




**ACT**  
Government



# Annual Report 2022-23

Suburban Land Agency



The Suburban Land Agency (SLA) acknowledges the Ngunnawal people as traditional custodians of the ACT and recognises 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.

## Contact for this report

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+61 2 6205 0600  
[www.suburbanland.act.gov.au](http://www.suburbanland.act.gov.au)

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Canberra City ACT 2601

## Freedom of Information

Freedom of information requests are coordinated through the Environment, Planning and Sustainable Development Directorate and can be made by emailing: [epsdfoi@act.gov.au](mailto:epsdfoi@act.gov.au)

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First published in October 2023.

Information about SLA and an electronic version of this annual report can be found on the website: [www.suburbanland.act.gov.au](http://www.suburbanland.act.gov.au)



## Acknowledgement of Country

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# Abbreviations and acronyms

<b>ABW</b>	Activity-Based Work	<b>HIA</b>	Housing Industry Association
<b>ACT</b>	Australian Capital Territory	<b>HR</b>	Human Resources
<b>ACTIA</b>	ACT Insurance Agency	<b>HSR</b>	Health and Safety Representative
<b>ACTPS</b>	ACT Public Service	<b>IC</b>	Integrity Commission
<b>AICD</b>	Australian Institute of Company Directors	<b>ICT</b>	Information and Communication Technology
<b>ANU</b>	Australian National University	<b>IDAHOBIT</b>	International Day Against Homophobia, Biphobia, Intersexism, and Transphobia
<b>BARC</b>	Board Audit and Risk Committee	<b>ILRP</b>	Indicative Land Release Program
<b>BCC</b>	Brisbane City Council	<b>JACS</b>	Justice and Community Safety Directorate
<b>CEO</b>	Chief Executive Officer	<b>KAP</b>	Kingston Arts Precinct
<b>CHC</b>	Community Housing Canberra	<b>MBA</b>	Master Builders Association
<b>CHIA</b>	Community Housing Industry Association	<b>MEGA</b>	Mums Exercise Group Australia
<b>CIT</b>	Canberra Institute of Technology	<b>MVIS</b>	Molonglo Valley Intercept Sewer
<b>COI</b>	Conflict of Interest	<b>NAIDOC</b>	National Aborigines and Islanders Day Observance Committee
<b>CRA</b>	City Renewal Authority	<b>NHFIC</b>	National Housing Finance and Investment Corporation
<b>CRASLA Act</b>	<i>City Renewal Authority and Suburban Land Agency Act 2017</i>	<b>NSW</b>	New South Wales
<b>DTF</b>	Victorian Department of Treasury and Finance	<b>PCA</b>	Property Council of Australia
<b>EOI</b>	Expression of Interest	<b>RAP</b>	Reconciliation Action Plan
<b>EPSDD</b>	Environment, Planning and Sustainable Development Directorate	<b>RFP</b>	Request for Proposal
<b>EV</b>	Electric vehicle	<b>RFT</b>	Request for Tender
<b>FMA</b>	<i>Financial Management Act 1996</i>	<b>SLA</b>	Suburban Land Agency
<b>FOI</b>	Freedom of Information	<b>SPCC</b>	Significant Programs and Culture Committee
<b>FOI Act</b>	<i>Freedom of Information Act 2016</i>	<b>TCCS</b>	Transport Canberra and City Services
<b>FTE</b>	Full Time Equivalent	<b>WHS</b>	Work Health and Safety
<b>GTC</b>	Gungahlin Town Centre	<b>WHS Act</b>	<i>Work Health and Safety Act 2011</i>
<b>GST</b>	Goods and Services Tax		



# Part A

Transmittal Certificate and  
Compliance Statement



**ACT**  
Government

**Suburban Land**  
Agency

Ms Yvette Berry MLA  
Minister for Housing and Suburban Development  
ACT Legislative Assembly  
GPO Box 1020  
CANBERRA ACT 2601

Mr Andrew Barr MLA  
Chief Minister  
ACT Legislative Assembly  
GPO Box 1020  
CANBERRA ACT 2601

Dear Ministers,

### **2022-23 Suburban Land Agency 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 Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Suburban Land Agency.

I certify that the 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 Suburban Land Agency has been included for the period 1 July 2022 to 30 June 2023.

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

You are scheduled to present the Annual Report to the Legislative Assembly by 13 October 2023, pursuant with Section 13 of the *Annual Reports (Government Agencies) Act 2004* requiring that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year. As there are no Assembly sitting days within 7 days of this date, the 2022-23 Annual Reports will be provided to the Speaker for out of session circulation.

Yours sincerely

**John Fitzgerald**  
Chair  
Suburban Land Agency Board  
26 September 2023

**John Dietz**  
Chief Executive Officer  
Suburban Land Agency  
26 September 2023

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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# Compliance Statement

The *Suburban Land Agency Annual Report 2022-23* complies with the Annual Report Directions 2023 (the Directions) made under section 8 of the *Annual Reports (Government Agencies) Act 2004*. The Directions are available on the ACT Legislation Register at [www.legislation.act.gov.au](http://www.legislation.act.gov.au)

The Compliance Statement indicates the subsections, under Parts 1 to 5 of the Directions, that are applicable to SLA 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 record keeping of annual reports. The *Suburban Land Agency Annual Report 2022-23* complies with all subsections of Part 1 under the Directions.

To meet Section 15 Feedback, Part 1 of the Directions, contact details for SLA are available within the *Suburban Land Agency Annual Report 2022-23* to give readers an opportunity to provide feedback.

## Part 2 Directorate and Public Sector Body Annual Report Requirements

The requirements within Part 2 of the Directions are mandatory for all reporting entities and SLA complies with all subsections. The information that satisfies the requirements of Part 2 is found in the *Suburban Land Agency Annual Report 2022-23* as follows:

- A. Transmittal Certificate, see page 2.
- B. Organisational Overview and Performance, inclusive of all subsections, see pages 5–70.
- C. Financial Management Reporting, inclusive of all subsections, see pages 73–176.

## Part 3 Reporting by Exception

SLA has no information to report by exception under Part 3 of the Directions for the 2022-23 reporting year.

## Part 4 Directorate and Public Sector Body Specific Annual Report Requirements

The following subsections of Part 4 of the Directions are applicable to SLA and can be found within the *Suburban Land Agency Annual Report 2022-23* as follows:

- Ministerial and Director-General Directions, see page 194.
- Public Land Management Plans, see page 194.

## Part 5 Whole of Government Annual Reporting

All subsections of Part 5 of the Directions apply to SLA. Consistent with the Directions, the information satisfying these requirements is reported in the one place for all ACT Public Service directorates as follows:

- Bushfire Risk Management
- Human Rights — see the annual report of the Justice and Community Safety Directorate (JACS).
- Legal Services Directions — see the JACS annual report.
- 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 found at [www.cmtedd.act.gov.au/open\\_government/report/annual\\_reports](http://www.cmtedd.act.gov.au/open_government/report/annual_reports).

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

*SLA sales staff at the Display Village opening weekend in October.*



# Part B

## Organisational Overview and Performance

## Our vision

Creating great places where communities thrive is our vision. We pride ourselves on delivering sustainable urban environments that bring people and businesses together and help our community and natural environments to thrive. Our developments aim to optimise social, economic, and environmental benefits for all Canberrans through:

- affordable living
- a safe and healthy population
- social inclusion and diversity
- housing choice
- environmental sustainability.

## B.1 Organisational Overview

### Establishment

SLA was established as a statutory authority under the *City Renewal Authority and Suburban Land Agency Act 2017* (CRASLA Act).

The 2022-23 Statement of Intent outlines our statutory objectives, as well as the deliverables expected by our ministers. We are required to comply with directions given by the relevant minister under section 41 of the CRASLA Act. A summary of performance against these objectives is provided in Section B2 Performance Analysis.

An independent Board governs our operations. The Board was established in accordance with section 45 of the CRASLA Act, with members appointed in accordance with section 48 of the CRASLA Act.

### Our Role

As a statutory authority within the Environment, Planning and Sustainable Development Directorate (EPSDD) portfolio, we are responsible for delivering people-focused neighbourhoods on behalf of the ACT Government. We encourage and promote inclusive and sustainable communities through suburban development and urban renewal.

### Mission and Values

People and their environment are the focus and the heart of every neighbourhood we design and deliver. We collaborate closely with the Ngunnawal people as traditional custodians of the land and any other people or families with connection to the lands of the ACT and region, to ensure their voices shape the narratives of each place we create. Through greenfield development and urban renewal, we aspire to create place experiences and lifestyles that are uniquely Canberran, where everyone feels welcome and at home. We honour the history, unique features, and place stories of all developments we design, create and deliver.

Our development projects aim to connect current and future residents with their neighbourhood and community through consultation and engagement. Our community development programs support the residents of our neighbourhoods to help their lives in the community flourish. We bring the community together, celebrate their diversity and help them feel welcome in their new homes. Mingle, our dedicated community development program, helps kickstart community relationships to continuously grow long after the homes are built. Our urban renewal approach includes complex land sale methods that focus on quality place and design outcomes.

We work closely with developers and the industry to create people-focussed, sustainable mixed-use precincts. Our ambition is for these places to showcase Canberra's unique business and art communities and transform them into much-loved urban destinations.

In recognition of the evolving housing needs and preferences, we offer a diverse mix of house and land options. Through the Government's Indicative Land Release Program (ILRP), we use a variety of sales methods to ensure equitable access to land for all segments of the market. The ILRP is the Government's forecast of expected land releases in a financial year. Annual land releases can be impacted by a range of issues including planning and environmental process outcomes, due diligence processes, community engagement and consultation processes, legal issues, and commercial/market influences. The outcomes of these processes are frequently outside of SLA's control. SLA continues to work proactively across government to address issues such as planning approvals processes and timely delivery of infrastructure.

Further, our commitment extends to providing land for affordable, community and public housing, as well as facilitating and releasing sites for Build-to-Rent developments with affordable rental components. We conduct our business with trustworthiness, responsibility and professionalism, always considering the long-term social, design, environmental and economic objectives associated with developing and selling land. Creativity is a driving force in our approach. We encourage innovation and exploration, going beyond conventional practices to find solutions that best serve the community. Our commitment to sustainability extends beyond addressing the challenges of climate change. We carefully consider our impact on the natural environment, striving to create strong and resilient communities that offer a high quality of life. Our Sustainability Strategy provides us a measurable framework for developing more sustainable outcomes to deliver a city of net zero emissions by 2045 at the latest.

## Functions and services

We are responsible for developing and releasing suburban land, encouraging and promoting urban renewal outside of declared urban renewal precincts, promoting high quality and affordable built form outcomes, contributing to the growth and diversification of the Territory's economy, and social and environmental sustainability. Our functions encompass a wide range of activities that support the creation of great places and thriving communities. We manage land in new communities and rural areas, undertake planning and construction work for new neighbourhoods, create opportunities for affordable and diverse housing, focus on environmentally and socially sustainable outcomes, market and promote purchasing opportunities in new communities, and engage and develop strong connections with existing and future residents of the neighbourhoods we are delivering. As part of the Built Form program, demonstration projects are showcasing excellence in sustainable design and built form to the community and industry. These activities are reflected in the roles of our different teams as outlined below. In exercising these functions, we operate in a way that delivers value for money, in accordance with sound risk management practices.

Our key functions outlined in the CRASLA Act are to:

- buy and sell land on behalf of the Territory
- ensure a mixture of public and private housing in new suburbs
- increase the supply of affordable and community housing
- meet housing targets
- carry out development of land in a way that is environmentally sustainable
- exercise our functions in a way that supports statutory greenhouse gas emissions targets and delivers environmentally sustainable developments
- follow and support the whole of government strategies.



Community Housing Industry Association affordable housing summit.

## Clients and Stakeholders

We actively engage with our primary client, the ACT community, in all facets of our land development activities. We regularly seek their views and strive to create great places and deliver socially, economically and environmentally responsible land and development outcomes. We work closely with our Minister, the ACT Government and other primary stakeholders, including:

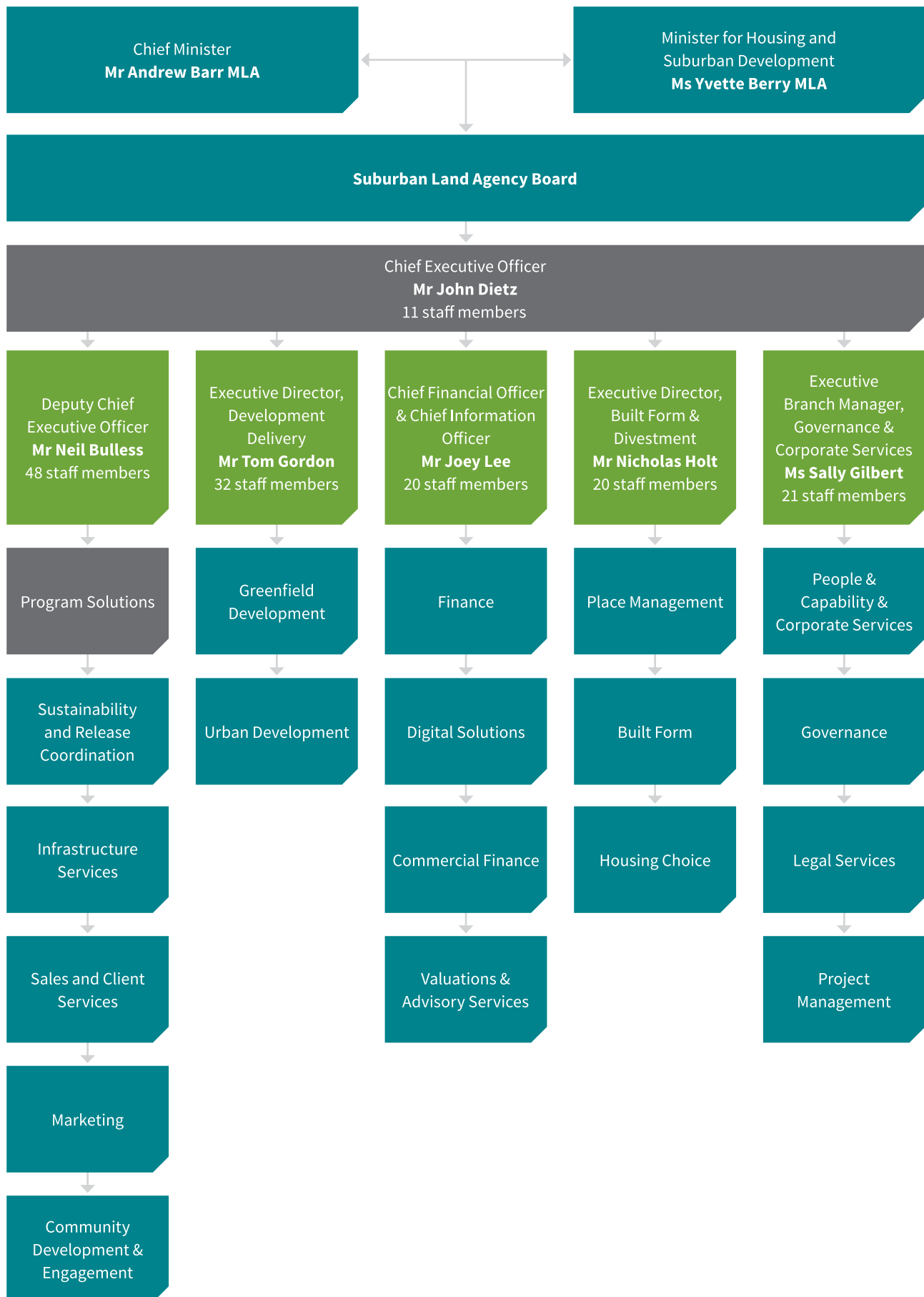
- Traditional Custodians of Ngunnawal land and any other people or families with connection to the lands of the ACT and region
- community councils, resident groups and associations
- community groups and services representing various interests
- designers, architects, landscape architects, artists and place specialists
- engagement, communication and media specialists
- builders, suppliers and contractors

- local real estate professionals
- local, national and international industry peak bodies and business groups
- ACT Government directorates and other agencies and authorities.

## Organisational Structure

We are a statutory authority within EPSDD. Under the *Administrative Arrangements 2022 (No. 2)*, EPSDD provides administrative support and advice to ministers and our executive on all relevant matters. We work openly and collaboratively with EPSDD. We have developed a comprehensive governance framework, which includes a strong focus on financial and non-financial performance. This approach has helped strengthen and improve our operations. Our organisation is structured using a project-centric approach, with integrated delivery teams. This enhances our accountability, responsibility, authority and supports a collaborative approach to delivering our vision.

# Our Structure



## Office of the Chief Executive Officer

SLA's Chief Executive Officer (CEO) is appointed by the Board and engaged under the *Public Sector Management Act 1994*. The CEO is accountable to the Board for the operations of the entity and management of staff. The CEO is not a member of the Board.

As per the CRASLA Act the CEO is responsible for managing the day-to-day operations in line with whole of government policies and legislative requirements, including:

- ensuring compliance with the Board's decisions;
- managing the SLA's finances;
- developing and implementing, with the approval of the Board, corporate and operational strategies;
- providing information and advice to the Board on relevant matters; and
- other functions as required by the Board.

The Executive Support Team sits within the Office of the CEO, providing high level administrative support to all SLA Executives. In partnership with the EPSDD Government Services Team, the Executive Support team also manages Government Business (Ministerial, Cabinet and Assembly Business) for the organisation.

## Program Solutions

The Program Solutions group is led by the Deputy CEO and consists of five teams that provide expertise and support to the project teams established by the Development Delivery Group. The Program Solutions Group is responsible for the:

- provision of services to projects including design review, documentation and construction supervision of new estate civil works packages;
- sale of Government-owned land in consideration of the ILRP for residential, commercial, industrial, community and urban purposes, including the management of client and stakeholder relationships;
- development of sales campaigns, marketing strategies, and design and maintenance of the SLA brand, including SLA's 'Tone of Voice', social media and the website;
- facilitation of community development and activation in greenfield estates through the Mingle program;
- development and coordination of the Stakeholder Engagement Strategy and Plan across SLA;
- establishment and maintenance of strategic relationships with external stakeholders, including industry, media and the community, as well as sponsorship and partnership arrangements; and
- provision of organisation wide support to ensure non-financial objectives are met, including coordination for the development of the ILRP, delivery of associated affordable, community and public housing targets and implementation of environmentally and socially sustainable development outcomes.

## Development Delivery

The Development Delivery Group is led by the Executive Director, Development Delivery, and responsible for delivering land development activities in accordance with the ILRP and implementing Territory Plan requirements. This includes the development of Government-owned land for residential, commercial, industrial and community purposes. The Development Delivery Group is also responsible for management of SLA's 'Agent' role in the West Belconnen 'Ginninderry' Joint Venture. The Development Delivery Group is responsible for the establishment of project teams and management of projects from inception to completion, this includes:

- assessment of land serviceability and redevelopment viability;
- engaging with traditional owners, local and broader Canberra communities on their aspirations for future communities;
- inclusion of sensitivities and considerations in design relevant to the heritage of the land, its history and landscape;
- obtaining relevant approvals, including environmental, development, detailed design and construction;
- procurement and project management of consultants;
- preparing land release documentation for complex release methodologies (such as tenders), seeking development industry leaders to meet planning, sustainability policy and community expectations;
- meeting affordable, community and public housing targets;
- being at the forefront of sustainable design, through delivery of environmentally and socially sustainable land development and construction in SLA estates; and
- supporting the delivery of the ILRP and Budget Statements (Statement of Intent) through the release and settlement of sites.

## Built Form and Divestment, Housing Choice and Place Management

The Built Form and Divestment Group is led by the Executive Director, Built Form and Divestment and consists of three business units including Built Form, Housing Choice and Place Management.

The Group is responsible for:

- the development and implementation of innovative, high-quality built form programs showcasing social and environmental sustainability;
- undertaking complex divestment projects that include delivery of built form outcomes that may include community facilities and affordable housing;
- taking a leadership role in the development and implementation of SLA's Housing Strategic Action Plan which includes initiatives such as administration of the Affordable Home Purchase Scheme;
- providing strategic and operational support to SLA through its land management and custodianship function;
- being involved in all phases of SLA land development process including place visioning, place creation, place development, and place management; and
- management, maintenance and activation of urban open space, residential greenfield, brownfield and urban blocks for sale as well as industrial land and SLA's rural properties.

## Finance, Digital Solutions and Valuations

The Finance, Digital Solutions and Valuations Branch is led by the Chief Financial Officer and Chief Information Officer and is responsible for:

- key financial accountabilities including internal/external budgeting and financial reporting;
- partnering with business areas to support strategic, operational and financial decision making;
- promoting value creation and risk management through strategic commercial and taxation advice;
- overseeing SLA's financial interests in commercial arrangements, such as joint ventures;
- coordinating independent valuation advice to inform decisions relating to reserve sale prices, revenue forecasting, taxation reporting and business case development;
- developing and implementing digital strategies that align with SLA's goals, including those related to Information and Communication Technology (ICT) infrastructure and assets, software development and data governance;
- analysing ICT trends and emerging technologies with a view to enhancing digital capabilities and identifying opportunities to strengthen service delivery; and
- building cyber security awareness, competency, capability and capacity to respond to and mitigate threats as required.

## Governance and Corporate Services

The Governance and Corporate Services Branch is led by the Executive Branch Manager, Governance and Corporate Services and comprises four teams responsible for:

- providing strategic advice to the CEO, the Board (including its Committees) and the Executive;
- supporting the Board as the liaison between the Executive and the Board to facilitate the provision of advice and information to ensure the Board is able to make informed decisions and implement good governance practices;
- ensuring SLA and its Board comply with obligations under any relevant laws and regulations, this includes developing better practice frameworks, guidance material and corporate reporting;
- providing oversight of work health and safety (WHS) matters affecting SLA, this includes reporting, ensuring compliance with Australian Standards, leading staff training and coordinating investigations;
- managing the day-to-day administrative support of SLA including contract management, procurement oversight, office management, facilities and accommodation matters;
- providing in-house legal support to SLA while working closely with the ACT Government Solicitor;
- working collaboratively with EPSDD to provide strategic and operational human resource management strategy, policy support and advice across all human resource functions; and
- providing expert advice in project management and procurement across SLA, and supporting quality and transparent governance related to project management and procurement frameworks.



# Report by the Chair and Chief Executive Officer

## Our Vision

### Creating great places where communities thrive

We aspire to create place experiences and lifestyles that are uniquely Canberran, where everyone feels welcome and at home.

- We pride ourselves on delivering sustainable urban environments that bring people and businesses together and help our community and natural environments to thrive.
- We foster quality place and design outcomes during development and through our land sales processes.

## Our Strategic Priorities

We continue to measure performance using the Balanced Score Card approach to managing outcomes against these priorities. The score card measures activities across key focus areas:

- meet financial obligations and support ILRP
- strengthen business systems
- increase customer and stakeholder relationships
- prioritise our people
- enhance and deliver on projects, programs and policies.



### Safety

Empower our people and embed frameworks to ensure **safety** first in everything we do.



### Innovation

Nurture a culture of quality through **innovation** – in our projects and practices.



### Community Focus

Listen to the **community** and co-create solutions to address their needs.



### Stakeholder Partnerships

Engage with our **partners** to support whole of government strategies and positively contribute to important decisions through leadership and delivery.

## Workplace health and safety

We continue our commitment to the health, safety and wellbeing of all our workers, those contracted to perform work on behalf of SLA, and volunteers at, or visitors to, our workplaces and developments.

We regard safety with the utmost importance and expect those working with us, as contractors or partners, to also prioritise their management of workplace health and safety. Our active certification audits continued to be well received by our civil contractors, with continual improvements made in safety systems across the civil construction industry.

## Market

The housing market has moved into a more cautious phase, impacted by 12 interest rate increases and increased cost of living and inflationary pressures, all of which have an impact on household finances, borrowing capacity and serviceability, as well as consumer confidence. Despite this challenging market, SLA continued to achieve strong sales in the estates of Whitlam and Jacka. The expertise of our teams ensured we continued to deliver high quality outcomes and maintained strong customer service.

CoreLogic data shows that house price increases over the 18 months to April 2022 were broad based, with every state and territory experiencing strong price growth. However, all capital cities have since experienced declining property prices. The ACT has not been immune to this national housing trend, with the ACT experiencing 10 consecutive months (to end April 2023) of negative growth.

According to Reserve Bank of Australia analysis, the lender's variable interest rate for owner occupiers in April 2023 was 5.41 per cent for new loans. Higher interest rates combined with the prudential lending and serviceability buffer, meant borrowing capacity decreased significantly over the last 12 months.

According to CoreLogic, in May 2023, Canberra's dwelling values rose by 0.4 per cent, over the quarter dwelling values decreased by 0.1 per cent and over the past year dwelling values decreased by 8.8 per cent. Canberra dwelling values are now 9.1 per cent below the record high, which was in June 2022.

During the financial year 2022-23, there was an overall decrease in demand for single residential blocks. This was likely caused by rising interest rates and increases in the cost of living.

## Operations

We continued to build our capability to deliver urban projects to meet future demand in infill land releases. Our focus remained on greater coordination across Directorates, raising sustainability criteria and place led design engagement in new estates and projects delivered with industry partners. We undertook extensive community engagement in relation to planned commercial and mixed-use sites. Feedback from community and industry was sought to help inform release strategy and sales documentation. A key project that used this approach with success was Belconnen Town Centre land release sites. The outcome will influence the sites' future

values and community experience and has also resulted in better informed land release for future development. Other significant engagement projects included Kingston Arts Precinct (KAP) and Gungahlin Town Centre (GTC) East.

The Place Management team continued to support SLA through its management and maintenance activities in our estates and in its management of rural assets and land.

Our greenfield land development projects continued with focus in Gungahlin and Molonglo.

SLA progressed several planning works activities. Planning and approval works progressed with Jacka 2 Stage 1, with the development approval coming into effect in July 2022. Additionally, SLA lodged the development application for approval of Whitlam Stage 4 estate development plan and the estate development plan amendment for the Whitlam Local Centre and School Site with EPSDD. Early planning works by SLA commenced on future estate developments in Gungahlin for Kenny and for the Molonglo Group Centre in Molonglo.

## Kingston Arts Precinct

In March 2023, a new design team was appointed to deliver KAP against the KAP Place Brief. The KAP design is continuing to evolve through ongoing consultation with arts organisations, the Community Panel and the broader Canberra community.

SLA continued to work with EvoEnergy on an agreement between two parties for the removal of the Causeway Switching Station and the undergrounding of high voltage overhead power lines. The Development Application for these works was approved in early 2023. Removal of this infrastructure will facilitate conclusion of releases in the Kingston Foreshore Estate and future Eastlake releases.

## Gungahlin Town Centre

SLA progressed extensive community engagement to develop the GTC Place Ambition and Design and Place Framework. A demographically representative group of 100 Gungahlin residents was selected to form the 'Gungahlin Community Panel' in August 2022 and, along with high school students, key stakeholders, and the general Gungahlin community, took part in a two-stage engagement program from October to November 2022 and February to March 2023. Activities included a Future Thinking Panel event, pop-up events, a young

persons' workshop, self-paced online surveys and face-to-face and online workshops.

Infill land releases now include requirements for no gas connections and electric vehicle (EV) charging infrastructure in car parks as a standard development outcome. Five Star Green Star Communities or Buildings certification is applied relevant to project size, complexity and context.

## Throsby

SLA is nearing completion of the estate of Throsby with all estate servicing works completed and handed over, and the conclusion of the Mingle program in March 2023. One sales contract for the delivery of affordable housing is outstanding and expected to be completed in 2023-24.

Throsby was entered in two national awards: the Property Council of Australia (PCA) for Best Master Planned Community and the Urban Development Institute of Australia, for Master Planned Development. Judging will be completed in 2023-24 with announcements to follow.

## Molonglo and Jacka

Construction works progressed on several projects with the continuation of civil and landscape works in Whitlam Estate Stage 3A Separable Portion 1 achieving operational acceptance to allow for settlement of dwelling sites. In January 2023, construction on three civil and landscape contracts in Jacka 2 Stage 1 commenced.

In striving towards a zero-emission suburb for Jacka 2, SLA released a Request for Expression of Interest and assessed tender submission for a Jacka Battery Initiative – Community Scale Battery System. This is one of the initiatives identified in the SLA's Sustainability Strategy. The second stage of the tender, a Request for Proposal, is identified for release in 2023-24.

In the Molonglo Valley, SLA opened two play spaces. In Coombs, Ruth Park Play Space was opened. This project was subject to extensive community consultation over past years. The Play Space is designed as an all-ages adventure nature area and includes several slides, towers, swings, ladders, logs and an all-abilities swing, BBQ, tables, and shade sails. In Whitlam, Blue Poles Park was opened, being the central park of the development. This park provides a mix of nature and structure play elements along with a waterplay area. The playground features several sustainable features including the planting of 9,000 native shrubs and

grasses and 350 native trees, as well as natural rock boulders that were retrieved from Whitlam during earthwork activities.

Community consultation proceeded to determine the preferred uses for the final community zoned site in Coombs. The site sits adjacent to the future Residential Treatment Centre for eating disorders being delivered by ACT Health. Consultation occurred in February and March 2023 and comprised an online survey, a community pop-up at the Coombs shops, presentation to Molonglo Valley Community Forum and a targeted youth engagement with youth leadership at nearby Charles Weston School.

## Infrastructure projects

In addition to land development projects, SLA continued works on three infrastructure projects required to support development in Molonglo, being the Deep Creek Pond in Whitlam, the 132KV electrical relocation in northern Molonglo, and the Molonglo Valley Intercept Sewer (MVIS) odour mitigation project. Significant steps in these projects were undertaken in 2022-23 with the securing of development approval for the MVIS project in October 2022 and commencement of works in November 2022, and with resolution of several design and construction issues to enable works to progress in 2023-24.

## Innovation precinct

This year saw the launch of SLA's Innovation Precinct as part of the opening of the Display Village in Whitlam in November 2022. It includes four demonstration dwellings that showcase a range of design typologies for multi-generational, low-carbon and universal living. The Heartbeat Café in the Village is operated as a social enterprise and offers employment to vulnerable young Canberrans. Climate-wise gardens are open to the community with edible gardens, a fruit orchard, seating, and nature play. A Sales and Information Suite as well as a Mingle community development and placemaking program are run from the Innovation Precinct. A curated exhibition currently shows 50 artworks from 10 local artists on their environmental concerns and connection to Country. The Innovation Precinct won the ACT Chapter Award of the Planning Institute of Australia for 'Climate Change and Resilience' and was subsequently awarded a National Commendation for clearly demonstrating nationally leading practice in creating more climate resilient developments.



Whitlam

## Partnerships

The Mingle community development program featured various activities and events that focused on delivering environmentally and socially sustainable outcomes. The Mingle program will continue its success in community development with a stronger focus on resident-led initiatives. These strategic initiatives will support residents and empower the community to lead activities with confidence.

We continued to collaborate with our colleagues across the ACT Government to implement our Housing Strategic Action Plan. We released the ACT Government's first Build-to-Rent site in Turner to market, helped to facilitate funding for the innovative Ginninderry Women's Housing Initiative, and continued to release land to support the delivery of affordable, public and community housing targets in locations across Canberra. We continued to deliver the Affordable Home Purchase Scheme, with more than 130 eligible buyers exchanging contracts for affordable homes this financial year.

## Sustainability

The Built Form program has finalised Stage 1 design for a net zero housing precinct in North Wright with ultimately 43 dwellings designed and delivered as 'missing-middle' townhouse typologies. This landscape-driven small footprint housing example will showcase environmental sustainability, housing choice and an innovative 'room to grow' design concept that allows the townhouse to grow and adapt to different occupier needs over time.

## Financial Outcomes

SLA delivered an operating surplus of \$53.3 million in the 2022-23 reporting period. Land sales revenue of \$190.4 million for this period was largely driven by our residential greenfield estates in Molonglo, Gungahlin and West Belconnen.

We finished the year ended 30 June 2023 with strong asset holdings of \$594.1 million, including 277 single residential blocks available to the market (excluding the Ginninderry Joint Venture) and other inventory related to mixed-use, community facilities, commercial, multi-unit dwellings. Our outlook remains cautious, due to the impact of rising interest rates, high inflation and high costs of living. However, consistent with the objectives of our Act, we will continue to develop and release land consistent with the government's ILRP.

**John Fitzgerald**  
Chair

**John Dietz**  
Chief Executive Officer

## Outlook

In 2023-24 we will focus on adapting our sales and marketing approach to respond to challenging market conditions. Building on learnings from sales processes undertaken in 2022-23, we are launching an over the counter sales process to support our communities purchasing land and to continue to deliver strong financial outcomes for the ACT Government.

Our Sustainability Strategy 2021–25 supports the objectives set out in Canberra’s Living Infrastructure Plan and the ACT Climate Change Strategy. We will continue to work closely with ACT Government directorates, industry and the community to support the development of zero emissions suburbs through establishing community-scale battery storage in Jacka, developing the Molonglo Group Centre as all-electric, trialling EV charging infrastructure, and supporting the community to design and build all-electric homes. We are focussed on developing resilient communities, ‘next practice’ living infrastructure and embedding sustainability within our civil construction contracts.

Our commitment to sustainability and innovation is further demonstrated through SLA’s Built Form program that is designing and constructing a carbon neutral housing precinct of 43 ‘missing-middle’ townhouses in North Wright. This showcase sustainable development will demonstrate small footprint housing and regenerative landscape design that is innovative and replicable. By selling these house and land packages, we are testing the market for an eco-housing product with communal laneway and garden spaces that allows the community to connect and grow.

Our Placemaking Framework continues to help us create a sense of identity in new developments, as well as designing places that support community wellbeing, health and inclusivity. Mingle will continue to support the creation of networks, groups and programs among residents, which will ultimately become self-sustaining. The program will empower residents with skills to ensure confidence in building their own community networks. As

one of our major engagement initiatives, SLA collaborated with EPSDD to establish a community panel to share their views about the future vision for the GTC by participating in activities like focus groups, workshops, and community panel meetings. This information helps inform SLA about what is important and what inspires and attracts people to live, work and visit Gungahlin and helps SLA to create place-specific ambitions and objectives for the area and future stages of development.

Our commitment to delivering housing choice, affordable living and social inclusion in our new communities and urban renewal sites continues through our Housing Strategic Action Plan. Following from our progress this financial year, and considering the changing policy environment and housing market, we will be undertaking an annual review of the Housing Strategic Action Plan. We will continue to focus on improvements to the Affordable Home Purchase Scheme and establishing a pipeline of Build-to-Rent opportunities, while also exploring other housing pathways. During 2023-24 we expect to focus on supporting the community housing sector and options for meeting our community’s housing needs.

We will continue to prioritise our people, focussing on cultivating a culture of diversity, inclusion and belonging. We will focus on setting up ambitious and innovative partnerships and delivery structures to assist Government to better deliver its land release objectives. We will continue to engage with other government agencies and directorates to ensure the ACT Government’s strategic objectives are met and the best outcomes for our community are achieved. SLA piloted a dedicated Indigenous engagement role to trial the benefits of an embedded cultural expert to directly support our Indigenous liaison work. We will actively engage with Traditional Custodians and the Aboriginal and Torres Strait Islander Elected Body. Our key engagement projects will seek direct feedback from Indigenous groups that recognises the connection to Country and the traditional custodians of the ACT and region.

## Internal accountability

### SLA Board

The Board was established as a governing board under section 45 of the CRASLA Act. The Minister for Housing and Suburban Development appoints members to the governing board, for a period of up to three years.

Under section 56 of the *Financial Management Act 1996* (FMA), the Board is responsible for the efficient and effective financial management of SLA. The Board's Charter sets out the roles and responsibilities of the Board and individual Board members, processes for Board meetings, conflicts of interest and Board member conduct.

## Board members

### John Fitzgerald (Chair)

John has extensive experience in infrastructure policy and delivery, public transport and urban renewal. He has a strong background in governance, finance and commercial negotiations. In recent years, he was a Specialist Advisor to KPMG and Interim CEO of Infrastructure Australia.

He is Chairman of Infranexus Management Pty Ltd (an IFM Investors subsidiary) and a Director on the Infrastructure Australia Board. John's previous positions include Chair of Canberra Light Rail, Evolution Rail Pty Ltd and NSW Government's Sydney International Convention Exhibition and Entertainment Precinct project Boards, and Director of Victorian Funds Management Corporation, Barangaroo Delivery Authority, Port of Melbourne Corporation and Infrastructure Partnerships Australia Boards.

Prior to joining KPMG in 2011, John was Deputy Secretary at the Victorian Department of Treasury and Finance (DTF). Before joining DTF in 2000, John predominantly had an investment banking background.

John holds a Master of Public Infrastructure (Research) from the University of Melbourne and is a Fellow of the Australian Institute of Company Directors (AICD) and the Institute of Public Administration Australia (Victoria).

### Shelley Penn AM (Deputy Chair)

Shelley Penn is a Melbourne-based architect, urbanist and non-executive director. Her current work is founded on 15 years traditional architectural practice, including seven years leading her own works, which have been recognised through awards, publication and exhibition in Australia and overseas. In 2000, her focus shifted to encompass strategic advice to government and the private sector on achievement of high-quality outcomes in public architecture and urban design.

Shelley is currently an independent member of the Advisory Board of the Office of Projects Victoria, and Canberra Institute of Technology (CIT) Woden Project Board. She is also the Monash University Architect, an Adjunct Professor in Architecture Practice at Monash University, Associate Professor in Architecture at the University of Melbourne, and a member of State Design Review Panels in Victoria, NSW, WA and the ACT.

Key past roles include Non-executive Director of the Australian Centre for Contemporary Art, Chair of the National Capital Authority, National President of the Australian Institute of Architects, Associate Victorian Government Architect and Co-chair, Barangaroo Review 2011. In 2014, she was named an Australian Financial Review/Westpac '100 Women of Influence' in the Public Policy Category. Through practice, advocacy and advisory work, Shelley is committed to improving social outcomes, enriching culture and sustainability through advancing the quality of the built environment. She was made a Member of the Order of Australia in 2021.

### Katrina Fanning

Katrina Fanning is a Wiradjuri woman from NSW who has had a long career in the government, community and sport sectors. She held senior executive positions in Centrelink, Aboriginal Hostels, and the Department of Education, Employment and Workplace Relations, and completed a secondment to the Ministry of Social Development based in Auckland in 2008.

Katrina is currently a member of the Fred Hollows Foundation, Canberra Raiders, ACT Women's Legal Centre, and Winnunga Nimmityjah Aboriginal Health and Community Service Boards. She is the Chairperson of the Australian Rugby League Indigenous Council. She is also part of advisory bodies for the ANZ Business Leadership Forums and a small business owner in Canberra.

Katrina was named the ACT Australian of the Year in 2020, ACT Woman of the Year in 2014, and awarded a Public Service medal in 2015 for her work in Indigenous Affairs, women's rights, homelessness and family violence. Katrina was also named 2023 Canberra Citizen of the Year.

**Katrina's term on the Board concluded 30 September 2022.**

## **Julie Garland McLellan**

Julie Garland McLellan is a professional director with experience on a range of boards in the not-for-profit, government and commercial sectors, including Dam Safety NSW, Melbourne Water Corporation, Victorian Energy Networks Corporation, City West Water, Victorian Minerals and Energy Council, the University of Melbourne's Engineering Foundation, Kimbriki Environmental Enterprises, Oldfields Holdings, Hats Holdings, Professional Speakers Association, Kyoto Energy, Wind Hydrogen, Bounty Mining, Melbourne Chamber of Mines, Fitness Australia, and Hassall & Associates.

Julie has held senior management, strategic planning and executive leadership roles with major corporations, including Thames Water, BHP, KPMG, and Gamesa Energy Australia.

She holds a Bachelors degree in Civil Engineering with Honours, an Executive Master of Business Administration, a Graduate Diploma in Applied Finance and Investment, and an Advanced Diploma in Company Directorship from the AICD.

She is an AICD Fellow and an accredited Certified Speaking Professional through Professional Speakers Australia. Julie has written textbooks on company directorship for the commercial, government and not-for-profit sectors.

**Julie's term on the Board concluded 22 June 2023.**

## **Clare Petre**

Clare Petre has a long career in the government, community and media sectors. She was the Energy & Water Ombudsman NSW for over 16 years and prior to that, Senior Assistant Commonwealth Ombudsman.

Clare was previously a Board member of City West Housing and Energy Consumers Australia, and has served on a range of NSW and Commonwealth government advisory bodies. She chaired the consumer advisory panels for Australian Institute of Company Directors and the Credit & Insurance

Ombudsman, and was Chair of the Australian and New Zealand Ombudsman Association, and the Code of Conduct Committee of the Australian Council for International Development.

Clare is currently the Customer Advocate (Wealth Remediation) for NAB, Chair of the New Energy Tech Consumer Code Council, and Deputy Chair of the Asylum Seekers Centre.

Clare has a Masters degree in Social Administration from the London School of Economics, Bachelor of Social Studies and Diploma of Criminology (Sydney) and is a member of AICD.

## **Guy Gibson**

Guy Gibson has a long career in town planning and urban development, including 25 years with Lendlease. When he retired from Lendlease in October 2021, he was the Head of Development in Queensland, with responsibility for five master planned community projects, and two urban regeneration projects.

He was previously the General Manager of Lendlease's Communities business in Queensland, as well as having national roles for Lendlease in Government Relations, and Affordable Housing and Sustainability. During his career at Lendlease, he worked on over thirty new community projects, covering site identification and acquisition, conversion, planning and design, delivery, marketing, and sales.

Prior to joining Lendlease in 1996, Guy was Director of Town Planning at Brisbane City Council (BCC) from 1993 to 1996 and Project Manager of the Council's Urban Renewal Program from 1991 to 1993. Before joining BCC in 1987, he worked for the National Capital Development Commission in Canberra.

Guy is a graduate of the University of Queensland Planning School. He is an Honorary Life Member and past President of the Property Council of Australia (Queensland) and a previous National Director of the Property Council of Australia. He is a Board Member of 'Brisbane Sustainability Agency' and 'Suburban Futures', a not-for-profit established to promote a better understanding of the important role of the suburban economy in the life of our cities, through shared insights, information and analysis. He has contributed to numerous advisory committees and professional boards including: 'Urban Futures Brisbane', a Board established by the Brisbane City Council to provide strategic advice to

Council on planning and implementing Brisbane's development future; and is currently a member of Queensland's Housing Supply Expert Panel, and Economic Development Queensland's Expert Panel. Guy is a member of the AICD.

