

5th June 2009

Mr Bill Shorten MP.
Parliamentary Secretary for Disabilities & Children's Services
Parliamentary Secretary for Victorian Bushfire Reconstruction

Dear Mr Shorten,

Thank you for your letter of 6th May last and copy of correspondence from Mr Justin Madden MLC , State Minister for Planning dated 6th April last. In your letter you invite us to look over the remarks made by the Minister in his letter and if we have any queries to contact you again. We would like to accept your kind offer, and request your urgent assistance in this matter.

We find Mr. Madden's 6-Apr'09 letter most disturbing, because it appears that Mr. Madden is trying to conceal from you the fact that the Victorian Government has recently and suddenly destroyed, without explanation, all of the purpose built KRS disability assets in Stage 6 of the Kew Cottages development - a tragic loss for intellectually disabled Victorians, which based on the capital funding figures you provided to me in your letter of 29-Sep'08, may end up costing the Commonwealth over \$20 million dollars to help replace.

We would, therefore, respectfully request that you give this extraordinary matter your urgent attention.

As you will be aware:

1. In December 2008 the Upper House of the Victorian Parliament passed a historic and unanimous vote requesting the Victorian Ombudsman to investigate the probity of the Kew Cottages tender process; and
2. Last week (3-Jun'09) the Upper House of Parliament passed a motion of 'no confidence' in the Planning Minister, Mr. Justin Madden - the first against a State Minister in over 20 years.

It is clear, therefore, that the Victorian Parliament has very serious concerns about both the conduct of planning and development matters at Kew Cottages, and also the conduct of the Planning Minister, Mr. Madden.

We would request therefore that you subject Mr. Maddens role in the unreasonable and unnecessary Stage 6 demolition of purpose built disability facilities to a very detailed scrutiny.

The Kew Cottages Coalition (KCC) strongly suggests that the sooner the present proposals for the development of the KRS site are stopped and the whole question of the future development of this site reassessed, the better will be the final outcome for the general community. We would welcome the opportunity to discuss this matter further with you or your nominee and strongly suggest that it be treated with urgency while there is still time.

Yours sincerely,

Don Anderson
Honorary Secretary
Kew Cottages Coalition

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enc:

Attachment.

Sins of Omission and Commission.

Don Anderson's Comments on the 'Kew Cottages Development' 6-Apr'09 letter; from Victorian Planning Minister, Mr. Justin Madden to Mr. Bill Shorten MP.

State Parliament Ignored.

Over a year ago, in May 2008 we drew your attention to the Kew Cottages Coalition alternative proposal for the Kew Cottages site as submitted to the Victorian Legislative Council Inquiry into the Sale of Public Lands. The proposal called for the conversion of the remainder of the site into:

1. A small 60 place family support and respite centre for the disabled located on The Crescent (ie: in Stage 6 of the current development plans);
2. A centre of excellence for the disabled; and
3. A community recreational and sporting precinct.

I understand you then kindly forwarded our letter to Mr. Madden. However, Mr. Madden's response omits to mention the proposal for respite care and disability services on the KRS site, and fails to explain this omission.

The latter omission is significant because it goes to the question of whether Mr. Madden has provided a fit and proper response to your inquiry regarding potential opportunities for disability services at Kew Cottages.

In September 2008 the Victorian Parliament's Public Land Inquiry found that:

- On balance the re-development of the KRS site has not been in the broader public interest. (Finding 5.1) and that
- Based on current development proposals, the further development of the KRS site will result in a missed opportunity to use the purpose built facilities for much needed disability and respite care. (Finding 5.9) and recommended
- That the Government review the current proposal for the KRS development to ensure the project incorporates protection of the heritage trees and buildings, protection of open space and provision of much needed disability services (Rec.5.4)

However, Mr. Madden's letter omits any mention of the Select Committee's findings and recommendations, despite the fact that Mr. Madden is himself a member of the Upper House, and was called to give evidence before the Committee just a few days before we wrote to you in May 2008.

These omissions are significant as they go to the question of whether Mr. Madden has acted in good faith to the Victorian Parliament and to the Commonwealth.

We therefore find these omissions in Mr. Madden's letter to you particularly disturbing.

We also find most unusual and indeed surprising Mr. Madden's suggestion that a large number of perfectly sound and habitable buildings at the Kew site were permitted to be demolished and as this was approved by the Responsible Authority neither a planning permit nor a heritage permit was required for their demolition. (Section 42 of the Heritage Act 1995 refers).

We also find it most difficult to understand why during the present economic recession such a valuable and readily available resource is wantonly destroyed to make way for a future development of luxury apartments when there is a crying need now for both respite and permanent care facilities for the ever increasing number of intellectually disabled people on current waiting lists.

Contractual obligation to retain Hydrotherapy for Disabled ignored.

It seems that the recent and sudden demolition of all the remaining buildings for proposed development Stage 6, by the Victorian Government was more than a mere coincidence, as there appeared to be:

1. Not only no pressing need for this action at the time, **but also**
2. [Contractual obligations](#) for the retention of the hydrotherapy pool for the disabled until a replacement has been built ([Refer Clause B.15 Walker Agreement](#))

Maybe the proposals put forward by the Kew Cottages Coalition and the City of Boroondara that these buildings be used for temporary or emergency accommodation for bushfire victims and/or respite care services was the trigger that hastened their demise ?

Maybe also, your own inquiries, had some bearing on their demise ? Or was it purely fortuitous that Mr. Madden appears to have delayed responding to you until 6-Apr'09 by which time the unannounced Stage 6 demolition had just been completed ?

While we regard the destruction of the Smorgan Medical Centre, the Recreation building with its hydrotherapy pool, the many residential and occupational services buildings which were all in good structural condition, as a tragic act of official vandalism we strongly advocate that you suggest to the Victorian Government that they abandon their proposals to develop the rest of the site i.e stages 3 to 6 as luxury housing, and allow this remainder of the site to be redeveloped in the manner and form endorsed in the Final Report of the Victorian Parliament's Select Committee on Public Land Development, including a Respite Care Centre for the treatment and care of the intellectually disabled.

This would be a much more economical way of providing much needed accommodation and support services for the intellectually disabled than the present method of acquiring and converting existing high priced metropolitan properties for this purpose.

The cost to the Commonwealth ?

On the basis of the \$100 million in capital funding announced by the Prime Minister on 4 May 2008 which you told us (29/9/08) will deliver 309 new supported accommodation places across Australia, it would appear that the capital opportunity cost of loosing the 60 supported accommodation places for respite care in Stage 6 at Kew Cottages is in the order of \$20 million plus the replacement cost of the hydrotherapy pool and the Smorgan Medical and Dental Centre (est: \$5 million).

This is a most significant capital cost to disability services, and one that if all other States and Territories acted as irresponsibly as Victoria has done, would serve to totally consume the Commonwealth's \$100 million capital funding boost to disability support services.

The need for further scrutiny.

The Victorian Government has always sought to justify its current privatisation of Kew Cottages on the basis that all State profits from its partnership with the Walker Corporation will flow to disability services.

However, the Government have sought to conceal from the public the simple

fact that there are no State profits at all! Indeed, according to [The Age \(Trouble in Kew 13/12/08\)](#) , not only are there no profits, but the project is running at a loss estimated at \$17 million.

Therefore the Victorian Government's claim that there are funds available from the current project to offset the capital cost to disability services appears to be a myth that deserves your closest scrutiny.

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