



ACT
Government

**CITY
RENEWAL
AUTHORITY**

Annual Report

2022-23

Acknowledgement of Country

We acknowledge the Ngunnawal people as Traditional Custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

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Prepared by the City Renewal Authority, October 2023.

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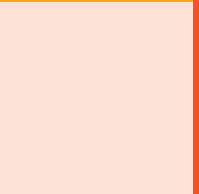
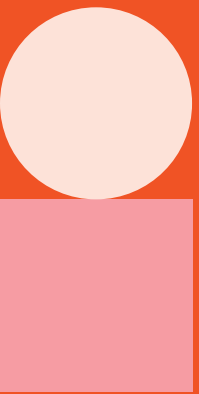
Canberrans enjoying the Salthouse Community Centre.

Imagery acknowledgements

Benjamin Arnedo, Sophie Burmester (Bisou Photographs) and Kerrie Brewer.

Annual Report

2022–2023



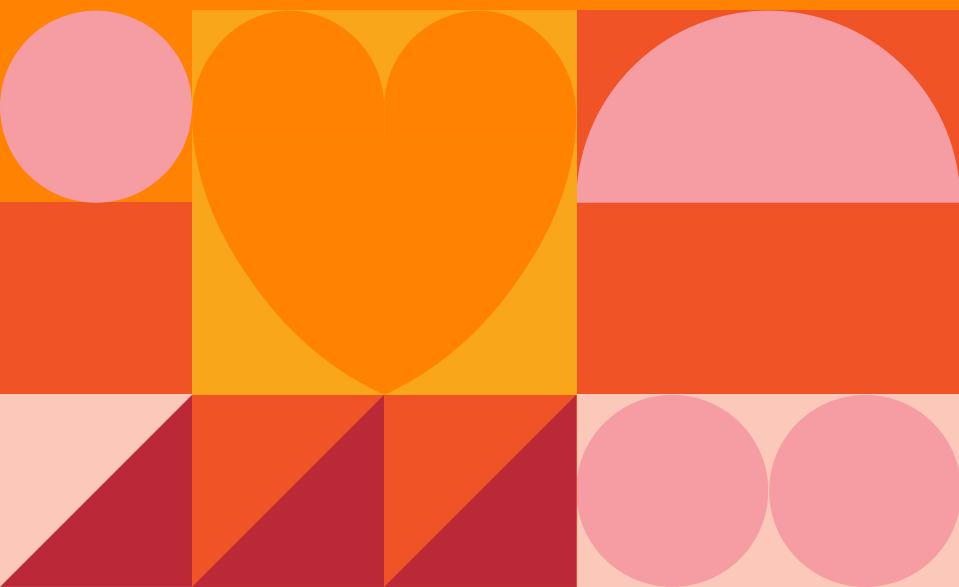
ACT
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**CITY
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AUTHORITY**

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Verity Lane, in the Sydney Building, at night following public domain upgrades

Section A: Transmittal certificate



3 October 2023

Ms Yvette Berry MLA
Acting Chief Minister
ACT Legislative Assembly
Canberra ACT 2601

Dear Acting Chief Minister

2022-2023 City Renewal Authority Annual Report

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Reports Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the City Renewal Authority.

We certify that information in the attached annual report, and information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the City Renewal Authority has been included for the period 1 July 2022 to 30 June 2023.

We hereby certify that fraud prevention has been managed in accordance with the *Public Sector Management Standards 2006 (repealed)*, Part 2.3 (see section 113, of the *Public Sector Management Standards 2016*).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Covington'.

Christine Covington
Chair
City Renewal Authority Board

A handwritten signature in black ink, appearing to be 'Malcolm Snow'.

Malcolm Snow
Chief Executive Officer
City Renewal Authority

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Compliance statement

The 2022–23 *City Renewal Authority Annual Report* must comply with the Annual Reports (Government Agencies) Directions 2023 (the Directions) made under section 8 of the *Annual Reports (Government Agencies) Act 2004*. The Directions are on the ACT Legislation Register: legislation.act.gov.au

The compliance statement indicates the subsections under Parts 1 to 5 of the Directions that apply to the City Renewal Authority (the Authority) and the location of information that satisfies these requirements.

Part 1 – directions overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution, and records-keeping of annual reports. The 2022–23 *City Renewal Authority Annual Report* complies with all subsections of Part 1 of the Directions.

To comply with section 15, Feedback, in Part 1 of the Directions, the 2022–23 *City Renewal Authority Annual Report* provides contact details for the Authority, giving readers the opportunity to provide feedback.

For further information, contact:

Craig Gillman
Deputy Chief Executive Officer
02 6205 1878

Part 2 – reporting entity annual report requirements

The requirements within Part 2 of the Directions are mandatory for all reporting entities, and the Authority complies with all subsections. The information that satisfies the requirements of Part 2 is in the 2022–23 *City Renewal Authority Annual Report* as follows:

- Transmittal Certificate – see page 6.
- Organisational Overview and Performance, inclusive of all subsections – see page 16.
- Financial Management Reporting, inclusive of all subsections – see page 70.

Part 3 – reporting by exception

The Authority has nil information to report by exception under Part 3 of the Directions for the 2022–23 reporting year.

Part 4 – annual report requirements for specific reporting entities

The 2022–23 *City Renewal Authority Annual Report* complies with the applicable subsection of Part 4 of the 2022 Directions as follows:

- The content specified by section 14(2) of the *City Renewal Authority and Suburban Land Agency Act 2017* (CRA&SLA Act) – see Section B and appendices 1 and 2 of this annual report.
- A report on the City Centre Marketing and Improvements Levy – see Section B.

There is no requirement for the Authority to maintain public land management plans.

The CRA&SLA Act is on the ACT Legislation Register: legislation.act.gov.au/a/2017-12

Part 5 – Whole of government annual reporting

All subsections of Part 5 of the Directions apply to the Authority. Consistent with the Directions, reporting satisfying these requirements is in one place for all ACT Public Service directorates:

- Bushfire risk management – see the annual report of the Justice and Community Safety Directorate.
- Human rights – see the annual report of the Justice and Community Safety Directorate.
- Legal services directions – see the annual report of the Justice and Community Safety Directorate.

- Public sector standards and workforce profile – see the annual State of the Service Report.
- Territory records – see the annual report of the Chief Minister, Treasury and Economic Development Directorate.

ACT Public Service directorate annual reports are on the Chief Minister, Treasury and Economic Development Directorate website:

cmd.act.gov.au/open_government/report/annual_reports



Canberrans and visitors enjoying the 2023 National Multicultural Festival, Bundra Street



Christine Covington

Report by the Chair of the Board

The 2022-23 financial year has been one of significant achievement for the City Renewal Authority.

With numerous city-shaping projects underway and data showing more and more visitors to the City Centre, the benefits of our work will only compound over the coming decades.

The completion of the Salthouse Community Centre in Haig Park represented a major milestone for the Authority. The project showcased the many principles of our renewal approach, from its focus on sustainability and accessibility to its beautiful design and various community uses.

We continued to progress our vision for the City Renewal Authority precinct. This includes the Canberra Civic and Culture District (CCCD), with ongoing land releases nearby (subject to planning controls) that will help the Precinct thrive into the future, particularly as the planned Canberra Theatre redevelopment takes place, led by the Cultural Facilities Corporation.

Our facilitation of a CCCD 'Ideas Jam' among key stakeholders highlighted our inclusive and collaborative approach. The event was warmly received and started an important conversation about

how we can create a world-class arts and culture district over the coming years.

This type of leadership and expertise received formal recognition in 2022-23, with the Acton Waterfront Phase 2 receiving industry accolades:

- Winner of two awards at the 2023 Civil Contractors Federation ACT Earth Awards, including 'Project of the year'.
- Winner of the Civil Other category in the 2023 National Master Builders Excellence Awards.

While the new Acton Waterfront boardwalk has been well received – itself a major engineering and construction feat – the new public park and future city neighbourhood will transform the lakefront of the City Centre.

In bringing an adventure playground, cafes and pavilions, accessible public toilets and event lawns to the Acton Waterfront, the Authority will create a major destination and put a new community on its doorstep. Further transformation will occur over the coming years in the City south-east region as the Authority leads ACT Government investigations into various sites and potential future uses.

While such city-shaping projects continue to unfold, I am pleased in the Authority's renewed commitment to sustainability. This reporting period saw the Sustainability Action Plan 2023-2025 published with renewed targets and activities for each of our sustainability principles. This is ensuring the Authority puts sustainability at the core of everything we do, from ensuring climate-wise design and sustainable use of resources to supporting active travel and social vibrancy.

These sustainability principles will be at the forefront of the planned Garema Place upgrade, as they were during the first stage of the Authority's 2020 City Walk upgrade. These upgrades also highlight the people-focused approach taken by the Authority. A consultation for the planned Garema Place upgrade received strong community and business participation, resulting in meaningful outcomes. It was pleasing to see that, while there was strong general support, the team is also incorporating key themes and feedback.

This project – as well as the Acton Waterfront development – has also involved strong engagement with local First Nations representatives. This includes the Aboriginal and Torres Strait Islander Elected Body (ATSIEB) and Dhawura Ngunnawal Caring for Country Committee (DNCCC). The Authority plays a key role in reinforcing our city's identity and First Nations cultures and histories are a critical part of this. I look forward to seeing the outcomes of such consultations and how they shape these major projects over the coming years.

The ongoing engagement with the City Centre Marketing and Improvements Levy (CCMIL) Advisory Group continues to guide investment in events and initiatives focused on drawing more visitors and economic activity in the City Centre and Braddon. This co-design approach to our yearly *Place Experience and Marketing Program* will ensure our goals continue to align with those of businesses on the ground.

Thank you to the Authority's staff for your expertise and drive in delivering such high-quality outcomes for the Canberra community. I would also like to acknowledge the leadership and vision of our Chief Executive Officer (CEO) Malcolm Snow and the work

of Craig Gillman for acting as Chief Executive Officer for four and half months.

I also wish to thank my fellow Board members for sharing your time, experience and leadership. It was a privilege to be reappointed as Board Chair this year, with expert member Alison Kimber also reappointed. I was delighted to have Marcia Doheny join the Board as the Deputy Chair at the beginning of 2023. My sincere thanks in particular goes to Professor Ken Maher AO and Gabrielle Trainor who stepped down from their roles on the Board after six years of strong input and guidance. We welcomed experienced architect Peter Mould to the Board commencing 1 July 2023.

I look forward to seeing the Authority continue to foster a City Centre that is the beating heart of Canberra – a place of social, economic and cultural significance for the whole community.

Christine Covington
Board Chair



Canberra Civic and Culture District Ideas Jam



Malcolm Snow

Report by the Chief Executive Officer

The City Renewal Authority has accelerated its transformation of the City Centre in 2022-23.

From two milestone land releases and streetscape upgrades to major festivals and the opening of a new community centre, our diverse renewal program has become a key driver of social and economic activity across our precinct.

Three important and co-dependant pillars are the foundations for our activities: sustainable development, user-centred design, and place experience. Put simply, it is about creating a city centre that people want to keep coming back to.

New place-based data shows we achieved this with our 2020 upgrade of City Walk, which has contributed to 340 per cent more evening visitors in the area. The trend is perhaps best understood with a walk through this beautiful space, where you will invariably see crowds of people enjoying meals and being together.

This annual report highlights the ongoing and recently completed projects that will have similar impacts on the City Centre in the coming years. In designing our

projects around people – and giving them a voice in that process – we have a surer roadmap to success in our placemaking.

I want to acknowledge the Authority's small but hardworking team for continuing to deliver high quality outcomes in 2022-23, with a special thanks to Craig Gillman for acting as the CEO for four and a half months when I was on leave.

In combination, our award-winning designs, infrastructure upgrades and events are having an enduring and positive impact for whom it matters most: our community.

Financial outcome

In 2022-23, the Authority realised an after-tax statutory operating deficit of \$9.15 million. This compared with a budgeted after-tax operating profit of \$30.4 million. The difference is due to land settlements, with none occurring in the Precinct during the period. As such, the Authority did not declare a dividend in 2022-23.

Net assets were \$106.1 million at 30 June 2023, reflecting a strong upward increase in asset holdings.

Project delivery

The Authority's projects and events continue to positively change perceptions of our City Centre, enliven its public spaces and support local businesses.

Key 2022-23 achievements:

- Opening the Salthouse Community Centre.
- Completing upgrades to Verity and Odgers Lanes, behind the Sydney and Melbourne Buildings, and Woolley Street in Dickson, and constructing the City Hill footpath.
- Running a high-profile consultation for the planned Garema Place upgrade.
- Conducting numerous successful events.
- Leading two milestone land releases.
- Winning industry awards for City Walk design and Acton Waterfront construction.
- Supporting the largest ever National Multicultural Festival in the City Centre.

A common thread runs through these achievements, which is our focus on unlocking the social and economic potential of the City Centre.

The opening of the Salthouse Community Centre – the jewel in the crown of a revitalised Haig Park – exemplifies this. The beautiful centre opened in May 2023 and honours the late disability advocate and 2020 ACT Senior Australian of the Year, Sue Salthouse. From birthday parties and work functions to community events and more, the centre is drawing more and more people to the park.

Our upgrades to Verity and Odgers Lanes in the historic Sydney and Melbourne Buildings will have a similar impact over time. The laneways reopened in June 2023 and now feature decorative lighting, new surfaces and plantings. With vehicle access changes enabling greater outdoor dining in Verity Lane, businesses are showing strong interest in how they can curate exciting day- and night-time experiences for locals and visitors.

The evolution of our City Centre through a partnership with private enterprise will only increase over the years ahead. In the coming months we will

finalise our 2022-23 release of two blocks of land near City Hill – Block 1 Section 121 and Block 40 Section 19. In assessing tender submissions, our team will ensure they are high-quality and sustainable developments befitting their prominent central locations.

We also continue to give community, business, and other key stakeholders a prominent voice in our projects. For example, we received more than 400 pieces of formal input to our proposed Garema Place upgrade project. This strong participation reflects the importance of Garema Place as a key visitor destination, as well as the trust in our agency to realise a more attractive and accessible public space for the city's citizens.

As we saw with the completion of the Woolley Street upgrades in Dickson, such upgrades transform our public environment and support both everyday life and special events. This was particularly evident in Dickson's Lunar New Year Celebration, which provided more than 7,000 locals and visitors a feast for the senses. The redesigned street also supported local business to provide an outdoor dining experience previously not possible in this multicultural dining precinct.

Our analysis of the footfall data we regularly compile illustrates the impacts of these events on not just bringing people to the city for a good time, but the flow-on benefits for local business. Some key figures:

- Christmas in the City: 42 per cent increase in evening visitation, 20,000 free merry-go-round rides, and \$3 million more spent in local businesses.
- Summernats Braddon Fringe Festival: more than \$1 million spent at local businesses.
- City Illuminations @Enlighten Festival contributed to more people coming into the City Centre on opening night than on New Year's Eve.

With independent market research showing that the average visitor to the City Centre spends \$114 per visit, we can demonstrate the strong return they provide to the local economy.

Governance

The Authority's governance structures supported our efficient operation in 2022-23. We monitor and

communicate their effectiveness through internal audits, management checks and policy documents.

Workplace health and safety remained a high priority for the Authority with ongoing risk assessment activities within our projects including documentation reviews and on-site inspections.

I am extremely proud of the Authority's ongoing positive culture and am committed to maintaining this in the coming year. Our annual survey on workplace culture in 2022-23 provided very pleasing results particularly in the areas of work climate, motivation and leadership. The ACT Public Sector (ACTPS) Survey showed similarly positive results with the Authority's results well above the ACTPS average.

Outlook

I am truly excited about what we aim to achieve in the coming years.

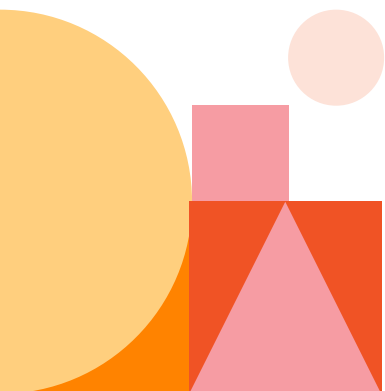
The Authority has built a track record of delivering high-quality, high-return projects. The ACT Government recognised this with its June 2023 commitment of \$60.55 million towards our projects over the coming six years as part of the 2023-24 ACT Budget. This includes the implementation of various streetscape upgrades, the Acton Waterfront public park and the Garema Place upgrade.

From reshaping the City Centre's urban landscape to supporting local business to create unique experiences for all Canberrans, our work this year has been impactful and far-reaching.

I look forward to leading our ongoing renewal program and, together with the community, revitalising the City Centre in a way that reflects our unique identity as Canberrans, provides new opportunities and offers welcoming spaces for all.

Malcolm Snow

Chief Executive Officer





Before Us: A Night Walk Through Time, City Illuminations @Enlighten, Civic Square



Section B Organisational overview and performance



Free merry-go-round rides were very popular during Christmas in the City

B.1. – Organisational overview

Vision

The Authority is leading the transformation of the Precinct, spanning Dickson, Northbourne Avenue, Haig Park, Civic and Acton Waterfront. In doing so, the Authority is working with the community, businesses and government to shape the growth of the central parts of Canberra to make it a great place to live, work, visit and play.

Our 2025 vision is:

To be acknowledged as the most dynamic, inclusive and competitive city precinct in Australia.

Mission

Our mission is:

We will lead the revitalisation of our precinct and its places by delivering a people centred, design-led, sustainable and commercially focused urban renewal program.

Role

The Objects of the CRA&SLA Act define the Authority's role:

- Encourage and promote a vibrant city through the delivery of design-led, people-focused urban renewal.
- Encourage and promote social and environmental sustainability.
- Operate effectively with sound risk management practices to ensure value for money.

In meeting these Objects, places for people to live in, work in and enjoy, and which provide a quality of life that Canberrans expect and deserve, must define Canberra's City Centre.

Strategic goals

The Authority distilled its strategic goals from the CRA&SLA Act. Its mission statement, guiding principles and the ongoing feedback and inspiration from its stakeholders also inform the five goals.

- Goal 1** Curate high-quality places and precinct development, taking a people-focused and design-led approach.
- Goal 2** Facilitate new and diverse economic investment into the Precinct.
- Goal 3** Apply robust and innovative social and environmental sustainability principles and programs to underpin precinct-wide renewal.
- Goal 4** Operate as a strong, strategic, influential and capable organisation.
- Goal 5** Demonstrate exemplary accountability and transparency in governance and compliance.

The Authority reviews the strategic plan periodically to ensure its strategic goals remain focused and prioritised correctly.

Guiding principles

We believe and commit to applying the following principles in our work:

Caring for Country – The city’s renewal offers rare and great opportunities to raise visibility of the Ngunnawal people and culture in the City Centre, and to progress reconciliation by acknowledging what came before. We will share the table and collaborate to realise these opportunities in true partnership with the Ngunnawal community.

Community – Our community and stakeholders are at the heart of everything we do. We will talk, listen and act according to this principle and deliver public benefit through all our activities.

Best practice urban design – We expect excellence in urban design. We will lead thinking, action and evidence-based practice to transform the quality of the Precinct, so it is recognised as a national benchmark.

Financial, social and environmental sustainability –

We will embrace the ACT Wellbeing Framework and work in partnership with our stakeholders to lift the quality of life of all Canberrans who visit, work and live in our precinct.

Vibrant places – We will enliven our precinct. We will increase its attractiveness and opportunities for social and economic interaction through well-considered place programs, creative interventions and events.

Innovation – We will look over the horizon by encouraging innovation and embracing leading edge practices in all our activities.

Our people – Our people are our engine room. We will ensure diverse and inclusionary practices and create and conserve employment opportunities within an organisational culture that supports seamless delivery of our programs.

Values – We will be an exemplar in our relationships with other government agencies and our stakeholder community. We will uphold the ACT Public Service values of respect, integrity, collaboration and innovation. At all times we are ethical and inclusive in how we conduct our business and relationships.

Efficient and effective delivery – Our activities will meet best practice in project and program design, management and reporting and will be delivered on time, on budget and to a superior quality.

Exemplary governance, transparency and accountability – We will conduct our activities in a strategic, transparent and accountable way, meeting compliance standards and requirements, winning the trust of our stakeholders and the community.

Stakeholders

We understand that working with the community and our stakeholders adds value to our work. This approach underpins our guiding principles and we will continue to partner with others at every opportunity. It is only through constructive engagement that the future development of the Precinct will represent and reflect the aspirations of the community.

We work with, listen to and communicate with a broad range of people who have an interest and a role to play in the co-creation of our city’s future. Our stakeholders are the people or groups who use the

city. They have an interest in our renewal vision and goals and are who our decisions affect.

Our stakeholders:

- Ngunnawal and other First Nations peoples and their representative bodies.
- Community members, including all generations of people living in the Precinct, the broader Canberra community, and visitors to Canberra.
- Business, including retail, commercial, hospitality and pop up.
- Industry, including planning, architecture, design and development.
- Creatives, including think tanks, place makers, graphic designers, signwriters, grant applicants, artists and performers.
- Interest groups, including active transport, accessibility, parents and older people.
- Property owners, both residential and commercial, and their agents and strata managers.
- Investors, including national and international.
- The National Capital Authority (NCA).
- ACT Government policy and delivery partners, including the Cultural Facilities Corporation, the Chief Minister, Treasury and Economic Development Directorate (CMTEDD); the Transport Canberra and City Services (TCCS) Directorate; Environment, Planning and Sustainable Development Directorate (EPSDD); Major Projects Canberra (MPC); Community Services Directorate (CSD); and the Suburban Land Agency (SLA).
- Identify opportunities for large-scale festivals or seasonal events to enliven the City Centre and support the development of the Territory's event sector.
- Implement renewal projects.
- Buy and sell leases of land on behalf of the Territory.
- Support public and private sector investment and participation in urban renewal, including supporting development that is attractive to potential investors and participants.
- Manage the holding, development and sale of land and other property on behalf of the Territory.
- Support cooperation between the Authority, the community, and relevant entities.
- Support high-quality design, planning and delivery of sustainable urban renewal.
- Contribute to meeting targets for affordable, community and public housing.
- Support the achievement of greenhouse gas emission targets and environmentally sustainable development.

See current statements:

- ACT Legislation Register:
 - legislation.act.gov.au/ni/2023-216
 - legislation.act.gov.au/ni/2022-579
- Treasury budget website: treasury.act.gov.au/data/assets/pdf_file/0004/1870222/2021-22-ACT-Budget-Statement-E-Environment-Planning-and-Sustainable-Development.pdf

Functions and services

The Authority delivers these functions and services set out in the CRA&SLA Act, the Government's Statement of Expectations, and the Authority's Statement of Operational Intent and Statement of Intent:

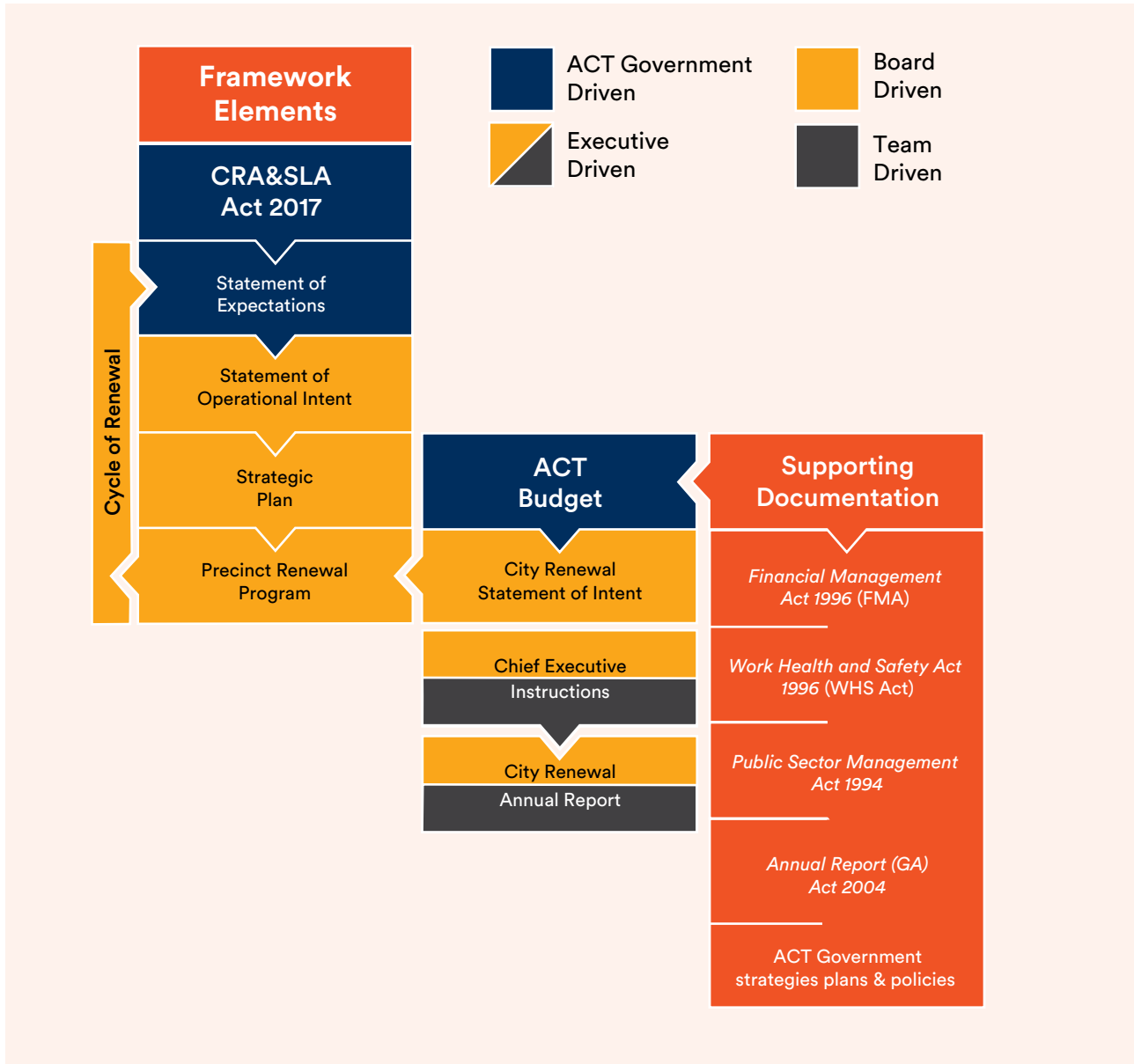
- Formulate a cohesive program of urban renewal for the City Renewal Precinct.
- Actively contribute to the liveability and vitality of the City Centre.

Organisational structure

Planning and operational framework

The Authority is an ACT Government entity established under the CRA&SLA Act. The Authority’s operation is also subject to other relevant legislation and governance documents including the Government’s Statement of Expectations, and the Authority’s Statement of Operational Intent and Statement of Intent. Figure 1 shows the Authority’s operating framework.

Figure 1: Operating framework



The Authority reports to the City Renewal Authority Board, which the CRA&SLA Act also established. The Internal accountability section of this report has details of Board membership and operation.

At 30 June 2023 the Authority had 28 staff working across the five work streams of: Design and Place

Strategy, Capital Works, Development, Place Experience and Communications, and Business Operations.

During the reporting period, the SLA provided financial system and estate management services to the Authority under a service agreement. EPSDD

provided services to the Authority under a service agreement comprising people and capability, information management and freedom of information, legal support, ICT systems, government services and facilities and fleet. EPSDD is the administrative unit for the Authority.¹

Design and Place Strategy

The Design and Place Strategy team delivers designed, people-focused urban renewal projects, which encourage and promote social, economic and environmental sustainability. The team is responsible for coordinating planning and design of projects within the Precinct. The team provides expert advice on city development and design, setting appropriate design and place based standards and ensuring the city develops in an integrated and sustainable manner for the benefit of all Canberrans.

Capital Works

The Capital Works team is responsible for constructing the Authority's urban renewal projects within the Precinct, including programming, scoping and budget planning, stakeholder and risk management.

Revitalising the Sydney and Melbourne Buildings is a key project for the team, including delivering a *Restoration Program* to re-paint the building façades.

The team works closely with other areas of the ACT Government to realise the Authority's project objectives, including MPC as its key delivery partner and TCCS as the asset owner (of the Authority's new projects) and land custodian.

Development

The Development team is responsible for the delivery of the Authority's land and property development program across the Precinct. This includes project feasibility, business case preparation, procurement and project/program management, and capital projects. The Development team uses project governance systems based on effective risk management principles to ensure the Authority delivers its projects safely and provides value for money to the Territory.

In consultation with EPSDD, the Development team facilitates Territory-owned land sales in the Precinct.

The team maintains strong working relationships with other ACT directorates, industry and the broader community to collaborate and partner on revitalisation projects within the Precinct.

Place Experience and Communications

The Place Experience and Communications team supports the Authority's place management, marketing and a diverse range of communications and engagement activity. The Place Experience and Marketing sub-team supports the Authority's goals to curate high-quality places and facilitate new and diverse economic investment.

The team is responsible for place management services, placemaking and activation projects and place promotion within the Precinct. This includes place presentation and maintenance, a seasonal calendar of events and campaigns to promote visitation. This sub-team works closely with ACT Government Directorates, CMTEDD, TCCS and CSD to implement complementary programs and support and advise on initiatives that improve place experiences in the Precinct.

The team is also responsible for managing the CCMIL, which funds projects aimed at raising the standard of city presentation and economic vitality. It implements programs that increase business confidence, investment attraction and place management.

The work of the Communications and Engagement sub-team underpins the goals of the Authority. It seeks to engage the Authority's various communities and involve them in the renewal projects and in its other activities, including the events program, in a way that promotes trust and confidence in the Authority.

The team helps the Authority create relationships with stakeholders so it can learn about the priorities and ideas of the community and share the Authority's aspirations for the renewal of the Precinct. It works closely with other agencies to promote Canberra's precincts as great places to live and invest, and to ensure the Authority is a leading and relevant

¹ Administrative Arrangements 2022 (No 2) Notifiable instrument NI2022-697 dated 22 December 2022.

contributor to decisions on the future shape of the city.

Good communication is essential to managing the Authority's projects and the team supports Authority staff in developing effective plans. It manages traditional and social media channels to ensure reach into the community and to enable feedback.

Business Operations

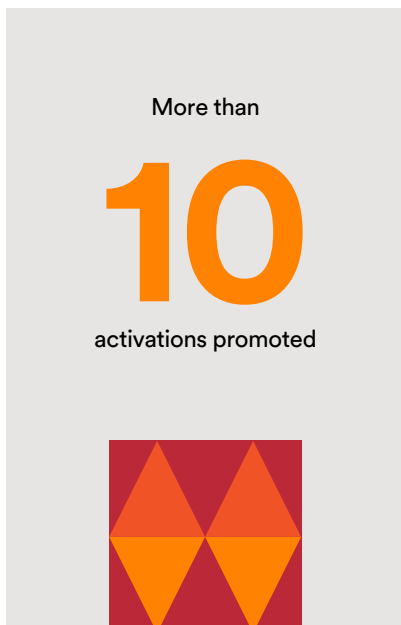
The Business Operations team provides advice, support and assistance to the Board and its committees, the CEO, and the Authority's executive and staff. The team takes part in all of the Authority's day-to-day business matters, including governance, finance, program and project management, human resources, work health and safety (WHS), records management, legal advice, policies and procedures, risk management, legislative compliance, government business responses, freedom of information, records management, facilities, security, internal audit, executive support, the operation of the Board and its committees, and administration for Board and committee members.

The Business Operations team administers the Authority's various service agreements with the SLA and EPSDD as well as other key entities such as ACT Shared Services.

Summary of performance

Details of the Authority's outcomes against its 2022-23 objectives and key performance indicators are in the Performance analysis and Statement of Performance sections of this report. Achievements:

- Opened the full length of the Acton Waterfront boardwalk to the public following completion of the adjacent beach and landscaping works.
- Opened the new Authority-designed path around City Hill.
- Completed the new Salthouse Community Centre in Haig Park.
- Following community consultation, submitted a Works Approval Application to the NCA for a new parkland at Acton Waterfront.
- Completed construction of a streetscape upgrade along Woolley Street, Dickson.
- Completed upgrades to the public domain in Verity and Odgers Lanes as part of the Authority's broader revitalisation strategy for the Sydney and Melbourne Buildings.
- Commenced construction of a streetscape upgrade along Lonsdale Street, Braddon.



5.2 MILLION

social media content impressions delivered

2 parcels of land released

80 DAs reviewed

17 pre-application meetings

4 new or upgraded places completed and opened – Acton boardwalk and beach, Woolley Street, Salthouse Community Centre, Odgers and Verity Lanes

340%

increase in evening visitation to City Walk when compared to period before 2020 upgrade

Economic impact

City Walk upgrade ► Returns on investment (ROI) 1.2
2022 city events ► ROI ranges 1.56 to 2.18

Over **12,000** hours cleaning, graffiti removal, planting and maintenance

Staff survey results higher than ACTPS average including

Commitment and loyalty **84%**

Engagement **78%**

Satisfaction **88%**

2.14% of addressable spend with **Aboriginal and Torres Strait Islander enterprises**

- Delivered a seasonal events and activation calendar that increased footfall across the Precinct.
- Undertook community consultation on preliminary designs for upgrades in Garema Place.
- Engaged community in Authority projects through more than 5 million impressions on social media.
- Met the *Indicative Land Release Program* targets.
- Maintained constructive partnerships with key stakeholders across government, industry and community organisations.
- Engaged openly and meaningfully with the local community to inform both the design and delivery of its different projects.
- Provided advice on referred precinct DAs to encourage high-quality design, sustainability, and community wellbeing outcomes.
- Maintained robust governance structures to support efficient operation. The Authority articulates and monitors these through internal

audits, management checks and policy documents.

The 2022-23 financial year was the final in the Authority's first four-year funding envelope for delivery of the *City Precinct Renewal Program* (CPRP), appropriated through the 2019-20 ACT Budget. In relation to its first tranche of works, an independent evaluation conducted at the end of 2022 found the following:

- Capital works initiatives are already delivering positive ROI in the one to two years following completion (noting benefits will continue to accrue for many years to come).
- The Authority's activation program, notwithstanding the restriction imposed by the pandemic, has delivered positive ROI with measurable strong attendances and ongoing community support.
- Projects have strong community support and align with the Authority's strategic goals and the ACT Wellbeing Framework.

The Precinct is on track to exceed the CPRP 30-year precinct growth targets for population, dwellings and employment, with precinct population growth 30 per cent higher than the ACT as a whole between the 2016 and 2021 Censuses. In the five years between 2016 and 2021, the Precinct’s population grew by 2,446 people to an estimated 15,509; there were 2,340 more dwellings (total of 9,242); and an additional 6,830 people became employed in the Precinct (total of 49,657).

Outlook

In 2023-24 the Authority will continue to oversee the ongoing implementation of the CPRP, with a second tranche of works funded in the 2023-24 ACT Budget.

As the Precinct is subject to planning and jurisdiction overlays and includes areas of National and Designated Land, implementing the program will depend on the collective involvement of the community, business, and government bodies at both the Territory and national levels. The Authority will work closely with community and business stakeholders, as well as its government partners, to support retail and business recovery, ensure high-

quality development proposals, and drive investment and activity across the Precinct. This will achieve renewal outcomes that benefit all parties with an interest in the Precinct’s future.

