



## 'Seaward Village'

Statement of Evidence to the Parliamentary
Standing Committee on Public Works

Proposed upgrades to housing for Defence families at Seaward Village, Swanbourne, Western Australia

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# Proposed upgrades to housing for Defence families at Seaward Village, Swanbourne, Western Australia

## **Need for works**

## **Identified need**

- The Seaward Village site is located at Swanbourne, which is situated within the City of Nedlands and is approximately 11.2km south west of the Perth Central Business District (Supplementary Item 1 Perth and Swanbourne). Seaward Village is an enclave of 153 houses, owned by Defence Housing Australia (DHA), reserved exclusively for Australian Defence Force (ADF) families. It adjoins Campbell Barracks and other private residential housing (Supplementary Item 2 Map of Seaward Village).
- 2. There are currently 563 ADF members with dependants who reside in the Perth posting locality in Western Australia. The Perth posting locality serves a number of ADF units, predominantly the Special Air Service Regiment (SASR) at Campbell Barracks. SASR families are the main residents of Seaward Village, representing approximately 75 per cent of the tenant population. The remaining ADF members are predominately from 13 Brigade, 2<sup>nd</sup> Division.
- 3. To meet the housing needs of these families, DHA currently manages 434<sup>1</sup> dwellings in the Perth posting locality. At 15 September 2016, an additional 84<sup>2</sup> families or 19 per cent of the total were in private rental accommodation and receiving their housing subsidy in the form of Rent Allowance (RA).
- 4. The housing at Seaward Village was largely constructed during the 1980's and 1990's. A total of 37 houses have been upgraded since construction, during the period 2009 to 2011. The Seaward Village housing is affected by the local coastal climate with winds depositing salt spray which accelerates corrosion of some

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<sup>&</sup>lt;sup>1</sup> As at 15 September 2016

<sup>&</sup>lt;sup>2</sup> As at 15 September 2016

metal surfaces. Being in a valley facing the coast, the area is also affected by onshore winds and storms which have caused damage on past occasions.

5. Community housing standards have improved since these houses were constructed. Reflecting this, the Defence minimum standard was updated in 2007<sup>3</sup> with an expectation that all Defence-owned and DHA housing would be brought up to these standards by 30 June 2017. There are currently 43 transitional (non-compliant) houses at Seaward Village, which do not meet these standards.

## Options considered for meeting the need

- 6. The following provisioning options are used by DHA around Australia:
  - the acquisition of 'broad acre' land followed by development and construction. This method of delivering housing for ADF members enables DHA to benefit from economies of scale associated with bulk procurement of house constructions, surety of supply and higher margins associated with wholesale land development can be better realised.
  - the construction of on-base housing, the purchase of developed land (serviced allotments) followed by construction, the purchase of established houses, the upgrade of existing houses and the direct leasing of suitable housing are also considered, as necessary.
- 7. Approximately 35 per cent of housing provided by DHA for occupation by ADF members and their families within the Perth posting locality is located in the Seaward Village housing precinct. DHA had proposed a redevelopment of the area, with a sell-off of excess building sites to the general public to partly fund a total rebuild of the housing precinct and provide an increase in the total numbers of DHA houses to 165. The Government commissioned a review<sup>4</sup> of the proposal

<sup>&</sup>lt;sup>3</sup> In 2007, 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.

<sup>&</sup>lt;sup>4</sup> The review was announced by the Government on 18 November 2015. Final report was presented to Government on 25 February 2016.

by LTGEN (Retired) Mark Evans AO, DSC. The review recommended the following:

- "The redevelopment of Seaward Village should not proceed.
- The existing Covenant, that prevents DHA from selling or leasing any of the land to private citizens, should remain in place and the sale of land in Seaward Village should not be considered in the short to mid-term.
- A refurbishment program for Seaward Village should be initiated as soon as possible, designed to provide high quality refurbished houses and reduce disruption to ADF members and their families.
- Consideration should be given to ownership transfer of Seaward Village from DHA to Defence in the long term.
- Robust communication strategies should be developed to support the refurbishment program."

The Government adopted all but one recommendation from this review (Recommendation 4 – Consideration should be given to ownership transfer of Seaward Village from DHA to Defence in the long term). It then announced the redevelopment of Seaward Village would not proceed and instead all housing at Seaward Village would be upgraded (Supplementary Item 3 – Letter from the then Assistant Minister for Defence).

## **Historical background**

8. Seaward Village is a small housing precinct comprising 153 DHA owned Service Residences, nestled in a horse-shoe shaped valley in coastal parkland overlooking the Indian Ocean at Swanbourne, Western Australia. The site occupies approximately 20 hectares of sandy undulating terrain that is dominated by Melon Hill, a feature that abuts its south-eastern boundary. Seaward Village is bordered to its south by about 18 hectares of parkland, known as Allen Park, and immediately adjacent to its north is Campbell Barracks which has been the operational home of the SASR since 1957. Seaward Village is accessed by one road, being Seaward Avenue. Previously, access was also available via Sayer Street however, this street was recently closed by the City of Nedlands. Whilst Seaward Village is accessible to the public, its geography and limited access provide a reasonable degree of security and privacy for its residents.

