



DEVELOPMENT OF A NEW COLLECTION
STORAGE FACILITY FOR THE NATIONAL
LIBRARY OF AUSTRALIA

STATEMENT OF EVIDENCE TO THE
PARLIAMENTARY STANDING COMMITTEE ON
PUBLIC WORKS

NATIONAL LIBRARY OF AUSTRALIA

CANBERRA, ACT

June 2004

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EXECUTIVE SUMMARY

The proposal

This proposal addresses the need of the National Library of Australia to service its long-term requirement for storage space to accommodate the expansion of its collection. It encompasses the development and ownership by the Library of a new purpose-built storage facility in Hume in ACT.

A preferred site for the proposed facility has been identified, being ACT territory land in Hume (Block 7, Section 1, Hume), which currently has no buildings on site, but is being used by the ACT Government for the purposes of temporary storage of road base and is yet to be released for sale.

Estimated costs

The estimated net cost over the next four years including management, land purchase, design, capital works, book relocation and contingency associated with the proposed facility is approximately \$9.9 million excluding GST.

Preliminary program

Subject to approval, the tender for works will be released in November 2004 to enable completion of the facility by February 2006.

Attachments

The attachments to this submission are:

- Attachment A National Library of Australia Storage Facility, Return Brief.
- Appendix A Concept Design Drawings.

IDENTIFICATION OF THE NEED

Introduction

1. The National Library of Australia ("The Library") is a major collecting institution, which is obliged through legislation to maintain and develop a national collection of library material of relevance to the Australian people.
2. Accordingly, the Library has an ongoing requirement for sufficient storage to accommodate its growing collection. Current storage facilities are located within the main Library building at Parkes, which has been supplemented by two separate off-site storage facilities at Hume. The storage facilities at each of the sites are at, or are nearing, full capacity.
3. The Library has sought specialist advice from space planning professionals who have identified opportunities for further storage space in the short-term within the main Library building at Parkes. This has been achieved through the conversion of a number of redundant areas and plant rooms. However, this is limited and will not meet all storage needs beyond 2006.
4. In addition, the Library in fulfilling its role has, in consultation with stakeholders, developed service standards to facilitate quick response to requests for the collection material. The Library's service standard for collection material stored off-site is for its delivery to the main Library within 90 minutes of the courier cut-off times. To ensure that the Library is able to meet this service standard, the off-site material must be stored in a location within close proximity to the main Library.
5. Of the main industrial precincts within the Canberra region, Mitchell, Fyshwick and Hume, the Hume industrial area has been identified as being strategically the best-placed and financially viable area to facilitate off-site storage for the Library. Investigations demonstrated that the Mitchell area is more likely to be impacted on by urban growth and consequential congestion as the northern Gungahlin area has been identified as an area of residential expansion. While Fyshwick is better located and more accessible to the Library than Hume and Mitchell it is a more densely developed area and, due to the changing land use to a bulky goods retail environment, has a more expensive land component.
6. In parallel to the Library's investigations and strategic planning, the Department of Communications, Information, Technology and Arts ("DCITA") has initiated a review on the future storage requirement of cultural agencies, which includes the Library, with a "collection" function.
7. The Review identified that there was a mixture of owned and leased premises and summarised that at a whole-of-portfolio level, collection storage costs amount to approximately \$20 million per annum and given that a number of agencies store similar

materials with environmental control requirements there may be synergies available to achieve economies of scale and rationalisation of costs.

8. The Review recommended that collection agencies within the DCITA portfolio work in a collaborative manner to develop a portfolio storage plan aimed at achieving ongoing efficiencies in the long term. A Portfolio Collection Storage Plan, developed by DCITA in consultation with the collecting agencies, considered ways to meet the projected growth in storage needs across the Portfolio. It recommended a three-staged approach, the first stage being to address the immediate short-term storage needs of the Library.

9. In determining the site for the new storage facility for the Library, consideration has been given to risks and future growth of the collection.

The Proposal

10. This proposal addresses the need of the National Library of Australia to service its long-term requirement for storage space to accommodate the expansion of its collection. It encompasses the development and ownership by the Library of a new purpose-built, off-site storage facility in Hume.

