DEPARTMENT OF THE SENATE PAPER No. 2304 DATE PRESENTED

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

17 NOV 1993

Report Relating to the

# Rationalisation of Inner Melbourne Accommodation (RIMA)

(Fifth Report of 1993)

Australian Government Publishing Service Canberra



# Parliamentary Standing Committee on Public Works

# **REPORT**

relating to the

# RATIONALISATION OF INNER MELBOURNE (RIMA)

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# MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

(Thirty-First Committee)

Mr Colin Hollis MP (Chairman) Senator Paul Henry Calvert (Vice-Chairman)

Senate

House of Representatives

Senator Bryant Robert Burns Senator John Robert Devereux Mr John Neil Andrew MP

Mr Raymond Allen Braithwaite MP

Mr Russell Neville Gorman MP

Mr Robert George Halverson OBE MP Hon. Benjamin Charles Humphreys MP

# SECTIONAL COMMITTEE ON THE PROPOSED RATIONALISATION OF INNER MELBOURNE ACCOMMODATION (RIMA)

Mr Colin Hollis MP (Chairman) Mr Robert George Halverson OBE MP (Vice-Chairman) Hon. Benjamin Charles Humphreys MP

Committee Secretary:

Peter Roberts

**Inquiry Secretary:** 

Michael Fetter

Secretarial Assistance:

Annabel Lamb

#### COMMONWEALTH OF AUSTRALIA

Public Works Committee Act 1969

Order under subsection 18(4)

I, WILLIAM GEORGE HAYDEN, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council and under subsection 18(4) of the *Public Works Committee Act 1969*, hereby declare that the public work described in the Schedule be referred to the Parliamentary Standing Committee on Public Works for consideration and report.

#### **SCHEDULE**

# RATIONALISATION OF INNER MELBOURNE ACCOMMODATION (RIMA)

Signed and sealed with the Great Seal of Australia on

27 July 1993

L.S.

**BILL HAYDEN** 

Governor-General

By His Excellency's Command

R.J. McMullan

Minister for the Arts and Administrative Services

#### PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

# RATIONALISATION OF INNER MELBOURNE ACCOMMODATION (RIMA)

On 27 July 1993 His Excellency the Governor-General in Council referred to the Parliamentary Standing Committee on Public Works for consideration and report to Parliament the proposed Rationalisation of Inner Melbourne Accommodation (RIMA).

#### THE REFERENCE

- 1. The RIMA project involves the refurbishment of buildings located within the Victoria Barracks precinct in St Kilda Road, Melbourne to accommodate the Defence Centre Melbourne, Headquarters Logistics Command Army and a number of related Defence functions. The upgrading of accommodation within the precinct is a major element of a larger capital facility project directed at rationalising Defence-owned and leased property assets in the inner Melbourne area.
- 2. The project involves major refurbishment of Blocks A, B, C, D, G and H to provide approximately 30 000m² of good quality commercial office accommodation, fully airconditioned with communications/data reticulation to individual workspaces throughout. Included are a number of staff amenity facilities such as a gymnasium, indoor/outdoor eatery, adequate showers for a predominantly young active population, lecture theatre and conference centre, and minor landscape treatment.
- 3. The order of cost of the proposed work when referred to the Committee was \$27m.

#### THE COMMITTEE'S INVESTIGATION

- 4. The Committee received a submission and drawings from the Department of Defence (Defence) and took evidence at a public hearing held at Victoria Barracks on 3 September from:
  - □ Department of Defence
  - □ Hon Clyde Holding MP, Member for Melbourne Ports

		Australian Heritage Commission
		Melbourne Metropolitan Fire Brigade (MMFB)
		Council of the City of South Melbourne.
5. receiv	Writt ved fro	en submissions and letters about the proposed works were also om:
		Commonwealth Fire Board
		Returned and Services League of Australia Ltd
		Energy Conservation Systems
		Value Systems Pty Ltd
		Victorian Department of Transport.
6. build		to the public hearing the Committee inspected a number of the t Victoria Barracks.
	A list endix a ence.	t of the witnesses who gave evidence at the public hearing is at A. The Committee's proceedings will be printed as Minutes of
BAC	KGR	OUND
Majo	r Rev	iews
	admir	cent years Defence has undertaken a number of major reviews istrative and operational support functions throughout Australia. significant of these include:
		the Force Structure Review
		the Defence Regional Support Review
		the Defence Logistics Redevelopment Project
	_	the Commercial Support program.

These reviews focussed on the need to urgently implement a program to rationalise existing facilities and to make more productive use of a reduced number of property assets.

