

## CHAPTER 4

### DEO CONSULTATION WITH STAKEHOLDERS

#### Introduction

4.1 In its interim report, the Committee reported that one of the three objectives DEO seeks to meet in property disposals is ‘To consult with stakeholders’. The Defence submission goes on to say that the ‘property disposal process includes ... consultation with Federal, State and local government agencies and other appropriate stakeholders ...’<sup>1</sup>

#### Committee’s interim report

4.2 In its interim report, the Committee criticised DEO for not beginning the consultation process much earlier than it did in respect of the Artillery Barracks, Fremantle. DEO did not begin its consultation process until after the Minister for Finance and Administration had given approval in principle for a priority sale of the property to Notre Dame University, which was some 18 months after it began investigating a priority sale. When that consultation process began, there was no clean slate; DEO had a very firm view as to what it wanted to do with the site.

4.3 Defence asserted that even though the Minister for Finance had given approval in principle to a priority sale of the site to the University of Notre Dame, that did not preclude other interested parties from making bids for the site. That might have been the case, but there was a public perception that Defence was pursuing its preferred outcome with a single mindedness that was a disincentive to any other body that might have been interested in the property.

4.4 With regard to the Fremantle City Council’s interest in the site, the Committee commented in its interim report, as follows:

Defence told the Committee that ‘I do not think anybody twigged that the City of Fremantle would have had an interest. We were dealing with Notre Dame. We were not necessarily dealing with the City of Fremantle. The City of Fremantle had never come forward and expressed any interest.’<sup>2</sup> The fact that the City of Fremantle owns the Cantonment Hill Reserve, which borders on, and is largely surrounded by, the Defence property should have, at the very least, been a signal to Defence that the Council might have had an interest in the rest of the property or part of it. Apart from that factor, the site was originally owned by the Council, before its compulsory acquisition

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1 Department of Defence, submission no. 37, p. 3

2 Mr Rod Corey, Acting Deputy Secretary, Department of Defence, *Committee Hansard*, 10 November 2000, p. 220

by the Commonwealth in 1909 and, moreover, it would obviously have an interest in the future use of the site, even if it did not want to buy it.

4.5 In its interim report, the Committee drew attention to what it regarded were the deficiencies in DEO's consultation process in the disposal of the Artillery Barracks, Fremantle, but made no general recommendations on consultation, preferring to defer them to the final report. In so doing, the Committee did not want to extrapolate from a single case study or prejudge the evidence to be taken during the second part of the inquiry.

4.6 Consultation remained a key and contentious issue throughout the inquiry.

4.7 Inevitably, in an inquiry of this nature, most of the written submissions, which focussed on the disposal of individual properties rather than on disposal processes generally, were critical of DEO's performance. As the Committee was aware that the sale of some Defence properties went through with little or no opposition, it asked the DEO to nominate some such properties. Apart from redressing the balance a little, it gave the Committee an opportunity to assess why some sales aroused passionate opposition to DEO proposals while others did not.

### **Sydney Disposal Unit**

4.8 DEO told the Committee that the Sydney Disposal Unit was responsible for disposing of surplus Defence properties in metropolitan Sydney as well as a couple of other properties. The disposal of Defence properties in other parts of New South Wales as well as the rest of Australia was the responsibility of the Disposal Section based in Canberra.

4.9 Mr Bernard Blackley, Director of the Sydney Disposal Unit, told the Committee that:

There are, in fact, three objectives of the Property Disposal Unit. The first is to optimise revenue ...;and the second is to follow sound and modern planning principles. ... The third objective is to engage in wide and proactive consultation with all relevant stakeholders. One of those objectives is not more important than the others. Revenue is not more important than the consultation.<sup>3</sup>

4.10 Mr Blackley said that, initially, he visits the Mayor of the local government area in which the surplus Defence property is subject to disposal. Apart from introducing himself, he said he tries to find out the Mayor's views about the use to which the property might be put after disposal. Another reason for seeing the Mayor is to ask the Mayor and his Council 'how they want us to go about the consultation process'. He went on to say:

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3 *Committee Hansard*, 16 March 2001, p. 563

Defence does not determine that it will be a widely pro-active consulter. That is determined by council. We follow council rules that have been set up at these initial meetings. So it is important to know where council is coming from because, frankly, some councils do not want you to consult. When we visit some properties there are councils that prefer not to consult. They want to make the decision. When the decision has been made—and I will not refer to actual properties—council will put the property on public exhibition and seek public comment. Other councils, like Randwick, Parramatta and Ermington councils, like to do it more pro-actively. They want to start the process in a public way.<sup>4</sup>