11. A preferred site for the proposed facility has been identified in Hume (Block 7, Section 1, Hume) but is not yet purchased.

12. The proposed scope of work is included in Attachment A. The current sketch designs of the proposed new facility are included in Appendix A of Attachment A.

BACKGROUND

Current Library facilities

13. The Library's collection stacks are currently accommodated within three facilities, all located in Canberra, being:

- a. The main Library building in Parkes Place;
- b. Hume Warehouse repository located in Hume; and
- c. Hume Annexe repository located in Hume.

14. The main Library building is used to store the primary Australian collections including unpublished non-print collections, published Australiana and more recently published overseas material. The off-site repositories are used to store material published overseas and secondary Australian material.

Parkes Place main building

15. The Parkes Place building is a 41,000 m² seven-storey purpose-built library, completed over thirty years ago and it is the Library's main facility. It contains public access areas, office and staff work areas and stack storage for the Library's primary collections.

16. In 2001 the Library commissioned a space management report on the Parkes Place building. The report provided an audit of the current state of accommodation within the Library and included guidelines for maximising collection stack storage capacity in the building through reallocation of certain internal areas for storage and installation of more efficient storage equipment. The report determined that with appropriate management the building would provide sufficient space for staff and collection stack storage until mid 2006.

17. As part of its ongoing works programme the Library is implementing the recommended changes to increase storage capacity. It is apparent that once all of the recommended storage changes have been implemented, no further increase of storage capacity will be possible within the building without reallocation of staff and public areas.

Hume Warehouse repository

18. In 1987 the Library leased the Hume Warehouse as an off-site repository to store existing collections and provide additional growth space. The Library's present lease on the property expires on 30 June 2006 and there is a further one-year option. Recent analysis of space usage in the Hume Warehouse by the Library indicates that there is no further storage space available.

19. The Hume Warehouse facility in its current form is considered to be unsuitable for long-term use by the Library. It is an average quality older style building without insulation or air-conditioning and considerable work would be required to upgrade it to meet the Library's ideal storage condition standards.

Hume Annexe repository

20. In 1998 the Library leased the Hume Annex as a further off-site repository to store pre-1990 overseas serials and provide for additional growth space. The building was procured through a public tender process and was purpose built to the Library's functional specification. The Library's present lease on the property expires on 17 May 2013.

21. Recent analysis of space usage in the Hume Annexe by the Library indicates that there is a limited amount of vacant storage space available, which will be utilised by early 2006. The Hume Annexe facility in its current form is considered to be suitable for long-term use by the Library.

Legislative requirement

22. The legislative requirement of the Library is encompassed in the National Library Act 1960 (Section 6). The key functions of Library, on behalf of the Commonwealth, under the Act are:

- a. To maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people;
- b. To make library material in the national collection available to such persons and institutions, and in such manner and subject to such conditions, as the Library Council determines with a view to the most advantageous use of that collection in the national interest;
- c. To make available such other services in relation to library matters and library material (including bibliographical services) as the Library Council thinks fit, and, in particular, services for the purposes of the library of the Parliament, authorities of the Commonwealth, the Territories and the Agencies (within the meaning of the "Public Service Act 1999"); and
- d. To co-operate in library matters (including the advancement of library science) with authorities or persons, whether in Australia or elsewhere, concerned with library matters.

Policy initiatives

23. In its Service Charter, the Library identifies its role under the Act as "...to ensure that documentary resources of national significance relating to Australia and the Australian people, as well as significant non-Australian library materials, are collected, preserved and made accessible through collaborative arrangements with other libraries and information providers."

24. The key service standard in the Service Charter relating to the storage of the collection is that the Library strives to "...deliver 90% of items requested from an off-site store from within 90 minutes of courier cut-off times."

Collection storage requirements

25. In terms of legislative requirements and policy initiatives, the storage requirements of the Library collection are summarised as follows:

- a. The Library is a major National collecting institution with a significant volume of existing collection material which is continually growing;
- b. It has an ongoing requirement to provide sufficient storage to accommodate growth in the collections;
- c. The Library is committed to locate that storage such that it may be made available to the public within the Library's service delivery standards; and
- d. It has a requirement to retain the collections in a manner that preserves their condition.

