

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Budget estimates 2020-21 (Wynne)**

Melbourne—Friday, 18 December 2020

### **MEMBERS**

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

Ms Bridget Vallence



**WITNESSES**

Mr Richard Wynne, MP, Minister for Planning,

Mr John Bradley, Secretary,

Mr Julian Lyngcoln, Deputy Secretary,

Mr Xavier Hinckson, Chief Financial Officer, and

Dr Trevor Pisciotta, Executive Director, Building, Department of Environment, Land, Water and Planning; and

Ms Sue Eddy, Chief Executive Officer, Victorian Building Authority; and

Mr Dan O'Brien, Chief Executive Officer, Cladding Safety Victoria; and

Mr Stuart Moseley, Chief Executive Officer, Victorian Planning Authority.

**The CHAIR:** We welcome back Minister Wynne, this time for the consideration of the planning portfolio. We invite you, Minister, to make a 10-minute presentation, and this will be followed by questions from the committee.

**Mr WYNNE:** Thank you very much, Chair, and good afternoon again. I would like to begin of course this session again by acknowledging the traditional owners of the land on which we are meeting, the Wurundjeri people of the Kulin nations, and we pay our respects to elders past, present and emerging.

Joining me today is the Secretary of the department, John Bradley, to my right. To his further right we have Mr Dan O'Brien, who is the Chief Executive Officer of Cladding Safety Victoria, who joins us today. To my left I have Julian Lyngcoln, the Deputy Secretary of the department responsible for planning. Xavier Hinckson is at the very end, and in between is Dr Trevor Pisciotta, the Executive Director of the building division. Also we have in attendance here today with us Sue Eddy, who is the Chief Executive Officer of the Victorian Building Authority, and Mr Stuart Moseley, the Chief Executive Officer of the Victorian Planning Authority, and they are both here and available if requested to be called up to clarify any matters.

**Visual presentation.**

**Mr WYNNE:** In starting the presentation, Chair, Victoria continues to demonstrate each year that it is clearly still the place to live, with our population experiencing the strongest growth in the country prior to the onset of the coronavirus pandemic. Victoria's population was at 6.7 million in March 2020, with 5.1 million in Melbourne and 1.6 million in regional Victoria. In the first 12 months to March this year we grew by about 116 500, an increase of 1.8 per cent, and in the same period Australia grew by 357 000, an increase of 1.4 per cent. The coronavirus pandemic has obviously seen a pause in Victoria's growth from intrastate migration and overseas migration as well, but in the longer term the state's fundamental strengths will see population grow again when obviously particularly overseas migration recommences.

The 2020–21 budget projects that growth will return towards recent average levels within the next five years. We have had strong growth across our regions. Almost half of the total growth is concentrated, not surprisingly, in three regional cities: Geelong, 2.7 per cent; Ballarat, 2 per cent; and Bendigo, 1.8 per cent. These are healthy figures. Building approvals in regional Victoria have also remained steady compared with metropolitan Melbourne. Geelong is experiencing strong levels of dwelling approvals, with over 900 in the September quarter of 2020, the second-strongest quarter in the last decade. Bendigo and Ballarat housing approvals are also performing strongly compared to the previous year. Ballarat had over 500 approvals in the September quarter, its strongest quarter of growth in a decade, and Bendigo 292 approvals in the same quarter.

Early indications show that Melburnians have chosen to move to Victoria's regions since the pandemic, and we have seen a fair bit of commentary on that. And that is a good thing—that people are choosing to live in our beautiful regional cities, with the net migration to the regions in the June quarter of 2020 of 6000. I mean, that is a pretty unprecedented number, Chair. And as I said, we have seen a fair bit of commentary in the newspapers about people making both a lifestyle choice and an employment choice when you can actually

potentially work remotely or work part-time—maybe you have a job in the city but also are able to live in the country as well.

In terms of how the development industry has performed in 2019–20, the value of building works reached a staggering \$39.1 billion, although that was a slight decrease of \$1 billion from 2018–19. The latest VBA building permit data shows a decline in building permits being issued earlier this year of course due to the virus. However, more than 3700 building permits have been issued for new houses and townhouses in October compared with 3300 in the same period last year. So I think you can see that there are obviously green shoots of growth that are starting to emerge through the economy as well. As you can see from the graph, this is lower than the peaks experienced in the last few years but still outstrips the building permits issued in 2013, and the trend, as you can see, is starting to tick up again.

Moving onto key challenges, in the 2020–21 budget we have set out clearly, as I have indicated, in the housing session earlier, our key drive is investment, jobs and Victoria's economic recovery, with new planning reforms that will bring ever-greater certainty for projects that support business, create jobs and bolster our economic recovery. Another challenge is to continue to provide housing, particularly in our greenfields and urban renewal areas, to keep pace with demand and align them with jobs, services and critical infrastructure. We need to ensure we maintain a strong supply of commercial development as well in the state. Whilst it is too early to fully understand the complete impact of COVID on the commercial market, we need to obviously keep a very close eye on demand and ensure there is a pipeline of supply beyond 2020 to meet the needs for our economic recovery going forward.

As mentioned, the budget handed down this year includes a very significant investment in planning of \$134 million—\$52 million to implement recommendations for the planning system through the commissioner for better regulation, \$59 million for further planning reforms to assist our economic recovery, \$4.5 million to the Victorian Building Authority to continue their proactive inspection work and \$3.3 million to continue the implementation of *Plan Melbourne*.

The rest of it is basically all there detailed in that slide, but I particularly wanted to just spend a moment if I can, Chair, on the initiative of \$2.2 million to deliver the first stage of a new 3D platform called Digital Twin. This, frankly, will revolutionise how Victoria manages its built and natural environment because it brings together datasets, making it easier to assess and plan projects. If we just spend a minute or two on this, it is very powerful, what this new technology is going to be able to do.

#### **Video shown.**

**Mr WYNNE:** Chair, this will be a really very significant tool going forward in terms of both for the planners and also for the community more generally to be able to actually visualise developments: what they look like, what their impact is going to be, the potential to consider them within an urban design framework. This is the future, and something where I think the \$2.2 million we have invested there is really the start of what is going to be a complete change in the way that we look at planning in this state. I am pleased to welcome your questions.

