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Parliamentary Standing Committee on Public Works

REPORT

relating to the

RELOCATION OF NAVAL SUPPORT COMMAND HEADQUARTERS, PYRMONT, NSW

(Eleventh Report of 1991)

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
1991

The Parliament of the Commonwealth of Australia
Parliamentary Standing Committee on Public Works



Report Relating

to the

Relocation of
Naval Support Command
Headquarters, Pyrmont, NSW

(Eleventh Report of 1991)

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**MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS**

(Thirtieth Committee)

Mr Colin Hollis MP (Chairman)
Mr William Leonard Taylor MP (Vice-Chairman)

Senate

Senator Bryant Robert Burns
Senator Paul Henry Calvert*
Senator John Robert Devereux

House of Representatives

Mr Ewen Colin Cameron MP
Mr Lloyd Reginald O'Neil MP
Mr Russell Neville Gorman MP
Mr Bruce Craig Scott MP

* Appointed on 24.8.90 following the retirement of Senator
Dr Glenister Sheil

**SECTIONAL COMMITTEE ON RELOCATION OF NAVAL
SUPPORT COMMAND HEADQUARTERS, PYRMONT, NSW**

Mr Colin Hollis MP (Chairman)
Senator John Robert Devereux (Vice-Chairman)
Mr Russell Neville Gorman MP
Mr Lloyd Reginald O'Neil MP

Committee Secretary: Peter Roberts

Inquiry Secretary: Michael Fetter

Secretarial Support: Di Singleton

**EXTRACT FROM THE VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES**

No. 87 dated Thursday, 12 September 1991

27 PUBLIC WORKS - PARLIAMENTARY STANDING

**COMMITTEE - REFERENCE OF WORK - RELOCATION
OF NAVAL SUPPORT COMMAND HEADQUARTERS,
PYRMONT, NSW:** Mr Beddall (Minister representing the
Minister for Administrative Services), pursuant to notice, moved
- That, in accordance with the provisions of the *Public Works
Committee Act 1969*, the following proposed work be referred
to the Parliamentary Standing Committee on Public Works for
consideration and report: Relocation of Naval Support
Command Headquarters, Pyrmont, NSW.

Mr Beddall presented plans in connection with the proposed work.
Debate ensued.

Question - put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

RELOCATION OF NAVAL SUPPORT COMMAND HEADQUARTERS, PYRMONT, NSW

By resolution on 12 September 1991 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the proposed relocation of the Naval Support Command Headquarters, Pyrmont, NSW.

THE REFERENCE

1. The works in this reference involve the refurbishment of Buildings 1 and 2 at the Royal Edward Victualling Yard (REVVY), Pyrmont. It comprises the internal and external refurbishment of two substantial buildings, together with the removal of a vehicle garage, relocation of an electrical substation and construction of a special purpose workshop for use by the Underwater Systems Division of the Defence Science and Technology Organisation.
2. The estimated cost of the proposed work is \$13.4m at April 1991 prices.

THE COMMITTEE'S INVESTIGATION

3. At a private meeting on 14 November 1991, the Committee resolved to appoint a Sectional Committee of four members to conduct the inquiry related to this reference. The Sectional Committee consisted of Mr C Hollis MP (Chairman), Senator J Devereux (Vice-Chairman), Mr R N Gorman MP, and Mr L R O'Neil MP.
4. The Committee received a submission and drawings from the Department of Defence (Defence) and took evidence from representatives of the department and departmental consultants at a public hearing held at REVY on 19 November 1991.

5. The following organisations also presented submissions and appeared before the Committee at the public hearing:

- Public Sector Union
- National Trust of Australia - NSW Branch
- Sydney Harbour and Foreshores Committee
- Commonwealth Fire Board.

6. Submissions and letters were also received from the following:

- Council of the City of Sydney
- Maritime Services Board of NSW
- Commonwealth Department of the Arts, Sport, the Environment, Tourism and Territories
- Royal Australian Institute of Architects
- Australian Heritage Commission
- Department of Planning, NSW Government
- Commonwealth Department of Primary Industries and Energy
- Childcare at Work Ltd.

7. Prior to the hearing the Sectional Committee inspected leased accommodation occupied by the Naval Support Command Headquarters in the Remington Centre, Liverpool Street, Sydney, as well as Building 89 at Garden Island Dockyard. Building 89 is a former naval warehouse which was refurbished to provide office accommodation. The Committee also inspected Buildings 1 and 2 at REVY.

8. A list of witnesses who gave evidence at the public hearing is at Appendix A.

9. The Committee's proceedings will be printed as Minutes of Evidence.

BACKGROUND

Naval Support Command

10. The Naval Support Command provides logistic support to the Royal Australian Navy, in particular to the deployment and operation of Australia's maritime combat forces to meet current standards of readiness. The Command is headed by the Flag Officer Naval Support Command and is responsible for:

- the provision of logistic support for all ships, submarines, aircraft, support craft, weapons and shore-based equipment from the time these assets are accepted into service until their ultimate disposal
- the inventory management and distribution for all supply support items including naval, armament, kit and clothing, victualling and fuel stores
- the initiation and development of requirements for new or modified facilities necessary for the logistics support role
- the management of depot level repair and overhaul of naval ships and aircraft to meet approved operational availability requirements
- the provision of supply and technical advice and services to ensure through-life support of all equipment introduced to the RAN.

Extent of Naval Support Command

11. The Command has a workforce of 7 200 personnel, 3 200 of which are civilians. It has a total annual budget of \$539m (excluding wages and salaries) and has overall responsibility for the following major elements:

- 7 commissioned shore establishments
- 8 oil fuel installations
- 2 supply depots in Sydney with 650 000 line items

- 4 armament depots with 19 000 line items
- 12 engineering support organisations.

THE NEED

Existing Accommodation

12. The command headquarters are presently housed in 6 500m² of leased accommodation at the Remington Centre in the Sydney CBD. The building is a large office complex constructed in 1975 and has been occupied by the Navy and the Defence Regional Office since then. The command headquarters and the regional office share accommodation on 12 floors of the building. The Remington Centre also provides office accommodation to a number of non-Defence tenants.

13. The present accommodation arrangements for the support command at the Remington Centre have a number of significant deficiencies. After inspecting a number of floors occupied by support command personnel, the Committee agrees that the functional layout is extremely poor. The Committee was also advised that the provision and distribution of electrical services are inadequate to cater for the needs of a modern electronic office. Furthermore, the lifts are considered by Defence to be inadequate and unreliable. The air-conditioning system, despite frequent attention, cannot cope with the demands placed on it. The Committee noted that there is little useable storage space. Finally, a deficiency of particular concern is the lack of security and the inability to control access. Deficiencies in security measures result in high costs to maintain dedicated building security systems.

Cost of Leasing

14. The current lease will expire on 30 April 1995. The Committee was advised that the annual rent paid by Defence for space occupied in the Remington Centre amounts to \$7.9m, of which the support command contributes \$4.7m, the latter including all outgoings associated with the location. The balance of \$3.2m is rent attributable to the Defence Regional Office which also occupies the building. At the public hearing Defence advised that the only advantages to the support command being located in the CBD are proximity to public transport at the moment and marginally closer proximity to fleet activities than the buildings at REVY.

15. The Committee is concerned about Defence occupying leased accommodation, such as the Remington Centre, in the high rent Sydney CBD and therefore questioned Defence about its future plans in relation to the future of the Defence Regional Office and the location and cost of other leased premises occupied by the Navy in Sydney.

16. Defence advised that the decision to lease accommodation in the Remington Centre was taken at a time when there were restrictions on capital funding and a general tendency for all government departments to lease space. The lease was entered into at a time of high vacancy in office space, the rent was considered attractive, and unfortunately, Defence has been locked into this arrangement. Defence acknowledged that in more recent years departments have recognised the disadvantages of escalations in rental costs producing no capital returns. This factor is reflected in a recommendation of the Defence Regional Support Review which directs accommodation planning towards avoiding high cost city rents. Defence advised that it is now examining strategies to relocate from leased accommodation in Perth and Adelaide as well as in Sydney.