The Authority has prioritised the following project-related outcomes, consistent with the CPRP for 2023-24:

- **Garema Place** – following community consultation in late 2022-23, progressing detailed designs for public realm upgrades in Garema Place.
- **City Walk** – commencing site explorations and designs to extend the award-winning landscape upgrades between Ainslie Place and Allara Street.
- **City streetscape upgrades** – commencing design investigations for Alinga and Cooyong Streets for future streetscape upgrades.
- **Acton Waterfront** – progressing the estate planning and development, including civil engineering works to enable the construction of a new waterfront park and estate.

Summernats Braddon Fringe Festival

doubled the number of people who usually visit the area (at that quiet time of year)

Economic impact

\$1 million in local spending across two evenings of Summernats Braddon Fringe Event ► ROI 3.72 (\$100k investment)

Community perceptions of Braddon

- Safest location in City Centre (▲ 7%)
- 74% say very comfortable, somewhat comfortable (▲ 14%)

69% of survey respondents that were aware of the Authority said it had been effective at improving the City Centre – a

16% increase on the previous year

Supported the **Multicultural Festival** which had **380,000** visitors and **\$20 million** economic benefit

City Illuminations @Enlighten

- + 50% more visitors than 2022
- + Visitors spent half an hour longer in the City Centre than in 2022

COMMUNITY PERCEPTIONS OF CITY CENTRE:

75% say very comfortable, somewhat comfortable (13% increase)

73% very safe, somewhat safe (6% increase)

20,000 people visited the City Centre for a free merry-go-round ride in December

42% increase in City Centre visitors throughout December evenings when compared with 2021

- **Sydney and Melbourne Buildings** – launching a façade restoration program, in consultation with owners, that aligns with the buildings’ Revitalisation Plan.
- **Dickson Group Centre** – undertaking community consultation for public realm upgrades around the Dickson Shops to inform detailed designs and commencing site explorations and designs for future streetscape upgrades to complement the recent works completed in Woolley Street.
- **Braddon** – continuing construction of a streetscape upgrade along sections of Lonsdale Street and finalising the design and subsequent construction for the upgrade of the Mort/Elouera Street intersection.
- **CCCD** – progressing the district concept plan in conjunction with the Canberra Theatre redevelopment and adjoining Territory land.
- **Precinct activation** – continuing a comprehensive program of place curation, activation, and promotion for the public spaces across the Precinct, and partner with businesses, residents, and the creative sector to strengthen its social capital.
- **Place management** – continuing an elevated program of maintenance and cleaning of public spaces across the Precinct.
- **University of New South Wales (UNSW) Canberra City Campus** – continuing to support UNSW to implement the approved Campus Master Plan and precinct deed.

Traditional dance on display at the Dickson Lunar New Year celebrations, Woolley Street, Dickson





Second Space bringing new life to vacant commercial spaces across the City Centre

Internal accountability

Section 7 of the CRA&SLA Act establishes the Authority. As set out in the Act, the Authority must exercise its functions in a way that is consistent with its Statement of Operational Intent.

Consistent with its Statement of Expectations, the government obliges the Authority to maintain a close, collaborative working relationship with EPSDD to advise and support the Chief Minister. The Board facilitates the sharing of information, where appropriate, on urban renewal priorities so that EPSDD can provide timely, informed advice to the government on urban renewal funding decisions.

City Renewal Authority Board

The CRA&SLA Act establishes the City Renewal Authority Board in Section 15 and sets out its functions in Section 16. This includes overseeing the Authority's operations and exercise of its functions.

Under section 56 of the FMA, the Board is responsible for the efficient and effective financial management of the resources for which the Authority is responsible. The Board Chair must keep the responsible Territory minister informed about the Authority's operations.

Section 77 of the FMA sets out the following functions of a governing board:

- Set the Authority's policies and strategies.
- Govern the Authority consistently with the Authority's establishing Act and other relevant legislation.
- Ensure, as far as practicable, that the Authority operates in a proper, effective and efficient way.
- Ensure, as far as practicable, that the Authority complies with applicable governmental policies (if any).

Board members

The Chief Minister appoints all Board members under section 21 of the CRA&SLA Act and section 78 of the FMA.

For the 2022-23 reporting year the Board comprised six non-executive members and no executive members.

During 2022-23 the Board implemented agreed succession planning for its membership and key roles as per consultation with the Chief Minister in 2021-22. The appointment periods below reflect the transitional dates for some roles.

These are the appointment periods for Board members:

- Ms Christine Covington – Chair, 23 June 2020 to 30 June 2025 (previously Deputy Chair, 23 June 2017 to 22 June 2020).
- Mr Nigel Chamier AM – Deputy Chair, 23 June 2020 to 31 December 2022 (previously a member, 23 June 2017 to 22 June 2020). Reappointed as a member, 1 January 2023 to 30 June 2024.
- Ms Marcia Doheny – Deputy Chair, 1 January 2023 to 31 December 2025.
- Ms Kate Brennan – 23 June 2017 to 30 June 2024.
- Prof Ken Maher AO – 23 June 2017 to 22 June 2023.
- Ms Gabrielle Trainor AO – 23 June 2017 to 31 December 2022 (resigned six months earlier than expiry date 22 June 2023).
- Ms Alison Kimber – 23 June 2020 to 22 June 2026.
- Mr Peter Mould – appointment in 2022-23 to commence 1 July 2023 to 30 June 2026.

Section 21 of the CRA&SLA Act identifies the areas of skills and experience that the Chief Minister must consider in appointing Board members. A member must have knowledge of and experience in at least one of the following disciplines and areas of expertise:

- Urban renewal
- Architecture
- Urban design
- Civil engineering
- Environmentally sustainable development
- Social inclusion and community building
- Law, public administration and governance
- Financing major development projects
- Affordable housing, community housing and public housing

Most Board members' expertise covers multiple disciplines. The biographies of each Board member are on the Authority's website: act.gov.au/cityrenewal/about/meet-the-board

Board member remuneration

The ACT Remuneration Tribunal determines Board member remuneration and other entitlements through the *Determinations for Part-time Public Office Holders*. Details are on the Remuneration Tribunal's website: remunerationtribunal.act.gov.au/determinations

Board member attendance 2022-23

The Board held six general meetings and two short special meetings during the 2022-23 financial year. Table 1 summarises Board member attendance at those meetings.

Board meetings held during the 2022-23 financial year:

- Meeting 22/03 on 7 July 2022
– general meeting.
- Meeting 22/04 on 3 August 2022
– special meeting.
- Meeting 22/05 on 23 September 2022
– special meeting.
- Meeting 22/06 on 6 October 2022
– general meeting.
- Meeting 22/07 on 9 December 2022
– general meeting.
- Meeting 23/01 on 9 February 2023
– general meeting.
- Meeting 23/02 on 5 April 2023
– general meeting.
- Meeting 23/03 on 15 June 2023
– general meeting.

Members also attended Board committee meetings and other meetings with the Authority's CEO and staff, ministers and government officials, as required.

Table 1: Board member meeting attendance 2022–23

| | | | |
|------------------------|---------------------|----------------|----------------|
| Ms Christine Covington | Chair | 8 | 8 |
| Mr Nigel Chamier | Deputy Chair/Member | 8 | 8 |
| Ms Marcia Doheny | Deputy Chair | 3 ¹ | 3 ¹ |
| Ms Kate Brennan | Member | 7 | 8 |
| Prof Ken Maher | Member | 8 | 8 |
| Ms Gabrielle Trainor | Member | 4 | 5 ² |
| Ms Alison Kimber | Member | 8 | 8 |

Note(s):

1. Ms Doheny attended one meeting as an observer prior to the commencement of her term and three meetings as a member.
2. There were only five meetings prior to Ms Trainor's departure from the Board on 31 December 2022.

Board considerations and decisions

In 2022-23 charters described the following roles and operations for the Board and operations for each of the Board's committees, including the Audit and Risk Committee:

- The establishment and functions of the Board/committee.
- Board/committee member appointment, tenure and remuneration.
- Duties and responsibilities of the Board/committee.
- Role and responsibilities of the Chair.
- Role and responsibilities of individual members.
- Members' conduct.
- Declaration and management of conflicts of interest.
- Conduct of meetings.
- Processing out-of-session matters.
- Processes for agendas, papers and minutes or advice logs.
- Review of the performance of the Board and each committee.

The Board's publishable outcomes summarise the matters the Board considered during its meetings. After approving the minutes of a Board meeting at the next meeting, the Board made its publishable outcomes available: act.gov.au/cityrenewal/documents

The matters the Board considered in 2022-23 included oversight of the preparation of the financial statements and internal controls. The Board approved the financial statements after review by the Audit and Risk Committee.

The Board tasked the Audit and Risk Committee to assist it with oversight of the Authority's governance as shown in Table 2. Further information on risk management, audit and fraud control and ethical behaviour is available in sections B.4, B.5 and B.6 of this report.

To discharge their responsibilities appropriately, Board and committee members receive support from Authority staff, and can access independent advice and assistance from EPSDD, the ACT Government Solicitor and the ACT Audit Office. Board members have directors' and officers' liability insurance cover through the ACT Insurance Authority.

Board committees

The Board operated three committees during the 2022-23 financial year. These committees comprised Board members and non-Board (independent) members as shown in Table 2.

At the meeting on 15 June 2023 the Board decided to disband the Marketing and Engagement Committee and the Design, Planning and Public Realm Committee from July 2023. The Board decided to create a new committee to facilitate an increased focus on significant development projects. The Authority will implement these decisions and amendments to committee charters in 2023-24.

Table 2: Board committee membership 2022-23

| Name of committee | Membership ¹ | Role |
|--|---|--|
| Audit and Risk Committee | Alison Kimber (C) (from 8 July 2022) Nigel Chamier (C) (1 July 2022 to 7 July 2022; member 8 July 2022 to 31 December 2023) Marcia Doheny (from 1 January 2023) Maria Storti (I) | To assist the Board to discharge its responsibilities under relevant legislation, including responsibility to exercise due care, diligence and skill in relation to risk management, the control framework, reporting of financial information, the adequacy of the financial controls and legal and regulatory compliance frameworks; external and internal audit; and fraud control and ethical behaviour. |
| Design Planning and Public Realm Committee | Ken Maher (C) (until 22 June 2023) Kate Brennan (acting C) Gabrielle Trainor (until 31 December 2022) Nigel Chamier (from 1 January 2023) Elisabeth Judd (I) (until 13 November 2022) | To provide guidance and advice to the Board and management on those matters relating to the Authority's interest in and management of its design, planning and public realm functions within the City Renewal Precinct. |
| Marketing and Engagement Committee | Gabrielle Trainor (C) (until 31 December 2023) Kate Brennan (C) (from 1 January 2023) Christine Covington (from 9 February 2023) Nicole Short (I) | To advise the Board on proposed meaningful and effective community engagement activities that enable the Canberra community to directly contribute to the renewal of the Precinct. To seek to embed community engagement early in project planning; support the development of leading engagement practices, including co-design methods; and support research into best-practice engagement. To advise the Board on a proposed program of strategic activations to generate economic and wellbeing outcomes and to promote awareness of the city and attendance at the activations. |

Note(s):

1. (C) = Committee Chair; (I) = non-Board (independent) committee member.

Senior executives

Details of the senior executives of the Authority in 2022-23 and their respective responsibilities are in Table 3.

Senior executive remuneration

The ACT Remuneration Tribunal determines senior executive remuneration and other entitlements through the Determinations for ACT Public Service Executives. Details are on the Remuneration Tribunal's website: remunerationtribunal.act.gov.au/determinations

Table 3: Senior executives 2022-23

| Position | Role | Name | Dates |
|---|---|---------------|--|
| Chief Executive Officer | As the principal advisor to the Board and the primary liaison between the Board and the staff and other directorates and agencies, lead strategic plan development, manage the Authority's finances and other resources, and lead the Authority's staff to achieve the strategic objectives that the Board sets. | Malcolm Snow | 28 August 2017 to 27 August 2027 |
| | | Craig Gillman | Acting 3 January 2023 to 19 May 2023 |
| Deputy Chief Executive Officer | As the Authority's second in charge, oversee the day-to-day administrative and operational functions of the Authority, the work of team leaders, corporate support function provision and business outcome achievement. | Craig Gillman | 23 April 2019 to 22 April 2024 |
| Executive Branch Manager, Development | Lead the Authority's land and property development program delivery across the City Renewal Precinct, including project feasibility, business case development, procurement and project/program management. Facilitate the sale of surplus ACT land. Provide strategic and technical design advice to ensure high quality outcomes. | Ben Naughton | Acting 27 April 2022 to 9 June 2023 |
| | | Mark Lata | 17 July 2023 to 16 July 2028 |
| Executive Branch Manager, Design and Place Strategy | Lead the coordinated planning and design of projects within the City Renewal Precinct. Provide guidance on city development and design, setting appropriate design and place-based standards and ensuring the city develops in an integrated and sustainable manner. | Lucy Wilson | 6 June 2022 to 4 June 2027 |
| | | Steve Kirsu | Acting 27 January 2023 to 20 February 2023 |
| Executive Branch Manager, Place Experience and Communications | Provide strategic leadership and expert advice in relation to all aspects of communications, engagement, marketing, activation and place experience to the Authority. | Jen Ramsay | 23 May 2022 to 22 May 2027 |
| Chief Operating Officer | Lead the Authority's administrative and corporate support and corporate governance functions and facilitate business outcome achievement. | Sally Gilbert | Acting 9 January 2023 to 19 May 2023 |

B.2. – Performance analysis

Overview

The Authority sets out its annual objectives and key performance indicators in its Statement of Intent and Statement of Operational Intent, which respond to the annual Statement of Expectations set by the ACT Government.

The Chief Minister issued the government's 2022 Statement of Expectations to the Authority in November 2022. The purpose of this document is to set out the government's annual requirements and priorities in relation to urban renewal in the Precinct.

- *The City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Expectations 2022 – Notifiable instrument NI2022–579* is at appendix A.
- *The City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Operational Intent 2023 – Notifiable instrument NI2023–216* is at appendix B.

City Precinct Renewal Program

The CPRP, which the Chief Minister publicly released on 5 July 2019, was the basis for the Authority's four-year appropriation (Renewing Canberra's city heart) under the 2019-20 ACT Budget.

This coordinated program is the foundation of the Authority's work and will guide the growth and transformation of the Precinct over the next 30-plus years.

The program applies a best practice placemaking approach that recognises the individual identities and much-loved characteristics of the different places within the Precinct: Dickson, Northbourne Avenue, Haig Park, Braddon and Civic (City West, City Hill, Acton Waterfront and City East).

The program recognises the importance of design excellence in creating a functional, beautiful, sustainable and memorable precinct that meets current and future community needs. It is a dynamic program that the Authority will update as priority projects evolve, or as the need arises to incorporate emerging trends and priorities.

Developed in consultation with the community, the program contains a mix of long-, medium- and short-term renewal actions. Some of these actions, such as creating community-driven place plans for Dickson, Braddon, Haig Park and Acton Waterfront, are already complete.

In 2022-23 the Authority continued implementing these place plans, along with many other projects, as detailed in this report's Achievements section.

Delivery of the program requires a whole-of-government commitment, as many actions fall within the responsibilities of agencies other than the Authority. The Authority will work closely with these agencies to achieve the desired urban renewal outcomes. Current actions' outcomes, government decisions and other variables may affect longer-term actions.

The Authority will review the program regularly to ensure that it is using the best current information available to shape the Precinct's ongoing transformation.

The program is on the Authority's website: act.gov.au/cityrenewal/about/city-precinct-renewal-program

Achievements

The rest of this section details the Authority's progress against the objectives outlined in its 2022-23 Statement of Intent. More information on the Authority's outcomes against its 2022-23 Statement of Intent performance measures is in the 2022-23 Statement of Performance at Section C.6.

Acton waterfront

Acton Boardwalk Stage 2

Renewal work in Acton commenced in 2017-18 with Phase 1 comprising 150 m of new lake wall, boardwalk, and Henry Rolland Park.

In 2022, the Authority completed Phase 2 reclaiming 2.86 ha of lakebed to create a new lake edge on the Griffins' intended 1915 alignment. As part of these works the Authority constructed a further 500 m of

boardwalk and a beach at Acton. These are now open for public use.

The 2023 Civil Contractors Federation ACT Earth Awards recognised the new boardwalk and land reclamation at Acton Waterfront for construction excellence. The teams behind the project – the Authority, Chincivil and Indesco – received awards in the ‘Project value \$30-75 million’ and ‘Project of the year’ categories for their ongoing transformation of lakefront into a major Canberra destination.

The land reclamation allows the future development of the waterfront urban park and ultimately of the surrounding development estate. Currently this area is in a settlement period and civil works involving stormwater works, additional fill, retaining walls and grassing will commence in early 2025 as a prelude to constructing the park.

Beach construction

There has always been a beach at Acton Waterfront but over the years it has not been maintained. Noting the community’s desire for a place to connect with the lake and undertake open-water swimming,

the Authority reinstated the beach. The Authority completed beach construction in spring 2022. The beach design allows a variety of uses, including triathlons, some small vessel launching and water sport.

Acton Waterfront park design

The Authority conducted an extensive community engagement period from May to December 2022, which informed the development of the Acton Waterfront park’s design principles and initial concepts. Through that process, the Authority engaged several targeted stakeholder groups, which led to key themes informing the design:

- Honour Ngunnawal culture
- Supports a wide range of activities
- Easy to get to and is connected to its surrounds
- Has water featured and celebrated
- Is accessible and inclusive
- Safe and has a very high level of amenities



Completed extension to the Acton Waterfront boardwalk, looking towards the beach

The Authority compiled a consultation report with design responses to key feedback documented. The Authority released the report via the project YourSay page in June 2023.

The design progressed to include community feedback cumulating in a Preliminary Sketch Plan (PSP) design. The Authority submitted the PSP to the NCA for formal Works Approval in June 2023. Public exhibition will follow this submission.

On 27 June 2023, as a part of the 2023-24 budget, the park attained funding of \$33.7 million to proceed to detailed design and construction with completion planned for 2028.

Acton Waterfront estate planning

From October to December 2022, the Authority undertook public consultation on the estate plan in parallel with the consultation on the new park. Feedback from the engagement informed the final design of the park. To further enhance the engagement and to ensure recognition of the strong First Nations heritage of this area, the Authority also undertook First Nations engagement with the DNCCC and the ATSIEB. The groups discussed opportunities for encompassing caring for Country and celebrating the cultural significance of the area. The Authority will include feedback from the engagement in future planning for the estate.

The Authority is about to embark on the detailed design of the Acton Waterfront estate to create a vibrant residential, cultural and entertainment precinct on a waterfront promenade. Consistent with the vision embodied in the *National Capital Plan* the intention is to create a new city neighbourhood with a mix of shops, businesses, accommodation, cafes, recreation and tourist activities. The work over the next few years will involve detailed site investigations, engineering and architectural designs, development of an Estate Development Plan for submission of Works Approval with the NCA, and ultimately leading to the sale of land and development of the estate.

Garema Place

In October 2022 the Authority engaged Oxigen to deliver a PSP for Garema Place. The initial concepts focused on creating a modern and exciting dining and retail precinct in the City Centre, with the following features included:

- Accessible single-level pavement and easier pedestrian flow.
- Better lighting to create a safer and more appealing precinct in the evenings.
- Improved seating and outdoor dining spaces to enjoy food and drink from local businesses.
- Trees and gardens to cool the space in summer and let the sunshine in through in winter.
- An open and versatile space that supports both special events and everyday activities.

From March to April 2023 the Authority undertook community engagement to gather feedback on the proposed concept. Consultation included surrounding businesses, property owners, First Nations people, event organisers and the broader community, gaining over 320 individual responses on 'YourSay'. In June 2023 the Authority completed the PSP design for Garema Place, which includes community feedback such as more seating, ensuring proposed trees do not limit outdoor dining and sightlines, and ensuring the design is suitable for large events.

Canberra Civic and Culture District

Consultation of the district-level concept continued including First Nations consultation and engagement with artists. The feedback from the consultation has been very positive and includes a desire to see the area continually activated to enliven the city's night-time economy and provide spaces for artists and the community to use.

The planning for the district will continue to include further input from First Nations people, artists and the public to develop a district renowned for its contribution to the artist ecosystem.

In June 2023 the Authority released a parcel of land, within the district, for sale. Block 40 Section 19, City is a parcel of approximately 2,700 m² and will provide an opportunity to further develop the local economy through new construction.

The project continues to support the Canberra Theatre Redevelopment Project through cross-governmental working groups, district-level coordination of activities and membership of the Canberra Theatre Redevelopment Project Board.

Block 40, Section 100 City

On 25 August 2023, the Commonwealth and Walker Corporation announced that they mutually terminated their agreement for leased office accommodation. The agreement between Walker Corporation and the Territory had not yet settled prior to the announcement as it was conditional on Walker Corporation entering an unconditional lease arrangement with the Commonwealth.

The Commonwealth has advised that its previous approach to market for office accommodation has closed and cannot be used for replacement accommodation. The Authority will consider market conditions and programming of land releases within the City Centre to determine the strategy for the future release of this land.

City Hill path

In response to increased pedestrian movement between the east and west sides of the City, the Authority delivered a new pedestrian link connecting Constitution Avenue to Edinburgh Avenue via the inner southern verge of City Hill.

Following extensive consultation with relevant government agencies, the Authority delivered construction of the path through the Light Rail Project. Opened to the public in February 2023, path monitoring has observed a high use of the path at all hours of the day.

Sydney and Melbourne Buildings

The Authority, in accordance with the CRA&SLA Act and the approved *Conservation Management Plan* (CMP) for the Sydney and Melbourne Buildings, has prepared a *Revitalisation Plan* to support building owners to re-paint the façade of their buildings.

The *Revitalisation Plan* has established the requirements to re-paint the building façades, including preparatory works, painting methodologies and final colours (which comply with the CMP).

Consultation with key stakeholders of the Sydney and Melbourne Buildings will be an integral component of the delivery of the outcomes in the *Revitalisation Plan*. Key stakeholders include building owners and businesses, as well as other entities in the ACT Government, such as MPC (Light Rail Stage 2), ACT Heritage and TCCS.

The Authority will fund the *Revitalisation Plan* with building owners commencing on-site works (re-painting) in late 2023 and concluding in mid-2025.

Verity and Odgers Lanes upgrades

The joint Authority public domain upgrades and TCCS drainage work to Verity and Odgers Lanes completed in May 2023. New asphalt paving and upgraded lighting and infrastructure to allow for time-of-day closures have improved safety, serviceability, sustainability and amenity, and increased opportunities for activation. Through public consultation, the time-of-day closure will see the entire Verity Lane closed to traffic from 4:00 pm to 10:00 pm, Monday to Sunday, to support outdoor dining. Both lanes will close for special events.

Success of the project has already seen two businesses submitting applications for new outdoor dining during the time-of-day closure, and an increase in event applications.

Part Section 63 City

The Authority met the ILRP Targets for 2022-23 and released this site on 4 May 2023 by a Request for Expression of Interest. The Authority is undertaking a two-stage process for this land sale, which is currently an active commercial sale.

Note the site – formerly Part Section 63 City or Section 63 South – is now a formal block, registered as Block 1 Section 121 City.

Braddon

The Authority has commenced construction of streetscape upgrades in Braddon for Lonsdale Street and design and subsequent construction for the Mort and Elouera Street intersection. The upgrades will make the streets more accessible, attractive, and safer for local businesses, residents, and visitors to enjoy.

Included in the project:

- A Girrawheen Street intersection upgrade featuring two pedestrian crossings, including one connecting Haig Park.
- Two new mid-block pedestrian crossings on Lonsdale Street, including one north of the



Luisa Fearnside, daughter of the late Sue Salthouse on the day of the naming ceremony for the Salthouse Community Centre

rainbow roundabout and one south of the rainbow roundabout.

- Median works at the southern end of Lonsdale Street, near the Cooyong Street intersection.

The Authority is also developing designs for the upgrade of the Mort and Elouera Street intersection, to improve pedestrian safety and connections in Braddon, including from the light rail stop on Northbourne Avenue.

Following engagement with key project stakeholders and approvals from TCCS, the Authority will construct finalised designs after the Lonsdale Street works completion.

Haig Park (Salthouse Community Centre)

The Authority completed construction of the Haig Park Community Centre, renamed to the Salthouse Community Centre in recognition of the late Sue Salthouse, in April 2023. The Salthouse Community Centre provides a shared space for creativity, learning and connection. The centre is for all Canberrans to

enjoy, contributing to Haig Park’s ongoing evolution to a family-friendly destination.

Northside Community Service now operates the new centre and held a community open day in May 2023.

Dickson streetscape upgrades, Woolley Street

In April 2023, the Authority completed construction of the landscape upgrades to Woolley Street, including a new mid-street pedestrian priority plaza space and enhanced gateway treatments to the intersection of Woolley and Cape Streets.

The landscape upgrades include new community assets to support events (in the plaza space) such as a stage, seating, mature shade trees and gardens, enhanced lighting, water play and bespoke street furniture including natural stone ‘moon gates’ and low seating, all leveraging the ‘Asian eat street’ setting of Woolley Street.

Both the plaza and gateway treatments have prioritised pedestrian movement along the street.

Both raise above street level and have feature paving, including granite sets.

The newly-upgraded street hosted Lunar New Year celebrations – see the Place Experience section.

Dickson Shops revitalisation

In October 2022, the Authority engaged Spiire Australia to develop a concept design for the revitalisation of Dickson Shops. This involved a site analysis and consultation with key stakeholders, including local business and property owners. Spiire Australia completed the concept design in June 2023. It responds to the opportunities and constraints of the site, and community feedback received to date. Key design principles focus on access, connectivity and safety, increased landscaping and creating a clean, comfortable environment while retaining the family-friendly and inclusive community identity of Dickson Shops.

Following the ACT Government budget announcement in June 2023, the Dickson Shops revitalisation program will progress to detailed design in the 2023-24 financial year. This will include the development of a PSP and community consultation on the proposed upgrades. The Authority will also undertake a feasibility study and concept masterplan for the streets within Dickson Group Centre.

Design excellence awards

The Authority received three Australian Institute of Landscape Architects ACT awards in July 2022 for the following projects:

1. City Walk, landscape architecture award in Civic Landscapes
2. Place Success Dashboard, landscape architecture award in Landscape Planning
3. Henry Rolland Park (Acton Waterfront), landscape architecture award in Park and Open Space

The City Walk landscape upgrades also received a 2022 Large Scale Place Project Commendation from the Asia Pacific Place Leaders.

The Authority's Precinct Portal received a 2022 Good Design Award.

The Acton Waterfront boardwalk civil works won the Civil Other category in the 2023 Master Builders and Asset Construction Hire Excellence Awards announced in September 2023.

University of New South Wales Canberra city campus

The Authority continued to support CMTEED and UNSW in their development of the Canberra city campus master plan, announced in June 2023. The Authority's role is to provide design guidance ensuring integration with other areas of the Precinct and high-quality urban renewal outcomes and to undertake certain activities specified in the deed between the Territory and the university. During the reporting period the Authority undertook due diligence work to inform its role under the deed.

City Centre Marketing and Improvements Levy program

In partnership with CCMIL payers and the ACT Government, the Authority supported actions that contribute to the long-term sustainable growth, economic prosperity, culture, creativity and activation within the levy collection area (which is part of the Precinct). The levy contributes to a wide variety of place-based initiatives including events, seasonal festivals, more greenery, high-quality street furniture and provision of a dedicated place management team. This funding assisted the Authority to undertake an integrated program of activity in the City Centre and Braddon to support local businesses. Further details on specific activities are in the Place activation and management section of this report.

The Authority engages with CCMIL payers, business owners and the community each year to solicit feedback to inform the CCMIL work program. The Authority employed a number of approaches across the year to work closely with key stakeholders and levy payers within the levy area. These include direct mail (levy payers), letterbox drops, key stakeholder meetings and an online survey.

The Authority also works with an advisory group of levy payers to hear feedback and better understand the needs of the commercial property owners. The group includes 13 levy payers and business representatives. Authority staff support the group. The group meets quarterly to provide advice to the

Authority on a range of matters such as marketing campaign development and future activations.

Feedback from levy payers helped determine the priority areas for allocating the levy funds for 2022-23. The three priorities were hygiene and cleanliness, safety, and entertainment. The Authority also undertook consumer research to understand what locals and visitors want from their experience in the city. This informed the annual program of initiatives for delivery under the categories:

- Contributing to a safe community
- Placemaking grants
- Partnerships and events
- Place management – cleaning and beautification
- Marketing and promotion
- Performance and accountability

Place experience and marketing

The Authority developed and completed a broad activation program – including major seasonal events – to increase footfall and dwell time in the Precinct with the aim of improving wellbeing outcomes. This section provides a summary.

Place experience

Winter in the City

During the July 2022 school holidays Winter in the City transformed Civic Square with an open-air ice rink, exhibitions, pop-up bars, ice sculpting, food vendors, marshmallow roasting over open fires and a Winter Concert. Estimates show it attracted approximately 20,000 people to the City Centre and contributed an economic impact of \$1.4 million.

Floriade

Visitors spent time in the City Centre before and after visiting Floriade with the afternoon of Friday 25 September 2022 experiencing the highest increase in visitors to the City Centre. People enjoyed a Floriade Walking Trail, free shuttle buses between the City Centre and the festival, local performances, and more than 50,000 tulips and annuals planted in garden beds and wheelbarrows in front of participating businesses.

Celebrate Christmas in the City

In 2022 the Authority partnered with city businesses to deliver a coordinated promotional campaign that encouraged visitors to eat, shop and explore the city during the Christmas season. The campaign reached more than 300,000 individuals. People downloaded 1,566 offers from city businesses. Visitation numbers to the City Centre in evenings across December saw a 42 per cent increase compared to the same period across 2019–2021.

The Christmas experience enjoyed by visitors included a reimaged 16-m tall Christmas tree adorned with over 400 m of pine garland, baubles and lighting; a 1.8-m interactive snow globe depicting a winter scene of Black Mountain Tower, and overhead decorations in City Walk from the Canberra Times Fountain to Garema Place. The Authority provided free rides on the Civic Merry-Go-Round from 1 to 24 December which were enjoyed by an estimated 20,000 people.

Christmas in the City, City Walk



City Illuminations @Enlighten festival

Thousands of Canberrans and visitors experienced a prehistoric world in Civic Square and City Walk over two weeks with City Illuminations @Enlighten festival. Before Us: A Night Walk Through Time, presented by the Authority and supported by the Canberra Museum and Gallery, took place as part of the festival and featured giant illuminations, roving dinosaur puppets and enthralling soundscapes. The event saw more people in the City Centre on the opening night of Enlighten festival than on New Year's Eve, which had important flow-on impacts for local businesses.

Dickson Lunar New Year

Local and national performers helped Dickson come alive for the Lunar New Year celebration, which provided more than 7,000 locals and visitors with a feast for the senses. The outdoor festival took place over two weekends and culminated in a main celebration on 21 January 2023 to mark the transition to the Year of the Rabbit.

The upgraded Woolley Street plaza housed the event, which featured food and product stalls run by local businesses, roving performers, street decorations, an

outdoor stage and the unveiling of a giant 'Year of the Rabbit' sculpture created by Atelier Sisú.

National Multicultural Festival – local business support

The Authority supported CSD to increase local business involvement in the National Multicultural Festival. The initiative saw 30 local businesses trial offerings to attendees for single-use deals and discounts throughout the festival. This made cafes, bars and restaurants part of the celebrations and encouraged spending across the three days, with more than 250 deals redeemed.

More than 380,000 people visited the city for the National Multicultural Festival over three days.

Place management

Place maintenance and beautification

The Authority understands that city businesses and CCNIL payers want their city to be beautiful and well-maintained. That is why the Authority, in partnership with TCCS, provides additional resourcing for the city to look its best. The Authority Place Team of eight dedicated members provide



City Illuminations @Enlighten, Civic Square

additional cleaning and maintenance across key areas of the Precinct. The team starts at 6:00 am each morning to clean tables and bins, remove litter and rearrange street furniture. From 9:00 am each day the Place Team switches focus to deliver a program of cleaning, planting, and maintenance across the Precinct that is over and above the city's regular place presentation program.

The Authority Place Team kept the city clean and safe, carrying out more than 12,000 hours of cleaning, planting and public space maintenance. Highlights from this reporting period include supporting businesses to remove graffiti from areas in the public realm such as the Sydney and Melbourne Buildings; getting the city back to work following the National Multicultural Festival through targeted cleaning of streets and shopfronts; and providing a key point of contact for businesses to raise concerns for expedited resolution.

Second Space

In collaboration with diverse activators, the *Second Space* program has revitalised underused Canberra CBD buildings into creative hubs, hosting more than 15 unique projects and attracting more than 1,000

visitors from September 2022 to July 2023. The pilot underscored the importance of supporting creative capacities for a resilient and vibrant community, and fostering connections among activators, community and organisations. With objectives to rejuvenate city life and drive visitation, the pilot also demonstrated potential uses for vacant spaces, complementing existing retail offers and fostering economic resilience for small enterprises.

STORYBOX

STORYBOX Canberra brought creative knowledge of national institutions to the streets of Garema Place and City West. Centred around a giant two m² digital cube in Garema Place and a series of digital wayfinding plinths throughout the City West precinct, STORYBOX invited Canberrans to reflect on different kinds of creative intelligence.

Survey highlights:

- 81 per cent thought the place is better with STORYBOX.
- 84 per cent loved or liked the content.
- 82 per cent wanted more creative and community content on public screens.



Storybox installation, Marcus Clarke Street, City West



Crowds turn out for the Summernats Fringe Festival, Braddon

Placemaking Grants

During 2022-23 the Authority restructured the *Placemaking Grants* program to increase inclusivity, diversity, and sustainability. This included revisions to the grant guidelines and increased support for applicants. The restructuring aimed to enhance cultural vibrancy, event accessibility, destination marketing, public space appeal, and the use of commercial buildings within the City Centre and Braddon.

The *Placemaking Grants* program transformed Canberra’s public spaces over the past year, fostering community engagement through a diverse range of artistic activations. These initiatives championed First Nations and multilingual creativity, showcasing a plethora of talent spanning poetry, dance, workshops, installations and more.

2022-23 projects:

- ‘Big Swoop’: A beloved public art installation in Garema Place.
- ‘Festival of Everyday Art’: Community workshops, tours and public engagement emphasising everyday beauty in the City Centre.

- ‘Poetic City: Winter Edition’: Merging literary arts with urban spaces through activations across City West and Civic.
- ‘Pop Up Parties’ by Jazida Productions: Eclectic entertainment events nurturing community spirit attracting 200 people to each event.

Table 13 on page 55 provides further detail on the amounts awarded.