**The CHAIR:** Thank you very much. I will hand to the Deputy Chair, Mr Richard Riordan, MP.

**Mr RIORDAN:** Thank you, Chair. A nice way to finish us off for the week, Minister. I felt I was in a scene from *Utopia* there. Was it the same voice over guy?

**Mr WYNNE:** Do you like it?

**Mr RIORDAN:** I mean, the only thing we did not have was a monorail swooping through the middle of the city on that one. So that perhaps can be in it when the department turns up for the mid-year update—we can add the monorail, Minister.

**Mr WYNNE:** A monorail—that is a thought! They pulled the one down in Sydney.

**Mr RIORDAN:** Well, we will have a monorail with stuff like that. Now, Minister, we have spent a bit of time talking about locking people up. I go to one of your sort of ongoing legacies here, the old Corkman. As you pointed out, you are going to go to all sorts of lengths to get to the bottom of the Corkman, and you have had a bit of news on that this week.

**Mr WYNNE:** We have.

**Mr RIORDAN:** But, Minister, during this process, you were continually telling us—and I recall it in the green room myself:

We'll be continuing to pursue them until they take responsibility and make good on their agreement to turn the site into a temporary park.

**Mr WYNNE:** Correct.

**Mr RIORDAN:** Minister, when will the park be built?

**Mr WYNNE:** It is an excellent question, Mr Riordan—

**Mr RIORDAN:** And for the member for Cranbourne, budget paper 3, page 207.

**Ms RICHARDS:** Excellent. Thank you.

**Mr RIORDAN:** Just so you can follow along.

**Mr WYNNE:** The Corkman is no doubt a topic du jour. Look, the decision that Justice Quigley made to sentence these two developers to prison is an extraordinary decision. At least in my experience it is unprecedented.

**Mr RIORDAN:** Have you insisted that they go on the gardening detail at prison so that they can get back into it when they get out?

**Mr WYNNE:** Mr Riordan, I need to be a bit careful here because this will be subject to an appeal, obviously, and their lawyers have indicated that. So I need to be somewhat reserved in my narrative around this.

**Mr RIORDAN:** Perhaps you could suggest it to the new Attorney-General, if she could do this.

**The CHAIR:** Mr Riordan, could you allow the minister to answer the question, please.

**Mr WYNNE:** I do not believe we have a new Attorney-General yet, but we will be having one.

**Mr RIORDAN:** Okay.

**Mr WYNNE:** And we wish the former Attorney-General—I know I speak on behalf of all of us—every good wish. She is a fantastic person—fantastic.

**Mr RIORDAN:** She got out of here before we did.

**The CHAIR:** Mr Riordan!

**Ms VALLENCE:** She resigned due to the pressure of PAEC.

**The CHAIR:** Ms Vallenge, Mr Riordan, if we could allow the minister to answer the question, please.

**Mr WYNNE:** Somehow, Ms Vallenge, I do not think so. So, look, this was an extraordinary thing. These two developers illegally demolished the Corkman pub, a 135-year-old hotel, without any regard to its heritage, without any building permits, without any planning permits. I think that the public outrage in relation to this was not just manifest; it really speaks to the deep passion that Victorians have for their heritage. I mean, people are very, very passionate about their heritage. Obviously they have been pursued. So on 29 January at the Melbourne Magistrates Court the developers did plead guilty to initially demolishing the Corkman hotel, and they copped a record fine of \$1.325 million.

**Mr RIORDAN:** We have just got 2 minutes left. Have we got a time on the park?

**Mr WYNNE:** No, we do not have a time yet. But the answer is that we are going to hold them to account for this.

**Mr RIORDAN:** Okay. Well, we will move on. How much—

**Mr WYNNE:** Mr Riordan, we want the park built. I mean—

**Mr RIORDAN:** Yes, I know.

**Mr WYNNE:** My message to the developers is—

**Mr RIORDAN:** I am a gardener myself. I appreciate the parks, but it seems to be taking a long time.

**Mr WYNNE:** It does. If the developers are listening: get on and build the park.

**Mr RIORDAN:** Okay. How much did you and the department spend in the budget on legal representations at VCAT hearings and Supreme Court hearings, and what is the combined total cost since the Corkman saga began in 2016 on legal representation for you and your department?

**Mr WYNNE:** As you will have seen from the decision, we got costs awarded to us and the City of Melbourne of \$250 000 for legal expenses. I will have to take on notice the broader aspect of your question—as in what other expenditure was committed to this going forward—and I will happily take that on notice and provide it to you.

**Mr RIORDAN:** Okay. In 2016 you said, ‘The pub will be rebuilt’. We have heard just now it is going to take a long time just get the park built—throw a bit of grass seed around and put a tree in—so when will you be forcing these guys to put the pub back?

**Mr WYNNE:** Well, they have got until 2022 to submit appropriate plans. You may have noticed in today’s *Age* there was a story on page 3 of a—let us just call it politely a ‘concept plan’. You could not regard it any more highly than that. I think there were two concept plans that have been submitted to the department.

**Mr RIORDAN:** Done by Digital Twin Victoria?

**Mr WYNNE:** No, sadly not. If they had, they would be rippers. If they were done by Digital Twin Victoria, it would be a ripping opportunity. But any development concept for the site will require, obviously, a planning scheme amendment and a planning permit to be issued. As I indicated, I confirmed that we did have two designs, one from Peddle Thorp and one from another firm, Sgourakis Architects, and we will continue consulting with the City of Melbourne. But the first issue is to build the park. For goodness sake, get on and build it.

**The CHAIR:** Thank you, Minister. Mr Gary Maas, MP.

**Mr MAAS:** Thanks, Chair, and thanks, Minister. If I could take you to the topic of *Plan Melbourne* and refer you to budget paper 3, page 50 and table 1.11, which details the output initiatives for ‘Plan Melbourne implementation’, would you be able to explain for the committee the purpose of *Plan Melbourne*?

