



PROPOSED UPGRADES TO ON-BASE HOUSING FOR DEFENCE

RAAF BASE TINDAL, NORTHERN TERRITORY

Statement of Evidence

To the

Parliamentary Standing Committee

On Public Works



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PROPOSED UPGRADES TO ON-BASE HOUSING FOR DEFENCE

ON RAAF BASE TINDAL, NORTHERN TERRITORY

Need for works

Identified need

1. There are currently about 330 Defence members with dependants who reside in the Tindal/Katherine area in the Northern Territory. The township of Katherine is 320 kilometres southeast of Darwin and RAAF Base Tindal is a further 17 kilometres southeast of Katherine (Supplementary Item 1 – Aerial Photograph).
2. To meet the housing needs of these families, DHA manages about 320 dwellings in the Tindal/Katherine area - 193 Defence owned dwellings on RAAF Base Tindal and the remainder in Katherine. At 1 July 2012, an additional 13 families or 4 percent of the total were in private rental accommodation and receiving their housing subsidy in the form of Rent Allowance (RA).
3. The proportion of families receiving RA is low because of the constrained nature of the private rental market in this remote locality and because rental accommodation in the region is of a generally low standard.
4. RAAF Base Tindal on-base housing was largely constructed in the mid-1980's when it was some of the best in the Defence portfolio. Small numbers of houses have been constructed more recently. Only minor upgrades have occurred since construction.
5. Community standards have improved since the mid-80s. Reflecting this, the Defence minimum standard was updated in 2006¹ with an expectation that on- and off-base Defence-owned and DHA housing would be brought up to these standards by 2017. Supplementary Item 2 provides a diagram identifying the three phases of work.

¹ In 2006, Defence introduced its New Housing Classification Policy (NHCP) that increased the minimum standard for Defence housing. All Defence housing is to be compliant to NHCP by 2017.

Options considered for meeting the need

6. The acquisition of 'broad acre' land followed by development and construction is DHA's preferred delivery method because of the economies of scale associated with bulk procurement of house constructions, surety of supply and higher margins associated with wholesale land development.
7. Other options include the construction of on-base housing, the purchase of developed land (serviced allotments) followed by construction, the purchase of established houses, the upgrade of current houses and direct leasing of suitable housing where possible.
8. In relation to this proposal, a 'broad acre' development in Katherine is not economically viable because of the generally underdeveloped nature of the local housing market which could not sustain the volume of sale and leaseback that would be required. The cost of construction of new residences and/or the upgrade of existing off-base properties in this remote area is also very high.
9. Accordingly, Defence and DHA have determined that the upgrade of existing on-base dwellings is the most cost-effective means of supplying housing that meets the new minimum standard for families posted to RAAF Base Tindal.

Historical background

10. Often called the 'Crossroads of the North' because of its location, Katherine is the fourth largest town in the Northern Territory and is located 312 km south-east of Darwin on the Katherine River. With a population of over 9,800 people, Katherine is a modern thriving regional centre that offers a wide range of services to communities from the Western Australian border to the Gulf of Carpentaria on the Queensland border. There is a modern air conditioned shopping centre, hospital, sports grounds, parks and gardens as well as a large number of Commonwealth and Territory Government services.
11. In 1956 the then government decided that a site was to be selected for an airfield which would be '*mutually supporting with Darwin*'. The present site satisfied the conditions that the site not be '*subjected to fall out from a nuclear weapon aimed at Darwin, be easily accessible by road or railway, have an adequate water supply and to be no further from Darwin than 200 miles (322 kilometres)*'. RAAF Base Tindal, a former World War II airfield, was

subsequently reconstructed as a bare base, with facilities for deployed squadrons, by the RAAF's No 5 Airfield Construction Squadron during the 1960s. In 1984 the Government made a decision to establish the base as a manned, operational military airfield. The first stage of its development, providing for the permanent basing of a tactical fighter squadron, was the subject of the Parliamentary Standing Committee on Public Works Twelfth Report of 1984.

