

# Chapter 3

## Management of heritage values

### Introduction

3.1 This chapter examines issues in relation to heritage management including proposals to develop a conservation management plan. In addition, the committee canvasses issues related to ensuring that the heritage values of Parliament House are maintained including the measures used to inform DPS about the condition of the building and its services, and the adequacy of the levels of maintenance, repair and asset replacement within the building.

### Heritage management

3.2 In the committee's interim report, it was noted that DPS had finalised the Parliament House Heritage Management Framework in 2011 which included the establishment of the Heritage Management Advisory Board. Response to the Framework was mixed with the President of the Walter Burley Griffin Society, Professor James Weirick, calling the Framework in many ways 'inadequate, misleading and indeed a dangerous document'.<sup>1</sup> The Walter Burley Griffin Society, the Australian Institute of Architects and the National Trust called for the development of a more rigorous conservation plan for Parliament House.<sup>2</sup>

3.3 Ms Mills, Secretary, DPS, has indicated to the committee that a conservation management plan (CMP) for Parliament House is required. She stated that there is a need to develop a strengthened framework to provide more confidence in relation to heritage issues and a more robust process for long-term planning. To do this, a conservation management plan, based on the Burra Charter, will be developed. Ms Mills stated that a set of design principles will be developed 'hopefully in consultation and active participation of the architect and the architecture team who were originally involved, so that we have a full set of what I might call permanent record of the core design principles around landscape, lighting, the building design, the furniture integrity and so on'.<sup>3</sup>

3.4 The draft Central Reference Document (CRD) and other material retained by DPS, including the original tender documents, will be used as the basis of the CMP. A small, expert advisory committee is to be established to assist DPS in overseeing the development of the CMP. The expert advisory committee would contain expertise in architecture, cultural heritage, social and political history, landscaping and other areas that are seen as critical. Ms Mills also indicated that consultancy assistance would be

---

1 Professor James Weirick, President, Walter Burley Griffin Society, *Committee Hansard*, 2 May 2012, p. 6.

2 Walter Burley Griffin Society, *Submission 22*, p. 3; Australian Institute of Architects, *Submission 14*, p. 2; National Trust of Australia, *Submission 5*, p. 1.

3 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Committee Hansard*, 30 October 2012, p. 6.

required and that there are only a small number of companies which specialise in this field in Australia. Ms Mills concluded 'it is really critical that our expert advice or our expert panel help right through the process'.

3.5 The CMP would be approved by the Heritage Advisory Board before final approval by the Presiding Officers. Once this has occurred, the CMP would inform the DPS strategic asset management plan, maintenance planning and bids for funding of the program of works that is required over the next five-, 10- and potentially 20-year time frame.<sup>4</sup>

3.6 In relation to the CRD, Ms Mills stated that it was a very valuable document and it as one of the critical documents in the background material for the conservation management plan. While 'there is also merit in completing it at some point', Ms Mills commented that 'given the amount of work we have and the budget we have, my personal perspective is in the order of necessity that the conservation management plan probably comes first'. This view had been explained to Ms Pamille Berg author of the draft CRD. Ms Mills went on to note that, if in developing the CMF, there are immediate gaps in the knowledge base because the CRD is not complete, 'I would certainly to seek to discuss with Ms Berg how those pieces of work might be done'.<sup>5</sup>

#### ***Committee comments***

3.7 The committee, in its interim report, noted comments that the development of the Parliament House Heritage Management Framework was less than adequate and that there had been a lack of expert advice in developing the framework and few stakeholders, including the building architects, had been consulted. In addition, the committee notes that there had been a total of 15 drafts of the unfinished Parliament House Heritage Strategy before the Framework was completed. This process commenced in 2006 before being finalised in 2011.

3.8 It appears to the committee that the concerns about the Framework raised in evidence have been borne out by the new Secretary's plans to develop the CMP as a matter of priority. The way in which this will be achieved is through use of high-level expertise and specialised consultancy services. The committee considers that the importance of the CMP cannot be underplayed and endorses the approach outlined by Ms Mills.