#### Inner Melbourne Accommodation

- 10. A review of the medium and longer term impact on the future needs for office accommodation in the Inner Melbourne Area (IMA) was commissioned by Defence in April 1992. The review examined:
  - the existing and projected requirements for office accommodation
  - the extent and condition of the existing building stock and the utilisation of accommodation assets owned and leased by Defence
  - alternative facility solutions.
- 11. The review identified a phased program to reduce the existing portfolio of properties.

#### Staff projections in IMA

12. From July 1996 the Defence staff population in the IMA will be 2 379 made up as follows:

Service	752
Civilian	1493
Reserve	134

- 13. This forecast, endorsed by Defence management in July 1993, was derived from successive interviews with managers in each functional area in consultation with program representatives in Canberra.
- 14. Accommodation for 277 personnel has already been allocated; 240 personnel have been relocated to refurbished accommodation at Victoria Barracks, 26 to South Melbourne and 11 to premises in Collingwood.

15. Defence advised the Committee that the balance of the IMA population of 2102 personnel will require 37 339m<sup>2</sup> of useable floor space.

#### Related Defence Projects

- 16. The relocation of the RAAF's Logistics Command from leased premises in St Kilda Road to RAAF Base Laverton was the subject of Ministerial announcements in 1992. This relocation, planned to occur in the mid-1990s, is a significant component of another proposal being examined by the Committee RAAF Williams rationalisation project, Laverton, Vic. This proposal, estimated to cost \$19.9m, involves the provision of accommodation for RAAF Logistics Command, accommodation for the RAAF Publications Unit and other minor works at Laverton and the provision of accommodation for the RAAF Institute of Aviation Medicine at RAAF Base Edinburgh, SA. Of significance, for the purposes of this report, are the following factors:
  - the RAAF School of Radio, which occupies a building complex of three floors at Laverton, will be progressively relocated to RAAF Base Wagga by December 1993
  - the RAAF Headquarters Logistics Command, comprising 900 military and civilian personnel, will be relocated from leased premises in the IMA to the former RAAF School of Radio building by early 1995.
- 17. The major implication of this relocation on the RIMA project is the vacation of leased premises by the RAAF and a reduction in the number of Defence personnel in the IMA.

# Existing Defence Facilities in the IMA

18. Office accommodation utilised by Defence in the IMA consists mainly of leased accommodation supplemented by Victoria Barracks. The leased premises are equivalent to the standards of the mid-1970s. Defence believes that, in their present condition, these premises would not meet current requirements, they do not reflect recent advances in modern office technology, nor do they promote or encourage higher productivity of the personnel who work in them. A further factor militating against continued heavy reliance on leased accommodation in the IMA is the annual cost. Defence leases about 72 000m² of office accommodation in IMA at an

annual cost of \$19.15m. This total comprises \$14.55m for rental payments and \$4.6m in running costs.

19. Current leases – showing area and expiry dates in the IMA are as follows:

Property	Area (m²)	Lease Expires
350 St Kilda Road – Defence Centre and Plaza Building	29 058	30 June 1994
320 St Kilda Road Ground Floor	2 786	30 April 1993 extended
360 St Kilda Road	15 680	28 Feb 1994
370 St Kilda Road	7 000	22 September 1993
332 St Kilda Road	1 510	31 July 1993
339 Swanston Street (Jensen House)	10 672	30 June 1994
69 Little Oxford Street (Collingwood)	881	9 August 1993 extended
83 Batman Avenue	4 226	30 Jan 1994

- 20. Defence submitted that generally these recurrent costs are high when compared with average Melbourne CBD rents. This comparatively high cost can be explained in part because the leases were established when the property market was buoyant. Defence acknowledged that today, a fair rent paid for the largest of the Defence leases, comprising 350 St Kilda Road, would be well below the current rent payable.
- 21. Defence is therefore eager to relinquish its extensive leasing commitments and to consolidate its office accommodation presence in a limited number of major facilities in the IMA.

#### **Alternatives Considered**

- 22. Defence appointed a Project Control Group which reviewed a wide range of solutions to provide the accommodation required for the 2379 personnel to be employed in the IMA from July 1996. Detailed assessments were made of the following options:
  - refurbishment of existing Defence assets such as Victoria Barracks
  - new construction on Defence-owned or commercially available land
  - acquisition of new or older buildings
  - a variety of leasing arrangements.
- 23. Defence advised that the assessments confirmed that refurbishment of an existing asset would be the most cost effective option. The assessments also confirmed that in the current market the cost of constructing new office accommodation would exceed the cost of acquiring accommodation either by lease or purchase.