- 9. The housing in Seaward Village was constructed during the 1980's and 1990's. While the houses have been, and continue to be, occupied predominantly by members of the SASR and their families, the houses are available to any ADF member posting into the Perth area.
- 10. The SASR is a Special Forces unit of the Australian Army and is tasked to provide special-operations capabilities in support of the ADF. This includes providing unique capabilities to support sensitive strategic operations, special recovery operations, advisory and training assistance, special reconnaissance, precision strike and direct action.
- 11. In 1992, Defence transferred the land known as the Seaward Village site to DHA. While the houses and land are owned by DHA, in 2001 a Deed of Covenant was established that prevents DHA from selling or leasing the properties to civilians (Supplementary Item 6 Deed of Covenant).
- 12. During the period 2009 to 2011, a total of 37 houses were upgraded to prolong their lifespan and improve their amenity, within the budget constraints at that time.
- 13. As part of the previous redevelopment proposal agreed between DHA and Defence in 2015, tenants were not allocated into houses in Seaward Village pending commencement of the redevelopment project. As a result, there are 60<sup>5</sup> vacant houses in the housing precinct. Eligible ADF members are being housed in other locations and will continue to be until housing stock becomes progressively available at Seaward Village through this proposed upgrade project.
- 14. The Government announced a review of the redevelopment proposal in November 2015, which was conducted by LTGEN (retired) Evans. The final report was presented to Government in February 2016. In response to the review, entitled "Review of Proposed Redevelopment of Seaward Village" on 26 April 2016, the Government ceased the proposed redevelopment of Seaward Village and directed all existing dwellings be upgraded. This was considered by the Government to be the best outcome for supplying housing that meets the

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<sup>&</sup>lt;sup>5</sup> As at 22 September 2016.

current minimum standard for ADF members with the least disruption to SASR families.

## **Environmental matters**

- 15. The Seaward Village site is affected by the local coastal climate. Being in a valley near the coast, the area is affected by on-shore wind and storms which deposit salt spray and which have caused damage on past occasions.
- 16. The site is located within an established urban residential area, with existing mature vegetation, gardens and landscaping. An arborist has been engaged to advise on how best to maintain the existing mature vegetation and trees.
- 17. Given the nature of the proposed work is the upgrade of existing houses, within existing lot boundaries, there will be minimal impact on the broader environment.

## Contamination

18. A review of houses within Seaward Village has confirmed the presence of asbestos. The contaminated material is confined to two houses and is located within the backing boards of the electricity meter boxes only. These contaminated materials will be removed and disposed of in accordance with current legislation during the upgrade project.

## **Heritage Considerations**

19. There are no heritage considerations at Seaward Village.

## **Key legislation**

- 20. The following key legislation is relevant to this project:
  - Defence Housing Australia Act 1987
  - Public Works Committee Act 1969
  - Public Works Committee Regulations 1969
  - Building and Construction Industry Improvement Act 2005
  - WA State Planning Policy 3.7 (SPP 3.7) Planning in Bushfire Prone Areas
  - WA Building Act 2011 and Building Regulations 2015
  - WA Bushfires Act (1954)

- WA Planning and Development Act (2005)
- WA Planning and Development (Local Planning Scheme) Amendment Regulations 2015

## **Consultation with stakeholders**

- 21. The upgrade project has been the subject of extensive consultation with a range of stakeholders, including: Seaward Village residents, local and senior Army Officers, the Seaward Village Working Group (local residents), established by Council and representatives of the City of Nedlands (Supplementary Item 4 Record of meetings with key stakeholders). This consultation has followed on from the wide-ranging consultation undertaken throughout the previous redevelopment proposal process. The decision to upgrade the houses at Seaward Village was made following this consultation.
- 22. In June 2016, Defence and DHA conducted two information sessions for Seaward Village residents. They were provided an overview of all proposed upgrade options, advantages and disadvantages of each option and the proposed project timelines. Defence and DHA representatives also addressed questions regarding the project and other tenancy issues. Subsequent to these sessions, DHA has interviewed the majority<sup>6</sup> of existing Seaward Village residents to more fully understand their individual circumstances and concerns. Consultation continues to ensure the remainder of residents are provided the opportunity for a personal interview. The residents and other key stakeholders have overwhelmingly agreed on a preferred upgrade option (Supplementary Item 5 – Selected upgrade option). This preferred upgrade option is based on the recently successful completion of a model used at RAAF Base Tindal, which allows division of the site into three readily separable phases. Tenants will be vacated from each phase prior to upgrade works commencing. The upgrade works will be awarded to contractors in packages, with each phase expected to take up to 12 months to complete.

<sup>&</sup>lt;sup>6</sup> 80 of the 91 Seaward Village residents have been interviewed as at 13 October 2016.

- 23. As part of this consultation process Defence and DHA have prepared a comprehensive communication plan, established a dedicated website detailing the upgrade project works, established an email address for interested parties to use for comment and nominated a single 'point of contact' within the DHA Perth regional office to liaise with Seaward Village residents. Regular updates will be provided to Seaward Village residents throughout the project lifetime via the dedicated website, direct mail and face to face sessions with residents.
- 24. The Seaward Village upgrade project is co-funded by Defence and DHA.