12. The base is a link in a chain of Australian Defence Force airfields stretching across northern Australia from Learmonth in Western Australia to Townsville in northern Queensland. It is the home base for No 75 Squadron, a tactical fighter squadron equipped with F/A-18 Hornets. RAAF Base Tindal is also a staging base for exercises conducted in the area and, in conjunction with Delamere Air Weapons Range, located some 150 kilometres to the south-west, it is used extensively to exercise deployed RAAF elements. The range, through bilateral Defence agreements, also accommodates a number of overseas air force exercises.
13. The most recent major works at RAAF Base Tindal approved by the Committee were included in the fifth report for 2008 – RAAF Base Tindal Redevelopment Stage 5 and Airborne Early Warning and Control Facilities, RAAF Base Tindal.

Environmental matters

14. Given that the nature of the proposed work is the upgrade of existing houses, within existing lot boundaries, there will be minimal impact on the wider environment.
15. All work on Defence bases requires submission and approval of an Environmental Clearance Certificate (ECC). The ECC must be submitted by the principal contractor and is reviewed and approved by the Environmental Officer at RAAF Base Tindal. No works can commence until this approval is received. The ECC addresses all potential environmental issues and covers the scope of works, site plan, construction program, Environmental Management Plan (EMP), Defence Green Building Requirements and Safety Management Plan (SMP).

Heritage Considerations

16. There are no heritage considerations on RAAF Base Tindal.

Key legislation

17. The following key legislation is relevant to this project:
 - a. *Environment Planning and Assessment Act 1979*;
 - b. *Defence Housing Australia Act 1987*; and
 - c. *Building and Construction Industry Improvement Act 2005*.

Planning process and consultation

18. The upgrade program is funded by Defence which has expressed its broad satisfaction with progress to date (Supplementary Item 3 – letter from Acting Head of Defence Support Operations (HDSO), Ms Alison Clifton). Defence and DHA have an agreed statement of work.
19. The upgrade program has been the subject of extensive consultation with local base officials (Supplementary Item 4 – Letter from WGCDR Noel Hinschen, Base Commander, RAAF Base Tindal). The Deputy Chief of the Air Force has also expressed his support for the program (Supplementary Item 5).
20. The National Convenor of Defence Families of Australia, Ms Julie Blackburn, has been briefed and has provided her support (Supplementary Item 6).
21. Once upgraded, the total of 193 houses will greatly improve the amenity of Defence families living in this remote area.
22. DHA did not engage Social and Cultural Planning consultants because the project is confined to the upgrade of existing dwellings, introduces no new population into the local environment and is strongly supported by the on-base Defence community. Also, the local Katherine community is supportive, as evidenced by the letter of support from Ms Fay Miller, Mayor of Katherine. This letter is at Supplementary Item 7.

Project selection and location

23. The site is located on RAAF Base Tindal. The housing village occupies a total area of approximately 40 hectares adjacent to dining rooms and single living-in

accommodation. Tindal's accommodation precinct is outside the secure perimeter of RAAF Base Tindal and far enough from the runway to largely eliminate any adverse impacts of aircraft noise. The houses are located in an area where the Australian Noise Exposure Forecast (ANEF) is below the figure of 20. The Australian Standards only require specific noise attenuation measures where the ANEF exceeds 20.

Project description and objectives

24. The project envisages the upgrade of the remaining 131 (out of a total of 193) on-base houses to bring them up to the 2006 Defence minimum standard. The range of work on each house varies but may include new kitchens, new bathrooms, living room extensions, new bedrooms and double garages. The upgrade works will also include the replacement of driveways where necessary and all soft and hard landscaping.
25. The upgraded dwellings will offer a standard of amenity likely to attract and retain members and their families in this remote area. Year 1 (62 houses) is currently under contract with completion planned in February 2013. The intention is to undertake the requested work on the remaining two stages, as follows:
 - Year 2 - 68 houses
 - Year 3 - 63 houses

Local services and amenities – community facilities, shops and schools

26. Katherine is serviced by four primary schools and two secondary schools (only one going to year 12).
27. Tindal is serviced by one on-base child care centre with four other operators in Katherine.

