The Parliament of the Commonwealth of Australia

New Housing for Defence Housing Authority at McDowall, Brisbane, Queensland

Parliamentary Standing Committee on Public Works

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Contents

Me	embership of the Committee	V
Lis	st of Abbreviations	vi
Ext	tract from the Votes and Proceedings of the House of Representatives	vii
Lis	st of Recommendations	viii
RE	EPORT	
1	Introduction	1
	Referral of Work	1
	Background	1
	Defence Housing Authority	2
	Site of the Proposed Work	2
	Inquiry Process	2
	Inspection and Public Hearing	3
2	The Proposed Works	5
	Purpose	5
	Need	5
	Scope	6
	Project Delivery	6
	Cost	6
3	Issues and Conclusions	7
	Defence Housing Requirements	7

	Site Selection	7
	Environmental Considerations	8
	Contamination Issues	8
	Biofiltration System	8
	Water Usage	9
	Trees and Shrubs	. 10
	Transient Koalas	. 10
	Consultation	. 10
	Brisbane City Council	. 10
	Community	. 11
	Nature of Development	. 11
	Layout	. 11
	House Design	. 12
	Gas Supply	. 12
	Integration into Community	. 13
	Traffic Management	. 14
	Divided Local Access Roads	. 14
	Widening of Rode Road	. 14
	Traffic Speed	. 15
APF	PENDICES	
App	pendix A – List of Submissions	.17
Арр	pendix B – List of Witnesses	.19
Арр	pendix C – Submission No. 1 from the Defence Housing Authority	.21
App	pendix D – Official Transcript of Evidence	.59

Membership of the Committee

Chair Hon Judi Moylan MP

Deputy Chair Mr Brendan O'Connor MP

Members Mr John Forrest MP Senator Alan Ferguson

Mr Harry Jenkins MP Senator Michael Forshaw

Mr Bernie Ripoll MP Senator the Hon Judith Troeth

Mr Barry Wakelin MP

Committee Secretariat

Secretary Mrs Margaret Swieringa

Inquiry Secretaries Ms Vivienne Courto

Mr Raymond Knight

Administrative Officer Mr Peter Ratas

List of Abbreviations

ADF Australian Defence Force

BCA Building Code of Australia

BCC Brisbane City Council

DA Development Application

DFA Defence Families of Australia

DHA Defence Housing Authority

DHF Defence Housing Forecast

EPBC Environmental Protection and Biodiversity Conservation

SLB Sale and Lease Back

Extract from the Votes and Proceedings of the House of Representatives

No. 8 dated Monday, 6 December 2004

21 PUBLIC WORKS – PARLIAMENTARY STANDING COMMITTEE – REFERENCE OF WORK – PROPOSED DEVELOPMENT OF LAND FOR DEFENCE HOUSING AT MCDOWALL, BRISBANE, QUEENSLAND

Dr Stone (Parliamentary Secretary to the Minister for Finance and Administration), 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: Proposed development of land for Defence housing at McDowall, Brisbane, Qld.

Question – put and passed.

List of Recommendations

3 Issues and Conclusions

Recommendation 1

The Committee recommends that the Defence Housing Authority continue to engage in close consultation with owners of neighbouring properties and the wider McDowall community.

Recommendation 2

The Committee recommends that the proposed development of Defence housing for the Defence Housing Authority at McDowall, Brisbane, Queensland, proceed at the estimated cost of \$17.5 million.



Introduction

Referral of Work

- 1.1 On 6 December 2004 the proposal for proposed development of land for Defence housing at McDowall, Brisbane, Queensland, was referred to the Public Works Committee for consideration and report to the Parliament 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 The Hon Dr Sharman Stone MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed works was \$17.5 million. Subject to parliamentary approval, and it is intended the houses will be ready for occupation in November 2006.

Background

1.3 This proposal was referred to the Public Works Committee on 24 June 2004, but the reference lapsed when the previous committee ceased to exist with the prorogation of parliament on 31 August 2004.

