



# DEVELOPER REGULATION

## INTRODUCTION

**We asked the community and industry to provide feedback on options to regulate property developers in the ACT.**

The ACT Government is committed to introducing greater accountability measures for property developers. Canberrans should be confident that when they engage with a developer, the developer will be competent, transparent and act ethically.

The Parliamentary and Governing Agreement for the 10<sup>th</sup> Legislative Assembly includes a commitment to set up an Australia-first licensing scheme for property developers, including the creation of a “fit and proper person” test and rigorously enforced penalty scheme. The ACT Government is reviewing the role of developers in the building and construction industry to determine measures to be introduced to improve accountability, protect consumers and sub-contractors, and provide consumers with greater information about developments and the developers behind them.

## THE METHODOLOGY

### Feedback Form, Submissions and Quick Poll

From 30 January to 27 February 2023, public consultation was hosted on the ACT Government’s YourSay page. Feedback was collected via written submissions and through an online feedback form and a quick poll. A Discussion Paper was provided that outlined a range of issues and asked questions about potential options to regulate property developers. Feedback was received about the role and activities of developers, options for regulation and suggested matters to be addressed.

### Individual Stakeholder Meetings

We held individual meetings with representatives from key stakeholder organisations to discuss their views on the various issues and regulatory framework options presented in the Discussion Paper. Most of these stakeholders also submitted a written response as part of the community consultation process.

## WHO WE ENGAGED

Feedback was collected from individual stakeholders and members of the community, along with the following industry and community organisations:

- Riverview Group
- Canberra Business Chamber
- Housing Industry Association\*
- Australian Institute of Architects
- Master Builders Association\*
- CFMEU\*
- Property Council\*
- Owners Corporation Network (OCN)\*



- Griffith Narrabundah Community Association
- Inner South Canberra Community Council
- Kingston and Barton Residents Group
- Western Creek Community Council
- Strata Community Association\*

\*These stakeholders also provided input via one-on-one meetings with ACT Government.

We received 13 written submissions comprising seven industry and related industry organisations, one community body, four community groups and one member of the public. We also received five survey responses from the community and 47 quick poll responses.

We will continue to work with key stakeholders to develop a regulatory framework.

## WHAT WE HEARD

### Key insights from engagement

#### Accountability and Transparency

1. Written submissions identified that there is strong support for accountability and transparency in the community.
2. There is strong support for a licensing scheme in the community and less support from industry.
3. The community also supported the introduction of a rating tool to support consumers to make informed decisions about a developer.

#### Ethical Behaviour and Work Practices

4. Improved documentation provision related to development activity was supported by both the community and industry, with varying views on where improvements can be made.
5. There is strong support for educational resources to support consumers to make informed decisions and support industry to understand their obligations.
6. Community did not support the idea of a voluntary code of practice.

#### Project Capacity and Capability – Financial and Operational

7. Industry noted that the building reform work program included a security of payment review and therefore it did not need to be included in the regulatory framework immediately.
8. Both the community and industry support the inclusion of disclosure components in the framework, with further discussions with industry required on a proposed framework.
9. There is support for statutory warranties from the community.

#### Building Quality and Safety

10. 19% of poll responses indicated that this was the most important focus area of developer regulation, with most respondents (66%) identifying all focus areas as equally important.
11. Industry did not support the application of rectification orders for developers.



Your participation and feedback is important to inform development of a regulatory framework for property developers in the ACT. Your views will be used to help us design a framework that improves accountability in the industry.

We would like to thank all respondents for their time and express our appreciation for all of the feedback and information we have received on the Developer Regulation project.

If you have any questions about this project or would like to be kept updated on its progress, please email [EPSDDBuildingReform@act.gov.au](mailto:EPSDDBuildingReform@act.gov.au). To find out more about the ACT's building reforms and other related initiatives, policies and projects in Canberra visit [www.planning.act.gov.au/build-buy-renovate/home](http://www.planning.act.gov.au/build-buy-renovate/home).

## Key Timing

**February/March 2023 - Community and key stakeholder consultation**

**May 2023 – Listening Report**

**Mid-Late 2023 – Government considers feedback provided and develops a regulatory framework for property developers.**

**2024 – Implementation of a regulatory framework for property developers.**

## SUMMARY OF ENGAGEMENT

**437**

We reached 437 people via  
YourSay

**6**

We spoke to 6 industry  
groups

**18**

We received 18 items of  
written feedback

**550+**

There were 550+ document  
downloads via YourSay