3.9 The committee also notes Ms Mills' comments relating to the CRD. It is understandable that the priority be given to development of the CMP, however, the committee continues to support completion of the CRD and encourages DPS progress this project as resources permit.

---

4 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Committee Hansard*, 30 October 2012, p. 6.

5 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Committee Hansard*, 30 October 2012, pp 8–9.

## Maintenance of the building

3.10 The maintenance of the building was clearly a consideration of the then Joint House Department (JHD) from the first years of use of the new building. Mr Mike Bolton, former secretary of JHD, put the view that to allow assets to deteriorate to any great extent would not be conducive to Parliament House's place as the 'head office' of Australian democracy and the need to undertake extensive remedial work to return the building to standard would be highly disruptive. He noted in his submission that a regime of preventative maintenance had been implemented with a standard of maintaining the building and its contents at a level of 90 per cent of new. JHD also developed a work/replacement program required over the 200 year life of the building. Mr Bolton noted that over the 'first 20 years or so of the building's life would require little in the way of major engineering change. But between years 20–30 after occupation, major plant would require replacement and substantial funding'.<sup>6</sup>

3.11 During the time that Mr Bolton was secretary of JHD, it was estimated that the 200-year life cost of the building would be \$5.083 billion, or \$25.3 per annum. Mr Bolton provided an overview of the life spans of some of the major components of the building, for example, it was estimated that the precast panels would require replacement after 100 years, glazing after 40 years, and skylight seals after 15 years. Services such as the boilers and chillers would need replacement after 35 to 40 years.<sup>7</sup>

3.12 DPS commented that 'effective asset management is a significant component of the responsibilities of DPS, and it is a role we take very seriously'.<sup>8</sup> Mr David Kenny, then Deputy Secretary, DPS, noted that DPS undertook capital works projects 'many of which are based on the 100-year plan' which, in effect, is an asset replacement activity focussed on sustaining the building and replacing assets over the life of the building as they wear out.<sup>9</sup>

3.13 The DPS capital works program has increased from \$12 million in 2006–07 to around \$60 million in 2009–10, 2010–11 and 2011–12. DPS stated that the increase in capital works had allowed it to 'tackle a backlog of necessary replacement and improvement works, as well as undertaking upgrades to physical security'. For example, DPS indicated that in 2011–12 it was replacing aged kitchens and electrical, heating and cooling systems as well as completing the installation of a new IT network for the building.<sup>10</sup>

## Asset management

3.14 The overarching policy for asset management by DPS is *Governance Paper No. 33 – Caring for Parliament's Assets*. This establishes operational principles and

---

6 Mr Mike Bolton, *Submission 12*, pp 2–3.

7 Mr Mike Bolton, *Submission 12*, pp 26–29.

8 Department of Parliamentary Services, *Submission 3*, p. 12.

9 Mr David Kenny, Deputy Secretary, Department of Parliamentary Services, *Budget Estimates Hansard*, 21 May 2007, pp 87–88.

10 Department of Parliamentary Services, *Submission 3*, pp 3, 5.

practices; and investment prioritisation criteria. Following consideration of proposals, a program of work is submitted to the Presiding Officers each financial year. The program will typically cover around 50 projects ranging from minor upgrades to major IT and security works. Once projects are approved by the Strategy and Finance Committee (SFC)<sup>11</sup>, major projects are managed by the DPS Projects branch in partnership with the custodians of the asset using a project management methodology in accordance with Commonwealth Procurement Guidelines.<sup>12</sup>

3.15 DPS advised that the procedures for developing and managing projects are documented in various papers which include attention to heritage aspects. For example, *Governance paper No. 33 – Caring for Parliament's Assets*, contains the intention of the Australian Parliament to base itself in the new Parliament House for the next 200 years at least and that 'New Parliament House is recognised as a design icon and is part of Australia's heritage. This should not be compromised'.<sup>13</sup>

3.16 DPS noted that these statements have resulted in the following asset management principle:

**Protect what we have** – we need to maintain the design integrity and heritage values of this building and preserve cultural heritage assets that have unique national historic significance.<sup>14</sup>