17. The Navy also occupies leased premises in Miller and Walker Streets, North Sydney. The RAN Hydrographic Office occupies a building in Miller Street and the RAN Trials and Assessment Unit in Walker Street. The Committee understands that the Navy is at present in the process of planning the relocation of the Hydrographic Office into Defence-owned premises.

18. The Committee also sought to establish where the Defence Regional Office will be located following the lease expiring for the Remington Centre. Defence advised that as part of a rationalisation of Defence activities in Sydney, a review of the office is at present under way. Defence aims to vacate all elements from the Remington Centre when the lease expires.

Committee's Conclusions

19. Accommodation provided for the Naval Support Command in the Remington Centre is inadequate and very costly in terms of rent.

20. There would be financial advantages in Defence vacating the premises and relocating the Naval Support Command Headquarters and other elements to Commonwealth-owned premises.

THE PROPOSAL

Alternatives Considered

21. Defence identified a range of options which could satisfy the need to relocate the command headquarters into Defence-owned accommodation in the Sydney area. The options included:

- construction of new facilities on Defence-owned land at Randwick or Zetland
- refurbishment of existing Defence-owned assets at HMAS Kuttabul and at REVY, Pyrmont
- acquisition of commercial properties in the CBD, North Sydney and Potts Point
- long-term lease of commercial office space.

22. These options were assessed against costs and a user requirement. A financial evaluation, which compared options using predicted financial changes, was then prepared. Based on this analysis and other non-financial criteria such as security and the operational benefits of collocating various elements of the headquarters in the one building, the most effective option was found to be the refurbishment of Buildings 1 and 2 at REVY, Jones Bay Road, Pyrmont. A location plan of REVY is at Appendix B, Drawing B - 1.

Committee's Conclusion

23. Refurbishment of Buildings 1 and 2 at the Royal Edward Victualling Yard, Pyrmont appears to be the best option in terms of capital cost and recurrent expenditure.

SITE AND EXISTING BUILDINGS

Site

24. The site is 0.63ha in area and is located on the shores of Darling Harbour. There are three substantial buildings on the site which were designed in the early 1900s as naval dockside warehouses by the NSW

Government architect, W L Vernon. A site plan is at Appendix B, Drawing B - 2. Except for a small parcel of land at the front entrance, the site is owned by Defence. The Committee was advised that although ownership of the site has been gazetted, Defence does not have formal title to the land. Defence explained that as part of the redevelopment of the REVY site, it is negotiating with the NSW Maritime Services Board to access some land adjoining the site and when these negotiations are completed and a re-survey has been completed, a formal certificate of title for the entire site will be issued. No problems are expected.

Building 3

25. Building 3 was refurbished by the Commonwealth in the early 1980s and provides laboratories and offices for the Defence Science and Technology Organisation (DSTO) Underwater Systems Division. The refurbishment was the subject of an inquiry by the Committee in 1979.

26. The building is eight storeys in height and has a concrete encased steel frame, concrete floors and roof and load-bearing external brick walls. It provides a modern, air-conditioned office environment for 117 scientific and administrative personnel.

Description of Buildings 1 and 2

27. Buildings 1 and 2, the subject of the proposed work, are respectively five and six storeys in height. They are considered to be fine examples of federation warehouse buildings and are largely intact. Their roofs are pitched and tiled with Marseilles patterned terracotta tiles on battens and timber rafters. External walls are load-bearing brickwork. Other than the concrete ground floor, floors consist of boards supported by timber joists which are strutted at midspan. The joists span main timber beams and between main beams and perimeter walls. Main beams are supported by timber columns via cast iron caps. At the perimeter walls the main beams project into pockets in brickwork and bear onto steel or iron plates bedded in the walls.

28. The structural capacity of the timber floors is 10kPa (first and second floors) and 6kPa (third, fourth and fifth floors). The Committee questioned Defence and its consultants about the structural soundness of the large internal timber columns in the buildings. Whilst the Committee was advised that the buildings are reported to be structurally sound with all floors being

able to support safely office-type accommodation, it will be the responsibility of the managing contractor to certify that every element of the structure is sound.

29. The brickwork and mortar appear to be generally sound although repointing of some of the external brickwork is necessary and waterproofing of the total building is essential.

PROPOSED WORK

Demolition or Relocation of Recent Additions

30. The northern end of the ground floor of Building 1 contains a welding bay used by DSTO occupying about 200m². More complex welding tasks to assist the performance of sea experiments are carried out in the facility. It will need to be relocated if the building is to be used for office accommodation.

31. At the northern end of Building 1 is a metal off-cut store which was constructed in 1944. The brickwork on the eastern extremity is badly cracked. This store will need to be demolished, the storage function relocated and the wall restored to its original form.

32. In 1984 a brick veneer four-car garage, containing also a drivers' waiting room and a small electrical switchroom, was provided adjacent to Building 3. The garage building will need to be demolished to provide improved flexibility of the site.

33. At present the substation serving the site is located between Buildings 1 and 3. A proposal to convert Buildings 1 and 2 for office accommodation would require the capacity of the existing substation to be increased. Improved utilisation of space could be achieved by relocating the substation to the southeast corner of the site.

34. Buildings 1 and 2 are surmounted by a tower at their intersection; the tower supports a large water tank which originally provided fresh water and stored water for the sprinkler system. The tank is at present empty, although it has been rustproofed and painted. The tank can therefore be retained and space within the tower could be used for storage.

Heritage Significance and External Work to be Undertaken

35. The buildings are of heritage significance and the approach towards planning and design aims at retaining to the maximum extent possible their heritage significance both internally and externally.

36. All external walls will have dirt, grime, staining and vegetation growing in brickwork removed. The Committee questioned the method of cleaning to be employed and was advised that externally, steam cleaning will be used. Imperfections in external brickwork, and weathered mortar joints will be repointed using mortar of the same colour. The Committee was also advised that it is not expected that there would be a water leaking problem once the external cleaning and sealing has been carried out.

37. The roller door serving the welding bay will be removed and replaced by a window and brickwork to restore the original appearance. Internal brickwork will be cleaned and patched and the surface will be repainted.

38. All timber window frames will be repaired and sealed to existing walls, damaged timber window sills will be repaired or replaced. At present the buildings have timber hoist access doors to each floor. These doors will be replaced by a glazing arrangement to provide a large window. Similarly, a glazing arrangement will be installed in the link behind the balustrading. The balustrading itself will be repaired and repainted. The security bars on windows above first floor levels will be removed and the brickwork made good. The remaining security bars will be cleaned, rustproofed and repainted.

39. All unsound roof gutters and pipes will be removed and replaced. All loose roof tiles will be re-affixed and cracked and broken tiles will be replaced with colour-matched new tiles. The Committee questioned the availability of matching roof tiles and was advised that matching tiles are available, although they are slightly different in profile. To overcome the problem it is proposed to rationalise the arrangement of tiles by relocating existing ones to more exposed areas and placing new replacement tiles in concealed areas. This process was used to waterproof Building 1.

40. The welding bay, which occupies an area on the ground floor of Building 1, will be relocated to a special-purpose building adjacent to Building 3.

Committee's Conclusion

41. Work to be undertaken on the outside of the buildings, including the removal or relocation of recently added structures, is essential if the buildings are to be capable of providing office accommodation and reflect a particular sensitivity towards their heritage importance.

Access, Security and Car Parking

42. Vehicular and pedestrian access to the site will be through the entrance at the southwest of the site. Personnel access will be via a keycard type system and vehicular access will be controlled by a boom gate. The entrance will be manned 24 hours. Microswitches will be located on all external openings and fire doors, motion detectors will be provided on each floor. Closed circuit television will provide perimeter surveillance of all external walls, the wharf area and forecourt. A plan of the Security Control Post is shown in Appendix B, Drawing B - 3.

