
The Parliament of the Commonwealth of Australia

Construction of Housing for Defence at Fairview Rise, Ipswich, Queensland

Parliamentary Standing Committee on Public Works

June 2006
Canberra

© Commonwealth of Australia 2006

ISBN 0 642 78802 2 (printed version)

ISBN 0 642 78803 0 (HTML version)



Contents

Membership of the Committee	v
List of Abbreviations	vi
Extract from the Votes and Proceedings of the House of Representatives	vii
List of Recommendations	viii

REPORT

1 Introduction	1
Referral of Work	1
Background	2
Defence Housing Authority	2
Site of the Proposed Work	2
Inquiry Process	3
Inspection and Public Hearing.....	3
2 The Proposed Works	5
Purpose.....	5
Need	5
Scope	6
Project Delivery.....	6
Cost.....	7

3 Issues and Conclusions	9
Project Costs	9
Project Delivery	9
Civil Works and House Construction	9
Lot Allocation	10
RAAF Base Amberley	11
Nature of Development	11
House Design	11
Integration into Community	12
Site Services	12
Public Transport	13
Environmental Considerations	14
Sustainability	14
Open Area	14
Park Area	15
Clearing of Land	16
Flooding	16
Consultation	16
Traffic Considerations	17
Sound Attenuation	17
Unformed Whitehill Road	17

APPENDICES

Appendix A – List of Submissions	19
Appendix B – List of Witnesses	21
Appendix C – Submission No. 1 from the Defence Housing Authority	23
Appendix D – Official Transcript of Evidence	57



Membership of the Committee

Chair Hon Judi Moylan MP

Deputy Chair Mr Brendan O'Connor MP

Members Mr John Forrest MP

Senator Michael Forshaw

Mr Harry Jenkins MP

Senator Stephen Parry

Mr Bernie Ripoll MP

Senator the Hon Judith Troeth

Mr Barry Wakelin MP

Committee Secretariat

Secretary Mrs Margaret Swieringa

Inquiry Secretary Ms Vivienne Courto

Senior Research Officer Mr Raymond Knight

Research Officer Ms Penny Wijnberg

Administrative Officer Mr Peter Ratas



List of Abbreviations

ADF	Australian Defence Force
AMCORD	Australian Model Code of Residential Development
AR&R	Australian Rainfall and Runoff
CPTED	Crime Prevention Through Environmental Design
DA	Development Approval
Defence	Department of Defence
DFA	Defence Families of Australia
DHA	Defence Housing Authority
DMR	Department of Main Roads
EPBC	<i>Environment Protection and Biodiversity Act 1999</i>
EPLA	Environment Planning and Landscape Architecture
ICC	Ipswich City Council
MUTCD	Manual of Uniform Traffic Control Devices
PWC	Public Works Committee
QUDM	Queensland Urban Drainage Manual
RAAF	Royal Australian Air Force
SLB	Sale and Leaseback



Extract from the Votes and Proceedings of the House of Representatives

No. 88 dated Wednesday, 1 March 2006

12 PUBLIC WORKS – PARLIAMENTARY STANDING COMMITTEE – REFERENCE OF WORK – CONSTRUCTION OF HOUSING FOR DEFENCE AT FAIRVIEW RISE, IPSWICH, QUEENSLAND

Mr Nairn (Special Minister of State), pursuant to notice, moved – That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Construction of housing for Defence at Fairview Rise, Ipswich, Queensland.

Question – put and passed.



List of Recommendations

3 Issues and Conclusions

Recommendation 1

The Committee recommends that the Defence Housing Authority advise the Committee on the provision of broadband internet connectivity within the Fairview Rise estate.

Recommendation 2

The Committee recommends that the Defence Housing Authority advise the Committee on the provision of public transport, specifically an extended bus route, through the site of the proposed works.

Recommendation 3

The Committee recommends that the proposed construction of housing for Defence at Fairview Rise, Ipswich, Queensland, proceed at the estimated cost of \$50.7 million.

