislation.

BACKGROUND INFORMATION

- Previously, up to December 2011, the LDA assessed its GST based on the margin scheme and established the margin value based on 1 July 2000 values. These assessments did not utilise the provisions of item 4 of Section 75-10(3) of the GST legislation (the government margin scheme) and/or the GST-free provisions of the legislation.
- Changes in interpretation of what is an “improvement” on the land and ownership and transfer of land between government entities, have provided the LDA with the opportunity to revisit prior year assessments and successfully seek refunds of GST.
- The LDA has updated its processes to respond to changes in the assessment and now, where applicable, utilises Item 4 and the GST-free provisions of the legislation for actual and forecast land sales.
- The Australian Taxation Office (ATO) has agreed with the majority of the LDA’s interpretation. The item remaining in dispute relates to whether old fences, dams and similar rural assets are improvements in the context of residential development. This will be resolved through the agreed mediation process. These rural assets affect approximately 10 per cent of the residential sites being sold by the LDA.
- The LDA has entered into mediation with the ATO to obtain certainty going forward on the GST position on land sales.
- To date, the LDA has received approximately \$58 million in GST refunds (\$33 million relates to joint ventures). The LDA is challenging approximately \$39 million in overpaid GST via the Alternative Dispute Resolution process (\$15 million relates to LDA joint ventures).

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STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN RENEWAL
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA Contracts

Division: Corporate

Output class: LDA

Page/s: 173-179

KEY MESSAGES:

- In 2015-16, the Land Development Agency (LDA) entered into 84 contracts above \$25,000.
- Of these, 34 contracts were entered into on a single select basis, representing 41% of all LDA contracts.
- An exemption from the Procurement Guidelines was sought for all of the single select contracts.
- Under Section 10 of the *Government Procurement Regulation 2007*, the Chief Executive may provide an exemption in limited circumstances.

BACKGROUND INFORMATION

Contract Title	Contractor Name	Reason
Project Management Consultancy	Ronald R & Helena Brooker T/a R & H Brooker and Associates	Given the contractor's expertise, knowledge base and ability to put the necessary systems in place immediately, it was considered that a single select procurement was more appropriate.
Casual Labour Hire	Ranstad Pty Ltd	Ranstad was primarily led by the Sales & Marketing team engaging personnel to fill the reception role. There were other administrative staff engaged from the same agency.
Lawson 1B SL Design Construct for Intersection	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	Contractor is the only one able to provide the services.
Taylor 1 Principal Authorised Delegate	Indesco Pty Ltd	Works were time critical and the Consultant had already been involved in providing key input into the project.

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North Wright and North Coombs Planning and Engineering consultancy	Cardno NSW/ACT	Consultant previously engaged for and provided input to Wright and Coombs. Time constraints did not allow for tender process.
Denman Prospect 1A2 Substation relocation	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	Contractor is the only one able to provide the services.
Gungahlin Town Centre Project Management	Griffiths Consulting	Contract extended as ongoing works continued on the town centre.
Throsby Stage 1 – Electrical Reticulation	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	Contractor is the only one able to provide the services.
Huntly Consultancy	Ian Hughes	The consultant had previous experience managing the property in question. The time it would have taken to run a tender, would have meant that the property would have been without security or management for an unknown period of time.
Throsby Stage 2 - Electrical Reticulation	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	Contractor is the only one able to provide the services.
Throsby Stage 3 – Electrical Reticulation	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	Contractor is the only one able to provide the services.
Water Quality Monitoring – Campbell 5	University of Canberra T/a The Institute of Applied Ecology	Due to the supplier’s specialist knowledge.
Development Management Services	Gavin Kemp Consulting Pty Ltd	The work required was time critical. The consultant’s proposed rate provided better value for money given the skill set and experience they provided in comparison with other consultants with similar experience.
Engineering Consultant	Total Construction Professional	Limited suppliers available to do the work. Time constraints that didn’t allow for a tender process.
Planning Consultancy Taylor Residential Estate Stage 1	The Expert Client Pty Ltd T/a Tait Waddington	Works were time critical and the Consultant had already been involved in providing key input into the project.
Engineering Consultancy Taylor Residential Estate Stage 1	Indesco Pty Limited	Works were time critical and the Consultant had already been involved in providing key input into the project.