Campaigns

The Authority developed and planted a number of paid media campaigns during the year to increase awareness of what the Precinct has to offer and encourage more people to visit the Precinct to eat, shop, meet friends and find entertainment:

- Celebrate Christmas in the City
- Dickson Lunar New Year celebration
- Winter in the City

The Authority also undertook always-on promotions for various activities:

- Play Outside Day
- Playful Endeavour
- Paws Parties

- City Illuminations @Enlighten festival
- the Floriade Walking Trail
- DJ performances and plant giveaways

Sponsorship

Outgoing:

- Sponsorship for Summernats to host a managed ‘fringe’ event in January 2023 in Braddon, improving safety, increasing its family appeal and attracting visitors to Braddon at a traditionally quiet time of year.
- Design Canberra, including nurture trail, family workshops and a large mural in Braddon.
- Women’s Health Matters Step Up! Campaign.
- Australian Institute of Architects ACT’s 2023 awards, to foster high-quality design outcomes in the City Centre among the architecture profession.
- City Centre shuttle bus contribution during Floriade and Enlighten festival.

Incoming:

- SBS and the Dickson Tradies provided sponsorship to expand the Dickson Lunar New Year event.
- Canberra Museum and Gallery contributed to the Enlighten illuminations during Canberra’s Enlighten festival.

Tables 13 and 14 on pages 55 and 56 provide further detail on the amounts awarded by and provided to the Authority.

Development referrals and promoting design excellence in the Precinct

The Authority plays a vital role in influencing design outcomes for development in the Precinct. As a mandatory referral entity for DAs, the Authority works collaboratively with EPSDD to seek excellent design outcomes within the Precinct.

In 2022-23, the Authority advised on more than 97 private development proposals. This comprised approximately 80 DAs and 17 pre-application meetings, National Capital Design Review Panel (NCDRP) or NCA Works Approval submissions, and

other meetings. The Authority estimates the total value of new DAs it received in 2022-23 to be around \$398 million.

The Authority contributed to NCDRP meetings, assessing projects of significance along the Northbourne Avenue corridor and within highly significant parts of the inner city.

The Authority continued to focus on high-quality communal open space, amenity, sustainability, and impacts on the neighbouring environment. It considered the ways in which development influences public space, finding opportunities to improve community outcomes and ensuring a level of amenity proportionate to the location, scale and types of building uses proposed. For example, the Authority provided advice on the redevelopment of significant sites along Northbourne Avenue and two important buildings within Civic, and the extension of light rail (stage 2A) from the City to Commonwealth Park.

The Authority had monthly meetings with EPSDD to discuss DA referrals and to identify opportunities for the Authority to strengthen its influence. The Authority continued to seek feedback on the efficacy of its advice and to resolve any issues with the referral process.

The Authority focused on sustainability when assessing proposals and consistently advocated for improvements relating to tree canopy cover, deep soil zones, water-sensitive urban design, solar access, active travel facilities, natural ventilation and shading.

In 2022-23 the Authority’s advice contributed to improved design outcomes on a number of occasions. Advice has resulted in amended plans, influenced EPSDD’s decisions and in some cases became conditions of approval.

New Territory Plan and City Plan

In 2022-23, the Authority continued to provide technical support to EPSDD to develop a new *Territory Plan* and *City Plan* as part of the Planning System Review and Reform Project (PSRRP). The PSRRP is of direct relevance and importance to delivering high-quality outcomes for the city. The project’s key aim is to establish a clear, easy to use planning system that is more ‘place-led’ and ‘outcomes-focused’ for improved spatial and built

form, and which supports and enables the Territory's vision.

The Authority's advice and support on this project were influential in achieving the project aims and demonstrated excellence in collaboration and engagement with colleagues at EPSDD. The Authority continues to support the incorporation of urban character, sustainable outcomes and design quality as key elements of the new *Territory Plan* and *City Plan*.

Strategic relationships program

The Authority's executive team actively cultivates relationships external to the Authority to influence high-quality design and community participation in projects. The program in this reporting period delivered meetings and presentations on more than 219 occasions to external stakeholders, including the following:

- ATSIEB
- Accommodation Sector Summit
- Australian Hotels Association ACT
- Australian Institute of Architects ACT
- Australian Institute of Landscape Architects ACT
- Braddon Collective
- Canberra Business Chamber
- CCMIL Committee
- DNCCC
- Dickson Residents Group
- Festival of Urbanism
- Government Land Organisations Conference
- Lake Users Group
- Place Leaders Australia
- Salon Canberra

Communications

The Authority monitors media reach and sentiment to understand how effective it is at increasing awareness of the Precinct places and projects and encouraging community engagement and participation in project outcomes.

The Authority's social media content delivered 5.2 million impressions² – nearly triple the previous year. The Authority's website recorded more than 135,000 page views – an increase of 40 per cent year-on-year. Among the most popular pieces of content were the Lunar New Year, Playful Endeavour, Salthouse Community Centre, Placemaking Grants and Acton Waterfront project pages.

The Authority emphasised its thought leadership role by sharing 24 City ReNews blogs, featuring insights about projects and to promote the benefits of the Authority's work. Visitation doubled compared to the previous year, with more than 10,000 views. The Authority promoted the blogs on social media and shared them via six email newsletters throughout the year. Blog topics:

- Our award-winning city landscape, July 2022
- Celebrating our city: What's in store for 2023, November 2022
- Summer in the City Centre: the activities bringing new life to Canberra, February 2023
- City Illuminations draws crowds to Civic Square, March 2023
- Garema Place is evolving with our City Centre, April 2023
- Milestone land release to reshape City Centre, 4 May 2023
- Historic Odgers and Verity Lanes upgraded, June 2023

City ReNews is available on the Authority's website: act.gov.au/cityrenewal/blog

The Authority's media sentiment rating drawn from coverage in Australian press, online, radio and television reports averaged 90 per cent³ positive or neutral coverage from a total of 432 mentions – a 40 per cent increase on the previous year.

Community sentiment

Since 2019, the Authority has conducted an annual survey with Canberrans to provide a measure on key

² Source of data: Meta Business Insights

³ Source of data: iSentia Media Analysis



Live performance during Sideway event, Verity Lane, Sydney Building

metrics related to awareness and performance of the organisation, along with related information on visitation and event experience. The research scope includes community awareness, effectiveness and trust in the Authority.

Research conducted in February to March 2023 surveyed a sample of approximately 600 people from the ACT region about their perceptions of the City Renewal Precinct and the Authority. Awareness of the Authority increased considerably year-on-year from 44 to 63 per cent.⁴

Of those surveyed who were aware of the Authority, 69 per cent said the Authority had been effective at improving the City Centre, which represents a 16 per cent increase on the previous year.⁴

Overall, the level of trust in the Authority to achieve its goals from people who were aware of the Authority increased to 66 per cent.⁴

⁴ Source of data: Annual Survey Data

B.3. – Scrutiny

The Authority has one open recommendation from the Standing Committee on Planning and Urban Renewal report from its *Inquiry into Annual and*

Financial Reports 2018–19, as shown in Table 4. The committee also made one recommendation for the Authority in its report from the *Inquiry into Annual and Financial Reports 2019–20*.

Table 4: Recommendations of the Standing Committee on Planning and Urban Renewal

| Standing Committee on Planning and Urban Renewal: Inquiry into Annual and Financial Reports 2018–19 | | |
|---|--|---|
| Recommendation no. and summary | Agreed action | Status |
| <p>Recommendation 18</p> <p>The Committee recommends that at the conclusion of the waste enclosure program 12 month trial, the City Renewal Authority expand the program to trial the collection of food waste for composting.</p> | <p>Agreed in principle.</p> <p>Subject to the successful conclusion of the trial an expansion of the program into food waste will be investigated with the Contractor. In the interim, local businesses were encouraged to adopt the Actsmart Business program including the element regarding minimising landfill waste by including food organics collection from their business.</p> | <p>In progress.</p> <p>Further investigation is required to accommodate food waste collection for the Sydney and Melbourne Buildings with TCCS, business owners and the current service provider.</p> |
| Standing Committee on Planning and Urban Renewal: Inquiry into Annual and Financial Reports 2019–20 | | |
| Recommendation no. and summary | Agreed action | Status |
| <p>Recommendation 16</p> <p>The Committee recommends that future works in Braddon incorporate best practice cyclist and pedestrian safety.</p> | <p>Agreed</p> <p>The upgrade to Lonsdale Street aims to further improve the amenity and appeal of Braddon mixed-use area by making it more pedestrian and cyclist friendly and improve the pedestrian connection from the city to Haig Park. Improving conditions for cyclists is an important objective with planned future improvements to the existing Mort Street cycle path route. Concept designs are available for comment on the YourSay page, with a closing date of 26 May 2021. The project is anticipated to reach final design state and progress to construction tender in mid to late 2021.</p> | <p>In progress.</p> <p>As reported in Section B.2 the Authority has commenced construction of streetscape upgrades in Braddon for Lonsdale Street and Mort Street. The upgrades will make the streets more accessible, attractive, and safer for local businesses, residents, and visitors to enjoy. The works on Lonsdale Street are anticipated to be completed in mid 2024.</p> <p>Concurrent with the Lonsdale Street construction work, the PSP for the Mort and Elouera Street intersection will be developed through to detailed design.</p> |

The Auditor-General completed a performance audit for the procurement and contracting activities for the initial stage of the Acton Waterfront project. The ACT Audit Office published the Auditor-General's report, *Procurement and contracting activities for the Acton Waterfront project Report No. 5/2022* (Report No. 5/2022) on 16 September 2022. On 22 December 2022, the government provided a response on the Auditor-General's report to the Speaker. The Legislative Assembly tabled the report on the next available sitting day: 7 February 2023.

The Chair of the Standing Committee on Public Accounts in March 2023 also received the government's response as its submission to the Committee's inquiry into responses to Auditor-General Performance Reports July to December 2022. This inquiry was in progress at 30 June 2023.

The report made seven recommendations, to which the government agreed to six and agreed in principle to one as shown in Table 5. The Authority's actions to implement the recommendations are also in Table 5. The report, the government's response and the inquiry terms of reference are at:

- audit.act.gov.au/___data/assets/pdf_file/0011/2074691/Report-No.-05-of-2022-Procurement-and-contracting-activities-for-the-Acton-Waterfront-Project.pdf
- parliament.act.gov.au/___data/assets/pdf_file/0008/2185361/List_A-G-Report-No-5-Procurement-and-Contracting-Activities-for-the-Acton-Waterfront-Govt-Response.pdf
- parliament.act.gov.au/___data/assets/pdf_file/0012/2179695/Tearms-of-Refernce-Inquiry-into-AG-Perf-reports-Jul-Dec22.pdf

Table 5: Recommendations of the Auditor-General

| Auditor-General's report, Procurement and contracting activities for the Acton Waterfront project Report No. 5/2022 | | |
|---|--|---|
| Recommendation | Government response | Status |
| <p>1. PUBLIC INTEREST IN THE ACTON WATERFRONT PROJECT:</p> <p>The City Renewal Authority should improve the level of information publicly available in relation to the procurement and contractual arrangements for the Acton Waterfront Project by ensuring:</p> <p>a) a complete account is available of the original procurement intentions (based on the RFT) as well as the Contract that eventuates; and</p> <p>b) all subsequent variations are clearly identified and reported, including an explanation of their purpose.</p> | <p>Agree.</p> <p>The Authority will review and update information on its website and/or other ACT Government websites to ensure key facts from the commencement of the Acton Waterfront Project to 2022 are displayed. Moving forward, the Authority will ensure that any, and all, subsequent variations are appropriately described on the ACT Contracts Register and the Authority's website.</p> | <p>Completed.</p> <p>Project Information is up to date on the following websites:</p> <ul style="list-style-type: none"> • City Renewal Authority • YourSay • Built for CBR <p>ACT Procurement (on the Authority's behalf) published updated variation information on the Contracts Register in August 2023.</p> |

**Auditor-General’s report, Procurement and contracting activities for the Acton Waterfront project
Report No. 5/2022**

| Recommendation | Government response | Status |
|--|---|--|
| <p>2. VARIATIONS AND PROVISIONAL SUM PROCESSES:</p> <p>The City Renewal Authority Board should review its processes and controls for the management of Provisional Sums and the making of contract variations.</p> | <p>Agree.</p> <p>Following the appointment of Chincivil for the GCS 3 work package in April 2020, the Authority entered into a Memorandum of Understanding with MPC in November 2020, in relation to supporting the delivery of the capital works program including the Acton Waterfront Project. This is consistent with infrastructure procurement processes undertaken by other parts of the ACT Government. The Authority and MPC established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority’s capital works program, with the Authority remaining the delegate for its program of works and retaining ultimate accountability for that program of works.</p> <p>An ACT Government Contract Management Guide (the Guide) is currently under development by Procurement ACT. The Authority will ensure compliance with the requirements and better practice guidance established in the Guide when it is released.</p> | <p>Completed (to extent possible).</p> <p>The Memorandum of Understanding with MPC continues in operation. The Authority is awaiting the release of whole-of-government contract management guidance to adopt into its processes. This has not yet been released. The Authority released its own simplified contract management guidance for staff expected in July 2023. The item is closed for tracking pending release of the contract management guide from ACT Procurement.</p> |
| <p>3. VALUE FOR MONEY (VFM) DRIVERS:</p> <p>As part of its procurement and contracting practices, the City Renewal Authority should document:</p> <ul style="list-style-type: none"> a) the key value for money drivers that a procurement proposal will rely on; b) the intended purpose and operation of the driver in question (e.g. a Target Construction Sum in conjunction with a Guaranteed Construction Sum, design responsibilities and an incentive clause); and c) the source of advice e.g. The Capital Framework or otherwise, procurement and contracting better practice, that informs the use of the value for money driver. | <p>Agree.</p> <p>Since the appointment of Chincivil for the GCS 3 work package the Authority has worked with MPC consistent with government policy. The Authority and MPC established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority’s capital works program. The assessment and documentation of the value for money assessment is part of this arrangement. The Authority remains the delegate for its program of capital works and retains ultimate accountability for that program of works.</p> <p>The Authority and its board are comfortable that value for money has been achieved in the procurements to date.</p> | <p>Completed.</p> <p>The arrangement with MPC is still in place. The Authority documents VFM as part of its procurement practice. The Authority has not let further work to Chincivil for the Acton Waterfront project. The Authority is planning further works (stormwater and infrastructure) and will work with MPC to ensure it undertakes and documents appropriate procurement planning.</p> |

| Recommendation | Government response | Status |
|---|---|---|
| <p>4. ASSUMPTION OF LEGACY CONTRACTS:</p> <p>As part of due diligence following changes in administrative arrangements, ACT Government entities should conduct a risk-based assessment of the procurement and contracting arrangements supporting any legacy contracts that have been assumed by the entities. The assessment should provide:</p> <ul style="list-style-type: none"> a) assurance over the probity of the Government entity’s administrative processes relating to the procurement prior to the letting of the contract; and b) advice as to the remaining potential for price and time variations to the contract given the original intent of the procurement, in order to maintain the integrity of the agreed VFM consideration. | <p>Agreed in principle.</p> <p>The Authority has no further legacy contracts to be dealt with.</p> <p>The ACT Government Contract Management Guide (the Guide) is currently under development and will provide better practice guidance and tools for the management of contracts. The purpose of the Guide is to provide a clear and standardised approach to managing and administering contracts for goods, services and works across the ACT Government. The Guide will include a requirement to undertake risk-based, due diligence activities on active procurement contracts that are transferred to Territory entities following changes in administrative arrangements. This due diligence may include assurance of probity relating to the contract; however, it may not always be apparent whether price or time variations are required over the remainder of a contract’s life at the time of transfer of a contract to a new entity and under the Procurement Framework, value for money must be assessed at the time of exercising any future variation to a contract.</p> | <p>Completed.</p> <p>While the Authority had no specific contracts to apply this recommendation to, it is applying similar intent to any other arrangement the ACT Government directs it to assume responsibility for and/or implement.</p> <p>Inclusion of content in the Authority’s procedures is dependent on the release of the whole-of-government contract management guidance from ACT Procurement.</p> |
| <p>5. RETENDERING:</p> <p>As part of its procurement and contracting practices, the City Renewal Authority should periodically examine, particularly in advance of major variations to a contract, the merits of remaining with the incumbent versus alternative procurement options for delivery of a project. Options presented to decision makers (e.g. delegates, boards) should be accompanied by sufficient analysis to demonstrate these have been robustly investigated and assessed.</p> | <p>Agree.</p> <p>With the advice of MPC the Authority will ensure that decisions are well documented and provide specific advice to the Board, noting ultimate accountability in this respect resides with the Authority.</p> | <p>Completed.</p> <p>This situation (choosing whether to stay with an incumbent capital works contractor) has not arisen between September 2022 and June 2023.</p> <p>Capital works contracted in this period has been with new providers, for example, Lonsdale St Works contracted to Guideline. That decision did go to the Board due to the estimated value, including analysis of risks, benefits and commentary to show how the Authority considered the intent of the Auditor-General’s recommendations.</p> <p>The next stage of Acton works is the subject of a new procurement process.</p> |

**Auditor-General’s report, Procurement and contracting activities for the Acton Waterfront project
Report No. 5/2022**

| Recommendation | Government response | Status |
|--|---|---|
| <p>6. VFM CONSIDERATION AND REVIEW:</p> <p>As part of its procurement and contracting practices, the City Renewal Authority should, when contemplating contract variations, review and test the procurement’s value for money with reference to prior consideration:</p> <ul style="list-style-type: none"> a) during procurement planning, up to and including the market response to the RFT; and b) at contract execution, specifically with respect to whether any material departure has occurred due to negotiation and/or the passage of time and changing requirements. | <p>Agree.</p> <p>Since the appointment of Chincivil for the GCS 3 work package the Authority has worked with MPC consistent with government policy. The Authority and MPC established a formal relationship via a memorandum of understanding for MPC to manage the procurement and contract management of the Authority’s capital works program. The assessment and documentation of the value for money assessment is part of this arrangement. The Authority remains the delegate for its program of capital works and retains ultimate accountability for that program of works.</p> <p>The Authority and its board are comfortable that value for money has been achieved in the procurements to date.</p> | <p>Completed.</p> <p>There have been no major capital works contract variations in the period September 2022 to June 2023. As per comments above, the Authority will continue to consider and document VFM when considering variations and has included this in drafted contract management guidance for staff.</p> |
| <p>7. BRIEFINGS AND ADVICE TO DECISION-MAKERS AND BOARDS:</p> <p>As part of its procurement and contracting practices the City Renewal Authority should fully and completely brief decision makers, delegates and those exercising a statutory advisory responsibility (e.g. the Government Procurement Board) in order to ensure:</p> <ul style="list-style-type: none"> a) accuracy and balance is achieved; b) assurances made are able to be supported with robust analysis; c) previously reported advice is built upon; d) salient facts are raised and reprised consistently; and e) the timing of the matters raised leaves sufficient time for decision makers, delegates and advisors to contemplate alternatives. | <p>Agree.</p> <p>With the advice of MPC the Authority will ensure that decisions are well documented and specific advice is provided to the Board, noting ultimate accountability in this respect resides with the Authority.</p> <p>The Authority will provide a series of information sessions for staff covering effective and efficient procurement and transparent contract management practices.</p> | <p>Completed and ongoing.</p> <p>Regarding documentation, the Authority is improving briefs to decision makers. An example is the brief to the Board on Lonsdale Street that included, among other things, an analysis about how the Authority considered feedback from the Government Procurement Board in forming the final proposition.</p> <p>Regarding training, the Authority is considering how to bring all elements of feedback from both external and internal audit into information for staff and will provide short sessions for staff in early 2023-24. The Authority has also reviewed procurement checklists, and updated and re-issued them.</p> |

There were no recommendations with direct relevance to the Authority in the ACT Ombudsman nor ACT Integrity Commission reports during the reporting period.

B.4. – Risk management

The Authority continued to face a broad range of risks reflecting its responsibilities as an ACT Government entity managing urban renewal in a dynamic city. These risks include those related to design and development, project delivery, probity and responding to the pandemic.

The Board continued to operate an Audit and Risk Committee as required by the CRA&SLA Act. The Audit and Risk Committee assisted the Board to discharge its responsibilities under relevant legislation, including responsibility to exercise due care; diligence and skill in relation to risk management; reporting financial information; the adequacy of the financial controls and legal and regulatory compliance frameworks; and external and internal audit.

The Authority's *Risk Management Policy Statement* sets out the roles and responsibilities of Authority staff:

- The Board – oversee the implementation of the Authority risk management policy and plan across the whole organisation and ensure that the executive regularly report on its implementation, improvement and operational effectiveness.
- Audit and Risk Committee – oversee the risk management arrangements for the Authority including:
 - ensuring the Risk Management Framework establishment, implementation and maintenance in accordance with ACT Government requirements; and
 - determining whether the Authority followed a sound and effective approach in managing its major risks, including developing risk management plans for major projects and undertakings.
- CEO and Deputy CEO – accountable for managing risk and ensuring that the risk management policy, framework and plan have been effectively implemented and integrated into all organisational activities.
- Authority executives and managers – implement the risk management policy, framework and plan; ensure that their respective areas of responsibility understand their obligations; and create, promote and maintain a positive risk management culture.
- Staff and contractors – develop an understanding of the risk management policy and associated procedures and maintain sound risk management practice within their respective areas of responsibility.

The Authority progressed the implementation of actions to address identified risks, reporting on these at each Audit and Risk Committee meeting. The Authority also reported any high or extreme or emerging risks to the Board regularly and shared copies of risk-related papers provided to the Audit and Risk Committee with the Board.

The Authority did not formally enact its *Business Continuity Plan* in the reporting period. The Authority continued to embed its Project Management Framework and promote capability building of staff both in the procurement and project management space, including with regards to risk management.

For example, the Authority developed and maintained project risk registers, consistent with the Australian Capital Territory Insurance Authority risk matrix, as part of the project planning and management process. They were critically reviewed by the Authority's Projects Advisory Group, with a particular focus on delivery and safety, and included in briefings to the Audit and Risk Committee. The Authority also populated and maintained risk registers through the procurement and contract manage cycle; and risk analysis was a standard component of the Authority's briefing templates, particularly with regards to decision-making.

The Authority's information technology environment is provided by CMTEDD Shared Services and EPSDD, who support the Authority in managing ICT risks, including security and cyber risks, through system maintenance and the provision of advice and incident management if required.

B.5. – Internal audit

The Board's Audit and Risk Committee continued to operate throughout the 2022-23 reporting year (refer Table 2). The charter for the Audit and Risk Committee sets out the committee's roles in relation to internal audit:

- Oversee the audit function.
- Review and recommend the internal audit plan and work program to the Board.
- Pre-approve all internal auditing services to meet the approved internal audit plan.

The charter also provides the framework for the conduct of the internal audit function of the Authority:

- Ensure that sufficient resources are available to deliver the annual Board-approved internal audit program.
- Monitor progress and consider the implications of internal audit findings for the control environment.
- Monitor a register of audit recommendations.
- Meet with the internal and external auditors, without management personnel being present, at least once a year.
- The committee charter and Internal Audit Charter are consistent with the ACT Framework for Internal Audit Committee and function.

In accordance with the charters and the framework the Authority procured an independent external review of the internal audit function. The review concluded that the function generally conforms to the various auditing standards. The review further reported that for the size of the Authority, it had established a substantial capability and that while it is not using the ideal model it would not be cost-effective given the Authority's size. The Authority has structured itself in a way that aligns to the core principles for internal auditing. The independent review made some minor recommendations for improvement that the Authority accepted.

The contracted internal audit service provider developed the internal audit program in consultation with executive, committee members and the Board Chair. Consultation included consideration of risks and internal control effectiveness.

The committee oversaw the internal audit program for the period with the following audits completed and reported to the committee during 2022-23:

- Rapid land sales process
- Fraud and corruption control
- Project Management Framework implementation
- Procurement

Other audit topics scheduled to complete and report in 2023-24:

- Design Management Framework
- Implementation of the Auditor-General's recommendations: *Procurement and contracting activities for the Acton Waterfront project Report No. 5/2022* (Report No. 5/2022) (reporting in 2023-24)
- Land sales partnerships

The internal auditors also support probity and conflict of interest matters and any management-initiated reviews, as required.

The committee maintained an awareness of the recommendations made by the Auditor-General in Report No. 5/2022 and, following acceptance of the government's response to the recommendations, monitored implementation at each committee meeting.

The Audit and Risk Committee met six times during 2022-23. Table 6 sets out details of member attendance.

Table 6: Audit and Risk Committee member attendance 2022-23

| Name | Position ¹ | Meetings attended | Meetings held during 2022-23 |
|---------------|--|-------------------|------------------------------|
| Alison Kimber | Committee Chair and Board member ¹ | 6 | 6 |
| Nigel Chamier | Committee member and former Board Deputy Chair ¹ | 4 | 4 |
| Marcia Doheny | Committee member and current Board Deputy Chair ¹ | 2 | 2 |
| Maria Storti | Independent member | 6 | 6 |

Note(s):

1. The Board agreed on 7 July 2022 for Ms Kimber to assume the role of the Committee Chair, with Mr Chamier continuing to support as a member to 31 December 2022. Ms Doheny commenced as Deputy Board Chair on 1 January 2022 and was appointed by the Board to the Audit and Risk Committee from that date.

The committee comprises two categories of members:

- Members of the Board who are also appointed to the committee – these members receive remuneration as Board members and receive no additional remuneration for their duties as members of the committee – see Section B.1.
- Independent members of the committee who are not Board members – these members receive remuneration under contract with the Authority on a rate-per-meeting-attended basis (including preparation time). The Board selects independent members based on merit.

B.6. – Fraud prevention

The Authority operated in accordance with the *EPSDD Portfolio Fraud and Corruption Prevention Plan 2022–24* and risk register, which EPSDD developed in consultation with the Authority and the SLA and released in 2022-23. The Authority supports the implementation of the plan by sharing information with staff, contributing to ongoing risk assessments and documentation of controls and maintaining a strong organisational culture.

The Authority is subject to the ACT Public Service Integrity Framework, which aims to prevent the incidence of fraud through the implementation and regular review of a range of fraud prevention and detection strategies.

All Authority staff help to manage potential exposure to fraudulent activity by ensuring they act in accordance with the law and behave in a manner consistent with the ACT Public Service

Code of Conduct. To reinforce these practices, the Authority ensures that staff are aware of the plan and the contact officers; receive updates from the executive; and regularly undertake training in ethics, fraud awareness, probity and ACT Government procurement policies and procedures. Refer Section B.11 for training statistics.

Authority staff must report any allegation or incidence of fraud, corruption or unethical behaviour to the Deputy CEO and/or the senior executive responsible for business integrity and risk in the EPSDD. Where appropriate, they may also report such allegations to the Audit and Risk Committee or the Board.

During the reporting period, the Authority received no allegations or reports of fraud, corruption or unethical behaviour requiring formal action.

B.7. – Freedom of information

The Authority complies with the requirements of the *Freedom of Information Act 2016* (FOI Act) by operating within the framework and procedures of EPSDD. Under a service agreement between the Authority and EPSDD, the directorate processes FOI requests for and to the Authority for an information officer within the Authority to approve.

Tables 7 to 12 provide summary data for each type of application. EPSDD publishes details of individual applications and decisions in the FOI Disclosure Log on its website:

environment.act.gov.au/about-us/access-government-information/disclosure-log

Table 7: Open access information

| Description | Total |
|--|-------|
| Number of decisions to publish open access information | 23 |
| Number of decisions not to publish open access information | 1 |
| Number of decisions not to publish a description of open access information withheld | 0 |

Table 8: FOI applications received and decision type

| Description | Total |
|---|----------------|
| Number of access applications received | 4 ¹ |
| Number of applications where access to all information requested was given | 1 |
| Number of applications where access to only some of the information requested was given (partial release) | 1 |
| Number of applications where access to the information was refused | 1 |

Note(s):

1. There was no information held for one request.

Table 9: FOI processing timeframe

| Description | Total |
|--|------------------|
| Total applications decided within the time to decide under section 40 | 3 |
| Applications not decided within the time to decide under section 40, but within extended timeframe agreed with the applicant | 1 |
| Number of days taken to decide over the time taken to decide in section 40 for each application | 118 ¹ |

Note(s):

1. This application required extensive consultation including with third parties.

Table 10: Amendment to personal information

| Description | Total |
|---|-------|
| Number of requests made to amend personal information, and the decisions made | 0 |

Table 11: Reviews

| Description | Total |
|--|-------|
| Number of applications made to ombudsman under section 74 and the results of the application | 0 |
| Number of applications made to the ACT Civil and Administrative Tribunal under section 84 and the results of the application | 0 |

Table 12: Fees

| Description | Total |
|---|-------|
| Total charges and application fees collected from access applications | 0 |

B.8. – Community engagement and support

The Authority cannot achieve its vision alone – it works with the community to achieve a shared vision for the Precinct. The Authority aims to build trust and confidence through open, two way communication and commits to involving the public and stakeholders in its renewal program wherever possible.

To achieve this, the Authority strives for these types of interactions with the community and stakeholders:

- Purposeful – we begin every engagement with a clear understanding of what we want to achieve.
- Inclusive – we identify relevant stakeholders and make it easy for them to engage.

- Timely – we involve stakeholders from the start and agree on when and how to engage.
- Transparent – we are open and honest in our engagement and set clear expectations.
- Respectful – we acknowledge and respect the expertise, perspective and needs of stakeholders.

The ACT Government Communications and Engagement Framework and the International Association for Public Participation (IAP2) Core Values provide a strong basis to guide the Authority’s communications and engagement objectives. The level of involvement for the Authority’s projects spans the IAP2 spectrum, shown in Figure 2.

Figure 2: IAP2 Public Participation Spectrum



The Marketing and Engagement Committee oversees and evaluates the effectiveness of corporate communications, marketing and strategic engagement activities, and intergovernmental processes. The role of the committee is set out in Table 2.

The committee met three times during the financial year and advised the Authority on a wide range of strategy development and project implementation, including the Place Experience and Marketing Plan and the Integrated Communications and Engagement Plan. The membership of the committee includes a non Board member.

Stakeholder and community engagement

The Authority captures and reports stakeholder engagement activities using a relationship management system to reduce duplication and ensure consistency in communication with stakeholders. This reporting period, the Authority recorded 18,874 interactions (number of stakeholders reached) across 675 stakeholder events (such as letters, door knocks, meetings, calls and workshops).

Stakeholders take part in a walking tour for the Canberra Civic and Culture District Ideas Jam

The Authority maintains a range of strategic relationships with representative groups to foster a people-led approach, such as with neighbourhood and interest-based associations, and through project and place-specific engagement.

The Authority's major consultations included the annual survey of CCMIL payers, phase two of the Acton Waterfront park design, the next phase of the Acton Waterfront estate planning, and the proposed design for the Garema Place upgrade.

Community support initiatives: grants and sponsorship

The Authority administers the Placemaking Grants program using funding from the CCMIL (collection zone only). The program is designed to meet the objectives in the CCMIL Performance and Accountability Framework.

The 2022-23 round of Placemaking Grants awarded a total of \$165,120.00 ex GST across four projects to help enliven the City Centre as described at page 40 and in Table 13. The Authority also awarded sponsorship of \$275,625.00 and received sponsorship of \$38,000.00 to support public events, as described at page 40 and in Tables 14 and 15.





*Celebrations at the Salthouse Community Centre
Open Day, Haig Park, Braddon*

Table 13: 2022-23 Placemaking Grants

| Applicant name | Project title | Project description ¹ | Total amount awarded (\$) |
|------------------|--------------------------|--|---|
| Yanni Pounartzis | Big Swoop | Local artist Yanni Pounartzis will design and build a large (2.4m tall, 3.5m long, 2m wide) statue of a magpie. Following vandalism, the grant was varied to: To recreate a stronger and more robust 'Big Swoop' sculpture that can handle the brutal aspects of public display. | \$22,987.00 (Original grant awarded for \$43,334.00 in 2021-22, to bring total grant for this work to \$66,321.00) |
| Rachel Reid | Jazida Pop Up Parties | Jazida Productions brings the "Pop Up Parties" to various city locations. These vibrant events offer a mix of free live performances, interactive arts and crafts, fire eating, circus props, DJ dance parties, and more, making for a fun-filled and creative night out in the city. | \$46,899.00 |
| Claire Granata | Festival of Everyday Art | People Lab's Festival of Everyday Art invites participants to discover and label hidden art around the city, effectively turning the city into an interactive art gallery. These workshops and hunts offer an engaging and collective art experience with the chance to win vouchers. | \$45,734.00 |
| Jacqui Malins | Poetic City | Poetic City hosts a wide array of poetry-related events, including workshops, guided writing sessions, poetry readings, and more, creating a dynamic, city-wide poetic experience. Poetic City encourages attendees to engage with and create poetry in various forms and languages, participate in anti-racism discussions, and enjoy readings from local and national poets. | \$49,500.00 |
| Total | | | \$165,120.00 |

Note(s):

1. Project description is as per original grant application.

Table 14: 2022-23 Sponsorship awarded by the Authority

| Recipient name | Project title/ event | Project/event description | Total amount awarded (\$) |
|------------------------------------|---|--|---|
| Summernats | Summernats Braddon Fringe Event | Sponsorship of a managed 'fringe' event in January 2023 in Braddon, to improve safety, increase family appeal, and attract visitors to Braddon | \$125,000.00 |
| Craft ACT | Design Canberra | Sponsorship for an art installation trail, family workshops and a mural as part of the Design Canberra Festival | \$70,000.00 |
| Women's Health Matters | Step Up! Campaign | Sponsorship of a women's safety in public spaces active bystander campaign | \$30,000.00 |
| Australian Institute of Architects | Australian Institute of Architects ACT's 2023 awards | Category sponsorship to foster high-quality design outcomes in the City Centre among the architecture profession | \$5,000.00 (Paid in June 2022 for delivery in November 2022) |
| Events ACT | City Centre shuttle buses for Floriade and Enlighten | Sponsorship of shuttle buses to encourage people to visit the City Centre during the Floriade and Enlighten festivals | \$20,000.00 |
| Justice and Community Services | Night Crew | Sponsorship of the CBR Night Crew as part of a harm minimisation approach to reduce the number of incidents in the city at night | \$25,625.00 |
| Total | | | \$275,625.00 |

Table 15: 2022-23 Sponsorship provided to the Authority

| Sponsor name | Project title/ event | Project/event description | Total amount received (\$) |
|-----------------------------|--|--|-------------------------------|
| SBS | Dickson Lunar New Year Celebration | Media partnership and sponsorship of the Dickson Lunar New Year Celebration | \$10,000.00 |
| Tradies | Dickson New Year Celebration | Sponsorship of the Dickson Lunar New Year Celebration | \$8,000.00 |
| Canberra Museum and Gallery | City Illuminations @Enlighten Festival | Sponsorship of Erth puppeteer performances during the City Illumination activation in Civic Square | \$20,000.00 |
| Total | | | \$38,000.00 |

B.9. – Aboriginal and Torres Strait Islander reporting

The Authority is a signatory to the *Innovate Reconciliation Action Plan (RAP) 2019-2021* with the EPSDD and the SLA. The Authority organised its reconciliation actions around principles of awareness and recognition, protocols and processes, procurement, relationships and consultation, and projects and placemaking. A working group, led by the CEO as executive sponsor, with one member from each team, coordinated implementation of RAP priorities through the year.

As a key stakeholder group in the Precinct, First Nations peoples participate in activities, programs and consultations that the Authority undertakes. The Authority meets with members of the ATSIEB to discuss major activities.