### *Ermington*

4.11 With regard to Ermington, Mr Blackley said that, following an initial meeting with the Lord Mayor of Parramatta, a couple of ‘partnership workshops’ were held between the Council and DEO and consultants, ‘at which an independent facilitator would talk about those lovely fluffy ideas of partnership, trust, commitment, passion, communication and respect’.<sup>5</sup> After these workshops, the Lord Mayor suggested that a public meeting be held at the Ermington Community Centre, which was attended by 400 people. Mr Blackley said that from ‘the floor of the public meeting the Lord Mayor called for nominations to form a community reference committee, which subsequently became known as the Ermington Residents Committee’.<sup>6</sup> He went on to say that [t]welve people were elected to this committee. They have been Defence’s planning team and planning manager for the last five years and they have added real value to the process. They are used as a forum where information from the community is put into the planning process. The team disseminates that information and sends it back to the community.<sup>7</sup>

4.12 Mr Kenneth Newman, the Chairman of the Ermington Residents Committee, told the Committee that:

Initially we were a properly formed, properly constituted committee under the local government act. That is the secret right from the start in any of these processes, instead of just having public meetings and various groups coming in and out doing their thing and disappearing. The key thing is that you have some authority to hold proper consultations. We got all the possible interested groups. We did not wait for them to put up their hands. We invited them to come along individually, even to open days on the site. We had the council, Defence and their planners with our group and we got people to walk the site and talk about it. All these so-called fears and reservations that people had seemed to disappear very quickly. We were open-minded. One of the best communication systems, as well as the local

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4 *Committee Hansard*, 16 March 2001, p. 564

5 *Committee Hansard*, 16 March 2001, p. 564

6 *Committee Hansard*, 16 March 2001, pp. 564–65

7 *Committee Hansard*, 16 March 2001, pp. 564–65

paper, has been a very effective Neighbourhood Watch group. They put out a newsletter to 1,400 residents surrounding the site. We put a column in that of current updates and the phone numbers of the chairman and me. We are well known in the area. People contacted us and hundreds of calls came in to discuss any problems or make suggestions to be considered at our meetings.<sup>8</sup>

4.13 Mr Newman also said that the Residents Committee suggested a number of proposals to enhance the development plan, which DEO adopted.

4.14 Ermington has undoubtedly been a successful venture for DEO in terms of community consultation and achieving a redevelopment plan that has the support of all sides. There was genuine consultation with the community, which has been continuing throughout the life of the project.

#### *Crows Nest*

4.15 With regard to small properties, Mr Blackley drew attention to a drill hall in Crows Nest, Sydney, which the Committee had driven past the day before. He said:

Usually, for a small site like Crows Nest, we just meet with the neighbours. In that instance a drill hall was available and we invited immediate neighbours. We probably had four or five meetings during that process. I cannot be absolutely sure. The plans would have been displayed. The meeting was chaired by the Mayor, Genia McCaffery. She chaired that meeting and the Deputy Mayor chaired another meeting. I went to all those meetings, so I represented defence and Genia represented council. We simply asked the community what they thought of it. Some members of the community did not like it and some members of the community liked it. So you just have to keep working with the community until you get consensus.<sup>9</sup>

4.16 In answer to a question about what he meant by consensus, Mr Blackley said:

If we take the Crows Nest site that you went to see in North Sydney, it is a little site. We were proposing to put some townhouses on that site. We started the process with a clean sheet of paper. There was a drill hall on that site, but we started with a clean sheet of paper approach. We sought the community's views about what they wanted. A lot of them said, 'It is Commonwealth land. We want it to be a park'. Others said, 'It needs to be developed'. Council wanted it developed. So all those things went into the melting pot. The urban designers met with the community. At the three or four meetings that we had with the community those preliminary designs went up on the board. People would say, 'No, we do not want cars coming in here or going out there.' It was an entirely open meeting. Individual

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8 *Committee Hansard*, 25 January 2001, p. 399

9 *Committee Hansard*, 16 March 2001, p. 569

residents were invited, by letter, by the council; defence did not do that. So it was orchestrated by council, and it was held in a defence building.<sup>10</sup>