Throsby – Engineering and Project Management Consultant	Warwick Jones Construction Services Pty Ltd	Limited suppliers available to do the work. Time constraints that didn't allow for a tender process.
Lawson Stage 2 – Relocation High Voltage (11kV) Feeder Cables	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	ActewAGL are the sole supplier, expert and specialist for this required construction element. They represented good value for money. The equipment needed had to be compatible with existing infrastructure. Public tender would cause a delay in the construction program.
Campbell 5 Biodiversity Offset management plan – Yarralumla Equestrian Park	SMEC Australia	The environmental consultant engaged originally under his own-name company, Rob Jessop, folded the company and moved to SMEC. It was agreed, due to specialist prior knowledge of the project and to maintain consistency of relationships on the project with the Commonwealth, that the contract be renegotiated with him at SMEC.
City to the Lake – Acton Peninsular Structure plan	Oxigen Pty Ltd	The timing of completion of the work was critical to progressing the development of the IA business case and was recommended that it commence immediately. Oxigen had considerable experience in working within the planning frameworks of the ACT and was available to commence immediately. The timing prevents three quotes being sought. Oxigen's hourly rates were competitive and in terms of final output they were assessed as representing value for money.
Engineering/Project Management Consultancy	OPM Consulting	An exemption was required due to the time constraints required to train another internal staff member to carry out the role undertaken by the Consultant. This would have added a considerable amount of time and added pressure to staff in the line area.

Works: Kingston The Pier Offsite	Bloc (ACT) Pty LTD	Time constraints.
Kingston Foreshore Public Landscaping	Chase Building Group (Canberra) Pty Limited	To ensure consistency with other works completed on the site and ensure the work is completed on a timely basis.
Greenway East – Planning and Engineering Consultancy – Calibre Consulting	Calibre Consulting (ACT) Pty Ltd	Calibre had already been working on the project and provided key input into the development of the Greenway Estate, given works were time critical it was recommended that Calibre be granted a single select procurement.
ActewAGL Preliminaries – Relocation Works for Eastlake Stage 2	Icon Distribution Investments Limited and Jemena (ACT) Pty Ltd T/a ActewAGL Distribution	ActewAGL completed stage 1, and given the timeframes and budget it was agreed in good faith that they undertake discussions on stage 2.
City to the Lake (CtTL) – Project Control Board services	M21 Advisory Pty Ltd	The consultant’s skills, experience and working relationships from his previous roles in public and private sector, mainly in the fields of major infrastructure development and construction strongly aligned with the objectives of CtTL more broadly and the progression of the business case through the Common wealth and ACT gateway processes.
Urban Development Strategy and Policy Advice	The Trustee for Mabel Family Trust T/a Griffin Brooks Pty Ltd	The rates provided are comparable with industry for similar services.
Greenway East – Telstra realignments	Telstra Australia	Telstra already had existing infrastructure in the Greenway Estate. Only Telstra employees and authorised contractors are permitted to access/work on Telstra assets.
Kingston – Strategic Environmental Advisor	Senversa Pty Ltd	The contractor engaged originally at AECOM moved companies to Senversa. It was agreed due to the timeframe and prior knowledge of the project when working at AECOM, that the contract be renegotiated with him at Senversa.
Other Professional services	Harris Consultancy Inc	The consultant had unique expertise in developing a progressive planning and urban renewal agenda.

Other Professional Services	Beasley & Associated Planning Inc.	The consultant had unique expertise in developing a progressive planning and urban renewal agenda.
Sponsorship: Art not Apart festival	MG Cultural Program Pty Ltd	As a sponsorship, this item should have been reported under community engagement and sponsorships, rather than LDA contracts.
Provision of Document Quality Control and Contract System Services	John Victor Wildermuth	The identified supplier is sufficiently skilled and is able to commence work immediately.
Financial Services	Galant Pty Ltd T/a Galent Management Consulting	The consultant has extensive experience with the LDA and a comprehensive understanding of its financial arrangements and is available immediately.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA Community Engagement	Division: Land Development Agency Output class: LDA Page/s: 10, 11, 12, 20-2, 26, 52, 53, 209-213.
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KEY MESSAGES:

- The Land Development Agency (LDA) has adopted the International Association for Public Participation (IAP2) core values and public participation spectrum which represents industry best practice and differentiates between engagement models.
- These principles guide the type and extent of community engagement undertaken, ranging from ‘Collaboration’ where the community and Government work together to achieve a mutually beneficial outcome; to ‘Inform’, where the Government keeps the community informed on important issues that may affect them.
- The Canberra Brickworks Precinct Community Panel is an example of ‘Collaboration’. Establishment of a panel of this type was a first for the ACT Government and has been embraced by those involved. The panel provided community members an opportunity to influence the design and development outcomes and involved direct discussion with the proponents in formulating their proposals.
- Members of the panel represented a range of interest groups including Yarralumla residents and the National Trust.
- Road upgrades in the Dickson precinct was an example of ‘Inform’ community engagement, involving a range of media, including road side signage, flyers and email alerts. The engagement process was well received by the local community, with many positive comments received on the level and availability of information.
- More recently, the LDA has undertaken extensive community engagement associated with the redevelopment of the Red Hill public housing precinct. Despite early opposition, the engagement has been effective in working with the community to develop a proposal that addresses and reflects community input, including a reduction in building heights. Recent feedback from the community has been very positive.