Public transport

28. The area is not well served by public transport. However, a school bus service operates to Katherine from Tindal.

Local road and traffic concerns

29. Minimal disruption is expected to the local traffic within the Tindal residential precinct. The project stages will be undertaken on a street by street basis enabling the containment of the works and road closures only impacting the current stage.

Zoning, land approvals and land acquisition

30. As this project is on Commonwealth land, the planning controls and building approvals processes of Katherine City Council and the NT government are not applicable. However, as the various utility services to the Base are linked to those of Katherine, the necessary liaison has been undertaken with Council and NT authorities as appropriate.

Design concepts

31. The upgrades will be specific for each property, but in general will include full internal and external refurbishment including new kitchens, bathrooms, floor and window coverings, new fixtures and fittings and repainting throughout. All properties will have the carport replaced with a double lock up garage, maintaining sympathy with the original design. The external façade will be treated with render and paint to provide continuity within the streetscape and community. The upgrade works will also include the replacement of driveways where necessary and all soft and hard landscaping.
32. The designs are contemporary in style, using a mix of different external materials and finishes, with a view to diversity in the built form. An indicative floor plan is included at Supplementary Item 8, with the floor plans for No 2 Evans Place at Supplementary Item 9. Before and after photographs of No 2 Evans Place are at Supplementary Item 10.

Structural design and civil works

33. All design and construction works carried out as part of this project will comply with or exceed Local Government, State and Federal Government controls and requirements, and all housing works will meet the requirements of the Building Code of Australia.

34. Civil works and all building construction requiring certification will be undertaken by approved Certifiers and the head contractors for civil works and construction of houses will be accredited by the Federal Safety Commission.

Utilities, stormwater, soils and flood control

35. High voltage power supplies and telecommunications infrastructure are available.
36. Sewerage and potable water facilities are available.
37. Existing storm water drainage installations will be retained.
38. No flood calculations have been prepared for the site to date. Notwithstanding, the amount of overland flow in a 1:100 year event is unlikely to impact on allotments within this Estate.

Electrical services, fire protection and home security

39. Dwelling construction will conform to Australian standards and the Building Code of Australia. Combined security/insect screens will be fitted to all external doors, including sliding doors, and security screens will be fitted to all opening windows on the ground floor level.

Acoustics

40. The housing precinct is located well away from operational aircraft areas, obviating the need for special noise attenuation construction methods. DHA has been advised by the Air Force that the ANEF of the area is below ANEF 20.

Landscaping

41. The private outdoor spaces for each dwelling will meet or exceed Defence requirements.
42. Landscaping of these spaces will be in accordance with the DHA specification using drought resistant native plant species appropriate to the Katherine climate.

Water and energy conservation measures

43. DHA upgraded dwellings will comply with relevant sections of DHA's General Specification for Upgrades and Minor New Work V0.8. Reduction of demand

on the water supply will be achieved through a combination of water efficient shower heads, flow regulators to basins and sinks, and dual-flush toilet cisterns.

Work health and safety measures

44. DHA contractors delivering works valued more than \$3 million will be accredited by the Federal Safety Commissioner. Work contractors will also adhere to relevant legislative requirements, including the Workers Compensation Act and the *Work Health and Safety Act 2011*.

Cost-effectiveness and public value

Outline of project costs

45. The estimated overall project cost is approximately \$57 million including GST and escalated costs, but excluding the land cost. The cost will be met by DHA and reimbursed under an annuity arrangement with Defence.

Details of project delivery system

46. Site upgrade packages will be contracted on a fixed price lump sum basis through an open tender process. The successful tenderers will be required to comply with DHA's General Specification for Upgrades and Minor New Work V0.8.