Implementing the RAP has included the following:

- The CEO met with the ATSIEB’s EPSDD representative several times in 2022-23.
- Ongoing engagement with First Nations and community groups on the design of the Acton Waterfront park and Civic and Culture District, driven by several meetings with the DNCCC.
- An all-staff on-Country visit of Namarag Reserve on the Molonglo River to learn of its cultural significance and the process of collaboration with Traditional Custodians.
- Most staff and several community partners learnt to Acknowledge Country in Ngunnawal language with Tyrone Bell.
- The Authority prepared and released a staff guide to ‘caring for Country’ to drive consistency in engagement across projects.

Respected Ngunnawal leader, Dr Caroline Hughes, honoured the Authority’s staff with positive feedback regarding her participation in the Authority’s projects in her interview on ABC Canberra. Dr Hughes said, “the City Renewal Authority have been fantastic in that they’ve had strong engagement with us for over 12 months and we really feel that they’ve listened

when we’ve spoken with them. And that’s the first step in winning ... We will support that continuing consultation.”

Significantly, the Authority exceeded its Aboriginal and Torres Strait Islander supplier procurement goal, with approximately 2.14 per cent of addressable spend procured through a range of suppliers. Section C.5 reports on implementation of the Aboriginal and Torres Strait Islander Procurement Policy (ATSIPP).



City Renewal Authority staff explore the cultural significance of Namarag Reserve



Enjoying Lunar New Year, Woolley Street, Dickson

B.10. – Work health and safety

The Authority managed WHS in accordance with the statutory provisions of the *Work Health and Safety Act 2011* (WHS Act). The Authority demonstrated its commitment to maintaining a safe and healthy working environment for its staff, volunteers, visitors, contractors and clients, as part of everyday business practices.

The Authority's actions for the 2022-23 reporting period include the following:

- Continued engagement with an external WHS consultant (approximately one to two days per week) to complete and assist with the Authority's WHS activities and functions.
- Completed an independent annual audit of the existing WHS management system; evaluated whether the activities detailed as part of the system were being completed; identified any gaps; and determined alignment of the WHS framework with the requirements of ISO 45001:2018 Occupational Health and Safety Management Systems and ISO 31000:2018 Risk Management—Guidelines (best practice at the time).
- Maintained and updated the WHS Action Items Register, which includes risk management activities, assurance activities, communication, training of staff and the Board, addressing findings from audits, incidents and ongoing improvements to the overall management system.
- Continued ongoing review and updating of the Authority's Safety, Environment and Quality (SEQ) Manual. The SEQ manual details the documented processes for policies, planning, monitoring and review, objectives and targets, resourcing, structure and responsibilities, records management, training, inductions, consultation, communication, risk management, incident management and investigation, contractor management, auditing and inspection, non-conformance and corrective action and emergency management.
- Completed a review of senior staff performance development plans and included specific, measurable targets for WHS relevant to the individual's role.

- Continued risk assurance activities of the Authority’s contractors, including WHS frameworks, risk plans, safe work method statements, reviews and on-site inspection and audits.
- Completed various workshops in the development of specific risk registers for Acton Waterfront Park and Acton Estate and other renewal projects.
- Maintained and updated the WHS Risk Register to govern hazards, risks and controls applicable to the operations of the Authority.
- Completed various safety alerts and safety bulletins and communicated them to the Authority’s employees and applicable contractors. These included updates on policy, system, emergency management, defibrillator awareness training, SEQ objectives and targets update, incident notification process update, office security and legislation. Changes included sexual assault reporting requirements and charges for a person conducting a business or undertaking (such as the Authority) and new silica training requirements in the Territory.
- Implemented a due diligence self-assessment checklist for Authority executives and Board members.
- Ensured all new Authority workers completed the induction process, which includes completing the workstation self-assessment when working from home for any duration.
- Provided all staff with defibrillator training.
- Continued a regime of reporting on WHS matters to the executive team, the Audit and Risk Committee and the Board.

The WHS Committee met six times (every two months) during the reporting period. The committee’s membership includes representatives from each team and is reviewed annually. All committee members were able to complete training to ensure they understood the requirements of their roles. Due to the small number of staff in the Authority and the fact that none of them sought to request one, there were no elected Health and Safety Representatives.

The Authority monitors WHS risks faced. The highest WHS risks relate to construction activities, public realm assets and public events where injuries to workers or members of the public could happen. The Authority, MPC, or the contracted place manager ensured that appropriate assessments and assurance activities were undertaken when designing or constructing works and prior to hosting events.

Workplace injury

During the 2022-23 period there was one notifiable incident. A subcontractor’s worker sustained an electrical injury at a construction site in early 2023. An electrical cable had not been de-energised correctly and caused an electric shock to the worker when their arm inadvertently touched the exposed end of the cable. There was no injury to the worker. A doctor examined the worker immediately and cleared them to return to work the following day.

The head contractor completed an incident and investigation report identifying root causes and communicated the report to all stakeholders. With the lessons learnt, the head contractor completed corrective actions and documented additional controls in their respective WHS system.

Improvement, prohibition or non-disturbance notices

During the 2022-23 reporting period the Authority received no improvement, prohibition or non-disturbance notices under Part 10 of the WHS Act.

Enforceable undertakings

During the 2022-23 reporting period the Authority incurred no enforceable undertakings under Part 11 of the WHS Act.

Failure to comply with a safety duty

During the 2022-23 reporting period the Authority incurred no findings of a failure to comply with a safety duty under Part 2 (Divisions 2.2, 2.3 and 2.4) of the WHS Act.

B.11. – Human resources management

Overview

The Authority employs its staff under, and subject to, the conditions of the *Public Sector Management Act 1994* as executives or officers of the ACTPS. The applicable enterprise agreements, or individual contracts and agreements, articulate employee conditions (see the ACT Public Service Employment Portal: jobs.act.gov.au/work-with-us/employment-framework).

The Authority has maintained its workforce profile to deliver the Board-approved work program and Statement of Intent.

EPSDD provided selected human resource advice and these services under a service agreement:

- Probation administration.
- Supporting performance management programs.
- Coordination of learning and development programs.
- Preparation of people and capability reports.
- Administration of the graduate and other vocational programs.
- Coordination of diversity and inclusion programs.
- Facilitation of injury management.
- Coordination of any misconduct and grievances complaints.

Shared Services provides transactional workforce support directly.

Workplace culture

The Authority conducted its annual survey on workplace culture in 2022-23 and is progressing resulting actions. The survey again provided very positive results particularly in the areas of work climate, motivation and leadership.

The Authority also participated in the ACTPS survey. The survey results were strongly positive, with results well above or better than the ACTPS average as shown in Table 16.

The Authority has supported staff and provided regular communication on issues affecting the workplace and ACTPS policy settings, such as regarding working from home. Authority staff may work from home to balance personal commitments, with agreement, and complete a working-from-home checklist and provide it to their managers.

The Authority's management recognises and celebrates team successes in regular communications and awarded the first CEO awards reflecting the ACTPS values.

Table 16: City Renewal Authority results from the ACTPS Survey

| Indicator ¹ | City Renewal Authority | ACTPS average |
|------------------------|------------------------|---------------|
| Commitment and loyalty | 84% | 69% |
| Engagement | 78% | 74% |
| Satisfaction | 88% | 78% |

Note(s):

1. The table shows the percentage of respondents for selected indicators surveyed.

Learning and development programs

Under its service agreement with the Authority, EPSDD managed training nominations, arranged bulk-attendance courses, facilitated virtual learning and managed the Authority's staff training records through the electronic training system.

In the reporting period the Authority placed particular emphasis on selected topics to manage business risks, address audit recommendations or underpin the guiding principles in the strategic plan. The selected topics included safety and wellbeing, fraud and ethics, probity and procurement and cultural awareness. The Statement of Performance in Section C.6 includes two training key performance indicators.

ACTPS/EPSSD core learning programs

Throughout 2022-23, Authority staff participated in the following programs that form part of the ACTPS Core Learning Policy for all ACT Government employees. Core training delivery is primarily through virtual learning programs with face-to-face for selected topics (where possible). Table 17 shows completions during 2022-23, which are in addition to completions in previous reporting periods.



Wayfinding provided to guide visitors between the City Centre and Floriade as part of the Floriade Walking Trail

Table 17: ACT Public Service training 2022-23

| ACT Public Service core training element | Completions in 2022-23 |
|---|------------------------|
| Aboriginal & Torres Strait Islander Cultural Awareness | 5 |
| ACTPS Induction | 8 |
| Domestic and Family Violence Foundation (any module in the suite) | 4 |
| Fraud, Corruption and Ethics Awareness | 12 |
| Freedom of Information and the Open Access Information Scheme | 11 |
| Information Privacy | 10 |
| Introduction to Risk in the ACT Government | 3 |
| Records Management | 7 |
| Reportable Conduct in EPSDD | 8 |
| Respect, Equity and Diversity and the Code of Conduct | 8 |
| Work Health, Safety and Wellbeing | 13 |
| Working Remotely: Essentials | 13 |

Training for managers and senior leaders

Managers may also access training to support them in their leadership role as required. Table 18 shows completions during 2022-23, which are in addition to completions in previous reporting periods.

Table 18: Management and leadership training 2022-23

| Course name | Completions in 2022-23 |
|--|------------------------|
| Domestic and Family Violence - Manager (any module in the suite) | 5 |
| Leading Teams Remotely | 1 |
| Recruitment and Selection | 4 |

Training to support mental health and inclusion

In 2022-23 staff participated in the following programs supporting the promotion of mental health awareness and inclusion.

Table 19: Mental health and inclusion training 2022-23

| Course name | Completions in 2022-23 |
|-------------------------------|------------------------|
| Disability Awareness Training | 3 |
| Mental Health Awareness | 2 |

Training participation – other recommended training

Table 20: Other recommended training 2022-23

| Course name | Completions in 2022-23 |
|--|------------------------|
| Acknowledging Country in language | 20 ¹ |
| ACT Government Probity in Procurement | 20 |
| ACT Government Procurement | 4 |
| APIAS - Accounts Payable Invoice Automation Solution | 2 |
| Behavioural De-escalation | 1 |
| Conflict of Interest | 1 |
| Flexible work ergonomics | 4 |
| Introduction to Risk in the ACT Government | 3 |
| Objective eLearning (any module in the suite) | 3 |
| Practical Application of Risk Management | 2 |
| Praise Me! | 3 |

Note(s):

1. Five staff participated in EPSDD coordinated courses and at least 15 staff and several community partners learnt to Acknowledge Country in Ngunnawal language with Tyronne Bell at an Authority hosted workshop. The Authority also coordinated an all-staff on-Country visit of Namarag Reserve on the Molonglo River to learn of its cultural significance and the process of collaboration with Traditional Custodians.

Operational safety training

Staff participated in additional safety-related training specific to their roles and consistent with the Authority's learning priorities. One officer completed first aid training and one officer completed asbestos awareness training.

Future learning and development areas identified as priorities

In 2023-24 the Authority will continue to ensure new starters complete mandatory training and continue to build their capability through practical opportunities. Focus areas are likely to be WHS, contract management, procurement and engagement skills.

ACT Public Service graduate program

The Authority did not have a graduate placement in the reporting period.

Staff participation in the ACT Public Service study assistance program

Study assistance is available to support ACTPS employees in undertaking formal higher education opportunities that align with their current role and agency priorities.

The Authority provided ongoing support for one employee in 2022-23.

Inclusion employment programs

In 2022-23 the Authority did not host any employees as part of the ACT Government's Work Experience Support Program or vocational employment programs.

ACTPS performance framework

At 30 June, 95 per cent of staff in the Authority had established a performance and development plan for the 2022-23 period with their manager online via the directorate's learning management system, in line with the ACTPS Performance Framework.

(Note: this figure excludes staff employed with the Authority for less than six months and staff on leave and other placements.)

Staffing profile

At 30 June 2023 the Authority had a headcount of 30 people. Tables 21 to 28 describe the workforce headcount and full-time equivalent (FTE) staff numbers.

Table 21: FTE and headcount by branch

| Branch | FTE | Headcount ¹ |
|---------------------------------------|-------------|------------------------|
| Office of the Chief Executive Officer | 1 | 1 |
| Business Operations | 7.7 | 8 |
| Capital Works | 1.9 | 2 |
| Place Experience and Communication | 4.6 | 5 |
| Development | 5.8 | 7 |
| Design and Place Strategy | 6.6 | 7 |
| Total | 27.6 | 30 |

Note(s):

1. The headcount total at 30 June 2023 includes staff on maternity or other forms of leave, in addition to staff backfilling those roles, and excludes staff on temporary transfer in other agencies.

Table 22: FTE and headcount by gender

| | Female | Male | Non-Binary | Total |
|---------------------|--------|-------|------------|-------|
| FTE by gender | 13.3 | 14.3 | 0 | 27.6 |
| Headcount by gender | 14 | 16 | 0 | 30 |
| % of workforce | 46.7% | 53.3% | 0% | 100% |

Table 23: Headcount by classification group and gender

| Classification group | Female | Male | Non-Binary | Total |
|-------------------------|--------|------|------------|-------|
| Administrative officers | 5 | 0 | 0 | 5 |
| Senior officers | 7 | 14 | 0 | 21 |
| Executive officers | 2 | 2 | 0 | 4 |
| Total | 14 | 16 | 0 | 30 |

Table 24: Headcount by employment category and gender

| Employment category | Female | Male | Non-Binary | Total |
|---------------------|--------|------|------------|-------|
| Casual | 0 | 0 | 0 | 0 |
| Permanent full-time | 8 | 11 | 0 | 19 |
| Permanent part-time | 2 | 2 | 0 | 4 |
| Temporary full-time | 3 | 2 | 0 | 5 |
| Temporary part-time | 1 | 1 | 0 | 2 |
| Total | 14 | 16 | 0 | 30 |

Table 25: Diversity profile







| Representation | Headcount | % of staff |
|---|-----------|--|
|  | 14 | 46.7% Staff are female |
|  | 2 | 50% Female senior executive management |
|  | 7 | 23.3% Staff are 55 years or over |
|  | 0 | 0% Staff identify as Indigenous Australian |
|  | 0 | 0% Staff identify as having a disability |
|  | 1 | 6.7% Staff are from a non-English-speaking background |

Table 26: Headcount by age and gender

| Age group | Female | Male | Non-Binary | Total |
|-------------|--------|------|------------|-------|
| Under 25 | 1 | 0 | 0 | 1 |
| 25 to 34 | 2 | 3 | 0 | 5 |
| 35 to 44 | 5 | 5 | 0 | 10 |
| 45 to 54 | 5 | 2 | 0 | 7 |
| 55 and over | 1 | 6 | 0 | 7 |

Table 27: Average length of service in the ACT Public Service

| Gender | Female | Male | Non-Binary | Total |
|--------------------------|--------|------|------------|-------|
| Average years of service | 6.0 | 6.4 | 0 | 6.2 |

Table 28: Recruitment and separation rates

| Recruitment rate ¹ | Separation rate ¹ |
|-------------------------------|------------------------------|
| 45.8% | 18.3% |

Note(s):

1. Consistent with ACTPS State of the Service methodology, EPSDD based these calculations on permanent appointments or separations. They exclude other movements such as temporary transfer or appointments on a fixed term temporary basis, such as in executive roles.

*Dog agility fun at the Haig Park
Community Open Day, Braddon*



B.12. – Ecologically sustainable development

The Authority commits to delivering exemplary sustainable development and has a legislated obligation to promote urban renewal that is socially and environmentally sustainable and applies innovative environmental building and public domain design.

The *City Renewal Authority Sustainability Strategy 2021-2025* is on the website: [act.gov.au/___data/assets/pdf_file/0006/1699800/00.-2021-Sustainability-Strategy_FINAL-A28057863.pdf](https://www.act.gov.au/___data/assets/pdf_file/0006/1699800/00.-2021-Sustainability-Strategy_FINAL-A28057863.pdf)

The strategy focuses on four key themes: climate-wise design, sustainable use of resources, social and economic vibrancy, and enhanced active travel.

The Authority is implementing the strategy through placemaking activities, capital works projects, future land development, influencing sustainability and people-focused outcomes in development activity, and pursuing opportunities and partnerships to pilot and deliver sustainable development.

Sustainability is a key element of the Authority's comprehensive CPRP, with its primary aim being to facilitate positive social and environmental sustainability outcomes through the following:

- Supporting other ACT Government policies on net zero emissions, living infrastructure, circular economy, housing and electric developments.
- Promoting innovative building and public domain design that is climate positive and resource efficient and prioritises health, comfort and liveability.
- Nurturing social connectedness and a more inclusive, equitable city.
- Achieving people-centred and environmentally sustainable development through urban design.

Sustainability Strategy 2023-2025 target review

In 2022-23, a review of the sustainability strategy identified targets within the control of the Authority and developed an action plan to provide a clear direction towards meeting the Authority's

sustainability goals. The *Sustainability Strategy Action Plan* aligns targets with specific, measurable and achievable actions to ensure sustainability initiatives incorporate into the Authority's land sales, programs and projects. It also provides a clear mechanism for evaluating the Authority's performance in delivering the strategy. Two checklists support the action plan:

- Sustainability Initiatives in Land Sales (the land sales checklist)
- Sustainable Design and Delivery

This allows the Authority's project managers to identify and track sustainability initiatives throughout the land sales and development process, and program and project life cycles for all public realm upgrades and activations within the Precinct.

An overview of the 2023-25 target review and the Sustainability Strategy Action Plan are on the website: [act.gov.au/cityrenewal/documents](https://www.act.gov.au/cityrenewal/documents)

Sustainability in programs and projects

Projects in 2022-23 that demonstrated sustainability initiatives:

- The City Hill pathway connected the City East and City West precincts, improving connectivity and active travel opportunities across the city.
- The land sales checklist facilitated the incorporation of sustainability initiatives in land sale releases across the City Centre, which will lead to improved sustainable urban development outcomes within the Precinct.
- The Authority actively promoted sustainability initiatives implemented in public realm projects, land sales, activations and events within the Precinct through the Authority's marketing and communications, helping to generate awareness and encourage the uptake of sustainable practices within the community.
- Preliminary designs for the planned Garema Place and Dickson Shops upgrades promoted environmental and social sustainability through



*Salthouse Community Centre
nestled in Haig Park, Braddon*

- the retention of existing mature trees and planting of additional trees and garden beds to reduce the urban heat island effect and provide a cooler, greener, more comfortable urban environment.
- The final design for the Acton Waterfront park proposed a significant increase in tree canopy cover within the Precinct, contributing towards the ACT Government’s Living Infrastructure targets of 30% canopy cover across Canberra by 2045.
- Streetscape upgrades in Braddon commenced and will help make Braddon more accessible, safe and comfortable for the whole community, with new pedestrian crossings, street lighting, hang out spaces and landscaping. The upgrades will provide improved walking connections between the Precinct and nearby light rail stop, and between the City Centre and Haig Park.
- Streetscape upgrades to Verity and Odgers Lanes provided attractive and safe meeting places that will foster opportunities for outdoor dining, small-scale events and social connection in the City Centre. These outcomes align with the objectives of the ACT Government’s Wellbeing Framework.
- The Authority delivered a framework to achieve a six-star Greenstar communities rating for the Acton Waterfront precinct.
- The Salthouse Community Centre demonstrates the use of innovative sustainability principles in design and construction. This includes the adaptive reuse of the structures and materials, including the reuse of bricks from the old depot building, wharf timber from the Acton Waterfront and pavers from City Walk. Double glazing, excellent solar access and thermal massing via concrete slabs and clay bricks will minimise energy consumption, while rainwater harvesting for irrigation and the use of native drought tolerant plants will reduce water consumption.
- The Authority funded the lease of a fully electric street sweeper/scrubber to replace an existing diesel vehicle. The new sweeper/scrubber is the first of its kind in Australia and supports the Territory’s targets for reduced emissions. When compared to the diesel version the new electric scrubber has an 86 per cent reduction in energy usage per hour, 100 per cent reduction in CO2 emissions and a significant reduction in operational noise.
- The Authority promoted the Territory’s strategy to reduce single-use plastics by ensuring all major event activities it delivered were single-use plastic free. The Authority provided recycling bins where possible at public events to encourage responsible disposal.

The Authority also promoted sustainability in new residential and commercial developments when reviewing DAs and through NCDRP and DA pre-application meetings. It advocated for a wide range of sustainable design attributes including water-sensitive urban design, climate resilient design, solar access, end-of-trip and active travel facilities and the number and provision of diverse dwelling types.

There were no investigations or recommendations to the Authority from the Commissioner for Sustainability and the Environment in the reporting period.

Sustainable development performance

Table 29 provides information on the Authority's energy, water, transport fuel and waste consumption, and the associated greenhouse gas emissions.

ACT Property Group provides accommodation services on behalf of the ACT Government. As part of arrangements there was a forum for tenants and owners to identify and manage sustainability performance (for example, energy and water efficiency) of the accommodation on a regular basis.

The Authority supported its staff to adopt sustainable workplace practices:

- Staff used a range of sustainable travel options for work trips including bus and light rail travel, using electric bikes and walking to meetings and work activities. The Authority accessed hybrid and electric vehicles via the shared ACT Government fleet.
- The Authority office location had general and shared commingled waste bins in workspaces and the kitchen to help separate recyclables, including organics and paper and cardboard. This helped to minimise waste to landfill.
- The Authority office location provided other options to capture valuable resources for reuse, including toner recycling.
- The Authority mainly purchased 100 per cent recycled paper for office use. To help minimise the impact of paper use where possible, the Authority has deployed smart (swipe card) printing along with printer default settings set to double sided and black and white. Any non-recycled paper was usually certified, for example, carbon neutral certified or Forestry Stewardship Council certified.
- The Authority continued to embed sustainability in its operations, including through electronic approvals to reduce paper consumption and embedding sustainability in its events.

City Hill path connecting east and west of Canberra's City Centre



Table 29: Sustainability results 2022-23 compared to 2021-22

| Indicator at 30 June ¹ | Unit | 2022-23 | 2021-22 | Percentage change |
|---|--------------------------------|-------------|-------------|-------------------|
| Stationary energy usage | | | | |
| Electricity use ² | Kilowatt hours | 44,686 | 67,432 | -33.73% |
| Natural gas use (non-transport) ² | Megajoules | 167,193 | 172,140 | -2.87% |
| Diesel use (non-transport) | Kilolitres | 0 | 0 | 0% |
| Transport fuel usage | | | | |
| Electric vehicles ³ | Number | 0 | 0 | 0% |
| Hybrid vehicles ³ | Number | 0 | 0 | 0% |
| Hydrogen vehicles ³ | Number | 0 | 0 | 0% |
| Total number of vehicles ³ | Number | 0 | 0 | 0% |
| Fuel use – petrol ³ | Kilolitres | 0 | 0 | 0% |
| Fuel use – diesel ³ | Kilolitres | 0 | 0 | 0% |
| Fuel use – liquefied petroleum gas (LPG) ³ | Kilolitres | 0 | 0 | 0% |
| Fuel use – compressed natural gas (CNG) ³ | Gigajoules | 0 | 0 | 0% |
| Water usage | | | | |
| Water use ² | Kilolitres | 95.08 | 145.83 | -34.80% |
| Resource efficiency and waste | | | | |
| Reams of paper purchased | Reams | 58 | 152 | -61.84% |
| Recycled content of paper purchased | Percentage | 94.8% | 84.9% | 11.66% |
| Waste to landfill ⁴ | Litres | 2,286 | 2,799 | -18.33% |
| Commingled material recycled ⁴ | Litres | 1,690 | 2,565 | -34.11% |
| Paper and cardboard recycled (inc. secure paper) ⁴ | Litres | 1,242 | 3,441 | -63.91% |
| Organic material recycled ^{4&5} | Litres | 59 | 3 | 1,866.67% |
| Greenhouse gas emissions⁶ | | | | |
| Emissions from natural gas use (non-transport) | Tonnes CO ₂ -e | 8.62 | 8.87 | -0.03% |
| Emissions diesel use (non-transport) | Tonnes CO ₂ -e | 0.00 | 0.00 | 0% |
| Emissions from transport fuel use | Tonnes CO ₂ -e | 0.00 | 0.00 | 0% |
| Emissions from refrigeration | Tonnes CO ₂ -e | 0.00 | 0.00 | 0% |
| Total emissions | Tonnes CO₂-e | 8.62 | 8.87 | -0.03% |

Note(s):

1. Data are from external sources at the end of the reporting period.
2. Energy, water, diesel and transport fuel data are from the Enterprise Sustainability Platform and supplied by EPSDD. The Authority based figures for 2021-22 for electricity, natural gas use (non-transport) and water on estimated figures available at the time of preparing the 2021-22 annual report. The Authority has amended these to reflect the final recorded amounts for 2021-22 as advised by EPSDD.
3. If required, Authority staff used hybrid and electric vehicles via the shared ACT Government fleet. Usage data for these vehicles for both the 2021-22 and 2022-23 reporting periods are in the report of the CMTEDD.
4. The Authority based waste figures on invoiced information for each waste/recycling stream, apportioned to the Authority based on floor space by ACT Property Group. Initial data capture is by kilograms, converted to estimated litres. The 2022-23 reporting period is the first full year that the Authority has occupied the refitted office space in Nara House. Variations between 2022-23 and 2021-22 are likely due to changed staff working patterns and less paper-based activity.
5. The organics waste recycling service was unavailable at the temporary office accommodation in Customs House and recommenced at Nara Centre late in 2021-22.
6. Emissions data are from the Enterprise Sustainability Platform and supplied by EPSDD. The Authority based figures for 2021-22 on estimated figures available at the time of preparing the 2021-22 annual report. The Authority amended these to reflect the final billed amounts for 2021-22.

Section C

Financial management reporting



*Woolley Street Dickson,
completed works*

C.1. – Financial management analysis

Management discussion and analysis
City Renewal Authority
For the Year Ended 30 June 2023

Objectives

The Authority was established on 1 July 2017 under section 7 of the CRA&SLA Act.

The Authority is charged with revitalising the city centre of Canberra covering the designated City Renewal Precinct that spans Dickson, Northbourne avenue, Haig Park, Civic and Acton.

The Authority leads the revitalisation of our precinct and its places by delivering a people-centred, design-led, sustainable, and commercially astute urban renewal program. The Authority relies on other ACT Government entities such as EPSDD, SLA and Shared Services for core business functions such as people and capability, governance services, information and records management, freedom of information, legal support services, ICT systems, government services and facility and fleet management.

Working with the community, the Authority recognises that places defining our city are where its citizens live, work, and enjoy; and places which support a quality of life Canberrans expect and deserve.

The key objectives of the Authority:

- The encouragement and promotion of a vibrant city through the delivery of design-led, people-focused urban renewal.
- The encouragement and promotion of social and environmental sustainability.
- Operational effectiveness, delivering value for money using sound risk practices.

In partnership with the community, private-sector and other government agencies, the Authority will renew and re-energise the city's central area. It works with the community, business and government to create

new buildings and places within the precinct that are of exemplary design quality, excite interest and participation and stimulate new investment. It also activates the Precinct with events, interventions and attractions that bring people into the centre of the city and enliven the experience for residents, workers and visitors.

Public Trading Enterprise

The Authority is a Public Trading Enterprise. Consistent with the ACT Government's policy statement on competitive neutrality (*Competitive Neutrality in the ACT, October 2010*), the Authority applies costing and pricing principles, taxation, debt guarantee requirements and regulations, including:

- application of the National Tax Equivalents Regime; and
- providing a commercial return to the ACT Government through the development and sale of the land.

The total return to the ACT Government from the Authority's activities consists of:

- capital distributions to the government;
- payment of national tax equivalents;
- payment of dividends based on operating profit after tax; and
- payment of payroll tax.

Returns to the Territory

Table 30 below details the total returns to the Territory based on the audited financial statements for 2022-23 and 2021-22, and the Statement of Intent (Budget) for 2022-23 and 2023-24.

Table 30: Comparison of returns to the Territory

| | Actual 2021-22 \$'m | Actual 2022-23 \$'m | Budget 2022-23 \$'m | Budget 2023-24 \$'m | Estimate 2024-25 \$'m | Estimate 2025-26 \$'m | Estimate 2026-27 \$'m |
|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
| Dividends Declared | – | – | 30.4 | 15.5 | 44.8 | 15.6 | – |
| National tax equivalent payments | – | – | 10.1 | 5.2 | 14.9 | 5.2 | – |
| Payroll tax | 0.2 | 0.2 | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 |
| Total Returns to the Territory | 0.2 | 0.2 | 40.7 | 21 | 60 | 21.1 | 0.3 |

Dividends

The Authority declares a dividend of 100 percent of net profits after tax (excluding gifted assets), payable to the ACT Government. There are nil dividends payable for 2022-23 as the Authority incurred an after-tax deficit.

Financial performance

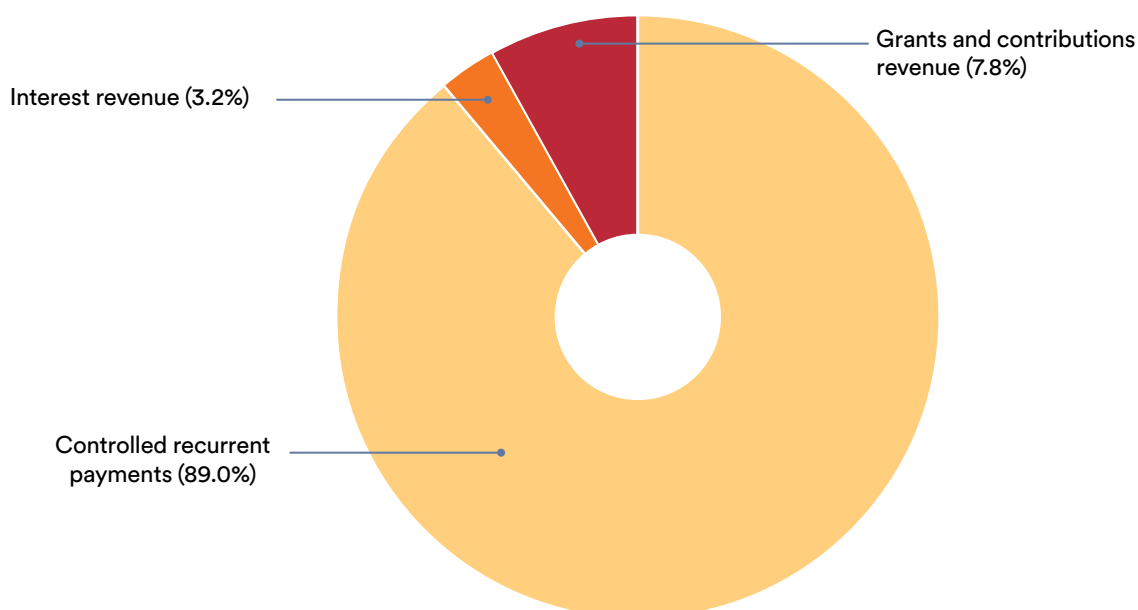
The financial information provided below is based on the audited financial statements for 2022-23 and 2021-22, and the 2022-23 Budget.

Income

Components of income

Total income for the year ended 30 June 2023 was \$15.4 million, comprising Controlled Recurrent Payments of \$13.7 million (89%), Interest Revenue of \$0.5 million (3.2%), and Grants and Contributions Revenue of \$1.2 million (7.8%).

Figure 3: Components of income



Comparison to 2022-23 budget

Total income of \$15.4 million was lower than the budget of \$60.7 million, due mainly to \$46.7 million sales of goods and services from contracts with customers that reflects land released but unable to settle during the reporting period. This was partially offset by \$0.6 million higher grants and contributions revenue primarily related to an additional \$0.5 million in resources received free of charge from MPC for infrastructure delivery services.

Comparison to 2021-22 actual income

Total income of \$15.4 million was higher than the actual income for 2021-22 of \$14.2 million, due mainly to:

- \$0.4 million increase in controlled recurrent payments primarily reflecting \$0.2 million of supplementary appropriation and a \$0.2 million roll-over from 2021-22;
- \$0.4 million increase in interest revenue as a result of a higher interest rate on cash at bank; and
- \$0.5 million increase through the first-time recognition of resources received free of charge from MPC.

Total expenses

Components of expenses

Total expenses for the year ended 30 June 2023 was \$27 million, comprising Employee Expenses of \$5.8 million (21.5%), Supplies and Services of \$9 million (33.3%), Depreciation and Amortisation of \$1.4 million (5.2%), Grants and Purchased Services of \$1.7 million (6.3%) and Other Expenses of \$9.1 million (33.7%).

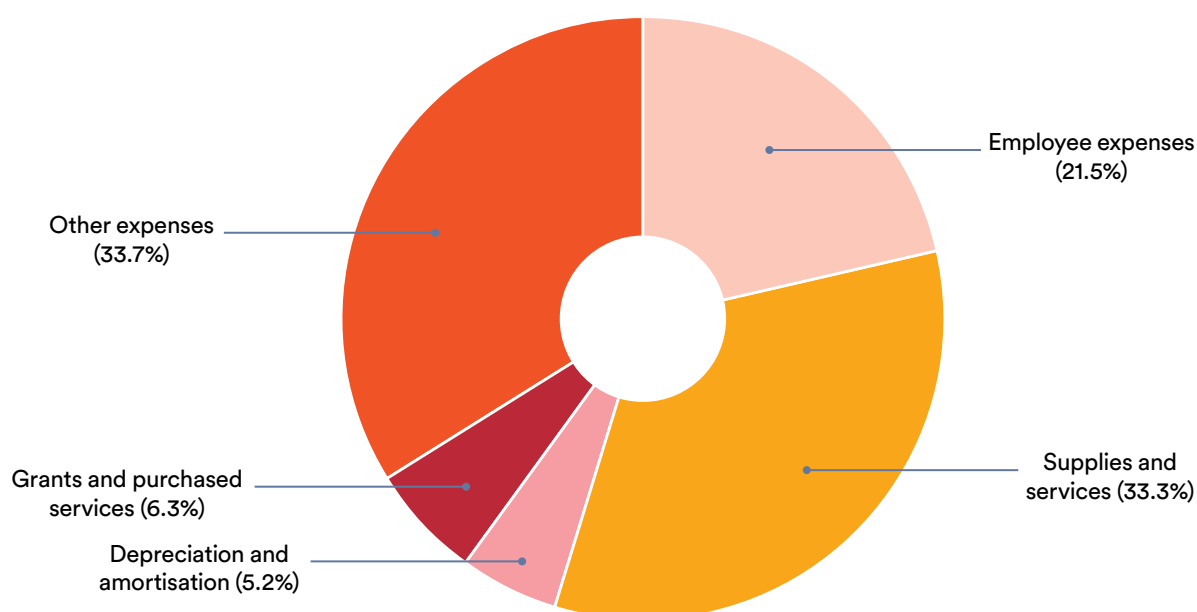
Comparison to 2022-23 budget

Total expenses of \$27 million was higher than the original budget of \$20.1 million. This is mainly due to a \$9.1 million loss of valuation of community and infrastructure assets which primarily reflects a portion of reclaimed lake at Acton to be retained as a community asset. This was partially offset by \$2.6 million of deferred recognition of cost of goods sold associated with land settlements that did not occur.

Comparison to 2021-22 actual expenses

Total expenses of \$27 million was higher than the actual expenses for 2021-22 of \$24.3 million. This is mainly due to a \$9.1 million loss of valuation of community and infrastructure assets which primarily reflects a portion of reclaimed lake at Acton to be retained as a community asset.