Chris Wilson, Director, Office of the Director-General/CEO

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- This work is complemented by the Mingle program, which is a practical community development initiative that aims to assist residents in new LDA estates to develop the bonds of community. It seeks to build connections among residents and enable an emerging community to establish its own identity. The key elements of the program are education, celebration, information and capacity building. (more details and statistics below). There have been 30 Mingle events since July 2016.
- The LDA is continually reviewing and refining its engagement methods to ensure that the community is informed and involved on development activities. Based on positive feedback received, the work being done to improve community engagement is proving effective.

BACKGROUND INFORMATION

- The LDA uses a range of engagement methods, including:
 - LDA website;
 - CMTEDD website;
 - ACT Government Your Say website;
 - briefings, face-to-face meetings;
 - drop-in sessions;
 - workshops;
 - community council presentations;
 - flyers, letters, emails;
 - phone calls;
 - Your Canberra (print and e-newsletter);
 - media releases and media events;
 - social media – Twitter (LDA, CMTEDD);
 - ACT Government Facebook; and
 - participatory engagement methods e.g. community panels, citizen juries.

Mingle

- The program aims to build vibrant communities through activities such as new residents' programs, community events, working groups and more. The activities provide opportunities for people to get involved in their new community and meet and connect with their neighbours.
- Mingle began in Franklin in 2009 and has since been extended to Bonner, Moncrieff and the Molonglo Valley, with plans to extend into Throsby, Lawson and Taylor from 2017-18. In Wright and Coombs, the LDA has partnered with Communities@Work to facilitate Mingle activities for the community and provide a personalised and hands-on service to residents.
- **Community Support** - In 2015-16 the LDA supported and attended the 'Celebrate Gungahlin' festival, Real Estate Institute ACT Home Buyers Expo and the Moncrieff Display Village launch.
- **Resident Meetings** - The LDA initiated a monthly working group for Molonglo Valley and Bonner residents to discuss progress in the suburbs and opportunities for new events and activities.
- **Events/activities in 2015-16:**
 - 29 Mingle activities across Molonglo Valley, Bonner and Moncrieff.

- 6 Mingle community newsletters across Molonglo Valley, Bonner and Moncrieff.
- Activities included fitness classes, Bike day, Cancer Council's Biggest Morning Tea, Ranger Walk, Easter Egg Hunt, Parties at the Shops, Dogs Day Out and Astronomy Nights.
- **Digital engagement in 2015-16**
 - The LDA launched Facebook live-streaming at Community Information Sessions to encourage more interaction resulting in over 1,100 views of the live stream videos.
 - Over 629,000 unique page views on the LDA website.
 - 675 Facebook posts on LDA, Kingston Foreshore and Mingle pages.
 - 74 Tweets on LDA Twitter.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA Sponsorship

Division: Land Development Agency

Output class: LDA

Pages: 12, 25, 173, 212 and 213

KEY MESSAGES:

- Sponsorship of certain groups or activities provides an opportunity to enhance the LDA's and ACT Government's corporate identity and to promote government delivered programs and services.
- The LDA has a Sponsorship Policy which sets out the considerations for providing sponsorship, which include:
 - A preference for supporting not-for-profit organisations.
 - Sponsorship investment must offer tangible benefits to the LDA, such as marketing, communications and 'association' opportunities, or community engagement or education.
 - The public image of the sponsored organisation must be consistent with the goals and priorities of the LDA and, where applicable, applicant organisations must have honoured any past agreements with LDA.
 - All sponsorship proposals should be assessed in the context of the stated whole-of-government priorities for the relevant financial year. This will ensure that any funding provided to external entities through outgoing sponsorship assists in the implementation of those priorities.
 - An Outgoing Sponsorship proposal should provide a well measured mix of marketing rights and benefits.
- The LDA receives around 12 sponsorship requests each year and these are assessed against the policy. Requests for sponsorship over \$10,000 must be considered by the LDA Board.
- The LDA has a sponsorship budget of \$110,000 each year. This is generally fully expended. Sponsorship may also be provided through individual projects which are budgeted separately and directly related to an LDA project. Details of LDA sponsorships since 2013 are at Attachment A.