STRATEGIC CONSIDERATIONS

Strategic Direction

26. As a major cultural institution, the National Library is required to meet long-term objectives such as building its collections while also evolving services, which meet the changing needs of its customers.

27. The Library's strategic statement "Directions for 2003-05" outlines its key priorities and objectives. The major focus of the strategic statement is on the development of programs and services that make it easier for people to find and obtain information.

28. The Library's Directions are reviewed biennially to ensure that they are dynamic and timely. In the context of the Library's storage requirement Objective 1 from the Library's Strategic Directions 2003 – 2005, underpins this:

29. "To ensure that a comprehensive record of Australian history and endeavour, and a selected record of the world's knowledge, is collected, cared for and accessible, we will:

- a. store and house the collections in environmental conditions that will ensure their longevity, and plan for the future collection growth."

Location

30. The Library's Service Charter, and its timing requirement for retrieval of off-site collection material, has a direct impact on the location of any off-site storage facility. The location of the proposed new storage facility is therefore a strategic consideration.

31. As a result of external work and investigations undertaken as part of the development of a business case for a new facility, Hume was found to be the optimal location for an off-site storage facility. Co-locating near existing storage facilities also offers operational efficiencies.

Expansion of the collection

32. The continual expansion of the collection consistent with its legislative responsibilities creates an immediate and future requirement for expansion of storage capacity for the Library. Under the Library's long-term storage plan the proposed new facility will provide sufficient capacity until 2013, by which time it is anticipated that additional storage accommodation will be necessary.

33. It is intended that the proposed facility will have a design life of forty years to allow for storage accommodation beyond 2013.

Environmentally controlled storage

34. The Library has an Environmental Management Plan which was approved by its Corporate Management Group in 2001. The Plan details the strict environmental conditions under which various collection types are stored.

35. A controlled storage environment within the proposed facility will be necessary to ensure the ongoing preservation of particular elements of the collection. The building design and ongoing environmental integrity is therefore of strategic importance to the Library.

THE NEED

36. The need for the off-site facility stems from the Library's obligation under the National Library Act 1960 (Section 6) "to maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people".

37. To assist with this aim, Section 201 of the Copyright Act 1968 requires that the publisher of all items published in Australia send a copy to the National Library. The Library currently stores over nine million items. Over the past six years the collection has increased at an average annual rate of approximately 2%.

38. Recently, the Library has taken steps to increase the storage capacity of its main Parkes facility, however, the available storage space in this facility will not meet all storage needs beyond 2006. Analysis of space usage in the off-site Hume Annexe indicates there is a limited amount of vacant space, which will also be full by early 2006.

39. In addition, the off-site Hume Warehouse, leased by the Library until mid 2006, is considered to be unsuitable for long-term use by the as a collection storage facility. It is intended that the proposed new facility will accommodate collection material currently stored in the Hume Warehouse and provide storage capacity to allow for the collection expansion until 2013.

40. To ensure that the Library is able to meet the delivery requirements of its Service Charter, collection material stored off-site must be located within close proximity to the main Library. The Hume industrial area has been identified as being strategically the best-placed and financially viable area to facilitate off-site storage for the Library.

OPTIONS CONSIDERED AND COMPARATIVE COSTS

41. The primary aim of the proposal is the provision of a facility capable of supporting ongoing the storage needs of the Library within the legislative requirements of the National Library Act 1960 and the Library's Service Charter.

42. A comprehensive range of options was considered that has sought to provide a full examination of the costs and benefits of owning versus leasing and constructing a new facility versus refurbishing an existing one. The options considered were:

- a. Option 1 - Do nothing.
- b. Option 2 - Do minimum.
- c. Option 3 - Develop and retain ownership.
- d. Option 4 - Develop and leaseback.
- e. Option 5 - Pre-commit to lease purpose built facility.
- f. Option 6 - Pre-commit to lease purpose built facility with option to purchase.
- g. Option 7 - Acquire existing facility and refurbish.
- h. Option 8 - Lease existing facility and refurbish.