### Condition of assets

3.17 DPS noted that one of the indicators of level and quality of service delivery are the condition of assets.<sup>15</sup> DPS uses four key building quality indicators:

- Design Integrity Index (DII) – a measure of the current condition of Parliament House and the precincts expressed as a percentage of the original built form. In particular, it measures the extent to which change within Parliament House and the precincts impacts upon the original design intent;
- Building Condition Index (BCI) – a measure of the current condition of the building fabric of Parliament House, expressed as a percentage of the original condition (target 90%);
- Engineering Systems Condition Index (ESCI) – a measure of the current operation and condition of the engineering systems in Parliament House against the expected decline of those systems through their life cycles (target 90%); and

---

11 The SFC consists of the Secretary, Deputy Secretary, Parliamentary Librarian, Chief Finance Officer and Director, Strategy and Communications; see Department of Parliamentary Services, *Annual Report 2010–11*, p. 97.

12 Department of Parliamentary Services, *Submission 3*, p. 13.

13 *Senate Hansard*, 16 August 2011, Question on Notice No. 682, p. 4599.

14 *Senate Hansard*, 16 August 2011, Question on Notice No. 682, p. 4600.

15 Department of Parliamentary Services, *Submission 3*, p. 17.

- 
- Landscape Condition Index (LCI) – a measure of the current condition of the landscape surrounding Parliament House, expressed as a percentage of the total possible condition (target 90%).<sup>16</sup>

3.18 These indices have been used for some time with the BCI being developed in 1993, the ESCI and LCI in 2000 and the DII in 2001 by the Joint House Department. The targets were originally set by consultants Advance FM and in-house maintenance staff. DPS noted that:

The benchmark of 90% of original condition was considered at the time as appropriate for nationally significant facilities. Since the development of these indices, a number of other prominent Australian facilities (such as the Sydney Opera House and the Victorian Arts Centre) have adopted this methodology.<sup>17</sup>

3.19 DPS also indicated how the annual score for each index is calculated:

- BCI – all eight zones of the building are inspected over a 12-month period with the exception of high-profile areas (for example special suites, public areas etc) which are inspected every six months;
- LCI – this score is a result of inspections/assessments of the landscape by in-house gardening staff each October; and
- ESCI – this is based on data and reports collected over the course of the year. The majority of these reports and readings are by external contractors or industry specialists, for example, monthly fire system testing reports. The data is referred to an external consulting engineer for review and provision of a report and score for each element from which the overall score is derived.<sup>18</sup>

3.20 DPS indicated that the assessment of the DII was a 'substantial task'. The procedure to calculate the annual DII is to:

- inspect, review and collect data for all changes made at Parliament House over a financial year;
- analyse the data and provide a score for each change, measuring the extent to which key design integrity principles have been integrated into the new work;
- tabulate the individual area scores and tally all scores to achieve a global score that is defined as the DII; and
- make observations regarding trends or anomalies. These observations are used to assist with future decision-making regarding physical change at APH.

---

16 Department of Parliamentary Services, *Answer to question on notice No F1*, dated 26 April 2012.

17 Department of Parliamentary Services, *Answer to question on notice Nos F2, F3*, dated 26 April 2012.

18 Department of Parliamentary Services, *Answer to question on notice No. F4*, dated 26 April 2012.

3.21 The calculation of the DII score was undertaken by consultants Advance FM between 2000–01 and 2004–05. Since 2005, the measurements have been taken by the DPS DII team. The team is established each year and includes the DPS Heritage and Design Integrity Officer (lead officer), two additional DPS members and an independent expert. For the last two years, Mr Gowrie Waterhouse, Convener—Interdisciplinary Studies, Faculty of Arts and Design, University of Canberra—has been engaged to provide an independent measure of the integration of all new works.

3.22 The DII team inspects all areas of Parliament House. In each space and in each zone, the components of language, symbolism, design order, change and overall impression are examined and given a score from one to five by each team member. Individual scores are then used to determine a team score. This score is then expressed as a percentage of the total possible score.