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- The LDA is a representative on a Whole of Government Sponsorships Delivery Group which is reviewing existing sponsorship policies to develop a forward thinking, easy to use strategy, that guides the thinking of sponsorship requests.
-

BACKGROUND INFORMATION

- The Whole of Government Sponsorships Delivery Group has the following objectives:
 - Identify current sponsorship structures.
 - Review and further develop stakeholder list, encompassing contacts across our agencies.
 - Identify assets and leveraging ideas.
 - Develop a forward thinking, easy to use strategy, that guides the thinking of sponsorship requests.
 - Identify and prepare sponsorships packages, including sponsorship levels, monetary value and the ability to tailor packages to target audiences.
 - Manage stakeholder relationships and develop reporting lines for relationship management according to investment value.
- Since the establishment of this group any new sponsorship requests received by the LDA are discussed with the group to ensure agreements are consistent with the sponsorship objectives.

LDA SPONSORSHIPS SUMMARY 2013-17

Sponsorship budget each year (non Project related)

\$110,000 including GST

TOTAL SPONSORSHIP**\$575,406.50**

2013-14		
Supplier	Activity	Amount inc GST
Northpointe Baptist Church	Platinum Partners for Christmas Carols on 1 December 2013. Includes naming rights, logo inclusions throughout, information tent.	\$4,400.00
ACT Govt - Economic Development, Business Development	Annual sponsorship of Canberra-Crete your Future program	\$5,500.00
Blinc International International - David Pocock	Consultancy Services for 2014 - January to June	\$27,500.00
Master Builders ACT	Publication Partner, Master Builders Centenary Book	\$2,500.00
Devil Moon	Sponsorship of Parties at Shops activities for 2014.	\$44,000.00
Devil Moon	Sponsor Gungahlin Community Christmas Carols.	\$4,400.00
Tuggeranong Salvation Army	Sponsor for Christmas Carols on 15 December 2013.	\$5,000.00
Australian Property Institute	Sponsor for ACT Industry Forum/AGM 26 March 2014 at National Gallery	\$2,750.00
Civil Contractors Federation	Sponsor for CCF Earth Awards including 4 tickets to awards 9 May 2014.	\$3,800.00
REIACT	Hosting a booth on 15 May 2014	\$1,950.00
Total LDA Sponsorships Expenditure (non project related)		\$101,800.00

Blinc International International - David Pocock	Consultancy Services for 2013 - July to December	\$27,500.00
Neighbourhood Watch Franklin	Sponsorship of the quarterly NHW Newsletter in Franklin for 3 years from July 2013.	\$1,800.00
Conservation Council	Support for creating a Molonglo Treasures Publication	\$22,000.00
Total other (project/Mingle) Sponsorships Expenditure		\$51,300.00

2014-15		
Supplier	Activity	Amount inc GST
Australian Property Institute Awards of Excellence	Award Sponsor for the Young Property Professional	\$4,400.00
The Salvation Army	Sponsoring the Carols Event	\$5,000.00
REIACT	Hosting a booth at the Home Buyers Expo on 15 March 2015	\$4,400.00
JACS	Contribution to restoration of steam locomotive - Railway Historical Society	\$25,000.00
Communities@Work	Sponsorship of community festival - 'Celebrate Gungahlin'	\$5,500.00
Australian Property Institute	Sponsorship of ACT Industry Forum	\$3,025.00
MBA/Civil Contractors Federation	Sponsorship of CCF Earth Awards	\$3,800.00
Asthma Foundation	Sponsorship of a longest lunch supporting the Asthma Foundation ACT	\$5,000.00
Devil Moon	Party at the Shops	\$15,000.00
Gallery of Australian Design	GAD Sponsorship 2015	\$25,000.00
Canberra Glassworks	Winter Glass Market 20 June 2015	\$5,000.00
Total LDA Sponsorships Expenditure (non project related)		\$101,125.00

Molonglo Group - Cultural Fund	Sponsorship of Art, Not Apart festival to promote CttL	\$82,461.50
Total other (project/Mingle) Sponsorships Expenditure		\$82,461.50

2015-16		
Supplier	Activity	Amount inc GST
Construction Industry Training Council	2015 CITC Training Excellence Awards - Silver	\$2,750.00
Leukaemia Foundation	Sponsor event on 9 October at KF - Light the Night	\$5,000.00
Blinc International	Ambassador Agreement - David Pocock - 1st installment	\$13,750.00
Blinc International	Ambassador Agreement - David Pocock - 2nd installment	\$13,750.00
Aust Property Institute	API Excellence in Property Awards	\$4,400.00
Salvation Army	Sponsor of Christmas Carols Tuggeranong	\$5,000.00
REIACT	Sponsorship of 2016 Expo - REIACT Home Buyers Expo	\$5,500.00
Community Housing Canberra	CHC Micro-unit exhibition sponsorship	\$10,000.00
Devil Moon	Parties at the Shops 2nd installment - Approved from 2014-15	\$15,000.00
Canberra Glassworks	Winter Glass Market 2016 sponsorship	\$3,000.00
Communities@Work	Sponsorship of Celebrate Gungahlin Festival	\$15,800.00
Australian Property Institute	Sponsorship of the 2016 API ACT Industry Forum	\$3,520.00
Master Builders Association	Sponsorship of the 2016 CCF Earth Awards	\$3,800.00
Construction Industry Training Council	2016 CITC Training Excellence Awards - Silver	\$1,650.00
Total LDA Sponsorships Expenditure (non project related)		\$102,920.00