Construction schedule

47. Subject to Parliamentary approval by late 2012, the significant milestones to achieve completion of the project by December 2014 are:

Date	Milestone
Dec 12	PWC process complete
Mar 13	Year 2 upgrade works start
Feb 14	Year 2 upgrade works finish
Feb 14	Year 3 upgrade works start
Feb 15	Year 3 upgrade works finish

Public value

48. This proposal will contribute 'public value' by adding to the stock of housing used to meet Defence obligations to members of the Australian Defence Force

and their families posted to RAAF Base Tindal and enhancing key objectives for retention of Defence personnel. More broadly, the Tindal project will create jobs in the construction industry in the Katherine area.

Revenue

49. Details of the financial aspects of the project are included in a separate commercial in confidence briefing to the PWC.

RAAF Base Tindal

Upgrades

Supplementary information

- | | |
|---------|--|
| Item 1 | Site location – Aerial photograph |
| Item 2 | Site location – Upgrade stage packages |
| Item 3 | Letter of support – Department of Defence |
| Item 4 | Letter of support – Base Commander Tindal |
| Item 5 | Letter of support – Deputy Chief of Air Force |
| Item 6 | Letter of support – Defence Families Australia |
| Item 7 | Letter of support – Katherine Mayor |
| Item 8 | Tindal upgrades – Indicative floor plan |
| Item 9 | Tindal upgrades – Floor plan for 2 Evans Place |
| Item 10 | Tindal upgrades – Before and after photographs (2 Evans Place) |

Supplementary item 1

Site location – Aerial photograph



Supplementary item 2

Site location – Upgrade stage packages



Supplementary item 3

Letter of support – Department of Defence



Australian Government
Department of Defence
Defence Support Group

Alison Clifton
Acting Head Defence Support Operations
Department of Defence
R1-6-A006
PO Box 7902
CANBERRA BC ACT 2610

mark.jenkin@defence.gov.au

Tel: 02 6265 6135

Fax: 02 6265 7982

HDSO/OUT/2012/091

Mr Michael Del Gigante
Managing Director
Defence Housing Australia
26 Brisbane Ave
Barton Act 2600

Dear Mr Del Gigante

TINDAL UPGRADE PROJECT – YEAR 2 AND 3 UPGRADE WORKS

Thank you for Defence Housing Australia's (DHA's) continuing efforts, on behalf of Defence, to improve the standard of the 193 houses located on RAAF Base Tindal, Northern Territory. The first year of the Tindal Upgrade Project is well underway with 62 houses upgraded. I am particularly pleased with the outcomes of the project to date and feedback from my staff, base command staff and ADF members and their families has been very positive.

As you are aware the housing situation in Tindal is particularly difficult and I are very keen to maintain the continuity of the project. I fully support DHA in its submission to the Parliamentary Standing Committee on Public Works (PWC) for Year 2 (68 houses) and Year 3 (63 houses) of this business as usual project.

Defence acknowledges that the remote location of the base comes with inherent problems, such as availability of suitable contractors, continuity of the project, minimising the disruption to tenants and increased project costs. This situation highlights the importance of maintaining the tight timeline of the project.

Defence continues to be satisfied with the generic scope of work (attached is Year 1 Scope) to be applied to this project and requests that DHA proceed with PWC approval for years 2 and 3 to ensure continuity of this upgrade project.

Yours sincerely

Handwritten signature of Alison Clifton in black ink.

Alison Clifton

Acting Head Defence Support Operations

25 June
April 2012

Supplementary item 4

Base Commander Tindal



ROYAL AUSTRALIAN AIR FORCE
NO 322 EXPEDITIONARY COMBAT SUPPORT SQUADRON

RAAF Base Tindal, LMB 300 KATHERINE NT 0853, AUSTRALIA

322ECSS 2012/1035585

Mr Vern Gallagher
General Manager
External Relations PPG
Defence Housing Australia
26 Brisbane Avenue
Barton ACT 2600

Dear Mr Gallagher,

I am writing to you in support of the housing upgrade project at RAAF Tindal. Families posted to Tindal are often confronted with issues of adjustment and the stressors of moving to and living in a harsh remote location. Members are often taken aback when presented with the quality of housing available in Tindal when compared to the housing they were accustomed at their previous location – albeit paying the same contribution. Compounding this housing issue, the availability of quality housing within the Katherine private rental market is non-existent, leaving members and their families with little to no choice in securing suitable housing.