Figure 4: Components of expenditure



This was partially offset by:

- \$0.7 million increase in employee expenses resulting from lower average position vacancy rates; and
- \$1.1 million increase in supplies and services, of which \$0.7 million related to capital expenses that did not meet the asset capitalisation criteria. A further \$0.8 million reflected a higher spend on land development activities that did not meet the capitalisation criteria. This was partially offset by a \$0.2 million reduction in resources received free of charge expense and a \$0.2 million reduction in advertising and marketing costs.

Financial position

Key indicators of the health of the Authority’s financial position are the ability to sustain its asset base, to pay debts as they fall due and to maintain long-term liabilities at prudent levels.

Total assets

Components of total assets

In 2022-23 the Authority maintained a strong net asset position due to its property, plant and equipment, cash and inventory holdings in comparison with its liabilities.

Total assets of \$154.7 million at 30 June 2023 comprised Cash and Cash Equivalents of \$29.8 million (19.3%), Receivables of \$0.2 million (0.1%), Inventories of \$7.5 million (4.8%), Property, Plant and Equipment of \$113.2 million (73.2%), and Capital Works in Progress of \$3.9 million (2.5%).

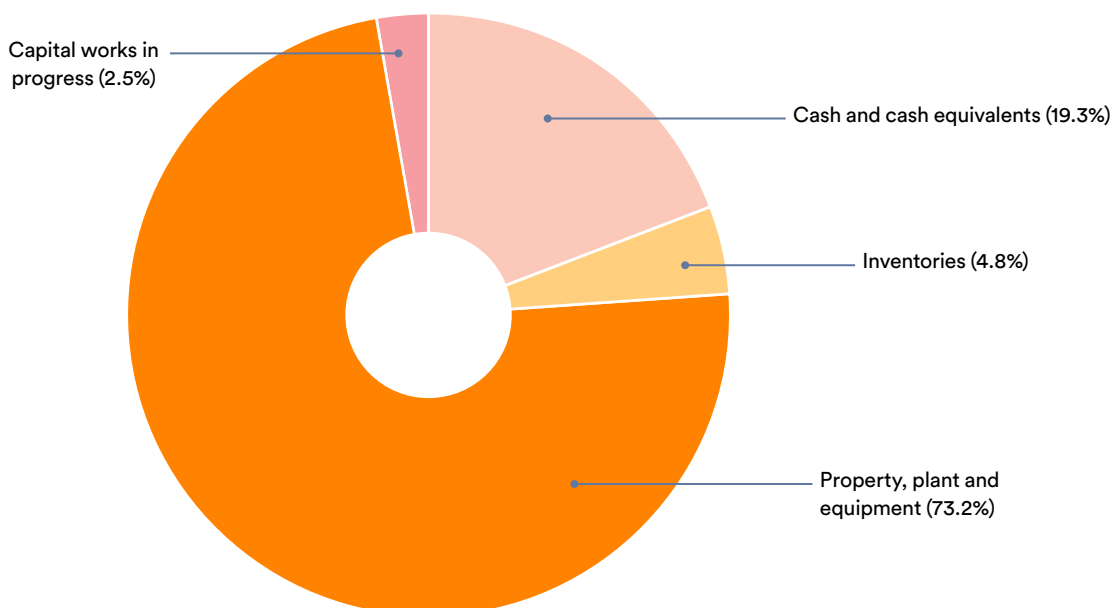
Comparison to budget at 30 June 2023

Total assets of \$154.7 million was higher than the original budget of \$117.5 million, due mainly to property, plant and equipment, which was \$82.1 million higher. The increase reflects the capitalisation of the several assets including the Acton Boardwalk, the Salthouse Community Centre, Dickson Streetscape upgrades and the reclassification of land which was revalued to \$47 million on transfer from inventory.

This was partially offset by:

- \$1.0 million lower inventory balances, which primarily reflects the net movement of asset transfers, being a \$5.1 million transfer of land to property, plant and equipment, partially offset by the recognition of \$3 million of reclaimed lake transferred to inventory on completion.
- \$45 million lower capital works in progress which reflects projects noted above that were transferred to property, plant and equipment on completion.

Figure 5: Components of total assets



Comparison to 2021-22 actual assets

Total assets of \$154.7 million was higher than the prior year total of \$96.2 million, due mainly to:

- \$14.5 million increase in cash resulting from a \$16.8 million prepayment for the sale of land, partially offset by increased expenditure on land development activities; and
- \$82.9 million increase in property, plant and equipment reflecting the capitalisation of Acton Boardwalk project, the Salthouse Community Centre and Dickson streetscape upgrades and the reclassification of land which was revalued to \$47 million on transfer from inventory.

This was partially offset by:

- \$37.6 million reduction in capital works in progress which reflects the completion and capitalisation of several projects noted above; and
- \$1.2 million reduction in inventory which primarily reflects the net movement of asset transfers, being a \$5.1 million transfer of land to property, plant and equipment, partially offset by the recognition of \$3 million of reclaimed lake transferred to inventory on completion.

Total liabilities

Total liabilities of \$48.6 million as at 30 June 2023 comprise Payables of \$2.1 million (4.3%), Financial Liabilities of \$16.8 million (34.6%), Employee Benefits of \$1.6 million (3.3%), Other Provisions of \$25.2 million (51.9%) and Deferred Tax Liability of \$2.9 million (6%).

Comparison to budget at 30 June 2023

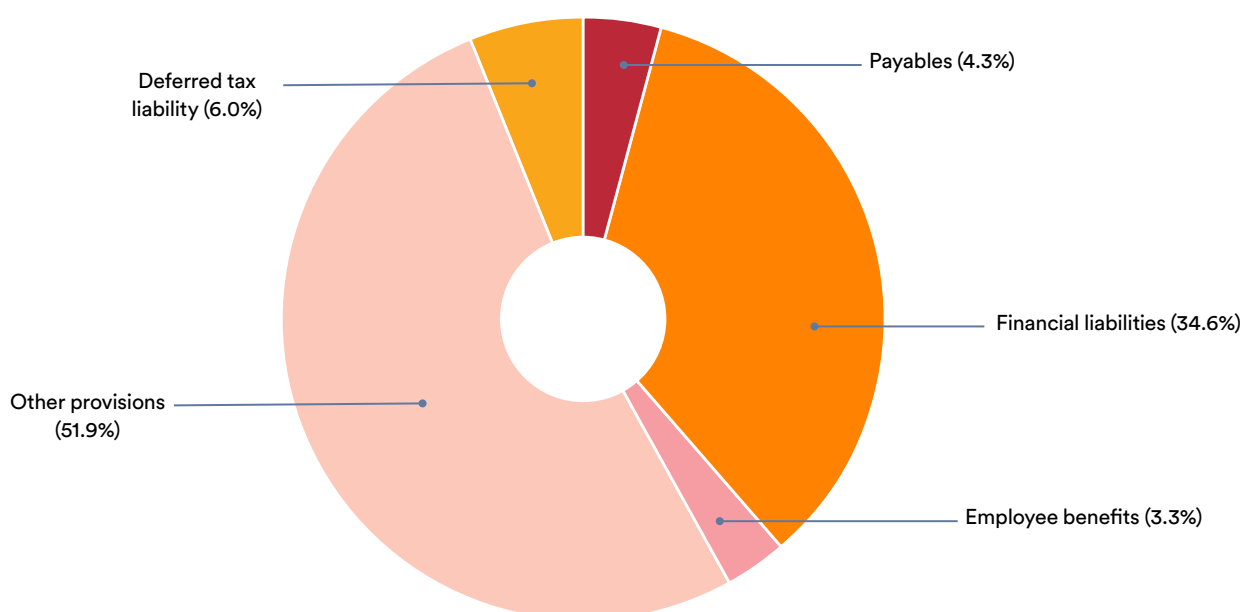
Total liabilities of \$48.6 million was higher than the original budget of \$23.6 million, due mainly to:

- \$16.8 million in financial liabilities for the upfront payment received for the sale of land where the settlement is yet to occur.
- \$25.2 million in other provisions for remediation of the contaminated land to be transferred to UNSW which was not determined at the time of budget preparation.

This was partially offset by:

- \$6.1 million lower than budget dividend payable due to the operating deficit result;
- \$10.1 million lower than budget national tax equivalent payable due to the operating deficit result; and
- \$1.7 million of lower than budget deferred tax liability.

Figure 6: Components of total liabilities



Comparison to 2021-22 actual liabilities

Total liabilities of \$48.6 million was higher than the prior year total of \$8.6 million, due mainly to:

- \$16.8 million higher than budget financial liabilities reflecting the upfront payment received for the sale of land where the settlement is yet to occur; and
- \$25.2 million in other provisions, for remediation of the contaminated land to be transferred to UNSW.

This was partially offset by the reduction of deferred tax liability from the prior year.

Liquidity

Liquidity refers to the ability of the Authority to satisfy its short-term debts as they fall due. This ability is demonstrated by the Authority's 'current ratio' (set out in Table 31), which compares the ability to fund short-term liabilities from short-term assets. The current ratio of 2.5 shows that the Authority is able to meet its short-term debts at 30 June 2023.

It is noted that current inventories are expected to be realised at market which significantly exceed the current book values.

The reduction in the current ratio in Budget 2023-24 and the forward estimates against the Actual 2022-23 represent dividends and income tax payable in the subsequent period, following the receipt of an upfront payment for the sale of land in 2022-23.

Table 31: Current assets to current liabilities

| At 30 June | Actual 2021-22 \$'m | Actual 2022-23 \$'m | Budget 2022-23 \$'m | Budget 2023-24 \$'m | Estimate 2024-25 \$'m | Estimate 2025-26 \$'m | Estimate 2026-27 \$'m |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total Current Assets | 17.5 | 30.8 | 29.0 | 12.4 | 30.5 | 15.3 | 7.0 |
| Total Current Liabilities | 3.8 | 12.5 | 18.9 | 12.1 | 27.8 | 12.2 | 4.1 |
| Current Ratio | 4.6 | 2.5 | 1.5 | 1.0 | 1.1 | 1.3 | 1.7 |

C.2. – Financial statements



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

Opinion

I have audited the financial statements of the City Renewal Authority for the year ended 30 June 2023 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows, statement of appropriation and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, the City Renewal Authority's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the City Renewal Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the City Renewal Authority for the financial statements

The Governing Board is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the City Renewal Authority to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statement

Auditor’s responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the City Renewal Authority.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the City Renewal Authority’s internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the City Renewal Authority;
- conclude on the appropriateness of the City Renewal Authority’s use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City Renewal Authority’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the City Renewal Authority to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Governing Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ajay Sharma
Assistant Auditor-General, Financial Audit
28 September 2023

City Renewal Authority

Financial Statements

For the Year Ended

30 June 2023

**City Renewal Authority
Financial Statements
For the Year Ended 30 June 2023**

Statement of Responsibility

As the Chair of City Renewal Authority, I am responsible for the preparation of the annual financial statements as well as the judgements exercised in preparing it.

In my opinion, the City Renewal Authority's financial statements fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.




Ms Christine Covington
Chair
City Renewal Authority Board
27 September 2023

**City Renewal Authority
Financial Statements
For the Year Ended 30 June 2023**

Statement by the Deputy Chief Executive Officer

In my opinion, the City Renewal Authority's financial statements have been prepared in accordance with the Australian Accounting Standards, are in agreement with its accounts and records and fairly reflect its financial operations for the year ended 30 June 2023 and the financial position on that date.



Mr Craig Gillman
Deputy Chief Executive Officer
City Renewal Authority
27 September 2023

City Renewal Authority

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City Renewal Authority
Statement of Comprehensive Income
For the Year Ended 30 June 2023

| | Note No. | Actual 2023 \$'000 | Original Budget 2023 \$'000 | Actual 2022 \$'000 |
|---|-------------|--------------------------|--------------------------------------|--------------------------|
| Income | | | | |
| Controlled Recurrent Payments | # | 13 719 | 13 256 | 13 287 |
| Sales of Goods and Services from Contracts with Customers | | - | 46 674 | 99 |
| Interest Revenue | 5 | 521 | 109 | 149 |
| Grants and Contributions Revenue | 6 | 1 152 | 636 | 697 |
| Total Income | | 15 392 | 60 675 | 14 232 |
| Expenses | | | | |
| Employee Expenses | 7 | 5 751 | 6 057 | 5 128 |
| Supplies and Services | 8 | 9 039 | 9 768 | 7 899 |
| Depreciation and Amortisation | 14 | 1 380 | 1 039 | 1 292 |
| Grants and Purchased Services | 9 | 1 740 | 637 | 1 031 |
| Cost of Goods Sold | | - | 2 617 | - |
| Financing Costs | | 2 | - | - |
| Other Expenses | 10 | 9 065 | - | 8 952 |
| Total Expenses | | 26 977 | 20 118 | 24 302 |
| Operating Result before National Tax Equivalents | | (11 585) | 40 557 | (10 070) |
| National Tax Equivalents | 20 | (2 435) | 10 139 | (359) |
| Operating Result | | (9 150) | 30 418 | (9 711) |
| Other Comprehensive Result | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | | |
| Increase in the Asset Revaluation Surplus attributable to the revaluation of assets | 14 | 19 290 | - | 1 724 |
| (Decrease) in Asset Revaluation Surplus attributable to deferred tax on revaluation of assets | 20 | (653) | - | (431) |
| Total Other Comprehensive Result | | 18 637 | - | 1 293 |
| Total Comprehensive Result | | 9 487 | 30 418 | (8 418) |

The above Statement of Comprehensive Income is to be read in conjunction with the accompanying notes.
Refer to the Statement of Appropriation.

**City Renewal Authority
Balance Sheet
As at 30 June 2023**

| | Note No. | Actual 2023 \$'000 | Original Budget 2023 \$'000 | Actual 2022 \$'000 |
|--------------------------------------|-------------|--------------------------|--------------------------------------|--------------------------|
| Current Assets | | | | |
| Cash and Cash Equivalents | 11 | 29 821 | 28 788 | 15 274 |
| Receivables | 12 | 180 | 174 | 415 |
| Inventories | 13 | 810 | - | 1 857 |
| Other Assets | | - | 39 | - |
| Total Current Assets | | 30 811 | 29 001 | 17 546 |
| Non-Current Assets | | | | |
| Inventories | 13 | 6 661 | 8 505 | 6 857 |
| Property, Plant and Equipment | 14 | 113 243 | 31 072 | 30 197 |
| Intangible Assets | | 73 | - | 96 |
| Capital Works in Progress | 15 | 3 903 | 48 896 | 41 495 |
| Total Non-Current Assets | | 123 880 | 88 473 | 78 645 |
| Total Assets | | 154 691 | 117 474 | 96 191 |
| Current Liabilities | | | | |
| Payables | 16 | 2 125 | 1 331 | 2 263 |
| Employee Benefits | 18 | 1 545 | 1 375 | 1 546 |
| Other Provisions | 19 | 8 800 | - | - |
| National Tax Equivalents Payable | 20 | - | 10 139 | - |
| Other Liabilities | | - | 6 084 | - |
| Total Current Liabilities | | 12 470 | 18 929 | 3 809 |
| Non-Current Liabilities | | | | |
| Financial Liabilities | 17 | 16 752 | - | - |
| Employee Benefits | 18 | 69 | 45 | 79 |
| Other Provisions | 19 | 16 432 | - | - |
| Deferred Tax Liability | 20 | 2 895 | 4 604 | 4 676 |
| Total Non-Current Liabilities | | 36 148 | 4 649 | 4 755 |
| Total Liabilities | | 48 618 | 23 578 | 8 564 |
| Net Assets | | 106 073 | 93 896 | 87 627 |
| Equity | | | | |
| Accumulated Funds | | 79 016 | 86 770 | 79 207 |
| Asset Revaluation Surplus | | 27 057 | 7 126 | 8 420 |
| Total Equity | | 106 073 | 93 896 | 87 627 |

The above Balance Sheet is to be read in conjunction with the accompanying notes.

City Renewal Authority
Statement of Changes in Equity
For the Year Ended 30 June 2023

| | | Contributed | Accumulated | Asset | Total | Total |
|------|---|---------------|-----------------|---------------|----------------|---------------|
| | | Equity | Funds | Revaluation | Equity | Equity |
| | | Actual | Actual | Surplus | Actual | Original |
| Note | | 2023 | 2023 | 2023 | 2023 | Budget |
| No. | | \$'000 | \$'000 | \$'000 | \$'000 | 2023 |
| | | | | | | \$'000 |
| | Balance at 1 July 2022 | 87 868 | (8 661) | 8 420 | 87 627 | 86 795 |
| | Comprehensive Income | | | | | |
| | Operating Result | - | (9 150) | - | (9 150) | 30 418 |
| | Increase in the Asset Revaluation Surplus attributable to the revaluation of assets | 14 | - | - | 19 290 | 19 290 |
| | Deferred Tax from Revaluation of Assets | 20 | - | - | (653) | (653) |
| | Total Comprehensive Result | - | (9 150) | 18 637 | 9 487 | 30 418 |
| | Transactions Involving Owners Affecting Accumulated Funds | | | | | |
| | Capital Injections | # | 8 959 | - | - | 8 959 |
| | Dividend Approved | | - | - | - | (30 418) |
| | Total Transactions Involving Owners Affecting Accumulated Funds | | 8 959 | - | - | 8 959 |
| | Balance at 30 June 2023 | 96 827 | (17 811) | 27 057 | 106 073 | 93 896 |

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Refer to the Statement of Appropriation

City Renewal Authority
Statement of Changes in Equity - Continued
For the Year Ended 30 June 2023

| | Contributed Equity Actual 2022 \$'000 | Accumulated Funds Actual 2022 \$'000 | Asset Revaluation Surplus Actual 2022 \$'000 | Total Equity Actual 2022 \$'000 |
|---|---|--|---|---|
| Note No. | | | | |
| Balance at 1 July 2021 | 70 406 | 1 050 | 7 127 | 78 583 |
| Comprehensive Income | | | | |
| Operating Result | - | (9 711) | - | (9 711) |
| Increase in the Asset Revaluation Surplus attributable to the revaluation of assets | 14 | - | 1 724 | 1 724 |
| Deferred Tax from Revaluation of Assets | 20 | - | (431) | (431) |
| Total Comprehensive Result | - | (9 711) | 1 293 | (8 418) |
| Transactions Involving Owners Affecting Accumulated Funds | | | | |
| Capital Injections | # | 17 462 | - | - |
| Total Transactions Involving Owners Affecting Accumulated Funds | | 17 462 | - | - |
| Balance at 30 June 2022 | 87 868 | (8 661) | 8 420 | 87 627 |

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

Refer to the Statement of Appropriation

City Renewal Authority
Statement of Cash Flows
For the Year Ended 30 June 2023

| | Note No. | Actual 2023 \$'000 | Original Budget 2023 \$'000 | Actual 2022 \$'000 |
|--|-------------|--------------------------|--------------------------------------|--------------------------|
| Cash Flows from Operating Activities | | | | |
| Receipts | | | | |
| Controlled Recurrent Payments | | 13 719 | 13 256 | 13 287 |
| Sales of Goods and Services from Contracts with Customers | | - | 46 674 | 79 |
| Interest Received | | 521 | 109 | 149 |
| Goods and Services Input Tax Credits from the Australian Taxation Office | | 1 741 | - | 2 460 |
| Goods and Services Tax Collected from Customers | | 1 677 | - | 11 |
| Other | | 126 | - | 170 |
| Total Receipts from Operating Activities | | 17 784 | 60 039 | 16 156 |
| Payments | | | | |
| Employee Payments | | 5 757 | 6 057 | 4 941 |
| Supplies and Services | | 8 852 | 9 131 | 7 217 |
| Cost of Goods Sold | | 863 | 2 304 | 361 |
| Grants and Purchased Services | | 1 516 | 637 | 1 031 |
| Goods and Services Tax Remitted to the Australian Taxation Office | | 1 677 | - | 11 |
| Goods and Services Tax Paid to Suppliers | | 1 543 | - | 2 338 |
| Total Payments from Operating Activities | | 20 208 | 18 129 | 15 899 |
| Net Cash (Outflows)/Inflows from Operating Activities | 11 | (2 424) | 41 910 | 257 |
| Cash Flows from Investing Activities | | | | |
| Payments | | | | |
| Purchase of Capital Works | | 8 738 | 9 370 | 17 580 |
| Total Payment from Investing Activities | | 8 738 | 9 370 | 17 580 |
| Net Cash (Outflows) from Investing Activities | | (8 738) | (9 370) | (17 580) |

City Renewal Authority
Statement of Cash Flows - Continued
For the Year Ended 30 June 2023

| | Note No. | Actual 2023 \$'000 | Original Budget 2023 \$'000 | Actual 2022 \$'000 |
|---|-------------|--------------------------|--------------------------------------|--------------------------|
| Cash Flows from Financing Activities | | | | |
| Receipts | | | | |
| Capital Injections | | 8 959 | 7 101 | 17 462 |
| Proceeds from Financing | | 16 750 | - | - |
| Total Receipts from Financing Activities | | 25 709 | 7 101 | 17 462 |
| Payments | | | | |
| Payment of Dividend | | - | 24 334 | - |
| Total Payment from Financing Activities | | - | 24 334 | - |
| Net Cash Inflows/(Outflows) from Financing Activities | | 25 709 | (17 233) | 17 462 |
| Net Increase in Cash and Cash Equivalents | | 14 547 | 15 307 | 139 |
| Cash and Cash Equivalents at the Beginning of the Reporting Period | | 15 274 | 13 481 | 15 135 |
| Cash and Cash Equivalents at the End of the Reporting Period | 11 | 29 821 | 28 788 | 15 274 |

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

City Renewal Authority Statement of Appropriation For the Year Ended 30 June 2023

Description and Material Accounting Policies relating to Controlled Recurrent Payments

Controlled Recurrent Payments (CRP) are revenue received from the ACT Government to fund the costs of delivering outputs.

CRP is recognised when the Authority gains control over the funding which is obtained upon the receipt of cash, given they do not contain enforceable and sufficiently specific performance obligations as defined by AASB 15 *Revenue from Contracts with Customers*.

Capital injection appropriations are not recognised as income, but instead are recognised as equity injections and a cash inflow which is used to purchase/build an asset(s) or to reduce a liability(s).

Column Heading Explanations

The Original Budget column shows the amounts that appear in the Statement of Cash Flows in the Budget Papers. This amount also appears in the Statement of Cash Flows.

The Total Appropriated column is inclusive of all appropriation variations occurring after the Original Budget.

The Appropriation Drawn is the total amount of appropriation received by the Authority during the year. This amount appears in the Statement of Cash Flows.

| | Original Budget 2023 \$'000 | Total Appropriated 2023 \$'000 | Appropriation Drawn 2023 \$'000 | Appropriation Drawn 2022 \$'000 |
|---------------------------------------|--------------------------------------|---|--|--|
| Controlled | | | | |
| Controlled Recurrent Payments | 13 256 | 13 824 | 13 719 | 13 287 |
| Capital Injections | 7 101 | 9 469 | 8 959 | 17 462 |
| Total Controlled Appropriation | 20 357 | 23 293 | 22 678 | 30 749 |

The above Statement of Appropriation is to be read in conjunction with the accompanying notes.

Variances between 'Original Budget', 'Total Appropriated' and 'Appropriation Drawn'

| | Controlled Recurrent Payments (CRP) \$'000 | Capital Injections (CI) \$'000 |
|---|--|--------------------------------------|
| Reconciliation of Appropriation for 2022-23 | | |
| Original Appropriation for 2022-23 | 13 256 | 7 101 |
| Supplementary Appropriation (<i>Financial Management Act 1996</i> (FMA) s.13) ^a | 263 | - |
| Rollovers of Undisbursed Appropriation (FMA s.16B) ^b | 200 | 361 |
| Accrued Employee Entitlements (FMA s.16A) | 105 | - |
| Capital Works Advance (FMA s.18E) ^c | - | 2 007 |
| Total Appropriated | 13 824 | 9 469 |
| Undrawn ^d | (105) | (510) |
| Controlled Appropriation Drawn | 13 719 | 8 959 |

The difference between the Original Budget and the Total Appropriated relates to the following;

- a) The Authority received \$0.3m in supplementary appropriation to support the University of New South Wales (UNSW) Canberra city campus project.

City Renewal Authority
Statement of Appropriation - Continued
For the Year Ended 30 June 2023

- b) Roll-overs of undisbursed appropriation from 2021-22 reflect;
 - a. \$0.2m for City Centre Marketing and Improvements Levy – the rollover was required due to the cancellation of planned activities because of the COVID-19 lockdown. Funding was expended on place making activities during 2022-23.
 - b. \$0.3m for Acton Waterfront Parkland – the rollover was required due to an extended community consultation process.
 - c. \$0.1m for Canberra’s lakeside – the rollover was required due to the project being physically but not financially complete.
- c) The Authority sought a capital works advance of \$2.0m primarily related to the Renewing Canberra’s city heart initiative due to accelerated program expenditure.
- d) The undrawn funds primarily reflect;
 - a. Acton Waterfront Parkland \$0.2m due to timing differences associated with invoice payments.
 - b. Canberra’s Lakeside \$0.3m reflecting minor works to be undertaken in 2023-24.

City Renewal Authority

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 1 OBJECTIVES OF THE CITY RENEWAL AUTHORITY

Operations and Principal Activities

The City Renewal Authority ('the Authority') was established on 1 July 2017 under Section 7 of the *City Renewal Authority and Suburban Land Agency Act 2017*.

The Authority is charged with revitalising the city centre of Canberra covering the designated City Renewal Precinct that spans Dickson, Northbourne avenue, Haig Park, Civic and Acton.

The Authority leads, the revitalisation of our precinct and its places by delivering a people-centred, design-led, sustainable, and commercially astute urban renewal program. The Authority relies on other ACT Government entities such as the Environment, Planning and Sustainable Development Directorate (EPSDD), Suburban Land Agency and Shared Services for core business functions such as people and capability, governance services, information and records management, freedom of information, legal support services, ICT systems, government services and facility and fleet management.

Working with the community, the Authority recognises that places defining our city are where its citizens live, work, and enjoy; and places which support a quality of life Canberrans expect and deserve.

The key objectives of the Authority are to:

- the encouragement and promotion of a vibrant city through the delivery of design-led, people-focused urban renewal;
- the encouragement and promotion of social and environmental sustainability; and
- operational effectiveness, delivering value for money using sound risk practices.

In partnership with the community, private-sector and other government agencies, the Authority will renew and re-energise the city's central area. It works with the community, business and government to create new buildings and places within the precinct that are of exemplary design quality, excite interest and participation and stimulate new investment. It also activates the precinct with events, interventions and attractions that bring people into the centre of the city and enliven the experience for residents, workers and visitors.

Public Trading Enterprise

The Authority is a Public Trading Enterprise. Consistent with the ACT Government's policy statement on competitive neutrality (Competitive Neutrality in the ACT, October 2010), the Authority applies costing and pricing principles, taxation, debt guarantee requirements and regulations, including:

- application of the National Tax Equivalents Regime; and
- providing a commercial return to the ACT Government through the development and sale of the land.

The total return to the ACT Government from the City Renewal Authority's activities consists of:

- capital distributions to the Government;
- payment of national tax equivalents;
- payment of dividends based on operating profit after tax; and
- payment of payroll tax.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

Legislative Requirement

The *Financial Management Act 1996 (FMA)* requires the preparation of annual financial statements for ACT Government territory authorities. The FMA and the *Financial Management Guidelines* issued under the Act, requires the Authority's financial statements to include:

- i. a Statement of Comprehensive Income for the year;
- ii. a Balance Sheet at the end of the year;
- iii. a Statement of Changes in Equity for the year;
- iv. a Statement of Cash Flows for the year;
- v. a Statement of Appropriation for the year;
- vi. the material accounting policies adopted for the year; and
- vii. other statements as necessary to fairly reflect the financial operations of the Authority during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared in accordance with:

- i. Australian Accounting Standards (as required by the FMA); and
- ii. ACT Accounting and Disclosure Policies.

Accrual Accounting

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to historical cost convention, except for non-current assets held for sale, property, plant and equipment and financial instruments which are valued at fair value in accordance with the revaluation policies applicable to the Authority during the reporting period.

Currency

These financial statements are presented in Australian dollars, which is the Authority's functional currency.

Individual Reporting Entity

The Authority is an individual reporting entity.

Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Authority for the year ended 30 June 2023 together with the financial position of the Authority as at 30 June 2023.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS - CONTINUED

Comparative Figures

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2022-23 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Statement of Intent.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of "-" represents amounts equal to or rounded down to zero. Tables and notes may not add due to rounding.

Going Concern

The Authority's 2022-23 financial statements have been prepared on a going concern basis as the ongoing functions and activities of the Authority have been predominantly funded in the ACT Government 2023-24 Budget and the Budget Papers include forward estimates for the Authority.

The Authority operates in line with the City Renewal Authority and Suburban Land Agency (Suburban Land Agency Payment of Funds to Territory) Direction NI2018-224, which outlines a requirement for the Authority to pay 100 per cent of its net profits after tax as dividends to the Territory. This direction affects the capacity to retain earnings, and timing differences may arise between cash inflows from land sales and cash outflows for land development activities.

Any risks to liquidity are considered to be appropriately mitigated by the following:

- the legislation that established the City Renewal Authority requires that the Treasurer, in giving a direction for the Authority to pay funds to the Territory, have regard for the Authority's assets, liabilities, income and expenditure;
- the City Renewal Authority and Suburban Land Agency (Suburban Land Agency Payment of Funds to Territory) Direction NI2018-224 allows sufficient flexibility to defer dividend payments as required (the Treasurer has flexibility to approve a different dividend ratio and/or defer the payment of dividends);
- the Authority has likely access to the financial backing of the Territory; and
- the Authority has likely access to financial resources through the Territory.

COVID-19 Impact

The Authority has assessed the impact of the COVID-19 pandemic on its financial statements. From this assessment the Authority has concluded that the COVID-19 pandemic has not had a material impact on its operations or the carrying value of assets.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 3 IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

All Australian Accounting Standards and Interpretations issued but yet to be applied are either not relevant to the Authority or have been assessed as having an immaterial financial impact on the Authority for the 2022-23 financial year.

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Authority does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current (originally appl. 1 January 2022 however now appl. 1 January 2023 due to the issue of AASB 2020-6)

The clarification included in this amendment including the classification of non-current liability and the meaning of settlement is expected to be applicable to the Authority for the year ending 30 June 2024. The Authority will make a further assessment of its liabilities relevant to this amendment for the reporting period ending 30 June 2024.

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (appl. 1 January 2023)

This Standard amends AASB 112 to clarify the accounting for deferred tax on transactions that, at the time of the transaction, give rise to equal taxable and deductible temporary differences. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions for which entities recognise both an asset and a liability and that give rise to equal taxable and deductible temporary differences. This may be the case for transactions such as leases and decommissioning, restoration and similar obligations. Entities are required to recognise deferred tax on such transactions.

The Standard amends AASB 1 to require deferred tax related to leases and decommissioning, restoration and similar obligations to be recognised by first-time adopters at the date of transition to Australian Accounting Standards, despite the exemption set out in AASB 112.

This will be applicable to the Authority for the year ending 30 June 2024. The Authority has assessed its circumstances with a transfer of land to UNSW where the provision for remediation (liability) has been recorded with corresponding amounts included in the cost of the related asset (Property, Plant and Equipment [PPE] held for transfer).

The Authority will be required to recognise both the deferred tax asset (DTA) in relation to the provision for remediation and the deferred tax liability (DTL) in relation to the uplift in PPE held for transfer at the beginning of the earliest comparative period presented.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 4 CHANGE IN ACCOUNTING POLICY AND ACCOUNTING ESTIMATES

Change in Accounting Estimates

The Authority had the following changes in accounting estimates during the reporting period.

Revision of Useful Lives

The Authority reviewed the useful lives of its property, plant and equipment at the end of the reporting period. This review resulted in the adjustment to the useful lives of some infrastructure and community assets, for details see Note 14 *Property, Plant and Equipment*.

INCOME NOTES

Material Accounting Policies – Income

Income Recognition

The following material accounting policies relate to each income note unless stated otherwise in the individual note. Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 *Income of Not-for-Profit Entities*.

AASB 15

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Where there is more than 12 months between receipt of funds and satisfaction of performance obligations, timing differences and the prevailing interest rates may give rise to a significant financing component under AASB 15. The financing component is recognised as interest expense and will accrete any up-front payments recorded by the Authority as a financial liability. The Authority will derecognise the financial liability and recognise revenue once the performance obligations have been satisfied.

AASB 1058

Where revenue streams are in the scope of AASB 1058, the Authority recognises the asset received (generally cash or other financial asset) at fair value, recognises any related amount (e.g. liability or equity) in accordance with an accounting standard and recognises revenue as the residual between the fair value of the asset and the related amount on receipt of the asset.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

INCOME NOTES - CONTINUED

Material Accounting Policies – Income – Continued

Description and Material Accounting Policies Relating to Sales of Goods and Services

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements. Revenue is based on the transfer of promised goods or services to customers at an amount that reflects the consideration in exchange for those goods or services. The timing of the payment for sale of goods and rendering of services largely corresponds with the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability. Where payment is not received at the time of purchase, payments from customers are generally required within 30 days of the provision of services.

Sale of Land

Revenue is generally recognised by the Authority when settlement occurs, because the purchaser has control of the land at this point in time. That is, at settlement, the purchaser has legal title to the land, they obtain all the risks and rewards of ownership of the land and the purchaser can prevent others from accessing and directing the use of the land.

Land revenue from contracts with customers is recognised as the Authority satisfies the performance obligation (passing control of the land to the buyer on settlement) in accordance with AASB 15.

Where there is a leaseback agreement, land sales revenue and any additional variable consideration will be recognised only when the leaseback option expires and once all performance obligations are satisfied.

Application Fees

The Authority receives direct sale application fees when applicants submit direct sales applications. The application fee is refunded in full if the applicant does not meet the eligibility requirements, and 50 per cent of the application fee is retained by the Authority if a suitable site cannot be found but the applicant meets the eligibility criteria.

If the direct sale is completed by the Authority, then it discharges its obligation to refund the application fee to the applicant and gains control of the fee. The application fee is recognised as revenue as at the settlement date. If any portion of the application fee is retained as a result of the applicant meeting the eligibility criteria but not finding a suitable site the revenue is recognised at the time the Authority determines that the contract is terminated or will not proceed.

No revenue is recognised if the application fee is refunded in full due to the applicant not meeting the eligibility requirements.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 5 INTEREST REVENUE

Description and Material Accounting Policies relating to Interest Revenue

Interest Revenue

The City Renewal Authority holds a bank account with the Westpac Bank as part of the Whole of Government banking arrangement. As part of these arrangements the City Renewal Authority received interest on the account. The Authority recognises interest revenue using the effective interest method.

| | 2023 | 2022 |
|------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Interest from Banks ^(a) | 521 | 149 |
| Total Interest Revenue | 521 | 149 |

a) The higher interest revenue reflects a higher interest rate received for cash at bank.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 6 GRANTS AND CONTRIBUTIONS REVENUE

Description and Material Accounting Policies relating to Grants and Contributions Revenue

General Grant and Contributions Accounting Policy

Where the Authority receives an asset or services for significantly less than fair value then the transaction is in the scope of AASB 1058 and revenue is recognised on receipt of the asset/services. The related expense and/or asset is recognised in the line item to which it relates, when the assets or services are received.