  Defence and DHA have an agreed scope of works and funding arrangements.
- 25. The National Convenor of Defence Families of Australia<sup>7</sup>, Ms Robyn Ritchie, has been briefed and has provided her support for the project.

## Impacts on local communities

- 26. Once upgraded, the 153 houses will greatly improve the quality of housing available to ADF families living in this area.
- 27. During the upgrade project, impacts on the community will include movement of vehicles, noise and dust as a result of the works and some interruptions to services. A 'Construction Management Plan' will be submitted to Council as part of the approvals process, providing mitigation actions for the works associated with the project.
- 28. As the upgrade project is restricted to the existing 153 dwellings, it introduces no new population into the local environment and is strongly supported by the resident ADF community, there was no requirement to engage social and cultural planning consultants. The communications plan will inform all Seaward Village and adjacent residents of specific construction activities. As part of this plan, consultation with key stakeholders is already underway.
- 29. If the project is approved by Parliament, DHA will continue community consultation with the Seaward Village and adjacent local residents to advise of the project details and address any concerns that may be raised. Concerns raised

DHA: 'Seaward Village' Upgrades PWC Submission 1 – 11 November 2016

<sup>&</sup>lt;sup>7</sup> Formed in 1986, Defence Families of Australia (DFA) is the official body chartered by Government to represent the views of Defence families.

to date through the ongoing consultation with key stakeholders relate to: the project commencement date, traffic management resulting from construction activities and the housing allocation process.

## **Purpose of works**

## **Project location**

30. The Seaward Village site is located at Swanbourne, which is situated within the City of Nedlands and is approximately 11.2km south west of the Perth Central Business District (Supplementary Item 1 – Location Map). The housing precinct occupies a total area of approximately 20 hectares adjacent to Campbell Barracks and other private residential housing. Seaward Village is approximately 300 metres from Swanbourne Beach and a wide range of amenities are located nearby.

## **Project objectives**

- 31. The project involves the upgrade of the houses, and possibility the replacement of up to about 10 houses within Seaward Village and will bring all houses up to the Defence Housing Classification Policy (NHCP) minimum standard.
- 32. The upgraded dwellings will significantly improve the quality of housing at Seaward Village and will offer a standard of amenity commensurate with other DHA houses around Australia.

## Project description and scope of works

- 33. DHA will be managing this project on behalf of Defence. The intention is to undertake the works over three phases, as follows:
  - Phase 1 58 houses
  - Phase 2 43 houses
  - Phase 3 52 houses

The selected upgrade option for Phases 1–3 is located at Supplementary Item 5 – Selected upgrade option.

34. This phasing is based upon the upgrade model which was successfully completed at RAAF Base Tindal. It has been selected after extensive consultation, with the overwhelming majority of stakeholders in agreement that it

maximises resident safety and security, prioritises the upgrading of houses in the worst condition and minimises disruption from construction works. It also delivers the project over the briefest duration, maintains a fair and equitable allocation outcome and lastly, fosters a competitive procurement environment. These factors will assist in ensuring that ADF members are housed earlier and in high quality accommodation.

- 35. There are likely to be three levels of housing upgrade, as follows:
  - major upgrade with extension (for 43 transitional houses that are noncompliant with Defence minimum standard, generally requiring an additional bathroom);
  - major upgrade (generally bathrooms, kitchen, laundry, floor and window coverings, full internal and external repainting for 110 houses); and
  - potential knockdown and rebuild of up to circa 10 houses.

It is important to note that each house will be evaluated separately, to determine the level of works required.

- 36. Additional works will also include the replacement of driveways where necessary; the maintenance of existing trees and vegetation; the improvement of all soft and hard landscaping; and the rectification of all structural landscaping (mostly existing retaining walls), where necessary. DHA estimates there may be up to 10 houses which, due to structural problems, may require demolition. These will be replaced with new houses on a 'one for one' basis.
- 37. To ensure Defence members have an appropriate level of amenity and comfort, Defence proposes to install modern, efficient reverse cycle air conditioning in all the houses, as the current evaporative cooling systems have reached the end of their economic lifespan and the unflued gas heaters currently in use are no longer considered an appropriate form of heating.
- 38. Scoping contractors were engaged from the DHA Consultant Panel to define and cost the scope of works for each house upgrade. This scoping exercise also assessed the likely cost of any works external to the house and within the allotment boundaries, i.e. landscaping, paving, fencing and retaining walls (where applicable).

39. The cost of this upgrade project has also been validated by an independent Quantity Surveyor and using DHA's extensive experience with other projects. More detailed cost estimates are included in a separate commercial-inconfidence briefing to the Committee.

## **Public transport**

40. The Swanbourne area is well served by public transport, with train services and various bus routes operating within walking distance of Seaward Village.