3.23 DPS went on to comment:

Annual inspections are planned to ensure that all spaces where projects work has been undertaken are physically inspected however, given the enormity of the task, areas such as Senators and Members Suites, DPS staff offices, courtyards and basement spaces are inspected on a randomly selected sample.

Every five years, a full building assessment is conducted, which necessitates access to, and scoring of, all areas. The next full assessment of all eight DII zones is due to take place in 2013–14.<sup>19</sup>

3.24 The indices have been reviewed a number of times: the BCI was reviewed in 2005; the ESCI in 2005 and 2009; the LCI in 2001 and 2006; and the DII in 2004–05. All the reviews were undertaken by consultants Advance FM.

3.25 DPS provided an overview of the outcomes of the reviews. The 2005 review of the BCI did not recommend any changes to the methodology of establishing this score. However, it was noted that:

Maintenance costs per m<sup>2</sup> for 2004–05 were below 1% of Capital Replacement Value (CRV), which is a benchmark used by many building management organisations (for example, Queensland State Government). With a CRV of \$1.8 billion, the 1% benchmark equates to \$18 million pa or \$72.00 per m<sup>2</sup>. The maintenance costs for 2004–05 were \$47.76 per m<sup>2</sup>.<sup>20</sup>

3.26 The report also noted the level of maintenance funding for 2004–05 would not sustain a BCI of 90 per cent over time and was not keeping pace with the Consumer Price Index. It was also found that there were areas where the building condition was falling. DPS indicated that some of these concerns were addressed with the remainder of the concerns being monitored 'as they have no immediate impact, but may in the

---

19 Department of Parliamentary Services, *Answer to question on notice No. F4*, dated 26 April 2012.

20 Department of Parliamentary Services, *Answer to question on notice No. F6*, dated 26 April 2012.

longer term'.<sup>21</sup> Maintenance services activity was reviewed in 2010 by ARUP. DPS stated that 'ARUP noted that maintenance management and staff cared deeply about the custodianship of Australian Parliament House and were fearful that cost-cutting/outsourcing may impair the long-term sustainability of the asset, leading to higher costs in future years'.<sup>22</sup>

3.27 The 2004–05 review of the ESCI made no recommendations for changes to the methodology used and found the engineering systems to be in good to very good operational order and maintained at appropriately high levels. The review also noted that engineering systems were ageing and would require greater levels of maintenance to continue performing at high levels. The ESCI review of 2009 highlighted a number of matters in relation to methodology noting that changes had been implemented 'to save the cost of doing plant inspections'. Comments from maintenance trade staff indicated that they did not support the changed methodology. Nine recommendations were made. DPS commented that if adopted, these 'would have resulted in the original ESCI being restored and would have had an implication on maintenance resources'. DPS stated:

None of the recommendations have been implemented to date. No documentary evidence can be found to confirm why the recommended changes were not implemented.<sup>23</sup>

3.28 The 2001 review of the LCI resulted in five of the seven observations made in the review being adopted and implemented. The remaining two were not agreed to by Landscape Services. The three recommendations of the 2005 review were implemented.<sup>24</sup>

3.29 At the committee's hearing on 30 October 2012, Ms Carol Mills, Secretary, DPS, commented that she had no reason to suggest that the assessment process used for the indices was not reasonable. However, Ms Mills indicated that as part of the development of a comprehensive CMP and an asset strategy for the building, 'it would be timely to review that process and give reassurance that the criteria still remain relevant'.<sup>25</sup>

#### *Asset condition indices*

3.30 The following table provides the asset condition indices from 2001–02 to 2011–12.

- 
- 21 Department of Parliamentary Services, *Answer to question on notice No. F6*, dated 26 April 2012.
  - 22 Department of Parliamentary Services, *Answer to question on notice No. F6*, dated 26 April 2012.
  - 23 Department of Parliamentary Services, *Answer to question on notice No. F6*, dated 26 April 2012.
  - 24 Department of Parliamentary Services, *Answer to question on notice, No. F6* dated 26 April 2012.
  - 25 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Committee Hansard*, 30 October 2012, p. 3.

