

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS
Proposed Christmas Island Community Recreation Centre

SUBMISSION BY THE SHIRE OF CHRISTMAS ISLAND

OPENING COMMENTS

1. The Shire is disappointed that the Parliamentary Standing Committee on Public Works (PWC) has chosen in this instance not to hold a public hearing on Christmas Island¹. The PWC has previously held on-Island public hearings and, given the importance of the proposed project to the Christmas Island community, the Shire believes it would have been appropriate to hold a public hearing here. As emphasised in other Joint Standing Committee proceedings², it is important to directly hear from Islanders via a verbal submission/public hearing process.

The Shire is aware that the *Public Works Committee Act 1969* does not require the PWC to hold public hearings outside Australia, and that the external territories are treated as being outside Australia. In other words, that Christmas Islanders are not entitled to an opportunity to make submissions to a PWC public hearing³. However, based on past practice, the Shire is at a loss to understand why the PWC has chosen not to hold a public hearing on Island⁴.

2. The Shire of Christmas Island Council has formally resolved to make a submission to this PWC Inquiry. The Council believes it is essential for it to make a submission, given its role as the democratically elected representatives of the community, its current role in providing almost all recreation facilities on the Island, and the fact that the proposed

¹ Correspondence from Inquiry Secretary dated 16 September 2003.

² For example, current Joint Standing Committee on the National Capital and External Territories proceedings; Official Committee Hansard 28 March 2003.

³ This is in itself of matter of considerable concern, given that Christmas Islanders, like other Australians living in external territories, do not have the same level of rights as mainlanders. Further, the situation is relatively unique given that the role of the Commonwealth is much greater in the external territories than in mainland States and Territories. A community recreation centre would "normally" be constructed by local or state government and therefore would not attract the attention of the PWC. If anything, this situation makes it even more imperative that the PWC hears from the community, particularly when it concerns community infrastructure.

⁴ We note the Parliament's comment that "Public input is ... important. Through its committees Parliament is able to be better informed of community problems and attitudes. Committees provide a public forum for the presentation of the various views of individual citizens and interest groups". From website information about Parliamentary committees.

project involves significant capital expenditure on community infrastructure. It is vital that such capital expenditure meets community interests and needs now and into the future⁵.

Council policy fully supports the provision of infrastructure and services such as the proposed centre, provided that these are delivered in a way which best meets the cultures and natural environment of the Island and there is community involvement in planning, delivering and evaluating such services and infrastructure⁶.

3. Council is also concerned that all the relevant facts about the Inquiry were not known until fairly recently. Community notification of the Inquiry⁷ was incorrect and the place for a public hearing only advised in formal correspondence about the Inquiry⁸. Taken together, community input into the Inquiry has been made difficult.
4. Council have also been compelled to make a submission to challenge the Commonwealth's assertion that they have engaged the community in a full consultation process in developing the project proposal⁹. This is not true, and the project proposal suffers considerably as a result. There is also a need to rectify a number of omissions, distortions and errors in the DOTAR's submission¹⁰.

⁵ Refer Minutes of Special Council Meeting 29 September 2003, res. no. 147/03

⁶ Ref: SOCI Strategic Plan Social Environment Objectives & Strategy 3.6

⁷ Ref: DOTARS Community Bulletin No. 73 - 03. The terms of reference were incorrectly described and no details of where a public hearing would be held given.

⁸ Correspondence from the Inquiry Secretary dated 16 September 2003, and received on-Island on 24 September 2003. As of 3 October 2003, website information does not include public hearing information.

⁹ Ref: DOTARS submission to the inquiry, paragraph 46, pg 8; see Appendix Three

¹⁰ A critique of the submission is set out in Appendix One

THE PROPOSED PROJECT

Terms of Reference 1 & 2: The Need for the Work & If the proposed work will adequately satisfy the need

The need for new sport and recreation facilities on Christmas Island has been known for over a decade and the Shire has supported and been involved in various proposals and recommendations to meet this need¹¹.

