



Australian Government

Department of Defence
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Ms Kirsten Livermore MP

Chair

Parliamentary Standing Committee on Public Works

Parliament House

CANBERRA ACT 2600

Dear Ms Livermore,

**LANDING HELICOPTER DOCK AND AIR WARFARE DESTROYER SHIP
SUSTAINMENT FACILITIES PROJECTS - RESPONSE TO RANDWICK CITY
COUNCIL SUBMISSION**

The Landing Helicopter Dock (LHD) and Air Warfare Destroyer (AWD) Ship Sustainment Facilities projects were referred to the Parliamentary Standing Committee on Public Works (the Committee) on 21 March 2013, with a public hearing for both projects conducted by the Committee on 23 April 2013.

The purpose of this letter is to provide a written response to a submission received by the Committee from the Randwick City Council (RCC) (Submission No.4 (Landing Helicopter Dockships)).

Although not clearly defined by the RCC in its submission to the Committee, Defence understands that the references made to Defence's sale of part of the former site, which has led to the construction of just over 100 dwellings, refers to actions taken by Defence under the Site Remediation and Construction of Infrastructure for the Defence Site Randwick NSW – Interim Works project.¹

The background to the Site Remediation and Construction of Infrastructure for the Defence Site Randwick NSW – Interim Works project (although not related to the proposed LHD and AWD Ship Sustainment Facilities projects) is that in 1990 the Defence Logistics Redevelopment Project was initiated to reform Defence's logistics and supply functions, resulting in a consolidation of military warehousing facilities throughout Sydney. This process resulted in the closure of much of the former Navy Stores complex at the Randwick Barracks and other large storage depots in Sydney. Consequently, Defence decided to prepare the surplus portion of the Randwick Barracks site for sale and eventual residential redevelopment. In order to receive planning approval from the RCC as the local government authority for the proposed development, Defence undertook to meet certain requirements with respect to the site, including:

¹ The Committee considered this project in March 2004 and subsequently tabled its report on 26 May 2004 - PWC Report No. 1/2004, Parliamentary Paper No. 109/2004.

Submission No. 01.3
DN (Landing helicopter dockships)
Date: 01/05/13

- remediation of the property to a level suitable for future residential use;
- a Plan of Management and Bushland Regeneration Plan for the Randwick Environmental Park;
- embellishment of the Randwick Environmental Park and a one-off payment to the RCC for future park maintenance; and
- construction of a new Community Centre and hand-over free-of charge to the RCC.

Based on the above and in accordance with the agreed Master Plan for residential development², Defence understands the RCC reference in its submission to mean the land that is located in the north-east corner of the site that Defence sold to the Mirvac Property Group (Mircvac) in 2003 for residential development. This sale and the subsequent re-sale of parts of this land by Mirvac to a third party for additional residential development, has resulted in the development of medium density housing on this land, although Defence is not privy to the exact number of dwellings that have been delivered.

As part of the aforementioned Randwick Environmental Park development, Defence also developed 36 fully serviced and subdivided lots, which are located on the south-east side of the site along Joongah Street. These lots are currently vacant and a decision to build on these lots remains subject to ongoing consultation between Defence and Defence Housing Australia.

Within its submission, the RCC noted concerns regarding consultation during preparation of long term Defence plans for Randwick Barracks and listed a series of key issues regarding the proposed Training Centre. With respect to the comment regarding Defence engagement with Council, there are currently no firm decisions agreed for the remainder of the land at Randwick Barracks. A longer term plan for the remainder of the site is currently under development and as part of this process Defence would expect to engage with the RCC as this is developed further.

Turning to the key issues raised regarding the proposed works, I can assure the Committee that all works will be undertaken in accordance with the relevant policies, standards and statutory requirements. I note the RCC's comments regarding residential context and confirm that Defence has given full consideration to the issues raised. As part of the Defence process, a Defence Environmental Construction Certificate ^{and} a Contractor's Environmental Management Plan will be required before works commence on site. Although the RCC comments regarding access are not related to this project, Defence will continue to consult with the Council on this issue.

With respect to a question from the Acting Chair during the public hearing regarding 'how much Defence has contributed to the cost of the community centre and other community related funding that has been provided by Defence', I can confirm that:

- the cost to Defence to develop a Plan of Management and Bushland Regeneration Plan for the Randwick Environmental Park was approximately \$0.5 million;
- the cost to Defence for the embellishment of the Randwick Environmental Park was approximately \$3.3 million;

² The agreed Master Plan for Residential Development is available on the RCC's website as a Development Control Plan, Defence Site Bundock and Avoca Streets, Randwick, NSW.

- the cost to Defence for the one-off payment to the RCC for the maintenance of the Randwick Environmental Park over a 10 year period was approximately \$2.0 million; and
- the cost to Defence for the construction of the new Community Centre and hand-over free-of charge to the RCC was approximately \$3.5 million.

I trust that this information clarifies the Defence position with respect to the RCC submission and will assist the Committee in its consideration of the proposed LHD and AWD Ships Sustainment Facilities projects.

Yours sincerely,

D.S. NAUMANN
Brigadier
Director General
Capital Facilities and Infrastructure

✓ May 2013