**Table 3.1: Asset condition indices**

	2001–02	2002–03	2003–04	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12
Design Integrity Index (DII)*	92% <i>90%</i>	90% <i>89–92%</i>	90% <i>89–92%</i>	90.7% <i>90%</i>	91% <i>90%</i>	90.6% <i>90%</i>	90.5% <i>90%</i>	91.8% <i>90%</i>	91.2% <i>90%</i>	90.2% <i>90%</i>	89.8% <i>90%</i>
Building Condition Index (BCI)*	90% <i>90%</i>	90% <i>89–92%</i>	90% <i>89–92%</i>	89% <i>89–92%</i>	89.7% <i>89–92%</i>	89.1% <i>89–92%</i>	89.3% <i>89–92%</i>	89.2% <i>89–92%</i>	88.9% <i>89–92%</i>	88.8% <i>89–92%</i>	88.1% <i>89–92%</i>
Engineering Systems Condition Index (ESCI)*	91% <i>90%</i>	91% <i>89–92%</i>	90% <i>89–92%</i>	90% <i>90%</i>	89% <i>90%</i>	88.7% <i>90%</i>	90% <i>90%</i>	89.1% <i>90%</i>	88.2% <i>90%</i>	87.5% <i>90%</i>	87.7% <i>90%</i>
Landscape Condition Index (LCI)*	91% <i>88%</i>	88% <i>89–92%</i>	88% <i>88–91%</i>	85% <i>88–91%</i>	87% <i>88–91%</i>	89% <i>88–91%</i>	83% <i>88–91%</i>	75% <i>90%</i>	78% <i>90%</i>	79% <i>90%</i>	86% <i>90%</i>

\*Target in italics

Source: DPS Annual Reports 2003–04 to 2011–12



3.31 DPS annual reports provide information on the reasons for the scores achieved each reporting period. For example, the decrease in the LCI from 2002–03 was attributed the drought. Changes in the BCI were attributed a number of factors over the years: in 2004–05 to a reduction in maintenance expenditure; in 2009–10 to a reduction in painting and carpeting in general circulation areas; and in 2010–11 repairs and refurbishments were required to a number of areas including the Marble Foyer.

3.32 Changes in the DII were attributed as follows:

- the 2005–06 improvements were due to forecourt work and refurbishment of the Queen's Terrace Café; (Annual Report 2005–06 p. 101)
- the 2006–07 reduction was due to some projects not reaching expected standard, lack detail quality or being inconsistent with the original design intent; (Annual Report 2006–07 p. 123)
- in 2007–08 the DII score reflected well-integrated changes such as upgrading disability access and in the Ministerial Wing; (Annual Report 2007–08 p. 118)
- the 2008–09 score was attributed to well integrated physical changes, building maintenance and presentation that aligns with the design intent while the inactive water features and inadequate presentation of the façade (due to water restrictions) had a negative impact; (Annual Report 2008–09 pp 94–5)
- the 2009–10 score was improved by restoration of the private dining rooms but it was also reported that there was an increase in the quantity of non-standard furniture in use; (Annual Report 2009–10 p. 50) and
- the DII for 2010–11 reflected improved scores in the Chamber departments but negatives arose from the new security measures in the car parks and accommodation solutions. (Annual Report 2010–11 p. 55)

### **Adequacy of maintenance and asset replacement programs**

3.33 The indices provide a measure of how effective DPS is in 'protecting what we have'. However, there is very little information available to allow for a realistic assessment of the adequacy of maintenance practices in Parliament House. For example, all that DPS annual reports provide is an indicator of the amount of maintenance of plant and building fabric achieved by the Maintenance Services section. This section operates and maintains the electricity, heating and cooling and hydraulic services as well as the exterior and interior of the building and Parliament House's landscape. In the 2010–11 Annual Report it is reported that 89 per cent of the planned maintenance was achieved against a target of 85 per cent.<sup>26</sup> This indicator is relatively useless in measuring the adequacy of the maintenance regime undertaken by DPS: it does not provide what work is actually covered in this measure; and without information on changes to maintenance programs, and whether planned annual programs are sufficient to maintain the building, no accurate assessment can be made.

