

Development and construction of housing for Defence at Largs North (Bayriver), Port Adelaide, South Australia

- 3.1 The proposed development and construction of housing for Defence at Largs North, South Australia, by Defence Housing Australia (DHA) aims to provide new housing for members of the Australian Defence Force and their families, as well as to provide vacant building lots for public sale. The estimated cost of the project is \$38.2 million (including GST).
- 3.2 The proposal was referred to the Committee on 28 October 2010.

Conduct of the inquiry

- 3.3 The inquiry was advertised in *The Australian* newspaper, and submissions sought from those with a direct interest in the project. The Committee received three submissions, one confidential supplementary submission detailing the project costs, and five exhibits. A list of submissions can be found at Appendix A, and a list of exhibits can be found at Appendix B.
- 3.4 The Committee undertook a site inspection, public hearing and an in-camera hearing on the project costs on 9 November 2010 in Adelaide.
- 3.5 The transcript of the public hearing as well as the submissions to the inquiry are available on the Committee's website.¹ Plans for the proposed works are detailed in Submission 1: Defence Housing Australia.

1 <www.aph.gov.au/pwc>

Need for works

- 3.6 The DHA submission states that the works are needed because:
- the demand for DHA properties will increase as a result of the relocation of the Seventh Battalion, Royal Australian Regiment, from Darwin to Adelaide, and as a result of the expected Air Warfare Destroyer (AWD) project;
 - some of DHA's existing properties will become unusable due to lease expiry or substandard condition; and
 - DHA's reliance on the private rental market (to accommodate eligible ADF members) must be reduced, as it is above the target threshold of 15% of total DHA clients.
- 3.7 During its site inspection, it was clear to the Committee that the site is in need of further work to make it safe for the local community. There remain two contaminated areas in the site, and it is imperative that these sites be decontaminated as soon as possible.
- 3.8 The Committee finds that there is a need for the proposed works.

Scope of works

- 3.9 The proposed scope of the works is detailed in Submission 1: DHA. In short the project proposes the following:
- development of 8.8 hectare site to produce 112 standard and 11 medium density residential lots, of which 15% will be 'affordable housing lots';
 - construction of 35 detached homes on standard lots; and
 - sale of the remaining 88 lots (including all 'affordable housing lots') to the public.
- 3.10 Works are expected to commence in April 2011, and to be completed in November 2012. Settlement of all house and land sales is expected by the end of 2013.
- 3.11 The Committee finds that the proposed scope of works is suitable to meet the needs of the project.

Cost of works

- 3.12 The total estimated out-turn cost for this project is \$38.2 million (including GST). The Committee received a confidential supplementary submission detailing the project costs and held an in-camera hearing with DHA on those costs.
- 3.13 The Committee is satisfied that the costings for the project provided to it are adequate.

Project issues

Contamination

- 3.14 Substantial remediation has been conducted on this site. According to the environmental auditor, the overall site is suitable for residential use, subject to certain conditions regarding ground water use and monitoring.² The proposed site has been previously contaminated. This contamination resulted from the spreading of waste from the tailings dam of a nearby sulphuric-acid plant. General remediation has been undertaken, primarily through the removal of contaminated soil and replacement with clean fill.
- 3.15 There remain two limited areas of the site that are contaminated. These areas are both under easements: on the southern border of the site, a sewer easement; on the northern border of the site, a gas mains pipeline easement.
- 3.16 The southern easement area will be fully remediated when the existing sewer is replaced. Under DHA's proposal, however, the northern easement will not be remediated. This is not acceptable. The Committee is aware that there are management plans developed for the site, but DHA must be able to give absolute certainty to future purchasers and residents about the environmental safety of the site.
- 3.17 The only way to give absolute certainty is to fully remediate the northern easement by removing contaminated soil and replacing it with clean fill. Combined with long-term monitoring, residents and purchasers could then have full confidence that the site is safe for residential development.

2 Submission 1, DHA, p. 4.

Recommendation 2

The Committee recommends that Defence Housing Australia fully remediate the northern easement of the proposed site, by removing all contaminated soil and replacing it with clean fill.

Universal access

- 3.18 The Committee notes that DHA proposes to meet the silver level of the *Livable Housing Design Guidelines*, which were developed to assist industry and governments in making homes safer and more responsive to the changing needs of home occupants.³
- 3.19 At the silver level, this encompasses the following features:
- a safe and continuous pathway from the street and/or parking area to the entrance of the dwelling;
 - at least one level entrance to the dwelling;
 - comfortable and unimpeded movement within the dwelling;
 - a toilet on the ground or entry level that provides easy access;
 - a step free shower recess; and
 - shower, bath and toilet walls to be reinforced to provide fixing surface for the safe installation of grab rails.
- 3.20 DHA rightly acknowledges that this design 'anticipates and responds to the changing needs of the home occupants,'⁴ and improves the flexibility of housing that will eventually be occupied by members of the public.
- 3.21 The Committee has advocated this course of action for some time (see report 7/2009), and is pleased that DHA has taken this important decision. The Committee commends DHA for its intent to provide housing that is easier and safer to use for all occupants, including people with disability, ageing Australians, people with temporary injuries, and families with young children.

3 The guidelines are available online at www.fahcsia.gov.au/sa/housing/pubs/housing/Pages/LivableHousingDesignGuidelines.aspx

4 Mr P. Howman, DHA, *Proof Transcript of Evidence*, 9 November 2010, p. 12.

Noise pollution

3.22 The Committee is aware that the nearby freight rail-line has the potential to cause significant noise pollution in the proposed development. Numerous submissions to the inquiry have highlighted this as a serious concern.⁵ During its site inspection, the Committee was able to see the close proximity of the rail-line to the proposed site, and is aware that use of the line will likely increase in future.

3.23 DHA has assured the Committee that it will be implementing a noise buffer to prevent noise pollution in the development from freight trains using the rail-line. DHA has indicated that its preferred option is to construct a dirt mound on the unbuilt Mersey Road to the east of the site; if this is not approved by the consent authority, DHA will construct an acoustic attenuation wall along the same boundary.⁶

3.24 The Committee notes that these measures should be sufficient, but encourages DHA to monitor the noise pollution carefully over the construction and sales period, to ensure that the proposed solution completely addresses the problem.

Committee comment

3.25 Overall, the Committee is satisfied that this project has merit in terms of need, scope and cost.

3.26 Having examined the purpose, need, use, revenue and public value of the work, the Committee considers that it is expedient that the proposed works proceed.

Recommendation 3

The Committee recommends that the House of Representatives resolve, pursuant to Section 18 (7) of the *Public Works Committee Act 1969*, that it is expedient to carry out the following proposed work: Development and construction of housing for Defence at Largs North (Bayriver), Port Adelaide, South Australia.

5 Submission 2, City of Port Adelaide Enfield, p. 2; Submission 3, Port Adelaide Residents Environment Protection Group Inc, p. 2.

6 Submission 1, DHA, p. 11.