43. The final layout of car parking on the site, which will aim at obtaining maximum numbers, is still to be determined, although the Defence submission to the Committee mentions that there are currently 71 spaces and that the total number would be between 90-95. In deciding on the configuration of car parking spaces, Defence will need to recognise the need for access to the western side of the site for fire-fighting appliances. The Committee notes that the number of Naval Support Command personnel likely to work in the redeveloped REVY buildings will exceed 500. Given the significant shortfall in parking spaces and the comparable remoteness of the site from public transport, the Committee inquired about the strategies to be used in enabling the workforce to travel to and from REVY and where those who elect to travel to work by private car will be able to park.

44. Naturally, the matter of car parking was raised with Defence by a number of staff associations during the consultation process and by a representative of the Public Sector Union at the public hearing.

45. Defence advised the Committee that the State Transit Authority was approached recently to advise on methods of improving access to the site. The Authority offered to undertake a survey of the transport patterns of staff accommodated at the Remington Centre and in Building 3 at REVY, Pyrmont. The objective of the survey will be to assist both the Authority and Defence to plan alternative access strategies; this includes the possibility of

ferry or dedicated bus transport. Furthermore, Defence advised the overall planning philosophy for the area is to discourage the use of private transport and to maximise reliance by staff on the public transport infrastructure. This view is supported by the Committee.

Committee's Conclusions

46. Potential problems of access to the site have been identified and measures aimed at overcoming them are under consideration.
47. Close liaison and constructive cooperation between Defence and State Government authorities aimed at providing a reasonable and adequate public transport service are essential for the success of this project.

Landscaping and Staff Amenities

48. A concrete road pavement covers virtually the entire site. It is worn and cracked and Defence believe it to be incompatible with a redeveloped site. Accordingly, the opportunity will be taken to remove some areas of paving to provide landscaped areas and the remaining area will be regraded and resurfaced. A forecourt will be provided at the junction of the two buildings which will become the main entrance.
49. A landscaped area, complete with outdoor tables and chairs for 30 staff, will be located adjacent to the canteen and staff lunch room. A small gymnasium and showers will be located on the ground floor of Building 2. An automatic banking machine will also be provided.
50. The Sydney Harbour and Foreshores Committee suggested that landscaping may be inappropriate, given the maritime nature of the area and suggested that textile coverings could be used to provide shade. Defence advised that the final design of the landscaped area has not been decided upon, although there is provision for landscaping in the project budget. The landscaping will aim at softening the 'landscape' and to improve the amenity of the area for the users and some lawn areas and shade areas would be desirable.
51. The Public Sector Union questioned the adequacy of the staff amenities, including the provision of a canteen in lieu of a cafeteria, the size of the gymnasium and the number of showers to be provided. Defence assured the Committee that the provision, nature and dimensions of these

amenities accords with the Building Code of Australia. Nevertheless the Committee believes that given the nature of contemporary society which especially emphasises the need for office workers to maintain a level of fitness by lunch-time exercise, there are valid grounds for increasing the number of showers from three to six.

Committee's Recommendations

52. The landscaping to be provided should include, if possible, some lawn and shade trees.

53. The number of showers to be provided should be increased from three to six.

Drainage

54. A completely new stormwater drainage system will connect all downpipes, car park sumps and rainwater outlets. An adequate number of inspection points for the drainage system will be installed. The Sydney Harbour and Foreshores Committee pointed out that oil-contaminated water from car parks may be directly discharged into Sydney Harbour and suggested the provision of a system known as 'first flush'. This system collects for treatment initial rainwater runoff and subsequent relatively pollution-free runoff is allowed to discharge into the harbour. Defence undertook to investigate the merits and practicalities of providing such a system at the REVY site.

55. A 6m wide access along the eastern boundary, provision of which is currently being negotiated with NSW authorities will, in addition to providing access to the site, and security for the communications centre, also provides an easement for the plumbing which needs to be replaced.

56. On the buildings, unsound roof guttering and downpipes will be replaced and their finish will blend with the external colours.

Committee's Conclusion

57. A key component of the proposed redevelopment is the need for improved access along the eastern boundary of the site.

Internal Work

58. The two buildings will have a floor area of approximately 6 900m² and will house about 360 people from the Remington Centre and 143 people from the Naval Stores Depot at Zetland. A typical section illustrating the scope of the internal works is shown in Appendix B, Drawing B - 4.

59. The number of partitioned rooms and offices will be minimal and will be arranged to maximise natural light to other areas. Walls will be full height and will be either plasterboard or glass. Floor plans are shown in Appendix B, Drawings B - 5, 6 and 7.

Floors

60. Floors are at present uneven in some places and it is therefore proposed to cover all timber floors with a form of reinforced, lightweight, concrete and finished with carpet on underfelt. The National Trust of Australia (NSW) questioned the decision to use lightweight concrete, and indicated a preference for the existing timber floors to be retained. The Sydney Harbour and Foreshores Committee noted that electrical ducts will be provided in the concrete topping. In a few years hence, the location of these ducts may be inappropriate.

61. The apparent inflexibility of the internal layouts of office buildings, caused by the location of services such as power points, air-conditioning ducts and partitions being incompatible with changes in usage and the numbers of occupants, was noticeable to the Committee during its inspection of the Remington Centre. In the case of the internal refurbishment of the REVY buildings, the Committee was assured that they will contain a high proportion of workstations which will provide flexibility. Services capable of accommodating any changes will be provided.

62. The Acting Chairman of the Commonwealth Fire Board pointed out that from a fire safety point of view, the use of lightweight concrete would eliminate the possibility of smoke penetration through gaps in floor boards.

63. The Committee also questioned Defence about the effects of the added weight of the lightweight concrete and other office furniture and equipment on the floors. Defence advised that the main compactus, which is likely to place additional loads on floors, will be located on the ground

floor, which is concrete. The buildings will be structurally capable of handling design loads that will be imposed upon them.

Committee's Conclusion

64. The use of lightweight concrete to even out the floor in some places has advantages on the grounds of fire safety.

Committee's Recommendation

65. The internal layout should recognise and reflect the potential changes in office requirements, particularly services such as power points and air-conditioning ducts and avoid 'rabbit warren' configurations evident in some other Defence office buildings.

Columns and Ceilings

66. The timber columns are striking examples of the use of timber during the early part of this century. They will be cleaned and sealed with a clear timber finish. Where splitting is found to be excessive, the columns will be strapped or epoxy filled.

67. The number of suspended ceilings will be minimised to retain the internal heritage character of the two buildings. Most areas therefore will have exposed timber floor beams and joists as their ceilings. The woodwork will be cleaned, sanded and stained. Most areas will have a ceiling height of 3m. The Commonwealth Fire Board advised that exposed timber ceilings and columns are quite acceptable provided a fire sprinkler system is installed. The Committee was assured that a fire sprinkler system will be installed.

68. The intention is to provide modern, air-conditioned office accommodation. The refurbishment will provide office areas with few specialised functional areas. Personnel at or above the rank of Commander (or equivalent) will be provided lockable offices with free standing furniture. Most personnel not allocated an office will be provided with workstations. Defence advised that it is intended to give staff the opportunity to contribute to the layout and arrangement of individual workstations during the design stage.

69. The proposal includes an extension to the existing Naval Support Command Headquarters Registry Automation System which will provide headquarters personnel with a limited electronic management capability. This will include spreadsheeting and electronic mail. A 12-core optical fibre cable will be provided to support present and future requirements for information systems.

Committee's Conclusion

70. The refurbishment offers the Commonwealth the opportunity to capitalise on an existing asset and will provide the Naval Support Command with offices in an area with a more maritime ambience.

Visibility of Lift Motor Room

71. The Sydney Harbour and Foreshores Committee questioned the need for a core area, which will house toilets and lifts as well the lift motor room on its roof, to be constructed at the southern convergence of the two buildings. It was suggested that toilets and lifts could be provided within existing building envelopes and that to proceed with the construction of the core area would detract from the heritage character of the buildings. The Foreshores Committee acknowledged, however, that there would be cost penalties associated with the provision of the services within the existing building envelope.

72. The National Trust noted that the location of the core will be reasonably unobtrusive but felt the existing roof form and associated tower are dominant features which should not be compromised by plant equipment located on the roof of the new core area which could be visible from adjacent areas. Defence advised that the lifts will not service the top level of Building 2 because the lift and lift motor room would project above Building 1.