Extract from the *Votes and Proceedings of the House of Representatives*, No. 8, Monday, 6 December 2004

Defence Housing Authority

- 1.4 The DHA was established in 1988 to provide housing and relocation services for Australian Defence Force 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 their families with a standard of housing at least equal to that enjoyed by the broader community in which they live.
- 1.5 The DHA employs a variety of delivery methods to meet Defence accommodation requirements, including:
 - construction off-base with a view to retention or future sale of the properties;
 - construction on-base as dictated by Defence operational or 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

1.6 The proposed development is to be located on a 4.32 hectare site at 946 Rode Road, McDowall, Brisbane. The site comprises four lots and was purchased by DHA in February 2003.

Inquiry Process

- 1.7 The Committee is required by the Act to consider public works over \$6 million² 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

INTRODUCTION 3

- the present and prospective public value of the work.³
- 1.8 The Committee called for submissions by advertising the inquiry in *The Courier Mail* on Saturday 15 January 2005. The Committee also sought submissions from relevant government agencies, local government, 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 24 February 2005 the Committee visited 946 Rode Road, McDowall, Brisbane 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 Brisbane later that day.⁴

³ Public Works Committee Act 1969, Part III, Section 17

⁴ See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Thursday, 24 February 2005 in Brisbane

The Proposed Works

Purpose

2.1 The purpose of the proposed work is to provide 50 houses to meet the operational requirements of Defence, mainly to service the nearby Enoggera Army Base. It is intended that the houses will be ready for occupation in November 2006.

Need

- 2.2 The proposed project will represent the total of new houses to be constructed by DHA in Brisbane for the 2006/07 financial year.
- 2.3 While the number of Defence personnel is not expected to increase dramatically over the next three years, DHA states that the proposed new housing is required to reduce reliance on Rental Assistance. At present, 24 per cent (336 houses) of the Defence housing requirement in Brisbane is provided through Rental Assistance.
- 2.4 DHA believes that, in areas where the demand for Defence housing is high, constructed housing delivered through bulk procurement contracts represents the best provisioning option.

Scope

- 2.5 The proposed development will comprise:
 - 40 conventional and ten small housing lots;
 - 2 two park areas with a total area of 6,170 square metres;
 - internal roads and footpaths;
 - access roads; and
 - stormwater, drainage, sewerage, communications and electrical services.

Project Delivery

2.6 It is anticipated that the project will be delivered by means of a competitive lump sum tender by experienced developers from the local construction industry.

Cost

- 2.7 The estimated overall project cost is \$17.5 million. This figure includes:
 - construction costs;
 - civil works;
 - authority headworks change;
 - contingency allowances; and
 - professional design consultant fees.¹

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Issues and Conclusions

Defence Housing Requirements

- 3.1 The Defence Housing Forecast (DHF) for Brisbane is 1,215 properties, whilst managed stock currently comprises 1088 properties, resulting in a shortfall of 127 properties.¹
- 3.2 The indicated shortfall means that DHA must rely on the rental market to supply approximately 24 percent of its housing requirement.²

Site Selection

- 3.3 In February 2003, DHA acquired 946 Rode Road, McDowall. During the purchase process owners of adjacent sites expressed interest in sale of their respective properties. Subsequent negotiations resulted in the purchase of three adjoining sites. The four sites provide a combined area of 43,210 square metres.³
- 3.4 The Senior Representative of Defence Families of Australia (DFA) supported the selection of the Rode Road site stating that:

¹ Appendix D, Official Transcript of Evidence, p.2

² ib id

³ Appendix C, Submission No. 1, paragraph 2.3

"From a defence families perspective there are two key benefits offered by the proposed Rode Road development. The first is location within an established community, and the second is close proximity to work."

