

EISC Inquiry – Ian Wallace – Responses to Questions – 18/11/2011

- (1) You advise that of the 22 traditional lots entitled to reimbursement from Ironbridge for fencing, 12 have been paid. Of these 12, how many were voluntarily reimbursed, and how many were reimbursed pursuant to a court judgement?

Response to be provided – awaiting information from the Magistrates Court.

- (2) You advise that of the 3 cottage lots entitled to reimbursement from Ironbridge for boundary fencing, 2 have been paid. Of these 2, how many were voluntarily reimbursed, and how many were reimbursed pursuant to a court judgement?

Response to be provided – awaiting information from the Magistrates Court.

- (3) You advise that of the 36 lots entitled to reimbursement from Ironbridge for landscaping, 20 have been paid. Of these 20, how many were voluntarily reimbursed, and how many were reimbursed pursuant to a court judgement?

Response to be provided – awaiting information from the Magistrates Court.

- (4) You advise that of the traditional lots, 194 have their complete boundary fence installed, with the remaining two being partially fenced. Could you please advise how many of these fences have been painted, and of those that have been painted, how many were done by Ironbridge and how many by individual residents? How many of those individual residents have received reimbursement from Ironbridge? How many of these reimbursements were voluntary and how many were pursuant to a court judgement?

I should note that our current records in relation to fence painting are not up to date.

When we first started having difficulty delivering fencing/landscaping packages, we had to prioritise the delivery of the three incentive items – boundary fences, landscaping and painting of fences. We determined that the boundary fences were the highest priority for security reasons, then landscaping and that fence painting should be the last item to implement.

At the point in time that we stopped keeping detailed records of fences that had been painted, there were 29 traditional lots with fully painted fences. There were an additional 27 lots where the boundary fence had been *partially* painted (either one or two sides of their fence was painted as a result of the painting done on a neighbouring lot). All 56 of the full/partial painted boundary fences were paid for by Ironbridge at that point in time.

Since that time, we are aware of at least 7 purchasers who have painted their own fences. None of those 7 have been reimbursed by Ironbridge. There may be other lots who have painted their own fence and not brought this to Ironbridge's attention yet. Painting of fences is a particularly hard to audit/check, as from street level, it is difficult to determine whether the whole boundary fence has been painted or not.

It should also be noted that some residents who took their matter to court, also claimed for painting of fencing, even though it had not been completed at the time of the judgment. There would be at least an additional 4/5 who made such claims, 3 or 4 of which have been reimbursed to date. Ironbridge would obviously not be liable for painting of those fences once reimbursement was made.

- (5) You advise that of the cottage lots, all 11 have their complete boundary fence installed. Could you please advise how many of these fences have been painted, and of those that have been painted, how many were done by Ironbridge and how many by individual residents? How many of those individual residents have received reimbursement from Ironbridge? How many of these reimbursements were voluntary and how many were pursuant to a court judgement?

We are not aware of any of the 11 cottage lots having painted boundary fences. However, there was at least 1 cottage lot resident who took their matter to court and has been reimbursed for fence painting, even though it was not completed at the time of the judgment.

- (6) You advise that 2 of the cottage lots have their pool fencing installed and both of these were completed by the residents themselves. Could you please advise if these residents have received reimbursement from Ironbridge? How many of these reimbursements were voluntary and how many were pursuant to a court judgement?

Neither of the two cottage lot purchasers who self-installed their front-fencing packages have been reimbursed to date.

One of the two has lodged a Magistrate's Court claim for reimbursement (for work including front-fencing), but no judgment has yet been entered. A copy of this was provided in my supplementary submission.

The other has not commenced a court action for reimbursement.

- (7) On pages four and five of your submission you provide the details of the fencing and landscaping entitlements which are dependent on the category of lot and its aspect (eg corner lots being entitled to additional landscaping). At what stage in the purchase process was the buyer made aware of these specific details and do they form part of the contract?

The purchaser of a corner lot may not be specifically informed prior to signing that their landscaping package is slightly more expensive than a non-corner lot. However, the set of special conditions contained in a contract for the sale of a corner lot contains a reference to the landscaping having a value of \$3,150 (inc GST). As was noted in my supplementary submission, the 'additional landscaping' is really just an extra portion of lawn/irrigation, due to the fact that corner lots contain a wider frontage to the road than a non-corner lot.

The purchaser of a cottage lot is made aware of its status prior to and/or at the time of signing.

The special conditions which are attached to each contract contain the heading "Annexure A – The Tuarts Special Conditions – Cottage Lots". In addition, the Special Condition relating to Fencing Packages refers to the entitlement of a cottage lot owner to the front fencing as described.

I have attached an example of the Special Conditions taken from a contract that was for the sale of a cottage lot that was also located on a corner. I refer you to:

- The heading, which refers to 'Cottage lots';
- Special Condition 1 – which refers to 'landscaping ...to the value of \$3,150 (inc GST)'; and
- Special Condition 2 – Second Paragraph, which describes the additional front-fencing for cottage lots. (The second paragraph would not be included in the contract for a traditional lot).

- (8) On page 16 of the transcript of evidence you indicated that you hoped to have the commissioning of the Waste Water Pumping Station finalised within two weeks. Can you provide an update on the status of the commissioning of the WWPS and details of your liaison officer at Water Corp?

I can confirm that the Commissioning meeting for the WWPS has been booked in for 24 November 2011 at 10:00am. I have attached a copy of an email sent by our engineer to the Water Corp and others, confirming that this meeting has been booked.

Our contact at the Water Corporation regarding commissioning of the WWPS is:

John McGlenchy

P: (08) 9791 0400

E: John.Mcglenchy@watercorporation.com.au

A: Water Corporation
South West Regional Office
61 Victoria St
Bunbury WA 6230