73. The Australian Heritage Commission advised that it believes the core has been kept to a minimum floor area, located in a position where it will have a minimal adverse impact on the form of the buildings and to construct a comparable core within either building would cause a greater adverse effect by compromising its structural integrity and planning. The lifts will not serve the top floor of Building 2 because the lift motor room which would be required would be very prominent and cause an adverse effect to the architectural form of the buildings. Two enclosed passenger lifts will be

will be installed. A plan of the core area is shown in Appendix B, Drawing B - 8. Drawing B - 9 is an elevation of the buildings as seen from Jones Bay Road.

Committee's Conclusion

74. Considerable care has been taken by Defence and its consultants to preserve, as far as practicable, the integrity of the building envelopes; the provision of the core area is unavoidable, and due regard has been given to the location of the lift motor room.

Historic Lift

75. The existing operational goods lift, which has some heritage significance, will be recorded and removed. The National Trust of Australia queried this decision and submitted that because the lift was one of the first electric lifts to be provided in Australia, every attempt should be made to retain it in some form.

Asbestos

76. Although it is considered that the buildings do not contain any asbestos, the Committee was advised that it will be the responsibility of the managing contractors to undertake further investigation and remove and dispose of any asbestos discovered in accordance with the Code of Practice and Guidelines prior to any work commencing on the site.

Mechanical Services and Energy Conservation

77. Defence stated that advice on energy savings innovations was sought from several sources, including the Department of Primary Industry and Energy. In general terms the building design and the electrical and mechanical plant to be installed are to minimise the use of energy. All systems and equipment will be analysed against energy efficiency criteria. Defence advised that a performance index will be set, with energy targets assigned to various elements requiring energy.

78. The air-conditioning system will comprise three package air-conditioners on each level connected to cooling towers. The number and configuration of units will permit the placement of full height partitions without requiring major alterations to mechanical services. The proposed

system will also enable additional thermostatically controlled zones to be provided to suit specific layouts. Areas requiring high heat dissipation such as conference rooms, computer areas and the message distribution centre will be connected to the system by a condenser water loop.

79. Heating will be provided by a central boiler which will circulate water to heating coils in each plant room.

80. The design aims to enable the relocation of lighting and air-conditioning registers to suit revised office layouts in the future. Mechanical services and equipment will have a minimum design life of 15 years. Equipment will be selected on the basis of cost-effectiveness over the projected life of the equipment.

81. The Committee questioned a number of aspects of energy conservation measures, including energy targets, a central building services management and sensor system capable of sensing air quality as well as temperature and the applicability of current Australian Standards and Codes which may in the very near future be amended by imposing more rigour on building services systems.

82. The Committee was advised that energy targets have been set in accordance with current technical instructions. In addition, life cycle costing will be a part of the design development process.

83. Defence assured the Committee that part of the brief for the managing contractor will be to take account of likely changes in air-conditioning and other standards applicable. Defence recognised that there is a need to ensure that the buildings' services are not obsolete at the time of commissioning.

84. The existing buildings have thick walls and smaller windows which would reduce solar loads on the air-conditioning system. Existing clear glass windows will be retained, but new glass to large openings will be tinted to reduce solar heat gain.

85. Internal sewerage and hot and cold water plumbing systems will be replaced. A new sewer drainage system will be provided.

86. Defence advised that the mechanical services proposed, including provisions for smoke exhaust, will comply with all relevant Australian Standards, regulations and the requirements of other statutory bodies.

Committee's Recommendation

87. The project presents an ideal opportunity for the inclusion of a state of the art building services system designed to exceed current energy targets, and for the provision of a building services monitoring system, capable of sensing and rectifying air quality as well as temperatures.

Electrical Services

88. The supply of electricity will be obtained from a new substation to be located at the southern end of Building 1 from where underground consumer mains will run to a new switchroom containing metering equipment and a new main switchboard. From the main switchboard power will be reticulated to electrical distribution boards, mechanical and lift control panels and ancillary equipment. Combination fuse switches or circuit breakers will control outgoing electrical circuits to suit particular loadings.

89. The cable distribution system will be sized to ensure flexibility. Distribution switchboards will be located on each level.

90. Lighting illumination levels will conform with the relevant Australian Standards or, in special areas, will conform with special requirements nominated by technical staff.

Fire Safety

91. The Committee was advised that the fire protection system will comply with the Building Code of Australia and the requirements of all Authorities, including the Australian Heritage Commission. The buildings will be equipped with fire sprinklers. Hydrants, hose reels and hand-held extinguishers will be provided throughout the building.

92. The Commonwealth Fire Board drew attention to the need for improved access to the site for fire fighting appliances, the need for Defence to consult with NSW fire brigades, and the role of the managing contractor performing the role of building surveyor.

93. Defence is negotiating with NSW authorities about improved access to the site from the eastern boundary.

94. As a general rule, Defence does not support the proposition that local fire authorities be given the power to certify or approve the design and construction of buildings on constitutional and practical grounds. Nevertheless, in the case of the Buildings 1 and 2, Defence will consult closely with all interested regulatory authorities, particularly in the case of fire safety. These consultations will include the local fire brigade.

95. Defence will employ independent experts to certify that fire safety measures to be provided meet all relevant standards.

Committee's Recommendation

96. Consultations with local fire authorities should continue during the design development of this proposal.

Child Care

97. Defence advised that it supports work based child care programs as an inducement to attract and retain quality staff. A Defence-sponsored child care facility at Endeavour House, Randwick, is expected to be fully operational by 1994.

98. It is not proposed to provide a child care facility at the REVY site. Surveys undertaken by Defence indicate that at least seven centres operate in the vicinity of Pyrmont, all of which cater for the 0-5 age group. The Committee was advised that although waiting lists vary according to age and an assessment of need, there do not appear to be unreasonably long waiting lists for children in the 2-5 age group.

99. The facility at Randwick could be used as a last resort to alleviate any difficulties by Defence personnel. Defence acknowledged that this would not be an ideal solution.

HERITAGE CONSIDERATIONS

100. REVY is entered in the Register of the National Estate for its historic, architectural and technological significance. Accordingly, Defence advised that an overriding feature of the proposal is the need to protect,

retain and enhance where possible the heritage character of the two buildings. The designs and layouts proposed were prepared to preserve the external appearance and to retain and accentuate internal wooden structures.

101. A conservation and management plan of the buildings was prepared, and a draft copy was widely circulated among heritage authorities. Comments were incorporated in the final edition of the plan which Defence submitted to the Australian Heritage Commission.

102. Arising from the conservation and management plan, most of the historic machinery in the buildings will be retained and interpreted. Some will be removed, but only after each item has been recorded and interpreted by narrative, film and video. Defence has appointed an independent consultant to undertake this task.

103. The Australian Heritage Commission expressed its satisfaction to the Committee that the National Estate significance of REVY has been thoroughly taken into account in this project.

Committee's Conclusion

104. The conservation and management plan is exemplary and Defence is congratulated for arranging its preparation. Provided its recommendations, and those of the Australian Heritage Commission are adhered to, the refurbished buildings will maintain an important part of Sydney's maritime heritage as well as providing modern office accommodation for the personnel of the Naval Support Command Headquarters.

CONSULTATION AND COORDINATION

105. Defence consulted regularly with staff associations; the consultation process included a visit to the site. In addition, Defence proceeded with planning and coordination of the proposed refurbishment in consultation with the following organisations:

- Australian Heritage Commission
- Heritage Council of NSW
- Commonwealth Department of Primary Industries and Energy
- NSW Property Services Group
- Department of Planning, NSW Government

- Maritime Services Board of NSW
- Sydney Electricity
- Council of the City of Sydney
- Water Board
- State Transit Authority.

Council Support

106. The Council of the City of Sydney advised the Committee of its support of the refurbishment and that it will assist in the conservation of important heritage items and maintain the long association between the City of Sydney and the RAN.

Planning the Future of Pyrmont

107. The NSW Department of Planning advised the Committee that the proposal would 'sit quite well' with the draft statutory plans being developed for the Pyrmont area. These plans will be placed on public exhibition in November for a period of three months.