As recently as 2001 - 02, the Shire has been engaged in a community consultation process about the design of a recreation centre for the Island¹².

Existing facilities are in relatively poor condition¹³ and do not adequately provide for the range of sport and recreation interests within the community.

The community wants new facilities. However, the Shire has concerns that the proposed project may not effectively address community needs and interests. The Shire believes DOTARS submission misrepresents community need¹⁴ and overstates the extent to which DOTARS has consulted with the community to address identified needs¹⁵. In the context of the provision of a community facility, the lack of community consultation or involvement in the project design is a fundamental problem. A related concern is that attempts by the Shire to be directly involved in the project to ensure community needs were met, were actively discouraged by the Commonwealth¹⁶.

Further, known community needs have not been addressed in the project. The most glaring omission is the high requirement for a full size soccer pitch. Indoor bowls and squash courts, a 50m swimming pool, tennis courts, a sports store, commercial kitchen (possibly allowing for halal food preparation) sepak takraw court, and an athletic track have also been identified as priority facilities.

¹¹ Ref: CI Rebuilding Program 2nd Stage - swimming pool to be replaced; Feasibility Study for the Development of a swimming pool and Future Recreation Centre on Christmas Island, 1997, Works Australia; SOCI Submission to JSC NCET, public hearing August 2000

¹² The Shire was engaged with DIMIA in developing the design for a dual purpose recreation centre, which was abandoned in favour of the Commonwealth decision to build a stand alone IRPC.

¹³ Some information on condition of existing facilities is provided in Appendix Two.

¹⁴ See population estimates at paragraphs 35 & 36 of the DOTARS submission and main user groups at paragraph 20

¹⁵ See Appendix One

¹⁶ For example, the then Minister for Territories told the Shire it would not be directly involved in the project because he didn't trust the Shire Council as the Council had "gone behind his back" in complaining about his behaviour to the Prime Minister; the Shire presented an approach to developing the project to the AAC via an Accountable Cash Grant but this was rejected by Canberra; the Shire requested involvement in the tender assessment process and this was also rejected.

Proposals developed by the Shire through community consultation also identified the need to upgrade associated existing facilities (eg ablution block at cricket ground and installation of lights and other improvements to the cricket pitch) and to consider the potential use of the centre for emergency operations. Public transport was also considered a key issue in terms of accessing the facilities.

There are a number of factors that also need to be addressed in terms of the adequacy of the proposal:

Location & access

The Phosphate Hill location was initially suggested due to the requirement to co-locate the centre with existing detainee facilities. Since that time the construction camp has also been co-located at this site.

Key community concerns about this location include:

- distance from settled areas
- lack of public transport/pedestrian access to the site
- co-location with detention centre and construction camp
- impact of relatively cool temperatures at the site on use (eg too cool to use swimming pool)

These factors may work against community access and use.

Levels of use

The adequacy of the project can be measured against expected use. If the project meets community need, then it will be well used and supported.

In DOTARS submission little attention is given to anticipated levels of use. No consultation has taken place about actual usage and other factors outlined here have not been considered as these may impact on use.

Level of use will also be influenced by cost of use. DOTARS have not addressed the question of the cost of running the Centre. It is likely the community will be expected to contribute to running costs. No information about this contribution has been provided and no assessment made of the community's capacity to pay.

Again, if cost of use is too high, the centre will not be utilised effectively.

Appropriateness to climate

Despite a requirement to maximise natural ventilation systems and minimise maintenance, a number of the design concepts do not appear to take the climate into consideration. For example, use of electronic equipment (scoreboard, security, weights and exercise equipment). Such equipment does not withstand wet season conditions. If and when such equipment breaks down, the amenity of the facilities will reduce accordingly, particularly as there is no one on Island skilled in repairing such equipment.

In DOTARS submission 'state of the art' facilities are proposed to deliver Commonwealth policy commitments to "mainland standards". In the Shire's submission, appropriate standards, reflecting climate and related issues, is a more relevant consideration. The Shire does not necessarily agree that mainland standards - particularly when determined and applied by the Commonwealth - are appropriate standards for this community.