Introduction

Referral of Work

- 1.1 On 1 March 2006, the proposal construction of housing for Defence at Fairview Rise, Ipswich, Queensland, was referred to the Public Works Committee for consideration and report in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work is the Defence Housing Authority (DHA).
- 1.2 DHA states in its main submission that the proposed works is estimated to cost \$50.7 million.² Subject to parliamentary approval, DHA will provide 162 fully serviced residential lots in two phases. The first phase beginning in August 2006 with housing completion scheduled for November 2007; and the second phase will begin in March 2007 with housing completion scheduled for June 2009.³

1 Extract from the *Votes and Proceedings of the House of Representatives*, No. 88, Wednesday 1 March 2006

2 Appendix C, Submission No. 1, paragraph 21.1

3 *ibid*, paragraph 1.2

Background

Defence Housing Authority

- 1.3 The DHA was established in 1988 to provide housing and relocation services for Australian Defence Force (ADF) personnel after it was discovered that low standards of accommodation were having a negative impact on Defence morale. The DHA aims to provide Defence personnel and the families with a standard of housing at least equal to that enjoyed by the broader community in which they live.
- 1.4 The DHA employs a variety of delivery methods to meet Defence accommodation requirements, including:
- construction of off-base with a view to retention or future sale of the properties;
 - construction of on-base as dictated by Defence operational policy requirements;
 - direct purchase of established properties, with a view to retention or future sale; and
 - direct lease through the private rental market.

Site of the Proposed Work

- 1.5 The site, part of the existing Fairview Rise Estate in the suburb of Flinders Rise, is located within an urban residential area under the Ipswich Southern Corridor Structure Plan and will be developed in accordance with that plan.
- 1.6 The 19.64 hectare site is six kilometres south-east of the Ipswich city centre and eight kilometres east of RAAF base Amberley. The site is bounded to the south by the Cunningham Highway, to the west by the unformed Whitehill Road and a residential development, and to the north and east by the existing Fairview Rise Estate. The site is located close to community facilities, shopping facilities and schools. The area is serviced by public transport, the local authority road network, and commuter rail connection between Ipswich and Brisbane.⁴

4 Appendix C, Submission No. 1, paragraph 5

Inquiry Process

- 1.7 The Committee is required by the Act to consider public works over \$6 million⁵ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁶
- 1.8 The Committee called for submissions by advertising the inquiry in the *Courier Mail* on Saturday, 25 March 2006. The Committee also sought submissions from relevant government agencies, private organisations and individuals, who may be materially affected by, or have an interest in, the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Public Hearing

- 1.9 On 16 May 2006 the Committee visited Fairview Rise, Ipswich, Qld, and inspected the site and environs of the proposed works. A commercial-in-confidence briefing on project costs from DHA and a public hearing were held in Ipswich later that day.⁷

5 *Public Works Committee Act 1969*, Part III, Section 18 (8)

6 *Public Works Committee Act 1969*, Part III, Section 17

7 See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Tuesday, 16 May 2006 in Ipswich

The Proposed Works

Purpose

- 2.1 DHA proposes the project will provide modern community standard housing to meet the operational needs of the Australian Defence Force (ADF) and the requirements of the Department of Defence (Defence) in south-east Queensland, particularly for ADF personnel located at RAAF Base Amberley.¹

Need

- 2.2 The long term Defence planning for RAAF Base Amberley, as considered by the Public Works Committee in Report 18/2005 *RAAF Base Amberley Redevelopment Stage 2*, has contributed to the increase in the ADF housing requirement forecast for the Ipswich area.²
- 2.3 The 162 new properties proposed in the Fairview Rise project will assist DHA to deliver the requirements of DHA's capital program from 2007-08 onward.³

1 Appendix C, Submission No. 1, paragraph 1.3

2 *ibid*, paragraph 2.3

3 *ibid*, paragraph 2.4

Scope

- 2.4 DHA's proposal incorporates vacant land which makes up the balance of the existing Fairview Rise Estate, which was first rezoned Residential Low Density in 1991. The site will be used for detached housing and will provide:
- 162 four-bedroom residential lots on block sizes ranging from 700 square metres to 1000 square metres;
 - new roads and open space;
 - road connection/integration with existing and adjoining estates;
 - strong pedestrian connectivity; and
 - clear sight lines highlighting significant views.⁴
- 2.5 All DHA residences will be four-bedroom detached housing with ensuite and family room, double garage and at least 18 square metres of covered outdoor living area. The properties will also be landscaped on completion.⁵
- 2.6 Infrastructure works comprising roads, water, sewerage and storm water will be undertaken to current Ipswich City Council (ICC) standards. Electrical reticulation, gas reticulation and telephone services will be carried out primarily by Energex, Envetsra and Telstra.⁶