LDA Sponsorships from LDA Mingle/other budgets		
Supplier	Activity	Amount inc GST
Molonglo Group Cultural Program	Art, Not Apart Festival 2016	\$88,000.00
Molonglo Group Cultural Program	Art, Not Apart Festival 2016	\$11,000.00
Molonglo Group Cultural Program	Art, Not Apart Festival 2016	\$11,000.00
Total other (project/Mingle) Sponsorships Expenditure		\$110,000.00

2016-17		
Supplier	Activity	Amount inc GST
Leukaemia Foundation	Sponsorship of Light the Night event at Kingston Foreshore on 9 October 2016.	\$5,000.00
Communities@Work	Sponsorship of Celebrate Gungahlin Festival 2017	\$15,800.00
Salvation Army	Sponsorship of Carols in Tuggeranong Town Park 2016	\$5,000.00
Total LDA Sponsorships Expenditure (non project related)		\$25,800.00

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT:	Ecologically Sustainable Development - LDA	Division: Land Development Output class: LDA Page/s: 41- 66
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KEY MESSAGES:

- The Land Development Agency (LDA) continued to undertake comprehensive sustainability reporting for all of its projects in the ACT. Data was collected and aggregated against a series of sustainability indicators for inclusion in the LDA Annual Report.
- Ginninderry achieved a GreenStar Communities Rating of 6 stars in the 2015-16 financial year through the Green Building Council of Australia's Green Star – Communities tool.
 - The LDA, along with other Government Land Organisations, has been a sponsor of the tool, which is used to independently assess the sustainability of communities throughout Australia.
- The LDA finalised water quality monitoring at the Amaroo Group Centre in 2015-16 and continues to monitor water quality at Campbell 5, where water sensitive urban design features including rain gardens, permeable paving and the innovative Stratacell™ product (a soil structure system to support trees and plants), have been installed.

BACKGROUND INFORMATION

- The LDA's sustainability reporting system was developed to comprehensively report on the environmental, social and economic sustainability of its land developments. Eight key themes for sustainability reporting in LDA projects were identified:
 1. energy and emissions;
 2. water;
 3. landscape and biodiversity;
 4. waste and materials;
 5. influencing design;
 6. community;
 7. transport; and
 8. affordability.
- LDA projects progress through a number of stages of development. Different stages of this process are captured through four 'reporting phases' – due diligence, planning, civil works and post-occupancy. The aggregated data was included in

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Section B9 of the 2015-2016 LDA Annual Report and provides a measure of the sustainability initiatives undertaken by the LDA such as:

- identifying and protecting threatened species, populations and ecological communities, including appropriate management strategies during construction and the creation of offset areas;
 - undertaking extensive remediation works to remove contamination and ensure development areas are made safe for future land development and recreational uses;
 - ensuring active living principles are a key aspect considered in new LDA estates through good design of pedestrian and cycle networks; and
 - maintaining involvement with the community through the Mingle Community Development Program including hosting community events and providing information to the community through newsletters and welcome packages for new residents.
- Water sensitive urban design (WSUD) is included in all new developments under the Territory Plan, as part of the ACT Government's broader strategy of responsible water resource management. WSUD seeks to use a more sustainable approach by integrating water management into urban development.
 - In 2015-2016 all LDA projects had a specific WSUD strategy appropriate to the size and location of the project. Examples of WSUD initiatives include castellated kerbs, rain gardens, swales, urban wetlands, permeable paving and the innovative Hydrocon™ product (installed in Coombs).
 - Water monitoring continues in Campbell 5 to determine the impacts of development on water quality targets. The water monitoring will allow us to test a number of WSUD initiatives.
 - Solar hot water was mandated through the suburb of Coombs. This was the first LDA estate to implement a mandatory solar hot water requirement which achieved close to 100% per cent uptake (all residents bar one).
 - The LDA continues to undertake a range of ecological assessments and helps to protect threatened species, populations and ecological communities through the ACT. Golden sun moth habitat, striped legless lizard and pink tail worm lizards have been found within several developments. The LDA continues to work under the *Australian Government's Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)* to ensure the protection of these important flora and fauna, as well as the *Nature Conservation Act 2014 (NC Act)*
 - The LDA also continues to report on its internal energy, waste, transport fuel and waste consumption and the associated greenhouse gas emissions in line with the ACT Government's Annual Reporting requirements.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Land Supply and Block Prices	Division: Land Development Output class: N/A Page/s: N/A
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KEY MESSAGES:

- Canberra's population is nearing 400,000 people and continues to grow at a rate of 6,000 per annum.
- Based on the rate at which households form (children leaving home, interstate migrants arriving, family breakdown, etc), the Territory needs to grow its housing stock by around 2,700 to 3,000 per annum.
- The Government, through the LDA, has released over 15,000 dwelling sites in the past four years, well above demand of around 12,000.
- The mix of releases has shifted from a 70/30 split (Greenfield versus infill) in previous decades to a 50/50 split. The mix of land types has changed with increases in apartment and townhouse/terrace sites and a decrease in single residential blocks. In 2015-16, this mix was 1,159 sites for single housing, and 2,865 for multi-unit housing.
- With the planned release of a number of new suburbs, the Government will rebalance this mix to accommodate more single residential and semi-detached housing sites.
- All blocks are independently valued and are sold at market rate by ballot or auction and in accordance with ACT legislation. Median single residential block prices per square metre in 2016 are as follows:

	LDA Release	Private Sector Release
Moncrieff	\$519	
Lawson	\$771	
Casey		\$581
Ngunnawal		\$661
Googong (NSW)		\$512

- The average price achieved in Throsby in 2017 is \$972 per square metre. This premium release in one of the last Gungahlin suburbs, with convenient access to North Canberra, and the major transport routes of the Federal Highway and Majura Parkway, was highly anticipated. In contrast, blocks

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currently being marketed in Taylor are at prices between \$630 to \$800 per square metre.

BACKGROUND INFORMATION

- Canberra's population and household formation growth is accommodated by the release of new land by the ACT Government (the land release program) and by private lessees redeveloping existing sites. The Government releases land according to wider planning and economic objectives, in particular, the desire from the community to limit urban sprawl and increase density along transport corridors and around town and local centres.
- The Government's land release program over the last few years has responded and shifted from a 70/30 split (Greenfield versus infill) to a 50/50 split. As a result, the mix of land types in the release program has changed accordingly, with increases in apartment and townhouse/terrace sites and a decrease in single residential blocks. With the planned release of a number of new suburbs, the Government will rebalance this mix to accommodate more single residential and semi-detached housing sites.
- The number of persons per household in Canberra had been falling steadily over the past 30 years. More recently, however, it has stabilised at 2.6 persons, and anecdotal evidence suggests that it may have increased slightly in the past five years. This is attributed to larger household sizes among particular ethnic groups, as well as children living at home longer.
- The Environment, Planning and Sustainable Development Directorate is undertaking a piece of work titled "Housing Choices" to investigate whether the housing needs of the Canberra community are currently being met. This discussion paper will soon be provided to Minister Gentleman for approval with an anticipated public release by the end of April 2017. Anecdotally, there appears to be a "missing middle" in housing stock/land releases, which the LDA considers to be townhouse/terrace style product.
 - There is good evidence to confirm this view. For example, some developers have zoning rights to develop sites capable of several hundred apartments in Molonglo but have chosen to build less dense developments comprising around 50-70 townhouses instead.
 - LDA has used this feedback to inform the design of new estates in Moncrieff and Taylor.
- The Government is responding to changing housing preferences as evidenced by the new Ginninderry Joint Venture (West Belconnen). Across the four planned suburbs, there will be a mix of housing as follows:
 - The Urban Village will be close to the Market Centre. It will include apartments, terrace homes, mews and single dwellings, close to cafés, restaurants and other small businesses.
 - Village Link precincts will offer lower density than the Urban Village and include detached homes, townhouses and terrace homes, with parks and playgrounds sprinkled throughout.
 - Traditional areas will be characterised by detached one and two storey homes on larger blocks.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: Freedom of Information – Land Development Agency	Division: Land Development Agency Output class: LDA Page/s: JACS Annual Report, pp. 307-311.
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KEY MESSAGES:

- The Land Development Agency (LDA) received 21 Freedom of Information (FOI) requests during the 2015-16 reporting period.
- LDA made access decisions on 16 requests, two requests were withdrawn, and three were carried over to 2016-17.
- LDA processed two requests for internal review. Both requests for internal review were affirmed, but the decision maker determined that some additional information could be released without detriment.
- The ACT Ombudsman's Office received two requests for review due to extended delays in finalisation of FOI decisions. Both ACT Ombudsman investigations determined that no further investigation was warranted.

