

Introduction

Inquiry process

- 1.1 On 29 June 2000, the Parliamentary Secretary to the Minister for Finance and Administration referred the proposal for the construction of Mixed Residential Dwellings, Block 87, Section 24, Stirling ACT, to the Standing Committee on Public Works, for consideration and report to Parliament, in accordance with the provisions of the *Public Works Committee Act 1969*.¹
- 1.2 The Committee sought submissions for the inquiry by advertising the proposed work in *The Canberra Time* on 1 July 2000 and *The Australian* on 6 July 2000.
- 1.3 Letters seeking submissions were sent also to Commonwealth and Territory agencies, Federal and Territory government representatives, and a range of peak organisations, professional bodies and individuals representing various interest groups, likely to have an interest in the Inquiry.
- 1.4 On 18 August 2000, the Committee, accompanied by Mr Simon Corbell MLA and Mr Ted Quinlan MLA, inspected the site for the proposed development and was briefed by the Defence Housing Authority (DHA) and Department of Defence representatives.
- 1.5 Following the inspection of the site for the proposed development, the Committee took evidence at a public hearing conducted at Parliament

1 The Hon. Peter Slipper MP, Parliamentary Secretary to the Minister for Finance and Administration, House of Representatives *Debates*, p. 18657, 29 June 2000.

House, Canberra, ACT. A list of witnesses who appeared at the public hearing is at Appendix A and list of submissions at Appendix B.²

Scope of the proposal

- 1.6 The proposed site for the development is identified as Block 87, Section 24, Division of Stirling, ACT. The proposed site is located to the east of Streeton Drive and between the junctions of Darwinia Terrace and Bangalay Crescent, Stirling, ACT.³
- 1.7 The proposed site measures approximately 28,762 m².⁴ The site boundaries are defined by:
- the existing road reserve of Streeton Drive to the west;
 - the top of a bank of an existing floodway reserve which traverses the eastern boundary in a northerly direction;
 - a sports playing field located to the north of the proposed site; and
 - two water supply mains located to the south.⁵
- 1.8 The proposed site is located in an area of parkland which is part of what is known as the Stirling Oval precinct. The proposed site has significant landscape features, namely, established grass and numerous trees, both immature and mature.
- 1.9 The proposed development will comprise 50 dwellings consisting of the following:
- 8 detached residences with 3 bedrooms plus study of around 165m²;
 - 14 courtyard houses with 3 bedroom plus study of around 150m²;
 - 21 townhouses with 3 bedrooms plus study of around 150m²;
 - 7 two storey townhouses with 2 bedrooms plus study of around 140m².⁶
- 1.10 DHA will remediate the site.⁷ Garaging, undercover outdoor living areas, visitor carparking, a common public area, telecommunications outlets, internal access roads, a footpath and landscaping will also be provided.⁸

2 The Committee's proceedings will be printed as Minutes of Evidence.

3 Defence Housing Authority (DHA) Submission, 4 July 2000, p. 11.

4 DHA Submission, 4 July 2000, p. 11.

5 DHA Submission, 4 July 2000, pp. 11 and 12.

6 DHA Submission, 4 July 2000, p. 6.

The cost

- 1.11 The estimated cost of the proposed development is \$11.5 million at February 2000 prices.⁹ The cost of the proposed development includes construction costs, civil works, headworks charges, contingency and professional fees.¹⁰
- 1.12 A number of aspects of the cost of the project were examined by the Committee at a private briefing held prior to public hearing, including lease arrangements in respect of the proposed site. The Committee was advised that DHA had entered into a binding lease agreement with the ACT in respect of the proposed site. The Committee expresses its concern that this action was undertaken prior to Parliamentary approval for the proposed development.
- 1.13 The Committee has observed with a number of projects that arrangements have been made by the sponsoring agency for the purchase of land integral to the project and that the Committee was not advised of the purchase and purchase arrangements prior to referral of the project to the Committee by the Parliament.

Recommendation 1

- 1.14 **The Committee recommends that agencies notify the Committee, at the earliest opportunity, of purchases, or commitments for purchases, of land intended for a development which may be referred to the Committee prior to referral of the development to the Committee by the Parliament.**

Timing

- 1.15 DHA proposes that, subject to parliamentary approval, dwellings on the development will be available for occupation by the end of June 2001, to accord with the mid-year Defence posting cycle.¹¹

⁷ DHA Submission, 4 July 2000, p. 7.

⁸ DHA Submission, 4 July 2000, pp. 8-9.

⁹ DHA Submission, 4 July 2000, p. 10.

¹⁰ DHA Submission, 4 July 2000, p. 10.

¹¹ DHA Submission, 4 July 2000, p. 10.

The Defence Housing Authority

- 1.16 DHA was established in 1987 by the *Defence Housing Authority Act 1987* as a separate legal entity responsible for the administration of the housing requirements of Australia's Defence personnel. Operations commenced in January 1988.
- 1.17 DHA's function is to manage the houses that have been provided to the Department of Defence for the use of service families and the rental assistance program. DHA acquires additional houses through a combination of:
- construction;
 - spot purchase, that is, direct purchase from the market;
 - lease; and
 - 'sale-and-lease back' arrangements.
- 1.18 DHA disposes of old and/or poor quality houses by sale.

Weston Creek, ACT

- 1.19 Weston Creek is a residential area of Canberra, ACT. It is on the western edge of Canberra and is a geographically distinct group of eight suburbs with a population (1996) of 24, 000. There are approximately 8,560 houses/townhouses in Weston Creek. The suburbs are Weston, Holder, Duffy, Rivett, Chapman, Stirling, Fisher and Waramanga.
- 1.20 Primary Schools are located in Weston, Holder, Duffy, Rivett, Chapman and Waramanga. A single campus high school (years 7-10) is in Waramanga which serves the district and attracts out of district students for specialist courses. The Weston Campus of The Canberra College (years 11 & 12) is located in Stirling.
- 1.21 Weston Creek also has retirement villages in Stirling, Fisher and Weston. A day respite centre for the elderly is located in Rivett.

Announcement of proposed development

1.22 In a *Media Release* of 10 December 1999 the Minister for Veterans' Affairs and Minister Assisting the Minister for Defence, the Hon. Bruce Scott MP, announced the proposed development. The *Media Release* stated:

As a first step, in association with the proposed new Staff Course at Weston Creek, the ACT planned to enter into a direct arrangement with the authority for the development of the so-called Stirling Estate, with a view to completing it by the end of 2000.

"This will provide capacity for 50 new homes in the Weston Creek area. The development will of course, be subject to normal planning approval processes and consultation with the community", Mrs Carnell said.¹²

12 Media Release - The Hon Bruce Scott MP - Minister for Veterans' Affairs - Minister Assisting the Minister for Defence, *\$200m Boost for Canberra from Defence Housing Expansion*, 10, December 1999.