DELIVERY METHOD

108. Defence will engage a managing contractor to plan, design, construct and commission the proposed work in accordance with contract documents, within the cost plan and in accordance with the directions of a project consultant. The project consultant to be appointed by Defence, will review, advise, direct and administer activities carried out by the managing contractor, to provide liaison between Defence and the managing contractor and to report on the progress of works in accordance with the program and cost plans.

Contracts

109. The Committee questioned Defence about the potential for collusion amongst tenderers and the steps which will be taken to eliminate any potential.

110. Defence advised that the department is working in conjunction with the Department of Administrative Services in developing procedures which will minimise collusion and other fraudulent practices such as "unsuccessful tenderers' fees". As part of new pre-qualification requirements for all

persons or organisations involved in Defence facilities contracts, Defence intends to include an ethics clause in new forms of contracts. A contract would be terminated upon the ethics clause being breached by any party to a contract. Defence assured the Committee that internal processes and those within the Department of Administrative Services will minimise to the greatest degree possible collusion and other practices.

Subcontractors

111. The Committee also questioned Defence about guarantees to be written into major contracts which would ensure that subcontractors are paid in full for work carried out. Defence acknowledged that the protection of subcontractors is particularly important and envisages a form of contract involving a construction manager's account, into which Defence will pay in advance, from which subcontractors will be paid.

COST

112. The estimated cost of the proposed work at April 1991 prices is \$13.4m which includes the fitout, furniture and fittings (including workstations). An additional \$2.5m to cover office accommodation, project expenses, land acquisition and contingency has been budgeted by Defence.

Confidence of Cost

113. The proposed work was referred to the Committee at a less advanced stage, in terms of documentation, than has been traditional in the past. Defence advised that the proposal examined by the Committee is at the concept stage which provides more flexibility. In terms of the confidence of the estimated cost, Defence advised that two organisations had examined the extent of the work and is confident of the accuracy of the cost estimate. If significant departures from original concepts are made, Defence intends that these changes be made within the cost plan and cost budget.

Committee's Recommendation

114. Given that the proposed work is being undertaken by Defence in collaboration with a number of consultants, the Committee should be provided with reports every six months on the achievement of major milestones and the level of expenditure.

PROGRAM

115. It is planned to vacate accommodation at the Remington Centre progressively from April 1994. Tenders for the main construction contract will be called in February-March 1992. Detailed design and documentation will be advanced within six months. Construction will commence in September-October 1992 and will be completed in January-February 1994. Occupation will commence from April 1994 following the installation and testing of security equipment.

Committee's Recommendation

116. The Committee recommends the refurbishment of Buildings 1 and 2 at the Royal Edward Victualling Yard, Pyrmont, at an estimated cost of \$13.4m at April 1991 prices.

CONCLUSIONS AND RECOMMENDATIONS

117. The conclusions and recommendations of the Committee and the paragraph in the report to which each refers are set out below:

	Paragraph
1. Accommodation provided for the Naval Support Command in the Remington Centre is inadequate and very costly in terms of rent.	19
2. There would be financial advantages in Defence vacating the premises and relocating the Naval Support Command Headquarters and other elements to Commonwealth-owned premises.	20
3. Refurbishment of Buildings 1 and 2 at the Royal Edward Victualling Yard, Pyrmont appears to be the best option in terms of capital cost and recurrent expenditure.	23
4. Work to be undertaken on the outside of the buildings, including the removal or relocation of recently added structures, is essential if the buildings are to be capable of providing office accommodation and reflect a particular sensitivity towards their heritage importance.	41
5. Potential problems of access to the site have been identified and measures aimed at overcoming them are under consideration.	46
6. Close liaison and constructive cooperation between Defence and State Government authorities aimed at providing a reasonable and adequate public transport service are essential for the success of this project.	47
7. The landscaping to be provided should include, if possible, some lawn and shade trees.	52
8. The number of showers to be provided should be increased from three to six.	53

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|---|-----|
| 9. A key component of the proposed redevelopment is the need for improved access along the eastern boundary of the site. | 57 |
| 10. The use of lightweight concrete to even out the floor in some places has advantages on the grounds of fire safety. | 64 |
| 11. The internal layout should recognise and reflect the potential changes in office requirements, particularly services such as power points and air-conditioning ducts and avoid 'rabbit warren' configurations evident in some other Defence office buildings. | 65 |
| 12. The refurbishment offers the Commonwealth the opportunity to capitalise on an existing asset and will provide the Naval Support Command with offices in an area with a more maritime ambience. | 70 |
| 13. Considerable care has been taken by Defence and its consultants to preserve, as far as practicable, the integrity of the building envelopes; the provision of the core area is unavoidable, and due regard has been given to the location of the lift motor room. | 74 |
| 14. The project presents an ideal opportunity for the inclusion of a state of the art building services system designed to exceed current energy targets, and for the provision of a building services monitoring system, capable of sensing and rectifying air quality as well as temperatures. | 87 |
| 15. Consultations with local fire authorities should continue during the design development of this proposal. | 96 |
| 16. The conservation and management plan is exemplary and Defence is congratulated for arranging its preparation. Provided its recommendations, and those of the Australian Heritage Commission are adhered to, the refurbished buildings will maintain an important part of Sydney's maritime heritage as well as providing modern office accommodation for the personnel of the Naval Support Command Headquarters. | 104 |

17. Given that the proposed work is being undertaken by Defence in collaboration with a number of consultants, the Committee should be provided with reports every six months on the achievement of major milestones and the level of expenditure. 114
18. The Committee recommends the refurbishment of Buildings 1 and 2 at the Royal Edward Victualling Yard, Pyrmont, at an estimated cost of \$13.4m at April 1991 prices. 116



Colin Hollis
Chairman

28 November 1991

APPENDIX A

WITNESSES

BLACKLEY, Mr Bernard, Project Director, Department of Defence, Russell Offices, A-2-02, Canberra, ACT, 2600

FADDY, Ms Jennifer Ann, Conservation Officer (Built Environment), National Trust of Australia (NSW), GPO Box 518, Sydney, New South Wales, 2001

KIRKHAM, Mr John Peter, Branch Organiser, Public Sector Union (NSW Branch), 6th Floor, 191-199 Thomas Street, Haymarket, New South Wales, 2000

MARTIN, Mr Eric, Consultant, Philip Cox Richardson Taylor and Partners Pty Ltd, 6 Geils Court, Deakin, ACT, 2600

McCAFFRIE, Captain John Henry, Director-General, Facilities - Navy, Department of Defence, Russell Offices, A-2-21, Canberra, ACT, 2600

MORAN, Mr Peter, Assistant Secretary, Resources and Project Management, Department of Defence, Russell Offices, K-3-14, Canberra, ACT, 2600