## David Webster

David joined Infrastructure and Commercial Advisory Office, Department of Treasury, in November 2021 with deep experience in both the public and private sectors, across the full spectrum of infrastructure.

David spent over six years as a Deputy Secretary of the Commercial Division in the Victorian Department of Treasury and Finance, providing high level and innovative commercial, financial and risk management advice to the Victorian Government, with a focus on major infrastructure and the State's balance sheet.

Prior to this David had various infrastructure related roles in the private sector in both the UK and Australia, including at RBS, ABN AMRO, and Bank of America. David also served as Director of Infrastructure Partnerships Australia and the State Electricity Commission of Victoria.

**David's term on the Board concluded on 7 February 2023.**

## Ken Wood

Ken has a breadth of experience in management, finance, risk, compliance and integrity.

From November 2001 to December 2021, Ken held a critical management, compliance and integrity role at AFL, responsible for the compliance of AFL Clubs and Players with the AFL Player Rules and Collective Bargaining Agreement. This encompassed management and compliance of Clubs with the Salary Cap including investigations, approval of all Player agreements, management of the Football Department Soft Cap and management of the movement of Players through the Trade Period, Free Agency and the National Draft.

Prior to the AFL, Ken was with international chartered accounting firm, Ernst & Young where he held various positions from Manager, Corporate Audit, Director, Corporate Finance and in management positions as National General Manager, Corporate Finance and General Manager of the Melbourne Office. These roles included being responsible for both private and listed company audits, running internal compliance programs

for the integrity of audit and corporate finance practices, ensuring compliance with regulatory requirements advising on company sales and purchases, negotiating deals and valuing businesses.

Ken is a Chartered Accountant, holds a Master of Finance from Melbourne University, and is a member of AICD and the AFLPA Agent Accreditation Board.

**Ken's term on the Board commenced on 24 March 2023.**

## Jennifer Cunich

Jennifer is a property industry leader and high-profile figure in Melbourne and Canberra's business community. With more than 25 years' experience in both industry and professional organisations, Jennifer is a trusted and well-known advisor to state and national governments. She has a vast knowledge of the development and building industries. Jennifer is acutely aware of the necessity for good planning and the benefits of same to Australian communities.

An influential and experienced business leader and executive, with a solid understanding of governance, finances, reform and team leadership, Jennifer possesses astute commercial acumen and has a demonstrated track record enhancing the financial performance of organisations. Jennifer brings to the Board skills of leadership, financial literacy, corporate finance and capital management, finance/audit and risk management, overseeing public land sales, master planning communities, prioritising organisational culture and diversity, judgement involving good business instincts; astute commercial acumen; objectivity and assessments based on evidence.

Jennifer is the current independent Chairperson of the Australian Housing and Research Institute.

**Jennifer's term on the Board commenced on 23 June 2023.**

## David Fisher

David has a career in the provision of property development delivery including urban renewal; public/private and joint venture partnerships; social and affordable housing; and mixed tenure developments in the UK and Australia including large scale urban renewal programs in Glasgow and Manchester.

As an experienced CEO with financial, governance and compliance experience, David has proven leadership abilities spanning different countries and jurisdictions. David is currently the Chair of Homelessness NSW and former President of NSW Council of Social Services.

**David's term on the Board commenced on 23 June 2023.**

**Table 1: Board Member Attendance**

**Board member attendance as per Board decisions**

Name	Position	Eligible meetings	Meetings attended
John Fitzgerald	Chair	11	11
Shelley Penn	Deputy Chair	11	11
Katrina Fanning	Member <sup>1</sup>	2	2
Julie Garland McLellan	Member <sup>2</sup>	11	10
Clare Petre	Member	11	11
Guy Gibson	Member	11	11
David Webster	Member <sup>3</sup>	6	5
Ken Wood	Member <sup>4</sup>	3	3
Jennifer Cunich	Member <sup>5</sup>	-	-
David Fisher	Member <sup>5</sup>	-	-

**Notes:**

- 1 Resigned as of 30 September 2022.
- 2 Term concluded 22 June 2023.
- 3 Resigned as of 7 February 2023.
- 4 Term commenced 24 March 2023.
- 5 Term commenced 23 June 2023.

## Board decisions

Matters considered by the Board in 2022-23 included:

- Annual material conflict of interest 2022-23
- Annual report 2021-22
- Budget review 2022-23
- Budget 2023-24
- Board 2023 meeting dates
- Cashflow updates
- CEO professional development
- CEO KPIs
- Committee appointments
- Dividend deferral request
- Full Time Equivalent (FTE) resourcing
- Ginninderry Joint Venture replacement of Territory representative
- Ginninderry Joint Venture interim funding agreement
- Ginninderry Joint Venture landfill capping project
- Housing Strategic Action Plan
- Indicative Land Release Program options
- Jacka 1A and 1B residential construction tender
- Jacka 2C stage 1C residential construction tender
- Land acquisition
- Potential development site
- Risk register
- Risk Management Framework and Policy Statement
- Sponsorship policy
- Strategy map 2023-24
- Statement of Intent
- Urban infill 70/30 project
- Wayfarer GST
- West Belconnen Joint Venture participant substitution
- West Belconnen Joint Venture capital contribution
- Whitlam stage 3B residential construction tender

## Board Committees

In accordance with section 50 of the CRASLA Act, the Board has established a Board Audit and Risk Committee (BARC), and a Significant Programs and Culture Committee (SPCC).

The committees consisted of both Board and independent members as shown in Table 2.

**Table 2: Committee Membership and Position**

Name of Committee	Membership	Position
Audit and Risk Committee	Julie Garland McLellan <sup>1</sup>	Chair
	Jennifer Cunich <sup>2</sup>	Chair (from 23 June 2023)
	Clare Petre	Member
	Margaret Walker <sup>3</sup>	Member
	David Webster <sup>4</sup>	Member
	Shelley Penn <sup>5</sup>	Member
	Ken Wood <sup>6</sup>	Member
Significant Programs and Culture Committee	Shelley Penn	Chair
	John Fitzgerald	Member
	Katrina Fanning <sup>7</sup>	Member
	Guy Gibson	Member
	David Fisher <sup>2</sup>	Member

**Notes:**

- 1 Term concluded 22 June 2023.
- 2 Terms commenced 23 June 2023.
- 3 Independent Committee member, term concluded 31 October 2022.
- 4 Resigned as of 7 February 2023.
- 5 Temporary appointment 8 February 2023 to 23 March 2023.
- 6 Term commenced 24 March 2023.
- 7 Resigned as of 30 September 2022.

## Remuneration for Chief Executive Officer and Board members

The Remuneration Tribunal, in line with the *Remuneration Tribunal Act 1995*, determines the remuneration for the CEO and Board members.

**Table 3: Senior Executives (Band 2 and Band 3) as at 30 June 2023**

Name	Position
John Dietz	Chief Executive Officer
Neil Bulless	Deputy Chief Executive Officer
Tom Gordon	Executive Director, Development Delivery
Nicholas Holt	Executive Director, Built Form and Divestment

## Joint Venture Board

### West Belconnen

The West Belconnen 'Ginninderry' Joint Venture is a shared operation between the Territory, represented by SLA, and Riverview Developments (ACT) Pty Limited. Ginninderry develops land in the ACT and NSW to help meet future demands for housing.

A Board and Project Control Group govern the joint venture and manage the operational aspects of the project.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600



## B.2 Performance Analysis

### Improve Customer and Stakeholder Relationships

#### Marketing

Marketing initiatives were refined throughout the year based on customer insights and campaign outcomes to increase the value to our customers by targeting their specific needs and being more responsive. This included increasing educational and information content to assist customers throughout their buying journey.

Stories about our community, our residents, our respectful engagement with traditional custodians as well as regular updates on land releases were communicated through the SLA website and on social media. Marketing also continued to gather feedback from customer surveys, and utilised these insights to further inform the relevant stakeholders across SLA to enhance our service and processes.

The Whitlam Mingle program activities were also promoted and well attended by enthusiastic current and future residents. The output of this engagement will continue to influence marketing and community development strategies in Whitlam and future neighbourhoods.

The SLA website was visited by over 149,425 users in 2022-23. Campaigns for releases across Whitlam, Jacka as well as commercial projects contributed the most to website traffic, with emails as a marketing channel also playing an important role in driving web visits and engagement.

The development of a new SLA website is also underway, with the project set to enhance the digital customer experience and customer education, making it easier for people to navigate the website, access information and find helpful resources.

#### Sales and client services

Last financial year, SLA internalised its sales function for single residential sales and established a new team in order to enhance the end-to-end customer experience.

The Sales and Client Services team has successfully conducted three ballots in that time. Feedback from customers has been overwhelmingly positive. The team will continue to be primarily responsible

for managing land sales, stakeholder relationships and procurement panels. SLA is committed to ensuring that the team has the appropriate skills and knowledge to provide an exceptional customer experience and improve customer satisfaction.

The Sales and Client Services team will endeavour to sell all single residential blocks in-house; however, external sales agents will continue to be procured for commercial sales.

The Sales and Client Services Team provided face-to-face information and assistance through the operation of the SLA Display Village Sales and Information Centre. This enabled Sales staff to provide in depth support to buyers in understanding sales documents such as the Housing Development Guide. The Sales and Information Centre also provided public education by responding to enquiries such as the sustainable living homes, the Molonglo bridge project, and assisting customers in accessing online documents such as the ILRP and the single dwelling housing development code.

*The SLA Display Village in Whitlam opening weekend celebrated with giveaways and activities for all.*



The Sales team assisted 4,490 walk-ins at the Sales and Information Centre between the centre's opening in November 2022 and 30 June 2023. The opening of the display village and Sales and Information Centre offered a unique opportunity for the public to learn more about SLA and what we have to offer. During the opening weekend, 2,500 people attended with 1,700 of them visiting the Sales and Information Centre.

Strong benefits for buyers were achieved through internal collaboration across SLA. The presence of the development delivery staff at sales block selection events supported buyers by giving them ready support with reading the Housing Development Guide. The Mingle team also attended the events, building rapport and connection with buyers and beginning to build community.

As the market weakened, the Sales and Client Services team worked on a number of strategies to place SLA in a strong position to drive sales. A customer journey map for a market-leading customer experience has been developed for:

- First home buyers and builders
- Upgraders
- Investors
- Interstate residential buyers.

The Sales team has also produced a series of educational presentations for in-house use on topics to further develop their knowledge including:

- What to consider before purchasing land;
- An overview of the contract for sale;
- What to do before and after exchange;
- Building a resilient home;
- The sales journey for the client;
- Sales methods and how they function; and
- Benefits of electric homes/cars/energy rebates and more.

## Customer education

The Sales and Client Services team and the Marketing team are working together to implement some communication strategies to enhance customer education. As part of their mission to provide exceptional customer service to the local community, they will educate and assist customers in making informed decisions throughout the entire purchasing journey.

A Sales Journey Map was developed with the Sales and Marketing team. It provides an overview and illustrates how the various component parts of SLA

collaborate on customer touchpoints. It will be used for all estate releases by Marketing, Sales, and Mingle during the following stages of the Sales Journey:

- Engagement Lead – Would the buyer most likely interact?
- Sales Milestones – Main milestones through the customer journey.
- Customer Actions – What do we want the buyer to do?
- Touchpoint – What part of the service do they interact with?
- Customer Feeling – What is the customer feeling?
- Needs and Pains – What does the customer want to achieve or avoid?
- Opportunities – What could we improve or introduce?

A detailed Jacka energy rebate brochure was sent to buyers who had exchanged on their Jacka block. It includes a video that informs Jacka buyers and the larger community about the innovative construction and sustainability approaches and techniques being used in supporting Jacka's promise as Canberra's newest all-electric suburb. Potential and current buyers are supported at multiple touchpoints in their journey to better understand the home building process, innovative home design approaches, as well as sustainability initiatives and rebates, and through EDMs, rebate and builder brochures and climate-wise garden development.

This is part of the team's mission to deliver excellent customer service to the local community, and to support customers in making educated decisions throughout their buying journey.

The latest Whitlam buyers surveys for people who exchanged on their blocks before June 2023, show that 91 per cent customers were either 'satisfied' or 'very satisfied' with the experience and buying journey at the time of exchange, and 93 per cent rated the process of buying land 'easy' or 'very easy'. 95 per cent of respondents also rated their experiences with our in-house sales team as either 'good', 'very good', or 'excellent'.

The Jacka block selection event survey also demonstrated customer satisfaction with the sales processes and help received, with 80 per cent of respondents rating their experience at the event and help received as either 'very good' or 'excellent'.



*Young local gets creative at the Mingle community space.*

## Stakeholder engagement

SLA's Stakeholder Engagement Strategy outlines a number of key partnerships, namely industry, government and community for the organisation. The Strategy is the framework that helps SLA to optimise our current stakeholder partnership opportunities. Our connections across government include collaborative activities to further enhance our vision of creating great places where communities thrive.

One of Canberra's largest developments, Kingston Arts Precinct, is a significant collaborative project between SLA and artsACT. The ACT Government is delivering this leading destination for contemporary visual arts and culture in the local region with planned completion in 2027.

We worked with EPSDD in managing a community panel for the GTC. Panel members supplied valuable inputs to multiple planning and development projects. Feedback is shaping the future of the last remaining Gungahlin blocks for land development and release as well as a central linear park.

SLA worked closely with Major Projects Canberra, CIT, EPSDD and Transport Canberra and City Services (TCCS) in delivering engagement for a major land release in Phillip, Woden in 2022-23, an area that is experiencing rapid growth. Our connections led to leveraging existing engagements and coordination of community messages.

A number of projects were delivered with success in collaboration with TCCS and Mingle. We jointly delivered a hands-on residential makeover in December 2022 whereby a community verge was enhanced in one day. The makeover showed the residents how to plant sustainably as well as how to maintain garden health. Another collaboration was the Taylor Tank Walk in February 2023. Taylor Mingle worked with government rangers and Fire & Rescue staff to share information with residents about bushfires, fauna and flora whilst embarking on a local walk. The Mingle program continued strong working relationships with schools in SLA estates, such as Taylor's Margaret Hendy School and the Throsby School, prior to Throsby Mingle coming to a close. Linking our community development program with the local school strengthens the connection with families when building a sense of community for new suburbs.

SLA has worked collaboratively with the Conservator of Flora and Fauna and EPSDD Biosecurity and Rural Services, to establish Land Management Agreements (LMA) for all SLA rural properties with Crown leases.

SLA Place Management team and EPSDD Parks and Conservation Service (and Biosecurity and Rural Services) undertook quarterly meetings to collaborate and discuss shared and complementary projects, including LMAs, wholistic pest and weed initiatives and bushfire management.

# Prioritise our People

## Cultivate Innovation

We reviewed our approach to Innovation and published SLA's Innovation Framework 2.0. In 2022-23 we delivered eight training sessions on a range of topics including Innovation 101, Growing Innovation and Failing Forward, to provide staff opportunities to learn more about the connections between taking chances on innovation, and possible failures. We ran SLA's inaugural Failure Day in March 2023 to help staff reframe failure.

Several initiatives have been implemented to encourage collaboration and foster engagement across SLA. Initiatives are people focused, with their learning and growth including (but not limited to):

- Development and implementation of the SLA Innovation Framework 2.0, including eight staff training sessions.
- Delivery of SLA's inaugural Failure Day where staff and Executives came together to discuss opportunities for innovation when we learn to think about failure differently – as lessons learnt, or as a regular part of trying to be more innovative. Over 75 staff attended the event.
- Coordination of internal Vision Workshops as part of applying placemaking to projects for upcoming Greenfields developments in Kenny, GTC East and for two Built Form projects for North Wright and Horse Park Homestead. These sessions brought together colleagues from across all areas of SLA to collectively identify a place specific vision for what these developments could achieve.
- Implementing SLA's Placemaking Framework to pursue the place-led approach for designing new developments and embed placemaking in projects and across the organisation. Key projects applying the place-led approach include GTC East, Phillip land release, Kingston Arts Precinct, North Wright Compact Housing and the establishment of a Place Curator and Heartbeat Café operator (Woden Community Services) at the SLA Innovation Precinct – Whitlam Display Village.
- Engaged and encouraged our people to participate in the enhancement of health, safety and wellbeing initiatives including responding to the pandemic and future requirements to support SLA. The initiatives included seeking

feedback, workshops, presentations at All Staff Forums. The initiatives included the development of a roadmap to support staff in response to the ACT public health directions.

- SLA is committed to the Work, Health and Safety of its people. Through consultation a Work, Health and Safety Management System and WHS intranet site was developed, endorsed and implemented and continually refined. SLA continues to collaborate and consult with workers in the WHS Project Committee.
- We engaged numerous teams to support the operationalisation of the SLA Innovation Precinct – Whitlam Display Village to manage the daily operations, WHS, security, place curation and management and ensure the successful launch of the Precinct. The launch was a key highlight for SLA demonstrating strong collaboration, engagement and connection amongst our people and with our community.
- Collaborating with EPSDD colleagues to support and deliver Workplace Inclusion and Diversity remained a key focus. SLA continues to demonstrate commitment by participating in a range of initiatives including (not limited to) Harmony Day, Pride Week, National Reconciliation Week, International Women's day, International Day against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT).
- Providing a range of in-house learning and development opportunities on topics including meaningful performance conversations; branch workshops; sales training; WHS and wellbeing training.
- Developed and implemented tailored recruitment best practice knowledge sessions open to all SLA staff as well as continued focus on e-learning Essential training.
- Encouraging and promoting SLA staff to attend ACT Public Service (ACTPS) training calendar events and external events and learning and development activities.

SLA's leadership team, supported by the Board, consistently reinforced with staff the importance of mandatory Fraud and Ethics training. Regular and targeted WHS training is an essential part of SLA's commitment to safety.

# Enhance and deliver on projects, programs and policies

## Environmental Sustainability

SLA implemented a number of initiatives to support social and environmental sustainability to:

- Resilient communities
- Zero emissions suburbs
- Responsible consumption and production
- Healthy, prosperous, and inclusive places.

Some of the key projects delivered included:

- Implementing a new Sustainable Civil Works Framework
- Progressing the potential Jacka Community-Scale Battery Initiative
- Creating Your Resilient Home Guide for residents
- Offering rebates to residents in Jacka and Whitlam to encourage building more sustainable homes and gardens

- Incorporating sustainability requirements into sales contracts for urban land releases
- Launching the SLA Display Village in Whitlam with SLA's Innovation Precinct showcasing demonstration housing for multi-generational and low carbon living
- Commencing Stage 1 of the North Wright Compact Housing precinct as a showcase sustainable development with SLA as the developer delivering 43 'missing-middle' house and land packages with a net zero carbon footprint.

More information about our activities is included in the Ecologically Sustainable Development section of this report.

*A Whitlam family visits the Mingle community space.*



# Housing Choice and Affordability

During 2022-23 we finalised and published our Housing Strategic Action Plan. The Housing Strategic Action Plan provides us with a framework to guide our actions over the coming years as we implement the ACT Housing Strategy and work to deliver affordable living, social inclusion and housing choice for our growing community.

The Housing Strategic Action Plan contained eight actions which focused on creating affordable home ownership pathways, increasing rental options, and enabling public and community housing supply. These actions were:

- Continuing land release and housing target implementation
- Continuing to implement existing affordable purchase schemes
- Investigating shared equity
- Creating Build-to-Rent opportunities
- Investigating purchase options for our diverse community
- Identifying opportunities for improving and maintaining affordability
- Investigating Rent-to-Buy options
- Investigating purchase options for community housing providers.

We will review and update the Housing Strategic Action Plan for 2023-24.

In October 2022 we released a site to market for Build-to-Rent with an affordable rental component. Block 3 Section 57 in Turner was released through a Request for Tender process which closed in December 2022. The site is in an ideal location on Northbourne Avenue and 15 per cent of the homes will be required to be affordable rental, targeted towards those who meet eligibility criteria, including income thresholds.

We continued to engage with our colleagues across the ACT Government and in the Commonwealth Government to further understand opportunities for shared equity and support for affordable housing, particularly through the community housing sector.

We engaged with the Community Housing Industry Association (CHIA) through a workshop about the requirements we include in our sales documents for community housing. SLA also sponsored and attended the Affordable Housing Development and Investment Summit, presented by CHIA. A member of our team facilitated an interactive roundtable as part of the annual event.

Continuing our work on opportunities for affordable rental and purchase outcomes, as part of the Ginninderry Joint Venture we worked collaboratively with the National Housing Finance and Investment Corporation (NHFIC), Community Housing Canberra (CHC) and our colleagues across the ACT Government to secure a grant of \$4.5 million for the Ginninderry Women's Housing Initiative. This Build-to-Rent-to-Buy pilot program in the ACT will deliver up to 22 affordable rental dwellings for low-income women in Strathnairn to transition from renting to home ownership.

We focused on providing opportunities through the Affordable Home Purchase Scheme. We worked to connect eligible buyers with homes available at fixed price thresholds. During 2022-23, more than 130 eligible buyers exchanged contracts to buy homes through this scheme. We also developed videos and factsheets to improve the information available for people participating in the Affordable Home Purchase Scheme.

In 2022-23, we continued to release land to support the ACT Government's housing targets for affordable, public and community housing. Sites for a total of 203 dwellings were released against the target of 314 dwellings, along with sites for 67 dwellings against prior year targets. Where sites were released but did not sell, we continued to ensure that these included the appropriate affordable, public or community housing targets.

**Table 4: 2022-23 Affordable, Public and Community Housing Targets**

Suburb	Block/ Section or Location Description	Target: Affordable Housing	Actual: Affordable Housing	Target: Public Housing	Actual: Public Housing	Target: Community Housing	Actual: Community Housing
Belconnen	Multiple	85	85	-	-	10	10
Gungahlin*	-	35	-	-	-	10	-
Jacka*	-	19	-	20	37	-	-
Whitlam*	-	29	10	31	31	-	-
Phillip	Block 1 Section 7	20	20	-	-	10	10
Holt^	Block 5 Section 53	5	-	-	-	-	-
Macnamara*	-	15	-	25	-	-	-
<b>Totals:</b>		208	115	76	68	30	20

**Notes:**

Sites in the City Renewal Precinct are reported by the City Renewal Authority.

\* The release of these sites has been delayed. The targets will continue to apply to the sites until they are released.

^ The release of this site occurred in 2021-22, ahead of the intended release date in 2022-23. The 5 affordable housing dwellings were reported in the 2021-22 Annual Report.

**Table 5: Prior Year Housing Targets**

Suburb	Target Year	Target: Affordable Housing	Actual: Affordable Housing	Target: Public Housing	Actual: Public Housing	Target: Community Housing	Actual: Community Housing
Gungahlin^	2021-22	20	20	30	-	10	2
Jacka^	2021-22	10	12	20	11	-	-
Strathnairn*	2017-18	-	-	-	-	14	22
Strathnairn*	2019-20	-	-	-	-	10	-
<b>Totals:</b>		30	32	50	11	34	24
<b>Re-released sites:</b>							
Lawson^^	2017-18	65	23	-	-	20	5

**Notes:**

^ The release of these sites has been delayed. The targets will continue to apply to the sites until they are released.

\* A single site for 22 community housing dwellings is being counted towards prior year targets from 2017-18 and 2019-20.

^^ This site is a re-release and does not count toward the 2022-23 target. The site was reported against targets in prior years, on first release. Released and sold sites have been deducted from the target.

## Understand Best Practice Sustainability

We continued to expand our understanding of best practice sustainability through engaging with national forums including the Government Land Organisation network, Infrastructure Sustainability Council of Australia, Place Leaders Asia Pacific and the Green Building Council of Australia. We also supported a number of staff to be affiliate members of the Planning Institute of Australia, and Australian Landscape Architects Institute.

All areas of SLA worked to deliver on the objectives and priorities in SLA Sustainability Strategy 2021-25, under the four themes of Resilient Communities, Zero Emissions Suburbs, Responsible Consumption and Production, and Healthy, Prosperous and Inclusive Places.

We have implemented a Sustainable Civil Works Framework to improve sustainability outcomes on our civil works construction sites and implemented sustainability requirements into all urban land

releases in 2022-23. We are offering rebates to residents in Jacka and Whitlam to encourage building all-electric energy efficient homes with climate wise gardens – just a part of building more sustainable suburbs. Our Mingle program has run events to promote more sustainable living in Throsby, Taylor and Whitlam, and the Whitlam Place Curator program offers events on sustainable topics on a regular basis. SLA is taking on the developer role with its Built Form program by designing and constructing sustainable showcase developments across the urban transect. As part of this program, the Innovation Precinct in the Whitlam Display Village was completed and launched in November 2022 and showcases multi-generational and low-carbon housing with climate-resilient gardens. Design development for Stage 1 of the North Wright Compact Housing precinct has been completed, showcasing ‘missing-middle’ housing with a net zero carbon footprint.

More information about our activities is included in the Ecologically Sustainable Development section of this report.

*Families visit the SLA Taylor suite to join in chalk art activities.*



## B.3 Scrutiny

### Auditor General Reports

No open recommendations from Auditor General or Integrity Commission reports.

### Legislative Assembly Committee Reports

**Table 6: Standing Committee on Planning and Urban Renewal Report No. 11 of 2020: Inquiry into Annual and Financial Reports 2018-19**

Recommendation Number, Summary and Government Response	Action	Status
13. The Committee recommends that the ACT Government provide more detail on the number of dwellings anticipated for the Kingston Arts Precinct Development. The ACT Government agreed in-principle with the recommendation.	The project is currently in the design development phase. The design reflects the requirements identified in 2015 ILRP for a dwelling yield of minimum 150 dwellings. SLA has developed three studies for the future redevelopment of the site and has undertaken engagement with the Community Panel, arts organisations and broader community on review of these studies. More detail on final number of dwellings and other uses will be discussed through further engagement for the Estate Development Plan.	In progress.
14. The Committee recommends that the ACT Government provide more detail on the proposed parking arrangements for the Kingston Arts Precinct Development. The ACT Government agreed in-principle with the recommendation.	Detail on the proposed parking arrangements during construction and within the future development is a statutory requirement and will form part of mandatory community engagement to be undertaken by SLA during the period prior to Development Application.	In progress.
15. The Committee recommends that the ACT Government ensure that full and transparent consultation is undertaken with arts groups, local residents and businesses. The ACT Government agreed in-principle with the recommendation.	SLA and artsACT have completed place-led engagement, which includes arts organisations, local residents, businesses and the broader Canberra community. The outcome of this engagement is the KAP Place Brief, which captures arts and broader community connections to, aspirations for, and functions of, the precinct. KAP Place Brief was announced in late March 2023 together with the new design consultancy team who are implementing the KAP Place Brief through their development of design studies. Three development design studies were examined and commented on by the Community Panel, arts organisations and broader community in June 2023. One study will be identified for further design development and ongoing engagement.	In progress.

**Table 7: Standing Committee on Public Accounts Inquiry into Auditor-General's Report: 4/2020 – Residential Land Supply and Release – ACT Legislative Assembly**

Recommendation Number, Summary and Government Response	Action	Status
<p>12. The Committee recommends that the ACT Government provide analysis on the number and nature of registrants for recent land ballots and present that analysis to the Assembly by the last sitting day of 2022.</p> <p>The ACT Government agreed with the recommendation.</p>	<p>SLA has undertaken some analysis of land ballots for Taylor in November 2021 and Whitlam in March 2022. Response published as part of Government Response.</p>	<p>Closed.</p>

*Craft workshop held at Mingle community space for residents.*



**Table 8: Standing Committee on Planning Transport and City Services  
Inquiry into Annual and Financial Reports 2020–2021 – ACT Legislative Assembly**

Recommendation Number, Summary and Government Response	Action	Status
<p>2. The Committee recommends the ACT Government consider new ways of providing reliable, renewable power to new suburbs such as solar panels, community grids and local batteries, in order to provide climate-resilient power sources that are less vulnerable to the impacts of storms and that cause less environmental damage and community concern than traditional power lines.</p> <p>The ACT Government agreed with the recommendation.</p>	<p>Sustainability initiatives are embedded in development of SLA sites and aligned with:</p> <ul style="list-style-type: none"> <li>• SLA Sustainability Strategy 2021-25 sets out a vision for how to embed sustainability into our core business while contributing to the broader ambitions of the ACT Government with zero emissions suburbs as one of the key themes.</li> <li>• The Parliamentary Agreement and Governing Arrangements (ACT Legislative Assembly): the future stages of Greenfield residential developments will not have a new reticulated gas mains network, this includes Whitlam stages 3 and 4 and Jacka 2.</li> </ul>	Closed.
<p>9. The Committee recommends the ACT Government clarify its position as to whether blocks and new suburbs are scraped by SLA and private developers prior to development and if so, whether the topsoil is restored or not, and what its policy is in relation to both block scraping and topsoil utilisation, what environmental protection measures are taken and what the environmental implications are for the waterways, topsoil, deep soil, tree canopy and climate resilience in standard block scraping practices.</p> <p>The ACT Government agreed with the recommendation.</p>	<p>Land development and construction activities are regulated by the <i>Environment Protection Act 1997</i> (the Act) which includes guidance on construction and land management practices to protect the environment from erosion and sediment discharges. These activities are also governed by the Estate Development Code in the Territory Plan which requires development earthworks to be minimised through street and block layout design.</p> <p>SLA holds an Environmental Protection Agreement under the Act. Under this agreement SLA considers the physical characteristics of the site to determine how it can be developed with the lowest risk of environmental damage and minimise the land reshaping by using existing topography wherever possible. Furthermore, SLA takes responsibility for the management of erosion and sediment from their sites for all stages of the development until the site is fully stabilised or handed over to another developer.</p> <p>The Agreement does not set requirements for the management of topsoil specifically, but through the responsibilities outlined above it aims to minimise disturbance and ensure appropriate controls are in place. Topsoil is a valuable commodity and is normally stockpiled for reuse on site in the establishment of grass, planter beds, and tree pits. If not retained, it is routinely sold or reused on another site either by the developer or a third party.</p> <p>While SLA undertakes land development in accordance with these regulation and guidelines, SLA has been striving for and achieving a much higher level of environmental management. Examples of this are the Whitlam Water Quality Project which has seen a considerable reduction in sediment and erosion impacts in Stage 2 and 3 and the minimisation of earthworks in Jacka which will see all soil and fill remain on site and incorporated into the development.</p>	Closed.

**Table 9: Standing Committee on Planning Transport and City Services  
Report No. 5 – Draft Variation to the Territory Plan No 364 Gungahlin Town  
Centre: Amendments to the Gungahlin Precinct Map and Code**

Recommendation Number, Summary and Government Response	Action	Status
<p>1. To inform the Territory Plan planning regulations a thorough investigation be completed by the ACT Government that:</p> <ul style="list-style-type: none"> <li>identifies retail, community and commercial activity that can prosper in the town centre including activities that can anchor further growth;</li> <li>identifies options for the ACT Government to support potential commercial activity through appropriate land provision and complementary policy settings;</li> <li>the findings of the investigation be used to inform the sale; and</li> <li>development requirements of future land releases in the town centre.</li> </ul> <p>The Government agreed in-principle to this recommendation.</p>	<p>SLA is undertaking a place-based approach for the remaining GTC East land releases to capture the current and future community's insights, priorities, and vision for this area.</p> <p>SLA has committed to engaging with the Gungahlin Community on how future land releases in the GTC are undertaken.</p> <p>A major part of this was the establishment of a Community Panel to work on the range of engagement activities across GTC. The Panel provided the opportunity for the community to share their views about the future vision for the GTC by participating in focus groups, workshops, and community panel meeting.</p> <p>Between September 2022 and March 2023, SLA has been working with the Gungahlin Community, Community Panel, and the Gungahlin Community Council to develop a Place Ambition and Design and Place Framework for the remaining blocks of land in GTC East.</p> <p>SLA is finalising the Design and Place Frameworks to develop a strategic plan for how future office, commercial, mixed use, community zoned and residential land will be released in the GTC East.</p> <p>A community and recreational facilities needs assessment for the district of Gungahlin was undertaken during 2021 and this report was posted on YourSay in April 2022. The community facilities report is guiding the provision of new community facilities in the town centre and more broadly within the Gungahlin district. The 2023-24 ACT Budget confirmed that over the next three years a new community centre will be built on the corner of The Valley Avenue and Gungahlin Place in GTC. The facility includes a dedicated youth centre and a multi-purpose two-storey community centre that provides spaces for use by the full cross-section of Gungahlin's growing and varied community.</p>	In progress.

Recommendation Number, Summary and Government Response	Action	Status
<p>3. In order to realise the objectives of the planning provisions, the ACT Government amend the indicative land release program so that the unsold blocks in Gungahlin East precinct:</p> <ul style="list-style-type: none"> <li>• be sold as a precinct rather than as individual blocks;</li> <li>• have contractual and lease requirements applied to the sale to deliver a precinct that includes retail, business, and community facility developments;</li> <li>• apply a maximum number of residential dwellings allowable so that residential dwellings are not the primary or majority use</li> <li>• apply a minimum square metre requirement for commercial development; and</li> <li>• be designed in consultation with the community.</li> </ul> <p>The Government agreed in-principle to this recommendation.</p>	<p>SLA is undertaking a place-based approach for the remaining GTC East land releases to capture the current and future community's insights, priorities, and vision for this area.</p> <p>SLA has committed to engaging with the Gungahlin Community on how future land releases in the GTC are undertaken.</p> <p>A major part of this was the establishment of a Community Panel to work on the range of engagement activities across GTC. The Panel provided the opportunity for the community to share their views about the future vision for the GTC by participating in focus groups, workshops, and community panel meeting.</p> <p>Between September 2022 and March 2023, SLA has been working with the Gungahlin Community, Community Panel, and the Gungahlin Community Council to develop a Place Ambition and Design and Place Framework for the remaining blocks of land in GTC East.</p> <p>SLA is finalising the Design and Place Frameworks to develop a strategic plan for how future office, commercial, mixed use, community zoned and residential land will be released in the GTC East.</p> <p>SLA tailors land releases with specific design controls on significant commercial and community land releases.</p> <p>This process involves, site identification, community engagement, (workshops, panels, and survey), developing sales and marketing material based on these community outcomes and then binding these outcomes through sales documentation and delivery deeds.</p> <p>SLA has developed collaborative contracting methods to bring together government, industry, and the community through a land sale process. This is particularly relevant to Expression of Interest (EOI), Request for Proposal (RFP) and Request for Tender (RFT) land sale methodologies.</p> <p>To achieve success in collaborative contracting, the land sale documents contain information from government, stakeholders, and the community about their aspirations for the development, whilst the industry is asked to address these aspirations in their design submissions and financial offer as part of the sales process.</p> <p>The releases could be a two-staged tender (Expression of Interest and Request for Tender or Request for Proposal followed by Request for Tender) and assessed on several site-specific criteria and not price alone.</p>	In progress.

Recommendation Number, Summary and Government Response	Action	Status
<p>4. If the remaining blocks in the Gungahlin East Precinct are sold as individual blocks, the Committee recommends the ACT Government maintain a commercial zoning for these blocks and apply a maximum number of residential dwellings and a minimum square metre requirement for commercial development permitted for each block to ensure that residential dwellings are not the primary or majority use.</p> <p>The Government agreed in-principle to this recommendation.</p>	<p>SLA is undertaking a place-based approach for the remaining GTC East land releases to capture the current and future community's insights, priorities, and vision for this area.</p> <p>SLA has committed to engagement with the Gungahlin Community on how future land releases in the GTC are undertaken.</p> <p>A major part of this was the establishment of a Community Panel to work on the range of engagement activities across GTC. The Panel provided the opportunity for the community to share their views about the future vision for the GTC by participating in focus groups, workshops, and community panel meeting.</p> <p>Between September 2022 and March 2023, SLA has been working with the Gungahlin Community, Community Panel, and the Gungahlin Community Council to develop a Place Ambition and Design and Place Framework for the remaining blocks of land in GTC East.</p> <p>SLA is finalising the Design and Place Frameworks to develop a strategic plan for how future office, commercial, mixed use, community zoned and residential land will be released in the GTC East.</p> <p>SLA tailors land releases with specific design controls on significant commercial and community land releases.</p> <p>This process involves, site identification, community engagement, (workshops, panels, and survey), developing sales and marketing material based on these community outcomes and then binding these outcomes through sales documentation and delivery deeds.</p> <p>SLA has developed collaborative contracting methods to bring together government, industry, and the community through a land sale process. This is particularly relevant to EOI, RFP and RFT land sale methodologies.</p> <p>To achieve success in collaborative contracting, the land sale documents contain information from government, stakeholders, and the community about their aspirations for the development, whilst the industry is asked to address these aspirations in their design submissions and financial offer as part of the sales process.</p> <p>The releases could be a two-staged tender (Expression of Interest and Request for Tender or Request for Proposal followed by Request for Tender) and assessed on several site-specific criteria and not price alone.</p>	In progress.

Further information can be obtained from:

Sally Gilbert  
Executive Branch Manager,  
Governance & Corporate Services  
Suburban Land Agency  
+61 2 6205 0600

## B.4 Risk Management

The ACT Insurance Agency (ACTIA) establishes the risk management framework that applies to the ACT public sector. ACTIA offers a range of tools, guidance material and training. This assists Territory entities to develop and implement robust risk management practices and enhance risk management capabilities and awareness.

Our approach to risk management is guided by the International Standard Risk Management ISO 31000:2018 and the ACT Government Risk Management Policy. Risk management principles underpin our planning processes, including strategic planning, project management and delivery.

We adopt and apply a strategic and systematic approach to risk management. This aligns with our objectives, and it enables sound judgments and improved decision-making.

Our priorities for risk are:

- **safety** – as the highest priority, ensuring that WHS risk is identified, managed and actively monitored
- **effectiveness** – striving to deliver quality outcomes the first time
- **efficiency** – delivering value for money to the ACT community.

The Board oversees our risk management practices in SLA, supported by the BARC and the Executive. In 2022-23, we reviewed the risk register and updated the corresponding risk treatment plans.

The process was completed in accordance with ACTIA guidance on the treatment of risks. The updated risk register and risk treatment plans were endorsed by the Board.

A key component of our risk mitigation strategy is the internal audit program, which is delivered by an independent auditor. The BARC regularly monitors the progress of all internal audit recommendations to ensure compliance with the agreed outcomes and timeframes.

Further information can be obtained from:

Sally Gilbert  
Executive Branch Manager,  
Governance & Corporate Services  
Suburban Land Agency  
+61 2 6205 0600

*Whitlam residents learning about sustainability in their suburb.*



## B.5 Internal Audit

Our Board established the Board Audit and Risk Committee (BARC) as a key component of its governance framework. The role of the BARC, as set out in its charter, is to assist the Board to discharge responsibilities in relation to:

- external and internal audit
- risk management
- financial sustainability of SLA
- reporting of financial information
- the adequacy of financial controls
- legal and regulatory compliance frameworks.

From 1 July 2022 to 30 June 2023, the following audits were completed and reported to the BARC:

- Salesforce – post implementation review
- Kingston Arts Precinct
- Contract and supplier management
- High performing teams
- Operational effectiveness.

The BARC met seven times in 2022-23.

**Table 10: Membership of the Board Audit and Risk Committee (BARC)**

Name	Position	Meetings attended
Julie Garland McLellan (SLA Board Member)	Chair	7/7
Clare Petre (SLA Board Member)	Committee Member	7/7
Margaret Walker	Independent Member	2/2
David Webster (SLA Board Member)	Committee Member	4/4
Shelley Penn (SLA Board Member)	Committee Member	1/1
Ken Wood (SLA Board Member)	Committee Member	2/2
Jennifer Cunich (SLA Board Member)	Chair	0/0

**Notes:**

1. SLA Board members who are also members of the BARC are remunerated in accordance with the ACT Remuneration Tribunal's Determination 13 of 2021 (Part-time Public Office Holders).
2. Julie Garland McLellan's term concluded 22 June 2023, with Jennifer Cunich appointed Chair on 23 June 2023.

Further information can be obtained from:

Sally Gilbert  
Executive Branch Manager,  
Governance & Corporate Services  
Suburban Land Agency  
+61 2 6205 0600

## B.6 Fraud Prevention

The *Public Sector Management Act 1994* requires entities to adopt an active preventative strategy towards the control of all breaches of integrity, including fraud and corruption. The ACT Integrity Governance Policy stipulates that ACT Government entities are to prepare a Fraud and Corruption Prevention Plan every two years. This is to support entities to review risk assessment methodologies and to identify and assess changes in their operations and environment since the previous plan.

We operated in accordance with a portfolio-wide Fraud and Corruption Control Plan, which was approved by our Board, the Board of the City Renewal Authority (CRA) and the Executive Management Board of EPSDD. The plan outlines our commitment and approach to the issues and prevention of fraud and corruption. Risks to fraud and corruption were identified in a separate portfolio-wide Fraud and Corruption Risk Register. We have worked with EPSDD and CRA to undertake the mandatory two-yearly review of the plan and register to ensure it remains clear, relevant, consistent, and integrated with relevant ACT Government policies.

In addition to the portfolio-wide risk register, fraud and corruption risks are incorporated in our own risk register. They were reviewed and updated in 2022–23 as part of our annual review plan. The BARC and Executive oversaw the development and implementation of fraud and corruption prevention activities consistent with the controls identified in the risk registers.

Fraud and corruption control, along with risk assessment, continues to be a key focus. We also collected, consolidated, and analysed Conflict of Interest (COI) Declarations from staff during 2022–23. Through this process, staff declared real or perceived conflicts, and treatments and/or mitigation strategies were determined where required.

In addition to the COI, the Executive and Board provide further disclosures as required for key management personnel under *AASB 124 Related Party Disclosures* (Standard). The Standard defines key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly.

During 2022–23, we demonstrated our commitment to creating and maintaining a positive work culture through continued investment in training and development opportunities for our workforce. This included developing fraud and corruption control key performance indicators for SLA and e-Learning training on fraud and corruption, ethics awareness, and other related integrity courses to promote a culture of learning, disclosure, transparency, and accountability.