Environmental Considerations

Contamination Issues

- 3.5 DHA's main submission states a site investigation revealed that there is a very low probability of encountering significant areas of gross contamination at the site.⁵ The Committee sought some history of the site and confirmation that DHA would remediate or decontaminate areas should it be required.
- 3.6 DHA informed the Committee that the site had previously been a residential site with no history of industrial usage.⁶
- 3.7 DHA confirmed that, should the proposal be approved, geotechnical surveys would be continued to ensure that there are no contaminants on the site. Should contaminants be discovered and remediation or decontamination required, DHA would undertake this task prior to persons moving on to the site.⁷

Biofiltration System

- 3.8 In reviewing the layout of the development, the Committee requested some further information on the biofiltration systems to be used at the site and how the systems would be maintained.
- 3.9 In response, DHA explained that the purpose of the biofiltration system would be to make use of the creek channel and remove sediments and pollutants on site before they enter waterways. The Brisbane City Council (BCC) would be responsible with maintaining the channels, and DHA anticipates that the there would be a need to rechannel and replant the areas after 10-15 years.⁸

8 ib id, p. 11

⁴ Appendix D, Official Transcript of Evidence, p. 18

⁵ Appendix C, Submission No. 1, paragraph 4.2.1

⁶ Appendix D, Official Transcript of Evidence, p. 2

⁷ ib id

3.10 The Committee were also concerned about any biofiltration outflow difficulties, as the surrounding areas do not incorporate such filtration technology and systems. DHA responded that there is a 1,200 millimetre downpipe near the junction of Rode Road and Ifield Street and:

"We [DHA] do not pass water past that point. We hold the postdevelopment flow and we release it at the predevelopment level, which means we do not inundate the downstream".

Water Usage

- 3.11 The Committee highlighted the importance of efficient water usage and inquired as to how DHA would address water usage issues within the proposal.¹⁰
- 3.12 DHA stated that it was aware of the importance water usage issues highlighting DHA houses at a different site that were collecting rainwater and recycling it through the sewerage system. DHA also stated that all water fittings will be AAA-rated.¹¹
- 3.13 In oral evidence to the Committee, DHA stated that in the design of houses it had tried to incorporate:
 - "...best practice water-sensitive urban design principles, so we [DHA] maximise the amount of stormwater infiltration and water polishing that occurs within the development."¹²
- 3.14 Centre median swales are proposed to be used in the two divided local access roads. The Committee was interested in the hydraulics of the swale and any special plantings to be used for the swales.
- 3.15 DHA responded that within the Planting Schedule included in its main submission there is a list of street and park trees. The six species of trees to be used for these areas have been chosen for their stability and history in Brisbane of being appropriate street trees.¹³ The planting of appropriate trees on the swales would also provide improved ground water absorption.
- 3.16 DHA also intends to minimise water usage at the site through landscaping design that will require minimal irrigation.¹⁴

⁹ Appendix D, Official Transcript of Evidence, p. 11

¹⁰ ib id, p. 6

¹¹ ib id

¹² ib id, p. 5

¹³ ib id, p. 10

¹⁴ ib id, p. 7

Trees and Shrubs

- 3.17 The Committee wished to know how DHA would ensure that landscaping is appropriate to the climatic conditions and minimises the use of water.¹⁵
- 3.18 DHA replied that only native landscaping would be used, such as native plants and shrubs. ¹⁶ Further, the planting schedule within DHA's main submission includes bushland site indigenous vegetation, representative of plants already on the site. ¹⁷

Transient Koalas

- 3.19 DHA's main submission detailed that scattered trees across the site provided minor habitat for some local wildlife including transient koalas. The Committee raised this issue with DHA at the public hearing.
- 3.20 DHA stated that the likelihood of koala movement through the area has decreased with urbanisation. Where possible, landscape development will maximise the retention of large eucalypt trees and other vegetation of importance to wildlife.¹⁸

Consultation

3.21 DHA's main submission outlined community consultation as well as consultation with other relevant parties. These consultations included public notifications and information evenings. The Committee was interested to know the outcome of the consultative process.¹⁹

Brisbane City Council

- 3.22 DHA stated at the public hearing that the BCC supported the development and had been involved in the design process for the McDowall site.²⁰
- 3.23 The BCC expressed its satisfaction with the consultation undertaken with both the Council and local residents.²¹

¹⁵ Appendix D, Official Transcript of Evidence, p. 11

¹⁶ ib id, p. 7

¹⁷ ib id, p. 9

¹⁸ ib id

¹⁹ ib id, p. 11

²⁰ ib id

Community

- 3.24 At the public hearing DHA stated that the project was generally well received by the local community. DHA added that it had attempted, wherever possible, to address any concerns expressed during consultation in the project design.²²
- 3.25 Subsequent to the hearing, the Committee received correspondence from local residents outlining several concerns in relation to the proposed development. A copy of this correspondence was forwarded to the DHA for its attention.