**Mr WYNNE:** Well, as I have indicated, Mr Maas, in other PAEC hearings, this is really the road map. This is a road map for the development of our state going forward through to 2050. We think it is really important that we continue to refresh that, particularly because some of the assumptions that we have made in relation to *Plan Melbourne* around population obviously have been affected by the pandemic and indeed the drop-off of population in the second half of this year, so we will have to continue to refresh *Plan Melbourne* as change emerges. But the pandemic and its impacts on our lives of course have been completely unprecedented, and as I have indicated earlier our economic growth has slowed from above national average increases for the first time in five years. The closure of our international borders has obviously seen a significant slowdown, as I indicated, both of overseas migration and intrastate migration to us. Over the last decade we did experience average annual growth of about 2.1 per cent. This has now decreased significantly and is predicted to be 0.2 for 2020–21 and 0.4 for 2021–22 before we slowly start to recover. The long-term projections are unchanged in *Plan Melbourne*, and Victoria is expected to reach 11.6 million people by 2056. We will continue obviously to ensure that *Plan Melbourne* does remain really the guiding influence over our decision-making going forward. It will continue to shape how we live.

The 20-minute neighbourhood, as you know, Mr Maas, is a concept that is very important. This is the concept of being able to say that I can live and potentially work and that all of my needs could be essentially

accommodated within 20 minutes of the neighbourhood where I live. I currently of course, Mr Maas, operate on a 3-minute neighbourhood in my world. It is a highly contained experience: down to the servo, get the papers, go around and get the milk and bread, and home. That is it—3 minutes; it is done. It is a very contained life living in my loft, but there you go.

But the 20-minute neighbourhood is really important, because people are going to work differently. I mean, we cannot imagine what work is going to look like this time next year. Maybe at PAEC this time next year we should have a conversation about that, because when you look towards the surveys that the Secretary of the department has done with our DELWP staff and other CEOs that are here today, there are many people who are saying, 'Look, I think it's good for me to be able to work two, three days a week from home and a couple of days a week in the office'. What might that office look like? It might be a hub office where you are sharing—for the public service at least—with a range of other public service entities as well, whether you are in Box Hill or Geelong or Shepparton or wherever, or Colac. There are real opportunities I think for people to work from remote locations, and we have seen it work.

**Mr RIORDAN:** Not that remote, Minister.

**Mr WYNNE:** When I say that, I mean working remotely. And it works very well. So I think it is going to be a very interesting shift in how we are going to be living our lives in the future. But obviously we have got very significant commitments in the infrastructure area—the North East Link, the Suburban Rail Loop, Metro Tunnel, the airport rail. I mean, there are so many projects that kind of link in to all of our strategic plans around *Plan Melbourne*.

Heritage of course remains very important in this in terms of managing growth and obviously supporting new jobs and innovation. We have a five-year implementation plan with the 112 actions, as you know, Mr Maas. Fifty-five have been completed. Fifty are progressing, with three near completion and eight in development, and \$3.3 million will deliver the remaining actions. That is a reasonably comprehensive overview I think of *Plan Melbourne* itself.

**Mr MAAS:** Thank you very much. I might move to the planning response to COVID and to that end refer to budget paper 3, page 58. Would you be able to explain how the planning and building systems in Victoria responded to the COVID pandemic?

**Mr WYNNE:** Well, this has been actually quite challenging, because obviously we had of course, as members will recall, the COVID-19 Omnibus (Emergency—

**The CHAIR:** Sorry, Minister, but the member's time has expired. But maybe we can pick up on that at another point in time. Mr Hibbins, MP.

**Mr HIBBINS:** Thank you, Minister, for joining us this afternoon. Now, this question was referred to you by the Minister for Transport Infrastructure, who said I should speak to you about this, because it is your portfolio. That relates to the *Environment Effects Act*. Now, you have got the Big Build. You have got billions of dollars being spent on infrastructure, yet that particular Act is 40 years old. It is weaker than most of the other Acts in other states. You have got the West Gate Tunnel mired in contaminated soil. Minister Allan said thanks but no thanks to some of your recommendations in regard to the North East Link. Why, given all these billions of dollars spent on infrastructure, have you maintained such a weak *Environment Effects Act*?

**Mr WYNNE:** I do not agree with that characterisation at all, Mr Hibbins. I do not think it is a weak Act at all, and I will point you to any number of examples of where in fact there has been a comprehensive, independent and transparent process around EESs, as you should rightly expect. It is my view that the EES process is the highest level of environmental assessment in Victoria. It is also my view that it enjoys broad community support and recognition and is respected both as transparent—

**Mr HIBBINS:** Wow!

**Mr WYNNE:** Well, it is a transparent and rigorous process of environmental assessment. A key strength of the EES process is its flexibility and adaptability, and it can be applied to any project. Mr Hibbins, currently there are 19 EES hearings, worth a collective \$13 billion worth of investment, in preparation, exhibition or

post-exhibition inquiry. I again reiterate to you, Mr Hibbins, the key to the EES is its transparency and active engagement with affected communities.

**Mr HIBBINS:** The VAGO report into the EES which recommended strengthening, if I can recall, was from 2017 or 2018. Prior to that there was a parliamentary inquiry into the Act that again recommended strengthening. I mean, some of the issues around it are that it is lacking clearly defined objectives and is highly discretionary. And of course when you do make recommendations, they are non-binding. The government can just say no. So you do not accept these criticisms? You do not accept these independent reviews saying that the Act should actually be strengthened?

**Mr WYNNE:** Well, I simply point you to how it is actually delivering in a contemporary context. And I point you particularly, Mr Hibbins, which you would be—

**Mr HIBBINS:** Well, the delivery is I guess the issue, because one might argue that the Act is there—or you have kept it that way—to deliver the projects over, say, for example, delivering for the environment.

**Mr WYNNE:** Well, I completely reject that. I completely reject that. And I point you specifically to what has been a very, very topical EES, which is the Crib Point gas facility project where over 6500 submissions were received, which speaks to obviously a very, very significant community interest in that project. Nine hundred and nine were received from the Gippsland community in response to the Fingerboards EES.

**Mr HIBBINS:** Yes, right. That is great that the process—I feel like I am making a *Seinfeld* joke—can take the submissions, but it is what you do with the submissions or what the process does with the submissions after that.

