3

Issues and Conclusions

Program of Works at Australia House

3.1 During the course of its inquiry, the Committee explored a number of issues relating to the program of works at Australia House. In particular, the Committee was interested to learn about previous works undertaken at the site in the past decade, proposed 'collateral works' to levels Five and Six, the management of DFAT's works program, and the concurrent execution of proposed security works.

Previous Works

- 3.2 The Committee noted that a major refurbishment project had been executed at Australia House in 1995 and was curious to know why the Level Four and lightwell works comprising the current referral had not been addressed at that time.
- 3.3 DFAT explained that Defence had undertaken its own upgrade of accommodation on Level Four in 1992, and had therefore elected not to participate in the 1995 fit-out and upgrade. DFAT reported that this minor refurbishment had been largely cosmetic, entailing only some painting, recarpeting and new partitioning, with the result that:

Now, 13 years down the track, we find that it is very shabby compared with the rest of the building and they [Defence] are very anxious to bring it up to the appropriate standard.¹

- 3.4 Under the current proposal, DFAT intends to carry out a comprehensive upgrade of all Level Four engineering and communications services, and the reconfiguration of the space to produce a more functional working environment.²
- 3.5 In respect of the lightwells, DFAT stated that access was difficult and that abseiling equipment had been used to conduct a detailed investigation of the extent of the work required in 2002 2004. In response to questions from the Committee, DFAT confirmed that budgetary restraints had prevented repairs to the lightwells from being carried out in 1995.³

Collateral Works to Levels Five and Six

- 3.6 In order to minimise disruption to Defence operations during the refurbishment of Level Four, it is proposed that Defence personnel be temporarily relocated to vacant areas of levels Five and Six, Australia House. DFAT anticipates that limited works will be required to these areas to satisfy Defence requirements for the 12-month relocation period, with the advantage that the temporary space would then be more suitable for future tenancy.⁴
- 3.7 The Committee wished to know the nature and cost of the proposed collateral works to levels Five and Six. DFAT responded that works would entail mechanical and electrical services, partitioning and any associated office fit-out necessary to maintain Defence operations during the relocation period, at an estimated cost of \$859,000.

Management of Works Program

In view of the works project previously conducted at Australia House, Committee members were interested to learn how the DFAT Overseas Property Office (OPO) manages its overseas properties program in respect of determining the requirement for works and the prioritisation of competing requests for upgrades. DFAT explained that most of the relevant technical information is provided by its property management partner United Multiplex Consortium, which is responsible for the delivery of property services across the entire overseas estate. Through the consortium, DFAT operates a continuous inspection program of overseas properties which informs its preventive maintenance schedule.

² Appendix D, Official Transcript of Evidence, page 2

³ ibid, page 7

⁴ ibid, page 2

DFAT added that it had developed a five-year rolling program based on the technical advice received in relation to its property portfolio, and that recommendations for works are put to its senior executives at regular intervals.⁵

Concurrent Execution of Security Works

3.9 During an in-camera briefing preceding the public hearing, DFAT stated that it was considering undertaking some additional security works not included in the current project brief, concurrent with the Level Four and lightwells refurbishment. If this work were to progress, it would impact upon the project before the Committee. The Committee inquired whether the simultaneous execution of all works would result in any cost savings. DFAT responded that, while any security works would be at a cost over and above the base-building works, the simultaneous execution of both projects would result in some savings to the security component.⁶

Heritage Issues

3.10 Noting the age and prominence of Australia House, the Committee sought information on any heritage issues associated with the works proposal. DFAT explained that preliminary discussions had been undertaken with relevant authorities in London, adding that, as the proposed works would be internal and would not alter the appearance of the building, no significant heritage concerns were anticipated.⁷

Approvals

3.11 Whilst there is no requirement for DFAT to submit a formal Listed Building or Building Regulations application in respect of the proposed work⁸, DFAT's submission records that the works will require:

...approval and certification with the City of Westminster, for erection of scaffolding, and movement of material and removal of debris.⁹

⁵ Appendix D, Official Transcript of Evidence, page 7

⁶ ibid, pages 9 - 10

⁷ ibid, page 3

⁸ Appendix C, Submission No. 1, paragraph 14.1

3.12 The Committee was concerned to ensure that no delays or additional costs would be incurred as a result of local authority approvals processes. DFAT assured the Committee that the approvals process was routine in nature and would not take long, and that associated costs would be modest.¹⁰

Codes and Standards

3.13 DFAT intends that the proposed works will be carried out in accordance with the requirements of the Building Code of Australia (BCA) and, as far as possible, to meet current building codes and standards of the United Kingdom. Where differences exist between the two, DFAT proposes to apply the higher standard.¹¹ The Committee wished to know whether there are any substantial differences between the standards that may impact upon costs. DFAT responded that the Australian and British standards were largely compatible, adding that Australian standards would prevail in the internal design and fit-out of the Defence accommodation, while the external lightwells work would generally be controlled by British standards and regulations.¹²

Occupational Health and Safety and Disability Requirements

3.14 Whilst intending that the proposed works should comply with all relevant codes and standards, DFAT's submission notes that some constraints may apply due to the age and configuration of the existing building. The Committee inquired whether these constraints would impede the fulfilment of occupational health and safety requirements, or impact upon provisions for persons with a disability. DFAT explained that the age and heritage significance of the building means that certain aspects, such as the main staircase, can not be reconfigured to satisfy modern codes and standards. However, DFAT does not anticipate any impediment to achieving full OH&S compliance in respect of the Level Four fit-out. 14

⁹ ibid, paragraph 7.1

¹⁰ Appendix D, Official Transcript of Evidence, page 4

¹¹ Appendix C, Submission No. 1, paragraph 16.1

¹² Appendix D, Official Transcript of Evidence, page 5

¹³ Appendix C, Submission No. 1, paragraph 16.1

¹⁴ Appendix D, Official Transcript of Evidence, page 6

Energy Conservation

3.15 A submission from the Australian Greenhouse Office (AGO) recommended that the proposed refurbishment should endeavour to achieve an energy use target of 207 megajoules per square metre, and

...that DFAT considers (subject to specific operational, functional and security requirements) all appropriate energy efficiency initiatives such as the National Framework on Energy Efficiency and Greenlight Australia..."¹⁵

3.16 The Committee inquired whether DFAT had consulted with the AGO in respect of energy conservation measures. DFAT replied that it appreciated the advice supplied by the AGO and intended to incorporate a number of energy conservation measures into the proposed refurbishment, including double-glazing, energy-efficient lighting and zoned air-conditioning. Whilst unable to provide a definitive answer on the level of energy usage achievable in the building, DFAT stated that it would attempt to reach the target recommended by the AGO.¹⁶

Recommendation 1

The Committee recommends that the proposed refurbishment of Defence office accommodation and lightwells at Australia House, London proceed at the estimated cost of \$11.98 million.

Hon Judi Moylan MP Chair 22 June 2005

¹⁵ See Volume of Submissions, Submission No. 2

¹⁶ Appendix D, Official Transcript of Evidence, page 10