Project Delivery

- 2.7 DHA proposes to provide 162 fully-serviced residential lots developed in two phases:
- Civil Works Phase 1 - 77 lots with works to begin in August 2006 for November 2008 completion; and
 - Civil Works Phase 2 - 85 lots with works to begin in March 2007 for June 2009 completion.⁷

DHA intends to make all residences in this development available for sale and leaseback.

4 Appendix C, Submission No. 1, paragraphs 3.1-3.2

5 *ibid*, paragraph 3.5

6 *ibid*, paragraph 3.3

7 *ibid*, paragraph 1.2

- 2.8 Development and construction packages will be contracted on a fixed lump sum basis to a select panel of tenderers who will have been successful in addressing the selection criteria from a publicly advertised open call for expressions of interest.⁸

Cost

- 2.9 Funding for the proposal will be sourced by DHA from any or all of the sale of surplus housing stock, the public sale of development houses, funds realised from the sale and leaseback scheme, application of surplus capital, or debt financing.⁹
- 2.10 The estimated overall project cost is \$50.7 million. This figure includes:
- civil engineering and housing construction costs;
 - local authority fees and charges;
 - design consultancy fees; and
 - construction contingency.¹⁰

8 Appendix C, Submission No. 1, paragraph 16.2

9 *ibid*, paragraph 22.1

10 *ibid*, paragraph 21.1

Issues and Conclusions

Project Costs

3.1 At the public hearing the Committee requested clarification of project costs to which DHA responded that the

...project cost of \$50.7 million represents what DHA expects to spend on construction, professional fees and all expenses associated with undertaking this construction, including payment of GST, notwithstanding that some of that GST may be credited back to DHA through input credit arrangements.¹

Project Delivery

Civil Works and House Construction

3.2 DHA explains in its main submission the project plan for the proposal.² The Committee noted the separation of civil works and the construction of houses and asked DHA to explain the contract arrangements for the specified project delivery process.

1 Appendix D, Official Transcript of Evidence, page 2

2 Appendix C, Submission No. 1, paragraph 16.1

- 3.3 DHA responded that it has made a short-list of companies who submitted an expression of interest to the project. A tender process will be undertaken to select a company for the civil works part of the project. Similarly, expressions of interest will be sought to establish a panel of builders selected via an internal select tender process.
- 3.4 Furthermore, DHA approached two architectural firms to provide submissions and create a development control plan to ensure that house designs from builder's tenders through the design and construct process, are compatible with DHA's estate design.³

Lot Allocation

- 3.5 Upon further examination of the site plan and discussion regarding project delivery, the Committee asked DHA to further explain the selection process for a particular builder for a particular lot.
- 3.6 DHA explained that the panel of builders are provided with DHA specifications for housing as well as land and individual lot information. Based on the particular builder's range of products, the builder will make a bid on an individual lot with a suitable house design. DHA quantity surveyors analyse the bids against DHA selection criteria and ensure the bids are marketable and are economically viable. House design and construction both lie with the builder.
- 3.7 Whether DHA select one builder, or a combination of different builders, to provide the houses for the estate, DHA assured the Committee a probity approved process provides for the best offer for individual blocks. DHA states that:

The selection criteria documentation that we [DHA] work to is probity approved and we [DHA] follow an evaluation plan which has been approved by probity lawyers.⁴

As a result of this process DHA expect,

...to get a contemporary product meeting the current market standards, suitable for the blocks of land at an economic price.⁵

3 Appendix D, Official Transcript of Evidence, page 2

4 *ibid*, page 3

5 *ibid*

RAAF Base Amberley

- 3.8 According to DHA, the long term Defence planning for RAAF Base Amberley has contributed to the increase in the Australian Defence Force (ADF) housing requirement forecast for the Ipswich area.⁶ The Committee sought more information about the timing of the housing construction with the RAAF Base Amberley redevelopment. DHA responded that it is confident that the staging of the two projects will allow for the first large influx of ADF families in 2008.⁷