**Mr WYNNE:** Well, they are independently reviewed by an expert panel in the first instance. They provide advice to the government. They are independent. They are expert. Crib Point is a classic example. You have got the most highly qualified people on that panel who deal specifically with not only environmental but—

**Mr HIBBINS:** But you are talking about the system as it is. You are not talking about the—

**Mr WYNNE:** Well, I am telling you what the system is, Mr Hibbins, and what I think is a robust and transparent process where the community have got every opportunity to have their say.

**Mr HIBBINS:** When the government embarked on the Big Build, did it give your department cause in any way to review that Act and look at these independent recommendations or undertake your own review?

**Mr WYNNE:** Well, I am satisfied with the robustness, the professionalism and the transparency of the process and the opportunity for the community's voice to be heard. Crib Point gas facility, 6500 submissions—the inquiry has just wrapped up. Public hearings to consider Crib Point hosted 33 groups and businesses and 141 individuals to express their views on the project and its potential environmental—

**Mr HIBBINS:** Well, that is great; people give their views. It is just the outcome that is the issue.

**Mr WYNNE:** Mr Hibbins, you cannot ask for a better, more robust, independent and transparent process.

**Mr HIBBINS:** Taking people's views is like the first step. We are talking about the end step, which is the environment.

**Mr WYNNE:** Well, that is an environment effects statement. What do you think that is about? It is looking at the environmental effects of these developments.

**Mr HIBBINS:** Well, that is the—

**The CHAIR:** Thank you, Mr Hibbins, your time has expired. I will pass the call to Mr Richard Riordan, MP.

**Mr RIORDAN:** Thank you, Chair. Minister, just quickly to finish off on the questions before, you said that the Corkman developers had I think till 2022 to get something happening with the pub. Can you tell us: if they do not build the pub, will you compulsorily acquire the land and set the height limit so that people cannot profit from their misdeeds?



**Mr WYNNE:** No, absolutely. I notice that the shadow minister in his commentary I think posted the Corkman decision, the decision by Justice Quigley. The shadow minister again reiterated his point that the site should be compulsorily acquired by the government.

**Mr RIORDAN:** Do you support that view?

**Mr WYNNE:** Pardon me?

**Mr RIORDAN:** Do you support that view?

**Mr WYNNE:** No. I am simply saying that this was the view of the shadow minister. I want to be really, really clear about this. In relation to compulsory acquisition, the government must fairly compensate landowners when land is acquired—and we do this on all sorts of things, as you know, major projects and roads and so forth—the land must be valued by the valuer-general or a qualified valuer, and in accordance with valuation legislation we would have to have the land valued at a market rate for its highest and best use.

**Mr RIORDAN:** Yes, but if you put a height limit on that, Minister, of course.

**Mr WYNNE:** There is a height limit on it now, under the Melbourne planning scheme, of 40 metres. It would have to be valued not as vacant land, as the rubble and the disgrace that it is today—it would have to be valued at its highest and best use.

**Mr RIORDAN:** Which was as a heritage building, wasn't it?

**The CHAIR:** Mr Riordan, would you allow the minister to complete the answer, please.

**Mr WYNNE:** Well, there is no heritage building there. It is a vacant block of land now.

**Mr RIORDAN:** But unless you value it that way, then you are rewarding the guys that knocked it down.

**Mr WYNNE:** That is exactly the point, and that is why we will not entertain giving these developers such a massive uplift in value.

**Mr RIORDAN:** Okay, Minister, moving on. Sorry, we are on cladding now, budget paper 3, page 208. The actual number of building audits to identify non-compliant cladding materials was 373 against a target of 480, an underperformance of 107, or 22 per cent. Why did you not make an allowance to keep these audits going during COVID?

**Mr WYNNE:** I think you have answered the question yourself. I have got Ms Eddy here, she can assist if you wish as well.

**Mr RIORDAN:** Yes. But we have been talking about how you as minister support—

**Mr WYNNE:** Are you referring to the inspections or the actual—

**Mr RIORDAN:** We are talking about the fact that the inspections have been underperformed this year and COVID has been blamed, but the question I am posing is: why didn't you allow these audits to continue through COVID? I mean, there were things that you gave exemptions for. Surely this is of the highest importance.

**Mr WYNNE:** Well, we had some quite significant challenges. Absolutely it is of the highest importance. We had to redirect some staff to assist frontline workers in the bushfire recovery work, and we were prevented from attending on-site inspections or meetings due to the COVID limitations. I mean, those are the simple facts. And a number of—

**Mr RIORDAN:** No, but, Minister, seriously, you had the capacity to have exemptions—

**The CHAIR:** Mr Riordan, the minister is trying to answer your question.

**Mr WYNNE:** Mr Riordan, I am trying to answer your question. A number of owners corporations actually refused entry to the VBA inspectors in March and April because they were naturally fearful due to COVID. And inspections have now returned, I am pleased to report you, to pre-COVID levels following guidance—

**Mr RIORDAN:** So you did not connect the natural problem of having a policy—we understand why with COVID, but we essentially made people stay in potentially highly volatile buildings for 22 or 23 hours a day, and you did not see it as even more reason to fast-track the cladding inspections?

**Mr WYNNE:** Well, I simply say to you, Mr Riordan: we continue on with our inspection work, and we are getting back to our normal inspection activity now.

**Mr RIORDAN:** Given the slowdown in audits, will you be deferring the increased planning permit fees for 2010–21, which were introduced to fund cladding remediation work works on private property?

**Mr WYNNE:** No, we will not.

**Mr RIORDAN:** On 21 June 2019 Kingston Council wrote that an inspection of the property at Johnson Avenue, Seaford, had identified combustible cladding on the townhouse complex and external walls that did not meet building code requirements.

I am of the view that the building is a danger to the life, safety and health of any member of the public or any person using the building.

Acting municipal building surveyor Justin Bayard. Since then, Cladding Safety Victoria inspected and then reclassified the Seaford property down to a class 2, type C, which means only minimal rectification work is required at the southern boundary. CSV has offered \$50 000 for the four units. Why has this property's classification been downgraded, and how many other properties have been similarly downgraded?