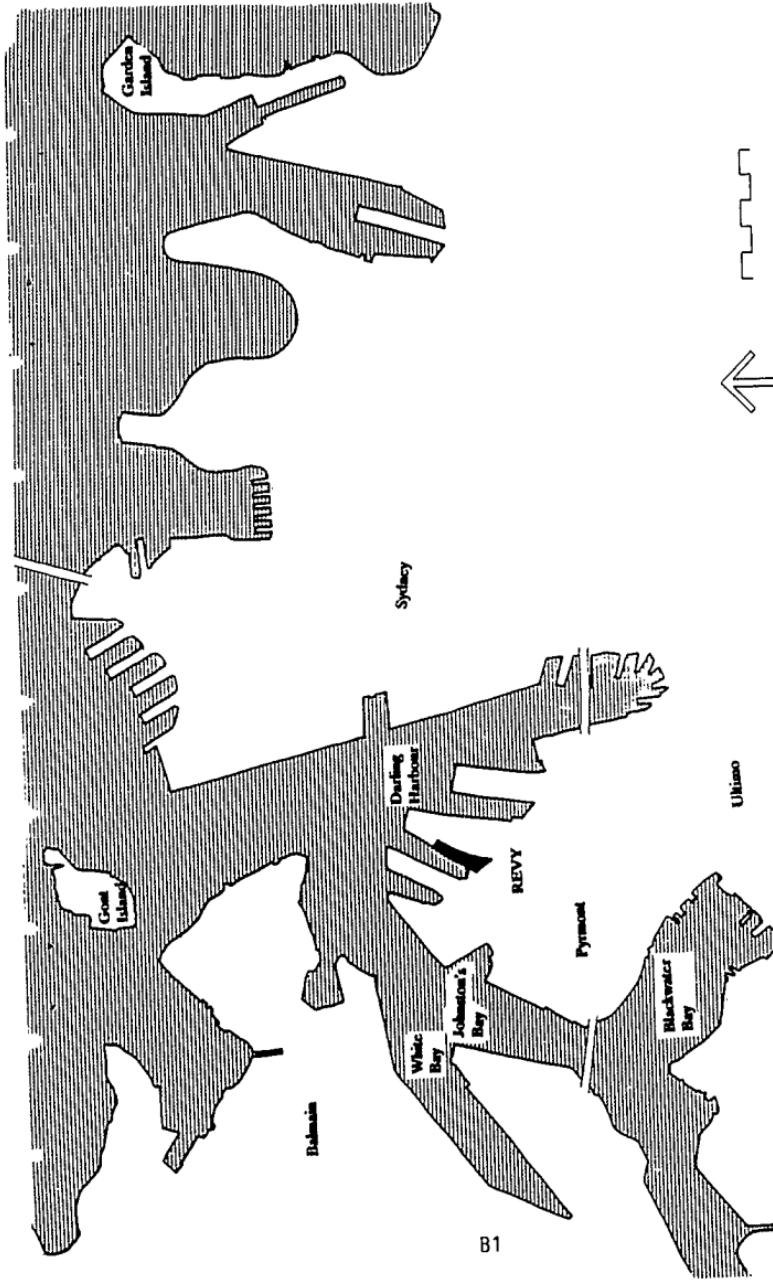
ROLFE, Mr Michael Richard, Secretary, Sydney Harbour and Foreshores Committee, 3rd floor, 18 Argyle Street, Sydney, New South Wales, 2000

WILSON, Mr Lawrence Graham, Acting Chairman, Commonwealth Fire Board, PO Box 250B, Melbourne, Victoria, 3001

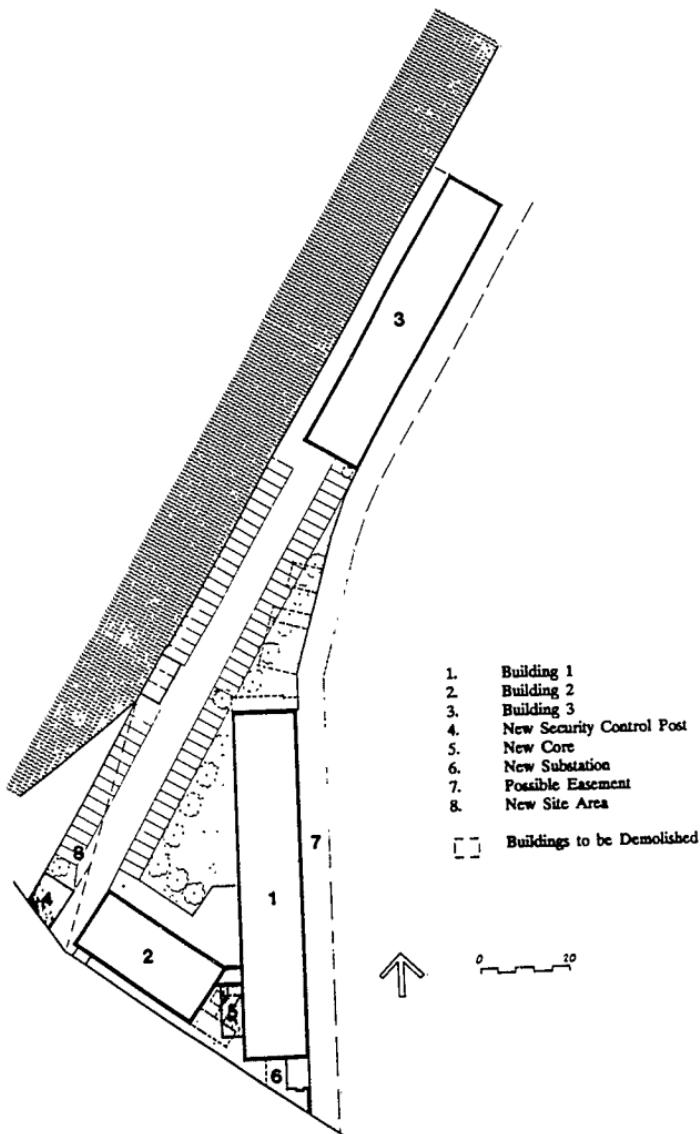
APPENDIX B

PROJECT DRAWINGS

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Building 1 - Third Floor Plan, Building 2 Fifth Floor Plan	B - 7
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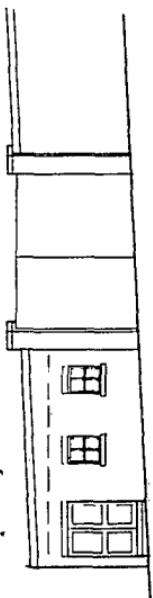


ROYAL EDWARD VICTUALLING YARD
LOCATION PLAN
Philip Cox, Richardson, Taylor & Partners
September 1991