4.17 Unfortunately, not all other sales of Defence land achieved the success of Ermington and Crows Nest.

#### *Randwick*

4.18 The proposed redevelopment and sale of part of the Bundock Street Defence property in Randwick, Sydney, was one project that resulted in an acrimonious relationship between DEO and the surrounding community. Mr Blackley told the Committee that the Mayor of Randwick agreed to a partnering workshop but, rather than call a public meeting to form a reference committee, appointed the Community Reference Group for the Bundock Street project. Mr Blackley said ‘So that had nothing to do with Defence. All we were prepared to do was to facilitate the process. So it was quite different. It was run along similar lines, independently facilitated by someone, and there were free, open and frank discussions.’<sup>11</sup>

4.19 Mr Anthony Fitzsimmons, the Planning and Development Manager, Fitzwalter & Associates, told the Committee:

We worked through the community reference group to develop an option for the site. We had the precinct briefings. We also met with the state and federal members on a number of occasions throughout the process. The federal member had his own representative as part of the community reference group. We established workshops with the council. The council had their expert team. We met on a regular basis with our expert team to discuss various issues. A site open day was organised. We held a community workshop over a three-day period. That started on a Saturday morning and went continuously through the night until the following Monday night, when the community presented its brief for the site. Defence presented its brief and the council presented its brief. The community was then sent off in groups to develop what they thought was the most appropriate option for that site. At the conclusion of the workshop, three options were presented. From that, those options were refined into one, which went on public exhibition in December 1996 through to the end of January 1997. During that period we also issued five newsletters. The newsletters detailed the processes that we were going through. One of the newsletters provided a reply-paid option for the community to put forward any comments on the scheme that we had exhibited. The culmination of this process was a briefing with the state member as to what we were about to lodge with council in terms of a rezoning application.<sup>12</sup>

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10 *Committee Hansard*, 16 March 2001, p. 570

11 *Committee Hansard*, 16 March 2001, pp. 564–65

12 *Committee Hansard*, 16 March 2001, p. 607

4.20 Mr Blackley confirmed that briefing took place just prior to the rezoning application, which was lodged in April 1997. Mr Fitzsimmons added:

The rezoning phase concluded upon the lodgment of our rezoning application. But that was not the end of the community consultation that occurred on the site: during our contamination investigations it was necessary to undertake some remedial works and, prior to any of those works occurring, all the local residents were advised by letter. After the development application was lodged we had a presentation to the Waverley precinct group, the major precinct group that adjoins the site. We have had numerous calls to our office asking questions as to what is going on in the process. But there was no structured program of consultation following the rezoning up till the lodgment of the development application. It was undertaken on an 'as needs' basis.<sup>13</sup>

4.21 In effect, structured consultation stopped in April 1997 and there was no structured consultation during the next two and a half years up to the time that DEO lodged its Development applications in October 1999. In 1998, Defence representatives met the Mayor of Randwick and discussed a development proposal with him. The Randwick Council informed the Committee:

The proposal discussed with the Mayor, however, proved to be significantly different from the development application submitted to Council almost a year later. The proposal discussed with the Mayor had 18ha of open space. The proposal of October 1998 reduces the amount of open space from 18ha to 12ha with an increase in a number of residential allotments. In addition, one meeting with Mayor, where no documents were transferred for more in depth scrutiny cannot be considered consultation for the purposes of a major development.

Following the receipt of development applications Council organised (at its own cost) a community information session and invited the Department of Defence to explain its proposal to the community. That was the first occasion that the proposal was explained to the community.<sup>14</sup>

4.22 As there had been no community consultation since 1997, this meant that the local community did not have any further opportunity for input in the development of the plans for the site. Although DEO started the consultation process in the right way, it did not finish it.

### **Non-Sydney properties**

4.23 The Sydney Disposal Unit has had a confined geographical area within which to operate, which facilitated consultation with stakeholders in the disposal of Defence

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13 *Committee Hansard*, 16 March 2001, p. 608

14 Randwick City Council, *Department of Defence Land, Bundock Street, Randwick. Additional Information to the Senate Inquiry*, 1 May 2001, p. 8

properties in the Sydney metropolitan area. The Canberra Disposal Unit has had to cover the rest of Australia.

*Consultation regarding the Annerley property*

4.24 One of the Defence properties up for disposal is the Dudley Street depot in Annerley, Brisbane. Mr Gary Warfield, Chair of a local residents group, Supporters Protecting Annerley's Culture and Environment (SPACE), told the Committee that he and other residents had during 1998–99 what was going to happen to the site but they only received vague answers. Early in 2000, they saw a newspaper report about the site and then shortly afterwards, received a notice from local federal member, Mr Gary Hardgrave. As a result, a residents' group was formed. Mr Hardgrave organised two meetings at the site, the first with an officer of DEO in attendance but not the second.