**Mr WYNNE:** Mr Riordan, that is a highly specific technical question, but I will ask—

**Mr RIORDAN:** Can we take that on notice?

**Mr WYNNE:** I will take it on notice or maybe we can come back and have another go at it, because I have got the CEO of Cladding Safety Victoria here and he may be able to provide us with some further commentary on that. I would be happy to do so.

**Mr DAN O'BRIEN:** Yes. Happy to do that, Mr Riordan.

**Mr RIORDAN:** Thank you.

**Mr DAN O'BRIEN:** So, we have—

**Mr WYNNE:** I think we are out of time unfortunately, Dan. Are we?

**The CHAIR:** We are. I have started Ms Richards's time. If Mr O'Brien wants to—

**Mr WYNNE:** Maybe we will come back to it or—

**Mr RIORDAN:** But if you can respond on notice to that—

**Mr DAN O'BRIEN:** Sure.

**Mr RIORDAN:** That would be great.

**Ms RICHARDS:** Thank you, Chair. Thank you, Minister and officials. I am going to return to the proposition that was put earlier by Mr Maas, because I think you had only just got the first couple of syllables out. I am referring you to budget paper 3, page 58, about how the planning and building systems in Victoria responded to the COVID pandemic. We are interested in getting some evidence that helps us with that understanding.

**Mr WYNNE:** Thanks, Ms Richards, for the question. On 23 April the COVID omnibus Bill 2020 was debated and passed through the Parliament. This enabled us to pivot—it is the word of 2020, isn't it, pivot? We pivot on everything now. This enabled public forums to be provided for online hearings and facilitated the temporary change to how councils engage with the community on planning proposals—as I know many members are aware, we would normally have documentation in the libraries and in the council buildings and so forth—and obviously also the opportunity of course for councils to conduct their business remotely and receive

representations through Zoom and so forth. In April I also approved a temporary planning permit exemption to allow deliveries around the clock for our supermarkets—really incredibly important to keep the shelves stocked to make sure that we have got enough provisions.

I also launched the development facilitation program, which will spend \$4.5 million over the 2020–21 financial year to fund 15 projects that have been approved by this program. The program will run until December 2021 and follows the success of Building Victoria's Recovery Taskforce pilot program. This really has gone to the question of ensuring that we have got that pipeline of activity going forward, and whilst COVID was extremely challenging, we completely understood the importance of ensuring that we had projects approved and ready to go through to actually being shovel ready and ready to go in 2021. We have approved projects right across. From central Melbourne, wonderful projects like the Commonwealth Serum Laboratory project, which is under construction now, at the top end of Elizabeth Street just at the roundabout there. Imagine having CSL, this world-leading facility, right in the middle of the knowledge precinct. I mean, fantastic opportunity there. In suburban Melbourne, a \$250 million development at Station Street, Caulfield, which is a build to rent—one of the first build to rents that we got away. In regional Victoria the \$150 million Geelong precinct redevelopment—I mean, it is going crazy in Geelong, it is absolutely fantastic. But the other one that I am particularly pleased about, and I know the Deputy Secretary who sitting to my left here is very, very thrilled about it, is that we amended the planning scheme to give recognition to live music—that in any consideration of a change of use in established live music industries the local council must give consideration to the existing use that was there.

**Ms RICHARDS:** That is terrific. Thank you, Minister. I am interested in understanding what specific action the government has taken to support other sectors in the recovery from the COVID pandemic.

**Mr WYNNE:** In many respects it is best expressed as we leave here today. Go and have a look at the top of Bourke Street here today, where we have allowed, without the need for a permit, dining on the streets—taking away the car parking, allowing restaurants to spill out onto the streets—and hasn't it changed? It has extraordinarily changed the face of not just the CBD but certainly, in my part of the world, the Gertrude and Brunswick streets and so forth, right through metropolitan Melbourne and indeed regional Victoria as well.

People have adopted this, and I think it has been a wonderful initiative and one that I know industry have warmly embraced. I have to say that the partnership that we have, well, particularly with the City of Melbourne—I mean, the CBD is very important in terms of our economic health. The commitment that we and the City of Melbourne have made, I think it is \$100 million, as I recall—\$50 million from each of us—to the revitalising of central Melbourne has been fantastic. And all of the councils as well who have supported these initiatives right through metropolitan Melbourne and indeed regional Victoria as well—it has been a huge fillip to the hospitality industry going forward, as we emerge out of this, and of course we have seen further relaxations particularly in terms of density provisions and so forth.

**Ms RICHARDS:** Thank you.

**The CHAIR:** Thank you, Minister. Mr Sam Hibbins, MP.

**Mr HIBBINS:** Thanks, Chair. I would actually like to get an update in terms of the cladding rectification program and how much money has been expended to date.

**Mr WYNNE:** I will give you an initial oversight, Mr Hibbins, and then I will ask Mr O'Brien to further elaborate, if you wish, as the CEO of Cladding Safety Victoria.

**Mr HIBBINS:** Sure.

**Mr WYNNE:** Good. Works are currently underway on 70 buildings. We have completed three. Detailed plans are in place for another 339 buildings. Cladding Safety Victoria has entered into 175 funding agreements with owners' corporations, and I just want to stress that all buildings in the program are safe to occupy and have been signed off by the relevant building surveyor. As you know, this is a \$600 million commitment, and we do lead the world in terms of our response to cladding. I do want to acknowledge the excellent architecture that was put in place by former minister Baillieu and former Deputy Premier Thwaites, who assisted us with the cladding taskforce work.

It sounds somewhat boastful, and I do not mean it to be so, but we do in fact lead the world in terms of our response to cladding. The United Kingdom are looking to us in terms of how we have responded, and of course—

**Mr HIBBINS:** Can I get a figure?

**Mr WYNNE:** I have given you the figure.

**Mr HIBBINS:** No, no. How much has been expended?

**Mr WYNNE:** I will—

**Mr HIBBINS:** Thank you.

**Mr WYNNE:** I have not finished yet.

**Mr HIBBINS:** Time is always of the essence in these estimates hearings, unfortunately, Minister.

**Mr WYNNE:** I have got so much more to tell you, Mr Hibbins. Mr O'Brien, would you like to provide the figure to Mr Hibbins? It is very disappointing really.