Nature of Development

House Design

- 3.9 DHA states in its main submission that all DHA residences will be four bedroom detached housing with ensuite and family room, double garage and at least 18 square metres of covered outdoor living area.⁸ The Committee asked DHA as to the reason for the house design for all dwellings as four bedroom residences.
- 3.10 DHA explained that there are two main reasons for proposing all houses be four bedrooms:
- there is a large demand for more space and larger houses, and Fairview Rise presents an opportunity to provide four bedroom houses due to larger lot sizes when compared lot sizes closer to Brisbane city; and
 - the existing houses in Fairview Rise are generally four bedroom, if not larger. DHA intends to maintain the standard of housing within the area.⁹
- 3.11 DHA also assured the Committee that while air-conditioning would be supplied, it is required to provide a four-star energy rating for all houses.¹⁰

6 Appendix C, Submission No. 1, paragraph 2.3

7 Appendix D, Official Transcript of Evidence, page 7

8 Appendix C, Submission No. 1, paragraph 3.5

9 Appendix D, Official Transcript of Evidence, page 5

10 *ibid*, page 15

Integration into Community

- 3.12 DHA has found that significant numbers of defence families support living in close proximity to each other in neighbourhoods where modern community standard housing is provided.¹¹ The Committee sought further detail on how DHA is addressing preferences of ADF personnel.
- 3.13 DHA responded that ADF families prefer not to be in new isolated developments. Fairview Rise provides close proximity to RAAF Base Amberley, local amenities and Ipswich.¹²
- 3.14 Furthermore, ADF personnel moving to Fairview Rise will predominantly come from the on-base housing of the Puckapunyal Military Area, and would be accustomed to living in a “close-knit” community. The largest contingent, moving to Fairview Rise in 2008, will be personnel of the 9 Force Support Battalion (9FSB). Members of 9FSB can be away from home for 10 months a year on training exercises, hence appreciate a support network provided by living in a neighbourhood with fellow Defence families. Fairview Rise provides an opportunity to live amongst other Defence families, and also be part of a greater community of Ipswich.¹³

Site Services

- 3.15 DHA states in its main submission that infrastructure works involving roads, water, sewerage and stormwater will be undertaken to current ICC standards.¹⁴ The Committee sought confirmation that adequate stormwater system, gas reticulation and telecommunications would be provided.
- 3.16 DHA confirmed that stormwater quality will be maintained using natural, water sensitive urban design methods such as though the use of swales. DHA continued that the appropriate gas reticulation would also be provided, as advised by the local gas provider, Origin Energy.¹⁵
- 3.17 The provision of telecommunications services was also confirmed by DHA, however the Committee further questioned on the provision of broadband internet facilitation. The requirement for broadband capabilities is made more important considering the housing development would have a high number of Defence families looking to maintain contact

11 Appendix C, Submission No. 1, paragraph 2.4

12 Appendix D, Official Transcript of Evidence, page 7

13 *ibid*, page 8

14 Appendix C, Submission No. 1, paragraph 3.3

15 Appendix D, Official Transcript of Evidence, pages 9-10

with service people who may be away from home. At the public hearing, DHA were unable to assure the Committee that broadband internet connectivity would be provided to Fairview Rise.¹⁶

Recommendation 1

The Committee recommends that the Defence Housing Authority advise the Committee on the provision of broadband internet connectivity within the Fairview Rise estate.

Public Transport

3.18 DHA states in its main submission that majority of residents are within 600 metres of the nearest bus stop. An extended bus service could be introduced to the site and bring the majority of residents to within 400 metres of the nearest bus stop.¹⁷ The Committee sought an update on the status of greater access to public transport.

3.19 DHA responded that it is still in discussion with the ICC regarding the extension of bus route to service the site. DHA also confirms that the main arteries are sufficient to accommodate a bus route.¹⁸

Recommendation 2

The Committee recommends that the Defence Housing Authority advise the Committee on the provision of public transport, specifically an extended bus route, through the site of the proposed works.