Fraud and corruption prevention training included:

- ACT with Integrity: An interactive game
- Conflict of Interest
- Fraud, Corruption and Ethics Awareness
- Information Privacy eLearning
- Probity in procurement
- Reportable Conduct in EPSDD
- Reporting Corruption to the ACT Integrity Commission.

This training was provided to staff through a variety of mediums. Messages were reinforced at all staff meetings and in internal newsletters. This approach will continue into 2023–24 and beyond.

## Incidents of Reporting in 2022-23

Our Disclosure Officers for the purpose of public interest disclosure matters made under the *Public Interest Disclosure Act 2012* are the CEO, the Executive Branch Manager, Governance & Corporate Services and the EPSDD Chief Operating Officer.

The Senior Executive Responsible for Business Integrity Risk (SERBIR) during 2022-23 was the EPSDD Chief Operating Officer. SERBIR support for SLA is provided under a Service Agreement with EPSDD.

During 2022-23, one matter pertaining to allegation of fraud, corruption or misconduct was reported. This matter is undergoing Preliminary Assessment.

The 2021-22 annual report advised there were five matters which were ongoing at the time of reporting.

During 2022-23, the following decisions were made in relation to 2021-22 matters:

- one matter was stayed by the Public Sector Standards Commissioner under clause H1.6.2 of the Administrative and Related Classifications Enterprise Agreement 2021-22;
- one matter was closed on advice from Integrity Commission (IC) with advice that it did not amount to disclosable conduct;
- one matter was referred to the IC and remains ongoing;
- one matter was referred to the IC and Public Sector Standards Commissioner and remains ongoing; and
- one matter was closed with a finding of misconduct and appropriate action taken.

Further information can be obtained from:

Sally Gilbert  
Executive Branch Manager,  
Governance & Corporate Services  
Suburban Land Agency  
+61 2 6205 0600

*Whitlam Heartbeat Café's artwork by Nggunnawal Knowledge Holder, Richie Allan.*



## B.7 Freedom of Information

### Open Government

SLA is committed to the principles of open government and operations that align with objects of *Freedom of Information Act 2016* (FOI Act).

#### Making an access application

EPSDD manages FOI Act applications on our behalf under a service agreement.

Subject to the FOI Act, every person has an enforceable right to obtain access to government information.

We can assist you to locate the information you are seeking. Please contact the EPSDD Information Governance team on 13 22 81 or email [EPSDFOI@act.gov.au](mailto:EPSDFOI@act.gov.au). For more information on making an access application, visit [www.environment.act.gov.au/about-us/access-government-information](http://www.environment.act.gov.au/about-us/access-government-information).

Access applications are recorded in a disclosure log, as required by the FOI Act. To view the disclosure log for EPSDD (which includes SLA), visit [www.environment.act.gov.au/about-us/access-government-information/disclosure-log](http://www.environment.act.gov.au/about-us/access-government-information/disclosure-log).

### Freedom of Information Act 2016

**Table 11: Open Access Information – Section 96 (3) (a) (i), (ii) and (iii)**

	Number	Additional Information
Number of decisions to publish Open Access Information.	19	
Number of decisions not to publish Open Access Information.	-	<i>Nil</i>
Number of decisions not to publish a description of Open Access Information withheld.	-	<i>Nil</i>

**Table 12: FOI Applications Received and Decision Type – Section 96 (3) (a) (iv), (vii), (viii) and (ix)**

	Number	Additional Information
Number of applications received.	14	<i>4 applications pending a decision at 30 June 2023</i>
Number of applications where access to all information requested was given.	-	<i>Nil</i>
Number of applications where access to only some of the information requested was given (partial release).	7	
Number of applications where access to the information requested was refused.	-	<i>Nil</i>

**Notes:**

1. One application was carried over from 2021-22.
2. At the end of the reporting period there were nine applications finalised (seven partial release, two no documents held), two applications withdrawn and four in progress.

**Table 13: FOI Processing Timeframe – Section 96 (3) (a) (v), (vi); and Section 96 (3) (d)**

	Number	Additional Information
Total applications decided within the time to decide under Section 40.	6	20-35 days Note: no decisions made in new timeframe applicable under FOI amendment.
Applications not decided within the time to decide under Section 40.	3	Three applications not decided within section 40 however decided within time granted by applicant.
Number of days taken to decide over the time to decide in Section 40 for each application.	7, 10, 12 days over	Detailed above.

**Table 14: Amendment to Personal Information – Section 96 (3) (a) (x) and Section 96 (3) (e)**

	Number	Additional Information
Number of requests made to amend personal Information, and the decisions made (e.g., amended, refused, notation added to record, other).	-	Nil

**Table 15: Reviews – Section 96 (3) (b); Section 96 (3) (c)**

	Number	Additional Information
Number of applications made to Ombudsman under Section 74.	-	Nil
Number of applications made to ACT Civil & Administrative Tribunal under Section 84 and the results of the applications (e.g., affirmed, varied, set aside and substituted, withdrawn, other).	-	Nil

**Table 16: Fees – Section 96 (3) (f)**

	Number	Additional Information
Total charges and application fees collected from access applications.	-	Nil

Further information can be obtained from:

Sally Gilbert  
Executive Branch Manager,  
Governance & Corporate Services  
Suburban Land Agency  
+61 2 6205 0600

## B.8 Community Engagement and Support

### Collaborating with key stakeholders and strengthening meaningful community networks

A key aspect of SLA's work is built around our successful stakeholder and community connections. Strong partnerships, stakeholder relationships and resident interactions all contribute to our vision of creating great places where communities thrive.

We work to encourage and promote inclusive communities by delivering people-focused neighbourhoods. The 2022-23 Statement of Intent illustrates our strategy which includes:

- suburban development and urban renewal that supports affordable living, a safe and healthy population, social inclusion, housing choice and environmental sustainability growth and diversification of the Territory's economy; and
- effective operation to deliver value for money using sound risk management practices.

SLA's community development program, Mingle, is a dedicated program which aims to nurture vibrant and thriving communities in SLA new estates. We create place experiences and lifestyles that are tailored to these estates, and in turn create a sense of community to make everyone feel welcome at home. Our current Mingle programs are active in the estates of Taylor, Jacka, and Whitlam and formerly Throsby.

A key part of the Mingle program involves building capability within the community, allowing them to continue fostering connections and experiences for themselves, after the Mingle program's tenure concludes. Mingle's presence in Throsby concluded in March 2023, with the community confidently leading residential activities independently, following the support of the Mingle program in establishing initial activities.

A number of ACT Government partnerships were also established in the areas of sustainability and education. See Section B12 for examples of social sustainability.

### Community engagement

Significant stakeholder engagement projects were undertaken in Gungahlin, Woden (Phillip), Coombs, North Wright and continued in Kingston. Our place-led co-design projects included Ngunnawal and First Nations engagement elements by working with First Nations engagement specialists such as Traditional Owners Aboriginal Corporation, *Bagariin* Ngunnawal Cultural Consulting and Curijo.

In addition, initiatives to inform the community about upcoming land releases were undertaken across Canberra. The Ginninderry Joint Venture also held engagement projects throughout the year.

#### GTC East | Place Ambition and Design & Place Framework

We developed a Place Ambition and a draft Design & Place Framework for the 32-hectare GTC East precinct. A demographically representative group of 100 Gungahlin residents was selected to form the 'Gungahlin Community Panel' in August 2022 and along with high school students, key stakeholders and the general Gungahlin community, took part in a two-staged engagement program from October to November 2022 and February to March 2023. Activities included a Future Thinking Panel event, pop-up events, a young person's workshop, self-paced online surveys and face-to-face and online workshops. The final documents will guide future land releases and development of the linear park.

#### Phillip Block 1, Section 7 | Place Design Brief

We developed a Place Design Brief with the community for this 12,946m<sup>2</sup> site as a result of a two staged process: *Discover* place stories (October - November 2022) and then *Co-design* place objectives for the site (January - February 2023). Engagement activities included interactive walking tours, pop-up stalls, online surveys, community workshops and several youth pop-ups including at the nearby Canberra College Woden Campus to define the opportunities particular to this site. The Place Design Brief established the non-financial objectives of the site development, provides guidance to future developers of the site and forms part of the sales documentation of the site released to market May 2023.

### **Kingston Arts Precinct**

Throughout 2022-23, we continued to work closely with the community and key stakeholders to develop the Kingston Arts Precinct (KAP) Place Brief, bringing together aspirations of our diverse Canberra community. Engagement included Ngunnawal community consultation, a visual online survey and community panel meetings. The Place Brief was completed in March 2023 and will guide SLA and arts ACT, developers, architects, landscape architects and urban designers in preparing designs and future development proposals that respond to the area's unique character and contribute positively to a sense of place. A new consulting project team is now continuing to engage with community and arts organisations through different stages of the design to prepare submissions for formal approvals that will permit construction to commence. Three workshops were held in June 2023.

### **Coombs Block 3, Section 17 | Community Facility Site**

The community was consulted to determine the preferred uses for this final Community zoned site in Coombs. The site sits adjacent to the future Residential Treatment Centre for eating disorders being delivered by ACT Health. Consultation occurred in February and March 2023 and comprised an online survey, a community pop-up at the Coombs Shops, presentation to Molonglo Valley Community Forum and a targeted youth engagement with youth leadership at nearby Charles Weston school. Community views helped to restrict uses in the crown lease, prior to its release to market in June 2023.

### **North Wright Compact Housing Project**

SLA is designing and constructing a showcase sustainable housing precinct located in North Wright. The site comprises five parcels of land with 43 separately titled blocks of 200 sqm to 250 sqm which will sit within a single, integrated precinct. Invitations to form an industry and community Stakeholder Advisory Group were issued in July 2022 and 23 representatives joined a series of face to face and hybrid workshops held between October 2022 and February 2023. Feedback on placemaking ideas, sustainability priorities and review of concepts informed the Stage 1 design development of 23 compact two- and three-bedroom townhouses with final designs informing the construction tender. Engagement will continue into 2023-24 for Stage 2 design development.

### **Canberra Brickworks Precinct Redevelopment**

During 2022-23, DOMA Group continued to engage with the community on the design and development of the Canberra Brickworks Precinct to progress the Estate Development Plan. Consultation included meetings with the community panel as well as progress updates provided on the Brickworks community website. Further consultation is planned, including a community information evening, as the design and development progresses for Development Applications for the Heritage Core and first residential stages.

### **Gold Creek Homestead Precinct**

Lendlease continued to engage with the community on the design and development of the Gold Creek Homestead Precinct to progress the Development Application which was approved in December 2022. Engagement activities included a virtual ideas wall on the project website, virtual live community engagement sessions, stakeholder meetings (virtual and face-to-face) and stakeholder surveys.

### **Lane Poole Place in Yarralumla**

Consultation continued with Yarralumla residents, and particularly those adjacent to Block 21 Section 102. Residents and stakeholders continued to receive updates about the project to implement the landscape management plan agreed with them in 2021-22.

The updates informed stakeholders of approvals from authorities, engagement of contractors, estimated program and mobilisation to site.

### **Ginninderry (West Belconnen)**

In 2016, the ACT Government and Riverview Group formed a joint venture to develop an innovative master-planned community spanning the ACT and NSW border in West Belconnen. The project has set the benchmark for active community engagement and is recognised by industry for following best practices for engagement in urban development.

The Ginninderry Aboriginal Advisory Group worked closely with Aboriginal and Torres Strait Islander communities to ensure significant sites were appropriately managed and protected and to determine appropriate development sites throughout the project area.

The Ginninderry Conservation Trust, an independent body comprising community and government representatives, manages the conservation corridor that forms a vital component of the Ginninderry site, ensuring the protection of environmental and heritage values.

The growth of Ginninderry's first suburb, Strathnairn, has been rapid. Over 650 dwellings are occupied, providing homes for approximately 1,700 residents. Those residents and the broader community have continued to benefit from Ginninderry's strong community development focus through engagements like Community Grants, Paddys Park Play Day, a Repair café, and regular programs at The Link - Ginninderry's Community and Information Centre.

## Keeping community informed

We kept the community informed about the market release of suburban sites, which included sites in the areas of Belconnen, Gungahlin and Molonglo. Nearby residents and key stakeholders, such as local community councils, were regularly informed through a combination of letterbox drops, emails, social media posts and website information updates, in addition to presenting at community council meetings where relevant. We updated community members on the following projects:

- Belconnen Village on Lathlain Street, Section 23
- Belconnen Village on Walder Street, Section 22, Blocks 2 and 3
- Belconnen Lakeshore sales process (the Circus Sites Precinct (Site 1) and the Former Belconnen Water Police site (Block 29, Section 149 Belconnen) at Emu Inlet Waterfront (Site 2))
- Lawson Stage 2B Estate Development Plan Amendment
- Lawson Section AB, Block A
- Gungahlin Section 228, Block 1
- Yarralumla Landscape Management Plan, Section 102, Block 21
- Holt Section 51, Block 71 (Kippax)
- Jacka Stage 2
- Oaks Estate Section 11, Block 14
- Watson Section 76
- Various Molonglo Valley projects – Coombs and Wright Village, Whitlam Local Centre, Deep Creek Dam, 132KV Powerline project and Molonglo Valley Sewer upgrades

## Local industry

We proactively engaged, and sought opportunities to collaborate with, industry throughout the year:

- Meeting regularly with Master Builder Association (MBA) ACT to seek feedback and coordinate messages to the building industry.
- Meeting regularly with Housing Industry Association (HIA) ACT to collaborate on the Whitlam Display Village and coordinate messages to the building industry.
- Meeting regularly with the Property Council of Australia to seek feedback and coordinate messages to the property industry.
- Attending ACT Architecture Awards and events.
- Participating in the 500 Women in Property program by Property Council of Australia and attending PCA ACT Women in Leadership event.
- Sponsoring and attending MBA Civil Contractors Federation Earth Awards 2023.
- Participating in the Housing Industry Association's Industry outlook lunch.
- Sponsoring and participating in the Affordable Housing Development and Investment Summit, presented by the CHIA, to learn and share information about strengthening the affordable and community housing sector.
- Sponsoring and attending HIA ACT's Awards night, recognising outstanding achievements.
- Attending Place Leaders Asia Pacific meetups, conferences, and activities.
- Providing local media organisations with announcements and interviews.
- Meeting and engaging with local Traditional Custodian groups and committees.
- Meeting regularly with local real estate professionals and planning professionals.
- Engaging with civil construction contractors to undertake estate construction.
- Attending regular Housing Solutions Innovation Group meetings with disability sector stakeholders.
- Participating in and presenting at CHIA meetings and hosting a workshop about the requirements for community housing we include in our sales documents.
- Collaborating with the Ginninderry Joint Venture, NHFIC and CHC on the Ginninderry Women's Housing Initiative, a Build-to-Rent-to-Buy pilot program.

- Communicating progress of Turner Build-to-Rent Tender to Market Sounding participants, subscribers and prospective tenderers.
- Partnering with educational institutions such as Gungahlin College, Canberra College, Narrabundah College and University of Canberra to introduce concepts of place making to senior students and architecture students.
- Working with University of NSW Canberra to undertake a research project with the ACT Government to model how embers from bushfires move at Canberra's rural-urban interface.
- Partnering with local community services organisations such as Canberra Region.
- Community Services, Community Services #1, ACT Playgroups, and Woden Community Service to provide support and enhance existing programs.
- Tours of the Whitlam Display Village and Innovation Hub with HIA GreenSmart Symposium delegates, HIA National Planners, the Australian Defence Force Arts for Recovery, Resilience, Teamwork and Skills (ADF ARRTS) Program, Lend Lease, Ginninderry, Department of Foreign Affairs and Trade City Diplomacy Program, Trinity Christian School and various Industry award judging panels.

*Whitlam residents join the fun for the Mingle egg hunt activities.*



# Mingle community development

Mingle is a tailored community development program designed to build vibrant local communities within new ACT Government greenfield estates. The program empowers communities to transform spaces into places, and houses into homes. We work to support communities and neighbourhoods to flourish. Creating a sense of belonging for local residents provides benefits to health and wellbeing.

Mingle works to identify community needs and interests using specialised community development strategy and theory practices. In addition, together with the help of residents, partners and stakeholders, it facilitates targeted events and activities with the aim to encourage new residents to get to know each other, feel part of their community and become involved in

community life. The program works to implement community activities that are ultimately owned and championed by local residents.

Mingle takes an asset-based approach to community development. Asset-based community development builds on the assets that are found in the community and mobilises people to come together to realise and develop their strengths. The Mingle team identifies community strengths, possibilities of place and facilitates social connections as well as a sense of custodianship and belonging. Mingle enables an emerging community to establish its own unique identity and culture and builds vibrant and sustainable communities.

The program is centred around the following five guiding principles:

Figure 2: Mingle program objectives



The Mingle program continued to partner with several organisations, other government directorates and service providers as well as community champions to collaborate on projects, events and activities. This included sessions on community safety, school holiday programs and several themed events centred around celebratory occasions such as Easter, Diwali and Mother's Day.



*A local young resident getting involved with the Mingle egg-hunt festivities in Taylor.*

# Southside

## Whitlam

The Mingle program continues to support the steadily growing resident population in Whitlam.

Over the past year the Mingle team has run 21 activities and events with over 1,300 in attendance.

The SLA Innovation Precinct - Whitlam Display Village officially opened in November 2022, with 2,500 people in attendance at the opening event. This has been a crucial part of establishing the Mingle program in Whitlam, with the precinct providing the community with an opportunity to meet, learn and play together. Woden Community Service were brought on to run the Whitlam Place Curation program, to increase external visitor attendance. This has also become a crucial part of the community fabric at Whitlam, generating weekly events along the themes of creativity, entrepreneurship, wellbeing, collaboration and sustainability. The dedicated Mingle community space at the Innovation Precinct mean that the community have a central meeting place to come together. This been pivotal in seeing a rapid growth for community activities and participation.

Mingle has collaborated with the Place Curation Team on the highly successful mural painting activities with the Evelyn Scott School students and local residents. These activities have brought both a creative flair to the Whitlam suburb and a sense of local community ownership. Other co-hosted events included the Care, Share Repair events and mutually supporting holiday programs with Mingle focussing on sports activities and drop-in activities.

In August 2022, the Blue Poles Park opened, becoming a location for fitness classes as well as a successful New Year Picnic, run by Mingle toward the end of January. This was a great success, with over 50 people in attendance and many people staying on to continue picnicking and socialising after the event ended.

In April 2022, an Easter event was held with an egg hunt and creative activities for children. The event was well attended with around 120 Whitlam residents joining the celebration.

A focus on sustainability helped instigate the Gabori Street gardening sessions in May 2023, which, while initially heavily Mingle-led, has grown to be very much driven by local residents. A Lids4Kids

partnership was also initiated, resulting in a sorting station that continues to be designed with SLA's placemaking and sustainability teams. It is hoped this will be realised in the next financial year.

In November 2022, a Whitlam resident also led a Diwali event. As the aim of the Mingle program is to support residents to take ownership of their communities, this was a great initiative to realise so early in the Whitlam development. A total of 30 locals attended the event and Mingle were able to support this with promotion and venue support.

There continues to be a range of ongoing programs in Whitlam, including an ACT Playgroup with numbers growing to eight to 10 regularly attending families. A Mums and Bubs exercise class run by FoxFitPT continues to be popular with a small, but regularly attending group of mums, and Mums Exercise Group Australia (MEGA) Yoga runs weekly. Programs which proved to be less successful were the fitness in the park sessions, Whitlam Walks and a mid-week gentle exercise class. These are important to note as they provide learnings to the team, as each community responds differently to different initiatives.

Mingle staff continued to work closely with stakeholders such as the Molonglo Valley Community Forum, the Evelyn Scott School, the Molonglo Catchment Group, State Emergency Service, various local businesses, community and arts organisations, sporting groups and other ACT Government directorates.

In June 2023, Whitlam achieved the milestone of 200 completed homes, with an estimated population of 540 residents. As resident numbers in Whitlam continue to grow, focus has been on distribution of the quarterly newsletter and welcome packs. The Woden Community Services Community Development Officer hand delivers hand-written welcome notes to residents which are very well received with over 50 per cent take up of welcome packs. Currently there are more than 190 people on the Whitlam electronic mailing list who received monthly email updates and over 620 people following the Whitlam Mingle Facebook page. Mingle utilises other social media platforms such as the Whitlam resident Facebook page (473 members) and Whitlam Notice Board Group (391 members) to extend messaging reach.

# Northside

Three Mingle programs were supported in Gungahlin this year including Throsby, Taylor and Jacka. The Throsby Mingle program concluded in early 2023, after five years. We saw significant growth in the Taylor community development program, and the soft launch of Jacka Mingle commenced in conjunction with the first land sales early June 2023.

## Throsby

It was a busy year for stakeholder partnerships in Throsby with the first year of operation of Throsby School and the opening of Wildbark visitor centre on the edge of Mulligans Flat Woodland Sanctuary. From July to December 2022, Mingle actively supported the opening of Wildbark and encouraged engagement from the local residents in tours and workshops led by the centre. Mingle continued to support Throsby School with attendance at community days and engagement activities.

Throsby Mingle delivered or supported five activities and five engagements during the year, with over 1,250 community members participating. Regular activities included the weekly playgroup held in partnership with ACT Playgroups. The playgroup moved from Throsby Joey Park to Wildbark in late July 2022, and grew quickly with over 40 people regularly attending weekly. The coordination and support for the playgroup was handed over to Wildbark from December 2022 and it endures as a well-appreciated addition to the Canberra playgroup calendar.

Resident-led activities included interest in activating a Throsby Residents' Association for which Mingle provided support, a Buy Swap Sell event, and the inaugural Throsby Community Diwali Celebration. The Diwali celebration held in September 2022 was coordinated by a Throsby resident with over 250 people in attendance. This was the first large event held at Wildbark sharing community culture. The celebration highlighted the power of resident-led activities to build community.

The Throsby Mingle program formally concluded in March 2023 with the Throsby Community Picnic. Over 170 people attended on an unseasonably hot afternoon at which local First Nations Elders conducted a Welcome to Country and Smoking Ceremony to conclude Mingle's involvement.

## Taylor

Taylor Mingle is now in its fourth year and boasts an array of regular community activities and opportunities for residents to meet one another and connect with local service providers and businesses.

During 2022-23, Mingle delivered or provided support for 21 local community events and activities in Taylor, with over 1,400 community members participating. The Mingle Easter Egg Hunt held in April 2023, was again the largest, most well-attended event in Taylor. More than 250 residents and community members gathered at the local nature playground for Easter craft and an egg hunt with fellow neighbours.

Resident-led activities throughout the year included the commencement of a Clean Up Taylor group by a new resident. Mingle provided support to the resident for equipment, links with TCCS, promotion and coordination. The group has met monthly since August 2022. Mingle also supported residents to activate Halloween activities in the suburb this year, and resident initiatives for morning teas and puppy playdates.

This year has seen substantial growth in stakeholder partnerships in Taylor. Key stakeholders include Margaret Hendry School, Margaret Hendry School P&C, Northside Community Services, Northern Region Community Services Network and Gungahlin Community Council.

Mingle and Northside Community Service (NCS) partnered with SEE-Change to host a Wheelie Fun Day out in Taylor in September 2022. More than 120 people attended, enjoying a trial of the e-bikes and engaging with the community Bike Library then hosted by NCS at Margaret Hendry School.

In November 2022, Mingle and the SLA Sustainability and Innovation Team partnered with TCCS and the Yarralumla Nursery to complete a verge makeover in Taylor. Working in collaboration with residents, the project sought to showcase compliance with nature strip planting guidelines and creation of climate wise gardens using the Free Plant Issue Scheme.

Mingle has increasingly worked in partnership with Margaret Hendry School for community-wide activities and in support of the opening of their new community centre, The Hive. In 2023, Mingle has provided direct support to weekly activities at

The Hive, including an English Conversation Group, Crafternoon with Good Omen Goodeze and a newly commenced resident-led boxing exercise group in partnership with MEGA.

In May 2023, Mingle partnered with Community Services #1 (CS#1) to expand community offerings on the Northside. CS#1 will help Mingle build relationships within the community and foster community connections. This includes connecting with residents, facilitating resident relationships and linking residents with other local services and activities.

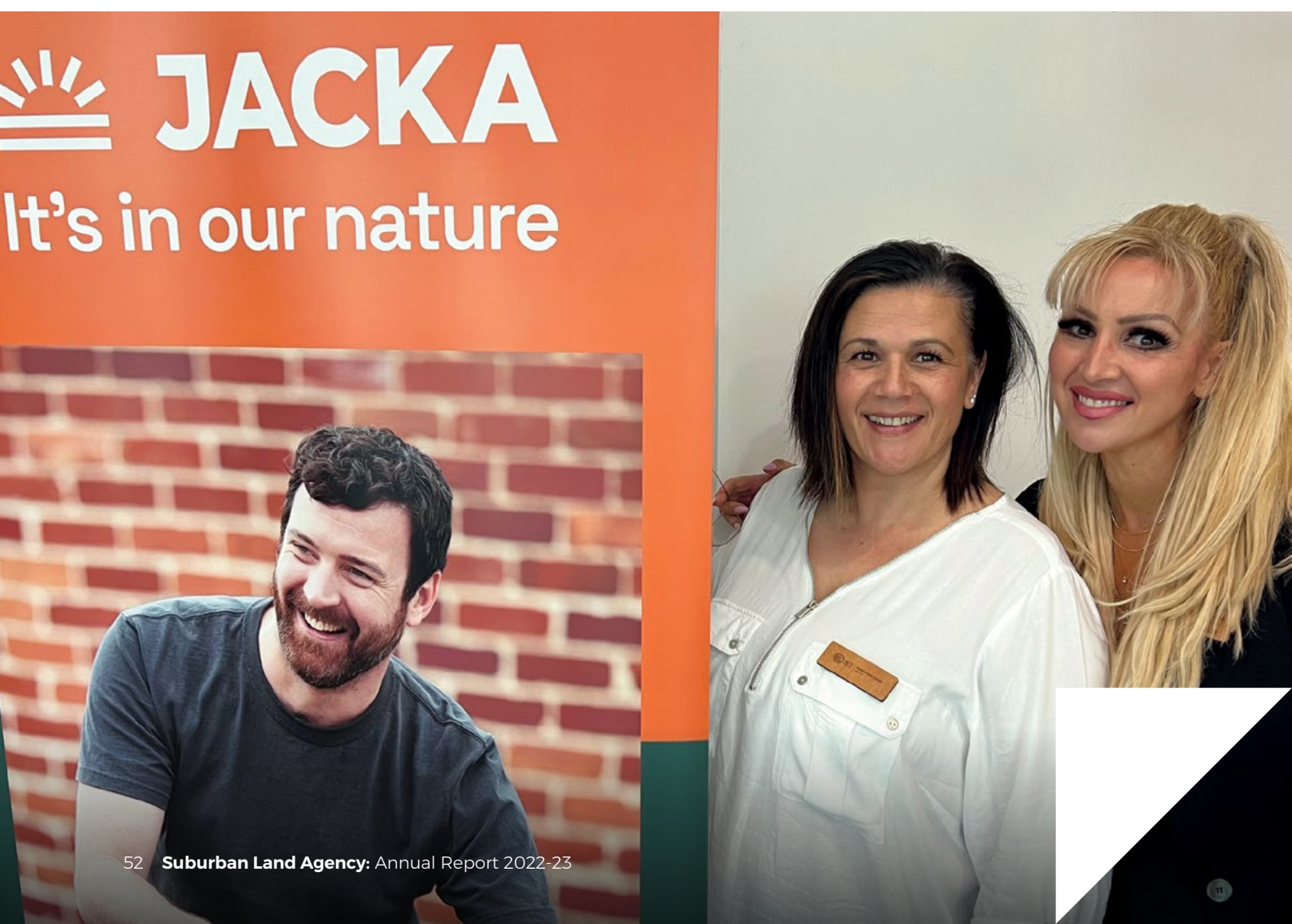
Throughout 2022-23, the Mingle team has been onsite in Taylor at least two days each week. In early 2023, this has included time spent at the Mingle suite and at The Hive. Having the team on-site allows the opportunity for ad hoc drop-in connections with residents and small group engagements such as community walks, morning tea and popular school holiday drop-in craft and games sessions.

Communications with the Taylor community were primarily distributed through social media posts and regular quarterly newsletters delivered to households with around 300 subscribers. Mingle connected with the community through the Taylor Mingle Facebook page where online engagement reaches over 720 followers. Mingle also regularly contributes to and engages with the Taylor Residents Facebook page for further reach.

## Jacka

Jacka Mingle held a soft launch in June 2023, at the Jacka block selection event. Mingle staff were able to introduce the Mingle community development program to Jacka's new residents and encourage registration to the Jacka Mingle Facebook page as an initial method for connection and communication. Mingle will actively continue to engage with Jacka residents throughout the coming year as the first on-site activities begin in August 2023.

*SLA staff welcome potential buyers at the Jacka ballot selection.*



# SLA Sponsorships and Grants

SLA's sponsorships are outlined in Table 17.

**Table 17: SLA Sponsorships and Grants**

Recipient	Project Purpose/Summary	Term	Amount
Avertedge Pty Ltd	Affordable Housing Development Summit, Silver sponsor	2022-23	\$9,900
Housing Industry Association Ltd	HIA Awards & Gala Dinner 2022, Greensmart Category sponsor	2022-23	\$6,600
The Hornery Institute, trading as STUDIO THI	Step-Change Cities Partnership sponsor	2022-23	\$7,700
Master Builders Association of the ACT	MBA Earth Awards, WHS Civil Category sponsor	2022-23	\$7,920
Master Builders Association of the ACT	MBA Excellence Awards, Associate sponsor <ul style="list-style-type: none"> <li>Medium Density Townhouses and Villas</li> <li>Apartments and Units 4 storeys and above</li> </ul>	2022-23	\$9,790
Canberra and District NAIDOC Aboriginal Corporation	ACT NAIDOC Awards 2023, Silver sponsor	2022-23	\$5,000
Housing Industry Association Ltd	HIA ACT and Southern NSW Building Women Awards 2023 sponsor	2022-23	\$7,150
<b>TOTAL</b>			<b>\$54,060</b>

**Note:**

Amounts are reported as GST inclusive where the recipient is registered for GST.

**Table 18: Ginninderry Sponsorships**

The Ginninderry Joint Venture has an annual sponsorship program to encourage and support community and industry initiatives that align with the project's objectives. During 2022-23 the joint venture provided funding as set out in Table 19. All grants are sponsorship grants, with the exception of Ginninderry Tool Library and Ginninderry Food Forest which are community grants. The term for grants is the 2022-23 financial year.

Recipient	Project purpose	Amount
<b>Sponsorships</b>		
Bangladeshi Sports Club Canberra	Bangla Soccer Bash	\$2,500
Ginninderra Cricket Club	Tiger Academy	\$2,500
Belconnen Magpies Football Club	Club Sponsorship	\$5,000
Burns Golf Club Belconnen	Juniors Golf Program	\$2,500
Western Districts Hockey Club	Hook into Hockey	\$3,500
Helping ACT	Christmas Hampers	\$3,000
YassFM	Radio Sponsorship	\$1,000
Strathnairn Arts Association	Squares 2023	\$2,500
Canberra Symphony Orchestra	CSO Music with Kingsford Smith School	\$4,400
Uniting Care Kippax	Christmas Hampers	\$4,000
Roundabout Canberra	Upcycle Clothing	\$2,500
Office for Youth Engagement, Community Services Directorate	Young Canberra Citizen of the Year Awards 2023	\$3,000
Civil Contractors Federation	Earth Awards	\$5,000
Canberra ITC	Outstanding Graduating Apprentice Awards	\$3,300
<b>TOTAL</b>		<b>\$44,700</b>
<b>Community</b>		
Ginninderry Tool Library	–	\$2,000
Ginninderry Food Forest Garden Commons	–	\$4,000
<b>TOTAL</b>		<b>\$6,000</b>

**Note:**

Amounts are reported as GST exclusive where recipient is registered for GST.

# Community Development Assistance and Support

We partnered with residents in Taylor, Throsby and Whitlam to create resident-led events and activities that aligned with Mingle program objectives (see Figure 2 on page 48). All activities were co-designed and delivered with residents and were supported through financial and non-financial (in-kind\*) assistance.

**Table 19: Community Development Assistance and Support**

Recipient	Project purpose	Term of grant	Amount
Margaret Hendry P&C	Taylor Colour Chaos Fun Run	2022-23	\$691.09
Local resident	Community-led street party in Taylor	2022-23	\$85.00
Local resident	Throsby community Diwali event	2022-23	\$1,280.00
Local resident	Taylor morning tea social group	2022-23	<i>In-kind</i>
Local resident	Taylor Clean Up Group	2022-23	<i>In-kind</i>
Local resident	Taylor Halloween	2022-23	<i>In-kind</i>
Local resident	Throsby Buy Swap Sell	2022-23	<i>In-kind</i>
Local resident	Whitlam Diwali event	2022-23	<i>In-kind</i>

**Note:**

Amounts are reported as GST inclusive where recipient is registered for GST.

\*In-kind support includes marketing, communications, staffing assistance and use of event supplies.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

## B.9 Aboriginal and Torres Strait Islander Reporting

We acknowledge and support the Ngunnawal people and the wider Aboriginal and Torres Strait Islander community's aspirations for strong families, cultural identity with connection to community and Country, improved employment opportunities, economic independence, better quality of health and wellbeing and proactive leadership.

### Portfolio Reconciliation Action Plan

We were committed to the EPSDD Portfolio Reconciliation Action Plan (RAP) and implementing activities for 2022-23. Finalisation of a new RAP is currently underway. SLA developed and implemented a Diversity Action Plan aligned to the RAP and the Portfolio's Inclusion and Belonging Strategy.

We demonstrate our commitment to the RAP and the Diversity Action Plan through collaborative and engaged work with EPSDD to support Reconciliation Week and NAIDOC Week.

### Cultural Awareness and Engagement

The Executive Diversity Champion for Aboriginal and/or Torres Strait Islander Community is the Executive Branch Manager, Governance & Corporate Services. With widespread support and actions by staff, we have delivered several initiatives in 2022-23.

We delivered two in-house Dhawura language workshops with high participation rates enabling SLA staff to present the Acknowledgement of Country at all staff meetings in Ngunnawal language. We expanded the staff training and supported two in-house workshops to help bring the 'Ngunnawal Plant Use Guide' to life which builds skills and awareness that can be applied to infrastructure projects through the design, construction and maintenance of public space and landscaped areas.

We continue to focus on our procurement processes and reporting to identify improved ways of communicating with and educating staff on options available to procure Aboriginal and Torres Strait Islander suppliers. We identified Aboriginal and Torres Strait Islander stakeholders as part of a whole of SLA stakeholder engagement strategy.

We continued to work on strengthening relationships with the Aboriginal community and this has included our CEO meeting with the Dhawura Ngunnawal Caring for Country Committee and representatives of the Aboriginal Torres Strait Islander Elected Body. We finalised procurement for a specialist Ngunnawal Liaison Officer position within SLA. The contract engaged an officer for a six-month trial in July 2022 and this was extended for a further six months. To acknowledge the important contribution of, and collectively build relationships with, our Aboriginal and Torres Strait Islander communities, we actively promote key dates of significance by encouraging staff to attend and support activities and events. In addition to this, an Acknowledgement of Country is delivered at many meetings, including Board, Board Committee, All Staff, team meetings and SLA cross branch meetings by those who have taken the Dhawura language workshop.

In addition to participating in the portfolio-wide RAP, we promote whole of government initiatives such as Indigenous networks, and leadership and mentoring programs. SLA collaborated with stakeholders to deliver these activities in SLA.

In October 2022, Ruth Park Play Space was officially opened in Coombs. The inclusive playground opening included a Welcome to Country by Aunty Violet Sheridan. Students from both Charles Weston and Evelyn Scott also attended to share the important occasion with the younger generation.

In March 2023, the Throsby Mingle program wrapped up and this was celebrated with a community picnic. Aunty Serena Williams attended and delivered a Welcome to Country as well as a smoking ceremony for the Throsby community.

With the launch of the Mingle Community Space within the SLA's Innovation Precinct, there has been increased opportunity to bring cultural knowledge education and engagement to Whitlam residents. Mingle's Introductory Taster Workshops included a

weaving workshop held on 9 October, with Ronnie Jordan. The official openings of both Blue Poles on 18 August and the Innovation Precinct on 4 and 5 November included smoking ceremonies and Walks on Country led by Knowledge Holder Richie Allan, who also led a mural painting activity at Heartbeat Café during the Innovation Precinct launch.

Mingle have also actively engaged local First Nations' businesses in business-as-usual activities, IB.Creative printing Mingle flyers, bin stickers printed by Bindigenous and Warralang Products supplying the calico bags used in a Street Art event in May.

The Whitlam Place Curation Team have also engaged local First Nations musicians as part of the weekly music program in Whitlam.

The Strathnairn Charity House initiative was a partnership between the Ginninderry Joint Venture and MBA ACT that saw proceeds from the auction go to four local charities. Aunty Violet Sheridan conducted a Welcome to Country and Ngunnawal Knowledge Holder Richie Allan a smoking ceremony in February 2023 before the auction commenced.

## Collaboration at Events

SLA is exploring new ways to connect and include Ngunnawal people in relation to art strategy, cultural education, telling the Traditional stories about the history and heritage of the land and celebrating a living thriving culture.

The Mingle community space at Whitlam features an informal Indigenous bookshelf, whereby a modest selection of Indigenous authored books are available for community members to borrow and read.

Celebrating a living thriving Ngunnawal culture is a key theme emerging through our place-led community engagement approaches including for the Kingston Arts Precinct, Phillip land release, GTC East and North Wright Compact Housing project.

A range of initiatives have been undertaken including:

- Sponsorship of the Create & Co (trading as Create & Sow) following Kambri: Learning Country Symposium and workshop events, now known as Catchment Studio's Waterways Country Symposium. This was held in November 2022 and the associated Kenny Roundtable in April 2023, to listen to community and especially Ngunnawal knowledge holders about the importance of Sullivans Creek.
- In July 2022, we sponsored a category of the NAIDOC Gala Dinner and Awards.

## Cultural Values Through Consultation

The Ginninderry Joint Venture engaged Waters Consultancy to undertake an Aboriginal Cultural Values Assessment in 2017 to identify intangible cultural values through consultation with knowledge holders and historical research. Ginninderry continues to incorporate the recommendations from this assessment into all project planning.

Throughout 2022-23, the Ginninderry Joint Venture continued to showcase and honour First Nations culture. Hosted at The Link Artspace, Arrernte and Kungarakana artist Shaun Angeles Penangke showcased an exhibition titled 'Apmere Itelareme' (Remembering Country). The artworks represented Altyerre (Dreaming) stories depicting creation ancestors from his family's Country.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

## B.10 Work Health and Safety

Work Health and Safety (WHS) continued to be a key priority for the Board and executive in 2022-23. WHS activities and obligations were managed in accordance with the statutory provisions of the *Work Health and Safety Act 2011* (WHS Act) and supported by a range of whole of government WHS and return to work policies and initiatives.

During 2022-23, SLA was not:

- issued with any Improvement, Prohibition or Non-Disturbance Notices under Part 10 of the WHS Act;
- issued with any findings by the regulator of a failure to comply with a safety duty under Part 2 Division 2.2, 2.3 or 2.4 of the WHS Act; or
- issued with any Enforceable Undertakings under Part 11 of the WHS Act.

SLA complied with its health and safety duties as a Person Conducting a Business or Undertaken pursuant to Part 2, Division 2.2, 2.3 and 2.4 of the WHS Act, and did not have any injury or illnesses that required notification to the regulator in accordance with Part 3, section 38 of the WHS Act.

We were represented by up to three elected health and safety representatives (HSR) for the reporting period.

Representation includes active participation in workplace health and safety meetings including the inter-directorate monthly SLA HSR meetings, 480NBA WHS Committee, workplace inspections and consultation on WHS documentation, COVID-19 management and processes.

SLA is currently supported by two dedicated health and safety staff: the WHS Director and WHS Assistant Director. We participated in one internal assessment in March 2023 as part of the ACTPS Audit and Assurance Program.

At SLA we maintain a WHS Risk register to support our people and continued monitoring. The top three WHS risks in the reporting period were COVID-19, musculoskeletal (or muscular stress) and psychological.

In alignment with ACTPS requirements, SLA transitioned to hybrid working arrangements in response to COVID-19 risk within the community. The COVID-19 Transition Plan was refined to articulate SLA's response to the transition into a COVID normal workplace.

To support hybrid working arrangements SLA managed the musculoskeletal risk by providing workers with ergonomically designed equipment, IT and information and assistance. Workers were offered workstation assessments and checklists to assist with office set ups and remote working.

To address the psychological risk SLA continued peer check-ins and support for workers in various mediums including increased communication through internal newsletters, increased staff meetings and team meetings. Several workshops and team building activities were undertaken throughout the year to increase connectiveness and engagement within and across teams to continue our strong commitment to a culture of safety, connectiveness and wellbeing. A number of workers participated in training designed to provide support to workers including Accidental Counsellor course, Mental Health and Wellbeing and the Working Mind of Managers.

We promoted and participated in the 480NBA Flu Vaccination Program.

The SLA WHS Management System Governance Framework continued to be used as the foundation for the WHS Management System. We continue to enhance our systems by strengthening documentation, communication and supports to our people through a variety of mediums.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

## B.11 Human Resources Management

### Our People

#### SLA's commitment to workplace culture

Our people are central to SLA's delivery of services to the community. Creating great places where communities thrive is our vision. Equally so, we are committed to investing in our people and culture to create a safe workplace of highly valued, skilled and engaged people. The People and Capability team developed the Workforce Capability and People Framework and Action Plan (the Framework) to drive the development and implementation of key Human Resource (HR) people focussed strategies and initiatives that promote and support the safety, health and wellbeing of our people.