---

26 Department of Parliamentary Services, *Annual Report 2010–11*, p. 57.

3.34 The annual report also includes a price indicator for maintenance. For the 2010–11 financial year, maintenance costs were \$23.4 million. The annual report again does not provide any detail in relation to this figure. In addition, costs under the cleaning contracts are provided but it is unclear whether these are in addition to the \$23.4 million or included in that figure.<sup>27</sup> The committee also notes that target for this measure is a 1.25 per cent reduction in costs. This target was met in 2008–09 but not in 2009–10 and 2010–11. Given DPS's continued comments about the ageing of the building, the committee is concerned that a target of a continuing decrease in maintenance costs is not sound for the long-term condition of the building and may, in fact, lead to greater costs in the future.

3.35 DPS uses administered funds to plan, develop and deliver into service a building works program and an artworks conservation and development program. The 2010–11 Annual Report states that:

While the structure of Parliament House was designed and constructed to have a life of some 200 years, after 22 years of operation there are significant reasons why continuing investment in a building works program is required, including:

(a) many components within the building are reaching the end of their economic service life and have worn out (or are very close to wearing out), including electrical, mechanical and plumbing equipment;

(b) new technologies that enable improved services are becoming available, such as more efficient lighting and energy systems, often reducing long-term support costs and/or enabling better environmental performance; and

(c) new investments are required to meet compliance and regulatory requirements such as safety, security and disability access.

The building works program supports the operation of Parliament into the future, while at the same time preserving the design integrity of the architecture, engineering systems, art collections and landscape that make up Parliament House.<sup>28</sup>

3.36 In 2010–11 the cost of building projects under administered funds was \$19,758,532.<sup>29</sup>

3.37 The 2010–11 Annual Report also indicates that the BCI score has fallen below the target of 89–92 per cent. While an outline of factors contributing to the drop in the BCI score is provided, the information is less than comprehensive. For example, it is noted that limited maintenance had been carried out in the plants rooms during the year. Again, no detailed information was provided and the committee is left to wonder about the long-term effect of this level of maintenance in the plant rooms and whether this will result in a need for greater remedial work in the future.<sup>30</sup> The BCI scores also

---

27 Department of Parliamentary Services, *Annual Report 2010–11*, p. 59.

28 Department of Parliamentary Services, *Annual Report 2010–11*, p. 76.

29 Department of Parliamentary Services, *Annual Report 2010–11*, p. 78.

30 Department of Parliamentary Services, *Annual Report 2010–11*, p. 53.

show a decline over the four financial years from 2007–08. Again, there is no comprehensive discussion about this trend or actions being taken to improve the BCI score.

3.38 The committee also notes that the 2005 review of the BCI used benchmark data of maintenance costs per m<sup>2</sup> and commented included that the level of maintenance funding would not sustain a BCI of 90 per cent over time. The committee considers that DPS should reinstate the provision of maintenance expenditure per square metre (last reported in the 2004–05 Annual Report) or explore whether there is another suitable benchmark against which maintenance costs can be compared to and reported on in the annual report.

3.39 As part of maintaining the building, DPS has undertaken capital works programs to replace assets. The DPS Portfolio Budget Statements (PBS) for 2010–11 and 2011–12 reported that DPS had undertaken extensive capital works programs to address the backlog of asset replacement as well as completing security work for which funding had been received in 2010–11. However, the 2010–11 PBS indicated that after 2011–12 'the base funding for necessary capital investment will be about half the long-term need'.<sup>31</sup> The 2011–12 PBS also provided information on the extent of the ageing of assets in Parliament House and the costs of replacing those assets. It was stated that:

Data extracted from the asset register suggests that DPS needs to make an average of a \$20m to \$30m annual investment to renew departmental assets. Even though the underlying structure of Parliament House is planned to last 200 years or more, \$20m to \$30m is also required to renew ageing building components, including plant and equipment. DPS will need to actively seek additional funding through the NPP process from 2012–13 onwards.<sup>32</sup>