#### Local road and traffic issues

- 41. Following the recent closure of Sayer Street by Council, concerns regarding traffic generated during the upgrade works have been raised by Seaward Village and adjacent residents.
- 42. A 'Construction Management Plan' will be submitted to Council as part of the approvals process. It will contain detailed traffic management options to mitigate traffic impacts. Minimal disruption is expected to the local traffic within Seaward Village and surrounding residential areas, as works will be undertaken on a 'street by street' basis within each phase enabling containment of the upgrade works, with any road closures only impacting the current upgrade stage.

## **Zoning and approvals**

- 43. While this project is located on land owned by DHA, the planning controls and building approvals processes of the City of Nedlands and the WA government are applicable. Accordingly, the necessary liaison has been undertaken with Council and WA authorities.
- 44. Some of the upgrade project works will require approval from the City of Nedlands. No works on these houses will commence until the relevant approvals are received. Generally, Council approval is required for demolition works, extensions to existing dwellings and any alterations which affect the external building in a Bush Fire Prone Area. Seaward Village is deemed by the WA Department of Fire and Emergency Services to be located in a Bush Fire Prone Area. DHA and the City of Nedlands agreed the preparation of a Bushfire Attack Level (BAL) Contour Plan, which has informed the scope of works required to upgrade the housing.

## **Dwelling design**

- 45. DHA upgraded dwellings will comply with Defence's HCP and relevant sections of DHA's 'General Specification for Upgrades and Minor New Work V0.8', dated November 2011.
- 46. All construction works carried out as part of this project will comply with or exceed Local, State and Federal Government controls and requirements. All housing works will meet requirements of the National Code of Construction (incorporating the Building Code of Australia).
- 47. The upgrades will be specific to each property, however they will generally include full internal and external refurbishment including new kitchens, bathrooms, floor and window coverings, new fixtures and fittings and repainting throughout. The upgrade works will also include the replacement of driveways where necessary, the maintenance of existing vegetation and trees and the improvement of all soft and hard landscaping and the rectification of all structural landscaping (mostly existing retaining walls). There may be a small number of houses (expected to be less than 10 subject to final scoping report due February 2017) which, due to structural problems, may require demolition. These will be replaced with new houses on a 'one for one' basis. The new dwellings will comply with the 'Design and Construction Specifications and Requirements for DHA Residences V6.3', which is available on the DHA website.
- 48. The houses are a mixture of three, four and five bedrooms. A breakdown of the dwelling type is shown below.

Dwelling Type	No. of dwellings
3 bedroom	71
4 bedroom	77
5 bedroom	5
TOTAL	153

#### Construction and civil works

49. As a result of an Expression Of Interest (EOI) DHA has established a panel of locally-based builders to be used for all upgrade and associated works at

Seaward Village as well as for other DHA construction works. All building construction works certification will be undertaken by accredited Certifiers.

## Utilities, stormwater, soils and flood control

- 50. Electrical power is reticulated throughout the site.
- 51. Sewerage and potable water are reticulated throughout the site.
- 52. Gas is reticulated throughout the site.
- 53. Telecommunication services are reticulated throughout the site. Although it would be desirable for an NBN connection, NBN Co Ltd. has indicated there are currently no short-term plans for an NBN rollout in this locale.
- 54. All of the above services are under the purview of the relevant authorities and DHA are advised there is sufficient capacity for each service, as the current dwelling numbers will not be increased.
- 55. Within the allotment boundaries, existing stormwater drainage installations will be retained and/or improved, where necessary, as part of these upgrade works. The upgrade works will not impact on overland flow within the site. Note that all stormwater and associated drainage infrastructure works external to allotment boundaries is the responsibility of Council.

## Fire protection and home security

- 56. The upgrade works will conform to Australian Standards and the National Code of Construction. The Seaward Village BAL Contour Plan will also inform the scope of works for each house, ensuring compliance with bush fire protection requirements.
- 57. Combined security and insect screens will be fitted to all external doors, including sliding doors and all opening windows.

## Acoustics

58. The housing precinct is located away from operational areas at Campbell Barracks, removing the need for noise attenuation treatments.

## Landscaping

59. The private outdoor spaces for each dwelling will meet Defence requirements.

60. Landscaping of these spaces will be in accordance with the DHA specification and wherever possible will incorporate the existing mature vegetation. Any new vegetation will include native plant species appropriate to the Swanbourne locale.

## Water and energy conservation measures

- 61. 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.
- 62. Energy saving devices such as LED lighting, solar hot water systems and modern, efficient reverse cycle air conditioning systems will be installed to reduce household energy consumption.

## Provisions for people with disabilities

63. It is DHA's standard practice to deliver new housing to the Silver Level of the 'Liveable Housing Design Guidelines (2<sup>nd</sup> edition 2012)'. It is not possible to upgrade an existing house to Silver Level due to its present configuration, however if any house is required to be demolished it will be replaced with a Silver Level house.