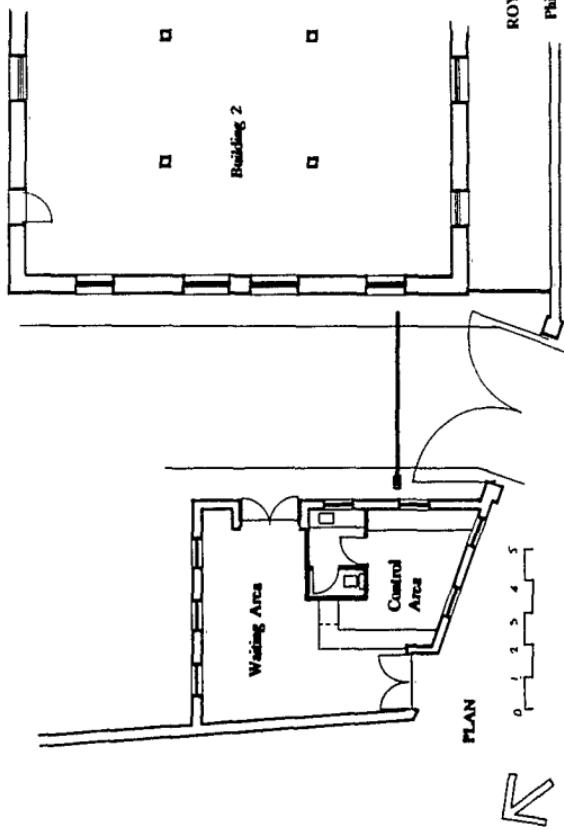


ROYAL EDWARD VICTUALLING YARD
SITE PLAN

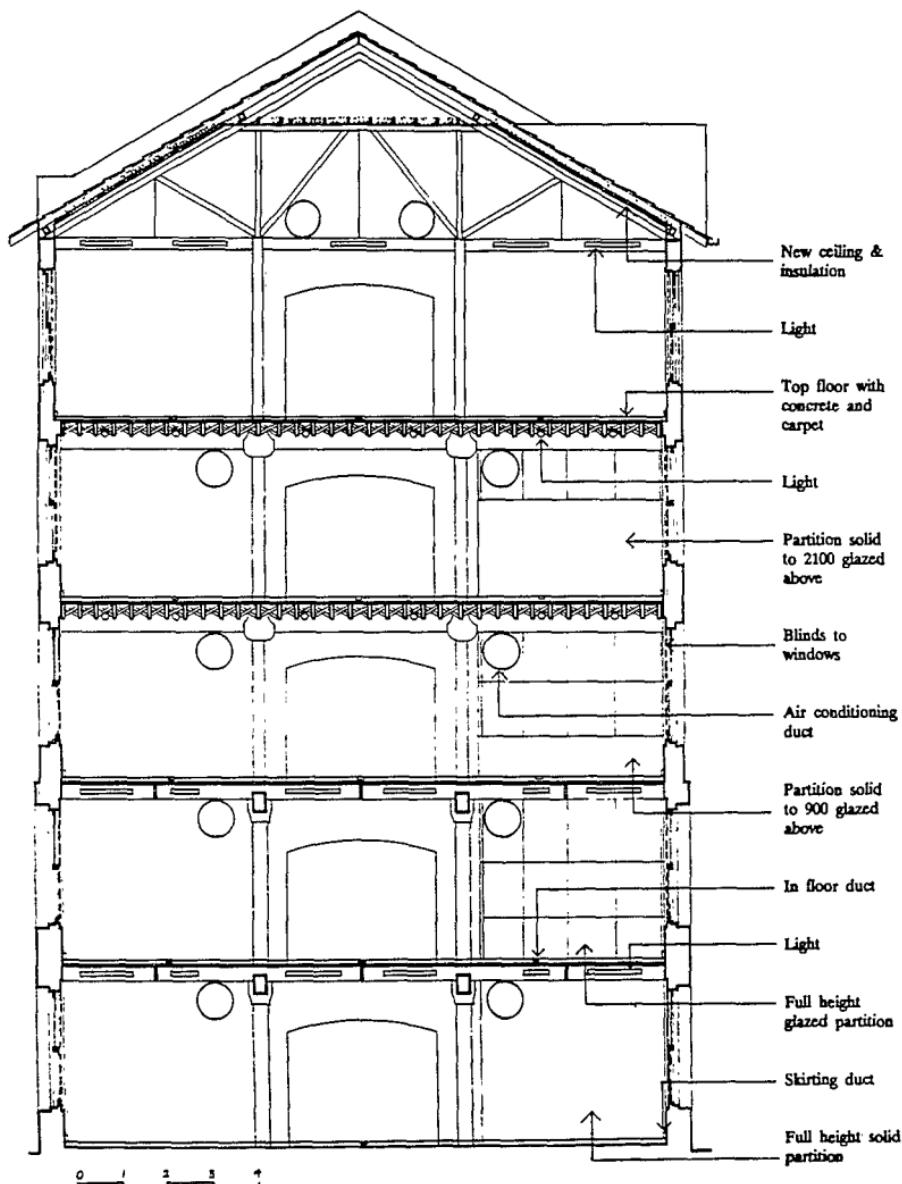
Philip Cox, Richardson, Taylor & Partners
September 1991



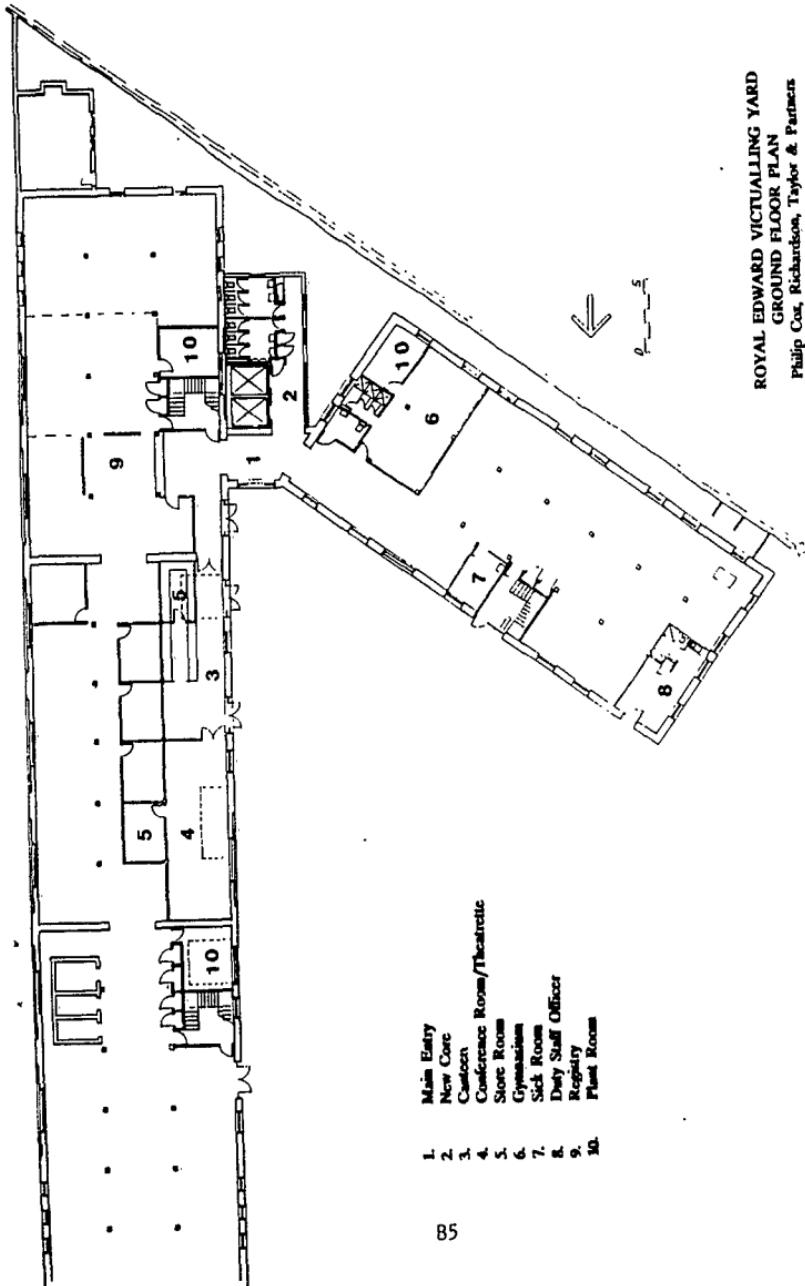
JONES BAY ROAD ELEVATION



ROYAL EDWARD VICTUALLING YARD
SECURITY CONTROL POST
Philip Cox, Richardson, Taylor & Partners
September 1991

