

Construction of housing for Defence at Gordon Olive Estate at McDowall, Brisbane, Queensland

- 2.1 The proposed construction of housing for Defence at Gordon Olive Estate (the Estate), McDowall, Queensland by Defence Housing Australia aims to provide an additional 51 dwellings for members and families of the Australian Defence Force (ADF) serving in the Brisbane area, in particular those serving at the Gallipoli Barracks at Enoggera, Brisbane. The estimated cost of the project is \$27.20 million (including GST).
- 2.2 The proposal was referred to the Committee on 20 August 2009.

Conduct of the inquiry

- 2.3 The inquiry was advertised in local and national newspapers and submissions sought from those with a direct interest in the project. The Committee received two submissions and one confidential supplementary submission detailing the project costs. A list of submissions can be found at Appendix A.
- 2.4 The Committee undertook a site inspection, public hearing and an in-camera hearing on the project costs on 12 October 2009 in Brisbane. A list of witnesses can be found at Appendix B.
- 2.5 The transcript of the public hearing as well as the submissions to the inquiry are available on the Committee's website. Plans for the proposed works are detailed in Submission 1, Defence Housing Australia.¹

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

Need for works

- 2.6 The Defence Housing Australia (DHA) submission states that there are approximately 1700 members of the ADF, with dependents, who reside in the Brisbane area. DHA currently manages only 1300 dwellings in that area. Consequently, around 28 per cent of ADF families are in private rental situations, receiving rent allowance from the Department of Defence.
- 2.7 DHA aims to reduce this reliance on private rental arrangements to around 13 per cent of families. This will be achieved through constructions, new leases and direct purchases of existing homes.²
- 2.8 In addition to the proposed Gordon Olive Estate development, DHA has notified the Committee of smaller housing lots in the Brisbane area that will help DHA meet the housing need. These notifications are listed on the Committee's website.³ In 2009, 242 houses in the Brisbane/Ipswich area have been notified to the Committee as medium works under the \$15 million referral threshold.
- 2.9 The Committee finds that there is a need for the proposed works.

Scope of works

- 2.10 The proposed scope of the works is detailed in Submission 1: Defence Housing Australia. The project comprises two parts. Part 1 comprises:
- Conversion of five allotments, formerly part of an old rural settlement, into 46 lots comprising:
 - ⇒ 40 lots suitable for detached residences, 10 of which will be sold as vacant lots for private development;
 - ⇒ 3 lots suitable (together) for 4 duplex-style townhouses;
 - ⇒ a single lot suitable for 6 townhouses;
 - ⇒ a 'super-lot' (4475m²) suitable for 11 townhouses; and
 - ⇒ a 'super-lot' (5440m²) suitable for a multi-storey development of up to 36 units, to be sold as a vacant lot for private development.
- 2.11 Part 2 comprises:
- Construction by DHA of:
 - ⇒ 30 detached residences;

2 Submission 1, Defence Housing Australia (DHA), p. 2.

3 <aph.gov.au/house/committee/pwc/_mediumworks/index.htm>.

- ⇒ 4 duplex-style townhouses; and
- ⇒ 17 townhouses.

- 2.12 The project is due to commence construction in early 2010 with completion anticipated in mid-2011.
- 2.13 The Committee finds that the proposed scope of works is suitable to meet the needs of the Gordon Olive Estate project.

Cost of works

- 2.14 The total estimated cost for this project is \$27.2 million (including GST). The Committee received a confidential submission detailing the project costs and held an in-camera hearing with DHA on the project costs.
- 2.15 The Committee was concerned that the original confidential costing submission provided by DHA was inadequate and requested supplementary information providing greater detail which was subsequently provided. The Committee reiterates the importance of providing a thorough breakdown of project costs at the time of submission, to facilitate a thorough and expedient inquiry.
- 2.16 The Committee is satisfied that the costings for the project provided to it are adequate.

Project issues

- 2.17 The Committee is pleased to note that the proposed estate is to be named after Gordon Olive CBE, pilot in the Battle of Britain in 1940, who returned to Brisbane after the Second World War and made a significant contribution to his local community.