## Local services and amenities – community facilities, shops and schools

- 64. SASR residents of Seaward Village have ready access to a range of facilities onbase at Campbell Barracks, including recreational services, a social club, a bank and other amenities.
- 65. The suburb of Swanbourne itself is well-served by an array of services and amenities, with residents at Seaward Village having access to trains and buses, shops, restaurants and cafes, a wide range of leisure, recreational and sporting facilities, Swanbourne beach, a selection of Government and non-Government schools, and a number of childcare facilities including one located within the site. The on-site childcare facility is Defence-owned and privately operated. It provides childcare for ADF members and others, with ADF members given priority. It is not part of this upgrade project.
- 66. From a broader perspective, Perth as a capital city provides an extensive selection of community facilities that deliver a diversity of spaces and services for

- use by the public. These include facilities owned and operated by the Western Australian Government, the City of Perth (and surrounds) and private operators.
- 67. General Practice doctors and specialist medical facilities are widely available throughout Perth and surrounds. Bethesda Hospital and Sir Charles Gairdner Hospital are located within three and six kilometres respectively from Seaward Village.
- 68. Residents of Seaward Village are centrally located to several major shopping precincts, including; Swanbourne, Cottesloe Central Shopping Centre, Claremont Quarter and Bayview Centre.

## **Work Health and Safety measures**

69. All DHA contractors must adhere to relevant legislative requirements, including the *Work Health and Safety Act 2011* and the *Safety, Rehabilitation and Compensation Act 1988.* DHA also has a WHS Policy in place, which clearly articulates a contractor's WHS responsibilities. This information is available on the DHA website.

## Cost-effectiveness and public value

## **Outline of project costs**

70. The estimated overall project cost is approximately \$48.3 million (GST inclusive) including, works, project management and consultancy fees, escalation and contingency. Details of the financial aspects of the project are included in a separate commercial-in-confidence briefing to the Committee. The project cost will be met by Defence and DHA.

## Details of project delivery system

71. The upgrade works will be undertaken in packages that will be contracted on a fixed price lump sum basis through a limited tender process, drawing from the DHA Builder Panel established for these works. The successful tenderers will be required to upgrade the houses to comply with DHA's 'General Specification for Upgrades and Minor New Work V0.8', dated November 2011. DHA will manage this upgrade project on behalf of Defence.

## **Construction schedule**

72. Subject to Parliamentary approval by early 2017, the significant milestones to achieve completion of the project by May 2020 are:

Date	Milestone
Mar 2017	Parliamentary Approval
May 2017	Phase 1 (58 houses) upgrade works start
May 2018	Phase 1 upgrade works finish
May 2018	Phase 2 (43 houses) upgrade works start
May 2019	Phase 2 upgrade works finish
May 2019	Phase 3 (53 houses) upgrade works start
May 2020	Phase 3 upgrade works finish (project complete)

## **Public value**

- 73. This proposal will contribute to 'public value' by improving the standard of housing, thereby meeting Defence obligations to members of the ADF and their families posted to Perth. This measure will also enhance key objectives for the retention of ADF personnel. More broadly, the Seaward Village upgrade project will create jobs in the construction industry in Perth, at a time when the local industry is in a post-mining boom decline.
- 74. An outcome of this upgrade project is that future house maintenance costs will reduce. Upon completion of each upgrade, DHA expects house maintenance costs for the following five years will be on average \$2,300 per annum less than they are currently (approximately \$3,800), saving an estimated \$1.8 million. The current average cost for maintaining a new house, across the Perth area is \$1,500. In future years, normalisation of house maintenance costs will occur, with an average annual cost of around \$2,210 likely for the upgraded houses.

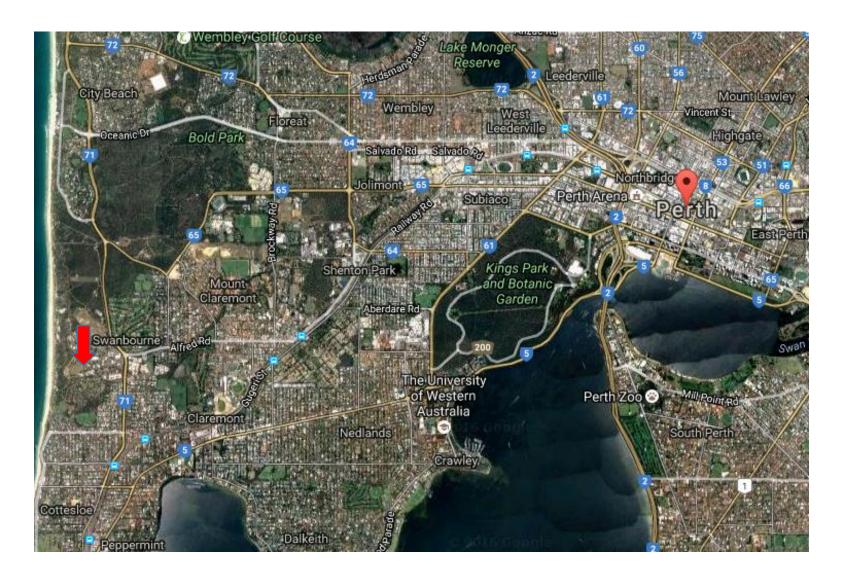
## Revenue

75. Details of the financial aspects of the project are included in a separate commercial-in-confidence briefing to the Committee.