16 Appendix D, Official Transcript of Evidence, pages 10, 13

17 Appendix C, Submission No. 1, paragraph 3.4

18 Appendix D, Official Transcript of Evidence, page 12

Environmental Considerations

Sustainability

3.20 An indicative house landscaping plan, included in DHA's main submission, provides a general layout plan for a house.¹⁹ The Committee raised the question of sustainability, specifically the orientation of houses within the subdivision.

3.21 A town planner from Deicke Richards, consultant for DHA, advised the Committee that,

The lots were designed to take into consideration a number of urban design principles...it is the orientation of the house rather than the lot that is going to drive...sustainability solutions.²⁰

DHA added that its development control plan mechanism addresses sustainability principles, such as best orientation on an individual lot. Builders will determine from these guidelines how best to make use of the individual lot.

3.22 DHA continued later at the hearing that it is required to provide houses that have a four-star energy rating.²¹

Open Area

3.23 Site plans included in DHA's main submission show an area of open space described as a natural vegetated reserve retained for environmental, open space and stormwater management purposes.²² DHA continues that the open space will be remediated, and on completion be returned to its semi-natural state.²³ The Committee sought more information regarding the open space allocation within the estate.

3.24 DHA responded the open area at the south-western end of the estate constituted approximately two hectares, or 10 per cent, of the 19.64 hectares of the total area. The open space has a drainage and stormwater control use rather than a park, and will retain some of the vegetation on-site. The allocation of approximately 10 per cent of the development as

19 Appendix C, Submission No. 1, Item 5

20 Appendix D, Official Transcript of Evidence, page 14

21 *ibid*, page 15

22 Appendix C, Submission No. 1, Items 2-4

23 *ibid*, paragraph 8.8

open area is in accordance with Ipswich City Council (ICC) requirements.²⁴

- 3.25 Furthermore, the drainage reserve is unsuitable for construction of housing due to the steep slopes and the requirement to keep the waterway open. DHA admits that whilst money is allocated to the drainage reserve in bringing it back to a semi-natural state, DHA are confident that it will receive,

...tremendous return for the amount of money we [DHA] are going to invest in the area in terms of the amenity that we [DHA] are going to see coming to the houses.²⁵

Park Area

- 3.26 The Committee acknowledged that approximately two hectares of the development area would be retained as open area, and while it provides environmental benefit to the site, it would not be a park. Site plans in DHA's main submission show an area at the northern end of the site at the end of the existing Lakewood Court that is to be landscaped to complete a park constructed under previous joint venture arrangements.²⁶ Given that DHA anticipate many families to move into the development, the Committee asked for more information on the park proposed for completion.

- 3.27 DHA confirmed that the park,

...is an existing facility which is primarily a bushland type park with an area for barbecues. It has a covered entertainment area. In this project we are completing that part of the park, which was left from the previous development.²⁷

- 3.28 DHA added that there are issues of ongoing maintenance and public liability that local councils take into account when considering the allocation of parks in developments, along with providing amenity and benefit for the community. DHA believe the proposal for open area and park area is an option that satisfies both community and ICC requirements.²⁸

24 Appendix D, Official Transcript of Evidence, page 5

25 *ibid*, page 6

26 Appendix C, Submission No. 1, paragraph 8.8

27 Appendix D, Official Transcript of Evidence, page 6

28 *ibid*

Clearing of Land

- 3.29 During the site inspection the Committee noted the type of vegetation currently on-site, and asked DHA how it planned to clear the site in preparation for housing construction.
- 3.30 DHA assured the Committee that it has worked closely with its environmental consultant, Chenoweth, to ensure DHA was making best use of the site.
- 3.31 With regard to the clearing of the site, DHA's development application includes details on the clearance process which is ultimately approved by the ICC. DHA proposed a staged clearance process to remove vegetation in an effort to manage any erosion issues. Contractors will also have to comply with this process and will be monitored by both DHA and the ICC.²⁹

Flooding

- 3.32 Whilst DHA assured the Committee that an adequate stormwater system will be provided, the Committee sought more information on the likelihood of flooding at the site. DHA explained to the Committee that it did not have accurate data on the flooding frequency, and based on advice from the ICC flooding related issues were only an "occasional" problem.³⁰