#### Significant Programs and Culture Committee

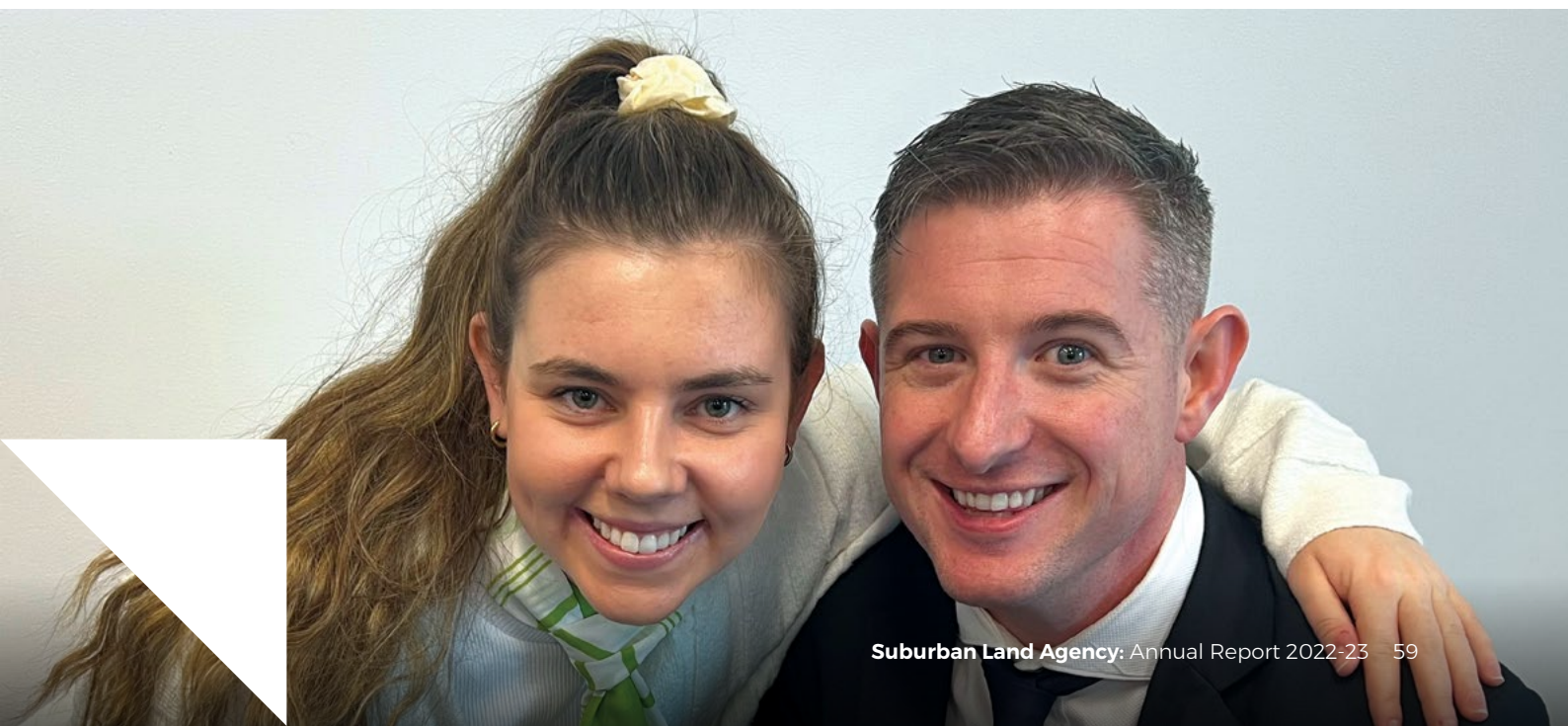
The Significant Programs and Culture Committee (SPCC) met five times in 2022-23. SPCC supported the SLA Board to fulfil its oversight responsibilities in relation to strategically significant programs of work that involve initiatives, projects and organisational culture and capability activities. SPCC continues to strongly support the Framework and associated initiatives.

Katrina Fanning resigned from the Board as of 30 September 2022, concluding her appointment to the SPCC, with David Fisher appointed on 23 June 2023.

**Table 20: Membership of SLA Significant Programs and Culture Committee**

Name of Member	Position	Eligible meetings attended
Shelley Penn (SLA Board Member)	Chair	5/5
John Fitzgerald (SLA Board Chair)	Committee Member	5/5
Katrina Fanning	Committee Member	1/1
Guy Gibson (SLA Board Member)	Committee Member	4/5
David Fisher (SLA Board Member)	Committee Member	0/0

*Staff of SLA at a sales event.*



## Approach to Human Resources, People and Culture

### Workforce Capability and People Framework and Action Plan

In 2022-23 the People & Capability team undertook a strategic review of the Workforce Capability and People Framework (Framework) and Action Plan that play a critical part in ensuring that our people are satisfied, engaged, supported and safe.

The Framework is focussed on four revised pillars: Analyse & Design; Plan & Recruit; Onboard, Train & Develop; and Retain & Empower. A number of key strategies implemented from the Action Plan include:

- Engaging and supporting staff in their performance development plans, providing opportunities for individual and professional growth further creating a culture of a highly skilled, valued and engaged workforce.
- Building capability of staff across SLA through a mix of face-to face and blended training platforms, coaching, learning and development initiatives.
- Enhancing the robust and innovative WHS, wellbeing and staff engagement to support retention and people focused initiatives for SLA.
- Strong focus on best practice recruitment processes and capability building to attract the right people for our workplace.
- SLA conducted a series of workshops focussed on staff engagement, collaboration and innovation, all designed to create a space where people can be their authentic selves, share openly and honestly and input into future ideas and initiatives that support our dynamic work environment.

### ACTPS 2023 Employee Survey

SLA participated in the ACTPS 2023 Employee Survey, with a 78 per cent response rate. This survey measures performance against factors including Engagement, Satisfaction, Commitment & Loyalty. Compared to SLA's 2021 survey results, the 2023 results demonstrated higher satisfaction ratings across the majority of the survey factors.

### Workforce Planning

Significant consultation was undertaken with SLA Executive to understand and forecast workforce resourcing requirements for 2022-23 to enable SLA to monitor and deliver strategic and operational requirements and outcomes.

Looking ahead, we are committed to workforce planning and our focus remains steady. We will continue to empower and support our workforce through providing the knowledge and tools needed to align their skills and capabilities with our strategic objectives.

# Our Staffing Profile



**Headcount of  
152 people**  
30 June 2023



**52.0% Female  
48.0% Male**  
30 June 2023

**Table 21: FTE and Headcount by Branch**

Branch	FTE	Headcount
Built Form and Divestment	20	20
Development Delivery	31.5	32
Finance, Valuations and Systems	19.9	20
Governance and Corporate Services	21	21
Office of the Chief Executive Officer	11	11
Program Solutions	47.3	48
Total	150.7	152

**Table 22: FTE by Headcount and by Gender**

	Female	Male	Non-Binary	Total
FTE by Gender	77.8	72.9	-	105.7
Headcount by Gender	79	73	-	152
% of Workforce	52.0%	48.0%	-	100%

**Table 23: Headcount by Classification and Gender**

Classification	Female	Male	Non-Binary	Total
Administrative Officers	23	11	-	34
Executive Officers	1	5	-	6
Legal Officers	-	1	-	1
Senior Officers	55	56	-	111
Total	79	73	-	152

**Table 24: Headcount by Employment Category and Gender**

Employment Category	Female	Male	Non-Binary	Total
Casual	-	-	-	-
Permanent Full Time	68	65	-	133
Permanent Part Time	5	1	-	6
Temporary Full Time	6	7	-	13
Temporary Part Time	-	-	-	-
Total	79	73	-	152

**Table 25: Headcount by Diversity Group**

Diversity Group	Headcount	% of Total Staff
Aboriginal and/or Torres Strait Islander	2	1.3%
Culturally and Linguistically Diverse	37	24.3%
People with a Disability	6	3.9%

**Table 26: Gender Equity by Classification and Gender**

Classification	Female Avg Salary	Male Avg Salary	Pay Gap
Administrative Officers	96,275	96,634	0.4%
Executive Officers	n.p*	n.p*	23.7%
Senior Officers	142,491	151,322	5.8%
Legal Officers	n.p*	n.p*	n.p*
Total	129,887	151,723	14.4%

\*n.p. – data not published due to small numbers and/or attribute disclosure concerns

**Table 27: Headcount by Age Group and Gender**

Age Group	Female	Male	Non-Binary	Total
Under 25	-	2	-	2
25-34	19	9	-	28
35-44	22	32	-	54
45-54	29	20	-	49
55 and over	9	10	-	19

**Table 28: Headcount by Gender and Average Length of Service**

	Female	Male	Non-Binary	Total
Average Years of Service*	7.0	8.9	-	7.9

\* Average calculation includes years of service accrued prior to the establishment of SLA on 1 July 2017.

**Table 29: Recruitment and Separation Rates**

Rate	Total
Recruitment Rate	15.2%
Separation Rate	6.1%

## Input to State of Service

SLA contributes to the State of Service Survey including providing information in relation to Attraction and Retention Incentives, Special Employment Agreements and Australian Workplace Agreements.

## Workplace Inclusion and Diversity

At SLA, we recognise and appreciate that an inclusive workplace is more likely to attract, recruit and retain a diverse and talented workforce. A workforce that is diverse, inclusive and fosters a sense of belonging is a workforce that is engaged and connected, which is crucial to achieve our key strategic objectives through innovation, creativity and engagement.

SLA continues to promote diversity, inclusion and belonging. SLA continues to adapt and change our ways of working; we promote flexible working arrangements. We work collaboratively with EPSDD to promote various inclusion programs to ensure our employees continue to grow and to enhance safe, productive employee engagement.

Our inclusion programs align to the [Inclusion and Belonging Strategy](#) and the You, Me, We Belong Action Plan. The strategy fosters inclusion initiatives through a targeted, multi-faceted approach to:

- **raise awareness**— develop an appreciation for diversity, raise knowledge of the distinctive cultures and strengths of varied groups at our workplace.
- **provide opportunities**—we always work to strengthen our people and their significant contribution to our goals by attracting and hiring a broad pool of talent and ensuring that every employee has the chance to advance their skills and capacities.
- **meaningful connection**— through recognising the values of many groups, our employees share a sense of connection and belonging to the Directorate.
- **lead the journey**— provide our leaders the skills and tools they need to foster a sense of belonging and connection at work.

## Meaningful Connection

The Directorate's inclusion networks continue to provide our people a sense of community within SLA. Membership is open to all portfolio employees, including those with lived experiences and allies. The Networks meet on a quarterly basis and have recently begun meeting in-person (with virtual dial in option) to increase connectedness and belonging.

Demonstrating an increase in membership since the last reporting period, the inclusion networks currently have 203 members across the following four networks:

- Enablers Network
- Pride Network
- Multicultural Network
- Gender Equity Network

Our inclusion networks aim to:

- create a welcoming, safe and supportive environment for all employees, including people of different cultural backgrounds and ethnicity, age, disability, gender, gender identity, sexual orientation, abilities, religion, language and education
- promote and grow the capability of all employees to lead the cultural change across the Directorate to improve performance and increase productivity of our workplace environments
- provide diverse groups with dedicated communication channels to raise opportunities for workplace improvements
- challenge non-inclusive bias, attitudes and behaviours in the workplace
- raise awareness about diversity and celebrate important calendar events throughout the year.

## Raising awareness

In line with the EPSDD Portfolio Inclusion and Belonging Strategy, the first goal is to increase people's understanding and respect of diversity as well as their awareness of the distinctive advantages, cultures, and strengths of diverse groups in the workplace. Inclusion events during 2022–23 included:

### **NAIDOC Week – 3 to 10 July 2022**

SLA communicated with all staff on NAIDOC week celebrating Elders and the activities being held around Canberra including the wider community.

### **International Women's Day – 8 March 2023**

SLA promoted and invited staff to attend the International Women's Day 'Cracking the Code: Innovation for a gender equal future' either face-to-face or online to listen to keynote speaker and Q&A session with award-winning Comedian Alexandra Hudson who shared her experience of a women living with disability, establishing her career in a male-dominated industry and overcoming the obstacles and barriers. In addition, SLA hosted a morning tea to engage and collaborate.

### **Harmony Week – 20 to 26 March 2023**

SLA actively promoted Harmony Day and encouraged our people to support inclusiveness, respect and a sense of belonging for all. We invited our people to share recipes that hold cultural or significance to them or their family with the EPSDD-led Harmony cookbook.

### **International Day of People with Disability – 2 December 2022**

SLA promoted the International Day of People with Disability through YourSLA to register interest in attending a Whole of Government Q & A session.

### **IDAHOBIT Day – 17 May 2023**

SLA promoted and encouraged its people to partake in IDAHOBIT by raising awareness of this year's theme, 'Together always: united in diversity'. Staff were encouraged to wear purple and join the EPSDD Rainbow March.

### **Reconciliation Week – 27 May to 3 June 2023**

The EPSDD Portfolio invited staff to attend on-Country celebration at Tidbinbilla to promote

the 2023 theme of 'Be a Voice for Generations', encouraging all in attendance to be a voice for reconciliation in tangible ways.

In August 2022, SLA promoted Reconciliation in our community and SLA through an exhibition held in the Dickson Office Block foyer, recognising the diverse leaders working towards reconciliation in our community.

In collaboration with Thunderstone Aboriginal Cultural Services, SLA led a series of Ngunnawal Language workshops with participation from our people and those in EPSDD. These workshops are an opportunity to learn an Acknowledgement of Country in the Ngunnawal language and learning of the brief history of the local Ngunnawal people, their language revitalisation journey, and the protocols for delivering an Acknowledgement of Country. SLA commitment remains strong as we sponsored the local ACT Region NAIDOC Award (NAIDOC Youth Ambassadors Award).

## Reconciliation Action Plan

The EPSDD Portfolio's Innovate Reconciliation Action Plan (RAP) 2019-2021 came to the end of its lifecycle in late 2021. Since then, the RAP Working Group (RAPWG) has been working diligently to prepare the next reiteration of the new Innovate RAP. This involved working through the previous Innovate RAP and identifying opportunities for improvement and development for the new RAP. SLA engaged in the revised RAP consultation that EPSDD led. Following Whole of Government advice regarding ACT Indigenous Interim Protocols, the final endorsement and proposed launch of the new RAP will take place later this year.

## Performance Development Plans

Creating and implementing Performance Development Plans is a critical component to supporting the growth, career development and progression and safety of our people. SLA is committed to ongoing participation in the ACTP Performance Framework.

Throughout 2022-23 SLA continued focus on ensuring Performance Development Plans are in place and that managers are equipped to assist their staff to implement them during the 12-month performance cycle. SLA maintains a key focus on promoting and communicating available training sessions and provides support and advice to managers and staff as needed.

## Learning and Development

Priority areas of training for 2022-23 focused on professional development of applicant preparation, understanding of recruitment processes and conflict of interest within panel recruitments. This training focused on recruitment best practice and equipping our people with an increased understanding of the ACT Government framework and how to best prepare an application, and interview techniques.

Significant focus was placed on completion of three E-Learning modules – WHS and Wellbeing; Fraud Corruption and Ethics Awareness; and Introduction to Risk Management in ACT Government. All staff were required to undertake these mandatory modules in 2022-23 to contribute towards SLA's Statement of Intent Key Performance Indicators. SLA staff continue to access the training made available from EPSDD both in person, and E-Learning with strong completion rates reported each month. In 2022-23 SLA rolled out Silica Awareness Training to all identified project managers, this aligns with the changes in the WHS legislation and ensures compliance noting the continued focus on the safety and wellbeing of our people.

### Providing opportunities

SLA provided opportunities for our people to attend industry events and conferences to increase their awareness, and provide opportunities for networking. This forms part of staff professional development plans and managers are encouraged to support any opportunity for professional development.

## Staff Participation in Whole of Government Training and Study Assistance Program

SLA staff participated in training provided through the ACTPS training calendar.

### SLA Internship Program

SLA recognises the value and importance of broadening our programs to support its people and our community. SLA has an ongoing internship program in collaboration with the Australian National University (ANU) College of Business and Economics for intern placements. Since partnering with the ANU in 2020, the program has hosted a total of 14 students who have worked on specific projects as part of their internships and received course credit towards their study. SLA hosted two students in Semester 1 2023. The program is expanding across the business units of SLA throughout 2023.

As well as providing interns with valuable real world learning opportunities to support their future career paths, the internship program provides SLA teams with an array of benefits such as providing SLA middle management (intern supervisor) leadership and mentoring experience, interns bringing diversity to our workplace by offering different perspectives, thinking styles that challenge the status quo and enhance team innovation, whilst supporting business and community outcomes.

The internship program has received positive feedback from students and ANU including that the program has been valuable and will help students on their future career paths. This positive feedback has been reflected in two ANU Intern of the Year awards received by SLA interns in 2021 and 2022.

## Prioritising the Health and Wellbeing of our People

As the world continues to adapt and respond post the COVID-19 pandemic, continued focus is on the health, safety, and wellbeing of our people. We continue to monitor the impact of COVID-19, the changing HR and industrial landscape, and work collaboratively with key stakeholders across ACT Government to support our people.

Supporting strategies have been implemented to address issues of excess annual leave, acknowledging the unique work from home arrangements that have been in place since 2020. Strategies are focused on providing opportunities for our people to take annual leave and to ensure that workload and resources are appropriately managed so as not to be detrimental to the individual upon their return. This will continue to be a priority in 2023-24 to support the wellbeing, engagement and safety of our people.

SLA has a strong focus on the psychosocial wellness of our staff. The People & Capability team committed to working with business units and individuals to support wellbeing including undertaking 'wellbeing' checks as required. Furthermore, to support staff engagement and wellbeing SLA supported training relating to mental health and wellbeing, including Lifeline's Accidental Counsellor Course, the Working Minds of managers and Mental Health Awareness.

The courses aim to provide managers, workers and the People and Capability professionals with the understanding of mental health, tips and tricks to manage workers who have a mental health concern and provide escalated support where required. Furthermore, SLA recognises that by investing in appropriate and meaningful training we support the safety of our people to ensure they are well equipped to undertake their roles, and flexible and supportive arrangements to support individual self-care and work-life balance.

## Flexible Work Arrangements

SLA is committed to supporting the Flexible Workplace Policy which provides a framework for facilitating Flexible Workplace Arrangements in a way that ensures that workers are safe and supported when working in locations other than their primary place of work, whilst maintaining continuity of expected outcomes and deliverables. We recognise the benefits flexible working arrangements bring to individuals, teams and the wider ACTPS which include improved work/life balance and staff wellbeing, increased job satisfaction, productivity and greater workforce diversity with the ability to attract and retain skilled people.

Further information can be obtained from:

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Executive Branch Manager,  
Governance & Corporate Services  
Suburban Land Agency  
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*SLA worked with TCCS to makeover a Taylor verge using sustainable techniques.*



## B.12 Ecologically Sustainable Development

### Contribution to Ecologically Sustainable Development

SLA is responsible for encouraging and promoting social and environmental sustainability, carrying out land development in an environmentally sustainable way, and supporting statutory greenhouse gas emissions targets.

We are responsible for encouraging and promoting inclusive communities, creating people-focused neighbourhoods, and delivering a suburban development program that supports:

- affordable living
- a safe and healthy population
- social inclusion
- housing choice
- environmental sustainability.

The SLA Sustainability Strategy 2021-25 sets objectives to deliver socially and environmentally sustainable developments, which align with the ACT Government's commitment to net zero emissions by 2045. The Sustainability Strategy has four key themes that span social and environmental sustainability: Resilient Communities, Zero Emissions Suburbs, Responsible Consumption and Production, and Healthy, Prosperous and Inclusive Places.

During 2022-23, we were not subject to any investigations, requests or recommendations from the Commissioner for Sustainability and the Environment.

Information about our greenhouse gas emissions is outlined in Attachment A.

### Resilient Communities

In 2022-23, we delivered actions to ensure our developments contribute support a resilient natural environment and contribute to developing resilient communities.

From November 2022, we welcomed more than 2,500 visitors into SLA's Innovation Precinct at the Display Village in Whitlam and hosted 23 tours for Government, industry groups and international exchange programs through this showcase sustainable development. A popular destination for new residents and visitors alike, it showcases the latest in all-electric, low carbon and multi-generational living, climate-wise landscaping and placemaking.

The Innovation Precinct consists of three multi-generational terrace homes and a single residential building temporarily housing a Sales and Information Centre and Mingle Community Hub from where a community development and placemaking program is run. Climate-wise gardens include nature play, pollinator-friendly plants, a fruit orchard and vegetable plots. The structures of the Heartbeat Café include a convenience shop, covered deck, toilets and tool storage nestled in native gardens. All structures were prefabricated off-site and can be dismantled and reused. Run as a social enterprise, the café offers an employment program to vulnerable young Canberrans. The four showcase homes are designed to Platinum, Gold and Silver Liveable Housing Design standards. The high-performance building envelope features highest levels of insulation and airtightness, a heat recovery system, electric vehicle charging and renewable energy generation and battery storage. Further innovations include permeable driveways and paving, a green roof and recycled and low-carbon building materials. Information about all innovations can be accessed in a Digital Companion mobile application via QR codes across the precinct.

We published and continued to promote our Your Resilient Home Guide, written for residents on designing and building new homes that are resilient to climate change. The guide has been distributed to residents through sales packs, at Mingle events, and is promoted via an ongoing online campaign.

A Sustainability Rebate and Bonds package has been developed for Jacka. Residents who build an all-electric, energy efficient home in line with requirements will be eligible for \$7,000 rebate. Residents who plant a climate wise front garden in line with requirements will be eligible for \$6,000 (or \$7,000 for a corner block) rebate.

Residents who install more than 5.5kW of solar panels will also be eligible to reclaim their \$2,000 solar bond. They will also be eligible to reclaim a \$1,000 verge bond if their verge (i.e. nature strip) is finished in line with TCCS's Nature Strip Guidelines once their homes and front gardens are completed. We continued to implement SLA's *Tree Canopy Cover Framework* to guide internal project delivery, which will contribute to the targets set out in Canberra's Living Infrastructure Plan.

We continued to require key urban developments released in 2022-23 – including Philip Section 7 and Gungahlin Section 228 Block 1 – to be built

according to standard industry sustainability rating tools such as Green Star Buildings, Green Star Communities or equivalent.

We are developing an Adaptation and Resilience Plan template for our new suburbs. The template will be used to guide the development of future suburbs to ensure their buildings and public infrastructure are designed and delivered to ensure they can adapt to and build community resilience in the face of a changing climate.

## Zero Emissions Suburbs

In 2022-23, we continued to work towards delivery of zero emissions suburbs in SLA estates by designing for renewable energy and supporting the community to build all-electric homes.

We have embedded sustainability requirements into the sales contracts for all urban releases in 2022-23. To drive innovation in the development of sustainability requirements for 2023-24 urban releases, we have developed a new Sustainability Matrix. The standard requirements span all themes of our Sustainability Strategy and include ambition to reduce emissions by requiring developments to be all-electric, to include infrastructure for residential and public electric vehicle, scooter and bike charging, and to include installation of solar PV systems.

We continued to provide a Home Energy Rebate Package for eligible buyers in Whitlam, which makes \$10,000 available for households who build a solar powered, highly efficient, all-electric home in line with set requirements.

In 2022-23 we progressed investigating the potential for building a community-scale battery in Jacka 2 through a two-stage tender process. We have worked closely with colleagues in EPSDD and Evoenergy to identify potential sites in Jacka and Taylor where public EV charging may be installed, by ensuring the necessary supporting civil infrastructure is constructed.

We continued to consult with the network of Government Land Organisations and industry bodies such as Place Leaders Asia-Pacific and the Green Building Council of Australia to benchmark and connect on best practice.

SLA is designing and building a net zero emissions housing precinct through the North Wright Compact Housing project. On 43 compact blocks of 200 to 250 sqm, innovative small footprint housing typologies with efficient, compact and multi-functional spaces

are leaving some room to grow – for your garden, communal spaces to meet your neighbours or an additional room in the future as your family grows. Design of 23 dwellings in Stage 1 and associated public spaces have been completed with construction starting soon.

## Responsible Consumption and Production

In 2022-23, we took steps to reduce consumption of natural resources, including waste and water, and to reuse materials to support a circular economy.

We completed and commenced implementing our Sustainable Civil Works Framework. The Framework outlines environmental requirements for civil works contracts and site design that better communicates the SLA's sustainability expectations to civil works contractors. This Framework includes measures to support a more circular economy such as investigating use of alternative and more sustainable materials in infrastructure, reducing construction waste, and decreasing emissions. It is already being implemented in two new developments.

We continuously improved our sediment and erosion control measures during civil construction of Whitlam Stages 3 and 4. Regular on-site audits of the sediment and control measures ensure they are as effective as possible in reducing the sediment runoff into the Molonglo River Reserve. Sediment and erosion control in Whitlam has improved significantly, and the learnings from this project will be applied in future SLA developments to continue to minimise our impact on water quality during construction phase.

Our Mingle and Marketing teams showed leadership in responsible consumption and minimising everyday waste by hosting plastic free events with reusable crockery and cutlery. Over 150 people attended a 'Care Share Repair' event in May 2023, at the Innovation Precinct in Whitlam. Specific workshops on the day encouraged residents to reduce their environmental impact by mending and upcycling their clothes, buying second hand clothing and participating in a 'clothes swap' to prevent old clothes entering into landfill. A community book sharing scheme to promote the value of the share economy was set up at the Display Village in Whitlam, featuring books authored by First Nations authors and books on the topics of artists, creativity and sustainable living.

## Healthy, Prosperous and Inclusive Places

In 2022-23, we continued to design and develop sites to support healthy communities, prosperous local centres, and inclusive places.

In delivering great public spaces for the community, Blue Poles Park in Whitlam and Ruth Park Play Space in Coombs were completed. Both were designed with sustainable – recycled or reused – materials. They include nature play areas, and are accessible with their gently sloped entrances and by including soft fall areas built under play equipment.

Active travel is an important consideration when designing new developments. It encourages the community to consider transport options such as walking, cycling and public transport rather than driving. Walkability is central to the design of our new suburbs to ensure an enjoyable walking experience which helps foster a culture of walking – there will be almost 6km of dedicated active travel routes built across Whitlam once construction of Stages 3 and 4 is completed.

The Mingle program hosted a number of activities that focused on health and wellbeing, including walking groups in Throsby, Whitlam and Taylor, and sporting activities and gardening events in Whitlam and Taylor. Events are designed to support a diverse range of attendees of different ages and cultural backgrounds.

For new developments, we consider crime prevention through environmental design. Community safety sessions were held in Gungahlin and the Molonglo Valley, which linked residents to local services such as Neighbourhood Watch, Crime Stoppers and ACT Policing. We are participating in a cross-Government project to develop a Gender Sensitive Urban Design Guide and will be piloting these principles in our public spaces from 2023-24.

SLA is implementing our Placemaking Framework, which identifies opportunities for how we can incorporate placemaking into all our work, and for us to be a place-led delivery agency. Building on the place-led processes successfully undertaken for Belconnen Lakeshore and Whitlam Local Centre, the following projects have been developed during the reporting period:

- community engagement to develop the Place Ambition and Place and Design Framework for GTC East
- community engagement to develop the Place Design Brief for Philip Section 7
- community engagement during the development of a Place Ambition for the North Wright Compact Housing Development
- ongoing community engagement with the arts community, key community stakeholders and general public to complete the Kingston Arts Precinct Place Brief and the design of the precinct
- engagement of Woden Community Services to deliver the first year of Place Curation services and Heartbeat Café operation at the Innovation Precinct at SLA's Display Village in Whitlam.

Our place-led approach was awarded a Commendation at the national Place Leaders Awards 2022 in the Place Process category for 'doing things differently'.

Affordable living includes access to open spaces, community facilities and different transport options. We achieved this by designing public spaces close to most homes and within all developments.

We offered a range of block sizes for sale in all new developments, which created diversity among housing types. We also delivered sites for affordable, public and community housing.

Information about our delivery of public, affordable and community housing is outlined in Section B2 – Performance Analysis.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600



*Smart design and family moments at Whitlam Display Home, reflecting SLA's community vision.*



# Part C

## Financial Management Discussion and Analysis

# C.1 Financial Management Discussion and Analysis for the year ended 30 June 2023

## Objectives

The Suburban Land Agency (SLA) was established on 1 July 2017 under section 37 of the *City Renewal Authority and Suburban Land Agency Act 2017* (the Act). SLA is responsible for the Government's suburban development program including urban renewal in established town centres and suburbs outside 'declared urban renewal precincts'. SLA relies on the Environment, Planning and Sustainable Development Directorate (EPSDD) to supplement SLA's functions in some areas such as people and capability, governance and legal services, information management, fleet management and due diligence. These services are provided by the EPSDD to SLA free of charge.

The objectives of SLA, as set out in section 38 of the Act, are to:

- Encourage and promote:
  - inclusive communities through the delivery of people-focused neighbourhoods; and
  - suburban development and urban renewal, other than in the City Renewal Precinct, that supports the following:
    - affordable living;
    - a safe and healthy population;
    - social inclusion;
    - housing choice;
    - social and environmental sustainability; and
    - growth and diversification of the Territory's economy.
- Operate effectively, in a way that delivers value for money, in accordance with sound risk management practices.

## Nature and Scope of Activities

SLA develops and releases government-owned land for residential, commercial, industrial and community purposes.

SLA:

- buys and sells land on behalf of the Territory;
- ensures a mixture of public and private housing in new suburbs;
- increases the supply of affordable and community housing;

- meets housing targets;
- develops land in an environmentally sustainable way;
- operates in ways that support statutory greenhouse gas emissions targets and delivers environmentally sustainable development; and
- follows and supports whole of government strategies.

SLA works closely with other entities to encourage cohesive suburban development. By acting in a trustworthy, responsible and professional way, SLA will:

- work efficiently in providing financial and non-financial returns to the Territory;
- when developing land, consider the environment and long-term sustainability of key commercial decisions;
- encourage and support innovation to build a city for the future with a focus on affordable living, safe and inclusive communities, housing diversity, transport, water supply, sustainable environments, connectivity and energy efficiency;
- in conjunction with other agencies, deliver the ACT Government's Indicative Land Release Program (ILRP);
- undertake meaningful engagement with the Ngunnawal people, the traditional custodians of the land we develop, to understand cultural and heritage implications on our projects; and
- engage with communities clearly, transparently, honestly and professionally about the land development process and projects.

SLA carefully balances public and private sector priorities and is building strong and mutually beneficial relationships across both sectors.

## Public Non-Financial Corporation

SLA is a Public Non-Financial Corporation, which is also known as a Public Trading Enterprise. Consistent with the ACT Government's policy statement on competitive neutrality (Competitive Neutrality in the ACT, October 2010), SLA applies similar costing and pricing principles, taxation, debt guarantee requirements and regulations as a fully corporatised business, including:

- the transfer of unleased land for development from the Territory on a commercial basis;
- land holding cost payments;
- stamp duty equivalent payments;
- application of the National Tax Equivalent Regime; and
- providing a commercial return to the ACT Government through the development and sale of the land.

## Going Concern

AASB 101 *Presentation of Financial Statements* states that financial statements should be prepared on a going concern basis unless there is an intention to liquidate the entity or cease trading, or there is no realistic alternative but to do so. SLA has a history of profitable operations and as a Government entity, has the likely access to the financial backing of the Territory. SLA is not expected to be liquidated or cease trading without a Government direction to do so. The ACT Government's 2023-24 Budget Statements clearly outline an intention for SLA to continue to operate for the foreseeable future. The role and functions of SLA are also enshrined in legislation. The going concern basis is therefore considered appropriate for the 2022-23 financial statements.

SLA's current projections indicate appropriate liquidity will be maintained into the future. SLA 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 SLA 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. SLA considers any risks to liquidity are appropriately mitigated by the following:

- the legislation that established SLA requires that the Treasurer, in giving a direction for SLA to pay funds to the Territory, have regard for SLA'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);

- SLA has likely access to financial backing of the Territory; and
- SLA has likely access to financial resources through the Territory.

## Risk Management

SLA maintains a risk register that identifies risks under the following categories:

- **Strategic** – ACT and Australian Government policies, priorities and strategies; external conditions, activities and environment; and meeting community and Government expectations;
- **Operational** – Management of financial and non-financial targets; business and financial systems and processes; organisational and workforce planning; projects and land development; and effective governance;
- **Fraud and Corruption** – Management of information including procedures, procurement, resources and contracts, and compliant records management; and
- **Work Health and Safety (WHS)** – Management of risks to staff and visitors, and oversight and monitoring of contractors' obligations, through active engagement and a WHS framework.

Risk registers for SLA functions and activities are maintained with a fit-for-purpose monitoring and review program to oversee activities.

SLA operates in accordance with the Board-approved SLA Risk Appetite Statement. The Risk Appetite Statement provides a guide to decision makers on the type of key risks/activities and the amount of risk SLA is willing to accept. This contributes to achieving our strategic objectives by supporting decision making in the context of the overall risk appetite.

SLA's Risk Appetite Statement identifies four levels of risk appetite:

- **Zero tolerance** – Absolutely opposed to risk taking;
- **No appetite** – Least possible risk taking;
- **Limited appetite** – Calculated risk taking; and
- **Appetite for** – Engage with risk and pursue opportunities.

## Returns to the Territory

The total return to the ACT Government consists of:

- payment for unleased Territory land transferred from EPSDD;
- payment of national tax equivalent;
- payment of dividends based on operating profit after tax;
- payment of land holding costs and stamp duty equivalent; and
- payment of payroll tax.

Table 30 compares the total returns to the Territory in 2022–23 with the 2022–23 Statement of Intent.

**Table 30: Comparison of Returns to the Territory**

	<b>Actual 2022-23 \$'M</b>	<b>Original Budget 2022-23 \$'M</b>
Dividends declared <sup>1</sup>	53.3	105.2
National tax equivalent payments	22.9	45.1
Payments for land acquisitions	2.6	9.8
Payroll tax	1.5	1.6
Stamp duty equivalents / Land holding cost equivalents	0.3	1.1
Total returns to the Territory	80.6	162.8

<sup>1</sup> The Agency declares a dividend of 100 per cent of its net operating surplus, payable to the ACT Government.

## Financial Performance

The following financial information is based on the audited 2022–23 Financial Statements and 2023-24 Statement of Intent.

**Table 31: Financial Performance by Year**

	<b>2021-22 Actual \$'M</b>	<b>2022-23 Actual \$'M</b>	<b>2022-23 Budget \$'M</b>	<b>2023-24 Budget \$'M</b>	<b>2024-25 Estimate \$'M</b>	<b>2025-26 Estimate \$'M</b>	<b>2026-27 Estimate \$'M</b>
Total Income	574.4	203.9	355.9	297.3	534.0	593.7	513.0
Total Expenditure	271.3	127.8	205.6	190.0	308.0	304.7	333.0
Operating Result before Tax	303.1	76.1	150.3	107.3	226.0	289.0	180.0
Income Tax Equivalent	90.9	22.8	45.1	32.2	67.8	86.7	54.0
Operating Result after Tax	212.2	53.3	105.2	75.1	158.2	202.3	126.0

## Total income

### Components of Income

As shown in Figure 3, 93.6% of SLA's total income of \$203.9 million for the year ended 30 June 2023 is derived from Revenue from Contracts with Customers, with the remaining 6.4% from Grants and Contributions, Interest and Other Revenue.

Figure 3: Components of Income

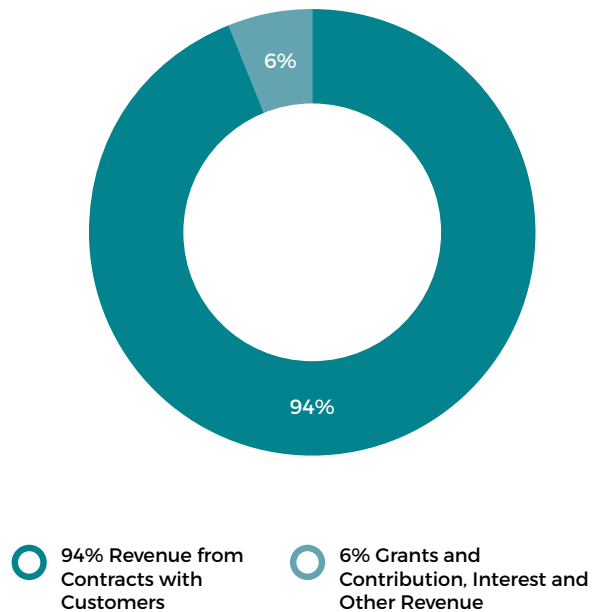
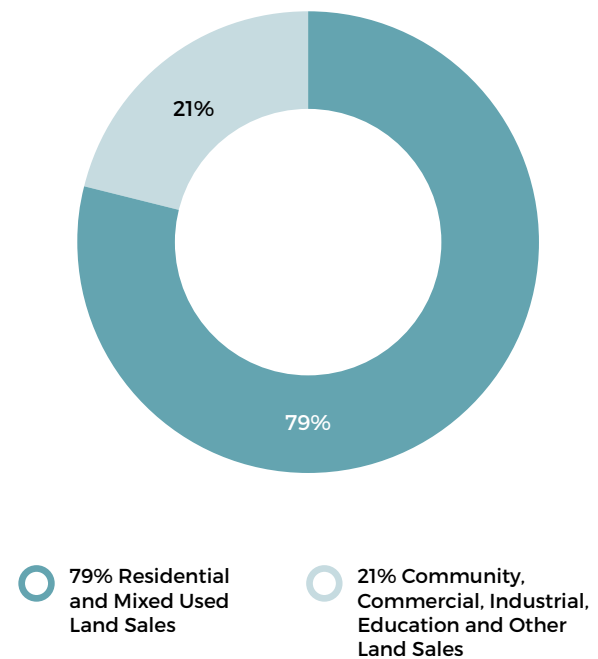


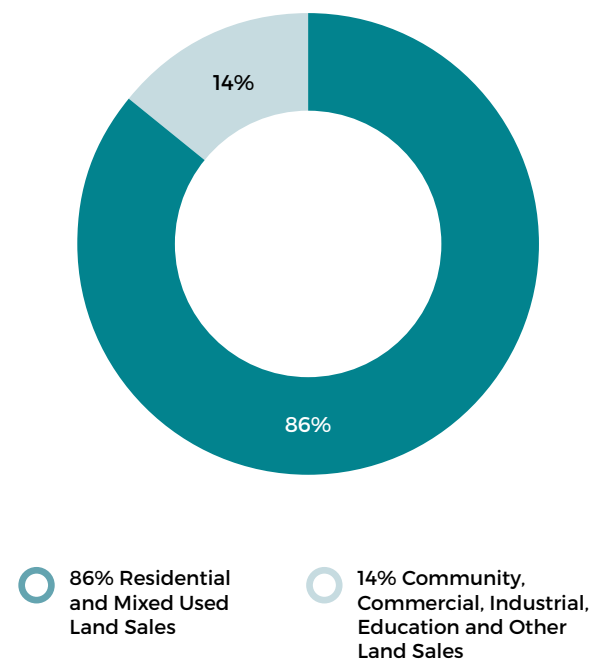
Figure 4: Components of Land Revenue



### Components of Gross Profit

As shown in Figure 5, 85.5% of SLA's gross profit was derived from residential and mixed-use land sales for the year ended 30 June 2023 and 14.5% from community, commercial, industrial, education and other land sales.

Figure 5: Components of Gross Profit



### Components of Land Revenue

As shown in Figure 4, 79.0% of SLA's Land Revenue (\$190.4 million) is derived from residential and mixed-use land sales (\$150.5 million) and 21.0% from other land sales (\$39.9 million) including community, commercial, industrial, Education and other land sales.

## Comparison to 2022–23 Budget

Actual income of \$203.9 million is \$152.0 million (42.7%) lower than the budgeted amount of \$355.9 million. Actual Revenue from Contracts with Customers of \$190.8 million is \$160.8 million (45.7%) lower than the budgeted amount of \$351.6 million. Other income of \$13.1 million is \$8.7 million (197.7%) higher than the budgeted amount of \$4.4 million.

The lower than budget Revenue from Contracts with Customers is primarily due to delay in West Belconnen Joint Venture land sales because of the timing of reductions in the Environmental Clearance Zone and the impact of property market conditions including higher interest rates and increased home building costs.

The higher than budget Other Income is predominantly due to higher than expected land transfers from other ACT Government agencies free of charge.

The gross profit margin of 60.7% is higher than the budgeted figure of 57.0%, predominantly attributable to successful auction results for high margin urban sites and the deferral of sales in less profitable estates to future financial years. Higher than budgeted gross profit margins were also realised for land received, often at nil cost, from other ACT Government agencies which contribute very strong profit margins.

The profit margins of SLA are used for internal purposes to provide comparatives across projects and time periods. These margins are not comparable with private industry, noting that the ACT Government, through SLA, enters into the land development process at an earlier stage than private developers. Additionally, the ACT Government invests in significant infrastructure within and around its developments with the cost incurred by other government agencies and therefore those costs are not fully reflected in SLA's profit margins.

## Comparison to 2021–22 Actual

Actual income of \$203.9 million is \$370.5 million (64.5%) lower than the 2021–22 actual result of \$574.4 million. Actual Revenue from Contracts with Customers of \$190.8 million is \$360.8 million (65.4%) lower than the 2021–22 actual result of \$551.6 million. Other income of \$13.1 million is \$9.7 million (42.5%) lower than the 2021–22 actual result of \$22.8 million.

The decrease in Revenue from Contracts with Customers is primarily attributable to decreased land sales in Taylor due to the completion of the project and the impacted of staged settlement timing in Whitlam (where significant settlement volumes were scheduled for the 2021–22 financial year).

The decrease in Other Income is predominantly due to land with a lower average value being transferred from other ACT Government agencies free of charge.

## Forward year estimates

The 2023–24 Total Income budget of \$297.3 million is \$93.4 million (45.8%) higher than the 2022–23 actual of \$203.9 million predominantly due to an expected increase in West Belconnen Joint Venture land settlements in 2023–24.

The movements in the 2024–25 to 2026–27 estimates are predominantly due to expected changes in SLA's land sales program.