## **Supplementary Items**

- 1. Location map Perth and Swanbourne
- 2. Map Seaward Village
- 3. Letter from Assistant Minister for Defence Hon Michael McCormack MP
- 4. Record of meetings with key stakeholders
- 5. Selected Upgrade Option Phases 1 to 3
- 6. Deed of Covenant

## Supplementary Item 1 – Perth and Swanbourne



## Supplementary Item 2 – Map of Seaward Village



Seaward Village - Proposed upgrades to housing for Defence families at Seaward Village, Swanbourne, Western Australia Submission 1



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Chairman's Office

CINBSRA

## The Hon Michael McCormack MP Assistant Minister for Defence

Parliament House CANBERRA ACT 2600 Telephone: 02 6277 4725

MA16-000629

The Hon J.A.L. Macdonald Chairman Defence Housing Australia 26 Brisbane Avenue BARTON ACT 2600

Sindy Dear Mr Macdonald

The review of Defence Housing Australia's proposed redevelopment of Seaward Village by Lieutenant General Mark Evans (Ret'd) has now been completed and was provided to me on 25 February 2016.

The review has comprehensively investigated and analysed all aspects of the proposed redevelopment of Seaward Village, in accordance with the review's terms of reference.

Lieutenant General Evans has concluded that the redevelopment and refurbishment options are feasible. However, he recommends refurbishment instead of redevelopment, with the existing covenant remaining in place. The refurbishment option is preferred as it carries less complexity and risk in relation to the potential impact of housing encroachment on training activities at Campbell Barracks and timely project completion, in addition to improved morale for families. Lieutenant General Evans does note, however, that some of the older houses may not be suitable for upgrading and will need to be demolished and replaced.

After careful consideration, I have decided to accept all of Lieutenant General Evans' recommendations except the transfer of ownership of land. I consider it inappropriate for the Department of Defence to own off-base housing in the Perth area when Defence Housing Australia already provides housing in support of the Australian Defence Force in that location.

I understand that you may wish to discuss this matter in more detail and invite you to contact my diary manager, Ms Anabel Williams, on (02) 6291 4600, to arrange a suitable time.

Yours sincerely

MICHAEL McCORMACK

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1 4 APR 2016

## Supplementary Item 4 – Record of meetings with key stakeholders

Meeting: Defence Working Group - 10 May 2016 at DHA Head Office, Canberra

Representative	Department/Organisation
Tony Job	Department of Defence
Yasmin Armstrong	Department of Defence
COL Stuart Davies	Headquarters
COL Brad Kilpatrick	Army Headquarters
MAJ Gavin Cooper	Army Headquarters
John Dietz	Defence Housing Australia
Craig Smith	Defence Housing Australia
John Petrelli	Defence Housing Australia
Natalie Cooper	Defence Housing Australia
Ruth Grey	Defence Housing Australia

Meeting: Nedlands Council + Community Working Group - 25 May 2016 at Nedlands Council Offices, Swanbourne

Representative	Department/Organisation
Mayor Max Hipkins	Nedlands Council
Cr Nikola Horley	Nedlands Council
Cr Kerry Smyth	Nedlands Council
Merrilee Garnett	Sayer Street Residents
Rod Griffiths	Friends of Allen Park
Emma Routledge	SWV Residents
Unknown	SWV Residents
Linda Callaghan	Post Newspapers
John Dietz	Defence Housing Australia
Craig Smith	Defence Housing Australia
Tom Cummins	Defence Housing Australia
James Wallace	Defence Housing Australia
Natalie Cooper	Defence Housing Australia

Meeting: Defence Working Group - 6 June 2016 at DHA Head Office, Canberra

Representative	Department/Organisation
Guy Taylor	Department of Defence
COL Stuart Davies	Headquarters
LT COL Glen Billington	Army Headquarters
SQNLDR Dave Fattore	Headquarters
Craig Smith	Defence Housing Australia
Ruth Grey	Defence Housing Australia

## Meeting: <u>SWV Senior Defence Personnel</u> – 15 June 2016 at Campbell Barracks, Swanbourne

Representative	Department/Organisation
Guy Taylor	Department of Defence
LTCOL K	Special Air Service Regiment
MAJ V	Special Air Service Regiment
WO2 N	Special Air Service Regiment
John Dietz	Defence Housing Australia
Craig Smith	Defence Housing Australia
Mark Turtle	Defence Housing Australia

## Meeting: <u>SWV Residents Consultation Sessions</u> – 29 June 2016 at Campbell Barracks, Swanbourne

Danier and the	Description (10 months)
Representative	Department/Organisation
Guy Taylor	Department of Defence
LTCOL K	Special Air Service Regiment
MAJ P	Special Air Service Regiment
MAJ V	Special Air Service Regiment
WO2 N	Special Air Service Regiment
John Dietz	Defence Housing Australia
Vern Gallagher	Defence Housing Australia
Craig Smith	Defence Housing Australia
Mark Turtle	Defence Housing Australia
Simon Clark	Defence Housing Australia
Erina Hill	Defence Housing Australia
Errol Consadine	Mills Wilson
Various SWV residents	Seaward Village