43. The "do nothing" and "do minimum" options were included for financial comparison purposes only. It was found that these options did not address the primary storage requirements of the Library and involved unacceptable levels of risk with limited benefit.

44. Financial evaluation of each option was conducted using a discounted cash flow over a 22-year period. This period was selected to provide for the anticipated construction period and a 20-year lease term. In options with a shorter or no construction period, the timing of the works and commencement of the lease was pushed back so that all Options have the additional storage space available on the same date and for the same period of time (except Option 1 which provides no additional space).

45. The annual cash flows were discounted at the Commonwealth Government Opportunity Cost of Capital of 11%. All quantifiable, actual costs and benefits of each option have been considered and the net present cost calculated. The net present cost rather than the net present value was calculated as it is not possible to quantify the benefits of retaining the collections in monetary terms. However, were the collections to be lost, the loss of benefit to society would be significant.

46. The internal rate of return, the benefit-cost ratio and the net present value per dollar of capital invested were not calculated as the benefits (other than the sale or terminal value of the facility) are not quantifiable in dollars.

47. The table summarises the main features of each of the options.

Option	1	2	3	4	5	6	7	8
Own/Lease	Lease	Lease	Own	Lease	Lease	Lease	Own	Lease
Availability	Now	2006	2006	2006	2006	2006	2006	2006
Correct preservation	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Storage capacity to	2006	2013	2013	2013	2013	2013	2013	2013
Rental escalation	CPI	CPI	-	CPI	CPI	CPI	-	CPI
Net Present Cost	\$1.7 m	\$4.7 m	\$7.1 m	\$8.4 m	\$10.3 m	\$10.1 m	\$7.2 m	\$10.9 m

REASONS FOR ADOPTING THE PROPOSED COURSE OF ACTION

48. The “do nothing” and “do minimum” options were not considered acceptable storage solutions for the Library as they do not meet storage growth or preservation requirements.

49. On the basis of the financial analysis, Option 3, in which the Library develops and retains ownership of a purpose built facility, was found to be the most beneficial. The option was also found to be the most acceptable on the basis of the risk and benefits analysis.

50. To meet the ongoing storage needs of the Library within the legislative requirements of the National Library Act 1960 and the Library’s Service Charter the proposed new facility at Hume is justified and essential. The recommended approach, based on development of a new facility and ownership by the Library would cost effectively satisfy the Library’s requirements, and provide the most acceptable solution in terms of risk and benefit.

ENVIRONMENTAL IMPACT ASSESSMENTS

51. From initial, high-level inspection there appear to be no significant environmental issues on the preferred site.

52. Enquiries have been made to Environment ACT regarding environmental issues that may exist under the Environmental Protection and Biodiversity Conservation Act 1999 in relation to the preferred site, and a response is anticipated by June 2004.

53. The Library is committed to responsible environmental management of its activities. Contractors will be required to produce Environmental Management Procedures for construction activities as a contractual obligation, and these procedures will be audited as an element of project management.

HERITAGE CONSIDERATIONS

54. The Heritage Unit of Environment ACT has advised that there are no heritage listings or nominations over the proposed site and no known Aboriginal sites on the land.

55. The Library is committed to the preservation of items of heritage significance, both in its collection and general activities. Any heritage items encountered during construction will be dealt with as part of the Environmental Management Procedures for the project.

ORGANISATIONS CONSULTED

56. Discussions have been held, or are planned to be held with the following organisations:
- a. Department of Communications, Information Technology and the Arts;
 - b. ACT Land Development Agency;
 - c. Environment ACT;
 - d. National Capital Planning Authority;
 - e. Australian Greenhouse Office;
 - f. ACT Planning and Land Authority;
 - g. ACT Electricity and Water Corporation Limited; and
 - h. Commonwealth Department of Finance and Administration.

REVENUE DERIVED FROM THE PROJECT

57. There will be no revenue derived from the proposal.

TECHNICAL INFORMATION

Scope of work

58. The current scope of work of the proposed new facility is included in Attachment A.

Site selection and site description

59. The preferred site for the proposed facility has been identified, being ACT territory land in Hume (Block 7, Section 1, Hume). The site, which currently not built upon and is being used by the ACT Government for the purposes of temporary storage of road base, is yet to be released for sale.