**Mr DAN O'BRIEN:** Yes. The figure is a little bit misleading in the sense of—

**Mr RIORDAN:** Don't worry. Most of them we have been given have been this week.

**The CHAIR:** Mr Riordan.

**Mr WYNNE:** None of these are misleading. They are all accurate, I can tell you.

**Mr HIBBINS:** At least we have got some honesty.

**Mr D O'BRIEN:** 'Trust me, I'm the planning minister'.

**Mr DAN O'BRIEN:** Focusing on the figures is a bit misleading. The reality is we have over 200 funding agreements that we have entered into with owners' corporations, which means it will be a large spend through the rest of this financial year and into the next. I mean, I am happy to take it on notice and give you a more exact figure as of 30 June or even a more updated figure. The reality is that we have got 200 funding agreements that will lead to the larger expense. It is also important, I think the minister mentioned, that we have got 11 buildings completed already under the private program, and we have got a further 70 buildings underway. By the end of the financial year I think we will have completed 100 buildings. By the end of the calendar year 2021 we should have completed 200 buildings. So again that is where all the big expense is.

**Mr HIBBINS:** Okay. If you could provide, on notice if possible, how much has been expended and then your expected expenditure on that particular program over the forward estimates, that would be appreciated. Thank you. How long have I got left? I just pick up on one, in budget paper 58—

**Mr WYNNE:** Sorry? Budget paper 58?

**Mr HIBBINS:** Sorry, budget paper 3, page 58—the reference to:

Immediate legislative changes will be investigated including a review of the *Planning and Environment Act*.

What changes are you actually planning there or what are you actually looking at as part of that?

**Mr WYNNE:** Can you just give me that reference point again? I just cannot pick it up at the moment.

**Mr HIBBINS:** Budget paper 3, page 58: 'Big Housing Build: Implementing the Commissioner for Better Regulation's planning reforms'.

**Mr WYNNE:** So this is in relation to the Big Housing Build?

**Mr HIBBINS:** Yes.

**Mr WYNNE:** Okay. The reforms basically relate to the opportunities for us in relation to fast-tracking. So, as I think you are aware, we need to get away, basically, 14 500 buildings over the next four years, and there are two amendments that we made. There are two new planning provisions to allow construction to commence. They are two amendments, VC 190 and VC 187. VC 190 will expedite—

**Mr HIBBINS:** Are these the immediate legislative changes that the budget is referring to?

**Mr WYNNE:** Well, I mean, there are two elements to this. So this is the element that pertains to the Big Build, as you asked, and the second is the changes that we are making in relation to the red tape commissioner. But if I can deal with the Big Build first, because that I think goes to the heart of the question that you are asking, this relates to the capacity for consideration of projects that are 10 units or below. They will be the responsibility of local governments themselves, and quite legitimately so. For projects that are above that, they will be the responsibility of the state government. In that context, I want to make this very clear—and that is, the second provision is a permanent change for developments by and on behalf of Homes Victoria. These permit applications will be exempt, and Minister D'Ambrosio will be the planning authority for all the obvious reasons. I cannot be both proponent and decision-maker. Independently those applications will be assessed by the department, and I will have no oversight or knowledge of them, and nor should I because I am the proponent.

**The CHAIR:** Mr Tim Richardson, MP.

**Mr RICHARDSON:** Thank you, Chair. Thank you, Minister and department representatives, for joining us. After 4420 minutes we are into the final 20 minutes of PAEC hearings, and here we go. We have got a—

**Mr WYNNE:** Righto. Do you want me to sing a bit or tell a few yarns?

**Mr RICHARDSON:** No, no. Maybe a bit later.

**Mr RIORDAN:** We want to know where the dog parks are—I am getting in early on his question.

**Mr WYNNE:** Which one?

**Mr RIORDAN:** Dog parks. He wants to know where your dog parks are.

**Mr WYNNE:** What do I know about dog parks?

**The CHAIR:** The Deputy Chair loves dog parks.

**Mr RICHARDSON:** We will go to budget paper 3, page 184: the department's mission statement. Could you please explain for the committee's benefit how the department is continuing to protect, enhance and strengthen heritage places for future generations?

**Mr WYNNE:** Thanks very much, Mr Richardson, and as I indicated in my answer to Mr Riordan around the Corkman, people are incredibly passionate about heritage, and so they should be: we are a magnificent state with some extraordinary and beautiful heritage. If you ever get the opportunity to get a copy, the Royal Historical Society have done a most beautiful book—I think it is the Royal Historical Society.

**Mr Riordan** interjected.

**Mr WYNNE:** No, no, no. It is a historical society who have done a beautiful book on some of our heritage buildings. It is magnificent, if you can get a copy of it. It breaks your heart actually. When you see it and you look at some of the most beautiful buildings that were pulled down, particularly in the CBD in Melbourne, you say, 'My God', you know. We are lucky to celebrate what we have got.

But obviously heritage has got two arms to it. The first arm to it is obviously local heritage by local government, and Heritage Victoria and the Heritage Council clearly protect state-level heritage. Interim protection orders are there to protect places of potential state-level significance, and local heritage is, as I indicated, the responsibility of all 79 councils under the *Planning and Environment Act*. In 2019–20 I approved over 30 interim heritage and 20 permanent heritage overlay amendments, and I have now written to councils twice about heritage protection, once in November 2017 and the second time in August 2019. We have seen, Mr Richardson, as you are very well aware, circumstances where councils have just failed in their responsibility to address really important heritage

questions, particularly as they pertain to local heritage. It is only when an application for demolition occurs and local community members get agitated about that—I think he has left for the day.

**Mr RICHARDSON:** I do not know where Hibbo has gone.

**Mr WYNNE:** Hibbins has left, has he?

**Ms VALLENCE:** He is going to the loo.

**Mr WYNNE:** He may well be. They fail to put in place local heritage protections, and then they come to the minister at death's door 2 minutes before midnight and say, 'Please come and protect this'. And you go, 'Well, hang on a minute'. I mean, in some circumstances you had actually given them a demolition permit. I mean, you just cannot do that to people. That is why it is so important that these councils look after their local heritage. We will look after the state heritage, and these are our responsibilities. As I said, the Corkman saga simply expresses yet again just how important heritage is for Victorians more generally.