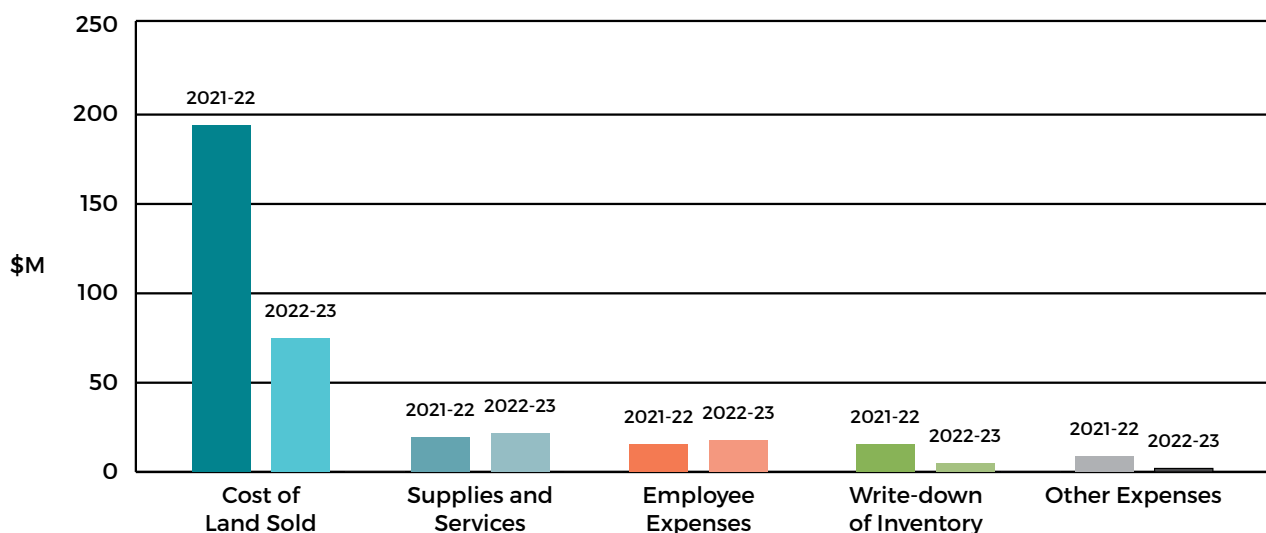
# Total Expenses

## Components of Expenses

Total expenses of \$127.8 million for the year ended 30 June 2023 (as shown in Figure 6) mainly relates to Cost of Land Sold (58.5%), Supplies and Services (19.4%), Employee Expenses (16.4%), Write-down of Inventory (4.7%) and Other Expenses (1.0%).

Cost of Land Sold of \$74.7 million relates to the direct costs associated with the development of land that settled during 2022–23.

Figure 6: Components of Expenses



## Comparison to 2022–23 Budget

Actual expenses of \$127.8 million are lower than the budgeted amount of \$205.7 million by \$77.9 million (37.9%) due to:

- \$79.5 million in Cost of Land Sold predominantly due to lower than budgeted land sales; and
- \$4.6 million in Supplies and Services due to lower than budgeted project related expenses including lower selling, asset management, contractor and consultant expenses.

These were partially offset by a \$6.0 million increase in Write-down of Inventory primarily due to the unexpected transfer of land from other ACT Government agencies free of charge, resulting in a write-down of inventory.

## Comparison to 2021–22 Actual

Total expenses of \$127.8 million in 2022–23 are \$143.4 million (52.9%) lower than the 2021–22 amount of \$271.2 million due to:

- \$118.2 million in Cost of Land Sold attributable to the significant decrease in land sales in 2022–23;
- \$15.4 million in Write-down of Inventory primarily due to land with a lower average value being transferred from other ACT Government agencies free of charge, resulting in a lower write-down to inventory; and
- \$12.4 million in Other Expenses is predominantly due to the decrease in expected credit losses.

These were partially offset by a \$2.3 million increase in Employee Expenses due to an increase in FTE staff to meet operational resourcing requirements and business needs.

## Forward Year Estimates

The 2023–24 Total Expenses budget of \$190.0 million is \$80.4 million (73.2%) higher than the 2022–23 actual of \$109.7 million predominantly due to an increase in the cost of land sold, which corresponds with higher expected land sales.

The movements in the 2024–25 to 2026–27 estimates are predominantly due to expected changes in SLA's land sales program and corresponding costs of land sold.

## Dividends

SLA operates under a policy of declaring a dividend of 100 per cent of its net operating surplus, payable to the ACT Government.

The dividend declared for 2022–23 is \$53.3 million, which is \$51.9 million (49.3%) lower than the budget of \$105.2 million. This is a consequence of lower than anticipated Revenue from Contracts with Customers leading to a lower operating result.

The dividend declared for 2022–23 is \$158.9 million (74.9%) lower than the 2021–22 dividend of \$212.2 million due to reduced land sales leading to a lower operating result.

## Financial Position

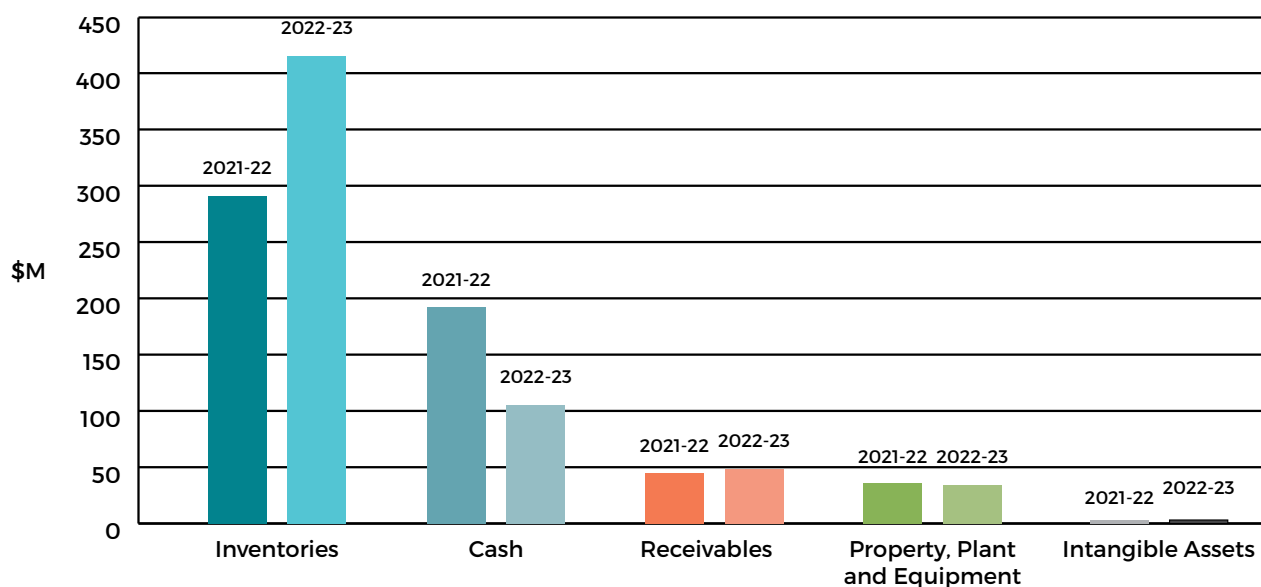
Key indicators of SLA's financial position are its ability to sustain its asset base and settle liabilities as they fall due.

## Total Assets

### Components of Total Assets

Total assets at 30 June 2023 of \$594.1 million (as shown in Figure 7) is comprised of Current and Non-Current Inventories of \$422.0 million (71.0%), Cash of \$108.7 million (18.3%), Current and Non-Current Receivables of \$47.3 million (8.0%), Property, Plant and Equipment of \$15.9 million (2.7%) and Intangible Assets of \$0.2 million (0.0%).

Figure 7: Components of Total Assets



## Comparison to 2022-23 Budget at 30 June 2023

The total asset position at 30 June 2023 of \$594.1 million is higher than the budgeted amount of \$553.3 million by \$40.8 million (7.4%) due to:

- \$60.7 million in Inventories mainly due to lower than budgeted land sales, resulting in a higher total inventory balance at the end of the year; and
- \$8.7 million in Receivables mainly due to higher than budgeted contributions to West Belconnen Joint Venture.

These were partially offset by:

- \$20.5 million lower in National Tax Equivalent Receivable mainly attributable to lower tax instalment payments throughout the year after applying a new instalment rate following the review of the expected tax liability for 2022-23; and
- \$7.7 million lower in Cash due to lower receipts from land sales.

## Comparison to 2021-22 Actual at 30 June 2023

The total asset position at 30 June 2023 of \$594.1 million is \$94.1 million (18.8%) higher than the 30 June 2022 asset position of \$500.0 million due to:

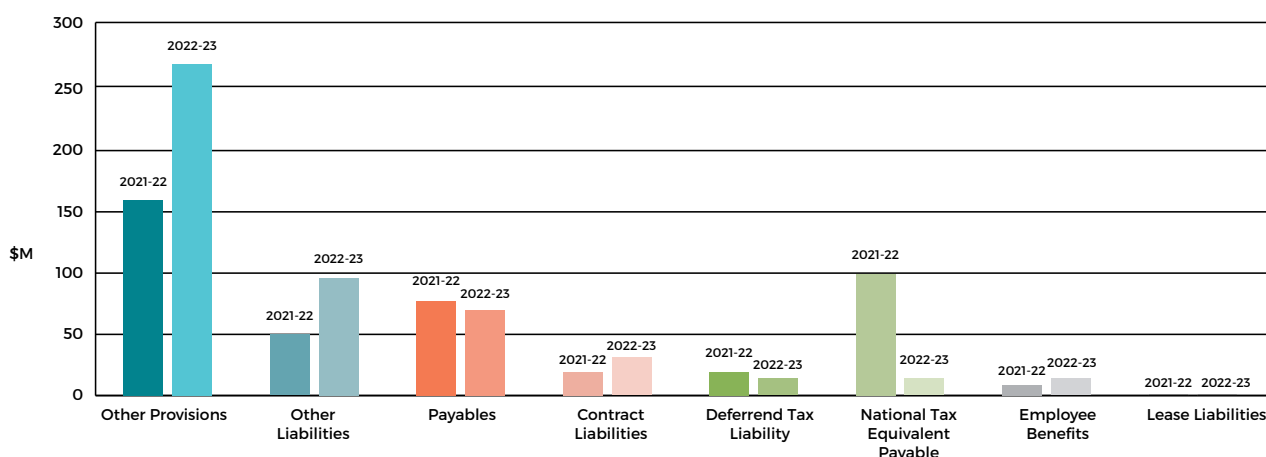
- \$146.5 million in Inventories balance primarily due to lower land sales, resulting in a higher total inventory balance at the end of the year; and
- \$5.4 million in Receivables mainly due to an increase in prepaid development fee to West Belconnen Joint Venture at the end of the year.

These were partially offset by a \$57.4 million decrease in Cash due to the lower land sales during the 2022-23 financial year.

## Total Liabilities

Total liabilities of \$491.6 million comprised Current and Non-Current Other Provision of \$273.1 million (55.7%), Current and Non-Current Other Liabilities of \$97.7 million (19.9%), Current and Non-Current Payables of \$67.1 million (13.6%), Current and Non-Current Contract Liabilities of \$27.4 million (5.6%), Deferred Tax Liability of \$11.0 million (2.2%), National Tax Equivalent Payable of \$7.6 million (1.5%), Current and Non-Current Employee Benefits of \$7.5 million (1.5%) and Current and Non-Current Lease Liabilities of \$0.2 million (0.0%) (as shown in Figure 8).

**Figure 8: Components of Total Liabilities**



### Notes:

1. Other Provisions reflect costs expected to be incurred for developed parcels of land and the value of infrastructure assets to be transferred to relevant ACT Government agencies when construction is complete.
2. Other Liabilities reflect the balance of the dividend to be paid to the Territory.
3. Payables largely comprise the Payables to EPSDD for Land, Retention Money, Provision for Landscaping and Energy Rebates, Accrued Expenses, GST payable and Other Payables.
4. Contract Liabilities reflect Revenue Received in Advance for exchanged land sales contracts.
5. Deferred Tax Liability relates to the taxable temporary difference between the carrying amount of an asset or liability in the Balance Sheet and its tax base.
6. National Tax Equivalent Payable reflects the amount owing to the Territory under the National Tax Equivalent Regime as at 30 June 2023.

## Comparison to Budget at 30 June 2023

The total liability position at 30 June 2023 of \$491.6 million is higher than the budgeted amount of \$450.4 million by \$41.2 million (9.1%) due to:

- \$110.7 million in Other Provisions mainly due to the recognition of the West Belconnen landfill remediation provision;
- \$13.0 million in Contract Liabilities predominantly due to a higher than budgeted deposits balance at the end of the year; and
- \$7.6m in National Tax Equivalent Payable due to lower tax instalment payments made throughout the year, resulting in the total instalments payments being less than the tax expense, leading to a national tax equivalent payable at the end of the year.

This was partially offset by:

- \$42.7 million in Other Liabilities due to lower than budgeted operating result leading to a lower dividend liability at the end of the year;
- \$39.6 million lower Deferred Tax Liability due to changes in the expected National Tax Equivalent Payable in future periods; and
- \$9.5 million in Payables mainly relating to a lower than budgeted Payables to EPSDD for Land Sold, Developed or Yet to be Developed.

## Comparison to 2021-22 Actual at 30 June 2023

The total liability position at 30 June 2023 of \$491.6 million is \$94.2 million (23.7%) higher than the 30 June 2022 liability position of \$397.4 million due to:

- \$115.2 million in Other Provisions mainly due to the recognition of the West Belconnen landfill remediation provision;
- \$53.2 million in Other Liabilities reflects the deferral of the 2022-23 interim dividend and the 2021-22 final dividend payments as approved by the Treasurer; and
- \$12.3 million in Contract Liabilities mainly due to higher deposits received from land exchanged at the end of the year.

This was partially offset by:

- \$82.5 million decrease in National Tax Equivalent Payable predominantly due to the lower operating result leading to a lower tax liability at the end of the year; and
- \$7.5 million decrease in Payables predominantly due to lower Demolition Contributions Payable as a result of the satisfaction of contractual conditions.

## Liquidity

Liquidity refers to one indicator of SLA's ability to satisfy its short-term debts as they fall due.

Table 32 outlines the current ratio which compares the ability to fund short-term liabilities with short-term assets. It is noted that current inventories are expected to be realised at market values which significantly exceed the corresponding book values.

**Table 32: Current Assets to Current Liabilities**

	30 June 2023 Actual \$'M	30 June 2023 Budget \$'M	30 June 2024 Budget \$'M	30 June 2025 Estimate \$'M	30 June 2026 Estimate \$'M	30 June 2027 Estimate \$'M
Total Current Assets	205.3	356.8	330.7	299.7	347.9	371.6
Total Current Liabilities	156.6	145.3	299.1	320.4	333.5	289.3
Current Ratio	1.3	2.5	1.1	0.9	1.0	1.3



# C.2 Financial Statements (FS) – SLA

## INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

### Opinion

I have audited the financial statements of the Suburban Land Agency (Agency) 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 and accompanying 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 Agency'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 the audit 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 Agency 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 Suburban Land Agency 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 the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Agency 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 statements.

## 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 audit opinion on the financial statements of the Agency.

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 scepticism 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 Agency's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Agency;
- conclude on the appropriateness of the Agency'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 Agency'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 Agency 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.



Michael Harris  
Auditor-General  
22 September 2023

# **Suburban Land Agency**

## **Financial Statements**

**For the Year Ended**


**30 June 2023**

# Suburban Land Agency Financial Statements

**For the Year Ended 30 June 2023**

## Statement of Responsibility

As the Chairperson of the Suburban Land Agency, I am responsible for the preparation of the annual financial statements as well as the judgments exercised in preparing it. In my opinion, the Suburban Land Agency's financial statements fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.

A handwritten signature in dark ink, appearing to read 'J Fitzgerald', with a stylized, sweeping flourish at the end.

John Fitzgerald  
Chair  
Suburban Land Agency  
21 September 2023

# Suburban Land Agency Financial Statements

**For the Year Ended 30 June 2023**

## Statement by the Chief Executive Officer

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

A handwritten signature in black ink, appearing to read 'John Dietz', with a stylized, cursive script.

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
21 September 2023

# Suburban Land Agency Financial Statements

**For the Year Ended 30 June 2023**

## Statement by the Chief Financial Officer

In my opinion, the Suburban Land Agency'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 its financial position on that date.

A handwritten signature in black ink, appearing to be 'JL', with a long horizontal stroke extending to the right.

Joseph Lee  
Chief Financial Officer  
Suburban Land Agency  
21 September 2023

## Suburban Land Agency Content of Financial Statements

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**Suburban Land Agency**  
**Statement of Comprehensive Income**  
**For the Year Ended 30 June 2023**

	<b>Note</b>	<b>Actual</b>	<b>Original</b>	<b>Actual</b>
	<b>No.</b>	<b>2023</b>	<b>Budget</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Income</b>				
Revenue from Contracts with Customers	5	190,769	351,638	551,554
Interest Revenue	6	3,899	914	2,069
Grants and Contributions Revenue	7	8,680	2,891	16,701
Other Income		557	485	495
Gains from Remeasurement of Assets	8	-	-	3,593
<b>Total Income</b>		<b>203,905</b>	<b>355,928</b>	<b>574,412</b>
<b>Expenses</b>				
Employee Expenses	9	20,865	20,578	18,641
Supplies and Services	10	24,793	29,402	24,537
Cost of Land Sold	11	74,704	154,189	192,932
Write-down of Inventory	12	5,995	-	21,368
Other Expenses	13	1,407	1,472	13,777
<b>Total Expenses</b>		<b>127,764</b>	<b>205,641</b>	<b>271,255</b>
<b>Operating Result before National Tax Equivalent</b>		<b>76,141</b>	<b>150,287</b>	<b>303,157</b>
National Tax Equivalent	14	22,850	45,086	90,947
<b>Operating Result</b>		<b>53,291</b>	<b>105,201</b>	<b>212,210</b>
<b>Other Comprehensive Income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
(Decrease)/Increase in the Asset Revaluation Surplus	8	(86)	-	602
<b>Total Other Comprehensive Result</b>		<b>(86)</b>	<b>-</b>	<b>602</b>
<b>Total Comprehensive Result</b>		<b>53,205</b>	<b>105,201</b>	<b>212,812</b>

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

**Suburban Land Agency**  
**Balance Sheet**  
**As at 30 June 2023**

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Current Assets</b>				
Cash	15	108,660	116,356	166,135
Receivables	16	26,116	12,550	15,458
Inventories	17	70,543	207,417	52,119
National Tax Equivalent Receivable	24	-	20,488	-
<b>Total Current Assets</b>		<b>205,319</b>	<b>356,811</b>	<b>233,712</b>
<b>Non-Current Assets</b>				
Receivables	16	21,226	26,051	26,416
Inventories	17	351,428	153,869	223,394
Property, Plant and Equipment	18	15,909	16,475	16,466
Intangible Assets		199	13	40
<b>Total Non-Current Assets</b>		<b>388,762</b>	<b>196,408</b>	<b>266,316</b>
<b>Total Assets</b>		<b>594,081</b>	<b>553,219</b>	<b>500,028</b>
<b>Current Liabilities</b>				
Payables	19	53,037	60,079	55,993
Contract Liabilities	20	25,961	14,028	7,607
Lease Liabilities	21	67	42	58
Employee Benefits	22	7,084	5,647	6,243
Other Provisions	23	52,244	65,108	47,227
National Tax Equivalent Payable	24	7,588	-	90,123
Other Liabilities	25	10,663	402	44,357
<b>Total Current Liabilities</b>		<b>156,644</b>	<b>145,306</b>	<b>251,608</b>
<b>Non-Current Liabilities</b>				
Payables	19	14,069	16,481	18,583
Contract Liabilities	20	1,469	364	7,520
Lease Liabilities	21	132	74	53
Employee Benefits	22	384	301	385
Other Provisions	23	220,910	97,385	110,812
Other Liabilities	25	86,940	139,872	-
Deferred Tax Liability	26	11,030	50,589	8,478
<b>Total Non-Current Liabilities</b>		<b>334,934</b>	<b>305,066</b>	<b>145,831</b>
<b>Total Liabilities</b>		<b>491,578</b>	<b>450,372</b>	<b>397,439</b>
<b>Net Assets</b>		<b>102,503</b>	<b>102,847</b>	<b>102,589</b>
<b>Equity</b>				
Contributed Equity		101,987	101,987	101,987
Asset Revaluation Surplus	8	516	860	602
<b>Total Equity</b>		<b>102,503</b>	<b>102,847</b>	<b>102,589</b>

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

**Suburban Land Agency**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2023**

	Contributed Equity Actual 2023 \$'000	Accumulated Funds Actual 2023 \$'000	Asset Revaluation Surplus Actual 2023 \$'000	Total Equity Actual 2023 \$'000	Total Equity Original Budget 2023 \$'000
<b>Balance at 1 July 2022</b>	<b>101,987</b>	<b>-</b>	<b>602</b>	<b>102,589</b>	<b>102,847</b>
<b>Comprehensive Income</b>					
Operating Result	-	53,291	-	53,291	105,201
(Decrease) in the Asset Revaluation Surplus	-	-	(86)	(86)	-
<b>Total Comprehensive Result</b>	<b>-</b>	<b>53,291</b>	<b>(86)</b>	<b>53,205</b>	<b>105,201</b>
<b>Transactions Involving Owners</b>					
<b>Affecting Accumulated Funds</b>					
Dividend Approved	-	(53,291)	-	(53,291)	(105,201)
<b>Total Transactions Involving Owners</b>					
<b>Affecting Accumulated Funds</b>	<b>-</b>	<b>(53,291)</b>	<b>-</b>	<b>(53,291)</b>	<b>(105,201)</b>
<b>Balance at 30 June 2023</b>	<b>101,987</b>	<b>-</b>	<b>516</b>	<b>102,503</b>	<b>102,847</b>

	Contributed Equity Actual 2022 \$'000	Accumulated Funds Actual 2022 \$'000	Asset Revaluation Surplus Actual 2022 \$'000	Total Equity Actual 2022 \$'000
<b>Balance at 1 July 2021</b>	<b>102,914</b>	<b>-</b>	<b>-</b>	<b>102,914</b>
<b>Comprehensive Income</b>				
Operating Result	-	212,210	-	212,210
Increase in the Asset Revaluation Surplus	-	-	602	602
<b>Total Comprehensive Result</b>	<b>-</b>	<b>212,210</b>	<b>602</b>	<b>212,812</b>
<b>Transactions Involving Owners</b>				
<b>Affecting Accumulated Funds</b>				
Capital Distributions	(927)	-	-	(927)
Dividend Approved	-	(212,210)	-	(212,210)
<b>Total Transactions Involving Owners</b>				
<b>Affecting Accumulated Funds</b>	<b>(927)</b>	<b>(212,210)</b>	<b>-</b>	<b>(213,137)</b>
<b>Balance at 30 June 2022</b>	<b>101,987</b>	<b>-</b>	<b>602</b>	<b>102,589</b>

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

**Suburban Land Agency**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Revenue from Contracts with Customers		191,198	354,272	563,740
Interest Received		3,885	914	2,069
Goods and Services Tax Collected from Customers		9,174	13,804	8,406
Goods and Services Tax Input Tax Credit from the Australian Taxation Office		17,824	8,129	2,547
Landfill Remediation Project Grants		35,504	-	-
Other Receipts		2,303	1,193	3,901
<b>Total Receipts from Operating Activities</b>		<b>259,888</b>	<b>378,312</b>	<b>580,663</b>
<b>Payments</b>				
Employee Payments		20,027	20,578	17,958
Supplies and Services		22,429	26,653	22,393
Development Costs		129,353	206,075	115,812
Land Acquisitions		10,542	(2,713)	24,597
Goods and Services Tax Paid to Suppliers		24,174	16,002	14,806
Goods and Services Tax Remitted to the Australian Taxation Office		-	4,820	2,932
National Tax Equivalent Payments		102,833	115,446	176,710
Other Payments		580	1,082	1,496
<b>Total Payments from Operating Activities</b>		<b>309,938</b>	<b>387,943</b>	<b>376,704</b>
<b>Net Cash (Outflows)/Inflows from Operating Activities</b>	15	<b>(50,050)</b>	<b>(9,631)</b>	<b>203,959</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Repayment of Contribution from Joint Operation		-	-	927
<b>Total Receipts from Investing Activities</b>		<b>-</b>	<b>-</b>	<b>927</b>
<b>Payments</b>				
Purchase of Property, Plant and Equipment		225	200	11
Contribution to Joint Operation		7,126	-	-
<b>Total Payments from Investing Activities</b>		<b>7,351</b>	<b>200</b>	<b>11</b>
<b>Net Cash (outflows)/Inflows from Investing Activities</b>		<b>(7,351)</b>	<b>(200)</b>	<b>916</b>

**Suburban Land Agency**  
**Statement of Cash Flows - Continued**  
**For the Year Ended 30 June 2023**

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
<b>Cash Flows from Financing Activities</b>				
<b>Payments</b>				
Equity Contribution Payment		-	-	927
Repayment of Lease Liabilities - Principal		74	102	76
Payment of Dividend		-	3,157	226,934
<b>Total Payments from Financing Activities</b>		<b>74</b>	<b>3,259</b>	<b>227,937</b>
<b>Net Cash (Outflows) from Financing Activities</b>		<b>(74)</b>	<b>(3,259)</b>	<b>(227,937)</b>
<b>Net (Decrease) in Cash</b>		<b>(57,475)</b>	<b>(13,090)</b>	<b>(23,062)</b>
Cash at the Beginning of the Reporting Period		166,135	129,446	189,197
<b>Cash at the End of the Reporting Period</b>	15	<b>108,660</b>	<b>116,356</b>	<b>166,135</b>

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

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 1. OBJECTIVES OF THE SUBURBAN LAND AGENCY**

**Operations and principal activities**

The Suburban Land Agency (SLA) was established on 1 July 2017 under section 37 of the *City Renewal Authority and Suburban Land Agency Act 2017* (the Act). SLA is responsible for the Government's suburban development program, including urban renewal in established town centres and suburbs outside 'declared urban renewal precincts'. SLA relies on the Environment, Planning and Sustainable Development Directorate (EPSDD) to supplement SLA's functions in some areas such as people and capability, governance and legal services, information management, fleet management and due diligence. These services are provided by EPSDD to SLA free of charge.

The total return to the Australian Capital Territory (ACT) Government consists of:

- payment of unleased Territory land transferred from EPSDD;
- payment of national tax equivalent;
- payment of dividend based on operating profit after tax;
- payment of land holding costs and stamp duty equivalent; and
- payment of payroll tax.

The objectives of SLA, as set out in section 38 of the Act, are to:

- encourage and promote:
  - i. inclusive communities through the delivery of people-focussed neighbourhoods;
  - ii. suburban development and urban renewal, other than in the City Renewal Precinct, that supports the following:
    - affordable living;
    - a safe and healthy population;
    - social inclusion;
    - housing choice;
    - social and environmental sustainability; and
    - growth and diversification of the Territory's economy.
- operate effectively, in a way that delivers value for money, in accordance with sound risk management practices.

**Public Non-Financial Corporation**

SLA is a Public Non-Financial Corporation, which is also known as a Public Trading Enterprise. Consistent with the ACT Government's policy statement on competitive neutrality (Competitive Neutrality in the ACT, October 2010), SLA applies similar costing and pricing principles, taxation, debt guarantee requirements and regulations as a fully corporatised business, including:

- the transfer of unleased land for development from the Territory on a commercial basis;
- land holding cost payments;
- stamp duty equivalent payments;
- application of the National Tax Equivalent Regime (NTER); and
- providing a commercial return to the ACT Government through the development and sale of the land.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 1. OBJECTIVES OF THE SUBURBAN LAND AGENCY - CONTINUED**

**West Belconnen Joint Venture**

The West Belconnen Joint Venture was established on 23 November 2016. It is an agreement between the Territory and Riverview Developments (ACT) Pty Ltd, Reid & Stevens Pty Ltd and Corkhill Bros Pty Ltd to undertake land development activities either side of the New South Wales/ACT border within and to the west of the Belconnen region of the ACT. There are two components to the West Belconnen Joint Venture. The first being the Land component (60% interest held by the Territory) and the second being the Housing component (50% interest held by the Territory). The Territory has appointed SLA as its agent to manage its interest in the venture.

The West Belconnen Joint Venture is classified as a joint operation in accordance with the Australian Accounting Standards. The assets, liabilities, income and expenses of the joint operation are proportionately consolidated by SLA in its Financial Statements. Refer to Note 30 for the financial disclosures related to the joint operation.

**NOTE 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

**Legislative Requirements**

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, require SLA's financial statements to include:

- a) a Statement of Comprehensive Income for the year;
- b) a Balance Sheet at the end of the year;
- c) a Statement of Changes in Equity for the year;
- d) a Statement of Cash Flows for the year;
- e) the material accounting policies adopted for the year; and
- f) other statements as necessary to fairly reflect the financial operations of SLA during the reporting period 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 the historical cost convention, except for Property, Plant and Equipment which are valued at fair value in accordance with the valuation policies applicable to SLA during the reporting period.

**Currency**

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

**Individual Reporting Entity**

SLA is an individual, for-profit reporting entity.

**Reporting Period**

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

**Suburban Land Agency**  
**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 budget numbers that appear in the 2022-23 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 material and 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**

AASB 101 *Presentation of Financial Statements* states that financial statements should be prepared on a going concern basis unless there is an intention to liquidate the entity or cease trading, or there is no realistic alternative but to do so. SLA has a history of profitable operations and as a Government entity, has likely access to the financial backing of the Territory. SLA is not expected to be liquidated or cease trading without a Government direction to do so. The ACT Government's 2023-24 Budget Statements clearly outline an intention for SLA to continue to operate for the foreseeable future. The role and functions of SLA are also enshrined in legislation. The going concern basis is therefore considered appropriate for the 2022-23 financial statements.

SLA's current projections indicate appropriate liquidity will be maintained into the future. SLA 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 SLA 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. SLA considers any risks to liquidity are appropriately mitigated by the following:

- the legislation that established the Suburban Land Agency requires that the Treasurer, in giving a direction for SLA to pay funds to the Territory, have regard for SLA'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);
- SLA has likely access to financial backing of the Territory; and
- SLA has likely access to financial resources through the Territory.

**Suburban Land Agency**  
**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 SLA or have been assessed as having an immaterial financial impact on SLA.

These standards and interpretations are applicable to future reporting periods. SLA does not intend to adopt these standards and interpretations early and as such they will be adopted from their application date.

**NOTE 4. CHANGE IN ACCOUNTING POLICY AND ACCOUNTING ESTIMATES**

**Change in Accounting Estimates**

SLA has the following change in accounting estimates during the reporting period.

**Estimate for Project Costs**

SLA undertakes an ongoing review of its estimated project costs, where SLA has a present obligation to complete construction, to determine the remaining funding requirements. During this process estimates of project costs are also reviewed. Any adjustments as a result of the reviews have an impact on the value of inventory or provision and cost of land sold. The overall impact of the 2022-23 adjustment was an increase to estimated project costs of \$19.480 million. The increase was apportioned against the cost of land sold and inventory, and an overall decrease to the operating result before income tax equivalents was recognised.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

## **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 at the fair value of the consideration received or receivable in the Statement of Comprehensive Income. In addition, the following specific recognition criteria must also be met before revenue is recognised.

## **NOTE 5. REVENUE FROM CONTRACTS WITH CUSTOMERS**

### **Description and Material Accounting Policies relating to Revenue from Contracts with Customers**

Revenue is recognised in accordance with *AASB 15 Revenue from Contracts with Customers* where the contract is enforceable and contains sufficiently specific performance obligations.

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.

Revenue is recognised either over time or at a point in time.

#### **Land Revenue**

Land revenue is recognised at the point at which the control of the land is transferred to the purchaser. The timing of the transfer of control is determined by reviewing whether SLA or the purchaser has control over the following factors:

- obtaining substantially all of the remaining benefits from the asset, and the significant risks and rewards of ownership of the asset;
- directing the use of the asset, and preventing others from directing the use of the asset;
- the ability to use the asset to secure a loan;
- the ability to sell or exchange the asset; and
- the legal title to the asset.

Based on the above factors, SLA has determined that the purchaser obtains control for the land at settlement. On this basis, land revenue (including West Belconnen Joint Venture land sales revenue) is recognised at settlement, in accordance with AASB 15.

Sales under the Land Rent Scheme are recognised on settlement, at which point SLA raises an invoice to the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) to facilitate a payment for compensation of foregone land revenue.

Where a sales contract specifies that SLA will contribute to demolition costs incurred by the purchaser, the demolition contribution specified in the contract represents a reduction in revenue.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 5. REVENUE FROM CONTRACTS WITH CUSTOMERS - CONTINUED**

**Landscape and Energy Rebates**

SLA may offer rebates to purchasers or eligible first transferees for eligible blocks of land landscaping and energy rebates, in accordance with relevant rebate guidelines and policies.

AASB 15 requires an entity to account for consideration payable to the customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity. The landscape rebate is designed to encourage sustainable, waterwise and local native front gardens, and provides buyers with the basic foundations to create such a garden. The energy rebate is designed to encourage a shift from gas to electricity, reduce energy consumption and reliance on fossil fuels, and lower energy costs associated with running a home.

SLA does not consider the rebate payable to customers to be a distinct good or service that is being provided to SLA, nor is there a transfer of a good or service to SLA which is separately identifiable from other promises in the contract. SLA recognises the rebate as a reduction in revenue upon settlement of the block to which the rebate applies, with a provision to pay the rebate at a future point in time being recognised. Upon payment of the rebate, it will be offset against the provision recognised at settlement.

**Liquidated Damages Revenue**

SLA receives payments from customers related to delays in the completion of land sales contracts. If completion does not occur by the contracted date due to the fault of the purchaser, the purchaser may be required to pay SLA liquidated damages calculated as interest on the unpaid balance of the price at the rate specified by the contract. On the basis that the liquidated damages do not represent payment for a separate good and service, the revenue forms part of the transaction price and is recognised when the related contract settles.

**Infrastructure Revenue**

Some sales contracts include the requirement of purchasers to construct and return specific infrastructure assets to SLA, at their own cost. The estimated cost of the infrastructure is contained within the Deed of Agreement or Prescribed Conditions within the sales contract, and this becomes the agreed infrastructure asset value that will be transferred to SLA upon practical completion.

The infrastructure revenue is recognised upon settlement of the contract, as non-cash consideration in line with land sales revenue.

**Other Revenue from Contracts with Customers**

*Housing Sales*

SLA accounts for the income, expenses, assets and liabilities relating to its share in the joint operation. As SLA holds an interest in the West Belconnen Joint Venture on behalf of the ACT Government, it recognises its portion of housing sales revenue.

*User Charges*

SLA has an arrangement with the City Renewal Authority to provide a number of services and resources. The fee for these services and resources is determined and calculated by agreement between SLA and the City Renewal Authority. On the basis that the City Renewal Authority simultaneously receives and consumes the benefits provided by SLA as they are performed, corresponding revenue is recognised after the service is provided.

*Retained Deposit Revenue*

SLA receives deposits at exchange of land sales contracts and records the deposit as a liability. If after the exchange of the contract, the purchaser defaults on the contract of sale, SLA retains the forfeited land sales deposit relating to the terminated sales in accordance with the land sales contract. As SLA retains and gains the control of the deposit upon termination of the contract, SLA recognises revenue at the time of termination.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 5. REVENUE FROM CONTRACTS WITH CUSTOMERS – CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land Revenue</b>		
Residential Land Sales <sup>a</sup>	127,107	473,380
Mixed Use Land Sales <sup>b</sup>	23,371	50,871
Commercial and Industrial Land Sales <sup>c</sup>	7,059	18,576
Community Land Sales	6,461	5,627
Infrastructure Delivered by Third Parties	2,748	2,357
Educational Site Land Sales <sup>d</sup>	15,300	-
Other Land Revenue <sup>e</sup>	8,389	(3,008)
<b>Total Land Revenue</b>	<b>190,435</b>	<b>547,803</b>
Housing Sales <sup>f</sup>	-	3,155
Other Revenue from Contracts with Customers	334	596
<b>Total Other Revenue</b>	<b>334</b>	<b>3,751</b>
<b>Total Revenue from Contracts with Customers</b>	<b>190,769</b>	<b>551,554</b>

- a) Residential Land Sales primarily relate to Molonglo Valley, Gungahlin, Turner and West Belconnen. The decrease in Residential Land Sales in 2022-23 is primarily attributed to decreased land sales in Taylor due to completion of the project and the impact of staged settlement timing in Whitlam.
- b) The decrease in Mixed Use Land Sales in 2022-23 is mostly attributable to the settlements of two large sites in Belconnen and Gungahlin Town Centre in 2021-22.
- c) Commercial and Industrial Land Sales decreased in 2022-23 mainly due to the settlement of two large sites in Hume West and Fyshwick in 2021-22.
- d) The increase in Educational Site Land Sales is due to the settlement of a school site in Whitlam.
- e) The increase in Other Land Revenue in 2022-23 is due in most part to goods and services tax adjustments on the previous year's land settlements and to the reversal of Demolition Contribution provisions in accordance with contractual conditions.
- f) Housing Sales decreased in 2022-23 due to the deferral of West Belconnen Flexi Housing settlements to the 2023-24 financial year.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 6. INTEREST REVENUE**

**Description and Material Accounting Policies relating to Interest Revenue**

SLA receives interest on a bank account with Westpac Banking Corporation which SLA holds as part of the ACT Whole of Government banking arrangement.

SLA also received interest on contributions made to the West Belconnen Joint Venture. SLA accounts for the income, expenses, assets and liabilities relating to its share in the joint operation. As SLA holds an interest in the West Belconnen Joint Venture on behalf of the ACT Government, it recognises its portion of interest revenue receivable from the joint operation.

Interest revenue is recognised using the effective interest method.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from Banks <sup>a</sup>	3,884	2,065
Other Interest Revenue	-	4
Interest from West Belconnen Joint Venture	39	-
Less: 60% Share of Joint Operation	(24)	-
Net Interest Revenue from Joint Operation	15	-
<b>Total Interest Revenue</b>	<b>3,899</b>	<b>2,069</b>

a) Interest from Banks increased in 2022-23 due to higher interest rates during the year.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 7. GRANTS AND CONTRIBUTIONS REVENUE**

**Description and Material Accounting Policies relating to Grants and Contributions Revenue**

*General Grants and Contributions Accounting Policy*

Where SLA receives an asset or services for significantly less than fair value, the transaction falls within 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 services are received.

All the services listed below are recognised in the Statement of Comprehensive Income or Balance Sheet, as appropriate.

Resources received free of charge from ACT Government agencies are recorded as revenue and a corresponding expense is recorded in the Statement of Comprehensive Income at fair value. The revenue is separately disclosed under grants and contributions revenue, with the expense being recorded in the line item to which it relates. Services that are received free of charge are only recorded in the Statement of Comprehensive Income if they can be reliably measured and would have been purchased if not provided to SLA free of charge. SLA received services from a number of ACT Government entities free of charge during the financial year and these have been recorded in the Statement of Comprehensive Income.

SLA is required by the ACT Government to use Shared Services for its financial and human resources processing. Given Shared Services is directly appropriated by the ACT Government to provide certain services at a fixed cost to SLA, it means that SLA does not have to pay for these services. The fixed costs for financial and human resources services are known and SLA would have had to purchase these services if they were not provided by Shared Services. As such, these amounts have been recognised as resources provided free of charge.

SLA relies on the EPSDD to supplement SLA's functions in some areas such as people and capability, governance and legal services, information management, fleet management and due diligence. SLA receives these services free of charge from EPSDD.

SLA receives some legal services free of charge from the ACT Government Solicitor's Office (GSO) related to land development and sales. The GSO provided SLA with the fair value of the services provided.

SLA also receives Territory-owned land from some other ACT Government entities free of charge, which it prepares for sale on behalf of the Territory. In this case, the value of land received from other ACT Government entities is disclosed under grants and contributions revenue.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 7. GRANTS AND CONTRIBUTIONS REVENUE - CONTINUED**

	2023 \$'000	2022 \$'000
<b>Resources Received Free of Charge</b>		
Services Received	2,806	2,783
Land Received <sup>a</sup>	5,567	13,567
Grants - ACT Government Entity <sup>b</sup>	307	351
<b>Total Grants and Contributions</b>	<b>8,680</b>	<b>16,701</b>

a) Land Received relates to transfers of land from other ACT Government entities to SLA at no cost. Land transfers decreased in 2022-23 due to five sites with lower average value being transferred during the period, compared to five higher value sites in 2021-22. The following blocks were recognised as Land Received Free of Charge during 2022-23:

- Belconnen Block 5 Section 22;
- Holt Block 22 Section 51;
- Holt Block 5 Section 53;
- Phillip Block 7 Section 12; and
- Belconnen Block 2 Section 22.

b) The West Belconnen Joint Venture received a grant from Skills Canberra for the SPARK program, a training and employment initiative to assist people entering the job market. SLA recognised its portion of the grant received from the joint operation.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 8. GAINS FROM REMEASUREMENT OF ASSET**

**Description and Material Accounting Policies relating to Other Income**

Other income refers to income which is sporadic in nature and not part of SLA's core activities.

SLA revalued its rural land on 30 June 2022, resulting in changes in the fair values of the rural land parcels.

When a rural land parcel is revalued downwards, SLA recognises the decrease as an expense in the Statement of Comprehensive Income.

When a rural land parcel is revalued upwards, SLA recognises an increase in the Asset Revaluation Surplus as part of Other Comprehensive Income. However, if the same rural land parcel was revalued downwards in a previous financial year and the decrease was recognised as an expense in the Statement of Comprehensive Income, SLA recognises the increase as a gain to reverse the expense previously recognised.

	2023 \$'000	2022 \$'000
Reversal of Asset Revaluation Decrements Previously Expensed <sup>a</sup>	-	3,593
<b>Total Other Gains</b>	<b>-</b>	<b>3,593</b>

- a) Revaluation losses were recognised in the 2018-19 Statement of Comprehensive Income due to the declines in the fair values of rural lands. SLA revalued its rural land on 30 June 2022, resulting in increases in the fair values of the rural land. SLA recognises gains to reverse previously expensed asset revaluation decrements. Of the gains recorded in the year ended 30 June 2022, \$3,593,000 was recorded in the Statement of Comprehensive Income and \$602,000 was recorded as an increase in Asset Revaluation Surplus.