## Meeting: Community Working Group - 30 August 2016 at Allen Park, Swanbourne

Representative	Department/Organisation
Merrilee Garnett	Sayer Street Residents
Rod Griffiths	Friends of Allen Park
Emma Routledge	SWV Residents
Craig Smith	Defence Housing Australia

## Meeting: SWV Senior Defence Personnel - 31 August 2016 at Campbell Barracks, Swanbourne

Representative	Department/Organisation
LTCOL K	Special Air Service Regiment
MAJ V	Special Air Service Regiment
Craig Smith	Defence Housing Australia
Mark Turtle	Defence Housing Australia

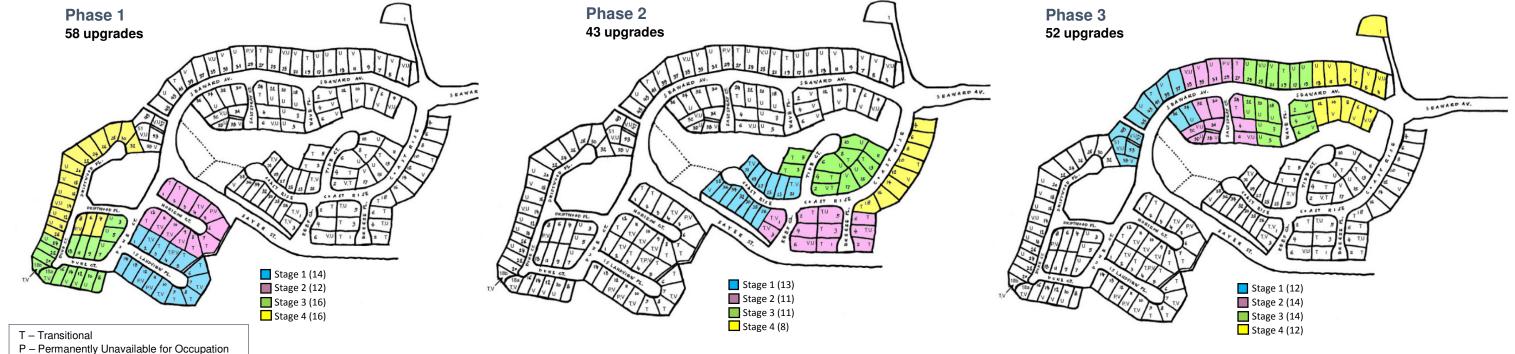
## SEAWARD VILLAGE - OPTION 1 (3 June 2016)

## Systematic upgrade of adjoining groups of houses

U – Upgraded V – Vacant



Version 1.2



OPTION 1 (Tindal )	3 Phase project with 4 stages in each phase based on successful RAAF Base Tindal template	
CRI	ΓERIA	COMMENT
	Maintain security in a multi- contractor working environment	Maximises ability to manage site security as upgrade works are confined to selected stages throughouthe project lifetime
Residents' Safety	Maximise WHS	Maximises ability to manage WHS as upgrade works are confined to selected stages throughout the project lifetime
	Prioritise upgrade of houses in worst condition	Phase 1: Stages 1 & 2 target x5 properties that are permanently unavailable for occupation (PUAV) ar 20 of 43 transitional properties
	Reduce resident's exposure to noise	Maximises ability to minimise the number of residents affected by noise as upgrade works are confine to selected stages throughout the project lifetime
Resident/ Community Disruption  Mir	Reduce impact of traffic on local streets	Better ability to manage construction traffic as upgrade works are confined to selected stages throughout the project lifetime
	Minimal program length	3 Phase program over circa 3 years
	Minimise the number of relocations	135 relocations and up to 135 potential return relocations
Satisfaction	maintain a fair and equitable allocation outcome	Supports an allocation model that allows those who choose to be the first to relocate, to move back into their upgraded original house and a ballot system to allocate houses on a priority basis for those in late Stages and on RA.
Economics	Foster a competitive procurement environment	Positive: Larger volumes with greater certainty may provide better economies of scale.  Negative: Most tenants will be required to relocate while upgrades are undertaken.

## Advantages

- Utilises current vacant properties in phases 2 and 3 to create a contiguous vacancy chain
- Scoping can commence on phase 1 stages 1, 2 & 3 vacant houses immediately (once consultant engaged)
- Targets x 5 properties that are permanently unavailable for occupation (PUAV) and 20 of 43 transitional properties (x 1 property is PUAV and transitional)
- May attract larger building companies to handle higher volume of houses, with well-established and managed quality and safety process/systems
- Optimises:
  - Safety workers and nearby tenants (children etc.)
  - Security concerns
  - Noise minimisation
  - Construction traffic control
- Tenant management is simplified and consistent. If posting out, tenants will be moved to a house at the back end of project. If not posting out, tenants will be moved to a property to enable a vacancy chain and then they will moved back to the original house they moved from.

## Disadvantages

- Slightly slower start due to establishment of vacant zones
- Does not prioritise upgrades to vacant houses in phases 2 and 3
- 23 transitional and x 1 PUAV not addressed until phases 2 and 3
- Highest number of tenants will be required to relocate while upgrades are undertaken.
- Some residents will need to move into vacant, 'yet to be upgraded' houses.
- If the currently vacated houses in phases 2 & 3 are not in 'liveable' condition the need to upgrade such houses first results in a solution more akin to option 3.