Zonings and approvals

60. The proposed use conforms to the current approved Development Control Plan for the site.

61. Design, siting and building approvals from the ACT Planning and Land Authority will be sought following the design and documentation of the project.

Land acquisition

62. Acquisition of this site will involve a Direct Sale of Land process.

63. Given its timeframe resulting from the expiry of the Hume Warehouse lease in 2006, the Library has approached the Land Development Agency to make an application for the direct sale of lease of the land. The Library's application has been made conditional upon approval of this proposal by the Parliamentary Standing Committee on Public Works.

Codes and standards

64. The design and construction of the proposed works and services will conform to the relevant sections of the following:

- a. Current Australian standards and codes, including the Building Code of Australia;
- b. Commonwealth and Territory Legislation;
- c. National Code of Practice for the Construction Industry;
- d. The Disability Discrimination Act; and

- e. Occupational health, safety and welfare legislation.

65. Successful tenderers will be required to produce a Quality Plan to clearly show how building codes, Australian standards and any requirements of the Library will be met, and how the required standards for construction and installation are to be maintained.

Planning and design concepts

66. The proposed design will provide a safe, efficient and pleasant workplace together with a stable environment for the collection. The design offers good economy in relation to floor area and finishes while achieving the necessary functional requirements.

67. The design will provide for flexibility allowing for future expansion of the building and to accommodate technological and storage method changes that may come in the future.

Acoustics

68. Sound attenuation is important in office accommodation and specific levels within the relevant standards will be met in office areas. Vibration isolation of mechanical plant and equipment is an associated design consideration and the designers and construction contractors will be required to limit vibration levels to comply with the recommended vibration levels as set out in Australian standards.

Energy conservation measures

69. The Library is committed to improve energy management to ensure ecologically sustainable development and the reduction of greenhouse gas emissions and has been recognised by awards for its efforts. In compliance with this commitment, energy efficiency is to be a key objective in the design, development and delivery of this project.

70. The design and construction will take cognisance of the following factors:

- a. Energy efficient lighting and light control systems appropriate to the purpose;
- b. Use of insulation materials and weatherproof seals and airlocks;
- c. Using energy efficient plant, equipment and air-conditioning systems if feasible and cost effective;
- d. Retention of stormwater from the site and reuse where non-potable water is required if feasible and cost effective.

Provisions for people with disabilities

71. Access and facilities for the disabled are to be provided in accordance with the Building Code of Australia and Australian Standards.

Fire protection and security

72. All construction and fire protection requirements will, as a minimum, be in accordance with the provisions of all applicable Codes and Standards.

Precautions against Legionella

73. The air-conditioning system will be designed such that no special precautions against Legionella Bacillus will be required.

Occupational health and safety

74. The health and safety of all workers employed on the construction of the proposed facility will be protected by strict compliance with the Commonwealth Employment Act 1991 (Occupational Health and Safety). Construction of the facility will be in accordance with an approved Occupational Health and Safety Plan. There are no identified public safety issues.

Landscaping

75. The development project will not give rise to any substantial alteration in the existing landform or landscape. Care will be taken to avoid compromising any existing environmental sensitivities that may be identified by adopting landscaping practices in keeping with local environmental conditions.

Local employment impact

76. The development project will generate a limited amount of short-term employment, mostly in the sub-contractor and skilled trade worker areas.

Project cost

77. The estimated net cost over the next four years including management, land purchase, design, capital works, book relocation and contingency associated with the proposed facility is approximately \$9.9 million excluding GST. The proposed contingency allowance takes

account of the risk associated with latent site conditions expected with greenfield site development.

Project delivery system

78. It is likely that potential timing constraints relating to the expiry of the Hume Warehouse lease in 2006, the Library will seek to reduce this risk through adopting a Design and Construct project delivery system.

Associated sketch design drawings

79. Sketch design drawings are included at Appendix A of Attachment A.

**ATTACHMENT A - NATIONAL LIBRARY OF
AUSTRALIA STORAGE FACILITY, RETURN BRIEF**