Existing facilities/resources

The overall cost of managing recreation resources largely falls to the community, either through direct contribution for use or indirectly through rates and charges.

The Shire currently spends over \$300,000 pa maintaining existing recreation facilities. Income from direct contribution is approximately 7.5% of this cost¹⁷. This does not include any expenditure for up-grading or undertaking major repairs on the facilities.

In DOTARS submission, details of current facilities are not complete and/or entirely accurate¹⁸. In any event, - with one exception - DOTARS doesn't address the impact on existing facilities, both in terms of potential changes to their use and continuing running costs. Overall, the additional impost on the community for operating and managing recreation facilities is not addressed.

The exception is the swimming pool, which DOTARS say will continue to operate. This may be desirable but not necessarily feasible or cost effective. The swimming pool costs \$80,000 p.a. to operate, with a projected income \$10,000. At a minimum, the new swimming pool would add \$200,000 to the cost of

¹⁷ See Appendix Two

¹⁸ See Appendix One

maintaining recreation facilities. If the community cannot contribute to this degree, either directly or indirectly, use will be adversely affected.

All of the recreation facilities managed by the Shire are Commonwealth assets. At best, the Shire has a vesting order for the management of the facility¹⁹. The Commonwealth has not made any clear plans for dealing with these existing assets.

Current Commonwealth policy is to consider transferring these types of assets to the Shire, in their current condition. If the Shire accepts such transfers, capital upgrade funds will be required, to either improve the facility or adapt its use in the light of new facilities. Such capital upgrades should be completed by the Commonwealth before handover.

It is unclear what the Commonwealth's intention is regarding ownership of the new Centre. Community ownership via the local government is the 'normal' arrangement. If community ownership is the intended arrangement, community responsibility for the centre (such as operating and maintenance costs) must be understood.

Operational & management arrangements

Apart from the DOTARS note about swimming pool operational costs, other management costs haven't been estimated.

Despite Shire requests for information, the Commonwealth has done nothing to address or provide details about who will manage the facility²⁰.

In summary, there is a strong need for new community sport and recreation facilities. However, community needs are not effectively or adequately addressed in DOTARS project as proposed and there are a number of significant issues about operational management that have not been considered.

Term of Reference Three: If the estimated cost of the project can be justified

The Shire is concerned that the project proposal in its current form may not be cost effective. Project management fees will be high, the design is too "high tech" and the project may result in over-capitalisation.

¹⁹ See Appendix Two

²⁰ Ref AAC meetings – Appendix Three

The \$8m was allocated for this project although the actual value of work is likely to be in region of < \$6m, once project management costs (20% of value of project) have been deducted. The Shire has previously demonstrated that it can manage capital works projects for significantly less than GHD fees²¹. The Shire is unaware of any competitive tendering for the project management component of the project.

The Shire is concerned that the level of Commonwealth investment available for the recreation facilities was widely publicised. As a result, companies tendering for the work would have been aware of the \$8m available, and presented their tenders accordingly. This is not competitive purchasing and value for money may be compromised as a result.

Term of Reference Four: The amount of revenue, if any, the work will generate for the Commonwealth
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Although DOTARS don't address this issue in their submission, it is unlikely that the Commonwealth will generate any income from the project. There may be a user-pays contribution to the centre once complete, but this will only offset operational costs. Local Government, when they manage recreation facilities, invariably subsidise operational costs. It follows that the Commonwealth is likely through one means or another (eg FAG grant to the Shire, direct expenditure on staff) to have to contribute to operating costs into the future.

²¹ The Shire constructed its new depot with Commonwealth funds at a significantly cheaper rate than proposed using GHD as project managers.

Term of Reference Five: The present and prospective public value of the work
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The present public value of the work as proposed may be less than the Commonwealth investment for the reasons outlined above. The prospective public value of the work will depend on the extent to which the work meets community interests and needs into the future.