Recommendation 1

The Committee recommends that the Defence Housing Authority continue to engage in close consultation with owners of neighbouring properties and the wider McDowall community.

Nature of Development

Layout

- 3.26 DHA's main submission describes the proposed McDowall development for the site as low density detached housing comprising at 50 lots, of which 40 will be conventional lots, 10 small lots and 2 park lots. At the public hearing Committee sought more detail regarding the proposed housing type.²³
- 3.27 DHA replied that a survey of Defence Force families based in the Brisbane region had indicated a preference for detached housing. DHA explained that the proposed 50 houses at the McDowall site would be four bedroom detached dwellings, as preferred by DHA clients.²⁴
- 3.28 At the site inspection, DHA indicated to the Committee that there would be a variety of housing on the site. Committee members noted that a

²¹ Appendix D, Official Transcript of Evidence, p. 25

²² ib id, p. 12

²³ Appendix C, Submission No. 1, paragraph 3.1

²⁴ Appendix D, Official Transcript of Evidence, p. 3

- schematic layout, provided in DHA's main submission²⁵, had shown many of the houses to have the same design and layout.
- 3.29 DHA explained that the plan layout included in its main submission was a standard indication of a house on a block, and did not represent how houses would actually be situated. DHA further stated that:
 - "... there are seven different house types on site. Those seven house types would then be further differentiated by elevation and different colour schemes and finishes externally, which would be complimented by different colour schemes internally"²⁶

House Design

- 3.30 The Committee wished to know whether the design of the houses met national solar and energy conservation principles or had taken these principles into consideration.
- 3.31 DHA's architect explained that all DHA houses to be built on the site will have a four to five star energy rating, which extends into the design of the subdivision. Houses will use solar passive design techniques such as siting blocks appropriately and maximising use of overhanging eaves.²⁷ DHA added that the design proposed for McDowall had been designed specifically for the Brisbane climate.
- 3.32 Committee members also inquired if the proposed plan for the McDowall site was in keeping with past and future developments in the area. DHA confirmed that, whilst trying to bring some uniqueness to design, much of the architecture in the McDowall proposal incorporates the existing architecture of the surrounding suburbs.²⁸

Gas Supply

3.33 According to DHA's main submission, the local utilities provider had stated that gas is not available in close proximity to the site, and for that reason the site would not be serviced by gas.²⁹ Committee members sought clarification as to whether the McDowall site was suitable for gas connection.

²⁵ Appendix C, Submission No. 1, Supplementary Information, p.7

²⁶ Appendix D, Official Transcript of Evidence, p. 31

²⁷ ib id, p. 5

²⁸ ib id, p. 12

²⁹ Appendix C, Submission No. 1, paragraph 12.3

3.34 At the public hearing a witness for Origin Energy Asset Management Ltd stated that, in regard to gas connectivity to the McDowall site, they had:

"...provided some incorrect information to their [DHA] consultants when they inquired about gas availability... In fact we can provide gas infrastructure—that is gas mains, gas service inlets and gas meters—to each of the homes at the site"³⁰

3.35 The Committee requested information as to whether DHA encouraged alternative and competitive use of energy such as gas in its developments. DHA responded that, as a general national policy, gas is the preferred source of heating and hot water for its developments. DHA undertook to hold further discussions with Origin Energy regarding the extension of gas reticulation to the McDowall site.³¹

Integration into Community

- 3.36 The Committee was interested to know if the density of the proposed development was a concern for DHA and prospective tenants of the development, particularly given that the majority, if not all, tenants would be Australian Defence Force (ADF) personnel.
- 3.37 DHA had not consulted with prospective tenants on the specific matter of the density of the McDowall site, however the witness from DFA stated that more than 50 houses on a site the size of McDowall may reduce some amenity such as access to schools and private hospitals.³².
- 3.38 The witness from DFA also stated that the majority of ADF personnel living in close proximity on a DHA development:
 - "...like to live together where they are supported and you have something in common with your neighbours straightaway, so you can form friendships quite quickly and easily. I think the vast majority of families would feel like that." ³³