The housing upgrades have been seen by the majority of the Tindal Defence community as a positive step forward. Families who have already moved into a refurbished house often speak of the increase of morale and well being at home and as such their remaining tenure in Tindal will be much more tolerable and enjoyable. The provision of housing of similar standards to other posting locations will assist in attracting and retaining members serving in Tindal.

Should the project be stalled or halted at any stage will see a divide in the quality of Tindal housing, that being upgraded and non-upgraded housing. This issue has the potential to create unnecessary tension amongst both residential and work environments, which will add excess pressures on Tindal units and already stretched social support networks such as DCO. I consider the Tindal housing upgrades a necessary project to ensure suitable housing is provided to members serving at this strategic airbase.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Noel Hinschen', with a long horizontal flourish extending to the right.

NOEL HINSCHEN
Wing Commander
Temporary Commanding Officer
No 322 Expeditionary Combat Support Squadron
Senior Australian Defence Force Officer RAAF Tindal
Tel: 08 89736000

Supplementary item 5

Letter of support – Deputy Chief of Air Force



ROYAL AUSTRALIAN AIR FORCE AIR FORCE HEADQUARTERS

Department of Defence, R1-6-C002, PO Box 7902, CANBERRA BC ACT 2610, AUSTRALIA

OCAF/OUT/2012/AB10478040

Mr Vern Gallagher
General Manager
External Relations PPG
Defence Housing Association
26 Brisbane Avenue
Barton ACT 2600

Dear Mr Gallagher

I am writing to you in support of the DHA project to upgrade housing facilities at RAAF Base Tindal. RAAF Base Tindal is a critical strategic airbase and is Air Force's sixth largest base by permanent establishment. The provision of quality housing for our personnel and their families is an important factor necessary to entice members to this remote airbase.

Accordingly, the upgrade of housing facilities at RAAF Base Tindal is an important activity. These upgrades will bring housing at RAAF Base Tindal in line with current Defence standards and match other posting localities. RAAF personnel who relocate from other Defence bases sometimes have issues adjusting to the change in the standard of accommodation, potentially placing additional stress on families and consequently impacting morale. Furthermore, there is a lack of sufficient non-Defence housing in Katherine as an alternative for Defence members.

Approval of this project will assist Defence and DHA to provide appropriate accommodation in line with current Defence policies. Not proceeding with this project could adversely affect the retention of Defence members serving in Tindal, and therefore potentially impact Defence operations at the airbase. I therefore believe the upgrade of the current housing will be extremely popular with RAAF members and their families posted at Tindal and provide a great benefit to Defence as well as the local community.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'G.N. DAVIES'.

G.N. DAVIES, CSC
Air Vice-Marshal
Deputy Chief of Air Force

R1-6-C002
Tel: (02) 626 55472

5 September 2012

Supplementary item 6

Letter of support – Defence Families Australia



Defence Families of Australia
CP2 – 1 – 11
Campbell Park Offices
Canberra ACT 2600

Mr Peter Howman
Chief Operating Officer
Defence Housing Australia
26 Brisbane Avenue
BARTON ACT 2600

10 Sep 2012

Dear Peter

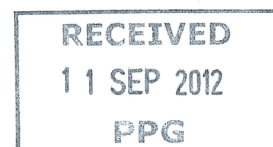
I am writing to you in order to provide support for the continuation of the housing upgrades at RAAF base Tindal. As you know, housing is a prime concern for Defence families irrespective of their location. Good quality housing that is of a similar standard to houses in all posting localities is required in order to assist a highly mobile workforce and their families settle into a new location with minimal stress. Therefore, DFA deems it to be important to not only have these upgrades at RAAF base Tindal completed, but for these to occur as soon as possible due to the following reasons:

1. For families who are posted to remote locations, they are often confronted with issues of acclimatisation due to new and different surroundings which they may be unfamiliar with and can present them with further challenges in which to adapt to. The provision of good quality housing of a similar standard to that of other posting locations around the country can help reduce some of these challenges. This is considered by some families to be the one aspect of relocating families to remote areas that can actually be controlled.
2. Defence families pay the same rental contribution for housing within their category irrespective of their location. A common complaint that arises from Tindal is that the housing is reported as not being to the same standard as houses they have come from in previous locations despite the fact that the rent they pay is the same. Improvements to the standard of housing will help to reduce some of this complaint.
3. Any delay incurred in the upgrade program which has already commenced has the potential to create two additional tiers of housing in Tindal, that being upgraded and non-upgraded homes. This area already has reduced options for accommodation, and Defence housing solutions are highly visible to all members in the area. Having available housing that is either upgraded or not, has the potential to create unnecessary tension and conflict in a close-knit residential community and working environment, and potentially overwhelm the units with complaints about housing, which can detract from work focus.
4. Housing availability in both the Defence and private market is limited in Katherine. Completion of the project in the shortest possible time will ensure there is an adequate number of good quality housing available and assist in reducing on-base housing availability concerns.
5. All housing upgrades should take into consideration the location and climate. The tropical backyards of the area are seen as a positive to the environment and it is hoped that this will be maintained.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Julie Blackburn', is written over a light blue horizontal line.

Julie Blackburn
DFA National Convenor
Ph: 0410 626 103
Email: julie.blackburn1@defence.gov.au



Supplementary item 7

Letter of support – Katherine Mayor

Katherine Town Council

PO Box 1071
Katherine NT 0851

Ref : Royal Australian Air Force (RAAF)/Government Relations/Agency

11 September 2012

Mr Peter Howman
Chief Operating Officer
Defence Housing Australia
26 Brisbane Avenue
Barton ACT 2600

Dear Mr Howman

On behalf of the Katherine Town Council, I am pleased to advise our support for the proposed upgrade of the remaining 131 houses on RAAF Base Tindal.

The links between the town and the base are long standing and substantial. In particular, the social and economic integration of the two communities is important at many different levels.

The nature of the work involved in the upgrade of on-base dwellings is such as to already command significant local capacity from contractors, suppliers and trades people. The follow-on phases to be considered by the Parliamentary Standing Committee on Public Works will sustain this effort for quite some time and is warmly welcomed and strongly supported.