CONCLUSIONS

The Shire submits that the project to construct new sport and recreation facilities on Christmas Island should go ahead. However, the Shire proposes that further design and development steps are implemented prior to the works being let:

- Community consultation about the design and location of the facility, to be facilitated by an expert consultant. The brief of this consultant to include advice on other elements of the Shire's sport and recreation plan and potential uses of obsolete facilities. Links with other sources of advice and input such as the Local Planning Strategy consultants and potential in kind sources of support to be encouraged.
- Community involvement in construction and design elements through community arts projects and the like to be given priority.
- Expert advice about project planning, scope of works, tender specifications and the like to be provided.
- The key project elements to be community consultation, project planning & design, construction and fit out (including equipment).

The Shire believes this approach will ensure community needs prospective public value will be addressed now and into the future. The cost of the project would be justified absolutely.

APPENDIX ONE - CRITIQUE OF DOTARS SUBMISSION TO THE PWC INQUIRY INTO THE PROPOSED CENTRE

SECTION	PARA NO.	PAGE NO.	COMMENT
Overall comments	N/A	N/A	<ul style="list-style-type: none"> • DOTARS don't specifically address terms of reference • To a large degree submission repeats what's contained in the GHD concept report • Appendices referred to in submission not identified clearly or made available
Introduction	1	2	Proposed Centre also adjacent to temporary detention centre and construction camp. This is not noted in DOTARS submission until paragraph 55.
Historical background	5	2	Community Recreation Centre a newly coined name for the proposed centre, previously called a Sports & recreation centre. Announcement to construct a dedicated Centre was required to replace previous announcement that a dual purpose centre (for temporary detention and community use) would be built
	7	2	The Administrator's Advisory Committee (AAC) did not participate in the management of the "delivery of the Recreation Centre proposal". The AAC only provides advice to the Administrator and no project management role was given to the Committee, despite requests from members for some involvement such as project management by the Shire, information about EOI's received and tender evaluation.
	8	2	Statement is wrong in fact: facilities don't "generally occur in conjunction with the District High school" - see appendix 2
	10	2	"Consolidation" of sport facilities not understood or agreed as an objective
	11	2	Relief of "pressure" on High School not understood or agreed as an objective. See comment about paragraph 8.
	12 (a)	3	Length of current pool 22.5m as opposed to proposed 25m pool. User group conflict not a key issue. Number of lanes however, is. Major design faults that mean the flow of water through the pool is unsatisfactory and could result in health/hygiene problems.
	12 (b)	3	So-called "gymnasium" is the Sports Hall. Is now used as a permanent indoor skate park. See Appendix Two.
	12 (d)	3	Community Hall not "purpose built for badminton". The badminton club is a regular user of the hall. See Appendix Two.
	12 (e)	3	Soccer pitch is undersized. Location of tennis courts mean they are not well used by the community. These are school facilities, not public
	12 (f)	3	Golf club never considered as alternative site for the proposed centre.

SECTION	PARA NO.	PAGE NO.	COMMENT
	12 (h)	3	Membership only required for access to clubroom facilities, not the sports facilities. Shire contributes to ground maintenance (including recent pitch re-recovering) although land owned by Commonwealth and no vesting or management either to Shire or Club.
Need	13 & 14	4	Incorrect to say need arose from recent Cwth announcements and increased population. Current project developed out of previous Cwth commitment to spend \$8m on a dual purpose centre.
	16	4	"Conformity to mainland standards" a recently restated policy initiative (March 2003) ²² . It is not clear what the proposed project conforms to.
Description of Proposal	19	4	The meaning of the comment that the facilities are "intended to balance the commercial and social benefits for all Christmas Islanders" is not clear.
Options considered	22	5	GHD concept study not undertaken through a community consultative process. Selective interviewing and questioning only.
	24	5	Additional/alternative facilities not identified. Community and stakeholders not identified.
	25	5	Statement implies GHD study identified site. This is incorrect. AAC meetings in 2002 discussed sites.
	26	5	Community consultation did not occur. GHD concept report did not assess sites but only referred to "the site of the proposed centre" ²³ .
	28 (c)	5	No reference to JORN responder (the centre encroaches the 1000m buffer) or PAN-OPS airport restrictions on the site.
Comparisons with similar regional communities	31 - 34	6 - 7	Population and climate ostensible points of comparison. Derby has up to 3x population of Christmas Island and Broome up to 10x. No details about design concepts used in these communities to deal with climatic factors and how these have been incorporated in design concept for CI.
	36	8	Local Planning Strategy (LPS) indicates a growth scenario may lead to 5,000 pop in the long term.
Heritage Considerations	44	8	The Shire is not aware of any consultation with the Cricket Club. The clubroom is not listed as a heritage building.
Organisations consulted	45	8	No comprehensive community consultative program implemented.
	46	8	No consultation with the Shire of Christmas Island or community.
	47	9	No "agreement" reached at the AAC.
	48	9	Shire of Christmas Island not consulted. Shire attempted to gain more involvement in the project but was unsuccessful. Minister Tuckey informed Shire that it could