## COMMONWEALTH OF AUSTRALIA

AND

DEFENCE HOUSING AUTHORITY

**DEED OF COVENANT** 

DOWNINGS LEGAL
SOLICITORS
LEVEL 11

PERTH WA 6000 TEL: 9321 1211

REF: VKJ/JC/941116

2 MILL STREET

EXEMPT from W.A. Stamp Duty

A DEED OF COVENANT made this fourth day of

for Commissioner of State Revenue

785/

BETWEEN:

COMMONWEALTH OF AUSTRALIA acting through the Department of Defence of care of Defence Estate Office – Perth, Leeuwin Barracks, East Fremantle, Western Australia ("Defence")

HBN 65 012 878 629

WESTERN AUSTRALIA STAMP OUT: 11/12/01 14:18 00:19

1/12/61 14:18 001847634-00:

DUP \$ \*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

DEFENCE HOUSING AUTHORITY of 26 Brisbane Avenue, Barton, Authoritan Capital Territory ("DHA")

## **RECITALS:**

AND:

- A Defence is the registered proprietor of land known as Seaward Village, Swanbourne.
- By an instrument dated 9 October 1992 the then Minister for Defence, Science and Personnel determined that part of Defence's land at Seaward Village be transferred to DHA subject to certain conditions.
- C The parties have entered into this Agreement to evidence their respective rights and obligations relating to the transfer of the agreed land to DHA, and the development and disposition of the Seaward Village land generally.

#### **DEFINITIONS:**

#### **OPERATIVE PART**

## 1 Acknowledgment by DHA

DHA undertakes that while Defence maintains the Special Air Service Regiment ("SASR") or some similar special forces unit and continues to use the Special Training Facilities at Swanbourne DHA will not:

- 1.1 lease any house in the estate into the private sector without the consent of the Minister for Defence, whose consent will not be unreasonably withheld; or
- 1.2 deal with or encumber or sell any of the houses or undeveloped parts of the land into the private sector.

## 2 Acknowledgment by Defence

Defence undertakes that while DHA is restricted from selling or leasing houses or other parts of the estate into the private sector pursuant to Clause 1, Defence will pay to DHA the rent set by DHA for any house in the estate for which DHA does not have an eligible tenant.

2

#### 3 **Mutual Agreements**

and the control of

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Defence agrees that if the improvements constructed on Sublot 499 are destroyed or cease to be used as a child care or Defence community facility it will transfer that Sublot 499 back to DHA free of improvements, without consideration and with no encumbrances, with each party bearing their own costs of that transfer.

Executed as a Deed.

Signed for and on behalf of the COMMONWEALTH OF AUSTRALIA by R. W. Gazz , Head Defence Estate being an authorised officer in the presence of:

TANYA HOWE (315101)

Name

Address

Senior Executive Assistant Occupation

Signed by DEFENCE HOUSING

AUTHORITY by its Attorney JOHN

KENNETH MURRAY who declares that he) has no notice of revocation of the Power of )

Attorney registered at the Office of Titles

No. H62869 under which he has

executed this Deed in the presence of

Witness: D. Edual

Name: Davis Lugs Esward

Address: 10 Aracum Com Rapis MEER NI OSIS

Occupation: REM ESTAR CONSULTANT

DAVID L EDWARDS COMMISSIONER FOR OATHS (N.T.) PH (08) 8935 8020



Your ref:

Our ref: 96010553/CC

30 January 2002

Mr Tony Fanowrios Defence Centre - Perth Leeuwin Barracks Locked Bag No. 5001 FREMANTLE WA 6160

CSIC - WA DEFENCE REGISTRY 10

REGISTERED MAIL

Dear Mr Fanowrios

## Seaward Village, Swanbourne, WA - Transfer to Defence Housing **Authority**

- We refer to our telephone conversation on 30 January 2002. 1.
- We confirm that the new duplicate Certificates of Title in respect of Lot 301 on 2. Plan 22248 and Lot 499 on Plan 22245 have issued.
- We enclose for safe keeping the following documents: 3.
  - Certificate of Title Volume 2218 Folio 834 (Lot 301 on Plan 22248);
  - Certificate of Title Volume 2218 Folio 797 (Lot 499 on Plan 22245); and
  - duplicate Deed of Covenant dated 4 June 2001 between Commonwealth of Australia and Defence Housing Authority.
- Could you please sign and return the attached copy of this letter confirming receipt of these documents.

As discussed, we will shortly confirm with you that this matter has been completed and proceed to close our file.

Perth Office

2 The Esplanade, GPO Box U1994, Perth WA 6845 • Tel (08) 9268 1199 • DX122 East Perth • Fax (08) 9268 1771 OFFICES IN CANBERRA, SYDNEY, MELBOURNE, BRISBANE, PERTH, ADELAIDE, HOBART, DARWIN, TOWNSVILLE

**Business and Commercial**