4.25 Mr Warfield told the Committee:

It seems that the core issue is that Defence, in their process, have a trigger that says, 'If it's already listed on the National Estate as a heritage listed site, then proceed down this path,' which is consultation with local residents and interested groups. If it is not, or if it is in the process, then that path does not seem to exist. Consultation does not occur. We basically meet a stone wall on that front.

There have been a few small examples of some cooperation. At a meeting in Gary Hardgrave's office, Defence personnel made access to the site available to us and to the groups that are keen to use the site, and we very much appreciate that. But it is one small step in the exercise. Generally, we have been told, 'It's not our issue. Talk to the local government authorities after it's sold.' It is basically a matter of avoiding consultation.<sup>15</sup>

4.26 In summing up, at the end of his opening statement, Mr Warfield said:

We have, as local residents, put, out of our own time and cost, tremendous effort into organising consultation that should have been organised through the defence department's property section. We have done it and we will keep doing it because we believe we have got a valuable outcome if we can achieve this.<sup>16</sup>

4.27 The local federal member, Mr Hardgrave, told the Committee:

If there had been consultation, the sorts of aspirations that have developed over the last few months would have become very obvious. Defence could have played a lead role rather than—pardon the pun—a defensive role in the discovery of those ideas. It could have been always remembered as a good

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15 *Committee Hansard*, 23 January 2001, p. 263

16 *Committee Hansard*, 23 January 2001, p. 265

neighbour, providing for something that was long-lasting and reasonable by the views of those around the site.<sup>17</sup>

4.28 In response, Ms Liz Clark, DEO, said that:

We have been speaking with Gary Hardgrave on a regular basis and he has been speaking with SPACE. I have spoken to SPACE on a number of occasions, written to them; there has been correspondence on and back.<sup>18</sup>

4.29 In answer to the question, ‘Do you see a need to actually liaise yourselves with the individual community groups and organisations that might be raising the difficulties?’ Mr Rod Corey, Acting Deputy Secretary, replied:

We do. In relation to properties in New South Wales, Senator, we do. We can take it through a planning process ourselves, and that is where we have engaged Randwick and a whole range of other site communities in detailed consultation. In the case of Queensland, as Liz was pointing out, we have no control over the future use of the site.

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So really the consultative process is post us getting rid of the site, but we want to make sure that the site is positioned in such a way that we can maximise the return to Defence and the Commonwealth. I guess that is probably an issue that needs to be raised at the state government level to get some understanding, to get a process in place that enables us and the Queensland government and the local councils to have a process that does engage the local communities at a much earlier stage.<sup>19</sup>

4.30 The Committee notes Mr Corey’s last point and will address that shortly. However, whatever are the legal requirements for rezoning and end use, there is an obligation for DEO to consult with stakeholders. It is not enough, as Ms Clark asserted, to deal with a resident’s group (SPACE) through a third party, in this case, a federal member of Parliament. Local residents had sought information about the future of the property for some time before any announcement of its prospective disposal. The vague replies from DEO and other Defence offices are understandable if, at the time, a decision on the future of the site had not been made or, if made, could not be made public for some reason. The fact that questions had been received from residents of the area should have alerted DEO to the need to consult local residents once the decision to dispose of the site was publicly known. Subsequent communication with SPACE and other community organisations was driven by those organisations and not DEO taking the initiative to talk to them.

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17 *Committee Hansard*, 23 January 2001, p. 267

18 *Committee Hansard*, 26 March 2001, p. 673

19 *Committee Hansard*, 26 March 2001, p. 673



4.31 The Committee noted that it had consulted the Brisbane City Council in respect of the Annerley site for some three years. That was quite appropriate but it was not enough to consult only the Council to fulfil its obligations, as set out in its submission, to consult stakeholders. As the Committee found, in respect of several sites that it visited and took evidence on, local residents have an interest in the end use to which a Defence property will be put after disposal. That end use may affect the character of the area, create new problems or affect the value of other properties in the area. Whether DEO is able to influence rezoning of the site is not an argument for not consulting local residents. Even if DEO cannot influence the rezoning of the property, the residents themselves may seek to influence the rezoning authority. They cannot do this without being consulted early in the disposal process.