BACKGROUND INFORMATION

- The 21 requests for access processed during the reporting period included three requests pending at 30 June 2015 that were carried over to 2015-16.
- The following is a breakdown of the published totals for LDA FOI requests:

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Initial requests to access documents	Full access	Partial access	Refused access ¹	Refused access (Full exemption)	Withdrawn	Decision pending ²
21	5	9	2	0	2	3

¹ No documents exist, documents are available online, documents are available for a fee or request was transferred to another agency

² Awaiting response from applicant regarding revision of scope or charges, or application carried forward into 2016-2017

30 days or less	31 - 45 days	46 - 60 days	61 - 90 days	91 days or more
6	3	1	1	5

- LDA makes every effort to comply with the legislative timeframes for FOI processing. In some cases this is not possible and an extension of time is sought from the applicant. Processing times may be affected by the following factors:
 - a large number of documents must be considered;
 - the information contained in the documents is complex;
 - legal advice is required regarding the application of exemptions from release;
 - clarification or change in scope is requested from the applicant due to ambiguous or very broad request;
 - reduced processing days remaining for requests transferred from other Directorates following document searches and identification of documents held by LDA.
- An extension of time is provided for within the legislation in cases where:
 - third-party consultation and consideration of submissions is required regarding relations with the Commonwealth and States, personal privacy, or business affairs; or
 - an applicant has been provided with an estimate of charges to be applied for processing their request.

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SUBURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

<p>SUBJECT: LDA Board</p>	<p>Division: Land Development Agency Output class: LDA Page/s: 9,11,12,13-16, 18, 21, 29, 20, 75, 145, 181</p>
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KEY MESSAGES:

- The Land Development Agency (LDA) Board is established under the *Planning and Development Act 2007* (Planning Act).
- The Board must consist of between five and eight members, including the Chief Executive Officer (CEO) of the LDA, who is an ex-officio member.
- Board member appointments change over time due to new appointments, appointments expiring, or because of changes in member circumstances. Board membership for the 2015-16 reporting period is set out at pages 14 to 16 of the Annual Report.
- There are currently 8 members of the Board whose terms of appointment are set out below (asterisk denotes renewal dates for members appointed for more than one term):
 - *Ross Barrett (Chair) – 1 July 2015 to 30 June 2017
 - *Sandra Lambert (Deputy Chair) – 1 July 2016 to 30 June 2018
 - *Jim Shonk – 1 July 2016 to 30 June 2018
 - Chris Purdon – 28 October 2014 to 30 June 2017
 - Cherelle Murphy – 1 July 2016 to 30 June 2018
 - Yvonne von Hartel – 2 August 2016 to 30 June 2018
 - Con Kourpanidis – 2 August 2016 to 30 June 2018
 - David Dawes – No fixed term of appointment for the LDA CEO
- The last member to leave the board was Rob Tonkin, whose appointment expired on 30 June 2016 following two periods of board appointment.
- Board appointments are made by the responsible Minister. The appointments made in July and August of 2016 were by the then Minister for Urban Renewal, Andrew Barr MLA.
- The Planning Act sets out the disciplines and expertise for the Minister to consider in appointing board members. The Chief Minister, Treasury and Economic Development Directorate provides advice on potential candidates that hold relevant expertise in the legislated disciplines of land development, landscape architecture, sustainable development,

Insert name and title of Executive

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economics, public law, finance or accounting, public administration and engineering.

- Members may be appointed for more than one term.
- The Remuneration Tribunal, pursuant to the *Remuneration Tribunal Act 1995*, determines the remuneration for the CEO and Board members.

BACKGROUND INFORMATION

- The LDA is established under section 31 of the Planning Act. The Planning Act is one of two critical pieces of legislation governing the LDA. The other is the *Financial Management Act 1996* (FMA).
- Sections 42 and 43 of the Planning Act state the LDA has a governing board comprising at least five (but not more than eight) members (appointed for not more than four years), one of whom is the CEO of the LDA (who is not subject to the four-year limit).
- The Minister is responsible for appointing members of the Board. Section 78 of the FMA notes that the criteria for appointing a person to the Board is whether they can contribute to the goals and objectives of the governing board; however, the Planning Act lists certain professions and expertise that the Minister might look for.
- Section 79 of the FMA states that the Minister may appoint a chair and deputy chair of the Board.
- Section 33 of the Planning Act states that the LDA must comply with directions given to it under the Planning Act or another territory law. Section 37 specifically provides for the Minister to give written directions to the LDA about the principles to govern its functions; however, before doing so, the Minister must tell the LDA about the proposed direction, give the LDA a reasonable opportunity to comment on it, and consider any such comment.
- Ministerial directions are a notifiable instrument, and the Territory must pay to the LDA the reasonable net cost of complying with such directions.
- Section 40 of the Planning Act requires the LDA to produce an Annual Report which the Minister must table in the Legislative Assembly.
- Section 61 of the FMA states that the authority must give the Treasurer a statement of intent (SOI) for each financial year, having first consulted the responsible Minister and then considering the Minister's comments. The SOI must be agreed by the Minister and the Board chair and must include financial statements, objectives of the authority for the forthcoming four years, performance criteria, and an assessment of performance of the authority in the immediate past (s.61).
- Section 103 of the FMA states that the responsible Minister for a relevant territory authority may, after consulting the authority, tell the authority the general government policies that are to apply to the authority; and the relevant territory authority must ensure that the authority complies, as far as practicable, with the applicable governmental policies.