**Mr RICHARDSON:** Minister, on that theme of how important the Heritage Council is in assisting councils to meet their obligations and helping with these matters, are you able to enlighten the committee more on that important role?

**Mr WYNNE:** Well, the Heritage Council are incredibly important in this. They have provided a study called *State of Heritage Review: Local Heritage*, and 96 per cent of councils have done studies and had gaps like postwar and mid-century buildings. Really I think there has been a fundamental lack of understanding between state- and local-level heritage protection. Can I say to you, Mr Riordan, in particular: only 16 per cent of rural councils have done one. So I think we have got a bit of work to do with our rural councils, because they have got some very significant heritage in our rural communities. I think we need to have a further conversation about how we can provide some further support to our rural councils around heritage.

**Mr RIORDAN:** We need to be very innovative and work on streetscapes, Minister, and not allow suburban sprawl into our beautiful western Victorian country towns. We need a rural development overlay that is appropriate for country towns.

**The CHAIR:** Mr Riordan.

**Mr WYNNE:** A rural development overlay?

**Mr RIORDAN:** Well, an appropriate planning scheme for country towns so that they cannot get some cheapskate from Melbourne build garbage new developments in beautiful—

**The CHAIR:** Mr Riordan, you do not have the call. Despite the minister's invitation, you do not have the call.

**Mr WYNNE:** I would be happy to talk to you about it, because I know you have a longstanding interest in these matters, as I do as well.

**Mr RIORDAN:** I do indeed.

**Mr WYNNE:** But we need to do a fair bit more work in that—

**Mr RIORDAN:** Mordialloc is already built out—

**The CHAIR:** Mr Riordan!

**Mr WYNNE:** Mr Richardson, was this your question?

**Mr RICHARDSON:** It was.

**The CHAIR:** It was. Thank you, Minister.

**Mr RICHARDSON:** I am in Colac at the moment.

**Mr WYNNE:** He has sent me off to Colac again.

**Mr RIORDAN:** It is subliminal.

**Mr RICHARDSON:** The Heritage Council is really important.

**Mr WYNNE:** There are two aspects. Obviously the Heritage Council wants to continue to work with local governments to ensure that they do step up to their responsibilities under the *Planning and Environment Act*.

**Mr RICHARDSON:** I might knock the bails off there, Minister.

**Mr WYNNE:** That is it—we are done, are we?

**The CHAIR:** We are not all done. Mr Richardson is done. Thank you, Minister.

**Mr WYNNE:** Good on you.

**The CHAIR:** The call is now with Ms Bridget Vallence, MP.

**Ms VALLENCE:** Thank you, Chair. Thank you, Minister. We are in the home stretch now, Minister.

**Mr WYNNE:** Thank you.

**Ms VALLENCE:** Just back on what Mr Riordan was asking before about cladding, how many properties have been charged a planning permit cladding levy more than once on the same property?

**Mr WYNNE:** Charged the cladding levy more than once?

**Ms VALLENCE:** Yes. We understand that there are developers that have been charged for both a permit for the exterior and a permit for the interior. So how many? On notice, if you do not have it available now.

**Mr WYNNE:** This has never been brought to my attention, that this is the case. I will ask Mr O'Brien if he is able to make a contribution or—

**Ms VALLENCE:** You can take it on notice.

**Mr DAN O'BRIEN:** Minister, you could ask me, but I would not know the answer.

**Mr WYNNE:** Is it referring to the cladding levy or the building levy?

**Ms VALLENCE:** The cladding levy. Perhaps you could provide that to the committee on notice.

**Mr WYNNE:** Dr Pisciotta might assist us by explaining some of the circumstances, and we will take on notice—no?

**Ms VALLENCE:** We do not need any circumstances. We just want to know how many have been charged twice—that is, have been charged for the exterior and the interior on the same property. I think Mr O'Brien just nodded that he would take that on notice.

**Mr WYNNE:** Okay. We are happy to take it on notice.

**Ms VALLENCE:** And if you find that any have and can confirm that any have, will the government refund these double levy charges?

**Mr WYNNE:** Well, again, I will take that on notice. But that was certainly not the intention—I mean, clearly.

**Ms VALLENCE:** Not the intention? So if it is not the intention, then if any developers have been charged twice, will you commit to refunding that duplication?

**Mr WYNNE:** No, what I will commit to do is to, in good faith, take your request on notice, and we will investigate it and we will come back to you formally.

**Ms VALLENCE:** Thank you, Minister. Minister, in budget paper 3, page 184, I was interested to read that the mission statement of DELWP is to shape Victoria and support livability by listening to, working alongside ‘inclusive and sustainable communities’. Now, given your government has made a series of decisions to enable toxic soil to be dumped on the doorstep of Bacchus Marsh’s homes and schools—and these residents certainly do not believe that they have been listened to, worked alongside, included or that you will leave their community sustainable—can you advise the committee why you approved the amendment to the Moorabool planning scheme that will allow Maddingley Brown Coal to receive toxic soil from the West Gate Tunnel Project?

**Mr WYNNE:** As you know, Ms Vallenge, there are currently two planning scheme amendments that are in the Parliament that are subject to revocation. One is the Bacchus Marsh proposal and the second one is Ravenhall, and there may well be a third planning scheme amendment.

**Ms VALLENCE:** So why did you approve those planning scheme amendments—and foreshadowing why you might approve another one?

**Mr WYNNE:** Well, the planning scheme amendments were subject to extensive consultation, so it would be quite wrong—

**Ms VALLENCE:** That is not what the community says. The community say they have not been consulted or listened to. Can you perhaps table for the committee—

**Mr WYNNE:** No, no—

**Ms VALLENCE:** what criteria and advice you relied on to amend the planning scheme of Moorabool?

**Mr WYNNE:** Well, Ms Vallenge, it is very clear that I consulted with the Moorabool Shire Council, the Hume City Council and the Melton City Council on the potential preparation and approval of an amendment to their respective planning schemes and on the form and content of the proposed amendments. Look, there is no question, Ms Vallenge—it is public knowledge, that the Moorabool Shire Council, Hume and Melton do not support the amendments. Of course I understand that. But we provided them with all of the relevant documentation that was available to us to—

**Ms VALLENCE:** So why? Why did you then?

**Mr WYNNE:** To assist them to understand the scope of what the work was about and indeed what regulatory frameworks would be put in place to ensure that this material could be moved safely and stored.