4.32 As it turned out, SPACE sought and got a Queensland heritage listing for the full site, which was confirmed after formal objections were raised by DEO. As a result of SPACE's activities, three community organisations, including a military museum and a cadet unit, sought to take over the site for their activities, instead of the sale of the site for commercial residential redevelopment.

4.33 These developments may not have been in the interests of DEO, which is seeking to dispose of the property 'for its best value', in accordance with government policy. Nevertheless, the fact that the site is now heritage protected is an important development. In addition, such alternative uses for the site should be considered seriously by Defence in the full context of its interests, and not just by DEO, whose outlook is necessarily narrower.

### *Yeronga*

4.34 SPACE had asserted that DEO had treated the disposal of a Defence property at Yeronga differently from the one at Annerley because the Yeronga site had a heritage listing whereas the one at Annerley did not at the time that the disposal process began. DEO claimed that it engaged in consultation with the community and interested bodies, irrespective of heritage listing.<sup>20</sup> If that were the case, DEO was asked why the outcomes for Yeronga and Annerley so different. Mr Corey replied that the 'Yeronga process and the Annerley process are identical. It is quite amazing'. He went on to say:

At the time of our conducting the disposal and going through the consultative process for Yeronga, we had exactly the same attitude from the community and the council as we are experiencing with Annerley.<sup>21</sup>

4.35 Mr Corey also said that 'we have a minority group within that community that does not agree ... with the rest of the community and it does not agree with us'. He said that the minority group at Yeronga wanted the Yeronga property to be open land and that it still does not agree with the outcome.

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20 *Committee Hansard*, 26 March 2001, p. 669

21 *Committee Hansard*, 26 March 2001, p. 670

4.36 The Committee believes that the development at Yeronga, with its large single dwelling blocks, which were consistent with the residential development around it, appeared to be a good redevelopment of the site. It noted that heritage listed buildings had been preserved.

4.37 The Committee differs with Mr Corey's view that resident attitudes at Yeronga and Annerley were the same. Although the Committee did not take evidence from residents at Yeronga, according to DEO evidence referred to above, there was a minority group at Yeronga who wanted the site to become open land. The proposition that Yeronga become open land was probably untenable from the start. Secondly, it was a minority group.

4.38 The residents' group at Annerley, SPACE, is not a minority group. As far as the Committee can discern, there is no resident or other community group supporting the type of redevelopment that DEO has in mind. Secondly, from the beginning, and on the basis of advice that there was no heritage value in the site, SPACE was not opposed to redevelopment provided that it was low density. It did not opt for open space or other community recreational facilities. When the whole site was given a Queensland heritage listing, it then supported defence-related use of the site, whereby three community organisations, including a military museum and a cadet unit, would be based there. This proposal has the support of many defence-related and other community organisations. It cannot be said, therefore, that there is only minority opposition to DEO plans for the site.

4.39 In a supplementary written statement dated 30 March 2001, SPACE made the following comments:

In 1996, when the Yeronga property was to be sold, an exhaustive and prolonged consultation with local residents was undertaken. Initially the proposal to sell the land received media publicity, letters were sent out by the local Federal Member, Gary Hardgrave, and a two page newsletter was delivered to 1000 homes to advise of the initial meetings.

The original meetings were notified with a choice of either Saturday 24.8.96 or Thursday, 29.8.96. These two preliminary meetings were held in a hall, with sales consultant representatives, town planning advisers, Defence Department personnel (having come from Canberra), as well as the local Federal and State Members and the local Councillor. All of these addressed the meeting, at which people were seated; and then special discussion groups were set up to discuss separate issues. At the end of the evening all the groups reassembled to hear the decisions. It was decided that further meetings were necessary.

The consultative process was drawn out over months with workshops, written reports on results, and much further discussion, before the site was ever offered for sale. A large planning investigation report was prepared by the Town Planning consultants, giving full details of all consultation.

In comparison, residents around the Annerley site had no consultation with Defence at all. There was some forewarning in the local press, then the Federal Member sent out letters to some local residents advising of a public meeting on site on Saturday 27<sup>th</sup> May. This meeting was held standing on the parade ground, and we were addressed only by the Federal member. There was a representative there from the Defence Department, whose only contribution was to say that there was no Heritage value on the site.

We had no consultation, beyond the two meetings arranged by the local member, the first standing on the site, the second outside the locked gates. Defence disassociated itself completely from these meetings (as evidenced in the Clayton Utz letter to developers).