²² DOTARS supplementary submission to JSC NCET 28 March 2003

²³ DOTARS Christmas island Recreation Centre Concept Report February 2003, page 4

SECTION	PARA NO.	PAGE NO.	COMMENT
			not be formally involved. A proposal to have the Shire project manage the project was rejected by the Cwth.
Revenue derived from the project	49	9	The Shire made no such commitment to consider leasing out certain facilities. No assessment of potential sources of revenue.
Zonings & Approvals	70 - 72	12	No comment made about approvals required.
Land Acquisition	73	12	Retention of land and asset continues pattern of Cwth ownership.
Master Planning	83	13	No proper consideration of Town Plan, Local Planning Strategy or process and associated costs for incorporating Centre in Town Plan.
Employment Impact	88	13	No local main contractors. Employment opportunities likely to be minimal in construction. No information about how new jobs will be created for operating the centre, particularly how these will be paid for.
Project Cost	89	13	No analysis has been presented of cost components. GHD management may cost more than \$1.5m
Project Delivery System	92	13-14	EOI process not 'open' as not advertised on Island until 1 week before closing date ²⁴ .
	94	14	Tender for project management not advertised on island.

²⁴ Ref: DOTARS Bulletin No. 27/03

**APPENDIX TWO - RECREATION FACILITIES CURRENTLY MANAGED BY
THE SHIRE**

Property description	Reserve Purpose	Ownership & Management	Condition/ Other comments	Annual operations²⁵ cost
Golf Course & clubhouse	Public golf course	Owned by Cwth; Vested or under Management Order to Shire;	Good condition; maintained by Golf Club, lease being negotiated with Golf Club	\$2,000
Poon Saan Community Centre	Community Hall	Owned by Cwth; vested or under Management Order to Shire	Fairly poor condition; used for a range of other purposes besides recreation, including Church services, culture and public meetings	\$33,900
Open Air Cinema Gardens	Community Purposes	Owned by Cwth; vested or under Management Order to Shire; operated by CI Cinema club	Upgraded with CBF funds in 1999 - 2000.	\$15,510
Outdoor Basketball Court	Recreation Basketball	Owned by Cwth; vested or under Management Order to Shire	Needs resurfacing; has lighting	\$6,000
Sports Hall	Recreation - indoor sports	Owned by Cwth; vested or under Management Order to Shire	Currently used as a single purpose indoor skate park. DIMIA paid for upgraded toilet facilities when Hall used as detention centre. Hall still in relatively poor condition (poor ventilation, problems with damp, traffic/safety problems)	\$30,500
Swimming Pool - Post Office Padang	None defined	None - not reserved; management by Shire on behalf of Commonwealth; operated by contractor	In relatively good condition following significant repairs in 2001. Long term is sub-standard and would require significant work to bring up to Health Regulations standard	\$78,000
Playgrounds & Parklands	Recreation & Parkland	Owned by Cwth; vested or under Management Order to Shire in some cases	Various parks, some with playground equipment, others with seating, toilets, and/or barbeques	\$150,500
TOTAL COST				\$316,410

²⁵ Direct operating costs only for 2003/04 financial year: no administration or management costs included.