In 2022-23, SLA reclassified a portion of rural land to inventory to facilitate the land sale. The asset revaluation surplus related to the parcel of land was transferred to the Statement of Comprehensive Income resulting in a \$86,000 reduction in Asset Revaluation Surplus. The asset revaluation surplus is reduced to \$516,000 as at 30 June 2023.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**EXPENSE NOTES**

**Material Accounting Policies – Expenses**

**Expense Recognition**

The following material accounting policies relate to each expense note.

**NOTE 9. 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, 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
- 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.

Salary and Superannuation Costs Capitalised in Inventories are capital project related salaries and superannuation expenses which have been attributed to inventories.

Employees of SLA will have different superannuation arrangements due to the type of superannuation scheme 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), SLA makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by the CMTEDD. SLA also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for 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), SLA makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 9. EMPLOYEE EXPENSES - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and Salaries	20,183	17,541
Superannuation Contributions to the Territory Banking Account	1,322	1,309
Superannuation to External Providers	1,848	1,480
Productivity Benefit	114	113
Payroll Tax	1,492	1,278
Long Service Leave	302	41
Annual Leave	(5)	487
Workers' Compensation Insurance Premium	258	178
Other Employee Benefits and On-Costs	197	8
Employee Expenses Capitalised in Inventories	(4,846)	(3,794)
<b>Total Employee Expenses <sup>a</sup></b>	<b>20,865</b>	<b>18,641</b>

- a) The increase in Employee Expenses in 2022-23 is due to an increase in the full time equivalent staff (FTE) from 136.3 as at 30 June 2022 to 150.7 as at 30 June 2023.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 10. SUPPLIES AND SERVICES**

**The 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.

**Services Provided by Other Agencies Free of Charge**

Resources received free of charge from ACT Government agencies are recorded as revenue and an expense in the Statement of Comprehensive Income at fair value. The revenue is separately disclosed under grants and contributions revenue, with the expense being recorded in the line item to which it relates. Refer to Note 7: *Grants and Contributions Revenue* for further details.

**Selling Expenses**

Selling Expenses includes sales commissions, legal conveyancing and expenses associated with holding sales events.

**Contractors and Consultants**

Contractors and Consultants includes financial management and accounting services and advice, project management services, legal expenses (excluding conveyancing), valuations and other professional services.

**Asset Management**

Asset Management includes the maintenance of SLA estates, rural land holdings and urban infill blocks.

**Marketing and Advertising Expenses**

Marketing and Advertising Expenses mainly relate to marketing and promotion of land releases and SLA's community engagement program.

**Audit Fees**

Audit fees are included in the Contractors and Consultants line item below. Auditor's remuneration consists of financial audit services provided to SLA by the ACT Audit Office. SLA's audit fee for the audit of its 2022-23 financial statements is \$223,065 (2021-22: \$217,054). No other services were provided by the ACT Audit Office.

**Insurance**

Reasonably insurable risks are insured by SLA through the ACT Insurance Authority. The excess payable under this arrangement varies depending on each class of insurance held. The insurance premium payments are included in the Other Supplies and Services Expense line item.

**Share of West Belconnen Joint Venture Operating Expenses**

SLA holds an interest in the West Belconnen Land Joint Venture on behalf of the Territory, and as such recognises its share of the joint operation's expenses.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 10. SUPPLIES AND SERVICES - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Services Provided by Other Agencies Free of Charge <sup>a</sup>	2,806	2,783
Selling Expenses <sup>b</sup>	1,933	4,036
Contractors and Consultants	7,029	7,534
Asset Management	2,674	2,419
Marketing and Advertising Expenses <sup>c</sup>	4,435	2,721
Information Technology Expenses <sup>d</sup>	1,343	1,844
Litigation Settlements <sup>e</sup>	702	5
Property Rental	617	623
Insurance Premiums	744	497
Other Supplies and Services Expense	2,510	2,075
<b>Total Supplies and Services</b>	<b>24,793</b>	<b>24,537</b>
a) Services Provided by Other Agencies Free of Charge:		
People and Capability	145	313
Governance and Legal	557	690
Information Management and Fleet	36	110
Infrastructure Planning and Due Diligence Activities	1,630	1,277
Human Resources, Finance and Records Services	382	349
Land Title Search	56	43
<b>Total Services Provided by Other Agencies Free of Charge</b>	<b>2,806</b>	<b>2,783</b>

- b) The decrease in Selling Expenses is primarily due to decreased land sales in 2022-23.
- c) The increase in Marketing and Advertising Expenses is due to the campaign activities for land releases in 2022-23.
- d) The decrease in Information Technology Expenses is due to the implementation of the new Salesforce CRM system which was completed in 2021-22.
- e) The increase in Litigation Settlements is primarily due to compensation payments made to land purchasers who were unable to complete land settlements on time due to issues with the West Belconnen Environmental Clearance Zone.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 11. COST OF LAND SOLD**

**Description and Material Accounting Policies relating to Cost of Land Sold**

Cost of Land Sold includes the cost of land, direct costs relating to the development of land and the value of infrastructure constructed by land purchasers and transferred through SLA to the Transport Canberra and City Services Directorate (TCCSD) and Icon Water.

**Land Transfers and Acquisitions**

SLA purchases unleased Territory land from EPSDD at market value for development. SLA recognises the land as inventory when custodianship is transferred to SLA. SLA also purchases land from external parties at market value in line with Territory legislation and policies. It also receives land for no cost through transfers from other ACT Government entities. Land costs are expensed in the Statement of Comprehensive Income as cost of land sold expenses when finished land is settled.

**Capitalised Development Costs**

Capitalised Development Costs represent costs or services that are directly attributable to the development of the land. These transactions are generally direct labour costs and purchases of goods or services that are directly attributable to the production of land available for sale. Capitalised development costs are expensed in the Statement of Comprehensive Income when finished land is settled.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Land Costs	3,402	9,535
Capitalised Development Costs	68,553	181,040
Infrastructure Asset Costs	2,748	2,357
<b>Total Cost of Land Sold <sup>a</sup></b>	<b>74,704</b>	<b>192,932</b>

a) The decrease in Cost of Land Sold in 2022-23 is due to the decrease in land settlements during the year.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 12. WRITE-DOWN OF INVENTORY**

**Description and Material Accounting Policies relating to 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 book value is recorded as a write-down of inventory. Because the net realisable value of discontinued projects is below the cost of inventory, a write-down of inventory is recorded to reduce the inventory book value to match the net realisable value. Where SLA receives Territory-owned land from other ACT Government entities free of charge, the value of land received is written down according to relevant accounting standards and SLA inventory policy.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Write-down of Inventory for Sites Transferred from Other ACT Government Entities <sup>a</sup>	5,567	13,567
Write-down of Inventory for Project Sites <sup>b</sup>	428	7,801
<b>Total Write-down of Inventory</b>	<b>5,995</b>	<b>21,368</b>

- a) In 2022-23, five sites were transferred from other ACT Government entities at no cost to SLA. SLA initially recognised these sites as inventory at fair value and a corresponding equivalent value as contributions revenue. In accordance with the inventory policy requirement to record inventory at the lower of cost and net realisable value, the value of these transferred sites has been recorded as a write-down of inventory.

The following blocks were transferred to SLA at no cost in 2022-23:

- Belconnen Block5 Section 22;
  - Holt Block 22 Section 51;
  - Holt Block 5 Section 53;
  - Phillip Block 7 Section 12; and
  - Belconnen Block 2 Section 22.
- b) In 2022-23, SLA wrote down a portion of the cost of the Whitlam School site because the land was sold to ACT Education Directorate at a market value lower than the incurred costs. SLA also wrote down the cost of six small, discontinued projects. This is partially offset by the reversal of the inventory Write-Down in 2021-22 of the North Wright school land cost because the land was returned to EPSDD in 2022-23 for use as a non-government school.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 13. OTHER EXPENSES**

**Description and Material Accounting Policies relating to Other Expenses**

**Land Holding Cost (Interest) and Stamp Duty Equivalents**

Consistent with the ACT Government's policy on competitive neutrality, SLA applies similar costing and pricing principles, taxation, debt guarantee requirements and regulations as a fully corporatised business. Refer to Note 1: *Objectives of the Suburban Land Agency* for further details. SLA pays land holding cost equivalent on unreleased Territory land purchased from EPSDD. It also pays stamp duty equivalent to the CMTEDD on land purchased from the Territory.

**Revaluation Loss**

Revaluation losses are recognised as expenses if there is a decrease in the fair value of rural land. Rural lands are measured at fair value and have an asset revaluation surplus attached to them if their fair values exceed their carrying values. Where the revaluation loss is greater than the balance in the asset revaluation surplus for the relevant land, the difference is recognised as a revaluation loss in the Statement of Comprehensive Income.

**Expected Credit Losses**

Expected Credit Losses represents the amount of receivables SLA estimates will not be collected, based on objective evidence, a review of overdue balances, and consultation with internal and external stakeholders. Refer to Note 16: *Receivables* for further details.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Land Holding Costs Equivalent	167	914
Stamp Duty Equivalent	117	637
Expected Credit Losses <sup>a</sup>	(1,001)	11,694
Write-off <sup>a</sup>	1,653	1
Revaluation Losses	-	138
Depreciation and Amortisation	389	390
Interest Expense	82	3
<b>Total Other Expenses</b>	<b>1,407</b>	<b>13,777</b>

- a) SLA wrote off a receivable in 2022-23 based on a mediation outcome that resulted in the receivable not being recovered, which led to a decrease in expected credit losses and an increase in write-off expense in 2022-23.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 14. NATIONAL TAX EQUIVALENT**

**Description and Material Accounting Policies relating to National Tax Equivalent**

The National Tax Equivalent Regime (NTER) is an administrative arrangement with the Australian Taxation Office (ATO). Under this arrangement, relevant taxation laws are applied notionally to NTER entities as if they were subject to those laws. Each NTER entity will be assessed annually as to its income tax equivalent liability and will be required to pay instalments of the expected liability to the Territory. The primary objective of the NTER is to promote competitive neutrality, through a uniform application of income tax laws, between the NTER entities and their privately held counterparts.

SLA is a Territory owned Public Non-Financial Corporation and is registered with the NTER. SLA is required to calculate income tax in accordance with *the Income Tax Assessment Act 1997* and to account for the resulting amounts under the requirements of Australian Accounting Standard AASB 112 *Income Taxes*.

The amount of the current national tax equivalent expense is based on the operating result for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>National Tax Equivalent</b>		
The major components of National Tax Equivalent are:		
Provision for Current Year National Tax Equivalent	22,902	122,063
Current Year Movement in the Net Deferred Tax Liability, refer to Note 26:		
Deferred Tax Liabilities	2,589	(40,182)
Income Tax Relating to Other Comprehensive Income	(37)	(258)
Over Adjustment to Prior Year	(2,604)	9,324
<b>Total National Tax Equivalent <sup>a</sup></b>	<b>22,850</b>	<b>90,947</b>

**Numeric Reconciliation of National Tax Equivalent to Prima Facie Tax**

Operating Result before National Tax Equivalent	76,141	303,157
National Tax calculated at 30 per cent	22,842	90,947
Adjustments in Respect of Deferred Income Tax of Previous Year		
Non-Deductible Expenses for Tax Purposes		
Interest Expense in West Belconnen Joint Venture	8	-
<b>Total National Tax Equivalent</b>	<b>22,850</b>	<b>90,947</b>

a) The decrease in National Tax Equivalent expense is due to a decreased operating result.

**Suburban Land Agency**  
**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 of the reporting date. Assets which do not fall within the current classification are classified as non-current.

## NOTE 15. CASH

### Description and Material Accounting Policies relating to Cash

Cash includes cash at bank. SLA holds a bank account with Westpac Banking Corporation as a part of the ACT Whole of Government banking arrangement. SLA receives interest on this account.

	2023 \$'000	2022 \$'000
Cash at Bank <sup>a</sup>	108,660	166,135
<b>Total Cash</b>	<b>108,660</b>	<b>166,135</b>

- a) Under SLA's Surplus Cash Investment Policy, surplus cash remains in the Westpac transaction account (Cash at Bank). The decrease in Cash at Bank is predominantly due to decreased land sales receipts, partially offset by lower National Tax Equivalent payments and Dividend payments.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 15. CASH - CONTINUED**

**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**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Cash Recorded in the Balance Sheet	108,660	166,135
<b>Cash at the End of the Reporting Period as Recorded in the Statement of Cash Flows</b>	<b>108,660</b>	<b>166,135</b>

**c) Reconciliation of the Operating Result to the Net Cash Inflows from Operating Activities**

Operating Result	53,291	212,210
<b>Add/(Less) Non-Cash Items:</b>		
Depreciation of Property, Plant and Equipment	362	363
Amortisation of Intangibles	27	27
Land Received Free of Charge	(5,567)	(13,567)
Reclassification between Property, Plant & Equipment and Inventories	311	69
Write-down of Inventory	5,567	21,368
Gains on the Revaluation of Non-Current Assets	-	(3,593)
Revaluation Losses	-	138
Finance Lease Interest	7	3
Contribution to Joint Operation	7,126	-
Repayment of Contribution from Joint Operation	-	(927)
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>61,124</b>	<b>216,091</b>
<b>Changes in Operating Assets and Liabilities</b>		
(Decrease)/Increase in Receivables	(5,468)	16,097
(Decrease)/Increase in Inventories	(146,466)	71,536
Increase/(Decrease) in Deferred Tax Liability	2,552	(40,439)
Increase in Employee Entitlements	840	680
(Decrease) in Payables	(7,470)	(5,981)
Increase/(Decrease) in Contract Liabilities	12,303	(3,352)
Increase/(Decrease) in Provisions	115,115	(4,998)
(Decrease) in National Tax Equivalent Payable	(82,535)	(45,324)
(Decrease) in Other Liabilities (Revenue Received in Advance)	(45)	(351)
<b>Net Changes in Operating Assets and Liabilities</b>	<b>(111,174)</b>	<b>(12,132)</b>
<b>Net Cash (Outflows)/Inflows from Operating Activities</b>	<b>(50,050)</b>	<b>203,959</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 15. CASH - CONTINUED**

**d) Non-Cash Financing and Investing Activities**

	<b>Lease Liabilities \$'000</b>	<b>Dividend Payable \$'000</b>
<b>2023</b>		
<b>Carrying Amount at the Beginning of the Reporting Period</b>	111	44,307
Cash Flow Changes:		
- Cash Paid	(74)	-
Non-Cash Changes:		
- New Leases	162	-
- Dividend Declared during the Reporting Period	-	53,291
<b>Carrying Amount at the End of the Reporting Period</b>	<b>199</b>	<b>97,598</b>
<b>2022</b>		
<b>Carrying Amount at the Beginning of the Reporting Period</b>	116	59,031
Cash Flow Changes:		
- Cash Paid	(76)	(226,934)
Non-Cash Changes:		
- New Leases	71	-
- Dividend Declared during the Reporting Period	-	212,210
<b>Carrying Amount at the End of the Reporting Period</b>	<b>111</b>	<b>44,307</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 16. RECEIVABLES**

**Description and Material Accounting Policies relating to Receivables**

Receivables include the right to receive infrastructure, trade receivables, deferred payment receivables, accrued revenue and GST refunds due.

**Right to Receive Infrastructure**

Some sales contracts include the requirement for purchasers to construct and return specific infrastructure assets to SLA, at their own cost. The estimated cost of the infrastructure is contained within the Deed of Agreement or Prescribed Conditions within the sales contract, and this becomes the agreed infrastructure asset value that will be transferred to SLA upon practical completion.

The infrastructure revenue is recognised upon settlement of the contract with a corresponding entry recognised as an associated infrastructure asset receivable.

**Trade Receivables**

Trade receivables arise in the normal course of providing goods and services to other agencies and the public. Trade receivables are payable within 30 days after the goods or services have been provided under a contractual arrangement and in accordance with the terms and conditions of that arrangement.

Accounts receivable (including trade receivables and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Statement of Comprehensive Income.

**Deferred Receivable - Contribution to the West Belconnen Joint Venture**

SLA continues to provide a contribution to the joint operation to fund project activities under the West Belconnen Joint Venture Agreement. SLA has a priority right to the distributions from the joint operation where and by the amount that creates an imbalance in the joint operation equity account. If the contributed amount exceeds SLA's share of the assets and liabilities of the joint operation, the remaining amount is recognised as a net deferred receivable. This amount is further assessed for recoverability on an annual basis.

**Credit Loss Receivables**

The allowance for expected credit losses represents the amount of trade and other receivables SLA estimates will not be collected. The allowance for credit losses is based on objective evidence and a review of overdue balances. SLA has measured expected credit losses of a financial instrument in a way that reflects:

- (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (b) the time value of money; and
- (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The amount of the expected credit loss is recognised in the Statement of Comprehensive Income. Where SLA has no reasonable expectation of recovering an amount owed by a debtor and ceases action to collect the debt, and the cost of recovering the debt is more than the debt is worth, the debt is written-off by directly reducing the receivable against the loss allowance.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 16. RECEIVABLES - CONTINUED**

**Material Accounting Judgements and Estimates - Allowance for Credit Losses**

The allowance for expected credit losses of trade receivables is measured as the lifetime expected credit losses at each reporting date. The allowances for expected credit losses of receivables are calculated separately for groupings of assets with similar loss patterns. The calculations are based on historical observed default rates where possible. Where no historical data is available, SLA has consulted with relevant internal and external stakeholders to determine expected credit losses. The figures are then adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables.

Depending on the diversity of the customer base it may also be necessary to segregate trade receivables where SLA's historical credit loss experience shows significantly different loss patterns for different customer segments.

Inter-agency receivables between ACT Government agencies are expected to have low credit risks. Consequently, ACT Government policy is that directorates, territory authorities and territory-owned corporations consolidated into the whole-of-Government financial statements will generally not measure any loss allowance for receivables collectible from other ACT Government agencies consolidated into the whole-of-government financial statements.

SLA made a significant estimate in the calculation of the allowance for credit losses for receivables in the Financial Statements. This estimate is based on a number of groups of receivables and the use of historically observed default rates or input from the relevant internal and external stakeholders. These approaches are considered by management to be appropriate.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Receivables</b>		
Trade Receivables <sup>a</sup>	11,310	4,868
Less: Expected Credit Loss Allowance	(957)	(1,958)
GST Receivables <sup>b</sup>	685	5,231
	<u>11,038</u>	<u>8,141</u>
Right to Receive Infrastructure <sup>c</sup>	7,936	7,317
Deferred Receivable - Contribution to West Belconnen Joint Venture	17,854	-
Less: ACT Government Share of Deferred Receivable	(10,712)	-
Net Deferred Receivable - Contribution to West Belconnen Joint Venture <sup>d</sup>	<u>7,142</u>	<u>-</u>
<b>Total Current Receivables</b>	<b><u>26,116</u></b>	<b><u>15,458</u></b>
<b>Non-Current Receivables</b>		
Trade Receivables <sup>e</sup>	11,460	11,462
Less: Expected Credit Loss Allowance <sup>e</sup>	(11,455)	(11,455)
Right to Receive Infrastructure <sup>c</sup>	21,221	26,409
<b>Total Non-Current Receivables</b>	<b><u>21,226</u></b>	<b><u>26,416</u></b>
<b>Total Receivables</b>	<b><u>47,342</u></b>	<b><u>41,874</u></b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 16. RECEIVABLES - CONTINUED**

- a) The increase in trade receivables is due to land sales to the Canberra Institute of Technology and Community Services Directorate during the 2022-23 financial year. Trade receivables also include an increase in prepaid development fees to West Belconnen Joint Venture at the end of the year.
- b) GST Receivables include GST withholding for residential land sales that will be refunded from the ATO as well as the net GST receivable on SLA's operations. The decrease in GST Receivables is mostly attributable to the lower GST withholding refunds receivable from the ATO due to decreased land sales.
- c) The decrease in total Right to Receive Infrastructure is due to infrastructure assets being completed and handed to the Territory during the 2022-23 financial year.
- d) The increase in Net Deferred Receivable - Contribution to West Belconnen Joint Venture is due to the contribution provided to the joint venture to fund project activities.
- e) Non-current trade receivables and Non-current Expected Credit Loss Allowance are primarily due to a receivable relating to development services. SLA estimates it is unlikely that it will recover this receivable.

**Expected Credit Loss Allowance**  
**Ageing of Receivables**

	<b>Accounts Receivable</b>		
	<b>Estimated total gross carrying amount at default \$'000</b>	<b>Expected credit loss Allowance \$'000</b>	<b>Expected credit loss rate %</b>
<b>30 June 2023</b>			
Not Overdue	17,223	-	-
1-30 Days Past Due	-	-	-
31-60 Days Past Due	5	-	-
61-90 Days Past Due	-	-	-
>91 Days Past Due	13,369	(12,412)	92.84%
<b>Total</b>	<b>30,597</b>	<b>(12,412)</b>	<b>40.57%</b>
<b>30 June 2022</b>			
Not Overdue	18,312	(11,455)	62.55%
1-30 Days Past Due	2	-	-
31-60 Days Past Due	81	(60)	74.07%
61-90 Days Past Due	-	-	-
>91 Days Past Due	3,166	(1,898)	59.95%
<b>Total</b>	<b>21,561</b>	<b>(13,413)</b>	<b>62.21%</b>

	<b>2023 \$'000</b>	<b>2022 \$'000</b>
<b>Reconciliation of the Expected Credit Allowance for Receivables</b>		
Expected Credit Allowance at the Beginning of the Reporting Period	13,413	1,796
Reduction in Allowance from Amounts Written off During the Reporting Period	(1,001)	(77)
Expected Credit Loss Expense	-	11,694
<b>Expected Credit Allowance at the End of the Reporting Period</b>	<b>12,412</b>	<b>13,413</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 17. INVENTORIES**

**Description and Material Accounting Policies relating to Inventories**

Inventories held for sale include developed land and land being developed and are valued at the lower of cost and net realisable value. Land being developed - work in progress is transferred to developed land when operational acceptance is provided by EPSDD and the land becomes available for sale. The cost of developed land includes land acquisition and land development costs. Land transferred from EPSDD is recognised in inventories – land being developed - work in progress when custodianship of land is received by SLA.

Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing and selling activities.

**Land Purchases**

Unleased Territory land is acquired at market value. SLA recognises the land as inventory when custodianship is transferred to SLA in addition to recognising a corresponding payable to EPSDD for the market value of the land. SLA also purchases land from external parties at market value as required and receives land for no cost through transfers from some other ACT Government entities.

**Capitalised Development Costs**

Capitalised development costs relate directly to preparing sites for sale as serviced land. These include expenditure associated with the implementation of estate planning, demolition, remediation activities, and relocation or construction of infrastructure services. Costs associated with marketing and selling activities are not considered to be directly related to the preparation of the sites for sale as serviced land, and are expensed as incurred. Land sites held for development and sale are classified as current assets when they are expected to be sold within 12 months.

**Grants Related to Asset**

Grants Related to Asset represent grants received from the ACT Government to support SLA to fulfill its obligations to remediate the West Belconnen landfill site. In accordance with AASB120: *Accounting for Government Grants and Disclosure of Government Assistance*, SLA recognises the grants by deducting the grants in arriving at the carrying amount of the inventory. The grants are expensed in the Statement of Comprehensive Income when finished land is settled. Refer to Note 23: *Other Provisions* for further details.

**Material Accounting Judgements and Estimates - Current and Non-Current Inventory**

Inventory is classified as current where it is expected to settle in the 12 months from the reporting date, irrespective of whether the land is constructed and available for sale. SLA develops land in accordance with the Indicative Land Release Program and where land supply exceeds demand, unsold stock may accumulate. Therefore, the most appropriate indicator for the classification of inventory as current is the expected timing of settlement rather than the completed construction and availability of land. Where blocks are not expected to settle within the next 12 months they are classified as non-current.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 17. INVENTORIES - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Inventories</b>		
Developed Land, Construction Completed and Available for Sale, at Cost <sup>a</sup>	17,130	31,151
Land Being Developed - Work in Progress		
Land Purchase Costs <sup>b</sup>	4,713	408
Development Costs <sup>c</sup>	52,892	20,560
Total Land Being Developed - Work in Progress	57,605	20,968
Less: Grants Related to Assets <sup>d</sup>	(4,192)	-
<b>Total Current Inventories</b>	<b>70,543</b>	<b>52,119</b>
<b>Non-Current Inventories</b>		
Developed Land, Construction Completed and Available for Sale, at Cost <sup>a</sup>	49,730	38,304
Land Purchase Costs -Undeveloped Land	55,786	57,369
Land Being Developed - Work in Progress		
Land Purchase Costs <sup>b</sup>	14,492	11,829
Development Costs <sup>c</sup>	262,732	115,892
Total Land Being Developed - Work in Progress	277,224	127,721
Less: Grants Related to Assets <sup>d</sup>	(31,312)	-
<b>Total Non-Current Inventories</b>	<b>351,428</b>	<b>223,394</b>
<b>Total Inventories</b>	<b>421,971</b>	<b>275,513</b>

- a) Developed Land, Construction Completed and Available for Sale, at Cost largely relates to land in Whitlam and the associated critical infrastructure costs. The decrease is primarily due to the sale of land in Taylor and Whitlam Stage 1 and 2, partially offset by increased land in Whitlam Stage 3A due to this land becoming settlement ready at the end of the financial year 2022-23.
- b) The increase in Land Purchase Costs for the year ended 30 June 2023 primarily relate to the acquisition of NSW land for development by the West Belconnen Joint Venture.
- c) The increase in Development Costs represents the progress of Molonglo Critical Infrastructure Projects, enabling future Whitlam releases, and construction in Jacka 2.
- d) The negative amounts represent the expenditure of grants received from the ACT Government for the West Belconnen Landfill remediation project.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of Inventory</b>		
<b>Opening Inventory at the beginning of the Financial Year</b>	<b>275,513</b>	<b>354,853</b>
Purchases	136,330	105,799
Cost of Land Sold	(71,955)	(173,695)
Write-down of Inventory	(2,097)	(7,801)
Increase/(Decrease) in Provision for Project Completion	27,803	(3,643)
Increase in Provision for West Belconnen Landfill Remediation	56,377	-
<b>Closing Inventory at the end of the Financial Year</b>	<b>421,971</b>	<b>275,513</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 18. PROPERTY, PLANT AND EQUIPMENT**

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

SLA has the following five classes of Property, Plant and Equipment:

- a) **Land** is defined as the ground, including the soil covering and any associated surface water. Land includes rural properties where there is no intention to develop the land or is held for use for infrastructure, environmental or other purposes;
- b) **Leasehold improvements** are capital expenditure items incurred in relation to leased assets. Leasehold improvements represent fit-outs in “The Link” building held by the West Belconnen Joint Venture and fencing improvements made to SLA’s rural land holdings;
- c) **Plant and equipment** are tangible assets like machinery, appliances or tools that are used by SLA to produce goods or assist in providing services to the community. Plant and equipment tend to be small and more mobile in nature than other types of property, plant and equipment like land and leasehold improvements. Plant and Equipment includes furniture, fittings, motor vehicles, and electronic office equipment. Right-of-use plant and equipment assets are not included in the plant and equipment asset class;
- d) **Right-of-Use plant and equipment** has the same definition as plant and equipment, with the exception that they are held under a lease. Right-of-Use plant and equipment held by SLA include motor vehicles; and
- e) **Heritage assets** refer to assets that have unique cultural, historical, geographical, scientific and/or environmental attributes and that the Government intends to preserve indefinitely because of those attributes. The heritage asset held by SLA is the John Fowler & Co Locomotive.

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

**Acquisition and Recognition of Property, Plant and Equipment**

Property, Plant and Equipment are initially recorded at cost. Cost includes the purchase price, directly attributable costs and the estimated cost of dismantling and removing the item (where, upon acquisition, there is a present obligation to remove the item). Right-of-use assets are also measured at cost on initial recognition, where cost comprises the initial amount of the lease liability and initial direct costs. SLA capitalises all Property, Plant and Equipment with a value of \$5,000 or more. Land acquired that is not intended to be developed when an assessment is undertaken is recorded as Property, Plant and Equipment. This may include land held for use for infrastructure, environmental or other purposes. SLA regularly assesses land recorded as Property, Plant and Equipment to ensure it is correctly designated. Where land is held for use (Property, Plant and Equipment) and is re-designated subsequently as held for sale, the land is transferred from Property, Plant and Equipment to Inventory.

**Measurement of Property, Plant and Equipment after Initial Recognition**

Leasehold improvements, plant and equipment and heritage assets are measured using the cost model of valuation. Land is measured at fair value and is revalued at least every 3 years. Towards the end of each financial year SLA assesses whether there are any ‘indicators’ that the carrying amount of their PPE is materially different to fair value. Where these indicators exist, the asset will be revalued regardless of when the last valuation took place. Land that is acquired between revaluations is held at cost until the next valuation, where it is revalued to fair value.

CBRE Valuation Pty Ltd, an independent valuer, performed a valuation as at 30 June 2022 of the land held by SLA. CBRE Valuation Pty Ltd hold a recognised and relevant professional qualification and have recent experience in the location and category of the property, plant and equipment involved.

**Right-of-use Assets**

Right-of-use assets are initially measured at cost. After the commencement date, right-of-use assets are measured at cost less any accumulated depreciation and accumulated losses and adjusted for any re-measurement of the lease liability.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 18. PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Impairment of Assets**

SLA 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.

Impairment losses for plant and equipment, leasehold improvements, heritage and intangible assets are recognised in the Statement of Comprehensive Income, as these assets are carried at cost. The carrying amount of the asset is reduced to its recoverable amount.

Impairment losses for land are recognised as a decrease in the asset revaluation surplus relating to these assets. This is because rural land holdings are measured at fair value and have an asset revaluation surplus attached to them.

Where the impairment loss is greater than the balance in the asset revaluation surplus for the relevant land holding, the difference is recognised as a revaluation loss in the Statement of Comprehensive Income.

**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 leasehold improvement, and plant and equipment. Land, and heritage assets have an unlimited useful life and are therefore not depreciated.

Right-of-use plant and equipment, leasehold improvements as well as plant and equipment are depreciated over the estimated useful life of each asset, or the unexpired period of the relevant lease, whichever is shorter.

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

Depreciation for non-current assets is determined as follows:

<b>Class of Asset</b>	<b>Depreciation Method</b>	<b>Useful Live (Years)</b>
Leasehold Improvements	Straight-Line	10
Plant and Equipment	Straight-Line	2-10

SLA has made a significant estimate in determining the useful lives of its Property, Plant and Equipment. The estimation of useful lives of Property, Plant and Equipment is based on the historical experience of similar assets. The useful lives are assessed on an annual basis and adjustments are made when necessary.

**Carrying Value of Fair Valued Assets under the Cost Model**

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

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying value if measured using Cost Model</b>		
<i>Land</i>		
Land at Cost	14,951	15,059
Disposals	(311)	(108)
<b>Total Land Assets at Cost</b>	<b>14,640</b>	<b>14,951</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 18. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Reconciliation of Property, Plant and Equipment – 2022-23**

	Land	Leasehold Improvements	Plant and Equipment	Right-of-use Plant and Equipment <sup>b</sup>	Heritage Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount at the Beginning of the Reporting Period</b>	14,725	1,143	50	106	442	<b>16,466</b>
Additions	-	40	-	162	-	<b>202</b>
Depreciation	-	(273)	(14)	(75)	-	<b>(362)</b>
Transfers <sup>a</sup>	(397)	-	-	-	-	<b>(397)</b>
<b>Carrying Amount at the End of the Reporting Period</b>	<b>14,328</b>	<b>910</b>	<b>36</b>	<b>193</b>	<b>442</b>	<b>15,909</b>
<b>Carrying Amount at the End of the Reporting Period, is represented by:</b>						
Gross Book Value	14,328	2,271	105	531	442	<b>17,677</b>
Accumulated Depreciation	-	(1,361)	(69)	(338)	-	<b>(1,768)</b>
<b>Carrying Amount at the End of the Reporting Period</b>	<b>14,328</b>	<b>910</b>	<b>36</b>	<b>193</b>	<b>442</b>	<b>15,909</b>

- a) The decrease in Land is due to the reclassification of a portion of rural land to inventory in order to facilitate the sale of the land.
- b) Right-of-use Plant and Equipment consists of nine motor vehicles (2021-22: ten motor vehicles) leased by SLA.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 18. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Reconciliation of Property, Plant and Equipment – 2021-22**

	Land	Leasehold Improvements	Plant and Equipment	Right-of-use Plant and Equipment	Heritage Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount at the Beginning of Reporting Period</b>	10,479	1,404	64	113	442	<b>12,502</b>
Additions	-	11	-	70	-	<b>81</b>
Depreciation	-	(272)	(14)	(77)	-	<b>(363)</b>
Disposals	(69)	-	-	-	-	<b>(69)</b>
Impairment Losses Recognised in the Operating Result	(138)	-	-	-	-	<b>(138)</b>
Reversal of Impairment Losses Recognised in the Operating Result	3,593	-	-	-	-	<b>3,593</b>
Revaluation Increments Recognised in Other Comprehensive Income	860	-	-	-	-	<b>860</b>
<b>Carrying Amount at the End of the Reporting Period</b>	<b>14,725</b>	<b>1,143</b>	<b>50</b>	<b>106</b>	<b>442</b>	<b>16,466</b>
<b>Carrying Amount at the End of the Reporting Period, is represented by:</b>						
Gross Book Value	14,725	2,231	105	369	442	<b>17,872</b>
Accumulated Depreciation	-	(1,088)	(55)	(263)	-	<b>(1,406)</b>
<b>Carrying Amount at the End of the Reporting Period</b>	<b>14,725</b>	<b>1,143</b>	<b>50</b>	<b>106</b>	<b>442</b>	<b>16,466</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 18. PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Hierarchy**

The 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:

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

Details of SLA's Property, Plant and Equipment at fair value and information about the Fair Value Hierarchy as at 30 June is as follows:

<b>2023</b>	<b><u>Classification According to Fair Value Hierarchy</u></b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Property, Plant and Equipment at Fair Value</b>				
Land	-	14,328	-	<b>14,328</b>
	-	<b>14,328</b>	-	<b>14,328</b>

<b>2022</b>	<b><u>Classification According to Fair Value Hierarchy</u></b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Property, Plant and Equipment at Fair Value</b>				
Land	-	14,725	-	<b>14,725</b>
	-	<b>14,725</b>	-	<b>14,725</b>

There have been no transfers between Levels 1, 2 and 3 during the current and previous reporting period.

**Valuation Techniques, Inputs and Processes:**

**Level 2 Valuation Techniques and Inputs**

**Valuation Technique:** The valuation technique used to value land is the market approach that reflects recent transaction prices for similar properties and buildings (comparable in location and size).

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

**Suburban Land Agency**  
**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 SLA 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 19. PAYABLES**

### **Description and Material Accounting Policies Relating to Payables**

Payables are initially recognised at fair value based on the transaction cost with any adjustments to the carrying amount being recorded in the Statement of Comprehensive Income.

Payables include trade payables, accrued expenses, payables to EPSDD for land sold, developed or yet to be developed and other payables.

### **Material Accounting Judgements and Estimates - Current and Non-Current Payables to EPSDD for Land Sold, Developed or Yet to be Developed**

Payables to EPSDD for land sold, developed or yet to be developed represent a liability to EPSDD for the cost of land sold by SLA. The liability to EPSDD is due to be paid only when the land is sold by SLA. SLA's forward estimates for land sales determine the timing of expected settlement. Where blocks are expected to settle within the next 12 months, the associated payable to EPSDD is classified as current.

Demolition Contributions Payable represents amounts payable to purchasers who are required to complete demolition works on behalf of SLA as specified in the sales contract.

Retention Money represent cash held as security for project delivery agreements. The securities are returned to the Buyers upon performance of their obligation under the associated agreements.

Provision for Landscaping and Energy Rebates represents front garden landscaping and energy rebates payable to the purchasers.

Other Payables include deposits paid by builders as securities for put and call option land sales. A put and call option agreement is a contract where SLA agrees to sell the land if requested by the buyer (a call option) and the buyer agrees to buy the same property if requested by SLA (a put option).

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 19. PAYABLES - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Payables</b>		
Payables to EPSDD for Land Sold, Developed or Yet to be Developed <sup>a</sup>	4,376	4,849
Accrued Expenses <sup>b</sup>	13,713	9,521
Demolition Contributions Payable <sup>c</sup>	-	4,658
Retention Money <sup>d</sup>	19,128	17,597
Provision for Landscaping and Energy Rebates <sup>e</sup>	7,620	9,995
GST Payables	5,124	5,174
Payables to CMTEDD for Surrendered Land Rent Blocks <sup>f</sup>	-	584
Other Payables <sup>g</sup>	3,076	3,615
<b>Total Current Payables</b>	<b>53,037</b>	<b>55,993</b>
<b>Non-Current Payables</b>		
Payables to EPSDD for Land Developed or Yet to be Developed <sup>a</sup>	14,069	18,583
<b>Total Non-Current Payables</b>	<b>14,069</b>	<b>18,583</b>
<b>Total Payables</b>	<b>67,106</b>	<b>74,576</b>

- a) The decrease in total Payables to EPSDD for Land Sold, Developed or Yet to be Developed is due to payments made during the year for land sold in the estates of Whitlam, Coombs, Taylor, and Hume West.
- b) The increase in Accrued Expenses is mostly attributable to the timing of invoicing related to ongoing development works in 2022-23 compared to 2021-22.
- c) The decrease in Demolition Contributions Payable is due to the satisfaction of contractual conditions.
- d) Retention Money has increased in 2022-23 due in most part to a large security payment received relating to a sale in Turner, partially offset by the refund of security payments across SLA estates.
- e) The decrease in Provision for Landscaping and Energy Rebate is primarily attributable to the payment of the rebates to Buyers and to the expiry of the timeframe for Buyers to claim the landscaping rebate.
- f) The decrease in Payables to CMTEDD for Surrendered Land Rent Blocks is due to the payment made during the year for surrendered land rent blocks.
- g) Other Payables include development fees received on behalf of the West Belconnen Joint Venture, which will be made in the following month as well as payables relating to development services. The decrease is mainly due to the settlement of a development services liability, partially offset by the June 2023 development fee payable to the West Belconnen Joint Venture.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Payables are aged as follows:</b>		
Not Overdue	67,081	74,088
Overdue for Less than 30 Days	10	48
Overdue for 30 to 60 Days	-	279
Overdue for More than 60 Days	15	161
<b>Total Payables</b>	<b>67,106</b>	<b>74,576</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 20. CONTRACT LIABILITIES**

**Description and Material Accounting Policies Relating to Contract Liabilities**

Contract liabilities relate to deposits SLA receives at the time of exchange of land sales contracts and recognises as Revenue Received in Advance. All deposits are received prior to SLA transferring the land to the customers, and as such are considered contract liabilities. The performance obligation of SLA is the transfer of land to the customer/purchaser at settlement. SLA recognises revenue upon settlement of the land sales contract.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Contract Liabilities</b>		
Amounts Received Related to Contracts with Customers where the Performance Obligations have not yet been Satisfied	25,961	7,607
<b>Total Current Contract Liabilities <sup>a</sup></b>	<b>25,961</b>	<b>7,607</b>
<b>Non-Current Contract Liabilities</b>		
Amounts Received Related to Contracts with Customers where the Performance Obligations have not yet been Satisfied	1,469	7,520
<b>Non-Current Contract Liabilities <sup>b</sup></b>	<b>1,469</b>	<b>7,520</b>
<b>Total Contract Liabilities</b>	<b>27,430</b>	<b>15,127</b>

- a) The current Contract Liability balance has increased due in most part to exchanges in West Belconnen, Whitlam and Jacka. This increase is partially offset by settlements across SLA's estates, notably in Turner and Taylor.
- b) The non-current Contract Liability balance has decreased predominantly due to prior year exchanges in Whitlam and West Belconnen which are now expected to settle within 12 months.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue Recognised that was Included in the Contract Liability Balance at the Beginning of the Reporting Period	7,245	17,334

SLA anticipates that the majority of contract liabilities will be recognised as revenue in the 2023-24 financial year.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 21. LEASE LIABILITIES**

**Description and Material Accounting Policies Relating to Lease Liabilities**

**SLA as a Lessee**

SLA has leases over motor vehicles and IT equipment. There are a number of leasing arrangements that have resulted in the recognition of a lease liability while other leasing arrangements have not resulted in a liability being recognised. The below table provides information relating to the leases in place and a split between those that have been taken up as a lease liability and those that have not.

**Leases that have resulted in SLA recognising a lease liability are as follows:**

*Terms and Conditions of Leases*

Motor vehicle	SLA holds nine motor vehicle finance leases (2021-22: nine motor vehicle finance leases and one motor vehicle operating lease). The terms vary from three years to five years. These leases allow for extensions but have no terms of renewal or discounted purchase options, nor escalation clauses.
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**Leases that have not resulted in SLA recognising a lease liability are as follows:**

*Term and Conditions of Leases*

IT equipment leases	SLA has numerous IT equipment leases, including laptops, docking stations and monitors from Shared Services. The IT equipment leases are low value assets, and SLA has used the exemption for leases of low value and accounts for the expense through the Statement of Comprehensive Income as incurred.
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At inception of a contract, SLA assesses whether a lease exists, that is, whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- the contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantial substitution right then there is no identified asset;
- SLA has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- SLA has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease.

Lease liabilities include the net present value of the following lease payments :

- a) fixed payments (including in-substance fixed payments); and
- b) amounts expected to be payable by the lessee under residual value guarantees.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured when there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in SLA's assessment of lease term.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, a rate that reflects the lessee's incremental borrowing rate is used, which is in line with ACT Government Accounting Policy.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 21. LEASE LIABILITIES - CONTINUED**

**Exemptions to Lease Accounting**

SLA has elected to apply exemptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. SLA applies a threshold of \$10,000 (inclusive of GST) to be distinct from low value assets.

SLA recognises payments associated with these leases as an expense on a straight-line basis over the lease term.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Lease Liabilities</b>		
Motor Vehicles	67	58
<b>Total Current Lease Liabilities</b>	<b>67</b>	<b>58</b>
<b>Non-Current Lease Liabilities</b>		
Motor Vehicles	132	53
<b>Total Non-Current Lease Liabilities</b>	<b>132</b>	<b>53</b>
<b>Total Lease Liabilities</b>	<b>199</b>	<b>111</b>
<b>Reconciliation of Lease Liabilities</b>		
Opening Balance of Lease Liabilities	111	116
Add: Additional Lease Liabilities taken up in the Current Reporting Period	162	71
Less: Payments to Reduce the Principal of the Liabilities	(74)	(76)
<b>Closing Balance at the End of the Reporting Period</b>	<b>199</b>	<b>111</b>

SLA had total cash outflows relating to leases of \$74,000 in 2022-23 (\$76,000 in 2021-22).