Consultation

- 3.33 DHA submits that as part of its consultation process, it issued approximately 600 letters in January 2006 to residents of the area advising of the proposed development. A public information session was also held in March 2006.³¹ The Committee requested more information regarding the public response.
- 3.34 DHA assured the Committee that the vast majority of responses it had received with regard to the Fairview Rise development had been positive. Some concerns raised have been in relation to vegetation and stormwater and were addressed at the time.³²

29 Appendix D, Official Transcript of Evidence, page 9

30 *ibid*, page 11

31 Appendix C, Submission No. 1, paragraph 18.2

32 Appendix D, Official Transcript of Evidence, page 10

Traffic Considerations

Sound Attenuation

3.35 As part of the site inspection, the Committee travelled along the Cunningham Highway which forms part of the southern boundary of Fairview Rise. Given the highway's close proximity to the site, the Committee enquired as to how DHA is addressing the issue of sound.

3.36 DHA informed the Committee that it proposes

...an earth mound on the southern boundary, a timber sound fence, and a top earth mound. The total height of the earthen fence will be 4.5 to five metres and the actual fence height will be 1.5 to two metres.³³

Sound attenuation measures will be approved by the Department of Main Roads for Queensland and the ICC.

Unformed Whitehill Road

3.37 Site Plans included attached to DHA's main submission show the unformed Whitehill Road that runs along the western boundary of the site.³⁴ The Committee asked DHA to provide more information on the status of Whitehill Road and whether there were any plans for the road in the future.

3.38 DHA responded that Whitehill Road is currently in its natural state and on a steep embankment. The land would require a lot of work to form a road. Whitehill Road is under the control of the Department of Main Roads, and while it is reserved for future road construction it

...will remain unformed until the Department of Main Roads decide they want to do something with it.³⁵

33 Appendix D, Official Transcript of Evidence, page 13

34 Appendix C, Submission No. 1, Items 2-4

35 Appendix D, Official Transcript of Evidence, page 13

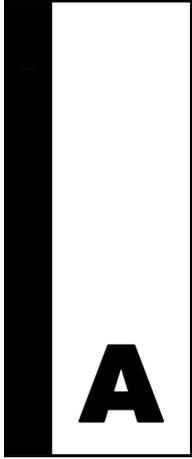
Recommendation 3

The Committee recommends that the proposed construction of housing for Defence at Fairview Rise, Ipswich, Queensland, proceed at the estimated cost of \$50.7 million.

Hon Judi Moylan MP

Chair

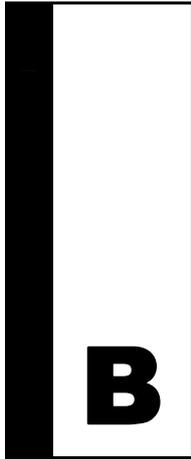
14 June 2006



Appendix A – List of Submissions

Submissions

1. Defence Housing Authority



Appendix B – List of Witnesses

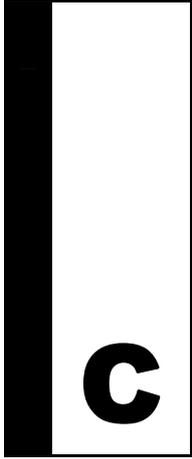
Mr Richard Bear, General Manager, Development and Sales, Defence Housing Authority

Mr Gavin Kemp, National Development Manager, Defence Housing Authority

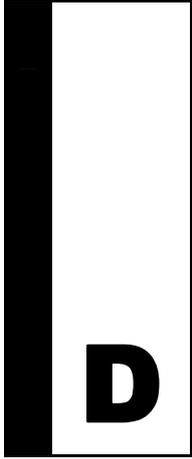
Mrs Bronwyn Kennedy, Regional Manager, South Queensland Housing Management Centre, Defence Housing Authority

Mr Stephen Smith, Urban Design Manager, Deicke Richards Architects

Mr Ellis Wendt, Development Project Manager, Defence Housing Authority



**Appendix C – Submission No. 1 from the
Defence Housing Authority**



Appendix D – Official Transcript of Evidence