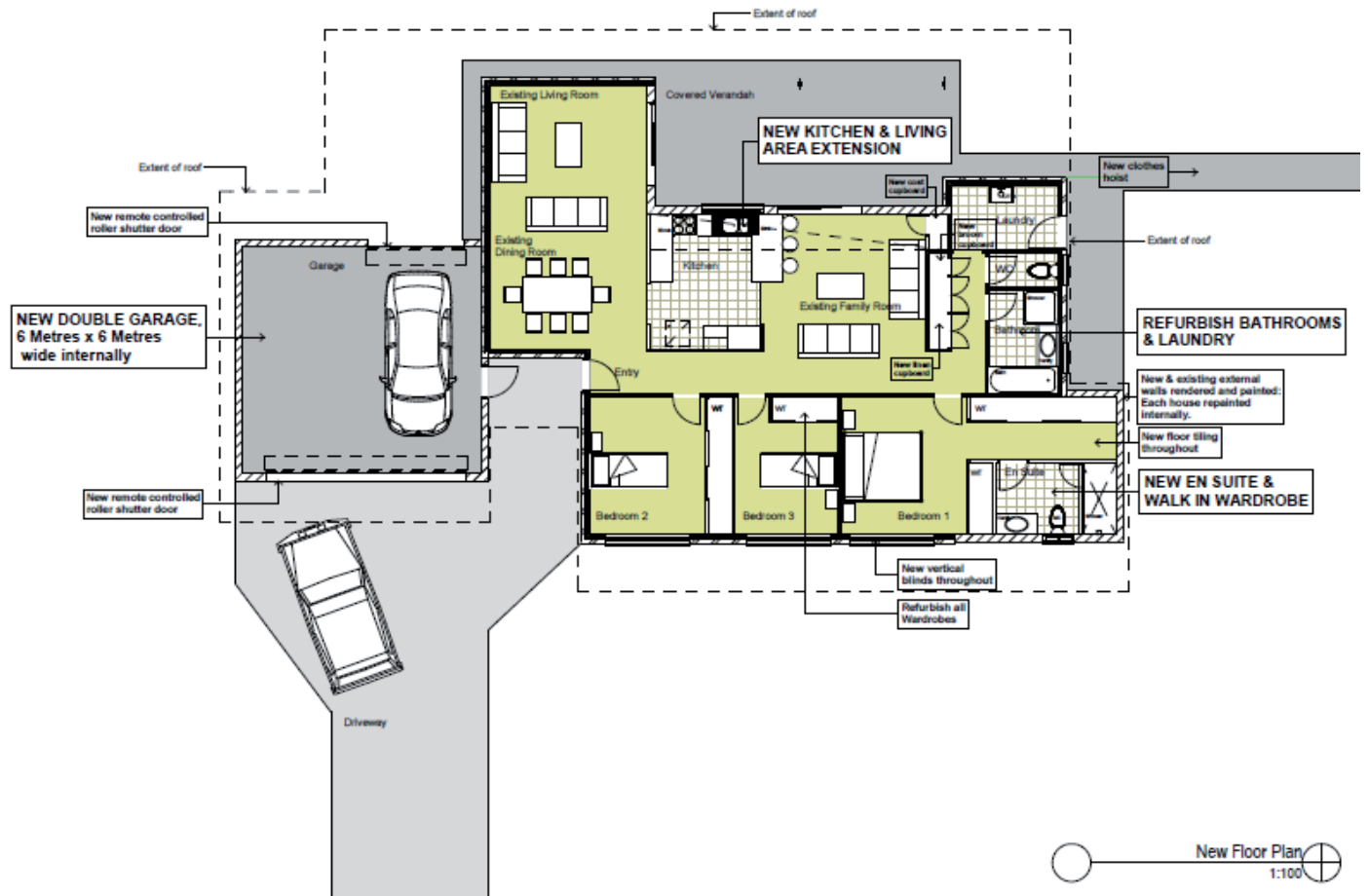
Yours sincerely



Fay Miller
Mayor

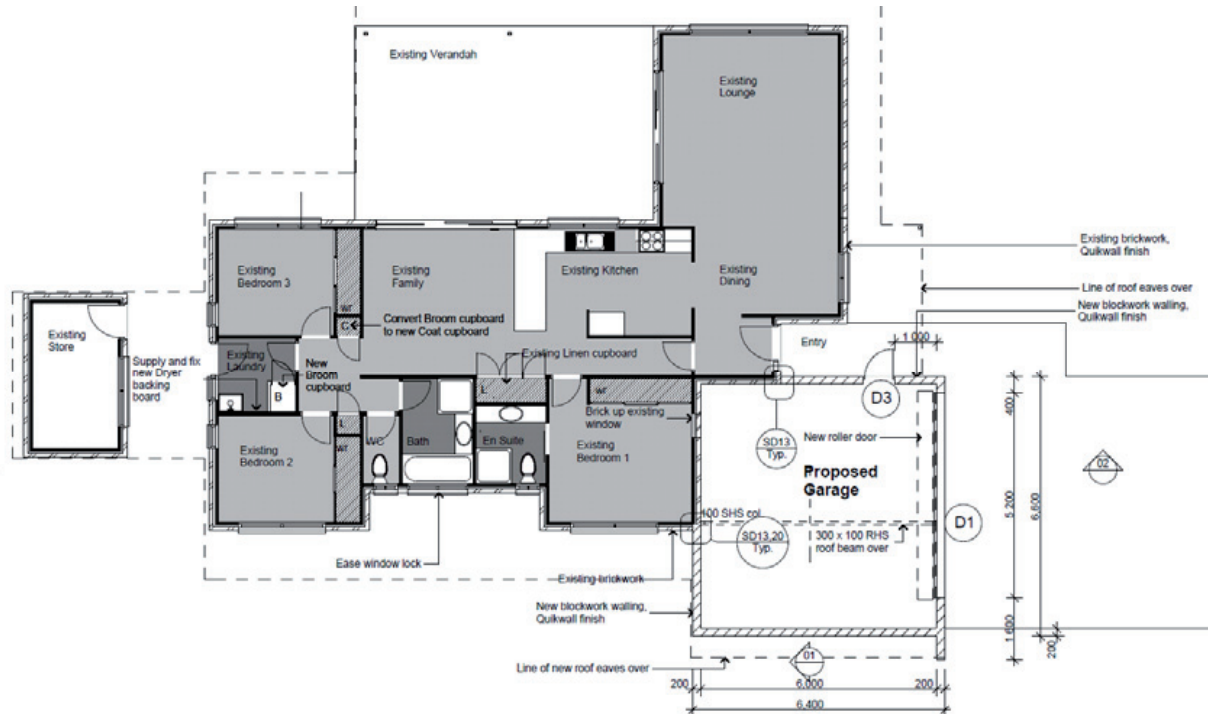
Supplementary item 8

Tindal upgrades – Indicative floor plan

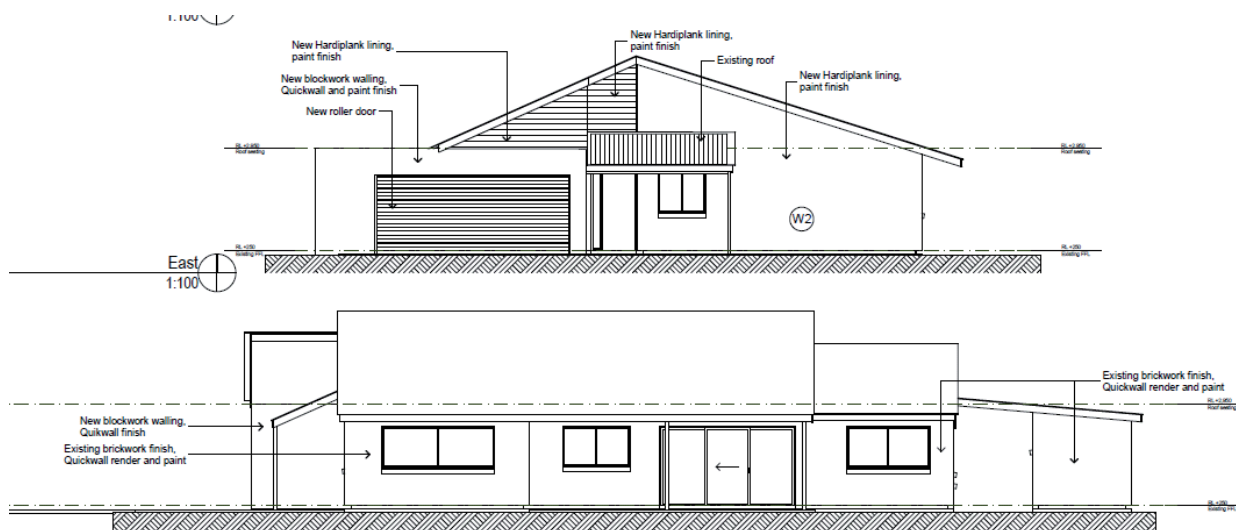


Supplementary item 9

Tindal upgrades – Floor plan for 2 Evans Place



2 Evans Place – Floor plan



2 Evans Place – elevations

Supplementary item 10

Tindal upgrades – Before and after photographs (2 Evans Place)

Before



After