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 22. 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 are measured at the present value of estimated future payments to be made in respect of services provided by employees. 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, the present value of future annual leave and long service leave payments is estimated using market yields on high quality corporate 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. In 2022-23 the adjustment factors used to estimate the present value of future liabilities are summarised below:

- a) annual leave payments is 97.5 per cent (100.7 per cent in the previous financial year); and
- b) payments for long service leave is 84.0 per cent (85.8 per cent in the previous financial year).

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 seven 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 SLA uses the Whole-of-Government present value, probability and on-cost factors. These factors are issued by ACT Treasury and apply 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 SLA 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 SLA's employees who are members of the defined benefit CSS or PSS Schemes are recognised in the financial statements of the Superannuation Provision Account.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 22. EMPLOYEE BENEFITS - CONTINUED**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Employee Benefits</b>		
Long Service Leave	3,157	2,855
Annual Leave	2,774	2,779
Accrued Salaries and Superannuation	848	505
Accrued Payroll Tax	115	104
Accrued Other Benefits	190	-
<b>Total Current Employee Benefits</b>	<b>7,084</b>	<b>6,243</b>
<b>Non-Current Employee Benefits</b>		
Long Service Leave	384	385
<b>Total Non-Current Employee Benefits</b>	<b>384</b>	<b>385</b>
<b>Total Employee Benefits</b>	<b>7,468</b>	<b>6,628</b>
<b>Estimate of when Leave is Payable</b>		
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Estimated Amount Payable within 12 Months</b>		
Long Service Leave	192	191
Annual Leave	1,283	1,016
Accrued Salaries and Superannuation	848	505
Accrued Payroll Tax	115	104
Accrued Other Benefits	190	-
<b>Total Employee Benefits Payable within 12 Months</b>	<b>2,628</b>	<b>1,816</b>
<b>Estimated Amount Payable after 12 Months</b>		
Long Service Leave	3,349	3,049
Annual Leave	1,491	1,763
<b>Total Employee Benefits Payable after 12 Months</b>	<b>4,840</b>	<b>4,812</b>
<b>Total Employee Benefits <sup>a</sup></b>	<b>7,468</b>	<b>6,628</b>

- a) As at 30 June 2023, the Suburban Land Agency employed 150.7 full-time equivalent (FTE) staff, in comparison to 136.3 FTE staff as at 30 June 2022.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 23. OTHER PROVISIONS**

**Description and Material Accounting Policies Relating to Other Provisions**

Provisions are recognised when SLA 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 Project Completion**

For any parcel of developed land, the proportion of costs anticipated but not yet incurred is accounted for as a Provision for Project Completion. SLA estimates the remaining cost of work still necessary for the completion of each relevant land development project. These estimates are used to determine the Provision for Project Completion which represents an allocation of future costs to finished blocks of land. Examples include landscaping or infrastructure costs, yet to be incurred, which are shared across an entire estate.

The estimate is based on the latest available, reliable information. The estimate may need revision if changes occur to the circumstances on which the estimate is based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not a correction of an error.

The classification of the Provision for Project Completion is linked to forecasted expenses and is classified as current where costs are expected to be incurred in the next 12 months. Where expenses are not forecast to be incurred within the next 12 months the Provision for project completion is classified as non-current.

**Provision to Transfer Infrastructure**

The sale of land by SLA can involve the receipt of cash as well as the value of infrastructure assets (such as roads, services and landscaping) required to be constructed by the purchaser as part of the sale conditions. Upon completion, the infrastructure works are transferred to TCCS and Icon Water. The Provision to Transfer Infrastructure reflects the value of infrastructure assets that are to be transferred to the relevant ACT Government agency. At contract settlement, SLA recognises the value of future infrastructure to be transferred to TCCS and Icon Water as a liability.

**Provision for Landfill Remediation**

The West Belconnen landfill site is next to the Ginninderry development. Due to potential environmental issues caused by the landfill land, development cannot occur within a certain distance of the landfill until remediation occurs. SLA took up the landfill remediation obligations in 2022-23 as SLA has a legal obligation for the site's remediation to ensure compliance with both the residential areas environmental requirements and the Ginninderry Joint Venture Agreement.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Other Provisions</b>		
Provision for Project Completion	29,308	39,910
Provision to Transfer Infrastructure	7,936	7,317
Provision for Landfill Remediation	15,000	-
<b>Total Current Other Provisions</b>	<b>52,244</b>	<b>47,227</b>
<b>Non-Current Other Provisions</b>		
Provision for Project Completion	122,808	84,403
Provision to Transfer Infrastructure	21,221	26,409
Provision for Landfill Remediation	76,881	-
<b>Total Non-Current Other Provision</b>	<b>220,910</b>	<b>110,812</b>
<b>Total Other Provisions</b>	<b>273,154</b>	<b>158,039</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 23. OTHER PROVISIONS - CONTINUED**

**Reconciliation of Other Provisions - 2022-23**

	Provision for:		
	Project Completion <sup>a</sup>	Transfer Infrastructure <sup>b</sup>	Landfill Remediation <sup>c</sup>
	\$'000	\$'000	\$'000
<b>Provision at the Beginning of the Reporting</b>	124,313	33,726	-
Increase in Provision due to Blocks Becoming Settlement Ready	50,996	-	-
Increase in Provision due to Taking up Contract Obligation	-	-	96,073
(Decrease) in Provision due to Payments	(42,673)	-	(4,192)
Increase in Provision due to Change in Accounting Estimate	19,480	-	-
Increase in Provision due to New Infrastructure to be Developed by Other Developers	-	2,748	-
(Decrease) due to Transfer of Infrastructure to ACT Government Entities	-	(7,317)	-
<b>Provision at the End of the Reporting Period <sup>a</sup></b>	<b>152,116</b>	<b>29,157</b>	<b>91,881</b>

- a) The Provision for Project Completion reflects an allocation of future costs to finished blocks of land. Examples include landscaping or infrastructure costs yet to be incurred, which are shared across an entire estate. As at 30 June 2023, the value of the Provision for Project Completion primarily relates to settlement ready blocks in Whitlam and Strathnairn.
- b) The Provision to Transfer Infrastructure represents the value of infrastructure assets to be transferred to relevant ACT Government agencies when construction is completed.
- c) The Provision for Landfill Remediation represents the Territory's obligation to remediate the landfill site.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 24. NATIONAL TAX EQUIVALENT PAYABLE**

**Description and Material Accounting Policies Relating to National Tax Equivalent Payable**

The NTER is an administrative arrangement with the Australian Taxation Office (ATO). SLA is a Territory owned Public Non-Financial Corporation and is registered with the National Tax Equivalent Regime. SLA is required to calculate income tax in accordance with the *Income Tax Assessment Act 1997* and to account for the resulting amounts under the requirements of Australian Accounting Standard *AASB 112 Income Taxes*.

The amount of the current national tax equivalent expense is based on the operating result for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date. National Tax Equivalents are paid to the ACT Revenue Office. Refer to Note 14: *National Tax Equivalent* for further details.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Opening Balance</b>	<b>90,123</b>	<b>135,447</b>
(Payment) of Previous Year's National Tax Equivalent Expense	(87,519)	(144,770)
Deferral of National Tax Equivalent Payment to Future Periods <sup>a</sup>	(2,552)	40,439
National Tax Equivalent Expense for Current Year	22,850	90,947
Instalments Paid for Current Year's National Tax Equivalent	(15,314)	(31,940)
<b>National Tax Equivalent Payable</b>	<b>7,588</b>	<b>90,123</b>

- a) The amount of National Tax Equivalent Payable in future periods relates to temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Refer to Note 26: *Deferred Tax Liabilities* for further details.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 25. OTHER LIABILITIES**

**Description and Material Accounting Policies Relating to Other Liabilities**

**Dividend Payable**

*The City Renewal Authority and the Suburban Land Agency (Suburban Land Agency Payment of Funds to Territory) Direction 2018 (NI2018-224) directs SLA to pay a dividend of 100 per cent of its net profits after tax. Payments of the dividend are made in two instalments each year: an interim payment of 80 per cent of estimated net profits is payable by 30 June of each financial year with a final balance of actual net profits payable by 31 October of the following financial year.*

The direction also provides the Government with flexibility to approve a different dividend payment ratio and/or flexibility of payment timing, subject to the Board providing a case to the Treasurer in writing. The Treasurer may approve the modification of:

- (a) the amount of the interim dividend and final dividend payments; and/or
- (b) the date of payment for the interim and final dividend payments.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Other Liabilities</b>		
Dividend Payable	10,658	44,307
Revenue Received in Advance	5	50
<b>Total Current Other Liabilities</b>	<b>10,663</b>	<b>44,357</b>
<b>Non-Current Other Liabilities</b>		
Dividend Payable <sup>a</sup>	86,940	-
<b>Total Non-Current Other Liabilities</b>	<b>86,940</b>	<b>-</b>
<b>Total Other Liabilities</b>	<b>97,603</b>	<b>44,357</b>

**Reconciliation of Dividend Payable**

Dividend Payable at the Beginning of the Reporting Period	44,307	59,031
Dividend Declared during the Reporting Period	53,291	212,210
Dividend Paid during the Reporting Period for Previous Year	-	(59,031)
Dividend Paid during the Reporting Period for Current Year	-	(167,903)
<b>Dividend Payable at the End of the Reporting Period</b>	<b>97,598</b>	<b>44,307</b>

- a) Prior to the end of the reporting period, SLA received the approval to defer the interim 2022-23 dividend payment from the Treasurer. Therefore, the 2022-23 final dividend payable has been presented as a current liability and the interim dividend payable along with the outstanding 2021-22 final dividend payable have been presented as a non-current liability.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 26. DEFERRED TAX LIABILITIES**

**Description and Material Accounting Policies Relating to Deferred Tax Liabilities**

SLA is a Territory owned Public Non-Financial Corporation and is registered with the National Tax Equivalent Regime. SLA is required to calculate income tax in accordance with the *Income Tax Assessment Act 1997* and to account for the resulting amounts under the requirements of Australian Accounting Standard AASB 112 Income Taxes.

The amount of the current national tax equivalent expense is based on the operating result for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax liabilities are the amounts of national tax equivalent payable in future periods relating to taxable temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled. Deferred tax is credited in the Statement of Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
The balance comprises temporary differences attributable to:		
<b>Opening Balance</b>	<b>8,478</b>	<b>48,659</b>
Movement Due to Prior Year Adjustment	2,604	(9,323)
Increase/(Decrease) in Inventories	38,656	(25,669)
(Increase)/Decrease in Provision for Project Completion	(35,906)	1,093
Decrease in Employee Benefits	(99)	(173)
Revenue Received in Advance	(3,691)	954
Accelerated Depreciation	(89)	(270)
Income Tax Relating to Other Comprehensive Income	37	258
Other	1,040	(7,051)
<b>Current Year Movements</b>	<b>2,552</b>	<b>(40,181)</b>
<b>Net Deferred Tax Liability <sup>a</sup></b>	<b>11,030</b>	<b>8,478</b>

- a) The increase in Deferred Tax Liability is due to the recognition of a higher National Tax Equivalent Payable in future periods relating to a temporary taxable difference resulting from an increase of the total inventory at the end of the year.

# Suburban Land Agency

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

## OTHER NOTES

### NOTE 27. 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 SLA's financial assets under AASB 9:

Items	Business Model	Solely for Payment of Principal and Interest (SPPI) Test (basic lending characteristics)	Classification
Cash	Held to collect	Yes	Amortised cost
Trade Receivables	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.

SLA holds most financial assets in floating interest rate arrangements. SLA is not exposed to movements in interest payable as its financial liabilities are non-interest bearing. However, it is exposed to movements in interest receivable. Interest rates have increased during the financial year ended 30 June 2023 and, as such, have resulted in an increase in the amount of interest received.

Financial assets subject to floating interest rates include investments held in commercial banking accounts, contributions to the West Belconnen Joint Venture and receivables for sales completed via instalments. SLA manages the interest rate risk on investments held in a commercial banking account by only investing in floating interest rate investments that are low risk. Under the West Belconnen Joint Venture agreement, the interest rate is calculated at Bank Bill Swap Rate plus 3 per cent. The receivables with instalment payments are not actively managed due to the associated interest payments being immaterial. Interest rate risk for financial liabilities is not actively managed by SLA as all financial liabilities are non-interest bearing.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 27. FINANCIAL INSTRUMENTS – CONTINUED**

**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. SLA's credit risk is limited to the amount of the financial assets it holds net of any allowance for impairment.

SLA's credit risk includes the investment of excess cash, outstanding rent receivable, and reimbursements of expenses paid on behalf of Government and private entities.

Credit risk relating to the investment of excess cash is managed by SLA by only investing surplus funds in ACT Government's bank, Westpac Banking Corporation (Westpac). Westpac holds an AA issuer credit rating with Standard and Poors. A 'AA' credit rating is defined as a 'very strong capacity to meet financial commitments'.

Credit risk relating to the other receivables and reimbursement of expenses paid on behalf of Government and private entities has been assessed as very low risk. Individual reimbursements are managed by the relevant project teams on a regular basis.

**Liquidity Risk**

Liquidity risk is the risk that SLA 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, SLA ensures that it does not have a large portion of its financial liabilities maturing in any one reporting period and at any particular point in time. SLA has a sufficient amount of current financial assets to meet its current financial liabilities, in addition, as *The City Renewal Authority and Suburban Land Agency (Suburban Land Agency Payment of Funds to Territory) Direction 2018 Notifiable Instrument NI2018-224* 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 SLA Board.

To assess its liquidity risk, SLA has undertaken a liquidity ratio analysis by 30 June 2023. As calculated from the Balance Sheet, the current ratio is 1.3, indicating that SLA has the ability to pay off its short-term liabilities with its current assets.

**Price Risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether these changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. SLA is not exposed to price risk.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 27. FINANCIAL INSTRUMENTS - CONTINUED**

**Measurement of Financial Assets and Liabilities**

The carrying amounts of SLA's financial assets and liabilities are measured, subsequent to initial recognition, at amortised cost.

**Carrying Amount of Each Category of Financial Asset and Financial Liability.**

	<b>2023</b>	<b>2022 <sup>a</sup></b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets</b>		
<b>Financial Assets Measured at Amortised Cost</b>		
Cash	108,660	166,135
Receivables	18,185	8,148
<b>Total Financial Assets Measured at Amortised Cost</b>	<b>126,845</b>	<b>174,283</b>

a) 2021-22 Financial Assets have been restated to include the 2021-22 Cash Balance.

**Financial Liabilities**

Financial Liabilities Measured at Amortised Cost	67,305	74,687
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SLA does not have any financial instruments in the 'Financial Assets at Fair Value through Profit and Loss' and 'Financial Liabilities at Fair Value through Profit and Loss' categories and as such these categories are not included above.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of Receivables as Financial Assets:</b>		
<b>Total Receivables</b>	47,342	41,874
<i>Less:</i>		
Current Right to Receive Infrastructure <sup>a</sup>	7,936	7,317
Non-Current Right to Receive Infrastructure <sup>a</sup>	21,221	26,409
	29,157	33,726
<b>Total Receivables as Financial Assets</b>	<b>18,185</b>	<b>8,148</b>

a) The amounts reported are net of the Right to Receive Infrastructure which does not meet the definition of a Financial Instrument under *AASB 9 Financial Instruments*.

**Fair Value of Financial Assets and Liabilities**

The carrying amount of SLA's financial assets and financial liabilities approximate their fair value.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 27. FINANCIAL INSTRUMENTS - CONTINUED**

The following table sets out SLA'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, except for non-current payables, financial liabilities, which have a floating interest rate or are non-interest bearing and 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 Interest Rate	Fixed Interest Maturing In:			Non-Interest Bearing	Total
			1 Year or Less	1 to 5 Years	Over 5 Years		
			\$'000	\$'000	\$'000		
Financial Liabilities							
Payables	19	nil	-	-	-	67,106	67,106
Lease Liabilities	21	5.95%	67	132	-	-	199
Total Financial Liabilities			67	132	-	67,106	67,305

The following table sets out SLA'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, except for non-current payables, financial liabilities, which have a floating interest rate or are non-interest bearing and 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 Interest Rate	Fixed Interest Maturing In:			Non-Interest Bearing	Total
			1 Year or Less	1 to 5 Years	Over 5 Years		
			\$'000	\$'000	\$'000		
			\$'000	\$'000	\$'000		
<b>Financial Liabilities</b>							
Payables	19	nil	-	-	-	74,576	74,576
Lease Liabilities	21	4.38%	58	53	-	-	111
<b>Total Financial Liabilities</b>			<b>58</b>	<b>53</b>	<b>-</b>	<b>74,576</b>	<b>74,687</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 28. COMMITMENTS**

**Description and Material Accounting Policies Relating to Other 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 a contractual arrangement but can arise from other things like placing an order.

Commitments are measured at their nominal value and are inclusive of GST.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Other Commitments</b>		
Other commitments contracted at reporting date but not recognised as liabilities, are payable as follows:		
Within one year	658	654
Later than one year but not later than five years	2,621	2,573
Later than five years	22,087	22,680
<b>Total Other Commitments<sup>a</sup></b>	<b>25,366</b>	<b>25,907</b>

All amounts shown in the commitment note are inclusive of GST.

- a) Other Commitments include SLA's share of the Dickson Government Office Block lease, and IT and communications equipment leased from Shared Services ICT. These commitments are outside the scope of AASB 16 *Leases*.

The commitments disclosure above doesn't include contractual commitments for the production of inventories.

**NOTE 29. CONTINGENT LIABILITIES**

**Legal Claims**

The GSO acts on behalf of SLA in litigation matters, including matters related to contractual disputes which remain unresolved as at the date of this report. At 30 June 2023 estimated potential claims totalled \$0.010 million (30 June 2022: \$1.380 million).

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 30. INTEREST IN A JOINT OPERATION**

**Description and Material Accounting Policies Relating to Interest in a Joint Operation**

The Territory is a participant in the West Belconnen Joint Venture, which is an agreement between the Territory and Riverview Developments (ACT) Pty Ltd, Reid & Stevens Pty Ltd and Corkhill Bros Pty Ltd to develop land to the west of Belconnen. The Territory has appointed SLA as its agent to manage its interest in the joint operation. SLA holds an interest in the joint operation on behalf of the Territory. There are two components to the West Belconnen Joint Venture. The first being the Land component (60% interest held by the Territory) and the second being the Housing component (50% interest held by the Territory).

The West Belconnen Joint Venture revenue, expenses, assets and liabilities were consolidated into SLA's accounts in respect of its share in the joint operation.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current Assets</b>		
Cash	5,073	19,791
Receivables	2,730	1,237
Inventories	2,841	1,653
<b>Total Current Assets</b>	<b>10,644</b>	<b>22,681</b>
<b>Non-Current Assets</b>		
Inventories	48,296	30,006
<b>Leasehold Improvements</b>		
At Cost	2,220	2,220
Less: Accumulated Depreciation	(1,359)	(1,087)
<b>Total Leasehold Improvements at Cost</b>	<b>861</b>	<b>1,133</b>
<b>Plant and Equipment</b>		
At Cost	93	93
Less: Accumulated Depreciation	(62)	(50)
<b>Total Plant and Equipment at Cost</b>	<b>31</b>	<b>43</b>
<b>Intangible Assets</b>		
At Cost	122	122
Less: Accumulated Amortisation	(122)	(122)
<b>Total Intangible Assets at Cost</b>	<b>-</b>	<b>-</b>
<b>Total Non-Current Assets</b>	<b>49,188</b>	<b>31,182</b>
<b>Total Assets</b>	<b>59,832</b>	<b>53,863</b>
<b>Current Liabilities</b>		
Payables	3,970	2,311
Contract Liabilities	8,088	3,148
Other Liabilities	5	51
Other Provisions	1,613	3,759
<b>Total Current Liabilities</b>	<b>13,676</b>	<b>9,269</b>
<b>Non-Current Liabilities</b>		
Contract Liabilities	2,575	-
Other Provisions	34,751	32,136
<b>Total Non-Current Liabilities</b>	<b>37,326</b>	<b>32,136</b>
<b>Total Liabilities</b>	<b>51,002</b>	<b>41,405</b>
<b>Net Assets</b>	<b>8,830</b>	<b>12,458</b>

# Suburban Land Agency

## Notes to and Forming Part of the Financial Statements

### For the Year Ended 30 June 2023

#### NOTE 31. 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 SLA, directly or indirectly.

KMP of SLA are the Portfolio Minister, members of SLA Board, members of SLA Special Projects Committee, the Chief Executive Officer and certain members of the Senior Management Team.

The Head of Service and the ACT Executive, comprising the Cabinet Ministers, are KMP of the ACT Government and therefore, related parties of SLA.

This note does not include typical citizen transactions between the KMP and SLA that occur on terms and conditions no different to those applying to the general public.

##### (A) Controlling Entity

SLA 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 CMTEDD's financial statements for the year ended 30 June 2023.

SLA's share of compensation of the West Belconnen Joint Venture KMP is also included below.

Compensation by SLA to KMP is set out below

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits	1,947	1,815
Post-employment benefits	405	361
Other long-term benefits	46	43
Board member fees	403	422
<b>Total Compensation by the Suburban Land Agency to KMP</b>	<b>2,801</b>	<b>2,641</b>

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 31. RELATED PARTY DISCLOSURES – CONTINUED**

**B.2 Transactions with Key Management Personnel**

There were no transactions with KMP that were material to the financial statements of SLA.

**B.3 Transactions with Parties Related to Key Management Personnel**

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of SLA.

**(C) Transactions with Other ACT Government Entities**

SLA has entered into transactions with other ACT Government entities in 2023 and 2022 consistent with day-to-day business operations provided under varying terms and conditions. The notes to the Financial Statements provide the details of transactions with other ACT Government Entities. Below is a summary of the Material transactions with Other ACT Government Entities.

**Revenue**

- a) Revenue from Contracts with Customers (Note 5) - In 2022-23 SLA received \$27.595 million of revenue from the CMTEDD, Education Directorate, ACT Health Directorate, Canberra Institute of Technology, Housing ACT and ACT Revenue Office for land sales.
- b) Resources Received Free of Charge (Note 7) - SLA received \$2.806 million services free of charge in 2022-23 for government and due diligence services from EPSDD, legal services from the ACT Government Solicitor's Office (GSO), and Human Resources and Finance services from Shared Shares.
- c) Land Received Free of Charge (Note 7) - SLA received five blocks of land with a total book value of \$5.567 million in 2022-23 from ACT Property Group and Transport Canberra and City Services Directorate at no cost.

**Expenses**

- d) Cost of Land Sold (Note 11) - SLA incurred \$2.575 million in 2022-23 to EPSDD as land acquisition costs.
- e) Employee Expense (Note 9) - SLA incurred \$1.492 million in 2022-23 to the ACT Revenue Office as payroll tax expense. SLA paid the Territory Banking Account \$1.322 million in 2022-23 as employer superannuation contribution payments for defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS).
- f) National Tax Equivalent (Note 14) – SLA incurred \$22.850 million in 2022-23 to ACT Treasury as notional tax expenses.

**Assets**

- g) Receivables (Note 16) - At 30 June 2023 SLA has receivables of \$2.900 million from Housing ACT and Canberra Institute of Technology for land sales.

**Liabilities**

- h) National Tax Equivalent Payable (Note 24) and Deferred Tax Liability (Note 26) - At 30 June 2023 SLA has recorded National Tax Equivalent Payable of \$7.588 million and Deferred Tax Liability of \$11.030 million to the ACT Revenue Office.
- i) Other Liabilities (Note 25) – At 30 June 2023 SLA has Dividend Payable of \$97,598 million to ACT Treasury.
- j) Payables (Note 19) – At 30 June 2023 SLA has a payable of \$18.445 million to EPSDD for land sold, developed or yet to be developed.
- k) Other Provisions (Note 23) – At 30 June 2023 SLA has recognised a Provision to Transfer Infrastructure of \$27.368 million to TCCS and \$1.789 million to Icon Water Limited.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 32. 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 \$15 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 (2022-23 Budget Statement).

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 Line Items	Variance Explanation	Actual	Original Budget	Variance	Variance
		2023 \$'000	2023 \$'000	\$'000	%
Revenue from Contracts with Customers	1	190,769	351,638	(160,869)	(46)
Cost of Land Sold	2	74,704	154,189	(79,485)	(52)
National Tax Equivalent	3	22,850	45,086	(22,236)	(49)

**Variance Explanation**

1. The negative variance is primarily attributable to delays to West Belconnen Joint Venture land sales because of the timing of the reduction in the Environmental Clearance Zone and the impact of property market conditions including higher interest rates and increased home building costs.
2. The negative variance is predominantly due to decreased land settlements resulting in decreased Cost of Land Sold.
3. Lower National Tax Equivalent is in line with the lower than budgeted operating result.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 32. BUDGETARY REPORTING - CONTINUED**

Balance Sheet Line Items	Variance Explanation	Actual	Original	Variance	Variance
		2023 \$'000	Budget 2023 \$'000		
				\$'000	%
Current and Non-Current Inventories	4	421,971	361,286	60,685	17
Current and Non-Current Other Provisions	5	273,154	162,493	110,661	68
Current and Non-Current Other Liabilities	6	97,603	140,274	(42,671)	(30)

**Variance Explanation**

4. The higher total Current and Non-Current Inventories is predominantly attributable to the lower than budgeted land sales, resulting in a higher total inventory balance at the end of the year.
5. The higher total Current and Non-Current Other Provisions is due in most part to the recognition of the West Belconnen landfill remediation provision.
6. The lower total Current and Non-Current Other Liabilities is predominantly due to lower than anticipated dividend liability at the end of the year arising from lower than expected operating results.

**Suburban Land Agency**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2023**

**NOTE 32. BUDGETARY REPORTING - CONTINUED**

Statement of Cash Flows Line Items	Variance Explanation	Actual 2023 \$'000	Original Budget 2023 \$'000	Variance \$'000	Variance %
Revenue from Contracts with Customers	7	191,198	354,272	(163,074)	(46)
Landfill Remediation Project Grants	8	35,504	-	35,504	100
Development Costs	9	129,353	206,075	(76,722)	(37)

**Variance Explanation**

7. The lower than budgeted receipts from Revenue from Contracts with Customers are consistent with the lower than anticipated land sales.
8. The higher than budgeted Landfill Remediation Project Grants is due to grants received from the Government in relation to the West Belconnen landfill project.
9. Development Costs are lower than budgeted due to the timing of development works in Kingston and Jacka 2 and to the timing of infrastructure projects in the Molonglo Valley.

# WEST BELCONNEN JOINT VENTURE FINANCIAL STATEMENTS

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**ABN 72 619 778 053**

**FOR THE YEAR ENDED 30 JUNE 2023**

**WEST BELCONNEN JOINT VENTURE  
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FOR THE YEAR ENDED 30 JUNE 2023**

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of the West Belconnen Joint Venture Board**

#### **Opinion**

I have audited the financial statements of the West Belconnen Joint Venture (Joint Venture) for the year ended 30 June 2023 which comprises the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows 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 Joint Venture'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 Australian Accounting Standards.

#### **Basis for the 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 Joint Venture 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 Joint Venture for the financial statements**

The Joint Venture Board is responsible for:

- preparing and fairly presenting the financial statements in accordance with relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Joint Venture 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 statements.

### **Auditor's responsibilities for the audit of the financial statements**

The Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the Joint Venture.

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 scepticism 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 Joint Venture's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Joint Venture;
- conclude on the appropriateness of the Joint Venture'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 Joint Venture'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 Joint Venture 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 Joint Venture 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

15 September 2023

**WEST BELCONNEN JOINT VENTURE  
DECLARATION BY THE JOINT VENTURE BOARD  
FOR THE YEAR ENDED 30 JUNE 2023**

1. In the opinion of the Board of the West Belconnen Joint Venture (the Joint Venture):
  - a) the financial statements including notes and this declaration by the Joint Venture Board, are in accordance with the basis of preparation described in Note 2(a), so as to give a true and fair view of the financial position of the Joint Venture at 30 June 2023 and its performance, as represented by the results of its operations and cash flows for the year ended 30 June 2023; and
  - b) there are reasonable grounds to believe that the Joint Venture will be able to pay its debts as and when they become due and payable.
2. In respect of the financial year ended 30 June 2023, the Joint Venture has:
  - a) kept such financial records that correctly record and explain the financial position and performance;
  - b) kept its financial records so that true and fair financial statements of the Joint Venture can be prepared from time to time; and
  - c) kept its financial records so that the financial statements of the Joint Venture can be conveniently and properly audited or reviewed in accordance with the Joint Venture Agreement.

Signed in accordance with a resolution of the Joint Venture Board:



**Gregory Anderson**

*Chairperson of the Joint Venture Board*

13 September 2023

**WEST BELCONNEN JOINT VENTURE**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>Note No.</b>	<b>2023 \$</b>	<b>2022 \$</b>
Development fee		8,809,862	39,539,022
Built form revenue		-	6,310,573
Development costs		(6,798,839)	(32,352,675)
Built form costs		79,375	(5,176,590)
<b>GROSS PROFIT</b>		<b>2,090,398</b>	<b>8,320,330</b>
Other income	3	1,285,109	801,095
Administrative expenses	4	(6,411,569)	(4,478,525)
Finance costs	5	(41,340)	(8,831)
Marketing and communication expenses		(1,031,665)	(969,730)
Selling expenses		(967,128)	(1,722,418)
<b>TOTAL OTHER INCOME AND EXPENSES</b>		<b>(7,166,593)</b>	<b>(6,378,409)</b>
<b>NET (LOSS)/INCOME</b>		<b>(5,076,195)</b>	<b>1,941,921</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME AVAILABLE FOR DISTRIBUTION TO JOINT VENTURE PARTICIPANTS</b>		<b>(5,076,195)</b>	<b>1,941,921</b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**WEST BELCONNEN JOINT VENTURE**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	<b>Note No.</b>	<b>2023 \$</b>	<b>2022 \$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	6	8,455,563	33,054,295
Trade receivables and other assets	7	4,550,381	2,060,916
Inventory	8	4,734,691	2,755,169
Tax asset	9	-	75,187
<b>TOTAL CURRENT ASSETS</b>		<b>17,740,635</b>	<b>37,945,567</b>
<b>NON-CURRENT ASSETS</b>			
Inventory	8	80,494,148	50,010,175
Property, plant and equipment	10	1,487,693	1,960,905
<b>TOTAL NON-CURRENT ASSETS</b>		<b>81,981,841</b>	<b>51,971,080</b>
<b>TOTAL ASSETS</b>		<b>99,722,476</b>	<b>89,916,647</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade creditors and other payables	11	4,715,256	1,707,380
Provision for development completion	12	2,689,100	6,264,467
Contract liabilities	13	13,479,377	5,247,162
Other liabilities	14	1,834,416	2,323,059
Tax liabilities	9	76,605	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>22,794,754</b>	<b>15,542,068</b>
<b>NON-CURRENT LIABILITIES</b>			
Provision for development completion	12	57,919,064	53,559,239
Contract Liabilities	13	4,292,214	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>62,211,278</b>	<b>53,559,239</b>
<b>TOTAL LIABILITIES</b>		<b>85,006,032</b>	<b>69,101,307</b>
<b>NET ASSETS</b>		<b>14,716,444</b>	<b>20,815,340</b>
<b>JOINT VENTURE EQUITY</b>			
Initial Equity Contributions			
- Suburban Land Agency		600,000	600,000
- Riverview Development (ACT) Pty Limited		400,000	400,000
Equity Contributions Other than Initial Equity Contributions			
- Suburban Land Agency		17,854,075	-
Accumulated Funds			
- Suburban Land Agency		(2,486,497)	11,858,587
- Riverview Development (ACT) Pty Limited		(1,651,134)	7,956,753
<b>TOTAL JOINT VENTURE EQUITY</b>		<b>14,716,444</b>	<b>20,815,340</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**WEST BELCONNEN JOINT VENTURE  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2023**

	Initial Equity Contributions and Accumulated Funds \$	Equity Contributions Other than Initial Equity Contributions \$	Total Equity \$
<b>Balance at 1 July 2022</b>	20,815,340	-	20,815,340
Comprehensive (Loss)	(5,076,195)	-	(5,076,195)
<b>Total Comprehensive (Loss)</b>	<b>(5,076,195)</b>	<b>-</b>	<b>(5,076,195)</b>
Equity contributions received	-	17,814,788	17,814,788
Interest accrued	-	39,287	39,287
Distributions paid	(18,876,776)	-	(18,876,776)
<b>Transactions Involving Joint Venture Participants Affecting Total Equity</b>	<b>(18,876,776)</b>	<b>17,854,075</b>	<b>(1,022,701)</b>
<b>Balance at 30 June 2023</b>	<b>(3,137,631)</b>	<b>17,854,075</b>	<b>14,716,444</b>
<b>Balance at 1 July 2021</b>	30,373,433	-	30,373,433
Comprehensive Income	1,941,921	-	1,941,921
<b>Total Comprehensive Income</b>	<b>1,941,921</b>	<b>-</b>	<b>1,941,921</b>
Equity contributions returned	(3,706,157)	-	(3,706,156)
Distributions paid	(7,793,857)	-	(7,793,858)
<b>Transactions Involving Joint Venture Participants Affecting Total Equity</b>	<b>(11,500,014)</b>	<b>-</b>	<b>(11,500,014)</b>
<b>Balance at 30 June 2022</b>	<b>20,815,340</b>	<b>-</b>	<b>20,815,340</b>

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

**WEST BELCONNEN JOINT VENTURE**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>Note No.</b>	<b>2023 \$</b>	<b>2022 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Development Fee received		21,084,632	52,574,691
Built Form Revenue (refunded)/received		(12,155)	7,407,226
Other income received		652,328	688,280
Interest income received		665,608	134,394
Net Compliance Bonds received		(387,820)	96,626
GST refunded by ATO		3,896,592	3,026,439
<b>Total receipts from operating activities</b>		<b>25,899,185</b>	<b>63,927,656</b>
<b>PAYMENTS</b>			
Development and Built Form Costs paid		(39,281,909)	(24,372,402)
Other costs paid		(8,179,729)	(7,911,875)
GST remitted to ATO		(1,974,291)	(5,616,498)
<b>Total payments from operating activities</b>		<b>(49,435,929)</b>	<b>(37,900,775)</b>
<b>Net cash (outflows)/inflows from operating activities</b>	6(b)	<b>(23,536,744)</b>	<b>26,026,881</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Initial equity contributions repaid		-	(3,706,156)
Equity contributions other than initial equity contributions received		17,814,788	-
Distributions paid		(18,876,776)	(7,793,857)
<b>Net cash outflows from financing activities</b>		<b>(1,061,988)</b>	<b>(11,500,013)</b>
<b>Net (decrease)/increase in cash</b>		<b>(24,598,732)</b>	<b>14,526,868</b>
Cash at the beginning of the period		33,054,295	18,527,427
<b>Cash at the end of the period</b>	6(a)	<b>8,455,563</b>	<b>33,054,295</b>

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

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1: JOINT VENTURE INFORMATION**

The West Belconnen Joint Venture (the "Joint Venture") is a joint venture domiciled in Australia between the Australian Capital Territory and Riverview Developments (ACT) Pty Limited (the "Joint Venture Participants"). The Joint Venture was formed on 21 November 2016 to develop land in the location known as Ginninderry in the Australian Capital Territory. The Joint Venture is commonly referred to as the Ginninderry Joint Venture. The Australian Capital Territory has appointed the Suburban Land Agency to act as its agent to oversee and manage its interests and responsibilities under the Joint Venture Agreement and all agreements related to the Joint Venture.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

These general-purpose financial statements have been prepared in accordance with generally accepted accounting principles and accounting standards. The Joint Venture is a for-profit entity for the purpose of preparing the financial statements.

At the time of these financial statements being prepared the Joint Venture is progressing with development works for Neighbourhood 2 (Macnamara). Lots in Neighbourhood 2 for the most have all been sold and will commence settling in the coming financial year.

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to historical cost convention.

The financial statements are presented in Australian dollars, which is the Joint Venture's functional currency.

All amounts in the financial statements are unrounded. Use of "-" represents zero amounts.

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

**(b) Going concern**

The Statement of Financial Position of the Joint Venture at 30 June 2023 show current liabilities exceed current assets by \$5,054,119. The Joint Venture considers that it is able to meet its current liabilities expected to mature in the next 12 months as its current liabilities include \$13,479,377 of contract liabilities which relate to amounts received on exchange of contracts with customers for the sale of built form and development fee. The contract liabilities are expected to be recognised as revenue (built form revenue and development fee) once the sales to which they relate to are completed within the next 12 months. The Joint Venture expects contract settlements to be achieved in accordance with their cashflow forecasts and Joint Venture has entered into a deed with the Territory for it to provide additional equity contribution to the Joint Venture, as and when required. On this basis the Joint Venture has assessed it is able to pay its debts as and when they fall due.

**(c) Compliance statement**

These general-purpose financial statements have been prepared to comply with Australian Accounting Standards.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**(d) Comparative figures**

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

**(e) Early adoption of accounting policy**

The Joint Venture has not early adopted any Australian Accounting Standards or AASB interpretations that have been issued at balance date but are not yet operative for the year ended 30 June 2023 ("the inoperative standards"). The impact of the inoperative standards has been assessed and the impact has been identified as not being material to the Joint Venture.

**(f) Revenue from contracts with customers**

Revenue is recognised when a customer obtains control of promised goods or services and amounts recognised reflect the consideration to which the Joint Venture expects to be entitled in exchange for those goods or services. The requirements include a five-step framework to determine the timing and amount of revenue to recognise from contracts with customers. The five-steps are: identifying the contract with a customer, identifying the performance obligations, determining the transaction price, allocating the transaction price to the performance obligations and recognising revenue. 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.

In accordance with AASB 15 *Revenue from Contracts with Customers* the following specific recognition criteria must also be met before revenue from contracts with customers is recognised:

*Development fee*

Development fee revenue is recognised when control of a parcel of land that the Joint Venture has developed, on behalf of the Joint Venture Participants, has transferred to a purchaser. The Joint Venture has determined that the purchaser obtains control for the parcel of land at settlement. The revenue recognised equals the proceeds received by the relevant Joint Venture Participant (less any GST liability which is payable).

*Built form revenue*

Built form revenue is recognised when control of a house that the Joint Venture has built has transferred to a purchaser. The Joint Venture has determined that the purchaser obtains control of a house upon settlement of the parcel of land upon which the house is built. The revenue recognised equals the contract sum agreed in the built form contract (less any GST liability which is payable).

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –  
CONTINUED**

**(g) Other income**

*Interest income*

Interest income is recognised when received.

*Rental income*

The Joint Venture receives rent for a residential building located on land which the Joint Venture has licence to use. Rental income is recognised when received which coincides with the period to which the payment relates.

*Grant income*

The Joint Venture receives grant funding for training and employment initiatives that it runs for the benefit of external participants. Funding is received in advance and only recognised as revenue once the relevant obligation is satisfied. The obligation that is required to be satisfied is that performance obligations at a point in time have been satisfied in accordance with the conditions of the grant funding.

*Deposit forfeiture*

When a purchaser has paid a deposit for a parcel of land that the Joint Venture is developing and the purchaser's land sales contract is terminated, the deposit is forfeited and retained by the Joint Venture and recognised as revenue on the date when the contract is terminated.

*Compliance bond forfeiture*

On settlement, purchasers of a parcel of land that Joint Venture has developed are required to provide a compliance bond to the Joint Venture as security for ensuring compliance with obligations under their land sales contract. If a purchaser does not complete construction of their dwelling in compliance with their obligations, their compliance bond is forfeited and retained by the Joint Venture to be recognised as revenue on the date when the purchaser is advised of the forfeiture.

**(h) Distributions**

Provision is made for the amount of any distributions declared and approved on or before the end of the financial year but not distributed at balance date.

**(i) Cash**

Cash is cash at bank.

For the purpose of the Statement of Cash Flows, cash consist of cash as defined above.

**(j) Inventory**

The cost to develop the land owned by the Joint Venture Participants and build built form that will then be sold is shown as inventory. Inventory is valued at the lower of cost and net realisable value.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**(k) Property, Plant and Equipment**

Property, plant and equipment are initially recorded at cost. Property, plant and equipment with a minimum value of \$3,000 are capitalised.

*Leasehold Improvements*

The Joint Venture's leasehold improvements comprise 'The Link' building which the Joint Venture has built on land that it has leased. The Joint Venture will surrender The Link for nil consideration when the term of its 10 year lease ends in August 2026. Leasehold improvements are amortised on a straight-line basis over the term of the lease.

Leasehold improvements are shown at cost less amortisation and accumulated impairment losses.

*Plant and Equipment*

Plant and equipment includes furniture and fittings and motor vehicles. Plant and equipment is measured at cost less depreciation and accumulated impairment losses.

The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount for these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

All assets were assessed for impairment at 30 June 2023. Indications of impairment exist when the asset's recoverable amount is less than its carrying amount. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

*Depreciation*

Depreciation is charged on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives in the current and comparative period are as follows:

Class of Property, Plant and Equipment	Useful Life
• Leasehold improvements	10 years
• Plant and equipment	5-10 years

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset carrying amounts are written down immediately to their recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds of the sale with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –  
CONTINUED**

**(l) Trade receivables**

Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Statement of Comprehensive Income.

Collectability of trade receivables is reviewed on an ongoing basis. Trade receivables that are known to be uncollectable are written off when identified. An allowance for impairment of trade receivables would be established when there is objective evidence that the Joint Venture will not be able to collect all amounts to the original terms.

The expected credit loss from trade receivables represents the amount of trade receivables that the Joint Venture estimates will not be paid. The Joint Venture determines this loss based on forward looking evidence and a review of all balances. Historically, there have been no credit losses from trade receivables and business relations and conditions of services are expected to remain stable. As such no amount of expected credit loss has been recognised in the Statement of Comprehensive Income.

