

<b>PROJECT NAME</b>	<b>DEVELOPMENT AND CONSTRUCTION OF HOUSING FOR DEFENCE AT LARGS NORTH, PORT ADELAIDE (BAYRIVER) SOUTH AUSTRALIA</b>
Agency	Defence Housing Australia (DHA)
Date of Referral	28 October 2010
Committee Report	PWC Report 4/2010
Date of expediency	23 November 2010
<b>COSTS</b>	
Original cost estimate	\$38.2 million (inclusive of GST)
Final cost of project	\$27.8 million (inclusive of GST)
Reasons for cost changes	<ol style="list-style-type: none"> <li>1. DHA constructed dwellings reduced from 35 to 25 to better met Defence changing requirement.</li> <li>2. Savings achieved in the land development works.</li> <li>3. Savings were realised from Authorities Fees and charges.</li> <li>4. The project contingency was not used.</li> </ol>

<b>TIME</b>	
Original estimates	Commencement – April 2011 Completion – December 2012
Actual dates	Commencement – 10 May 2012 Completion – 23 July 2014
Reasons for changes	<p>(1) Delay in Renewal SA obtaining DA approval before DHA could settle and take site possession as Council declined Renewal SA's original DA submission. Renewal SA finally received approval from Development Assessment Commission of South Australia (DAC) and Minister directly.</p> <p>(2) Delay in Renewal SA obtaining Minister's approval for amended DA for an additional yield of 4 lots to be developed.</p> <p>(3) Additional de-contamination work as requested by the PWC</p>
<b>SCOPE</b>	
Did the project deliver the original scope?	No. Product mix was adjusted to optimise the Adelaide portfolio to best fit the needs of the ADF in that area.
Scope changes	<p>(1) Improvements to project subdivision layout increased the yield from 123 lots to 127 lots. Lots increased from 112 standard lots plus 11 medium density superlots to 116 standard lots plus the 11 superlots.</p> <p>(2) DHA take out for the construction of DHA dwellings for Defence decreased from 35 to 25.</p>

<p>Reasons for scope changes</p>	<p>(1) DHA modified the Master Plan to offer the best return and increased the yield by 4 lots. More efficient Lot designs and functionality were achieved.</p> <p>(2) Through the DHA capital planning process it became recognised that RB 1 dwellings (predominately lower rank ADF personnel) were under provisioned in the Adelaide Defence Housing Forecast (DHF) area while RB2 and RB3 dwellings (predominately higher rank ADF personnel) were over provisioned.</p> <p>DHA’s Federal Safety Commission (FSC) contractors were unable to deliver RB1 dwellings at this location due to costs being too high. However, non-FSC builders in the area were able to deliver RB1 products.</p> <p>Accordingly, to rebalance (and diversify) the Adelaide Portfolio, the quantity of DHA constructed RB2 dwellings was reduced by 10, and substituted with the acquisition of 10 RB1 dwellings constructed by private builders who were purchasing DHA lots from within the Bayriver development.</p> <p>DHA has since purchased 1 additional privately built RB1 dwelling within the Bayriver development which has brought the DHA total takeout to 36 dwellings.</p>
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