3.40 At the 2011–2012 Additional Estimates, DPS indicated that its capital budget had reduced by 20 per cent.<sup>33</sup> As a consequence of the additional efficiency dividend in 2012–13, the departmental capital program would reduce by approximately \$2.4 million in 2012–13, rising to a reduction of approximately \$5.4 million in 2014–15.<sup>34</sup>

### **Maintenance issues with the building façade**

3.41 A major maintenance issue examined during the inquiry and the October 2012 Supplementary Estimates was the condition of the building façade. The building façade is a significant feature of Parliament House. The committee was told that two

---

31 Department of Parliamentary Services, *Portfolio Budget Statements 2011–12, Budget Related Paper No. 1.19C*, p. 33.

32 Department of Parliamentary Services, *Portfolio Budget Statements 2011–12, Budget Related Paper No. 1.19C*, p. 33.

33 Mr David Kenny, Deputy Secretary, *Additional Estimates Hansard*, 13 February 2012, p. 28.

34 Senate Finance and Public Administration Legislation Committee, *Additional Estimates 2011–12*, Department of Parliamentary Services, *Answer to question on notice No. 65*.

reviews of the façade had been undertaken. The first was undertaken around 1990 by Dr Alan Spry and identified a number of areas for potential maintenance improvement, particularly regarding water damage and wear and tear on the building.<sup>35</sup>

3.42 The second review, conducted by Diagnostech in March 2005, pointed to significant issues with the building façade. Ms Mills commented that this review found that there were a number of areas where effective maintenance strategies could improve the length of time which the materials on the external part of the building could be kept in good condition. In addition, Diagnostech reported on significant issues with the Verde Issorie (VI) panels on the exterior niches next to the Chamber glass links and the white marble cladding panels on the Great Veranda and the House of Representatives north and south return walls.

3.43 Diagnostech found that the white marble cladding on the Great Veranda was bowing and the marble on the House of Representatives walls was 'also suspect'. The consultants recommended that immediate public safety provisions should be implemented to mitigate the possibility of collapse of these panels. The consultants also noted a range of other major issues concerning the façade, including fractured panels which it considered were not in danger of collapse, unless subject to an 'external event'.

3.44 In relation to the VI panels, Diagnostech reported that this type of marble was unsuitable for use in the long term in the position in which it is placed and that there was a risk of it breaking up and shards falling from the building. Diagnostech stated:

Immediate public safety provisions should be implemented to mitigate the possibility of collapse of the discoloured failed verde issorie niche panels. There is a 30 to 40 per cent risk that they may fail.<sup>36</sup>

3.45 The consultant's report also commented on the water leak in the forecourt water feature and noted that this required 'rectification in the short term to preserve the long term structural integrity of the concrete forecourt slab/basement car park roof structure'. At the May 2005 Budget Estimates, DPS was questioned about the water leak and specifically whether the matter had been checked by engineers. DPS indicated that a major review had been undertaken but did not offer any further information. At that estimates it was also noted that Parliament House was built on known geological fault and that there are movements from time to time.<sup>37</sup>

3.46 Ms Mills provided the committee with information on DPS's response to problems with the marble panels and stated that in 2007 and 2008 consideration was given to undertaking a more detailed analysis of the VI marble. While this was never proceeded with, Ms Mills stated that in 2008 a further examination of the building was

---

35 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 42.

36 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 43.

37 *Budget Estimates Hansard*, 23 May 2005, pp 43–44.

undertaken. Some significant maintenance work in relation to the water recommendations was completed, and the bowing of the white marble on the Great Veranda rectified including re-pinning of the bowed panels.<sup>38</sup> However, no remedial action was taken in relation to the VI panels.<sup>39</sup> Small plastic cordons had been placed in some areas to prevent people intruding too closely to the VI marble panels.

