

Possible Submission to Inquiry into Financial Management and Government Procurement Legislative Compliance

Thank you for this opportunity to make a submission to the this inquiry. The NCCC wishes to raise a 'related matter' which highlights a significant loophole within the ACT Planning regime. We have identified that the ACT Government is potentially losing millions of dollars in lease variation charges by property developers **seeking approvals for childcare centers that are never built**. We offer the following examples:

Former Braddon Bowling Club

In 2022 the owner of the former Braddon Bowling Club¹ received an approval from the Planning Authority to vary the lease purpose clause to allow a childcare centre,² despite there being an existing childcare centre next door. This increased the unimproved value of the land from \$190,000 to \$3,680,000.³ Lease variations for childcare centres are exempt from the lease variation charge,⁴ and the owner would not have paid the ACT Government anything for this multi-million dollar increase in value.

No childcare centre has been built on this site and the Planning Authority is now recommending that half of the land be rezoned as residential,⁵ while the developer is applying to build a hotel on the other half of the site.⁶ A 2024 land valuation certificate in the hotel DA values the existing site at \$4,970,000,⁷ even though the Commissioner for ACT Revenue still values the site at \$3,680,000. It appears that the developer is effectively avoiding a multi-million dollar lease variation charge, potentially underpaying on rates, and no childcare centre has been, or is ever intended to be, built.

Hawker tennis centre

The Hawker tennis centre has been left to decay for over a decade.⁸ The Crown lease has been varied to allow a childcare centre, but no childcare centre has ever been built.

Ainslie Football Club

In 2023 the Ainslie Football Club received an approval to build a childcare centre behind the goal posts at the southern end of the Ainslie football oval.⁹ The area has been left as a derelict site for years and no childcare centre has been built to date.

Recommendations

¹ section 25, block 16, Elder Street, Braddon

² See <https://www.planning.act.gov.au/applications-and-assessments/development-applications/browse-das/development-application-details?da-number=202240160&amendment-version=>

³ See attachment A

⁴ <https://www.planning.act.gov.au/community/buy/leasing-and-titles/crown-leases/changes-to-a-crown-lease/lease-variation-charge>; section 74 *Planning (General) Regulation 2023*

⁵ <https://www.planning.act.gov.au/professionals/our-planning-system/the-territory-plan/major-plan-amendments>

⁶ <https://www.planning.act.gov.au/applications-and-assessments/development-applications/browse-das/development-application-details?da-number=202443065&amendment-version=>

⁷ <https://dafinder.blob.core.windows.net/dadocuments/DOCs/VALUE-202443065-01.pdf>; at attachment B

⁸ <https://www.canberratimes.com.au/story/9172719/hawker-tennis-centre-decay-sparks-community-action/>

⁹ <https://region.com.au/work-to-start-soon-on-ainslie-groups-child-care-centre-after-acat-win/702782/>

Whilst the NCCC is supportive of any measures to encourage the construction of childcare centres, we would recommend a change of approach and instead provide subsidies to childcare centres that are **actually built** and operating instead of exemptions for lease variation charges to allow childcare centres. This would avoid abuses by property developers who take advantage of the exemption that results in sites being left vacant or derelict for decades as they maneuver for other planning approvals.

We would also recommend that this inquiry investigates how land valuations are calculated as there appear to be significant discrepancies between the rateable value of land and the value that developers claim for the purposes of the lease variation charge.

Unimproved values

Each year the Commissioner for ACT Revenue redetermines the unimproved value of parcels of rateable land in the ACT. The redetermined unimproved value is for the financial year immediately following the redetermination date, and is used to calculate rates and land tax for the relevant period.

The Commissioner for ACT Revenue redetermined the 2025 unimproved values on 25 June 2025.

For additional information please contact the ACT Revenue Office on (02) 6207 0028 or [visit the website](#).

Disclaimer

This UV look-up is intended for use by you as a guide only and there may be circumstances in which the information is not accurate. This information does not replace a notice of a determination of the unimproved value of a parcel of land issued by the Commissioner for ACT Revenue. The Commissioner for ACT Revenue may redetermine the unimproved value of a parcel of land if there is a change of circumstances or if an error was made in relation to an earlier determination. Whilst the unimproved values on this website are updated as soon as is practicable in accordance with legislative requirements, neither the Commissioner for Revenue nor the ACT accepts any responsibility for any errors or technical issues beyond our control.

Select a Suburb

Braddon

Select a section, a block, a unit, or search for an address

Filter By Section: 25 Filter By Block: 16 Filter by Unit: Select a unit Filter By address: Search by address

Showing 1 - 1 / 1 of 5414 results

Section/Block	Address	Value 2021	Value 2022	Value 2023	Value 2024	Value 2025
25/16	20 Elder St, Braddon, 2612	\$190,000	\$3,680,000	\$3,680,000	\$3,680,000	\$3,680,000

mmj.com.au



24 May 2024

The Manager
Applications Secretariat
Environment, Planning and
Sustainable Development Directorate
480 Northbourne Avenue
DICKSON ACT 2602

Dear Sir/Madam,

Re: Lease Variation – Block 16 Section 25 (21 Edler Street) Division of Braddon ACT

In accordance with Section 332 of the Planning Act 2023 we set out below the assessed V1 and V2 values determined for the abovementioned Lease Variation, which can be placed on the public register:

After Value (V1)	\$10,200,000
Before Value (V2)	\$4,970,000

This letter is provided for the use of the Environment, Planning and Sustainable Development Directorate only in assessing the Lease Variation Charge and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of this use assessment.

This letter is liability limited by a scheme approved under Professional Standards Legislation.

Yours Sincerely,
Manuka Realty Pty Ltd trading as MMJ Canberra

A handwritten signature in blue ink, appearing to read 'Phil Green', written over a circular stamp or seal.

Phil Green AAPI CPV
Certified Practising Valuer
Director, Valuation & Consultancy