Remuneration

Position	Remuneration per annum	Determination	Date of effect
CEO LDA	\$254,804	Full-time statutory office holder (Determination 4 of 2015)	1 July 2015
LDA Board Chair	\$73,455	Part-time public office holder (Determination 12 of 2015)	1 November 2015
LDA Board Deputy Chair	\$58,780	Part-time public office holder (Determination 12 of 2015)	1 November 2015
LDA Board Members	\$44,080	Part-time public office holder (Determination 12 of 2015)	1 November 2015

Position	Remuneration per annum	Determination	Date of effect
CEO LDA	\$261,174	Full-time statutory office holder (Determination 4 of 2016)	1 July 2016
LDA Board Chair	\$75,295	Part-time public office holder (Determination 12 of 2016)	1 November 2016
LDA Board Deputy Chair	\$60,250	Part-time public office holder (Determination 12 of 2016)	1 November 2016
LDA Board Members	\$45,185	Part-time public office holder (Determination 12 of 2016)	1 November 2016

STANDING COMMITTEE ON PLANNING AND URBAN RENEWAL
MINISTER FOR HOUSING AND SURBAN DEVELOPMENT
ANNUAL REPORT HEARING 2015-16

SUBJECT: LDA Joint Ventures

Division: Land Development

Output class: LDA

Page/s: 28, 138, 149-165

KEY MESSAGES:

- The Land Development Agency (LDA) engages in a variety of mechanisms including Joint Ventures and englobo sales to develop land.
- Joint Ventures (JV) were used to develop the suburbs of Crace and Forde. All land releases in Crace and Forde have been completed.
 - The Forde JV administration was concluded during 2015-16.
 - The Crace JV is awaiting completion of outstanding financial matters.
- A new long term JV has been formed to develop Ginninderry in West Belconnen.
 - The Joint Venture agreement for the delivery of West Belconnen – Ginninderry commenced on 19 May 2016, subject to the disallowance period for Draft Amendment 86 of the National Capital Plan, which expired in November 2016.

BACKGROUND INFORMATION

- JV's a land release mechanism available to the ACT Government and provide an opportunity for the ACT Government (through the LDA) and private sector (joint venture partner) to work in partnership to release serviced dwellings sites or multi-unit sites for dwellings in accordance with the Indicative Land Release Program.
- JV's are unincorporated entities which are managed by a Joint Venture Management Committee (JVMC) comprising members of the LDA and the joint venture partners. They are generally chaired by an independent Chairperson.
- JV's have formal agreements in place outlining roles and responsibilities. They have formal procedures manuals approved by the JVMC. Project reporting occurs regularly. Documentation will vary with the life span, scale and complexity of specific projects but it will include: agreements, Business Plans, Biannual financial reviews, Budget analysis and Review, project programs, project assessment and the minutes and papers of the JVMC and Project control meetings.

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- JV's have processes to obtain appropriate legal and taxation advice to protect the interest of the JV on a project by project basis, as and when required.
- JV's undergo regular review and audit processes.
- Forde Joint Venture was a partnership between LDA and Forde Developments Pty Ltd, a partnership between CIC Australia and Lend Lease.
- Crace Joint Venture is a partnership between LDA and Crace Development Pty Ltd, a consortium led by CIC Australia (project manager and major consortium partner), Defence Housing Australia and CHC Affordable Housing.
- During 2015-16 FY LDA formally commenced a Joint Venture agreement for the development of West Belconnen – Ginninderry.
 - Prior to November 2016 the West Belconnen project operated under a Heads of Agreement signed by the Territory in May 2013.
- The West Belconnen (Ginninderry) Joint Venture is partnership between LDA and the Riverview Group representing the Corkhill Brothers.
 - The ownership share is 60% LDA, 40% Riverview projects.
- Ginninderry is a long term project (around 25 years) which comprises land in the ACT and NSW. There are associated cross border complexities being managed with appropriate consultation with relevant cross border stakeholders.
- The Ginninderry JV Heads of Agreement envisaged that upon rezoning subsequent project agreements would be entered into to deliver around 11,500 dwelling over around 25 years. See also the related brief *Ginninderry Joint Venture*.