Goods and services received free of charge from ACT Government agencies are recognised as resources received free of charge, whereas goods and services received free of charge from entities external to the ACT Government are recognised as grants, donations or contributions.

All the services listed below are recognised in the Statement of Comprehensive Income or Balance Sheet as appropriate as services received free of charge given they are reliably measurable and would have been purchased if not provided to the Authority free of charge.

Core business functions provided by Environment, Planning and Sustainable Development Directorate (EPSDD)

The EPSDD provides some core business functions to the Authority, including people and capability, urban renewal, governance services, information and records management, freedom of information, legal support services, ICT systems, government services and facility and fleet management.

Legal Services

Legal Services were received free of charge from the ACT Government Solicitor's Office (GSO) The GSO provided the Authority with the fair value of the services provided.

Chief Minister, Treasury and Economic Development Directorate (CMTEDD) Resource Received Free of Charge Shared Services Resource Received Free of Charge

The Authority is required by the ACT Government to use Shared Services for its financial and HR processing. Shared Services is part of CMTEDD. Given Shared Services is directly appropriated by the ACT Government to provide certain services at a fixed cost to the Authority, it means that the Authority does not have to pay for these services.

Professional Standards Unit (PSU)

Professional Standards Unit (PSU) is part of CMTEDD and provides investigation services regarding misconduct and other complaints relating to employees across the ACT Public Service. In addition to investigating complaints, PSU, through the office of the Public Sector Standards Commissioner also advises the Chief Minister on matters arising from investigations conducted.

Given PSU is directly appropriated by the ACT Government, the Authority does not have to pay for these services. CMTEDD provided the Authority with the fair value of the services provided.

Project Management Services provided by Major Projects Canberra (MPC)

MPC provides procurement and infrastructure delivery services to the Authority free of charge. MPC is directly appropriated to deliver these services and as such, the Authority is required to use these services. The fair value of these services provided are capitalised on the Balance Sheet as they are directly attributable to the creation of the assets for which the service is provided.

Assets Received from ACT Government Agencies

The Authority receives Territory-owned land from other ACT Government entities free of charge, which it prepares for sale on behalf of the Territory. Contributions of land at no cost or for nominal consideration are recognised at fair value on recognition, with the land being recorded as an asset in the Balance Sheet.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 6 GRANTS AND CONTRIBUTIONS REVENUE - CONTINUED

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Resources Received Free of Charge from ACT Government Entities | | |
| Core Business Functions provided by Environment, Planning and Sustainable Development Directorate | 291 | 500 |
| Financial Services provided by Shared Services | 146 | 132 |
| Human Resources Services provided by Shared Services | 35 | 30 |
| Project Management Services provided by Major Projects Canberra ^a | 504 | - |
| Various Land Search Services provided by Access Canberra | 5 | 3 |
| Investigation Services provided by Chief Minister, Treasury and Economic Development Directorate - Workforce Capability | 3 | 3 |
| Legal Services provided by ACT Government Solicitor Office | 44 | 29 |
| Total Resources Received Free of Charge | 1 028 | 697 |
| Other Grants and Contributions | | |
| Assets Received from ACT Government Agencies | 36 | - |
| Recoveries and Contributions Received from ACT Government Agencies | 88 | - |
| Total Other Grants and Contributions | 124 | - |
| Total Grants and Contributions | 1 152 | 697 |

- a) The higher resources received free of charge from Major Projects Canberra reflects a change in the whole-of-government billing method for infrastructure delivery services. These services are now provided free of charge, with MPC directly appropriated.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 7 EMPLOYEE EXPENSES

Description and Material Accounting Policies Relating to Employee Expenses

Employee benefits include:

- short-term employee benefits such as wages and salaries, annual leave loading, non-monetary benefits (e.g. vehicles) and applicable on costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- other long-term benefits such as long service leave and annual leave; and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

Employees of the Authority will have different superannuation arrangements due to the type of superannuation schemes available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Section Superannuation Scheme (PSS) the Authority makes employer superannuation contribution payments to the Territory Banking Account (TBA) at a rate determined by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). The Authority also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for the administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice) the Authority makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Wages and Salaries | 4 544 | 3 981 |
| Payroll Tax | 273 | 208 |
| Long Service Leave Expense ^a | 83 | 7 |
| Annual Leave Expense ^b | (30) | 219 |
| Workers' Compensation Insurance Premium | 61 | 60 |
| Superannuation Contributions to the Territory Banking Account | 349 | 289 |
| Superannuation to External Providers | 404 | 336 |
| Productivity Benefit | 26 | 22 |
| Other Employee Benefits and On-Costs | 41 | 6 |
| Total Employee Expenses ^c | 5 751 | 5 128 |

- a) The increase in long service leave (LSL) primarily reflects the transfer in of employee entitlements on commencement, partially offset by a higher than average LSL taken.
- b) The decrease in annual leave expense primarily reflects the impact of higher leave taken in 2022-23 compared to 2021-22 (\$0.4m compared to \$0.26m).
- c) The higher wages and salaries reflects a lower position vacancy rate with an additional 2.7 average full time equivalent in 2022-23.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 8 SUPPLIES AND SERVICES

Description and Material Accounting Policies Relating to Supplies and Services

General - Supplies and Services

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred.

Lease Rental Payments

Lease Rental Payments includes short-term leases of 12 months or less and low value leases up to \$10,000 as well as non-specialised accommodation leases with Property Group.

Auditor Service Fees

Auditor's remuneration consists of financial audit services provided to the Authority by the ACT Audit Office and any other services provided by a contract auditor engaged by the ACT Audit Office to conduct the financial audit. The Authority's audit fees for the audit of its 2022-23 financial statements was \$0.071m (\$0.069m 2021-22). No other services were provided by the ACT Audit Office.

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Contractors and Consultants ^a | 3 878 | 3 365 |
| Events Management ^b | 1 565 | 881 |
| Resources Received Free of Charge | 523 | 697 |
| Advertising and Marketing Costs ^c | 532 | 825 |
| Board Member Remuneration | 347 | 359 |
| Office Services | 287 | 227 |
| Asset Management | 555 | 580 |
| Service Level Agreements | 251 | 128 |
| Lease Rental Expenses | 298 | 196 |
| Auditor's Remuneration | 63 | 34 |
| Other | 740 | 607 |
| Total Supplies and Services | 9 039 | 7 899 |

- a) The increase in Contractors and Consultants reflects the services provided by external suppliers in several projects including Dickson place management, City East studies and Sydney and Melbourne Building Façade.
- b) The higher events management cost is mainly due to increased spending on city activation, Haig Park and Dickson place management and other City Centre Marketing and Improvements Levy (CCMIL) partnership events.
- c) Reduced advertising and marketing costs is mainly due to less signage and creative project management related to CCMIL.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 9 GRANTS AND PURCHASED SERVICES

Description and Material Accounting Policies relating to Grants and Purchased Services

Grants are administered through the City Centre Marketing Improvements Levy program to develop and support the vitality of Civic, Braddon and Acton through creative and engaging placemaking initiatives that strengthen our community's connection to Civic, Braddon and Acton's public spaces and encourage habitual visitation.

Purchased services are amounts paid to obtain services from other ACT Government agencies and external parties. These transactions are reciprocal in nature.

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Recurrent Grants | | |
| City Centre Marketing Improvements Levy | 129 | 113 |
| Purchased Services | | |
| Payments to Service Providers ^a | 1 611 | 918 |
| Total Grants and Purchased Services | 1 740 | 1 031 |

- a) The increase in payments to service providers reflects additional service level agreement fees paid to the Suburban Land Agency and maintenance fees paid to Transport Canberra and City Services Directorate.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 10 OTHER EXPENSES

Description and Material Accounting Policies Relating to Other Expenses

Transfer of Assets to other ACT Government Agencies

Plant, property and equipment are transferred to other ACT Government Agencies at nil consideration. On transfer, the current net book value for the asset is written off.

Write-Down of Inventory

Inventories held for sale are valued at the lower of cost and net realisable value. The difference between the cost and net realisable value is recorded as a Write-Down of Inventory. This includes the write down of land following the transfer from other ACT Government agencies and inventory costs written off for discontinued projects where the criteria for an asset is no longer met due to the lack of expected future economic benefits.

Impairment Losses - Non-Financial Assets

Impairment loss expenses are recognised for both property, plant and equipment, and intangible assets when their carrying amount is higher than their recoverable amount, with the difference between the two being the amount of the impairment loss. Impairment losses for plant and equipment, leasehold improvements and intangibles are recognised as an expense in the Statement of Comprehensive Income. Impairment losses for land, buildings, infrastructure, and community assets, are only recognised as an expense when the amount of the impairment is greater than the balance in the Asset Revaluation Surplus for the relevant class of asset.

Expensing of Capital Works in Progress

Capital works in progress is infrastructure assets under construction. Capital works in progress are recognised at the time the construction activity occurs. These assets are measured at the cost of constructing the asset. Capital works in progress expensed in the current period represent opening balances assessed to not meet the asset capitalisation criteria.

Loss on Revaluation

Revaluation decrements are expensed when a particular asset has been revalued downwards and there is no amount in the Asset Revaluation Surplus for the asset that the revaluation can be offset against.

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Disposals from Transfers of Property, Plant and Equipment (see note 14) | - | 8 633 |
| Write down in Inventory (see note 13) | 36 | - |
| Impairment Losses (see note 14) | 4 | 144 |
| Expensing of Capital Works in Progress (see note 15) | - | 175 |
| Loss on Revaluation (see note 14) ^a | 9 025 | - |
| Total Other Expenses | 9 065 | 8 952 |

- a) Reflects losses on valuation of community and infrastructure assets. The largest component relates to the portion of reclaimed lake that will be retained as a community asset (\$7.45m).

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

ASSET NOTES

Material Accounting Policies – Assets

Assets – Current and Non-Current

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets, which do not fall within the current classification, are classified as non-current.

NOTE 11 CASH AND CASH EQUIVALENTS

Description and Material Accounting Policies Relating to Cash

The Authority holds an interest-bearing bank account with the Westpac Bank as part of the whole-of-government banking arrangements. As part of these arrangements, the Authority receives interest on the account.

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Cash at Bank ^a | 29 821 | 15 274 |
| Total Cash and Cash Equivalents | 29 821 | 15 274 |

- a) The increase in Cash at Bank reflects a prepaid land sale (\$16.75m) partially offset by expenditure on land development activities.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 11 CASH AND CASH EQUIVALENTS – CONTINUED

| | 2023 | 2022 |
|--|----------------|---------------|
| | \$'000 | \$'000 |
| (b) Reconciliation of Cash at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet | | |
| Total Cash and Cash Equivalents Recorded in the Balance Sheet | 29 821 | 15 274 |
| Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Statement of Cash Flows | 29 821 | 15 274 |
| (c) Reconciliation of the Operating Result to the Net Cash Inflows from Operating Activities | | |
| Operating Result | (9 150) | (9 711) |
| Add/(Less) Non-Cash Items | | |
| Depreciation of Property, Plant and Equipment | 1 358 | 1 275 |
| Amortisation of Intangibles | 22 | 17 |
| Impairment Loss of Inventory | 36 | - |
| Assets Transferred to Other ACT Government Entities | - | 8 633 |
| Impairment Loss of Non-Current Assets | 4 | 144 |
| Loss on Revaluation | 9 025 | - |
| Transfer of inventory to Property, Plant and Equipment | (5 091) | - |
| Financing Expense | 2 | - |
| Transfer of capital item to inventory | 2 986 | - |
| Capital Works Expensed | - | 175 |
| Add/(Less) Items Classified as Investing or Financing | | |
| Capital item in payables | 30 | (482) |
| Resources Received Free of Charge | (504) | - |
| Gains from contribution of asset | (36) | - |
| Other non-operating cash flow items | (653) | (431) |
| Cash Before Changes in Operating Assets and Liabilities | (1 971) | (380) |
| Changes in Operating Assets and Liabilities | | |
| Decrease in Receivables | 235 | 240 |
| Decrease/(Increase) in Inventories | 1 243 | (361) |
| Decrease in Other Assets | - | 59 |
| (Decrease)/Increase in Employee Benefits | (11) | 190 |
| (Decrease)/Increase in Payables | (138) | 437 |
| (Decrease)/Increase in Deferred Tax Liability | (1 782) | 72 |
| Net Changes in Operating Assets and Liabilities | (453) | 637 |
| Net Cash inflows from Operating Activities | (2 424) | 257 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 12 RECEIVABLES

Description and Material Accounting Policies Relating to Receivables

Receivables reflects amounts owing to the Authority that have not been invoiced.

No receivables are past due or impaired.

| | 2023 | 2022 |
|----------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Current Receivables | | |
| Other Debtors | - | 20 |
| GST Receivable | 180 | 395 |
| Total Receivables | 180 | 415 |

NOTE 13 INVENTORIES

Description and Material Accounting Policies Relating to Inventories

Inventory

Inventory held by the Authority is made up of land. Inventories are valued at the lower of cost and net realisable value. The cost of land inventory includes the value of the land itself along with all direct costs incurred in developing the land. These include expenditure associated with the implementation of estate planning, demolition, remediation activities, and relocation or construction of infrastructure services. The cost is assigned to land inventory on a specific identification of cost basis given this inventory is high value and low volume.

Valuation of Inventories

An independent valuer performed a valuation of land assets as of 30 June 2023. The valuations were prepared by Capital Valuers. The valuer holds a recognised and relevant professional qualification and have recent experience in the location and category of the land inventory assets involved. The Authority undertakes an assessment for indication of the impairment of assets on an annual basis. There were no changes to asset carrying value or indications of impairment as of 30 June 2023.

Classification of Inventories

Inventories are classified as current assets when there is an expectation or intent that the sale of the asset will be realised within 12 months after the reporting date. Inventories, which do not fall within the current classification, are classified as non-current.

Cost of Goods Sold

Cost of goods sold is recognised for costs previously included in the measurement of inventory that has now been sold.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 13 INVENTORIES – CONTINUED

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Current Inventories | | |
| Development Costs | 810 | 1 857 |
| Total Current Inventories | 810 | 1 857 |
| Non-Current Inventories | | |
| Land Acquisition Costs | 4 253 | 1 267 |
| Development Costs | 2 408 | 5 590 |
| Total Non-Current Inventories | 6 661 | 6 857 |
| Total Inventories | 7 471 | 8 714 |
| Reconciliation of Inventories at 30 June 2023 | | |
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| Cost of Sales | | |
| Opening Inventory at the beginning of the Financial Year | 8 714 | 8 353 |
| - Purchases | 862 | 361 |
| - Capital Works in Progress Completed and Transferred to Inventory ^a | 2 986 | - |
| - Reclassification of Inventory to Property, Plant and Equipment Held for Transfer ^b | (5 091) | - |
| Closing Inventory at the End of the Financial Year | 7 471 | 8 714 |

- a) Reflects the developable portion of reclaimed lake. The non-developable component will be retained as a Community asset and is held in Property, Plant and Equipment.
- b) Land that is no longer to be disposed of in the ordinary course of business (i.e. it will not be sold to realise a commercial return but rather transferred at zero cost) is reclassified from Inventory to Property, Plant and Equipment Held for Transfer.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT

Description and Material Accounting Policies relating to Property, Plant and Equipment

The Authority has the following six classes of Property, plant and equipment.

- **Land** is defined as the ground, including the soil covering and any associated surface waters. Land includes leasehold land held by the Authority but excludes land held as community assets, land held for transfer and land classified as inventory.
- **Buildings** are structures that have a roof and walls which stand permanently in one place. These structures are separately identifiable from the land they are constructed upon and as such do not include this land. Buildings include a community centre and land improvements. Land improvements include retaining walls and landscaping adjoining a building.
- **Plant and Equipment** are tangible assets like machinery, apparatus, appliances, containers, implements or tools that are used by an agency to produce goods or assist in providing services to the community. Plant and equipment tend to be smaller and more mobile in nature than other types of property, plant and equipment like buildings, roads and land. Plant and Equipment includes park furniture, equipment used for events, office equipment, furniture and fittings.
- **Infrastructure Assets** are physical assets that typically have a long useful life and consist of a complex interconnected network of individual components, which enhance the productive capacity of the economy and supports Government services. Buildings do not meet the definition of infrastructure assets unless they are an ancillary part of an infrastructure system. Infrastructure assets held by the Authority include stormwater assets, roads, community paths, streetlights, fences and barrier assets and foot bridge.
- **Community Assets** are those assets that are provided primarily for general community use or service. Community assets held by the Authority include playground, fitness and parks assets, land under infrastructure and land under roads.
- **Property, Plant and Equipment (PPE) Held for Transfer** are assets, or group of assets, to be transferred to external parties for no consideration. The Authority holds land for transfer.

Property, Plant and Equipment does not include assets held for sale or investment property.

Acquisition and Recognition of Property, Plant and Equipment

Property, Plant and Equipment are initially recorded at cost.

Where property, plant and equipment are acquired at no cost, or minimal cost, cost is its fair value as at the date of acquisition.

Property, Plant and Equipment with a minimum value of \$5,000 are capitalised.

Measurement of Property, Plant and Equipment after Initial Recognition

Property, Plant and Equipment is valued using the cost or revaluation model of valuation. The Authority measures land, buildings, infrastructure assets, community assets and property, plant and equipment held for transfer at fair value. Plant and equipment, and intangible assets are measured at cost.

Valuation of Non-Current Assets

Capital Valuers, an independent valuer, has performed revaluations of the Authority's land and buildings. Capital Valuers hold a recognised and relevant professional qualification and have recent experience in the location and category of the property, plant and equipment involved. The latest valuation of land and buildings was performed as at 30 June 2023.

Jones Lang Lasalle (JLL), an independent valuer, has performed revaluations of the Authority's infrastructure and community assets. JLL hold a recognised and relevant professional qualification and have recent experience in the location and category of the property, plant and equipment involved. The latest valuation of infrastructure and community assets was performed as at 30 June 2023.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Significant Accounting Judgements and Estimates

The Authority has made a significant estimate regarding the fair value of its assets. Land has been recorded at the market value of similar properties as determined by an independent valuer. Due to their specialised nature infrastructure assets, and some community assets have been recorded at fair value based on current replacement cost as determined by an independent valuer. Buildings have been recorded at both market value (where a market was deemed to exist) and current replacement cost where the building was considered specialised in nature. Valuation based on current replacement cost is subject to unobservable inputs utilising data internal to the Authority. As the assets are deemed specialised assets and are held for their value in use rather than their ability to generate cashflows, fair value is measured having regard to their current or existing use.

The remaining useful lives of infrastructure and community assets were reassessed by the independent valuers during the reporting period.

The fair value of assets is subject to management assessment between formal valuations.

Revaluation

Land, buildings, infrastructure assets, community assets and property, plant and equipment held for transfer are revalued every three years. Towards the end of each financial year the Authority assesses whether there are any 'indicators' that the carrying amount of property, plant and equipment is materially different to fair value. Where these indicators exist then the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to buildings and community assets at the date of revaluation is written back against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

As a 'for-profit' entity revaluation decrements and increments are measured with reference to individual assets. Where a revaluation loss is greater than the Asset Revaluation Surplus for the relevant asset, the difference is expensed in the Statement of Comprehensive Income.

Impairment of Assets

The Authority assesses, at each reporting date, whether there is any indication that property, plant and equipment may be impaired. Property, Plant and Equipment is also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Any resulting impairment losses are recognised as a decrease to the Asset Revaluation Surplus attached to each asset. Where the impairment loss is greater than the Asset Revaluation Surplus for the relevant asset or the asset is held at cost, the difference is expensed in the Statement of Comprehensive Income. The carrying amount of the asset is reduced to its recoverable amount.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

Depreciation and Useful Life

Depreciation is the systematic allocation of the cost of an asset less its residual value over its useful life.

Depreciation is applied to physical assets such as buildings, infrastructure assets, community assets and plant and equipment.

Land, property, plant and equipment held for transfer and some community assets have an unlimited useful life and are therefore not depreciated.

All depreciation is calculated after first deducting any residual values, which remain for each asset.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Depreciation for non-current assets is determined as follows:

| Class of Asset | Depreciation Method | Useful Life (Years) |
|-----------------------|---------------------|---------------------|
| Infrastructure Assets | Straight Line | 15-50 |
| Plant and Equipment | Straight Line | 3-10 |
| Buildings | Straight Line | 25-50 |
| Community Assets | Straight Line | 10-50 |

The Authority has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives is based on the historical experience of similar assets and in some cases based on valuations provided by Capital Valuers and Jones Lang Lasalle Valuers. The useful lives are assessed on an annual basis and adjustments are made when necessary.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment at 30 June 2023

The following table shows the movement of Property, Plant and Equipment in 2022-23.

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Plant and Equipment \$'000 | Community Assets \$'000 | PPE Held for Transfer \$'000 | Total \$'000 |
|---|----------------|---------------------|--------------------------|-------------------------------|----------------------------|---------------------------------|-----------------|
| Carrying Amount at the Beginning of the Reporting Period | 16 204 | - | 6 514 | 989 | 6 490 | - | 30 197 |
| Additions ^a | - | 2 376 | 28 470 | 45 | 12 493 | - | 43 384 |
| Purchases | - | - | - | 435 | - | - | 435 |
| Transfers from Inventory ^b | - | - | - | - | - | 5 091 | 5 091 |
| Impairment Losses | - | - | - | (4) | - | - | (4) |
| Revaluation Increment recognised in Other Comprehensive Income | 908 | 90 | 389 | - | 1 227 | 16 676 | 19 290 |
| Revaluation (Decrement) recognised in the Operating Result | - | - | (1 489) | - | (7 536) | - | (9 025) |
| Depreciation | - | (9) | (676) | (289) | (384) | - | (1 358) |
| Other Movements ^c | (966) | 194 | 1 565 | (78) | (715) | 25 233 | 25 233 |
| Carrying Amount at the End of the Reporting Period | 16 146 | 2 651 | 34 773 | 1 098 | 11 575 | 47 000 | 113 243 |

- a) Additions reflect the capitalisation of several assets including the Acton Boardwalk, Salthouse Community Centre and Dickson streetscape upgrades.
b) The transfer from inventory relates to land for transfer to University of New South Wales.
c) Other movements relate to category reclassifications and the capitalisation of remediation costs against land for transfer.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment at 30 June 2023 - Continued

Carrying Amount at the End of the Reporting Period, is represented by:

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Plant and Equipment \$'000 | Community Assets \$'000 | PPE Held for Transfer \$'000 | Total \$'000 |
|---|----------------|---------------------|--------------------------|-------------------------------|----------------------------|---------------------------------|-----------------|
| Gross Book Value | 16 146 | 2 652 | 34 777 | 1 806 | 11 575 | 47 000 | 113 956 |
| Accumulated Depreciation | - | (1) | (4) | (708) | - | - | (713) |
| Carrying Amount at the End of the Reporting Period | 16 146 | 2 651 | 34 773 | 1 098 | 11 575 | 47 000 | 113 243 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Reconciliation of Property, Plant and Equipment at 30 June 2022

The following table shows the movement of Property, Plant and Equipment in 2021-22.

| | Land \$'000 | Buildings \$'000 | Infrastructure \$'000 | Plant and Equipment \$'000 | Community Assets \$'000 | Total \$'000 |
|---|----------------|---------------------|--------------------------|-------------------------------|----------------------------|-----------------|
| Carrying Amount at the Beginning of the Reporting Period | 14 480 | 30 | 12 710 | 1 511 | 8 382 | 37 113 |
| Additions | - | - | 879 | 533 | - | 1 412 |
| Disposals | - | - | (6 636) | (631) | (1 366) | (8 633) |
| Impairment Losses | - | (26) | - | (118) | - | (144) |
| Revaluation Increment recognised in Other Comprehensive Income | 1 724 | - | - | - | - | 1 724 |
| Depreciation and Amortisation | - | (4) | (439) | (306) | (526) | (1 275) |
| Carrying Amount at the End of the Reporting Period ^a | 16 204 | - | 6 514 | 989 | 6 490 | 30 197 |
| Carrying Amount at the End of the Reporting Period, is represented by: | | | | | | |
| Gross Book Value | 16 204 | - | 6 916 | 1 427 | 7 338 | 31 885 |
| Accumulated Depreciation | - | - | (402) | (438) | (848) | (1 688) |
| Carrying Amount at the End of the Reporting Period ^a | 16 204 | - | 6 514 | 989 | 6 490 | 30 197 |

a) The total Property, Plant and Equipment has been restated to exclude Intangibles which are now disclosed as a separate line item.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Carrying Value of Fair Valued Assets under the Cost Model

The following revalued classes of Property, Plant and Equipment, which are carried at fair value, would have had carrying values, if measured using the cost model, as follows:

| | 2023 | 2022 |
|--|-------------------|-------------------|
| | \$'000 | \$'000 |
| Carrying value if measured using Cost Model | | |
| <i>Land</i> | | |
| Land at Cost | 3 801 | 3 801 |
| Total Land at Cost | 3 801 | 3 801 |
| <i>Buildings</i> | | |
| Additions | 2 376 | - |
| Less: Accumulated Depreciation and Impairment | (8) | - |
| Total Buildings at Cost | 2 368 | - |
| <i>Infrastructure Assets</i> | | |
| Infrastructure Assets at Cost | 6 489 | 6 489 |
| Additions | 28 470 | - |
| Other Movements | 2 643 | - |
| Less: Accumulated Depreciation and Impairment | (1 612) | (603) |
| Total Infrastructure Assets at Cost | 35 990 | 5 886 |
| <i>Community Assets</i> | | |
| Community Assets at Cost | 8 088 | 8 088 |
| Additions | 12 493 | - |
| Other Movements | (1 761) | - |
| Less: Accumulated Depreciation and Impairment | (1 356) | (1 261) |
| Total Community Assets at Cost | 17 464 | 6 827 |
| <i>Property, Plant and Equipment Held for Transfer</i> | | |
| Additions | 5 091 | - |
| Total Property, Plant and Equipment Held for Transfer at Cost | 5 091 | - |
| Total Carrying Amount of Assets at Cost | 64 714 | 16 514 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Fair Value Hierarchy

Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets that the Authority can access at the measurement date;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly; and
- Level 3 - inputs that are unobservable for particular assets.

Details of the Authority's property, plant and equipment at fair value and information about the Fair Value Hierarchy are as follows:

2023

| | Classification According to Fair Value Hierarchy | | |
|--|---|----------------|----------------|
| | Level 2 | Level 3 | Total |
| | \$'000 | \$'000 | \$'000 |
| Property, Plant and Equipment at Fair Value | | | |
| Land | 16 146 | - | 16 146 |
| Buildings | 275 | 2 376 | 2 651 |
| Infrastructure Assets | - | 30 091 | 30 091 |
| Community Assets | 5 159 | 6 416 | 11 575 |
| Property, Plant and Equipment Held for Transfer | 47 000 | - | 47 000 |
| | 68 580 | 38 883 | 107 463 |

2022

| | Level 2 | Level 3 | Total |
|-----------------------|--|----------------|---------------|
| | \$'000 | \$'000 | \$'000 |
| | Property, Plant and Equipment at Fair Value | | |
| Land | 16 204 | - | 16 204 |
| Infrastructure Assets | - | 5 636 | 5 636 |
| Community Assets | | 6 489 | 6 489 |
| | 16 204 | 12 125 | 28 329 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Transfers Between Categories

During the current reporting period three infrastructure assets transferred from level 2 to level 3. The transfer was based on updated valuation advice that identified significant unobservable inputs in determining fair value.

Valuation Techniques, inputs and processes

Level 2 Valuation Techniques and Inputs

Valuation Technique: The valuation technique used to value land, community assets pertaining to land and a building is the market approach that reflects recent transaction prices for similar properties (comparable in location and size).

Inputs: Prices and other relevant information generated by market transactions involving comparable land and buildings was considered. Regard was taken of the Crown Lease terms and tenure, Australian Capital Territory Plan and National Capital Plan, where applicable, as well as current zoning.

Level 3 Valuation Techniques and Significant Unobservable Inputs

Valuation Technique: Infrastructure, community assets (not pertaining to land) and a building were considered specialised assets by the valuers and were measured using the cost approach.

Significant Unobservable Inputs: Estimating the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. Regard was given to the age and condition of the assets, their estimated replacement cost and current use. This required the use of data internal to the Authority.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 14 PROPERTY, PLANT AND EQUIPMENT - CONTINUED

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

2023

| | Infrastructure | Community | Total | |
|---|----------------|---------------|--------------|---------------|
| | Building | Assets | | Assets |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Fair Value at beginning of the reporting period | - | 5 636 | 6 489 | 12 125 |
| Additions | 2 376 | 23 785 | 1 764 | 27 925 |
| Transfers (from Level 2) | - | 878 | - | 878 |
| Revaluation increments recognised in Other Comprehensive Income | 8 | 389 | 197 | 594 |
| Revaluation (decrements) recognised in Profit or Loss | | (1 489) | (85) | (1 574) |
| Depreciation | (8) | (673) | (384) | (1 065) |
| Other Movements | - | 1 565 | (1 565) | - |
| Fair Value at the End of the Reporting Period | 2 376 | 30 091 | 6 416 | 38 883 |

2022

| | Infrastructure | Community | Total | |
|--|----------------|--------------|--------------|---------------|
| | Building | Assets | | Assets |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Fair Value at beginning of the reporting period | 30 | 5 837 | 6 914 | 12 781 |
| Impairment Losses Recognised in the Operating Result | (26) | - | - | (26) |
| Depreciation | (4) | (201) | (425) | (630) |
| Fair Value at the End of the Reporting Period | - | 5 636 | 6 489 | 12 125 |

| Description and fair value as at 30 June 2023 \$'000 | Valuation technique | Significant unobservable inputs | Relationship of unobservable inputs to fair value |
|--|-----------------------------|---|---|
| Infrastructure Assets | | | |
| \$30 091 | Current Replacement Cost | Service capacity / obsolescence of asset | Greater consumption of economic benefit or increased obsolescence lowers fair value |
| Community Assets | | | |
| \$6 379 | Current Replacement Cost | Service capacity / obsolescence of asset | Greater consumption of economic benefit or increased obsolescence lowers fair value |
| \$37 | Statutory Land Value Method | Total unimproved value of rateable land in the Territory/ Total area of the Territory | Changes to unimproved value or count of rateable land changes fair value |
| Building Assets | | | |
| \$2 376 | Current Replacement Cost | Service capacity / obsolescence of asset | Greater consumption of economic benefit or increased obsolescence lowers fair value |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 15 CAPITAL WORKS IN PROGRESS

Description and Material Accounting Policies Relating to Capital Works in Progress

Capital works in progress is infrastructure assets under construction. Capital works in progress are recognised at the time the construction activity occurs. These assets are measured at the cost of constructing the asset. The cost includes direct construction costs (e.g. direct materials and direct labour), and 'directly attributable' costs in bringing the asset to a location and condition ready for use, as well as the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Directly attributable costs included in capital works in progress by the Authority are the cost of site preparation, initial delivery and handling costs of materials, installation and assembly costs, functional testing and professional fees.

Reconciliation of Capital Works in Progress

| | Works in Progress 2023 \$'000 | Works in Progress 2022 \$'000 |
|--|--|--|
| Carrying Amount at the Beginning of the Reporting Period | 41 495 | 25 133 |
| Additions | 8 778 | 17 928 |
| Capital Works in Progress Completed and Transferred to Property, Plant and Equipment ^a | (43 384) | (1 391) |
| Capital Works in Progress Completed and Transferred to Inventory ^b | (2 986) | - |
| Capital Works in Progress Completed and Transferred to Expenses | - | (175) |
| Carrying Amount at the End of the Reporting Period | 3 903 | 41 495 |

- a) The higher result reflects the completion and capitalisation of the several assets including the Acton Boardwalk, the Salthouse Community Centre and Dickson streetscape upgrades.
- b) Reflects the costs attributed to the developable component of the reclaimed lake transferred to Inventory on completion.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

LIABILITY NOTES

Material Accounting Policies – Liabilities

Liabilities – Current and Non-Current

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Liabilities, which do not fall within the current classification, are classified as non-current.

NOTE 16 PAYABLES

Description and Material Accounting Policies Relating to Payables

Payables

Payables include Trade Payables, Accrued Expenses and Other Payables.

Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Statement of Comprehensive Income. All amounts are now normally settled within 14 days after the invoice date given the ACT Government accelerated the payments of invoices for local enterprises recognising the importance of cash flow to small and medium enterprises given the COVID-19 pandemic.

Contract liabilities

When an amount of consideration is received from a customer prior to the Authority transferring a good or service to the customer, the balance of the consideration which has not been transferred is presented as a contract liability.

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Current Payables | | |
| Trade Payables | 2 | 199 |
| Accrued Input Tax Credits | 40 | 59 |
| Accrued Expenses | 1 924 | 1 846 |
| Amounts Received Related to Contracts with Customers where the Performance Obligations has not yet been Satisfied | 159 | 159 |
| Total Current Payables | 2 125 | 2 263 |
| Total Payables | 2 125 | 2 263 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 16 PAYABLES - CONTINUED

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Revenue Recognised that was Included in the Contract Liability Balance at the Beginning of the Reporting Period | 159 | 159 |
| Split of Payables and Contract Liabilities | | |
| Current Payables (without Contract Liabilities) | 1 966 | 2 104 |
| Current Contract Liabilities | 159 | 159 |
| Total Payables | 2 125 | 2 263 |
| Payables are aged as follows: | | |
| Not Overdue | 2 125 | 2 119 |
| Overdue for More than 60 Days | - | 144 |
| Total Payables | 2 125 | 2 263 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 17 FINANCIAL LIABILITIES

Description and Material Accounting Policies Relating to Deferred Financing Costs

Financial liabilities – financing component relating to sale of land

Where there is more than 12 months between receipt of funds and satisfaction of performance obligations, timing differences and the prevailing interest rates may give rise to a significant financing component under AASB 15. The financing component is recognised as an interest expense in Financing Costs and will accrete any up-front payments recorded by the Authority as a financial liability. The Authority will derecognise the financial liability and recognise revenue once the performance obligations have been satisfied.

The Authority entered into a contract for the sale of land with the Australian National University (ANU). ANU has made an up-front payment for the land. There is a leaseback agreement that the Territory will continue to use the site as a works compound (or similar) for a period up to 6 years. The leaseback agreement defers the satisfaction of the performance obligations, settlement and recognition of the land sale revenue. Additional variable consideration payments are triggered based on the timing of contract settlement over the leaseback period. The Authority will recognise the sales revenue including any additional variable consideration once all performance obligations are satisfied and the leaseback option over the land expires.

The timing differences between the transfer of land and the payment of the land and the prevailing interest rates also gives rise to a significant financing component under AASB 15. Since the receipt of the consideration was prepaid and does not match the timing of the transfer of the land, the Authority has effectively received financing from the ANU. The Authority has made a significant judgement in determining that there is a significant financing component relating to the sale of the land with the ANU.