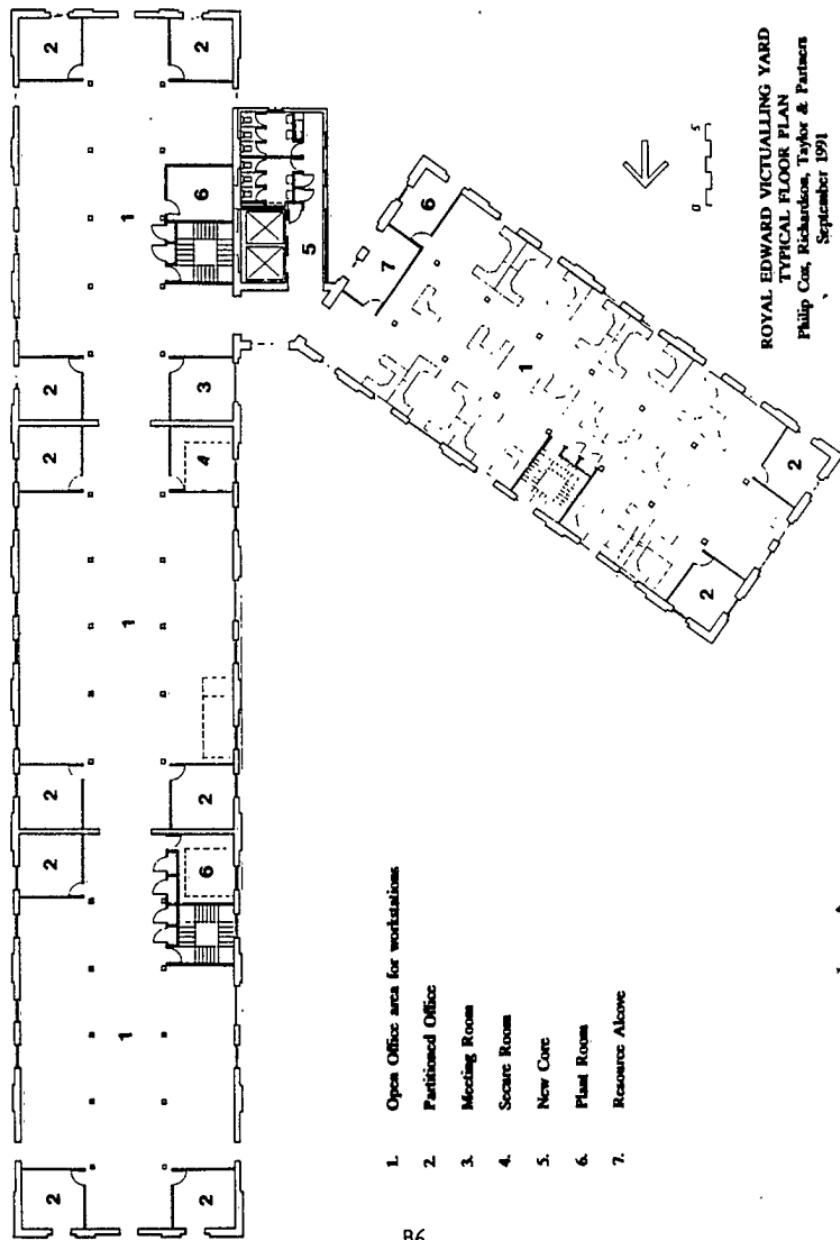


ROYAL EDWARD VICTUALLING YARD
TYPICAL SECTION
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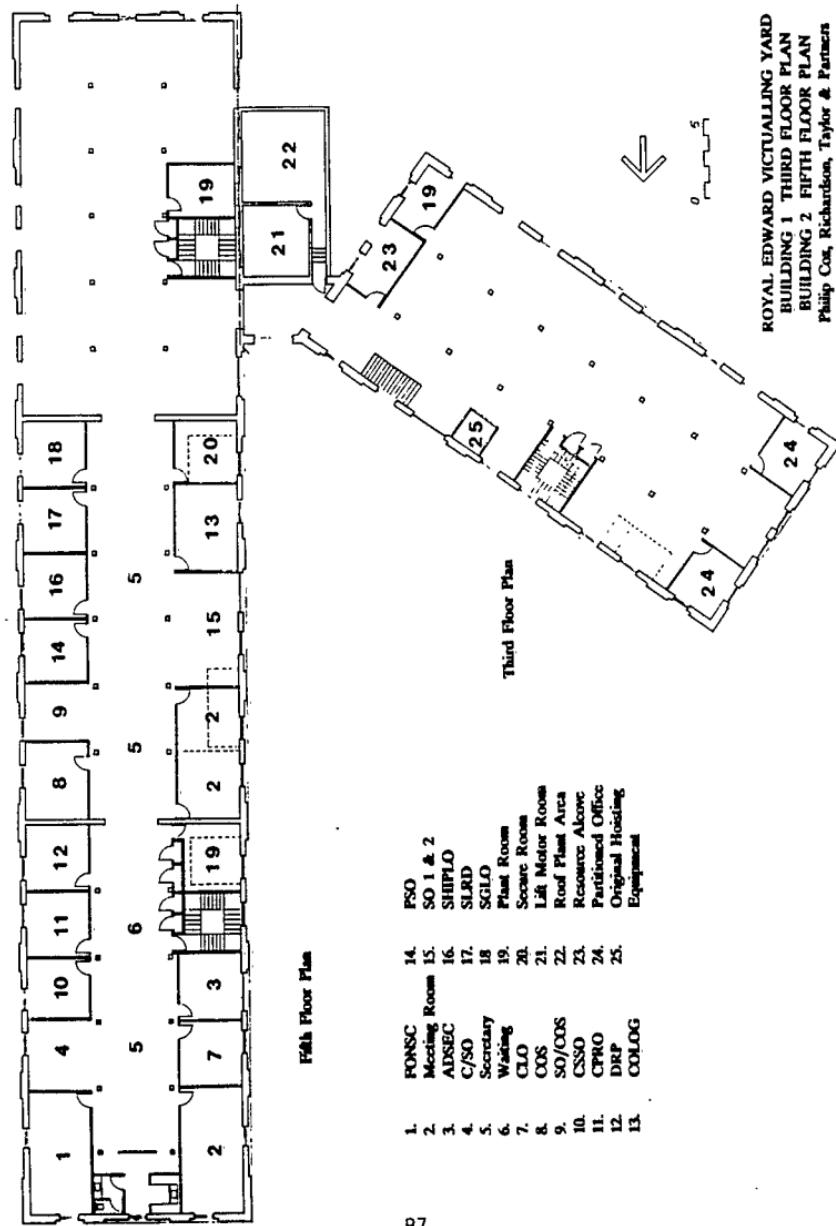


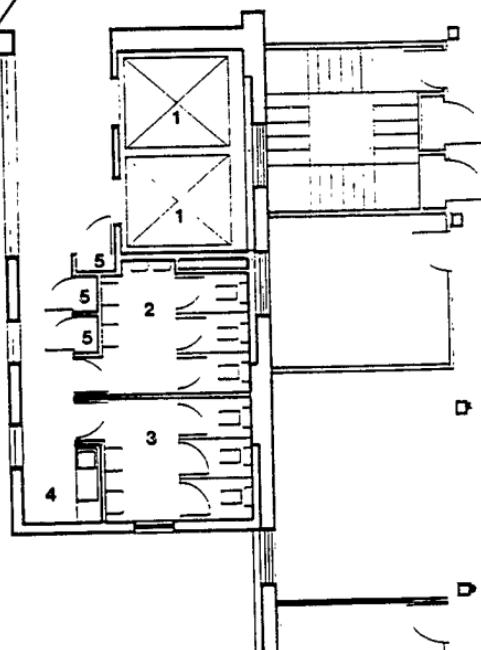
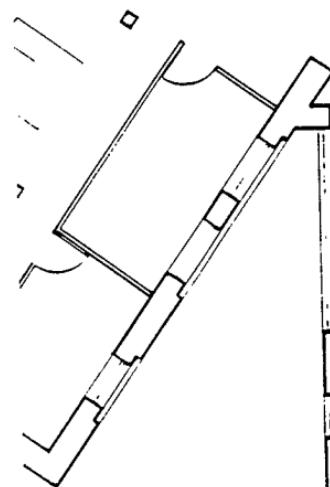
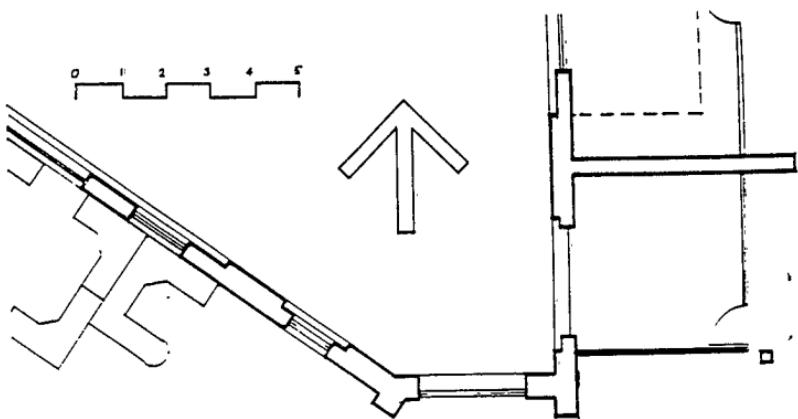
ROYAL EDWARD VICTUALLING YARD
GROUND FLOOR PLAN
Philip Cox, Richardson, Taylor & Partners
September 1991

1. Main Entry
2. New Cork
3. Coalcrib
4. Conscript Room/Theatre
5. Store Room
6. Gymnasium
7. Sick Room
8. Deputy Staff Officer Registry
9. Plant Room
10. Plan Room



ROYAL EDWARD VICTUALLING YARD
TYPICAL FLOOR PLAN
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- 1. Lift
- 2. Male Toilet
- 3. Female Toilet
- 4. Tea Alcove
- 5. Service Cupboards