3.47 Ms Mills went on to explain how she intended to proceed:

I think there are two immediate tasks. One is to identify that there are physical barriers in place where there is a risk and whether those physical barriers are appropriate—so coming back to the issue about the fencing. The other is that I am advised that documents were prepared some time ago with a view to getting more detailed expert advice on that specific part of the facade. That was not proceeded with. I will now proceed with that work.<sup>40</sup>

3.48 Ms Mills also stated that 'clearly it is a capital expenditure issue and a safety issues and processes in the past have obviously seen other things as more urgent, but I will certainly look into this matter as a priority'.<sup>41</sup>

3.49 At the committee's hearing of 30 October 2012, Ms Mills provided further information in relation to the condition of the VI panels. Ms Mills indicated that following the Supplementary Estimates hearings, a visual inspection had been undertaken and DPS had consulted two stone experts. There are no visible signs of destabilisation in the stone but it was noted that there are some areas of risk including leading edges and the soffits. In these areas an unrestrained piece of stone could dislodge but to do so it would have to crack completely through the panel and it was considered that it would take a significant time for this to occur. Following further review by expert Mr David West, DPS is undertaking weekly visual inspections of the façade and Mr West will be engaged to commence a more detailed review and preparation of a framework for a longer-term strategy of remediation.<sup>42</sup>

3.50 Ms Mills informed that committee that the vertical stone is safe and a visual inspection by DPS has indicated that the overhead marble is also safe but 'weekly

---

38 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 42; Ms Carol Mills, *Committee Hansard*, 30 October 2012, p. 2.

39 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 42.

40 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 46.

41 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 45.

42 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Committee Hansard*, 30 October 2012, pp 2–3.

monitoring is necessary until we can provide a long-term solution' to give the assurance warranted.<sup>43</sup>

### **Committee comments**

3.51 The preservation of Parliament House for its expected life-span of 200 years, will, in part, depend on adequate and timely maintenance and appropriate asset replacement regimes. Maintenance and timely replacement of assets will help to preserve the significance of the building and retain the integrity of the building fabric as well as its appearance. Appropriate maintenance and asset replacement programs can also extend a building's life but a poor program can lead to costly repairs in the future and diminution of design integrity and heritage values.

3.52 The committee has commented on the lack of clear information from DPS on maintenance issues. In particular, there is a lack of information on the required level of maintenance for a 25 year old building and whether the programs being undertaken by DPS are sufficient to ensure that the building condition is maintained. For example, because of a decrease in funding, annual painting programs have been decreased by 40 per cent.<sup>44</sup> Worryingly, the target for maintenance costs is a reduction of 1.25 per cent per year. The committee would have considered that as an asset ages, the more maintenance it is likely to require and that any decrease in maintenance activities should be undertaken with caution.

3.53 DPS has shown a lack of caution in relation to one significant maintenance issue identified by the committee. The 2005 report on the condition of the façade of the building identified a major maintenance issue and raised public safety concerns stating that 'immediate public safety provisions should be implemented'. DPS appears to have carried out some remedial work but not all that was recommended in the report. This is matter of grave concern to the committee: there are many people in the building who would daily move into the areas beneath the affected panels. While it is welcome that no incidents or injuries have occurred, the committee considers that this matter must be resolved. The committee welcomes the action that has been undertaken by DPS since the Supplementary Budget Estimates and will follow the progress of remedial action.

3.54 While DPS has stated that it has a 100-year plan of capital works, no detailed information has been provided in annual reports or at estimates to indicate how current asset replacement is fairing against this plan. The committee notes DPS's comments concerning the need for an average of \$20 million to \$30 million annual investment to renew departmental assets in the coming years. This is a significant level of investment. The committee considers that DPS should provide adequate information about the progress of asset replacement plans as any extended periods of unserviceability of essential building assets could have a significant detrimental effect on the functioning of the Parliament.

---

43 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Committee Hansard*, 30 October 2012, p. 3.

44 Department of Parliamentary Services, *Submission 3 Attachment A*, p. 8.

3.55 Finally, the committee notes Ms Mills' comments during Supplementary Estimates that 'one of the pre-eminent tasks in our new structure is to develop a strategic asset management plan'.<sup>45</sup> This is a welcome response but underscores the lack of leadership and expertise within the former structure of DPS such that a fundamental planning tool now needs to be developed for the building which has been occupied since 1988.

---

45 Ms Carol Mills, Secretary, Department of Parliamentary Services, *Supplementary Estimates Hansard*, 15 October 2012, p. 42.