As such, the Authority has estimated when the likely satisfaction of the performance obligations will occur and established an appropriate discount rate that would be reflected in a separate financing transaction between the Authority and ANU at contract inceptions. The Authority has made a significant judgement in determining the effective interest rate applicable to the transaction. The incremental borrowing rate of 2.38% has been determined based on an independent valuation report, an expected settlement period of 1-3 years and the variable consideration triggers. The financing component is recognised as interest expense and will accrete the initial up-front payment recorded by the Authority as non-current financial liability. The Authority will derecognise the financial liability and recognise revenue once the ownership of the land is transferred through a settlement to ANU.

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Non-Current Financial Liabilities | | |
| Financial liabilities – financing component relating to sale of land | 16 752 | - |
| Total Non-Current Financial Liabilities | 16 752 | - |
| Total Financial Liabilities | 16 752 | - |

City Renewal Authority

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 18 EMPLOYEE BENEFITS

Description and Material Accounting Policies Relating to Employee Benefits

Accrued Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and long service leave including applicable on-costs that are not expected to be wholly settled before twelve months after the end of the reporting period, when the employees render the related service are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period end, the present value of future annual leave and long service leave payments is estimated using market yields on commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption they will be wholly settled within three years. This financial year the rate used to estimate the present value of future:

- annual leave payments is 97.5% (100.7% in 2021-22);
- payments for long service leave is 84% (85.8% in 2021-22).

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and applicable on-costs.

On-costs only become payable if the employee takes annual and long service leave while in-service. The probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Significant judgements have been applied in estimating the annual and long service leave liabilities, given that the Authority uses the Whole-of-Government present value, probability, and on-cost factors. These factors are issued by ACT Treasury and applied to all ACT Government Agencies. ACT Treasury organises an actuarial review to be undertaken every three years by the Australian Government Actuary to estimate each of these factors. The latest assessment was undertaken in December 2021, with the next review expected to be undertaken by late 2024.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation Liability

The employer superannuation benefits payable to the Authority's employees, who are members of the defined benefit CSS or PSS Schemes, are recognised in the financial statements of the Superannuation Provision Account.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 18 EMPLOYEE BENEFITS - CONTINUED

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Current Employee Benefits | | |
| Long Service Leave | 670 | 701 |
| Annual Leave | 632 | 710 |
| Accrued Salaries and Superannuation | 221 | 119 |
| Accrued Payroll Tax | 22 | 16 |
| Total Current Employee Benefits | 1 545 | 1 546 |
| Non-Current Employee Benefits | | |
| Long Service Leave | 69 | 79 |
| Total Non-Current Employee Benefits | 69 | 79 |
| Total Employee Benefits | 1 614 | 1 625 |
| Estimate of when Leave is Payable | | |
| Estimated Amount Payable within 12 months | | |
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| Long Service Leave | 103 | 35 |
| Annual Leave | 315 | 267 |
| Accrued Salaries and Superannuation | 221 | 119 |
| Accrued Payroll Tax | 22 | 16 |
| Total Employee Benefits Payable within 12 months | 661 | 437 |
| Estimated Amount Payable after 12 months | | |
| Long Service Leave | 636 | 745 |
| Annual Leave | 317 | 443 |
| Total Employee Benefits Payable after 12 months | 953 | 1 188 |
| Total Employee Benefits | 1 614 | 1 625 |

At 30 June 2023, the Authority employed 27.6 full time equivalent (FTE) staff (25.3 FTE at 30 June 2022).

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 19 OTHER PROVISIONS

Description and Material Accounting Policies Relating to Other Provisions

Provisions are recognised when the Agency has a present legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for Remediation

The Territory has entered into an agreement with University of New South Wales (UNSW) to support the UNSW's endeavours to build a Canberra city campus. A Precinct Deed was executed in March 2020 which gave effect to the agreement for two parcels of Territory land (at Reid and Parkes) to be progressively transferred to UNSW in stages over the life of the project. At balance date, only the Parkes land is owned by the Authority. The Reid land is owned by the Canberra Institute of Technology (CIT) and will be transferred to the Authority via an equity designation at a future date.

The Precinct Deed also set out that contamination remediation payments will be made by the Territory to UNSW.

A valuation of the Parkes land was undertaken based on the permitted uses within the Precinct Deed. The CRA has recognised a provision for remediation which has been capitalised against the asset.

The Authority will pay the remediation costs to UNSW but these amounts will be appropriated by the Territory. Appropriations received by the Authority in relation to remediation obligations will reduce the provision for remediation once paid to UNSW.

The provision for remediation is calculated as the present value of the expenditure expected to be required to settle the obligation. The pre-tax discount rates used to calculate the present value reflect current market assessments of the time value of money and the risks specific to the liability.

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Current Other Provisions | | |
| Provision for Remediation | 8 800 | - |
| Total Current Other Provisions | 8 800 | - |
| Non-Current Other Provisions | | |
| Provision for Remediation | 16 432 | - |
| Total Non-Current Other Provision | 16 432 | - |
| Total Other Provisions | 25 232 | - |

Reconciliation of other Provisions 2022-23

| | Provision for Remediation |
|---|----------------------------------|
| | \$'000 |
| Provision at the Beginning of the Reporting Period | - |
| Additional Provision Recognised | 25 232 |
| Provision at the End of the Reporting Period | 25 232 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 20 INCOME TAX EQUIVALENTS

Description and Material Accounting Policies Relating to Income Tax Equivalents

The Authority falls within the 'National Tax Equivalents Regime' (NTER) and is required to calculate income tax in accordance with the *Income Tax Assessment Act 1997* and *Income Tax Assessment Act 1936* and to account for the resulting amounts under the requirements of Australian Accounting Standard AASB 112 *Income Taxes*.

The Authority is exempt from paying federal income tax. However, to comply with National Competition Policy, the Authority is required to calculate and pay Commonwealth tax equivalents under the National Tax Equivalents Regime.

| | 2023 | 2022 |
|--|----------------|---------------|
| | \$'000 | \$'000 |
| (a) Components of Income Tax Equivalents (Income)/Expense | | |
| Prior Year (over) provision | - | (9) |
| | - | (9) |
| Deferred Tax Equivalents (Income) | (2 917) | (350) |
| Effect of change in future tax rate on deferred tax balances (from 25% to 30%) | 482 | - |
| | (2 435) | (350) |
| | (2 435) | (359) |

(b) Income Tax Equivalents (Income)/Expense

The prima facie income tax (income) on pre-tax accounting profit from operations reconciles to the income tax (income)/expense in the financial statements as follows:

| | | |
|--|----------------|--------------|
| Operating (Deficit) before National Tax Equivalents | (11 585) | (10 070) |
| Income Tax Equivalents (Income)/Expense Calculated at 25% | (2 896) | (2 518) |
| | (2 896) | (2 518) |
| Permanent Differences | (21) | 2 159 |
| Effect of change in future tax rate on deferred tax balances (from 25% to 30%) | 482 | - |
| | (2 435) | (359) |

The tax rate used in calculating current tax is the corporate tax rate of 25% payable by Australian corporate base rate entities on taxable profits under Australian Tax Law. On the basis the City Renewal Authority has met the eligibility criteria of a base rate entity for the 2023 financial year, the applicable tax rate is 25% in the current financial year. Further, AASB 112 requires deferred tax balances to be measured at the tax rate expected to apply in the period in which the assets and liabilities will likely be realised or settled. City Renewal Authority management anticipates aggregated turnover in the year ending 30 June 2024 will exceed \$50 million. On this basis it is likely the City Renewal Authority will not be a base rate entity for the year ending 30 June 2024. Consequently deferred tax balances have been recognised at the applicable tax rate of 30%.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 20 INCOME TAX EQUIVALENTS – CONTINUED

| | 2023 | 2022 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| (c) Income Tax Recognised Directly in Equity | | |
| Deferred Tax from Revaluation of Assets | 653 | 431 |
| | 653 | 431 |
| (d) Recognised Deferred Tax Balances | | |
| The following deferred tax balances have been recognised in the accounts: | | |
| Assets Relating to: | | |
| Employee benefits | 419 | 376 |
| Revenue received in advance | 47 | 40 |
| Tax Losses | 1 868 | 1 155 |
| Liabilities Relating to: | | |
| Inventories | (2 241) | (2 179) |
| Intangibles | (22) | (24) |
| Property, plant and equipment | (2 966) | (4 044) |
| Net Deferred (Liability) | (2 895) | (4 676) |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 21 FINANCIAL INSTRUMENTS

Material Accounting Policies Relating to Financial Instruments

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in the note to which they relate. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial assets.

The following are the classification of the Authority's financial assets under *AASB 9 Financial Instruments*:

| Items | Business Model Held to collect principal and interest/sell | Solely for payment of Principal and Interest SPPI Test (basic lending characteristics) | Classification |
|---------------------------|---|---|-----------------------|
| Cash and Cash Equivalents | Held to collect | Yes | Amortised cost |
| Accrued Revenue | Held to collect | Yes | Amortised cost |

Financial liabilities are measured at amortised cost.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority holds cash at bank financial assets in floating interest rate arrangements. The Authority is not exposed to movements in interest payable as its financial liabilities are non-interest bearing. The Authority manages the interest rate risk on investments by only investing in a commercial banking account which is low risk.

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Authority as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Authority's credit risk is limited to the amount of the financial assets it holds net of any allowance for credit loss. The Authority expects to collect all financial assets which comprise cash and receivables. Credit risk is managed through internal processes which include a regular review by management. The Authority also manages the credit risk for receivables by undertaking an assessment of the credit worthiness of larger debtors as well as an analysis of the concentration of credit risk to ensure that it is not too high.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 21 FINANCIAL INSTRUMENTS - CONTINUED

Liquidity Risk

Liquidity risk is the risk that the Authority will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. To limit its exposure to liquidity risk, the Authority ensures that it does not have a large portion of its financial liabilities maturing in any one reporting period and that, at any particular point in time the Authority has a sufficient amount of current financial assets to meet its current financial liabilities.

In addition, the City Renewal Authority and Suburban Land Agency (Suburban Land Agency Payment of Funds to the Territory) Direction 2019 Notifiable Instrument NI2019-127 provides the Government with flexibility to approve a different dividend payment ratio and/ or flexibility of payment timing, subject to the Treasurer's approval of a written request from the Authority Board to enable the Authority to meet its obligations as they fall due.

Fair Value of Financial Assets and Liabilities

The carrying amount of financial assets and financial liabilities of the Authority approximate their fair value. The below table shows the difference between the carrying amount and fair value of these investments:

| | Note No. | Carrying | | Carrying | |
|---|-----------------|-----------------|-------------------|-----------------|-------------------|
| | | Amount | Fair Value | Amount | Fair Value |
| | | 2023 | 2023 | 2022 | 2022 |
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | |
| Cash | 11 | 29 821 | 29 821 | 15 274 | 15 274 |
| Receivables ^a | 12 | - | - | 20 | 20 |
| Total Financial Assets | | 29 821 | 29 821 | 15 294 | 15 294 |
| Financial Liabilities | | | | | |
| Payables ^a | 16 | 1 966 | 1 966 | 2 104 | 2 104 |
| Financial Liabilities - financing component relating to sale of land ^b | 17 | 16 752 | 16 750 | - | - |
| Total Financial Liabilities | | 18 718 | 18 716 | 2 104 | 2 104 |

a) Receivables and payables are recorded exclusive of GST.

b) The Authority has received financing of \$16.75m through the upfront payment for the sale of land to the ANU.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 21 FINANCIAL INSTRUMENTS – CONTINUED

Maturity Analysis

The following table sets out the Authority's maturity analysis for financial liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2023. All financial liabilities which are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

| 2023 | Note No | Weighted Average Rate % | Floating Interest Rate \$'000 | Fixed Interest Maturing In: | | | Non-Interest Bearing \$'000 | Total \$'000 |
|------------------------------------|---------|-------------------------|-------------------------------|-----------------------------|---------------------|---------------------|-----------------------------|--------------|
| | | | | 1 Year or Less \$'000 | Over 1 Years \$'000 | Over 5 Years \$'000 | | |
| Financial Liabilities | | | | | | | | |
| Payables | 16 | 0.00% | - | - | - | - | 1 966 | 1 966 |
| Financial Liabilities | 17 | 2.38% | - | 399 | 826 | - | - | 1 225 |
| Total Financial Liabilities | | | - | 399 | 826 | - | 1 966 | 3 191 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 21 FINANCIAL INSTRUMENTS – CONTINUED

The following table sets out the Authority's maturity analysis for financial liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2022. All financial liabilities which are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

| 2022 | Note No | Weighted Average Rate % | Floating Interest Rate \$'000 | Fixed Interest Maturing In: | | | Non-Interest Bearing \$'000 | Total \$'000 |
|------------------------------------|---------|-------------------------|-------------------------------|-----------------------------|-----------------------|---------------------|-----------------------------|--------------|
| | | | | 1 Year or Less \$'000 | Over 1 5 Years \$'000 | Over 5 Years \$'000 | | |
| Financial Liabilities | | | | | | | | |
| Payables | 16 | 0.00% | - | - | - | - | 2 104 | 2 104 |
| Total Financial Liabilities | | | - | - | - | - | 2 104 | 2 104 |

| Carrying Amount of Each Category of Financial Asset and Financial Liability | 2023 \$'000 | 2022 \$'000 |
|---|---------------|---------------|
| Financial Assets | | |
| Financial Assets Measured at Amortised Cost | 29 821 | 15 294 |
| Financial Liabilities | | |
| Financial Liabilities Measured at Amortised Cost | 18 718 | 2 104 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 22 CAPITAL AND OTHER EXPENDITURE COMMITMENTS

Description and Material Accounting Policies Relating to Capital and Other Expenditure Commitments

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts but can arise from other things like placing an order.

Commitments are measured at their nominal value and are inclusive of GST.

Capital commitments contracted at reporting date that have not been recognised as liabilities are as follows:

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Capital Commitments - Property, Plant and Equipment | | |
| Payable: | | |
| Within One Year | 5 733 | 7 923 |
| Later than One Year but not later than Five Years | 1 117 | - |
| Total Capital Commitments ^a | 6 850 | 7 923 |
| Other Commitments | | |
| Other commitments contracted at reporting date that have not been recognised as liabilities are as follows: | | |
| Payable: | | |
| Within One Year | 1 630 | 2 320 |
| Later than One Year but not later than Five Years | 1 346 | 1 890 |
| Later than Five years | 3 042 | 3 230 |
| Total Other Commitments ^b | 6 018 | 7 440 |
| Total Commitments | 12 868 | 15 363 |

- a) Capital Commitment relate predominantly to design and construction contracts for Acton Waterfront Parkland, Acton Estate planning and Braddon streetscape upgrades.
- b) Other Commitment relate predominantly to the Authority's agreement with ACT Property Group in relation to the provision of office accommodation.

City Renewal Authority

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 23 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Material Accounting Policies Relating to Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Balance Sheet due to the uncertainty regarding any possible amount or timing of any underlying claim or obligation. Instead they are disclosed and, if quantifiable, the best estimate is disclosed.

Contingent Liabilities

Legal Claims

The ACT Government Solicitor's Office acts on behalf of the City Renewal Authority in litigation matters. At 30 June 2023 the Authority had no contingent liabilities (one claim representing a contingent liability for 2021-22). The Authority holds public liability insurance through the ACT Insurance Authority and as such the net liability for claims is limited to the insurance excess payable (\$5,000).

NOTE 24 RELATED PARTY DISCLOSURES

Description and Material Accounting Policies Relating to Related Party Disclosures

A related party is a person that controls or has significant influence over the reporting entity or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly.

KMP of the Authority are the Portfolio Minister, Chief Executive Officer, Chief Operating Officer, and Board Members.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT government and therefore related parties of the Authority.

This note does not include typical citizen transactions between the KMP and the Authority that occur on terms and conditions no different to those applying to the general public.

(A) CONTROLLING ENTITY

The Authority is an ACT Government controlled entity.

(B) KEY MANAGEMENT PERSONNEL

B.1 Compensation of Key Management Personnel

Compensation of all Cabinet Ministers, including the Portfolio Minister, is disclosed in the note on related party disclosures included in the ACT Executive's financial statements for the year ended 30 June 2023.

Compensation of the Head of Service is included in the note on related party disclosures included in the Chief Minister, Treasury and Economic Development Directorate's financial statements for the year ended 30 June 2023.

Compensation by the Authority to KMP is set out below:

| | 2023 \$'000 | 2022 \$'000 |
|----------------------------------|----------------|----------------|
| Short-term employee benefits | 791 | 645 |
| Post employment benefits | 183 | 133 |
| Other long-term benefits | 20 | 22 |
| Board member fees | 347 | 359 |
| Total Compensation to KMP | 1 341 | 1 159 |

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 24 RELATED PARTY DISCLOSURES - CONTINUED

(C) TRANSACTIONS WITH OTHER ACT GOVERNMENT ENTITIES

All transactions with ACT Government controlled entities are disclosed in the relevant notes to the financial statements of the Authority. Below is a summary of the material transactions with other ACT Government Entities.

Revenue

- Appropriation (Statement of Appropriation) - The Authority's main ongoing source of funding is received from the ACT Government through the Territory Banking Account. This funding is in the form of Controlled Recurrent Payments and Capital Injections.

Expenses

- Grants and Purchased Services (Note 9) – The Authority purchased \$0.95m in services from Transport Canberra and City Services Directorate for staff to deliver an enhanced program of cleaning and maintenance across the city.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 25 BUDGETARY REPORTING

Significant Accounting Judgements and Estimates – Budgetary Reporting

Significant judgements have been applied in determining what variances are considered ‘major variances’. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated actual category amount (Income, Expenses, Assets, liabilities and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% and \$0.5 million for the financial statement line item.

Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period Budget Statements. These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

Note: # in the ‘Variance % column represents a variance that is greater than 999 per cent or less than -999 per cent.

| Statement of Comprehensive Income Items | Variance Explanation | Actual | Original | Variance | Variance |
|---|----------------------|---------|----------|----------|----------|
| | | 2023 | Budget | | |
| | | \$'000 | \$'000 | \$'000 | % |
| Sales of Goods and Services from Contracts with Customers | 1 | - | 46 674 | (46 674) | (100) |
| Cost of Goods Sold | 2 | - | 2 617 | (2 617) | (100) |
| Other Expenses | 3 | 9 065 | - | 9 065 | # |
| Income Tax Equivalents | 4 | (2 435) | 10 139 | (12 574) | (124) |

Variance Explanations

1. The lower than budgeted Sales of Goods and Services from Contracts with Customers reflects land released but unable to settle during the reporting period.

2. The lower than budgeted Cost of Goods Sold is attributable to no land sales occurring during the reporting period.

3. The higher than budgeted Other Expenses reflects losses on valuation of community and infrastructure assets. The largest component relates to the portion of reclaimed lake that will be retained as a community asset (\$7.45m).

4. The lower than budgeted National Tax Equivalents reflects the operating deficit result with no tax equivalents payable.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 25 BUDGETARY REPORTING – CONTINUED

| Balance Sheet Line Items | Variance Explanation | Actual | Original | Variance \$'000 | Variance % |
|---------------------------------|-------------------------|----------------|--------------------------|--------------------|---------------|
| | | 2023 \$'000 | Budget 2023 \$'000 | | |
| Property, Plant and Equipment | 5 | 113 244 | 31 072 | 82 172 | 264 |
| Payables | 6 | 2 125 | 1 331 | 794 | 60 |
| Provisions | 7 | 25 232 | - | 25 232 | # |
| National Tax Equivalent Payable | 8 | (2 895) | 10 139 | (13 034) | (71) |
| Other Liabilities | 9 | - | 6 084 | (6 084) | (128) |
| Financial Liabilities | 10 | 16 752 | - | 16 752 | # |

Variance Explanations

5. The higher than budgeted Property, Plant and Equipment reflects the capitalisation of the several assets including the Acton Boardwalk, Salthouse Community Centre, Dickson streetscape upgrades and the reclassification of land which was revalued from cost to fair value on transfer from inventory.

6. The higher level of Payables is mainly related to increased accrued expenditure on capital works in June, primarily related to Braddon streetscape upgrades and Acton waterfront park.

7. The higher than budgeted Provisions reflects remediation costs with respect to the land for transfer to UNSW.

8. The lower than budgeted National Tax Equivalent Payable reflects no payable associated with the operating deficit.

9. The lower than budgeted Other Liabilities reflects no dividend payable due to the operating deficit.

10. The higher than budgeted Financial Liabilities relates to the prepaid land sale to ANU.

City Renewal Authority
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

NOTE 25 BUDGETARY REPORTING – CONTINUED

| Statement of Cash Flows Line Items | Variance Explanation | Actual 2023 \$'000 | Original Budget 2023 \$'000 | Variance \$'000 | Variance % |
|---|-------------------------|--------------------------|--------------------------------------|--------------------|---------------|
| Sales of Goods and Services from Contracts with Customers | 11 | - | 46 674 | (46 674) | (100) |
| Purchase of Inventory | 12 | 863 | 2 304 | (1 441) | (63) |
| Capital Injections | 13 | 8 959 | 7 101 | 1 858 | 26 |
| Proceeds from Financing | 14 | 16 750 | - | 16 750 | # |
| Payment of Dividend | 15 | - | 24 334 | (24 334) | (100) |

Variance Explanations

11. The lower than budgeted Sales of Goods and Services from Contracts with Customers reflects land released but unable to settle during the reporting period.

12. The lower than budgeted Purchase of Inventory reflects a delay in works which has been deferred pending the outcome of a tender process.

13. The higher than budgeted Capital Injections reflects accelerated expenditure for the Renewing Canberra's city heart initiative. The Authority sought a capital advance during the year.

14. The higher than budgeted Proceeds from Financing reflects a prepaid land sale that was not able to settle during the year.

15. The lower than budgeted Payment of Dividend reflects no dividend payable due to the operating deficit result.

C.3. – Capital works

Table 30: Capital works projects

| Projects | Estimated completion date | Original project value (\$'000) | Revised project value (\$'000) | Prior year expenditure (\$'000) | 2022-23 actual expenditure (\$'000) | Total expenditure to date (\$'000) |
|---|---------------------------|---------------------------------|--------------------------------|---------------------------------|-------------------------------------|------------------------------------|
| Works in progress | | | | | | |
| Acton Waterfront Parkland | N/A | 2,800 | 2,800 | 910 | 1,492 | 2,402 |
| Renewing Canberra's City Heart | June 2025 | 21,160 | 19,590 | 3,987 | 6,046 | 10,033 |
| Total works in progress | | 58,548 | 22,390 | 4,897 | 7,538 | 12,435 |
| Physically complete in 2022-23 | | | | | | |
| Canberra's Lakeside | June 2023 | 37,388 | 35,938 | 33,718 | 2,121 | 35,839 |
| Total physically complete in 2022-23 | | 37,388 | 35,938 | 33,718 | 2,121 | 35,839 |

Table 31: Reconciliation schedules

| Reconciliation of total current year capital works program financing | \$'000 |
|--|--------------|
| Original capital works financing | 7,101 |
| Less: Capital injections not drawn in 2022-23 | (510) |
| Add: Section 16B roll-overs | 361 |
| Add: Section 18E Capital Works Advance | 2,007 |
| Capital injections from Government per Cash Flow Statement | 8,959 |

Table 32: Reconciliation of expenditure against financing

| Reconciliation of total current year expenditure against financing | \$'000 |
|--|--------------|
| Total current year capital works expenditure | 9,659 |
| Less: Net accrued capital expense and other movements | (700) |
| Capital injections from Government per Cash Flow Statement | 8,959 |

C.4. – Asset management

Assets managed

At 30 June 2023, the Authority managed assets with a total value of \$113.3 million. Table 33 shows assets managed.

The increase in the Authority's 2022-23 asset base is predominantly due to:

- the physical completion of several capital works projects, being the Acton Boardwalk, Salthouse Community Centre and Dickson streetscape upgrades; and
- the uplift in value of a parcel of land revalued on transfer from Inventory to Property, plant & equipment.

Expenditure on repairs and maintenance was \$0.3 million. The Authority's service level agreements with TCCS and SLA provide for regular maintenance of Acton Estate and Glebe Park. The Authority did not complete asset upgrades outside of the capital works program.

The service agreements the Authority has in place with TCCS and SLA include monitoring the condition of the assets covered by the agreements and provide for inspections of equipment and any hazardous materials held on site.

Table 33: Assets managed 2022-23

| Asset type | Comprising | Value \$'000 |
|--|---|--------------|
| Land | City, Acton and Braddon | 16,146 |
| Infrastructure | Stormwater assets, roads, community paths, streetlights, fences and barrier assets and foot bridge at Acton and Dickson | 34,774 |
| Buildings | Dickson building Block 11, Section 30 and the Salthouse Community Centre | 2,651 |
| Community assets | Playground, fitness and parks assets, land under infrastructure and land under roads at Acton | 11,575 |
| Plant and equipment | Mobile park and event furniture and equipment, decorative street lighting | 1,099 |
| Property, plant & equipment for transfer | Land for transfer to UNSW | 47,000 |

Office accommodation

The Authority's office accommodation during the reporting period is set out in Table 34.

Table 34: Office accommodation 2022-23

| Location | Building | Leased from | Headcount ¹ | Lettable floor area (m ²) | Lettable floor area per headcount (m ²) |
|--------------------------------------|--------------------|--------------------|------------------------|---------------------------------------|---|
| 3 Constitution Avenue, Canberra City | Nara House Level 1 | ACT Property Group | 30 | 500 | 16.67 |

Note(s):

1. Headcount is a snapshot of staff on 30 June 2023 and does not include contractors accommodated on site.

C.5. – Government contracting

Contracts register

The online ACT Government Contracts Register records contracts with suppliers of goods, services and works, with a value of \$25,000.00 or more.

The public can search City Renewal Authority contracts notified with an execution date from 1 July 2022 to 30 June 2023 at tenders.act.gov.au/contract/search

Secure local jobs exemptions

There were no secure local jobs exemptions required in 2022-23.

Aboriginal and Torres Strait Islander Procurement Policy

The Authority's results against the Territory's ATSIPP performance measures are provided in Table 35.

In 2022-23 the Authority directly engaged these suppliers, which are captured through the Territory's reporting systems and recorded in Table 35:

- Corroboree Security Services Indigenous Corporation for security services.
- SPEC Indigenous Pty Ltd for industrial cleaning services.

- Willyama Services Pty Ltd for IT security advice.
- Yerrabingin Pty Ltd as a First Nations design consultant, and consultation and engagement services.
- Gurugun Pty Ltd for consultancy services.
- Lack Group Constructions Traffic Pty Ltd for traffic management.
- Ribanas Catering for catering services.

In addition to Table 35, the Authority indirectly engaged the following suppliers and services through its contractors:

- Yerrabingin Pty Ltd as a First Nations design consultant, and for consultation and engagement services.
- Ribanas Catering for catering services.
- Cleaning services, and the engagement of Ngunnawal elders and artists through the place management program run by Dionysus.

Table 35: 2022-23 City Renewal Authority ATSIPP performance measures

| No. | ATSIPP performance measure | Result |
|-----|---|--------|
| 1 | The number of unique Aboriginal and Torres Strait Islander enterprises that respond to Authority tender and quotation opportunities issued from the approved systems. | 0 |
| 2 | The number of unique Aboriginal and Torres Strait Islander enterprises attributed a value of the Authority's addressable spend in the financial year. | 7 |
| 3 | Percentage of the financial year's addressable spend of \$6.85 million that is spent with Aboriginal and Torres Strait Islander enterprises – target 2.0%. | 2.14% |

C.6. – Statement of Performance



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

INDEPENDENT LIMITED ASSURANCE REPORT

To the Members of the ACT Legislative Assembly

Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the City Renewal Authority for the year ended 30 June 2023.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2023 are not in agreement with the City Renewal Authority's records or do not fairly reflect, in all material respects, the performance of the City Renewal Authority, in accordance with the *Financial Management Act 1996*.

Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

Authority's responsibilities for the statement of performance

The Governing Board of the City Renewal Authority is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the City Renewal Authority.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the City Renewal Authority's records or do not fairly reflect, in all material respects, the performance of the City Renewal Authority, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the City Renewal Authority, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

Limitations on the scope

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the City Renewal Authority.



Ajay Sharma
Assistant Auditor-General, Financial Audit
28 September 2023



**Statement of Performance
For the year ended 30 June 2023**

STATEMENT OF RESPONSIBILITY

In my opinion, the Statement of Performance is in agreement with the City Renewal Authority's records and fairly reflects the service performance of the City Renewal Authority for the year ended 30 June 2023. It also fairly reflects the judgements exercised in preparing it.

A handwritten signature in black ink, appearing to read 'Christine Covington'.

Christine Covington
Chair
City Renewal Authority Board

27 September 2023

City Renewal Authority
Statement of Performance
For the year ended 30 June 2023

Financial measures

Table 1: Key accountability indicators

| Key accountability indicator | Target 2022-23 | Actual 2022-23 | Variance from target (%) | Explanation of material variances (≥ +/- 5%) |
|---|-------------------|-------------------|--------------------------------|---|
| Land Sales Revenue (\$ million) | 46.674 | 0 | (100) | The variance has primarily resulted from land that has been released but hasn't yet settled to allow the site to be used to support the Raising London Circuit works. |
| Gross Profit Margin on Land Sales (%) ¹ | 94 | 0 | (100) | The variance is a result of zero land sales revenue in 2022-23. |
| Appropriated Capital Works Expenditure (\$ million) | 7.101 | 8.959 | 26 | The variance has resulted from the acceleration of capital works related to Woolley Street upgrades and the Haig Park Community Centre. |

¹ *Gross Profit Margin = (lease sales - cost of goods sold) / lease sales*

The profit margins of the Authority are used for internal purposes to provide comparatives across projects and time periods. These margins are not comparable with private industry and should be considered in context with the following:

- In general, the Government enters the land development process at an earlier stage than private developers as it has responsibility for planning activities which can impact on zoning and lease conditions on the land. The uplift in the value of land attributable to these activities is recognised by the Authority and forms part of the Authority's return to Government.*
- The Government invests in significant infrastructure within and around the City Renewal Precinct, but these costs are often incurred by other government agencies and therefore do not impact on the Authority's profit margins.*
- The Authority relies on independent market valuations to inform land sales prices.*

The accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.



City Renewal Authority
Statement of Performance
For the year ended 30 June 2023

Non-financial measures

Table 2: City Renewal Authority key accountability indicators (non-financial) 2022-23

| Objective | Key accountability indicator | | Target 2022-23 | Outcome 2022-23 | Variance from target (%) | Explanation of outcome and material variance from target (≥ +/- 5%) |
|--|---|--|---|--------------------|--------------------------------|---|
| Implement the City Precinct Renewal Program | (a) Haig Park i. New community centre | Appoint an operator for the new Haig Park Community Centre | Appoint an operator by 30 June 2023 | Achieved | 0 | A license agreement for the new Haig Park Community Centre was executed with the new operator, Northside Community Service Ltd on 15 February 2023. |
| | (b) Acton Waterfront i. Acton Waterfront Park | Submit a Works Approval application to the National Capital Authority for the Acton Waterfront Park design | Submit an application by 30 June 2023 | Achieved | 0 | The Works Approval application for the new Acton Waterfront Park design was submitted to the National Capital Authority on 23 June 2023. |
| | (c) Dickson i. Group Centre streetscape upgrades | Open the completed Woolley Street streetscape upgrade | Open the upgrades by 30 June 2023 | Achieved | 0 | The Woolley Street upgrades were opened for public use in January 2023 to coincide with Lunar New Year. Following defect rectification, the completed asset was handed over to the ongoing asset owner, the Transport Canberra and City Services (TCCS) Directorate in June 2023. |

The accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.



City Renewal Authority
Statement of Performance
For the year ended 30 June 2023

| Objective | Key accountability indicator | Target 2022-23 | Outcome 2022-23 | Variance from target (%) | Explanation of outcome and material variance from target (≥ +/- 5%) | |
|-----------|--|--|--------------------------------------|--------------------------|---|--|
| | (d) Braddon i. Streetscape upgrades | Submit a complete Documentation Readiness package for Lonsdale Street to TCCS ¹ in preparation for construction | Submit package by 30 June 2023 | Achieved | 0 | The Lonsdale Street Document Readiness package was submitted to TCCS on 17 October 2022. Construction works commenced in June 2023. |
| | (e) Precinct Activation | Contract the delivery of four (4) public events in the precinct | Contract four events by 30 June 2023 | Achieved | 0 | The Authority contracted the delivery of the following public events in 2022-23: <ul style="list-style-type: none"> - Christmas in the City 2022 - Lunar New Year 2023 - Enlighten in the City 2023 - Winter in the City 2023. |
| | (f) Land sales | Achieve the release targets for sites specified in the Government's Indicative Land Release Program for 2022-23 | Release target sites by 30 June 2023 | Achieved | 0 | The Authority released its two target sites in 2022-23: <ul style="list-style-type: none"> - Blocks 2 & 3, Section 20 City via a direct sale that exchanged in April 2023 - Block 1, Section 121 City², which was released to market in May 2023. |

¹ Transport Canberra and City Services Directorate

² This site is listed as Block 1, Section 119, City in the 2022-23 Indicative Land Release Program and has also previously been referred to as Section 63, City.

The accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.



City Renewal Authority
Statement of Performance
For the year ended 30 June 2023

| Objective | Key accountability indicator | Target 2022-23 | Outcome 2022-23 | Variance from target (%) | Explanation of outcome and material variance from target (≥ +/- 5%) | |
|-----------------------------------|---|---|--|--------------------------|--|--|
| (g) Precinct Marketing | i. Marketing | Contract the delivery of at least one (1) destination marketing campaign | Contract a campaign by 30 June 2023 | Achieved | 0 | The Authority contracted six destination marketing campaigns for the precinct in 2022-23. |
| | ii. Promotion | Promote attendance at ten (10) or more precinct activations via the Authority's social media channels | Promote attendance by 30 June 2023 | Achieved | 0 | The Authority promoted more than ten activations across the precinct in 2022-23 via its social media channels. |
| (h) Place management | Deliver at least 12,000 hours of cleaning, maintenance and landscape improvements across the precinct | Deliver 12,000 hours of place management by 30 June 2023 | Achieved | 0 | The Authority delivered over 12,000 hours of cleaning, graffiti removal, planting and public space maintenance across the precinct in 2022-23. | |
| (i) Communications and Engagement | i. Community engagement | Deliver at least three (3) community engagement processes for Authority projects | Deliver three engagement processes by 30 June 2023 | Achieved | 0 | The Authority delivered three community engagement processes in 2022-23. |

The accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.



**City Renewal Authority
Statement of Performance
For the year ended 30 June 2023**

| Objective | Key accountability indicator | Target 2022-23 | Outcome 2022-23 | Variance from target (%) | Explanation of outcome and material variance from target (≥ +/- 5%) | |
|-----------|---|--|--|--------------------------|---|---|
| | ii. Social media | Achieve an audience reach of 3,000,000 across the Authority's social media channels ³ | Achieve target audience reach by 30 June 2023 | Achieved | 0 | The Authority achieved a social media audience reach of approximately 5,100,000 in 2022-23. |
| | (j) City Centre Marketing and Improvements Levy (CCMIL) | Convene at least three (3) CCMIL Advisory Group meetings | Convene three CCMIL Advisory Group meetings by 30 June 2023 | Achieved | 0 | The Authority convened three CCMIL Advisory Group meetings in 2022-23. |
| | (k) Staff Performance and Capability i. Performance and Development Plans (PDPs) | Ensure at least ninety percent (90%) of Authority staff employed for more than six months have current PDPs in place | 90% of Authority staff (employed more than six months) have PDPs (or equivalent) in place as at 30 June 2023 | Achieved | 0 | 95% of the Authority's permanent staff, employed with the Authority more than six months, had PDPs in place during 2022-23. |

³ Social media channels refers to City Renewal Authority branded pages on Facebook, Instagram, Twitter and LinkedIn.

The accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.



**City Renewal Authority
Statement of Performance
For the year ended 30 June 2023**

| Objective | Key accountability indicator | Target 2022-23 | Outcome 2022-23 | Variance from target (%) | Explanation of outcome and material variance from target (≥ +/- 5%) | |
|-----------|-------------------------------|---|---|--------------------------|---|--|
| | ii. Fraud and Ethics training | Ensure at least ninety-five percent (95%) of Authority staff employed for more than three months have completed Fraud and Ethics training | 95% of Authority staff (employed more than three months) have completed training as at 30 June 2023 | Achieved | 0 | 100% of the Authority's staff had completed Fraud and Ethics training as at 30 June 2023. |
| (I) | Work Health and Safety (WHS) | | | | | |
| | i. Public safety | Ensure nil (0) third party injuries occur as a result of the Authority's activities | Nil third party injuries have occurred as at 30 June 2023 | Achieved | 0 | No third party medical injuries occurred in 2022-23 as a result of the Authority's activities. |
| | ii. Monitoring | Convene at least five (5) internal WHS Committee meetings | Convene five WHS Committee meetings by 30 June 2023 | Achieved | 0 | The Authority convened six internal WHS Committee meetings in 2022-23. |
| | iii. Training | Ensure at least ninety-five percent (95%) of Authority staff employed for more than three months have completed WHS training | 95% of Authority staff (employed more than three months) have completed training as at 30 June 2023 | Achieved | 0 | 100% of the Authority's staff had completed WHS training as at 30 June 2023. |

The accountability indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*.



PART 3



Reporting by exception

The Authority has nil information to report by exception under Part 3 of the Directions for the 2022-23 reporting year.

PART 4



A more welcoming and pedestrian-friendly entrance to Woolley Street, Dickson delivered as part of the streetscape upgrade

Directorate and public sector body specific annual report requirements

Content specified by section 14(2) of the *City Renewal Authority and Suburban Land Agency Act 2017*

The Authority must report on the following items in its annual report:

- Include any statement of expectations and statement of operational intent in effect during the reporting year.
- Report on the extent to which the statement of operational intent in effect during the reporting year was met during the reporting year.
- If the statement of operational intent was not met in whole or in part during the reporting year – give reasons why the statement of operational intent was not met.

Appendix 1, Appendix 2 and Section B.2 provide this information.

Public land management plans

Section C.4, Assets Management, details the Authority's role as a custodian of public land during 2022-23. As this role has limited extent, there is no requirement for the Authority to prepare public land management plans.

Abbreviations and acronyms

| Abbreviation / Acronym | Meaning |
|------------------------|---|
| ACT | Australian Capital Territory |
| ACTPS | ACT Public Service |
| ATSIEB | Aboriginal and Torres Strait Islander Elected Body |
| ATSIPP | Aboriginal and Torres Strait Islander Procurement Policy |
| CCCD | Canberra Civic and Culture District |
| CCMIL | City Centre Marketing and Improvements Levy |
| CMP | Conservation Management Plan |
| CMTEDD | Chief Minister, Treasury and Economic Development Directorate |
| CPRP | City Precinct Renewal Program |
| CRA&SLA Act | <i>City Renewal Authority and Suburban Land Agency Act 2017</i> |
| CSD | Community Services Directorate |
| DA | Development application |
| DNCCC | Dhawura Ngunnawal Caring for Country Committee |
| EPSDD | Environment, Planning and Sustainable Development Directorate |
| FMA | <i>Financial Management Act 1996</i> |
| FOI | freedom of information |
| FTE | full-time equivalent |
| GST | goods and services tax |
| ILRP | Indicative Land Release Program |
| NCA | National Capital Authority |
| NCDRP | National Capital Design Review Panel |
| MPC | Major Projects Canberra |
| PSP | Preliminary Sketch Plan |
| PSRRP | Planning System Review and Reform Project |
| RAP | Innovate Reconciliation Action Plan 2019–2021 |
| SLA | Suburban Land Agency |
| SEQ | Safety, Environment and Quality |
| TCCS | Transport Canberra and City Services Directorate |
| UNSW | University of New South Wales |
| WHS | work health and safety |
| WHS Act | <i>Work Health and Safety Act 2011</i> |

Glossary of technical terms

| Term | Meaning |
|---|--|
| activation | Planning for diverse human activity in a place, ensuring a place meets the needs of all potential users, and encouraging people to use that place as part of their daily life. |
| enforceable undertaking | A written undertaking proposed by a person in connection with a matter relating to an alleged contravention by the person of the WHS Act. Once accepted by the regulator, a WHS undertaking becomes enforceable. |
| governance | The rules, relationships, policies, systems and processes that exercise and maintain authority within an organisation. |
| interventions | Temporary short-term (usually from a weekend to three months) activities used to tackle problems and re-imagine solutions to blighted, commercial corridors and lifeless public spaces of historic downtowns and neighbourhoods. Often attached to a larger event and momentarily transforms the existing built environment with improvements. The interventions aim to address the perception of place, to attract economic and pedestrian activity, and to promote direct community action in the preservation and planning of the existing built environment. |
| liveability | The quality of space and the built environment. The concept of liveability links to a range of factors, for example, quality of life, health, sense of safety, access to services, cost of living, comfortable living standards, mobility and transport, air quality and social participation. An assessment of what a place is like to live in, using particular criteria, for example, environmental quality, crime and safety, education and health provision, access to shops and services, recreational facilities and cultural activities. |
| placemaking | Place – a part of the earth’s surface that is identified and given meaning by people, which may be perceived, experienced, understood and valued differently. Placemaking – a multi-faceted approach to the planning, design and management of public spaces. Placemaking capitalises on a local community’s assets, inspiration, and potential, with the intention of creating public spaces that promote people’s health, happiness, and wellbeing. |
| public space/ public domain/ public realm | A place that is generally open and accessible to people; a place that belongs to everyone. It comprises the streets, squares, parks, green spaces and other outdoor places that require no key to access them and are available without charge for everyone to use. |
| risk management | Risk – the effect of uncertainty on objectives, a combination of the consequences of an event and the associated likelihood of occurrence. Risk management – the architecture (principles, framework and process) for managing risks effectively. |
| social connectedness | Social connectedness is the measure of how people come together and interact. At an individual level, social connectedness involves the quality and number of connections one has with other people in a social circle of family, friends and acquaintances. Going beyond these individual-level concepts, it involves relationships with beyond one’s social circles and even to other communities. This connectedness, one of several components of community cohesion, provides benefits to both individuals and society. |
| social inclusion | In a socially inclusive society, everyone theoretically has the opportunity to participate equally – socially, culturally, economically, physically and politically. It is a society where individuals and/or entire communities have access to opportunities, options and choices in life, and have the resources (skills and assets) and appropriate supports, as well as the personal capacity to make the most of them. |
| streetscape | The collective appearance of all buildings, footpaths, gardens and landscaping along a street. The streetscape is the visual identity of a neighbourhood and plays an important role in facilitating interaction between residents and creating a community. |
| sustainable/ sustainability | An ongoing capacity of an environment to maintain all life, whereby the needs of the present are met without compromising the ability to meet the needs of future generations. |

| Term | Meaning |
|--------------------|--|
| triple bottom line | Considering the social, environmental and economic factors to ensure that assessments of all potential impacts inform decisions. The ACT Government Triple Bottom Line Assessment Framework is a logical framework for identifying and integrating social, environmental and economic factors into the policy development cycle and the decision-making process by ensuring that principles of sustainability inform decisions. |
| urban design | The creation of useful, attractive, safe, environmentally sustainable, economically successful and socially equitable places. Good urban design pursues local identity and sense of place, cultural responsiveness and purposeful environmental innovation. It achieves a high level of quality, comfort, safety, equity, beauty and cohesion in the overall physical outcome of all the development, planning, engineering, architectural and landscape design decisions that contribute to urban change. |
| urban renewal | Building on the strengths of each place, transforming underused or dilapidated areas, boosting local economies and providing a mix of uses and activities to meet the needs of communities. |
| YourSay | The ACT Government community consultation platform. |

Appendix 1 – Statement of Expectations

Australian Capital Territory

City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Expectations 2022

Notifiable instrument NI2022–579

made under the

City Renewal Authority and Suburban Land Agency Act 2017, s 17 (Ministerial statement of expectations)

1 Name of instrument

This instrument is the *City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Expectations 2022*.

2 Commencement

This instrument commences on the day after its notification day.

3 Statement of expectations

I make the statement of expectations as provided at schedule 1.

4 Revocation

The *City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Expectations 2021* (NI2021-173) is revoked.

Andrew Barr MLA
Chief Minister

11 November 2022

Schedule 1
(see s 3)

ACT Government

Statement of Expectations 2022

City Renewal Authority

Overview

This statement of expectations (the statement) is made by the Chief Minister in accordance with section 17(1)(a) of the *City Renewal Authority and Suburban Land Agency Act 2017* (the Act). In accordance with section 17(1)(b) of the Act, the statement will be given to the City Renewal Authority (the Authority) Board.

The purpose of this document is to set out the Government's requirements and priorities in relation to urban renewal in the City Renewal Precinct (the precinct), which includes Dickson, Northbourne Avenue, Haig Park, the City and Acton Waterfront. The precinct is declared by the *City Renewal Authority and Suburban Land Agency (Urban Renewal Precinct) Declaration 2017* (NI2017-425).

Objectives

The Authority operates in partnership with Government, the community and business, and was established to:

- encourage and promote:
 - a vibrant city through the delivery of design-led, people-focussed urban renewal;
 - social and environmental sustainability; and
- operate effectively, in a way that delivers value for money, in accordance with sound risk management practices.

The statutory functions given to the Authority are deliberately broad to enable it to lead, manage, facilitate, and undertake urban renewal projects in declared precincts, consistent with these overarching objectives.

The significance of these responsibilities is reflected in the breadth and depth of experience, skill and expertise expected from, and provided by, the Authority Board.

The Government strongly believes in the fundamental purpose of the Authority in delivering the range and quality of urban renewal outcomes necessary to firmly embed Canberra's standing as a city of choice, a city of talent, and a city of ambition that is open to all.

To achieve this purpose, it is essential that the city is shaped and managed to meet current and future needs and that this is done with a people-focussed perspective, founded on principles of good design and place-making. Urban renewal should be undertaken in a way that will stand the test of time for all members of the community, and for our city. The built form needs to promote connected and innovative communities that provide the activities, lifestyles, and healthy environments that people want and need to thrive.

The Government's expectation is that the Authority will:

- consult and establish productive working relationships with key stakeholders, including all levels of Government and other relevant bodies and organisations;

- engage widely to inform both the design and delivery of works;
- promote cooperation, collaboration and coherent urban renewal with other key entities including the Environment, Planning and Sustainable Development Directorate, the National Capital Authority, the Suburban Land Agency, and the Transport Canberra and City Services Directorate; and
- noting the impact COVID-19 continues to have on businesses, consider the impact of precinct works on the operation of businesses.

The Government expects a high degree of accountability and transparency from the Authority in relation to the decision-making of its Board and CEO. In this regard, the Government expects the Authority to provide accurate and timely advice on significant issues in its core area of business.

The Authority is expected to act with integrity and proactively manage risk in accordance with best practice risk management.

Urban renewal requirements and priorities

The Government recognises the role of the Authority to deliver coordinated, exemplar urban renewal within the precinct as a whole.

The Government expects that this work will:

- identify and recommend prioritisation and sequencing of major public infrastructure works within the precinct;
- be developed in consultation with key stakeholders;
- promote Government, stakeholder and community understanding of, and confidence in, the total program of renewal initiatives to be undertaken and delivered within the precinct;
- enable, encourage, and promote innovative, integrated renewal and development outcomes, in accordance with triple bottom line ethics and the practice of financial, social and environmental sustainability;
- be supported by clear timeframes in which identified renewal projects need to be delivered, commencing with those of highest impact value;
- be consistent with the Territory Plan and the strategic planning framework established by the *Planning and Development Act 2007*; and
- reflect and be consistent with the Government's publicly-stated policy commitments.

Consistent with this, the Government expects the Authority to prioritise the implementation of the City Precinct Renewal Program, which sets out a clear direction and detailed plan of action for urban renewal in the precinct over a 30-year delivery horizon.

Achieving this vision will require collaboration through strong partnerships. The Government expects the Authority to review the program regularly to ensure it is using the best, most current information available to guide the precinct's ongoing transformation.

Specific projects and initiatives

Without limiting the ability of the Authority and its Board to instigate projects and initiatives consistent with its Act and the City Precinct Renewal Program, the Government expects the Authority to undertake the following activities over the coming year:

- **City Hill** – Facilitate the construction of an active travel path to improve East-West connectivity across City Hill.
- **Haig Park** – Continue implementation of the Haig Park Place Plan, including construction of a new Haig Park community centre.
- **Acton Waterfront** – Complete construction of Stage 2A of the Acton Waterfront project,¹ including opening the boardwalk around West Basin and upgraded beach access at its northern end; undertake community consultation on the preliminary designs for the new adjoining park; and, based on master planning completed to date, progress analysis of development delivery and funding options for the next stages of the project.
- **Sydney and Melbourne Buildings** – Continue projects to rejuvenate the ‘leased public areas’ of the Sydney and Melbourne Buildings,² commence development of Revitalisation Plan(s) with owners, and investigate appropriate funding or other options to support delivery of works.
- **Dickson** – Complete construction of a streetscape upgrade along sections of Woolley Street.
- **Braddon** – Commence construction of a streetscape upgrade along sections of Lonsdale and Mort Streets.
- **Canberra Civic and Culture District** – Progress the Canberra Civic and Culture District concept plan in conjunction with the redevelopment of the Canberra Theatre Complex and adjoining Territory land.
- **Precinct activation** – Continue a comprehensive program of place curation, activation, and promotion for the public spaces across the City Renewal Precinct, and partner with businesses, residents, and the creative sector to strengthen its social capital.
- **Place management** – Continue an elevated program of maintenance and cleaning of public spaces across the City Renewal Precinct.
- **Future land sales** – Prepare for future sales of land within the City Renewal Precinct in accordance with the ACT Government’s current Indicative Land Release Program (ILRP) and identify new land development opportunities.

¹ Excluding ground consolidation works.

² Pending agreement with building owners.

- **UNSW Canberra City campus** – Provide timely and informed advice to relevant agencies to support approval of the campus master plan to ensure it aligns with the Authority’s precinct objectives.
- **Development referrals** - Provide advice to the Environment, Planning and Sustainable Development Directorate for all referred development applications within the City Renewal Precinct to encourage high quality design, sustainability, and community wellbeing outcomes.

Relevant legislation and government policies

The Government expects the Authority Board and CEO to ensure that the Authority operates in accordance with all relevant legislation and legal instruments, in particular the following:

- *Annual Reports (Government Agencies) Act 2004*
- *City Renewal Authority and Suburban Land Agency (City Renewal Authority Land Acquisition) Direction 2017*
- *Environment Protection Act 1997*
- *Financial Management Act 1996*
- *Freedom of Information Act 2016*
- *Government Agencies (Land Acquisition Reporting) Act 2018*
- *Government Procurement Act 2001*
- *Heritage Act 2004*
- *Information Privacy Act 2014*
- *Integrity Commission Act 2018*
- *Planning and Development Act 2007*
- *Public Sector Management Act 1994*
- *Territory Records Act 2002*
- *Work Health and Safety Act 2011.*

The Government is pursuing a strong one government agenda. This agenda recognises that Canberrans do not live their lives according to how government directorates and agencies are structured. Instead, it is up to Government to connect the experiences and services delivered by different entities to improve outcomes for the whole community and ensure Canberra continues to remain one of the most liveable cities in the world.

The Government’s commitment to whole of government policies is reflected in the Act. This commitment requires that the Authority’s operations be considered in the context of the following policies:

- ACT Wellbeing Framework
- ACT Government Infrastructure Plan: Planning for the future
- ACT Planning Strategy 2018

- ACT Transport Strategy 2020
- ACT Housing Strategy 2018 and Implementation Plan
- ACT Climate Change Strategy 2019-2025
- Living Infrastructure Plan: Cooling the City
- City Plan (currently under review).

Appendix 2 – Statement of Operational Intent

Australian Capital Territory

City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Operational Intent 2023

Notifiable instrument NI2023–216

made under the

City Renewal Authority and Suburban Land Agency Act 2017, s 18 (Statement of operational intent)

1 Name of instrument

This instrument is the *City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Operational Intent 2023*.

2 Commencement

This instrument commences on the day after its notification day.

3 Approval

On 20 February 2023, I approved the statement of operational intent for the City Renewal Authority in schedule 1.

4 Revocation

This instrument revokes the *City Renewal Authority and Suburban Land Agency (City Renewal Authority) Statement of Operational Intent 2021 (NI2021-293)*.

Andrew Barr MLA
Chief Minister
24 April 2023

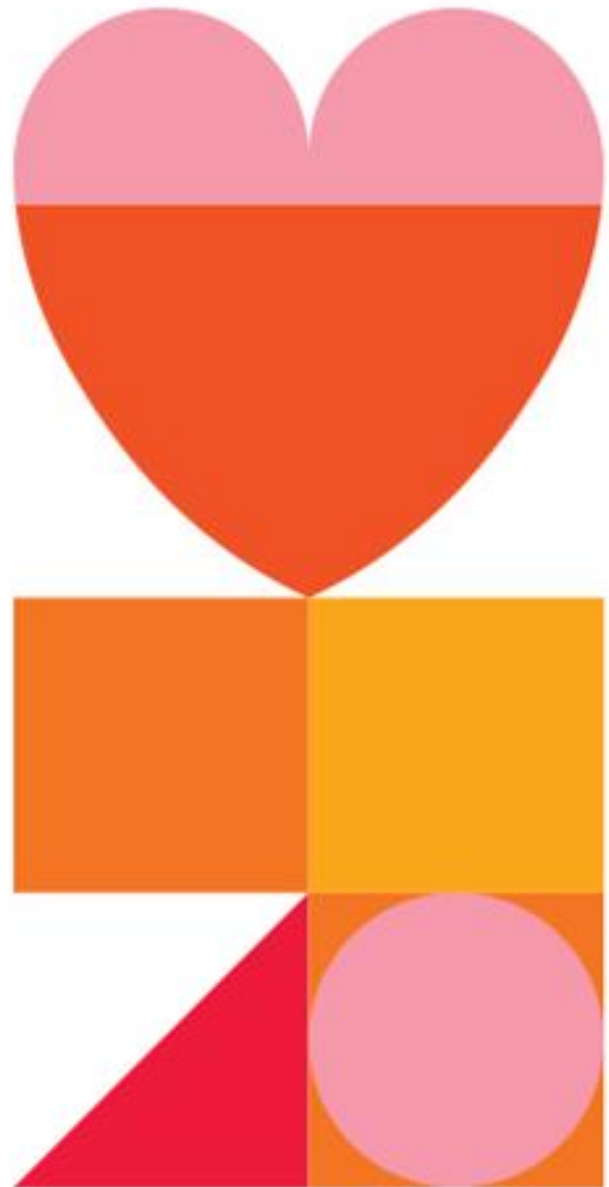
Schedule 1

(see s 3)

Statement of Operational Intent

2022-23

December 2022





ACT
Government

**CITY
RENEWAL
AUTHORITY**



Acknowledgement of Country

We acknowledge the Ngunnawal people, traditional custodians of this beautiful Country we have the privilege to call home. We pay our respects to their Elders, past and present, and the contribution they make to the life of this city and to its success.

We recognise the land known as the Australian Capital Territory has been occupied, used and enjoyed since time immemorial by Aboriginal peoples, and they continue to be interconnected with it today.

Authorised by the ACT Parliamentary Counsel—also accessible at www.legislation.act.gov.au

The City Renewal Authority

The City Renewal Authority (the Authority) is a Territory Authority established under *the City Renewal Authority and Suburban Land Agency Act 2017* (the Act).

Working with the community, the Authority recognises that our city's places are there for the people to live in, work in, enjoy and support a quality-of-life Canberrans expect and deserve. As defined by the Objects detailed in our Act, we:

- encourage and promote an active city through the delivery of design-led, people-focused urban renewal
- encourage and promote social and environmental sustainability; and
- operate effectively with sound risk management practices to ensure value for money.

This Statement of Operational Intent, which relates to the 2022-23 fiscal year, responds to the ACT Government's 2022 Statement of Expectations issued in November 2022.

Approved by the Board of the Authority, this statement has been developed in the context of applying a strategic approach to our renewal work over future years' programs and projects.

We look forward to driving the implementation of the Government's vision for the City Renewal Precinct.



Christine Covington
Chair
City Renewal Authority Board



Malcolm Snow
Chief Executive Officer
City Renewal Authority

Preamble

The Authority is responsible for coordinating and implementing visionary urban renewal within the designated City Renewal Precinct (the precinct) to make it a great place to live, work, explore and enjoy.

We are laying the foundations to ensure Canberra's city centre further evolves into a thriving precinct with well-designed buildings and public spaces that significantly improves the level of activity, connectivity, and sustainability.

Successful urban renewal cannot be achieved by government alone. It requires collective urban leadership to create great places. We will continue to work in close partnership with the community, the private sector and other government agencies to accomplish this.

Together, we will create an active city heart that meets the needs and ambitions of the Canberra community through design-led, people-focused renewal, guided by a commitment to economic, social and environmental sustainability.

We will draw on our strong, established partnerships and continue to forge new ones, to support the creation of new buildings, places and experiences within the precinct that are of exemplary design quality, excite interest and participation, and stimulate new investment.

We will continue to activate the precinct with events and attractions that bring more people into the city centre and improve the experience for residents, workers and visitors.

We will meet the Government's expectations in delivering a range of high-quality urban renewal outcomes that firmly embed Canberra's standing as a city of choice, a city of talent, and a city of ambition that is open to all.

Our response to those expectations is set out in this Statement.

Our success will be measured by:

- a revitalised city centre precinct that is economically prosperous, sustainable and liveable
- a diverse, active and engaged residential population that has a strong sense of community
- the take-up of economic and business opportunities for new enterprises, start-ups, new investors and the creative sector.



Our Vision

To be acknowledged as the most dynamic, inclusive, and competitive city precinct in Australia.

Our Mission

We will lead the revitalisation of our precinct and its places by delivering a people-centred, design-led, sustainable and commercially focused urban renewal program.

Our Guiding Principles

We believe and are committed to the following guiding principles in our work:

Caring for Country – The city's renewal offers rare and great opportunities to raise visibility of the Ngunnawal people and culture in the city centre, and to progress reconciliation by acknowledging what came before. We will share the table and collaborate to realise these opportunities in true partnership with the Ngunnawal community.

Community – Our community and stakeholders are at the heart of everything we do. We will talk, listen and act according to this principle and deliver public benefit through all our activities.

Best practice urban design – We expect excellence in urban design. We will lead thinking, action and evidence-based practice to transform the quality of the precinct, so it is recognised as a national benchmark.

Financial, social and environmental sustainability – We will embrace the ACT Wellbeing Framework and work in partnership with our stakeholders to lift the quality of life of all Canberrans who visit, work and live in our precinct.

Vibrant places – We will enliven our precinct. We will increase its attractiveness and opportunities for social and economic interaction through well considered place programs, creative interventions and events.

Innovation – We will look over the horizon by encouraging innovation and embracing leading-edge practices in all our activities.

Our people – Our people are our engine room. We will ensure diverse and inclusionary practices and create and conserve employment opportunities within an organisational culture that supports seamless delivery of our programs.

Values – We will be an exemplar in our relationships with other government agencies and our stakeholder community. We will uphold the ACT Public Service values of respect, integrity, collaboration and innovation. At all times we are ethical and inclusive in how we conduct our business and relationships.

Efficient and effective delivery – Our activities will meet best practice in project and program design, management and reporting and will be delivered on time, on budget and to a superior quality.



Exemplary governance, transparency, and accountability – We will conduct our activities in a strategic, transparent and accountable way, meeting compliance standards and requirements, winning the trust of our stakeholders and the community.

Our Strategic Goals

Our strategic goals to 2025 are distilled from our Act and informed by our Mission Statement, Guiding Principles and ongoing feedback and inspiration from our stakeholders.

The Authority's strategic goals are to:

- Goal 1:** Curate high-quality places and precinct development, taking a people-focused and design-led approach.
- Goal 2:** Facilitate new and diverse economic investment into the precinct.
- Goal 3:** Apply robust and innovative social and environmental sustainability principles and programs to underpin precinct wide renewal.
- Goal 4:** Operate as a strong, strategic, influential, and capable organisation.
- Goal 5:** Demonstrate exemplary accountability and transparency in governance and compliance.



Our response to the Government's Expectations

Our intentions

This document is a statement of the Authority's intentions for 2022-23.

Our intentions are based on our learnings. We are committed to applying those learnings to how we implement the foundation of our work, the City Precinct Renewal Program¹, in a way that is consistent with the Territory and National Capital Authority's (NCA) planning frameworks and delivers on the Government's commitments and policies in a meaningful way.

In doing so, we strive to be innovative and take advantage of new opportunities as they arise. Through ongoing review and a process of continuous improvement, we will ensure our work remains contemporary and reflects the ever-changing needs of the Canberra community.

To create great places for people, we must continue to engage with the people who will use them. We are committed to working with our stakeholders to help shape the renewal of the precinct and will look for new opportunities to include the people who are affected by our projects and policies in their development.

We remain focused on initiating leading-edge urban renewal and revitalisation activities within the precinct, recognising this will demand collaborative action from governments, the private sector and the community to achieve Government's desired renewal objectives.

Many stakeholders will continue to have an important role in supporting and advocating our work. In particular, the NCA has administrative responsibility for control of development on Designated Land identified in the National Capital Plan.

With many areas in the precinct identified as Designated Land, the Authority recognises the important role the NCA plays in approving and facilitating renewal projects. We will continue to work closely with the NCA, the Environment, Planning and Sustainable Development Directorate (EPSDD), Transport Canberra and City Services (TCCS), Major Projects Canberra (MPC), Economic Development, the Cultural Facilities Corporation, and the Suburban Land Agency to achieve outstanding planning and development outcomes that meet our common objectives for the precinct.

Equally, the high proportion of private land ownership within the precinct highlights the importance of effectively advocating our renewal vision and by doing so gaining the support of the precinct's land holders, businesses and residents so they can play a central role in shaping its revitalisation.

We will also continue to support local businesses through the ongoing effects of COVID-19, not only through encouraging visitation to the precinct, but also through minimising the impact of our capital works improvement program.

¹ https://www.act.gov.au/_data/assets/pdf_file/0005/1539743/City-Renewal-Program.pdf



The Government expects a high degree of accountability and transparency from the Authority, as well as timely and accurate advice. The Authority is committed to the principles of Open Government and ensuring transparency in process and information in all that we do. We are committed to actively engaging with the community so that all interested citizens can participate in the governing process. To support this, we actively maintain our website and social media platforms. This includes current project updates and the publication of governance documents, such as Board publishable outcomes and Annual Reports.

In relation to good governance, the Authority's management of risk; responsibility to exercise due diligence; compliance with relevant legislation and legal instruments; project and procurement controls; and adequacy of financial controls is overseen by the Authority's Audit and Risk Committee and supported by an internal audit program.

Specific projects and initiatives

In 2022-23 the Authority will progress and deliver the following projects as specified by the Government in the Authority's 2022 Statement of Expectations:

City Hill – facilitate the construction of an active travel path to improve east-west connectivity around City Hill.

Haig Park – continue implementation of the Haig Park Place Plan, including construction of a new community centre.

Acton Waterfront – complete construction of Stage 2A of the Acton Waterfront project², including opening the completed boardwalk around West Basin and upgraded beach access at its northern end; undertake community consultation on the preliminary designs for the new adjoining park; and, based on master planning completed to date, progress analysis of development delivery and funding options for the next stages of the project.

Sydney and Melbourne Buildings – continue projects to rejuvenate the 'leased public areas' of the Sydney and Melbourne Buildings³, including public space upgrades in Odgers and Verity Lanes, and development of a Revitalisation Plan with owners to repaint the buildings' facades.

Dickson – complete construction of a streetscape upgrade along sections of Woolley Street.

Braddon – commence construction of streetscape upgrades along sections of Lonsdale and Mort Streets.

Canberra Civic and Culture District – progress formulation of the Canberra Civic and Culture District concept plan in conjunction with the redevelopment of the Canberra Theatre Complex and adjoining Territory land.

² Excluding ground consolidation works.

³ Pending agreement with building owners.



Precinct activation – continue a comprehensive program of place curation, activation, and promotion for the public spaces across the precinct, and partner with businesses, residents, and the creative sector to strengthen its social capital.

Place management – continue an elevated program of maintenance and cleaning of public spaces across the precinct.

Future land sales – prepare for future sales of land within the precinct in accordance with the ACT Government’s Indicative Land Release Program and identify new land development opportunities.

UNSW Canberra City Campus – co-ordinate and manage the requirements under the approved Deed to support the University’s implementation of the city campus masterplan to ensure it aligns with the Authority’s precinct renewal objectives.

Development referrals - provide sound and timely advice to EPSDD for all referred development applications within the precinct to encourage high quality design, sustainability, and community wellbeing outcomes.

Further opportunities

The Authority actively seeks out further opportunities, guided by our statutory functions and the City Precinct Renewal Program, beyond those described in our Statements of Expectations. These strategic objectives and priorities are identified in our 2025 Strategic Plan⁴ and in 2022–23 include:

- developing the second implementation phase of the City Precinct Renewal Program and a supporting 2023–24 business case to fund its delivery, in consultation with key stakeholders such as TCCS
- collaboration with MPC to ensure the prioritisation, sequencing and delivery of significant pieces of city social infrastructure within the precinct are aligned with land development and urban design outcomes
- collaboration with Economic Development, VisitCanberra, Brand CBR, Events ACT and Arts ACT to deliver place experience initiatives to meet the needs and wants of consumers and promote the precinct as a place where all Canberrans can live the life they want, with access to quality experiences that encourage repeat visitation to the city centre
- codeveloping a Ngunnawal Engagement Strategy to govern meaningful collaboration with the Ngunnawal community; and partnering with that community in the early design phases to ensure our works raise visibility of the Ngunnawal people and culture throughout the precinct

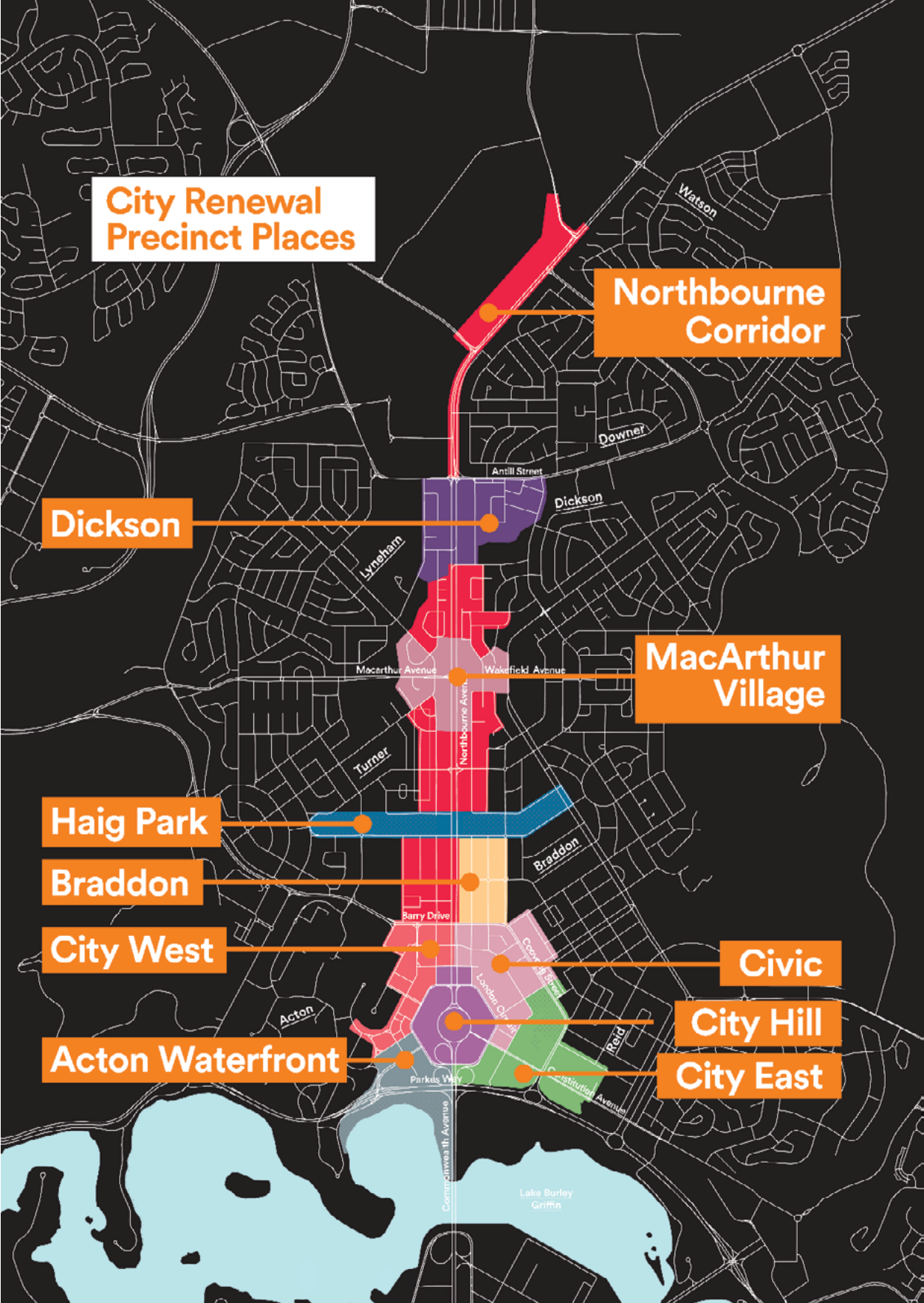
⁴ 2025 Strategic Plan – https://www.act.gov.au/_data/assets/pdf_file/0009/2024586/Strategic-Plan-2025_May2022-update-SIGNED.pdf



- in consultation with the City Centre Marketing and Improvements Levy (CCMIL) Advisory Group, developing a plan for improving the impact and benefit of the CCMIL by proactively engaging levy payers and ensuring mutual benefits
- actively identifying opportunities to integrate and practically demonstrate sustainability principles within our works, including undertaking pilot projects to increase the tree canopy cover and permeable surfaces in built-out areas, as an exemplar of best practice street tree planting methods.



Appendix 3 – City precinct plan



Place Team at work in the City Centre





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