**(m) Trade creditors**

Trade creditors 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 normally settled within 30 days after the invoice date.

**(n) Provision for development completion**

For any parcel of land that the Joint Venture develops on behalf of the Joint Venture Participants or built form it constructs for a purchaser, the proportion of related costs anticipated but not yet incurred is accounted for as a Provision for Development/Built Form Completion. An estimate is made of the amount of work still to be completed by the Joint Venture and this estimate takes the form of a 'project completion percentage'. The Provision for Development/Built Form Completion is a calculation combining the total anticipated costs of each finished parcel of land or built form house that has been developed/constructed together with the project completion percentage.

**(o) Income tax**

The Joint Venture is a non-taxable entity. The Joint Venture is considered a tax law partnership for taxation purposes. Tax law partnerships are not considered to be a separate tax entity under Australian tax law, and therefore no income tax is payable by the Joint Venture itself.

**(p) Equity contributions other than initial equity contributions**

Equity contributions other than initial equity contributions are interest bearing and repayment will be made to the Suburban Land Agency when surplus funds exist.

**(q) Other taxes**

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

- where the GST incurred on the purchase of goods or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**(q) Other taxes (continued)**

- trade receivables and trade creditors, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is shown as a tax asset or tax liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST components of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of GST recoverable from, or payable to, the taxation authority.

**(r) Contract liabilities**

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

**(s) Other liabilities**

*Compliance Bonds*

On settlement, purchasers of a parcel of land that Joint Venture has developed are required to provide a compliance bond to the Joint Venture as security for ensuring compliance with obligations under their land sales contract. Upon the purchaser completing construction of their dwelling in compliance with their obligations, the compliance bond is refunded to the purchaser. Compliance bond monies received are kept in the Joint Venture's bank account. The Joint Venture is not required to hold compliance bonds in a trust account or act as a fiduciary in relation to the compliance bonds. At 30 June 2023 the balance of Compliance Bonds held was \$1,825,400 (2022: \$2,237,900).

**(t) Significant accounting judgements and estimates**

The preparation of the Joint Venture's financial statements requires management to make judgements and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these judgements and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Joint Venture's exposure to risks and uncertainties include those outlined in Note 15 related to financial risk management.

Significant estimates and judgements made by management in preparing these financial statements include:

- Determining an estimate of the amount of work to be undertaken by the Joint Venture to finish parcels of land and built form houses. This estimate is required to calculate the Provision for Development Completion and Built Form Completion that is discussed further in Note 12. The estimate made by management is based on the information that was available to management when the financial

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -  
CONTINUED**

**(t) Significant accounting judgements and estimates (continued)**

statements were prepared. The estimate may need revision if changes occur to the circumstances which the estimate is based on or as a result of new information.

- Reviewing current and future revenues to make a judgement so as to ensure the balance reported for inventories is stated at the lower of cost or net realisable value.
- Reviewing property, plant and equipment owned by the Joint Venture for indications of changes to their condition or operating environment which could impact future economic benefits that can be derived from their use, and if such impact exists, recording an impairment loss against that asset.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 3: OTHER INCOME**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Interest income	665,608	134,394
Rental income	19,760	20,520
Grant income	511,714	584,454
Compliance bond forfeiture	24,680	39,126
Other income	63,347	22,601
<b>Total other income</b>	<b>1,285,109</b>	<b>801,095</b>

**NOTE 4: ADMINISTRATIVE EXPENSES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Administration and operational expenses	3,617,056	2,976,928
Depreciation and amortisation	473,212	473,212
External audit fee <sup>^</sup>	63,499	61,500
Community development	102,727	86,091
Community events	187,712	49,936
Art and culture initiatives	71,601	97,418
Training and employment initiatives	512,328	623,611
Sponsorships and grants	255,747	109,829
Compensation for settlement delays	1,127,687	-
<b>Total administrative expenses</b>	<b>6,411,569</b>	<b>4,478,525</b>

<sup>^</sup>External audit fees are paid to the ACT Audit Office for the audit of the financial statements. No other services were provided by the ACT Audit Office.

**NOTE 5: FINANCE COSTS**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Bank fees	2,053	8,831
Interest expense	39,287	-
<b>Total finance costs</b>	<b>41,340</b>	<b>8,831</b>

**NOTE 6: CASH**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	8,455,563	33,054,295
<b>Total cash</b>	<b>8,455,563</b>	<b>33,054,295</b>

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 6: CASH - CONTINUED**

	2023	2022
	\$	\$
<b>(a) Reconciliation of cash</b>		
Cash at bank	8,455,563	33,054,295
<b>Total cash</b>	<b>8,455,563</b>	<b>33,054,295</b>
<b>(b) Reconciliation of net income to net cash inflows from operating activities</b>		
Net (loss)/income for the year	(5,076,195)	1,941,921
<b>Add non-cash items:</b>		
Depreciation and amortisation	473,212	473,212
<b>Add financing items:</b>		
Interest expense accrued	39,287	-
<b>Changes in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables and other assets	(2,489,465)	6,965,207
(Increase)/Decrease in inventory	(32,463,495)	5,494,401
Increase/(Decrease) in trade creditors and other payables	3,007,876	(1,524,428)
Increase in provisions	784,458	11,393,763
Increase in contract liabilities	12,439,270	1,797,764
(Decrease)/Increase in other liabilities	(403,484)	57,500
Decrease/(Increase) in net tax assets	151,792	(572,459)
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(23,536,744)</b>	<b>26,026,881</b>

**NOTE 7: TRADE RECEIVABLES AND OTHER ASSETS**

	2023	2022
	\$	\$
Trade receivables	4,422,064	2,051,562
Prepayments	128,317	9,354
<b>Total trade receivables and other assets</b>	<b>4,550,381</b>	<b>2,060,916</b>

**Allowance for Expected Credit Loss**

Trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and an allowance for expected credit loss would be recognised when there is objective evidence that an individual trade receivable is expected to have a credit loss. These amounts would be included in administrative expenses. The allowance for the reporting period is \$nil (2022 \$nil).

**Ageing of trade receivables**

At balance date trade receivables of \$4,422,064 (2022: \$2,051,562) were within the trading terms of 30 days.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 8: INVENTORY**

	2023 \$	2022 \$
<b>CURRENT</b>		
Development work – work in progress - at cost	2,630,768	1,679,928
Built form – work in progress – at cost	2,103,923	1,075,241
<b>Total current inventory</b>	<b>4,734,691</b>	<b>2,755,169</b>
<b>NON-CURRENT</b>		
Development work – work in progress – at cost	77,575,577	50,010,175
Built form – work in progress – at cost	2,918,571	-
<b>Total non-current inventory</b>	<b>80,494,148</b>	<b>50,010,175</b>
<b>Total inventory</b>	<b>85,228,839</b>	<b>52,765,344</b>

**NOTE 9: TAX ASSETS AND LIABILITIES**

	2023 \$	2022 \$
Net GST receivable	325,360	262,335
Net GST payable	(401,965)	(187,148)
<b>Total tax (liabilities)/assets</b>	<b>(76,605)</b>	<b>75,187</b>

**NOTE 10: PROPERTY, PLANT AND EQUIPMENT**

	2023 \$	2022 \$
<b>LEASEHOLD IMPROVEMENTS</b>		
At cost	3,700,000	3,700,000
Less accumulated depreciation	(2,265,301)	(1,812,241)
<b>Total leasehold improvements</b>	<b>1,434,699</b>	<b>1,887,759</b>
<b>FURNITURE AND FITTINGS</b>		
At cost	109,906	109,906
Less accumulated depreciation	(69,127)	(58,136)
<b>Total furniture and fittings</b>	<b>40,779</b>	<b>51,770</b>
<b>MOTOR VEHICLES</b>		
At cost	45,805	45,805
Less accumulated depreciation	(33,590)	(24,429)
<b>Total motor vehicles</b>	<b>12,215</b>	<b>21,376</b>
<b>Total property, plant and equipment</b>	<b>1,487,693</b>	<b>1,960,905</b>

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

## **NOTE 10: PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

### **Reconciliation of Property, Plant and Equipment**

The following table shows the movement for each class of property, plant and equipment during the year:

	<b>Leasehold Improvements</b>	<b>Furniture and Fittings</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Carrying amount at 1 July 2022	1,887,759	51,770	21,376	1,960,905
Depreciation/Amortisation	(453,060)	(10,991)	(9,161)	(473,212)
<b>Carrying amount at 30 June 2023</b>	<b>1,434,699</b>	<b>40,779</b>	<b>12,215</b>	<b>1,487,693</b>

## **NOTE 11: TRADE CREDITORS AND OTHER PAYABLES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade creditors	1,167,155	1,476,730
Accrued expenditures	3,548,101	230,650
<b>Total creditors and other payables</b>	<b>4,715,256</b>	<b>1,707,380</b>

Trade creditors are generally due and payable within 30 days and relate to costs incurred in the ordinary course of business.

Accrued expenditures relate to project costs incurred at 30 June 2023 which had not yet been invoiced.

## **NOTE 12: PROVISION FOR DEVELOPMENT COMPLETION**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Provision for Development Completion	2,689,100	6,264,467
<b>Total current provision</b>	<b>2,689,100</b>	<b>6,264,467</b>
<b>NON-CURRENT</b>		
Provision for Development Completion	57,919,064	53,559,239
<b>Total non-current provision</b>	<b>57,919,064</b>	<b>53,559,239</b>
<b>Total provision for development completion</b>	<b>60,608,164</b>	<b>59,823,706</b>

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 12: PROVISION FOR DEVELOPMENT COMPLETION – CONT.**

<b>Reconciliation of the Provision for Development Completion:</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Provision for development completion at the start of the</b>	<b>59,823,706</b>	<b>48,429,944</b>
Increase in provision due to Blocks Reaching Settlement Ready	2,505,139	19,757,974
Decrease in provision due to Payments	(1,720,681)	(8,364,212)
<b>Provision for development completion at the end of the</b>	<b>60,608,164</b>	<b>59,823,706</b>

The Provision for Development Completion reflects the expected costs required to finish parcels of land already sold by the Joint Venture Participants. As at 30 June 2023, the value of Provision for Development Completion related to development costs expected to be incurred for parcels of land that had settled and for which the Joint Venture has received a Development Fee from the Joint Venture Participants.

**NOTE 13: CONTRACT LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Contracts with Customers – Development Fee	13,139,002	4,434,624
Contracts with Customers – Built Form Revenue	340,375	812,538
<b>Total current contract liabilities</b>	<b>13,479,377</b>	<b>5,247,162</b>
<b>NON-CURRENT</b>		
Contracts with Customers – Development Fee	3,832,206	-
Contracts with Customers – Built Form Revenue	460,008	-
<b>Total current contract liabilities</b>	<b>4,292,214</b>	<b>-</b>
<b>Total contract liabilities</b>	<b>17,771,591</b>	<b>5,247,162</b>

Contract liabilities relates to consideration received in advance from the Joint Venture Participants in respect of the development fee and consideration received in advance from purchasers in respect of homes built by the Joint Venture.

**NOTE 14: OTHER LIABILITIES**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Compliance Bonds	1,825,400	2,237,900
Grant Income	9,016	85,159
<b>Total current other liabilities</b>	<b>1,834,416</b>	<b>2,323,059</b>
<b>Total other liabilities</b>	<b>1,834,416</b>	<b>2,323,059</b>

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 15: FINANCIAL RISK MANAGEMENT**

The Joint Venture's principal financial instruments comprise trade receivables, trade creditors, cash and equity contributions other than initial equity contributions

The Joint Venture Board manages the Joint Venture's exposure to key financial risks, which include credit risk and liquidity risk. The overall financial risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Joint Venture.

The Joint Venture Board identifies, evaluates and mitigates financial risks.

**Credit risk**

Credit risk arises from the financial assets of the Joint Venture, which comprises cash and trade receivables.

The Joint Venture's exposure to credit risk arises from the potential default of the counter party, with a maximum exposure to the carrying amount of these instruments. As the main counter party for the Joint Venture's trade receivables is the Suburban Land Agency, there is no requirement for collateral from the Suburban Land Agency.

The cash component of financial assets is considered to have a low credit risk, as cash at banks is maintained in accounts operated by a reputable financial institution. The Joint Venture's financial institution is the only concentration of credit risk for the Joint Venture.

**Interest rate risk**

The Joint Venture is subject to exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates on equity contributions other than initial equity contributions.

The Joint Venture's interest rate risk is managed by regular monitoring of expected interest rate changes. Interest rate risk is not considered a significant risk and operational measures have been implemented to manage the risk. Debt levels are evaluated regularly to ensure that the Joint Venture is not exposed to interest rate movements that could adversely impact its ability to meet its financial obligations.

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

**Liquidity risk**

The Joint Venture regularly updates and reviews its cash flow forecasts to assist in managing its liquidity. To limit its exposure to liquidity risk, the Joint Venture 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, it has a sufficient amount of current financial assets to meet its current financial liabilities.

**Fair value and credit risk**

Due to the short-term nature of trade creditors and trade receivables, their carrying value is assumed to approximate their fair value.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 15: FINANCIAL RISK MANAGEMENT – CONTINUED**

The carrying value and maturity of the Joint Venture's financial assets and financial liabilities has been tabulated below:

		<b>Carrying Amount 2023 \$</b>	<b>Fair Value Amount 2023 \$</b>	<b>Carrying Amount 2022 \$</b>	<b>Fair Value Amount 2022 \$</b>
<b>FINANCIAL ASSETS</b>					
Cash at bank	Note 6	8,455,563	8,455,563	33,054,295	33,054,295
Trade receivables	Note 7	4,422,064	4,422,064	2,051,562	2,051,562
<b>Total financial assets</b>		<b>12,877,627</b>	<b>12,877,627</b>	<b>35,105,857</b>	<b>35,105,857</b>
<b>FINANCIAL LIABILITIES</b>					
Trade creditors	Note 11	1,167,155	1,167,155	1,476,730	1,476,730
Equity contributions other than initial equity		17,854,075	17,854,075	-	-
<b>Total financial liabilities</b>		<b>19,021,230</b>	<b>19,021,230</b>	<b>1,476,730</b>	<b>1,476,730</b>

<b>30 June 2023</b>	<b>1 year or less \$</b>	<b>1-5 years \$</b>	<b>&gt;5 years \$</b>	<b>Total \$</b>
<b>FINANCIAL LIABILITIES</b>				
Trade creditors	1,167,155	-	-	1,167,155
Equity contributions other than initial equity	17,854,075	-	-	17,854,075
<b>Net Maturity</b>	<b>19,021,230</b>	<b>-</b>	<b>-</b>	<b>19,021,230</b>

<b>30 June 2022</b>	<b>1 year or less \$</b>	<b>1-5 years \$</b>	<b>&gt;5 years \$</b>	<b>Total \$</b>
<b>FINANCIAL LIABILITIES</b>				
Trade creditors	1,476,730	-	-	1,476,730
<b>Net Maturity</b>	<b>1,476,730</b>	<b>-</b>	<b>-</b>	<b>1,476,730</b>

**NOTE 16: RELATED PARTIES**

**Joint Venture Participants**

The names of the Joint Venture Participants who formed the Joint Venture are:

- Australian Capital Territory
- Riverview Developments (ACT) Pty Limited

The Suburban Land Agency has been appointed by the Australian Capital Territory to act as its agent to oversee and manage its interests and responsibilities under the Joint Venture Agreement and all agreements related to the Joint Venture.

The Joint Venture has appointed Riverview Projects (ACT) Pty Limited as the Development Manager and Riverview Sales and Marketing Pty Limited as the Marketing and Sales Manager.

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 16: RELATED PARTIES – CONTINUED**

**Joint Venture Board**

The members of the Joint Venture Board are:

- Michael Scott (Chairperson) (resigned 23<sup>rd</sup> November 2022)
- Gregory Anderson (Chairperson) (appointed 24<sup>th</sup> November 2022)
- Thomas Gordon (resigned 31<sup>st</sup> December 2022)
- Neil Bulless (appointed 1<sup>st</sup> January 2023)
- Angus Dawson (resigned 31<sup>st</sup> August 2022)
- Guy Gibson (appointed 1<sup>st</sup> September 2022)
- Katrina Fanning (resigned 30<sup>th</sup> September 2022)
- Sally Gilbert (appointed 12<sup>th</sup> October 2022)
- David Maxwell
- Thomas Corkhill
- Patricia Barber

**Transactions with related parties during the period**

	Transaction value 2023 \$	Amount of receivable at 30 June 2023 \$	Amount of payable at 30 June 2023 \$	Amount committed at 30 June 2023 \$
<b>Services rendered/committed</b>				
Suburban Land Agency				
- Development Fee	21,346,445	4,421,619	-	483,978,607
<b>Total services rendered/committed</b>	<b>21,346,445</b>	<b>4,421,619</b>	<b>-</b>	<b>483,978,607</b>

**Services received/committed**

Riverview Projects (ACT) Pty Limited				
- Development Management Fee	5,525,885	-	496,756	11,927,373
Riverview Sales and Marketing Pty Limited				
- Marketing and Sales Fee	902,993	-	135,492	9,657,424
<b>Total services received/committed</b>	<b>6,428,878</b>	<b>-</b>	<b>632,248</b>	<b>21,584,797</b>

	Transaction value 2022 \$	Amount of receivable at 30 June 2022 \$	Amount of payable at 30 June 2022 \$	Amount committed at 30 June 2022 \$
<b>Services rendered/committed</b>				
Suburban Land Agency				
- Development Fee	41,495,414	2,025,161	-	495,543,861
<b>Total services rendered/committed</b>	<b>41,495,414</b>	<b>2,025,161</b>	<b>-</b>	<b>495,543,861</b>

Riverview Projects (ACT) Pty Limited				
- Development Management Fee	4,242,797	-	399,169	15,145,295
Riverview Sales and Marketing Pty Limited				
- Marketing and Sales Fee	1,525,051	-	457,483	10,331,170
<b>Total services received/committed</b>	<b>5,767,848</b>	<b>-</b>	<b>856,652</b>	<b>25,476,465</b>

**WEST BELCONNEN JOINT VENTURE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 16: RELATED PARTIES - CONTINUED**

Transactions between the Joint Venture and related parties are on normal commercial terms and conditions. Amounts shown as committed relate to remaining amounts to be recognised or incurred related to the development of parcels of land in Neighbourhood 2 of the development.

**Equity Contributions from related parties**

Initial equity contributions received from the Joint Venture Participants at commencement of the Joint Venture was \$1,000,000 (Australian Capital Territory \$600,000 and Riverview Developments (ACT) Pty Limited \$400,000).

During the year “equity contributions other than initial equity contributions” amounting to \$17,814,788 were contributed by the Suburban Land Agency as agent for the Australian Capital Territory (2022: \$nil). These equity contributions are interest bearing and repayment will be made to the Suburban Land Agency when surplus fund exist. Interest accrued and not paid during the year was \$39,287 (2022: \$nil).

**Key Management Personnel Compensation**

An amount of \$131,845 (2022: \$130,752) was paid to members of the Joint Venture Board during the reporting period. This amount represents Board Fees paid to Mr Michael Scott, Mr Gregory Anderson, Mr Guy Gibson, Ms Katrina Fanning, Mr Thomas Corkhill and Ms Patricia Barber and their out of pocket expenses for attending meetings.

**NOTE 17: CONTINGENCIES**

**Contingent Assets**

No contingent assets exist at reporting date (2022: \$nil).

**Contingent Liabilities**

No contingent liabilities exist at reporting date (2022: \$nil).

## C.3 Capital Works

SLA does not receive appropriation for Capital Works.

Expenditure by SLA represents the costs to develop inventory rather than representing a capital works program.

Further information can be obtained from:

Joey Lee  
Chief Financial Officer  
Suburban Land Agency  
+61 2 6205 0600

## C.4 Asset Management

### Assets managed

SLA managed assets with a total value of \$15.909 million as at 30 June 2023. Assets managed are shown in the table below.

**Table 33: Assets Managed**

Asset Type	Comprising	Value \$'000
Land	Land in Tuggeranong, Belconnen and Wallaroo	14,328
Leasehold Improvements	60% interest in West Belconnen Joint Venture Office Building	910
Plant and Equipment	Right of use assets related to motor vehicle leases, and 60% interest in furniture and equipment of West Belconnen Joint Venture	229
Community and Heritage Assets	John Fowler & Co Locomotive	442

During 2022-23, SLA managed and maintained land in the Tuggeranong, Belconnen and Wallaroo districts. There were no asset upgrades in 2022-23.

There were nil audits (condition, hazardous materials, buildings, etc.) conducted of assets in 2022-23.

### Office accommodation

As at 30 June 2023, SLA had access to the office space of the ACT Government Office, 480 Northbourne Avenue Dickson. SLA operates in an activity-based working (ABW) environment. Under ABW arrangements, officers don't have a designated workstation/desk. In line with ACT Public Service flexible working arrangements, SLA's employees were working partially on-site and partially from home by the end of the 2022-23 financial year.

Further information can be obtained from:

Joey Lee  
Chief Financial Officer  
Suburban Land Agency  
+61 2 6205 0600

## C.5 Government Contracting

The online ACT Government Contracts Register records contracts with suppliers of goods, services and works, with a value of \$25,000 or more.

A full search of SLA's contracts notified with an execution date from 1 July 2022 to 30 June 2023 can be made at [www.tenders.act.gov.au/contract/search](http://www.tenders.act.gov.au/contract/search)

### Secure Local Jobs Code

There were no exemptions from the secure local jobs code requirements under section 22G of the *Government Procurement Act 2001*.

### Aboriginal and Torres Strait Islander Procurement Policy

SLA performance is below target for Measure 3 of the Aboriginal and Torres Strait Islander Procurement Policy. However, performance has improved since last year. The majority of Aboriginal and Torres Strait Islander Procurement Policy Addressable Spend for SLA is in civil construction and related professional services. There are comparatively few Registered Aboriginal and Torres Strait Islander Enterprises for civil construction. To address this, we have developed a suite of procurement and contract model clauses to signal to our major suppliers our commitment to engaging Aboriginal and Torres Strait Islander Enterprises. We anticipate continued improvement in this performance measure in future.

#### Measure 1

In the Financial Year 2022-23, there were two Aboriginal and Torres Strait Islander Enterprises who responded to an SLA tender and quotation opportunities issued from the Approved Systems.

#### Measure 2

In the Financial Year 2022-23, there were six unique Aboriginal and Torres Strait Islander Enterprises attributed a value of Addressable Spend.

#### Measure 3

In the Financial Year 2022-23, there was 0.28 per cent of Addressable Spend that was spent with Aboriginal and Torres Strait Islander Enterprises against a target of 2 percent.

Further information can be obtained from:

Sally Gilbert  
Executive Branch Manager  
Governance & Corporate Services  
Suburban Land Agency  
+61 2 6205 0600

# C.6 Statement of Performance (SOP)

## 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 Suburban Land Agency 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 Suburban Land Agency's records or do not fairly reflect, in all material respects, the performance of the Suburban Land Agency, 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.

#### The Suburban Land Agency's responsibilities for the statement of performance

The Governing Board 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 Suburban Land Agency.

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 Suburban Land Agency's records or do not fairly reflect, in all material respects, the performance of the Suburban Land Agency, in accordance with the *Financial Management Act 1996*.

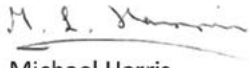
In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Suburban Land Agency, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including 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 Suburban Land Agency.




Michael Harris  
Auditor-General  
26 September 2023

# Statement of Performance

**For the Year Ended 30 June 2023**

## Statement of Responsibility

In my opinion, the certified Statement of Performance is in agreement with the Suburban Land Agency's records and fairly reflects the service performance of the Suburban Land Agency for the year ended 30 June 2023 and also fairly reflects the judgements exercised in preparing it.

A handwritten signature in dark ink, appearing to read 'J Fitzgerald', with a stylized, cursive script.

John Fitzgerald  
Chair  
Suburban Land Agency  
25 September 2023

# Statement of Performance

**For the Year Ended 30 June 2023**

## Statement by the Chief Executive Officer

In my opinion, the certified Statement of Performance is in agreement with the Suburban Land Agency's records and fairly reflects the service performance of the Suburban Land Agency for the year ended 30 June 2023 and also fairly reflects the judgements exercised in preparing it.

A handwritten signature in black ink, appearing to read 'John Dietz', with a stylized, cursive script.

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
25 September 2023

# Statement of Performance

## Financial Accountability Indicators 2022–23

**Table 34: Financial Measures**

Indicator Descriptor	Indicator	Target 2022–23	Actual 2022–23	Variance (%) from Target	Explanation of Material Variances (+/- 10%)
Meet Financial Measures	Revenue from Contracts with Customers (million)	\$352	\$191	(46%)	The variance is primarily due to delays to West Belconnen Joint Venture land sales because of the timing of reduction in the Environmental Clearance Zone and the impact of property market conditions including higher interest rates and increased home building costs.
Meet Financial Measures	Total Return to Government (million) <sup>1</sup>	\$163	\$81	(50%)	The variance is mostly attributable to the lower than anticipated operating result driven by lower than budgeted sales.
Meet Financial Measures	Return on Assets (%) <sup>2</sup>	28.8	13.9	(52%)	The variance is due to the lower than budgeted operating result driven by lower than budgeted sales.
Meet Financial Measures	Gross Profit Margin on Land Sales (%) <sup>3&amp;6</sup>	57.0	60.7	6%	Not Material.
Meet Financial Measures	Net Profit Margin (%) <sup>4&amp;6</sup>	29.6	26.1	(12%)	The variance is mostly attributable to the lower than anticipated operating result driven by lower than budgeted sales.
Meet Financial Measures	Inventory Turnover (%) <sup>5</sup>	46.2	21.8	(53%)	The variance is due to a higher than anticipated closing inventory, which is attributable to the lower than budgeted land sales.

**Notes:**

1. Total Return to Government = operating result before tax + payments for land acquisitions + payroll tax + stamp duty equivalents + interest expenses + resources provided to other ACT Government agencies free of charge.
2. Return on Assets = (operating result before tax + interest expenses) / average total assets for period.
3. Gross Profit Margin on land sales = (land sales - cost of land sold including stamp duty equivalents) / land sales.
4. Net Profit Margin = operating result / total revenue.
5. Inventory turnover = cost of goods sold / average inventory.
6. The profit margins of the Suburban Land Agency are used for internal purposes to provide comparatives across projects and time periods. These margins are not comparable with private industry, noting that the Government, through the Suburban Land Agency, enters into the land development process at an earlier stage than a private developer. Additionally, the Government invests in infrastructure within and around its developments with the cost incurred by other Government agencies and therefore not reflected in the Suburban Land Agency's profit margins.

# Statement of Performance 2022-23

## Non-Financial Performance Indicators

**Table 35: Non-Financial – Land Release**

For consistency with the targets identified in the Indicative Land Release program, the actual outcomes for Residential, Mixed use, Commercial, Industrial and Community sites include all sites released during 2022-23 including sites that have been re-released. Where land release targets have not been fully achieved, the related land will be rescheduled for release in a subsequent financial year.

Indicator Descriptor	Indicator	Target 2022-23	Actual 2022-23	Variance (%) from Target	Explanation of Material Variances (+/- 10%)
Meet Indicative Land Release Program (ILRP) Obligations (Release)	Residential (# dwellings)	3,918	2,473	(36.9%)	<p>The variance is attributed to:</p> <ul style="list-style-type: none"> <li>the deferral of 80 dwellings in Holt due to ongoing environmental requirements;</li> <li>the early release of 30 dwellings in Holt (S53) which were released in 2021-22 and reported in SLA's 2021-22 Statement of Performance;</li> <li>delays in the release of 148 dwellings in Macnamara due to Environmental Clearance Zone issues;</li> <li>the reduction of 84 dwellings in Gungahlin due to planning constraints;</li> <li>the deferral of 200 dwellings in Watson due to EPSDD undertaking an Estate Development Plan process;</li> <li>the deferral of 513 dwellings in Kingston due to an EPSDD demonstration housing process not yet being completed; and</li> <li>the deferral of 11 dwellings in Oaks Estate due to EPSDD undertaking further heritage assessments of the sites.</li> </ul> <p>Reduced dwelling numbers were partially offset by:</p> <ul style="list-style-type: none"> <li>79 additional dwellings in Lawson;</li> <li>12 additional dwellings in Strathnairn;</li> <li>2 additional dwellings in Oaks Estate; and</li> <li>28 additional dwellings in Whitlam.</li> </ul> <p>The target included 500 dwellings released by CRA which are not included in SLA's actual results.</p>

Indicator Descriptor	Indicator	Target 2022-23	Actual 2022-23	Variance (%) from Target	Explanation of Material Variances (+/- 10%)
Meet ILRP Obligations (Release)	Mixed Use (m <sup>2</sup> )	35,945(m <sup>2</sup> )	7,070(m <sup>2</sup> )	(80.3%)	The variance is attributed to limited releases, with one block released in Turner (build to rent) in Quarter 2. A Kingston block was scheduled for release outside of 2022-23.
Meet ILRP Obligations (Release)	Commercial (m <sup>2</sup> )	88,237(m <sup>2</sup> )	35,156(m <sup>2</sup> )	(60.2%)	<p>The variance is attributed to:</p> <ul style="list-style-type: none"> <li>• A site in Holt (2,751m<sup>2</sup>) being bought forward to 2021/22 and reported in SLA's 2021/22 Statement of Performance;</li> <li>• Delays to release of a site in Holt (19,645m<sup>2</sup>) due to ongoing environmental testing requirements;</li> <li>• Delays to the release of multiple sites in Belconnen (8,961m<sup>2</sup>) due to ongoing environmental testing requirements;</li> <li>• Delays due to the release of a site in Wanniasa (7,668m<sup>2</sup>) which requires additional planning by EPSDD;</li> <li>• A reduction in size (1,054m<sup>2</sup>) of the Phillip release due to a refinement of the site area to accommodate verges and open space; and</li> <li>• Delays to release of Oaks Estate due to EPSDD undertaking further heritage assessments of the sites (4,380m<sup>2</sup>).</li> </ul> <p>Note: Commercial release targets includes Blocks 2 and 3 Section 20 and an additional site (totally 11,365m<sup>2</sup>) which were released by the City Renewal Authority and not reported in SLA's actual.</p>
Meet ILRP Obligations (Release)	Industrial (m <sup>2</sup> )	0(m <sup>2</sup> )	0(m <sup>2</sup> )	0%	Not Material.
Meet ILRP Obligations (Release)	Community (m <sup>2</sup> )	120,995(m <sup>2</sup> )	110,878(m <sup>2</sup> )	(8.4%)	Not Material.

Indicator Descriptor	Indicator	Target 2022-23	Actual 2022-23	Variance (%) from Target	Explanation of Material Variances (+/- 10%)
Meet ILRP Obligations (Affordable)	Affordable Purchase and Land Rent (# dwellings)	208	115	(44.7%)	<p>Several sites with affordable housing requirements were not released in 2022-23:</p> <ul style="list-style-type: none"> <li>Block 5 Section 53 in Holt was not counted in 2022-23 as it was released early and reported in 2021-22. It is not being reported again as it would be counted twice.</li> <li>Gungahlin Town Centre and Jacka have housing targets applying from 2021-22 and 2022-23, with delays due to planning, stakeholder engagement and ACAT appeals. While both have had sites released in 2022-23 with affordable housing requirements, these have been counted towards the 2021-22 targets.</li> <li>The Whitlam Local Centre Request for Tender process has been delayed due to planning issues. The second stage of this process is needed to confirm affordable housing numbers for Whitlam.</li> </ul> <p>There have been no sites in Macnamara made available through the Flexi-living series due to planning issues.</p>
Meet ILRP Obligations (Affordable)	Public Housing (# dwellings)	76	68	(10.5%)	<p>A small number of additional sites were able to be identified for Housing ACT in Jacka, allowing both 2021-22 and 2022-23 targets to be addressed, however there have been no sites in Macnamara made available for public housing due to planning issues.</p>
Meet ILRP Obligations (Affordable)	Community Housing (# dwellings)	30	20	(33.3%)	<p>Several sites with community housing requirements were not released in 2022-23:</p> <ul style="list-style-type: none"> <li>Gungahlin Town Centre has housing targets applying from 2021-22 and 2022-23, with delays due to planning and stakeholder engagement. While a site was released in 2022-23 with community housing requirements, these have been counted towards the 2021-22 targets.</li> <li>In addition, one site in Lawson was re-released in</li> </ul> <p>2022-23 but was reported as being released in 2017-18 and therefore does not count towards the 2022-23 housing targets.</p>

**Notes:**

- The full ILRP is available at [www.planning.act.gov.au/planning-our-city/land-release](http://www.planning.act.gov.au/planning-our-city/land-release)

# Statement of Performance

## Non-Financial – Non-Land Release Performance Indicators 2022-23

Table 36: Non-Financial – Non-Land Release

Goal	Indicator	Target 2022-23	Actual 2022-23	Variance (%) from Target	Explanation of Material Variances (+/- 10%)
Increase customer and stakeholder relationships	Annual total sessions to the SLA website	379,982	149,425	(61%)	Limited greenfield releases across the year and slower market conditions impacted website traffic.
Increase customer and stakeholder relationships	Establish additional government partnerships for service delivery	2	3	50%	Collaboration across Government is key to improving customer and community experience. During 2022-23, SLA entered into partnerships with Transport Canberra and City Services (TCCS), ACT Fire & Rescue, and Margaret Hendry School to deliver community recreational facilities and improvements, as well as the Taylor tank walk.
Prioritise our people	Implement the Innovation Framework	5	5	0%	Not Material.
Enhance and deliver on projects, programs and policies	Implement actions identified in the <i>SLA Sustainability Strategy 2021-25</i>	10	10	0%	Not Material.
Increase customer and stakeholder relationships	Delivery of community-led activities	4	7	75%	Mingle continues to establish, re-engage, strengthen and build on community assets within SLA's emerging suburbs. In 2022-23, SLA empowered residents to run activities including regular community led street parties, buy swap and sell events, clean up groups and events to recognise days of significance to our communities.  Further opportunities are prevalent for community initiatives given that social distancing is no longer a consideration. Mingle sees these opportunities as a direct benefit to our communities and therefore did not hesitate to exceed the target.

Goal	Indicator	Target 2022-23	Actual 2022-23	Variance (%) from Target	Explanation of Material Variances (+/- 10%)
Enhance and deliver on projects, programs and policies	Progress a business case for a Sustainable Development Showcase for SLA Board consideration	1	1	0%	Not Material.
Prioritise our people	SLA staff <sup>1</sup> have completed Fraud and Ethics Training by 30 June 2023*	90%	98.5%	9.4%	Not Material.
Prioritise our people	SLA staff <sup>1</sup> have completed Work Health and Safety Training by 30 June 2023*	90%	98%	8.9%	Not Material.
Prioritise our people	Implement actions identified in the Workforce Capability and People Framework and Action Plan	3	5	66.7%	Two additional actions were implemented.

**Notes:**

1. SLA staff employed at first pay run January 2023.
- \* The target excludes staff who have left SLA prior to 30 June 2023.

# Part D

Reporting by  
Exception

# D1. Reporting by Exception

## Dangerous Substances

SLA was not served with any notices of non-compliance relating to the *Dangerous Substances Act 2004* during 2022-23.

Further information can be obtained from:  
John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

## Medicines Poisons and Therapeutic Goods

SLA was not served with any notices of non-compliance relating to the *Medicines, Poisons and Therapeutic Goods Act 2008* during 2022-23.

Further information can be obtained from:  
John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

# Part E

## Requirements for Specific Reporting Entities

## E.1 Annual Report Requirements for Specific Reporting Entities

### Chief Minister, Treasury and Economic Development

SLA has nothing to report under the *Workplace Privacy Act 2011* as it relates specifically to covert surveillance authorisations issued to ACT employers.

### Education and Training

SLA has no responsibility for the investigation of complaints under section 22 of the *Education Act 2004*, nor for the reporting required by the Teacher Quality Institute under the *ACT Teacher Quality Institute Act 2010*, and therefore no items to report against within this section.

### Health

SLA has no responsibility for reporting under the *Mental Health (Treatment and Care) Act 1994* or *Carers Recognition Act 2021*.

### City Centre Marketing and Improvements Levy

SLA has nothing to report against this section as it relates specifically to reporting by the City Renewal Authority.

### Gambling and Racing

SLA has nothing to report against this section as it relates specifically to reporting by the Gambling and Racing Commission.

### Ministerial and Director-General Directions

SLA did not receive any Ministerial Directions under the CRASLA Act or the *Planning and Development Act 2007* during 2022–23.

SLA reports any land acquisitions to EPSDD in accordance with the reporting requirements set out in the *Government Agencies (Land Acquisition) Reporting Act 2018*. SLA made no land acquisitions during 2022–23.

### Public Land Management Plans

SLA was not custodian of public land in 2022–23 in accordance with the *Planning and Development Act 2007* (section 320) and the *Nature Conservation Act 2014* (section 177), therefore was not required to prepare any public land management plans during the reporting year.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

# Part F

## Whole of Government Annual Reporting

## F.1 Whole of Government Annual Reporting

### Justice and Community Safety

#### Bushfire Risk Management

SLA was not required to provide input to JACS in relation to Bushfire Risk Management.

#### Human Rights

SLA has provided input to JACS in relation to human rights for inclusion in the 2022-23 *Justice and Community Safety Directorate Annual Report*.

#### Legal Services Directions

SLA has provided input to JACS in relation to Legal Services Directions for inclusion in the 2022-23 *Justice and Community Safety Directorate Annual Report*.

### Territory Records

SLA has provided input to the Director of Territory Records on SLA's records management program for inclusion in the 2022-23 *Director of Territory Records Annual Report*.

### State of Service Survey

SLA has provided input to the Commissioner for Public Administration 2022-23 State of Service Report which is centred on workforce profile data and was sourced directly from the Shared Services Human Resources system.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600

# Part G

## Attachments

# Attachment A: Ecologically Sustainable Development

The following table outlines SLA's energy, water, transport fuel, and waste consumption, and the associated greenhouse gas emissions. Reported consumption indicates office accommodation and external usage within developments for the current financial year. As SLA is part of EPSDD, the below data has been extracted by EPSDD for reporting purposes.

**Table 37: Sustainable Development Performance – Current and Previous Financial Year**

Indicator as at 30 June 2023	Unit	Current Financial Year	Previous Financial Year	Percentage Change
<b>Stationary energy use</b>				
Electricity use	Kilowatt hours	155,967.80	110,610.87	34.03%
Natural gas use (non-transport)	Megajoules	-	-	0%
Diesel use (non-transport)	Kilolitres	-	-	N/A
<b>Transport fuel usage</b>				
Battery Electric Vehicles	Number	2	2	0%
Hydrogen Fuel Cell Electric Vehicles	Number	-	-	N/A
Plug-in Hybrid Electric Vehicles	Number	2	2	0%
Hybrid Electric Vehicles	Number	1	1	0%
Internal Combustion Engine Vehicles	Number	4	4	0%
Total number of vehicles	Number	9	9	0%
Fuel use – Petrol	Kilolitres	0.48	0.13	26.9%
Fuel use – Diesel	Kilolitres	6.11	5.94	2.86%
Fuel use – Liquid Petroleum Gas	Kilolitres	-	-	N/A
Fuel use – Compressed Natural Gas	Gigajoules	-	-	N/A
<b>Water usage</b>				
Water use	Kilolitres	4772.17	488.86	162.83%
<b>Resource efficiency and waste</b>				
Reams of paper purchased	Reams	12.63	22	(54.11%)

Indicator as at 30 June 2023	Unit	Current Financial Year	Previous Financial Year	Percentage Change
Recycled content of paper purchased	Reams	12.63	22	(54.11%)
Waste to landfill	Percentage	80	100	(22%)
Co-mingled material recycled	Litres	15,075	13,344	12.18%
Paper & cardboard recycled (including secure paper)	Litres	16,399	13,547	19.05%
Organic material recycled	Litres	15,581	5,823	91.18%
<b>Greenhouse gas emissions</b>				
Emissions from natural gas use (non-transport)	Tonnes CO <sup>2</sup> -e	N/A	N/A	N/A
Emissions from diesel use (non-transport)	Tonnes CO <sup>2</sup> -e	N/A	N/A	N/A
Emissions from transport fuel use	Tonnes CO <sup>2</sup> -e	17.76	16.64	6.69%
Emissions from refrigerants	Tonnes CO <sup>2</sup> -e	6.99	6.99	0%
Total emissions	Tonnes CO <sup>2</sup> -e	24.74	23.63	4.71%

**Notes:**

1. Actual electricity consumption may vary from that shown above. Data integrity issues at the time of data extraction from the Enterprise Sustainability Platform (ESP) has resulted in some small market sites erroneously reporting higher electricity consumption. This discrepancy is likely to be marginal in the context of annual consumption figures.
2. Figures above may include accrued data. Where actual data is not available, the ESP provides estimates using an accrual function. Accruals are calculated from the average annual daily consumption of the most current 12-month period applied for the number of days of missing data.
3. Some utility data may be incomplete at the time of data extraction. Where appropriate, accrued data is used to address any gaps. There may be some residual data gaps that will be addressed retrospectively in next year's reporting period.
4. Some data reported in the above table for the previous financial year may differ slightly from figures reported in the 2021-22 annual report. This is due to retrospective updates to SLA occupancy, historical consumption data, and changes in assumptions related to Zero Emissions Vehicles in line with the ACT Government Fleet Procurement and Management Policy.
5. The ACT Government reports zero greenhouse gas emissions from electricity use as a result of the ACT's 100 per cent renewable electricity supply.
6. Emissions reported for stationary energy and transport fuels include Scope 1 and Scope 2 emissions only. Scope 1 are direct emissions from sources owned and operated by the government, including emissions from transport fuel and natural gas use. Scope 2 are indirect emissions from mains electricity which is consider zero in the ACT.
7. Emission factors used to calculate natural gas and fleet fuel are based on the latest National Greenhouse Accounts factors.
8. SLA was responsible for several new sites including a display village which has contributed to increased water usage in the 2022-23 financial year.
9. Solar generated electricity is not reflected in this report.

Further information can be obtained from:

John Dietz  
Chief Executive Officer  
Suburban Land Agency  
+61 2 6205 0600



**ACT**  
Government