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Yeronga residents had little to fear from the start, because all (or almost all) the surrounding land is Residential A, so they were not faced with the certainty of units and town houses. As we were, and are.

In spite of Mr Corey's statement (p. 671, foot of page) we understand that most people are happy with the outcome of Yeronga. Yeronga demonstrates that successful outcomes can follow if proper consultation takes place. **The only complaint we have heard, is that there is nothing there to mark the fact that for many years an army hospital existed on the site: no plaque or memorial—the military history has disappeared from the site.**<sup>22</sup>

4.40 In its evidence to the Committee, DEO was unable to identify any consultation process that it initiated for the Annerley site. The consultation that has taken place since the initial meetings organised by the local federal member was in response to community pressure and not as part of any formal consultation process. Despite DEO comments to the contrary, the Committee can find very little in common between the two sites in relation to consultation processes. It is evident that there was a consultation process for Yeronga and there was none for Annerley.

4.41 In view of the detailed consultation process that was conducted for Yeronga, the fact that rezoning cannot take place until after the sale of Defence land in Queensland is not an argument, as implied by Mr Corey, against having a consultation process for Annerley or any other Defence property subject to disposal in Queensland. Local residents are stakeholders and all stakeholders should be consulted, as required by DEO's own rules.

## Conclusion

4.42 Consultation between DEO and stakeholders should begin as soon as the disposal process has begun and the stakeholders identified. In terms of identifying stakeholders, DEO should draw a wide rather than a narrow net, so that all interested

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22 The bolding was added by SPACE.

parties have an opportunity to express their views and contribute to the disposal process, as they have done very successfully in Ermington and Yeronga. Consultation should involve DEO staff and not just consultants. In this way, DEO will learn first hand any views that are likely to be strongly voiced against any preliminary thoughts DEO might have had for the sale of the property. At the same time, stakeholders are able to discuss their views with a 'principal' and not just an agent.

4.43 Consultation is a process where the views of stakeholders are obtained and taken into account in the sale process, and as plans are drawn up and developments occur, the stakeholders are not only informed but given an opportunity to provide further input into the sale process. A process whereby there are one or two meetings with some or all of the stakeholders does not constitute consultation.

4.44 When serious differences occur between stakeholders and DEO during the sale process, where possible and unless they are of a technical nature, they should be dealt with by DEO staff and not by agents (ie consultants). Agents can only pass on information to DEO for decision while DEO staff, depending on their position within the organisation, are involved more directly in the decision-making process. If consultation is only undertaken by agents, stakeholders could perceive, rightly or wrongly, a lack of interest by DEO in their views.

4.45 Where DEO has consulted with stakeholders early in the disposal process and where there has been no fundamental difference of opinion between both sides on the nature of the redevelopment, the sale process has appeared to proceed smoothly. In the case of Ermington, the Residents Committee went further by making suggestions to DEO, which were adopted as part of the redevelopment plan. This co-operative approach allows all parties to have some ownership of the redevelopment, which facilitates the disposal process.

4.46 The difficulty for DEO is that it is trying to optimise its return on surplus properties. This is most easily achieved through redevelopment of the properties for residential unit development. Although it has not applied in all cases, it appears that wherever possible, DEO has opted for that type of development and has sought zoning approval accordingly from the local council or State Government, whichever has zoning responsibility.

4.47 Even if DEO begins its consultative process with a clean slate and is prepared to listen to stakeholders, it is likely, in many cases, that the views of the stakeholders are in conflict with DEO's ultimate goal of optimising revenue. As previously mentioned, although there is a distinction in the meaning of the words 'optimise' and 'maximise', in practical terms, DEO is seeking the best financial result possible from the sale of the property. Where there is a strong difference of opinion between DEO and stakeholders as to the end use of a property once it is no longer owned by the Commonwealth, consultation seems to break down.

4.48 Overall, it is very clear, however, that DEO's consultative processes leave much to be desired, particularly in respect of sites where there is no fundamental

agreement over the planned redevelopment. Inevitably, there will be disagreement over the future of some sites, whether it is the nature of the proposed use to which they are to be put, or for the protection of heritage or environmental values. In such cases, consultation should be increased, not reduced.

### **Recommendations**

- **The Committee notes that DEO is already obliged to consult stakeholders (including residents in the local area) in the disposal of surplus properties and recommends that DEO fulfils its obligations in respect of all properties for which it has responsibility for their disposal.**
- **The Committee also recommends that DEO continues to consult stakeholders throughout the disposal process.**