Energy Efficiency

- 2.18 During the public hearing, DHA advised the Committee of a recent decision of the Council of Australian Governments (COAG) to mandate all new homes be built to a six-star energy efficiency rating (EER), commencing in 2011.⁴ DHA officers told the Committee that the DHA Board has decided to implement this decision effective immediately. The Committee commends DHA on this decision, as it reinforces the

4 Mr P. Howman, Acting Managing Director, DHA, *Transcript of Evidence*, 12 October 2009, p. 7.

Commonwealth Government's leading role in setting high environmental building standards.

- 2.19 The Committee understands that in this proposal, the efficiency rating will be attained through upgrades and retrofitting to the existing design, given limitations on site. Such measures include window protection and extra insulation.
- 2.20 The Committee is particularly interested in structural or intrinsic features that can contribute to energy efficiency, including a building's aspect, eaves and construction materials. Whilst the Committee is aware of the constraints inherent in urban developments such as this case, it encourages the exploration and consideration of energy efficiency measures that can be incorporated into the initial design process, rather than reliance on retrofitting and upgrading original designs.

Disability Access

- 2.21 The Committee noted with concern, the statement in the DHA submission that 'no provision will be made for families with disabilities.'⁵ The Committee is concerned that this decision is part of a general approach that is substantially inefficient, because of its ad-hoc and reactive nature.
- 2.22 At the hearing, DHA noted that the Department of Defence (Defence) informs it when an ADF member requires disability access housing. As a result, DHA procures suitable homes on an individual basis. DHA told the Committee that Defence is unable to inform DHA of its need for disability access housing until a member of the ADF needing such housing actually applies for a particular posting.⁶
- 2.23 The procurement of suitable housing is usually done through modifications to existing DHA stock, for which Defence pays on a case-by-case basis. These modifications are usually temporary and almost always reversed when the respective family leaves a modified home. Defence also pays for this reversal work.⁷
- 2.24 DHA noted that:
- If [incoming tenants] have been allocated the property and they do not have a disabled person, they want the ramps removed. Ramps can be very aesthetically unsatisfying.⁸

5 Submission 1, DHA, p. 20.

6 Mrs B. Kennedy, Regional Manager, DHA, *Transcript of Evidence*, 12 October 2009, p. 8.

7 Mrs B. Kennedy, Regional Manager, DHA, *Transcript of Evidence*, 12 October 2009, pp. 8-9.

8 Mrs B. Kennedy, Regional Manager, DHA, *Transcript of Evidence*, 12 October 2009, p. 9.

- 2.25 The Committee is concerned that this reactive method of providing appropriate housing is substantially inefficient. Numerous elements can be fully integrated into homes, at little extra cost, without affecting general occupant amenity or aesthetics. Such features include flat access and sufficiently wide doorways. The Committee notes that some disability access features, such as modified bench heights and bathroom fixtures, must be provided on an individual basis, but as a general rule accessibility can be incorporated into early design.
- 2.26 The Committee understands that the number of ADF members and families needing disability access housing is limited. However, the provision of some housing stock with these features is necessary to minimise retrofitting. At a minimum, DHA should designate a proportion of its housing stock to be accessible for people with disabilities, and this housing should incorporate general disability access features to which additional modifications can be made.
- 2.27 The Committee considers that this is another opportunity for DHA to demonstrate the Commonwealth's leadership, particularly in the area of disability access.

Recommendation 1

The Committee recommends that Defence Housing Australia and the Department of Defence establish a general disability access demand level, and that DHA reflect this in a designated accessible proportion of housing stock, incorporating integrated access features.

Pedestrian Access

- 2.28 The project proposes to provide additional access to the McDowall State School. Students from both the Estate and the surrounding area will be able to use the pedestrian ways of the Estate to access a new intersection with signals that will serve the school. The Committee was advised that the 'phasing' of the crossing will facilitate safer crossing for students, particularly at peak periods.
- 2.29 The Committee is pleased that DHA is seeking to positively contribute to the community in which it is constructing its homes, and notes that it has worked closely with the McDowall State School to achieve this outcome.

Committee comment

- 2.30 Overall, the Committee is satisfied that this project has merit in terms of need, scope and cost.
- 2.31 Having examined the purpose, need, use, revenue and public value of the works, the Committee considers that it is expedient that the proposed works proceed.

Recommendation 2

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: Construction of housing for Defence at Gordon Olive Estate at McDowall, Brisbane, Queensland.