Property description	Reserve Purpose	Ownership & Management	Condition/ Other comments	Annual operations²⁵ cost
ESTIMATED INCOME				\$ 24,200
SHIRE/COMMUNITY SUBSIDY				\$292,210

APPENDIX THREE - CRITIQUE OF ADMINISTRATOR'S ADVISORY COMMITTEE (ACC) "CONSULTATIVE PROGRAM"

1. ROLE OF AAC

The Administrator is the Commonwealth Government's on-Island political representative. His role is to "administer the Territory on behalf of the Commonwealth" and to "exercise his powers and perform his functions in accordance with any instructions given to him by the Minister"²⁶.

The AAC comprises invitees from community organisations, businesses and members of the Commonwealth bureaucracy. The AAC is advisory only, and generally works as a mechanism for the Administrator to provide information and advice about Commonwealth actions, policy and projects. AAC 'community' representatives may get to comment on these actions, or to ask questions or raise concerns, but there is no sense in which the Administrator has any obligation to listen or act as a result. The Administrator's responsibility is to the Minister, not to the community.

The AAC is not a consultative forum, nor does it have a decision-making role. The minutes of the meetings at which the Recreation Centre was discussed demonstrate that the AAC does not operate consultatively. There is no accountability or transparency as matters discussed are not reported to the community, and rarely is there any report back to the AAC on actions taken by the Administrator.

2. MEETINGS OF AAC

Over the period in which the current proposal has been developed, the AAC met on 6 occasions:

6 May 2002 - Shire's work to develop a proposal for the dual-purpose facility discussed, with a request that the proposal be distributed to AAC members for comment. The Administrator said the cricket ground site would be a problem if the IRPC Construction Camp went ahead²⁷.

15 July 2002 - Shire representative made a power point presentation on a "possible way ahead" for the proposed centre. Steps "agreed" at the meeting included assessing the site, holding a public meeting to allow

²⁶ Administration Ordinance 1968, s 6.

²⁷ Item 6, Minutes of AAC Meeting 6.5.02

community input, and getting an ACG from DOTARS for the Shire to project manage the development.

5 November 2002 - The Administrator asked the Shire representative about "where it was at" with the project. The Shire representative advised that because the Minister had told the Shire it could not be directly involved it had not progressed the matter further²⁸.

2 December 2002 - The Administrator advised that a suitable site had been identified up at the cricket ground, and that he was meeting with the Minister to discuss making available accountable cash grant to involve the Shire. No outcomes reported back to the committee.

13 February 2003 - The Administrator advised that the project was to commence and that he had "asked GHD to do up a conceptual report". The conceptual report was tabled and he asked for feedback by the following week. The Administrator also tabled a page "on what could be included the complex (sic). These were categorised into essential, desirable and low priority.²⁹" The page listed 4 items:

1. Siting (Phosphate Hill)
2. Concept facilities
3. Initial feasibility study/budgetary match
4. Other issues

16 June 2003 - A number of issues were raised/reported on regarding the project³⁰. These included a request by the Shire to be involved in the tender assessment process, which "Canberra" had refused, more discussion of facilities including wading pool, soccer field and indoor bowls, public transport to the site and management costs of operating the centre. The project had been put out to tender by this time, following an EOI process managed from Perth.

3. Conclusions

The process for the development of the current proposal did not use a consultative approach. The AAC is not a consultative or decision-making forum. DOTARS Canberra made key decisions about the project, as did the Administrator, without any reporting or accountability to the community for or about their decisions.

²⁸ Proposed Recreation Centre, Minutes of AAC Meeting 5.11.02

²⁹ Recreation Centre Proposal, Minutes of AAC Meeting 13.2.03

³⁰ Recreation Centre Proposal, Minutes of AAC Meeting 16 June 2003