**Ms VALLENCE:** In terms of the Big Build planning reforms, budget paper 3, page 58, why is the government removing the community voice from this planning process? Why is the responsible authority now the Minister for Energy, Environment and Climate Change?

**Mr WYNNE:** This is in relation to?

**Ms VALLENCE:** The Big Build planning reforms.

**Mr WYNNE:** Well, it is the same answer that I gave to Mr Hibbins. In relation to the approval process of the Big Build, it would be completely improper for me to be both the proponent of these housing applications and—

**Ms VALLENCE:** So why, then, is the community being prevented from taking anything to VCAT?

**The CHAIR:** Ms Vallenge, could you allow the minister to answer your question.

**Mr WYNNE:** Ms Vallenge, it is actually very, very important that I get the chance to speak to this, because—

**Ms VALLENCE:** Yes, and on that, the appeal rights to VCAT have been removed from the community. Could you—

**The CHAIR:** Ms Vallenge, could you allow the minister to complete his answer to your question.

**Mr WYNNE:** I will be responsible as the proponent; I will not be responsible as the decision-maker, for all the obvious reasons of a conflict of interest. You cannot be both, and—



**Ms VALLENCE:** Why have appeal rights been removed, Minister?

**The CHAIR:** Ms Vallence, your time has expired. Ms Nina Taylor, MLC.

**Ms TAYLOR:** As has been discussed today, there is a lot of passion around heritage for good reason.

**Mr WYNNE:** Yes.

**Ms TAYLOR:** Can you provide us with an update on the progress of the Living Heritage Grants?

**Mr WYNNE:** Yes. People are incredibly passionate about living heritage, and we have provided a very, very significant amount of funding to heritage. In particular, as I indicated, the Living Heritage program has had \$59 million since 2016, and we have provided grants to 149 projects, which is fantastic. There have been two streams of funding: one, major projects and community heritage; and ones that are smaller in nature. Let me give you some examples, if I can, Ms Taylor—some that you would know very, very well in your own upper house seat of South Eastern Metro: the McCrae lighthouse, very, very significant; there is \$3 million for conservation work. The Briars homestead at Mount Martha has \$150 000 for restoration. Mr Riordan, the Turf grandstand at Camperdown has \$330 000. You would be happy—

**Mr RIORDAN:** Another \$300 000 for the kitchen underneath, and everyone will be happy with that.

**Mr WYNNE:** We are not in a bidding war.

**Mr RIORDAN:** I never want you to forget the needs of western Victoria.

**Mr WYNNE:** Mr O'Brien, the justice precinct at Gippsland, \$200 000; St Paul's Anglican Church, Geelong, \$60 000, Tatura war memorial and POW camp collection at Tatura, \$75 000.

**Ms VALLENCE:** I am feeling left out.

**Mr WYNNE:** I could not find one for you, sorry. Trades Hall is a fantastic project, and absolutely seriously, I really invite you, if you would like to, to come and look at the extraordinary refurbishment of one of the most important historic buildings by the architect Joseph Reed, who of course would be known to many of you, who as a young man, an extraordinary young man, was the architect who designed the state library, the Melbourne town hall and the Royal Exhibition Building. These are incredibly significant buildings in the life of our state. What they have done at Trades Hall has been unbelievable in terms of bringing that building back to life. It is still an operating trades hall, but it is also a magnificent community space. It is a superb development, and I sincerely invite you, if anyone is interested—I know my colleagues would be, but if any members of the opposition or the Greens want to come and take a tour of the Trades Hall, they would find it a really wonderful experience. We say to Joseph Reed: we stand on your shoulders. He was a magnificent person in the life and the history of Victoria.

**Ms TAYLOR:** Indeed. Thank you. So looking at strategic planning and accommodating population growth, I refer to budget paper 3, page 58, in reference to the Big Housing Build and implementing the Commissioner for Better Regulation's planning reforms. Could you please explain to us how VPA has responded to the COVID crisis?

**Mr WYNNE:** Well, I mean, the VPA have done a magnificent job as well through very difficult times, and they have set up a fast-track program to accelerate projects to unlock close to \$17 billion in estimated economic value by mid-2021. Early completion of projects included in its business plan will unlock 86 000 new lots of land, which will create, we believe, up to 95 000 jobs across Victoria. The VPA was able to bring forward these projects by setting up a streamlined independent projects standing advisory committee to resolve outstanding issues, and it continues to promote best practice and champion Melbourne's global reputation as a livable city.

But it is obviously not enough just to provide supply; the VPA will need to work quickly and adeptly to emerging and changing policy as a result of the pandemic. With this in mind, the VPA has just released a new suite of PSP guidelines for an eight-week consultation period. That has just concluded. I note that there were, I think, 53 submissions that were received, and they reflect greater state government aspirations and a higher standard of performance in achieving our planning goals. This will result, without doubt, in new greenfield communities being better serviced with their daily needs under the 20-minute neighbourhood concept. I think

that, frankly, the VPA is really leading the way, particularly in their broadacre provision, to ensure that we absolutely have quality neighbourhoods that are built for our communities going forward. I mean, we are incredibly blessed to have highly skilled people at the VPA who really understand the importance of infrastructure and indeed our community and serving our community more generally.

**Ms TAYLOR:** Thank you, Minister.

**The CHAIR:** Thank you very much, Minister, and thank you for appearing before the committee today. That concludes the time we have available for consideration of the estimates in relation to your portfolios. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request.

I also thank all ministers and officers who have given evidence to the committee today. We thank Hansard. We thank the secretariat. We thank the cleaning, catering and security staff particularly, who have supported us through the duration of the last few weeks. We declare this hearing adjourned. Thank you.

**Committee adjourned.**