³⁰ Appendix D, Official Transcript of Evidence, p. 16

³¹ ib id, p. 6

³² ib id, p. 20

³³ ib id, p. 19

Traffic Management

3.39 DHA's main submission indicated that the McDowall site would be connected to the existing road network at Keona Road and Trouts Road. DHA stated that:

"...proposed connections to the external network ensure that development traffic is not concentrated to the extent that deficiencies are created in the surrounding road network."³⁴

Divided Local Access Roads

- 3.40 DHA's main submission described the use of two non-standard examples of divided local access roads. Committee members expressed concern, given the size of the lots and roads, that the swales in the middle of the divided access roads would need to be used as parking for residents.
- 3.41 At the public hearing DHA explained that the propsed dwellings would have double garages, with enough room on the verges for some parking should it be required. DHA continued that the divided local access roads tended to slow down traffic, which would increase the road safety of the suburb.³⁵

Widening of Rode Road

- 3.42 Committee members sought clarification regarding the widening of Rode Road. DHA confirmed that its Development Application mandates the capacity for expansion of Rode Road; namely a 4.226 metre resumption of land to allow for future widening.³⁶
- 3.43 DHA reported that it was currently conducting discussions with BCC regarding a signalled intersection at Rode Road and Ifield Street. DHA added that the development of an intersection may assist in the utilisation of parkland and connections to amenities such as Flockton Plaza.³⁷

³⁴ Appendix C, Submission No. 1, paragraph 8.2.3

³⁵ Appendix D, Official Transcript of Evidence, p. 9

³⁶ ib id, p. 13

³⁷ ib id

Traffic Speed

- 3.44 A safety concern of the Committee was the speed of traffic on the Keona Road entrance. A large bend in the on Keona Road may cause visibility issues for some drivers at the intersection.
- 3.45 During the site inspection carried out by the Committee, DHA assured members that there would be some development of the Keona Road entrance, so as to achieve greater visibility and safety.³⁸

Recommendation 2

The Committee recommends that the proposed development of Defence housing for the Defence Housing Authority at McDowall, Brisbane, Queensland, proceed at the estimated cost of \$17.5 million.

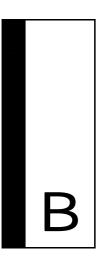
Hon Judi Moylan MP Chair 25 May 2005



Appendix A - List of Submissions

Submissions

- 1. Defence Housing Authority
- 2. Tim and Di Connolly
- 3. Origin Energy Asset Management Limited
- 4. Defence Families Australia
- 5. Councillor Norm Wyndham
- 6. Mr Terry Sullivan MP
- 7. Defence Housing Authority (supplementary)
- 8. Defence Housing Authority (supplementary)
- 9. Defence Housing Authority (supplementary)
- 10. Defence Housing Authority (supplementary)
- 11. Defence Housing Authority (supplementary)



Appendix B - List of Witnesses

Mr Richard Bear, General Manager, Defence Housing Authority

M Anthony Cronin, Field Operations Manager, Origin Energy Asset Management Limited

Mr Cameron Davies, Associate Urban Designer/Architect, Deicke Richards Architects

Mr Gavin Kemp, National Development Manger, Defence Housing Authority

Mrs Bronwyn Kennedy, Manager South Queensland HMC, Defence Housing Authority

Mr Arno King, Senior Landscape Architect Urban Designer, Deicke Richards Architects

Mr Keith Lyon, Managing Director, Defence Housing Authority

Mrs Wendy Scrimgeour, Senior Representative South Queensland, Defence Families of Australia

Mr Terry Sullivan MP, Member for Stafford and Government Whip, Parliament of Queensland

Ms Andrea Vogler, Queensland Residential Business Development Manager, Origin Energy Asset Management Limited

Councillor Norm Wyndham, Councillor for McDowall Ward, Brisbane City Council

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



Appendix D - Official Transcript of Evidence