#### The preferred strategy

- 24. The major Defence-owned asset in the IMA is Victoria Barracks which are located on a 5.716 ha site and comprise 12 main blocks and several subsidiary buildings. It potentially provides a total of 33 243m<sup>2</sup> of total useable area. Of this 8949 m<sup>2</sup> has been refurbished in recent years and occupied by a range of Defence functions. The amount of space potentially available within the Barracks precinct is therefore 24 294m<sup>2</sup>.
- 25. Defence advised the Committee that an additional 1305 personnel could be accommodated at Victoria Barracks. This would be in addition to 240 staff already there, bringing the total population to 1545 personnel.
- 26. Given that the IMA population projections for July 1996 will be 2 379 personnel, Defence submitted that there will be a residual requirement to accommodate 797 staff elsewhere in the IMA.

- 27. The strategy therefore adopted by Defence involves:
  - the refurbishment of the majority of the Defence-owned buildings at Victoria Barracks this would provide 33 243m<sup>2</sup> of modern airconditioned accommodation
  - the provision of low cost archival storage space in Collingwood
  - to seek from industry the most favourable solution to meeting the residual net space requirement of 15 000m<sup>2</sup>

#### **Property Implications**

- 28. Defence acknowledged that because the leases of premises currently occupied will expire late in 1993 or early 1994 there will be a need for some overholding to enable an orderly transfer. Extensions to leases would not be difficult to obtain. Defence also advised that it would seek renegotiated leases to be at current market rates.
- 29. One leased property 350 St Kilda Road adjacent to Victoria Barracks, is owned by the Commonwealth and leased from Australian Estate Management (AEM) by Defence. The Committee believes that preference should be given by Defence to utilising Commonwealth-owned premises to make up the shortfall in accommodation required for RIMA.

#### Committee's Recommendation

30. Any rationalisation of accommodation in the Inner Melbourne Area for the Department of Defence or other Commonwealth agencies should give preference to the use of Commonwealth-owned premises.

#### THE NEED

#### Victoria Barracks

31. The Barracks precinct is bounded by St Kilda Road to the east, Coventry Street to the south, Wells Street to the west and Wadley Street to the north. It is located 2kms from Flinders Street Station and 5kms from St Kilda Junction. Entry to the precinct is provided through four main entrances.

### Existing Buildings at Victoria Barracks

- 32. With some exceptions the standard of accommodation throughout the buildings within the precinct is poor. The exceptions are:
  - □ building H constructed in 1976-77
  - heritage buildings A1 and J partially renovated and restored in recent years
  - □ building K constructed in 1980.
- 33. Most of the remaining buildings do not comply with current occupational health and safety standards, access for the disabled and Building Code of Australia (BCA) requirements. They also have limited access, inadequate car parking and generally provide little amenity for the workforce.
- 34. Defence submitted that the most severe limitations are the inefficiencies created by layouts which are inappropriate for a modern, commercial quality office environment. These deficiencies could be reversed with internal rearrangement. For example, much of the old partitioning inside the buildings is non-load bearing and could be removed to create bright and efficient work spaces. Deficiencies common to groups of buildings are described in the following paragraphs.

# Blocks A, B, C, F and G

- 35. These are single and two storey bluestone buildings with slate roofs. They were constructed in the late 1850s to provide barrack accommodation. Various additions and alterations to them were later made.
- 36. Typically, their internal layout consists of a central corridor with small single rooms along each side with hard plaster walls. The timber floors are vinyl tiled and have no acoustic control. The buildings are not airconditioned and do not meet the needs of the modern office of the 1990s. Toilet and sanitary facilities do not meet current statutory requirements and are inadequate for a larger population.

#### Blocks D, M and 310 St Kilda Road

- 37. These three and four storey brick buildings were constructed between 1936 and 1940. They do not meet current BCA requirements. Blocks D and M have extensive inefficient partitioning systems which would provide considerable potential to create an open planned modern working environment. Existing lifts do not meet current regulations.
- 38. Designed as a medical outpatient facility, 310 St Kilda Road now resembles a 'rabbit warren' which could be converted to its original function. It is in poor condition without heating or airconditioning.

#### Block H

- 39. This building was constructed in 1976-77 for the Defence Signals Directorate which was relocated to Canberra in 1992-93. The building is airconditioned and has been well maintained. There are, however, many redundant electrical and mechanical services which would need to be removed for safety and efficiency reasons.
- 40. Part of this building was fitted out during the first half of 1993 with the purpose of demonstrating to staff the RIMA planning module.

#### **Staff Amenities**

- 41. Defence submitted that existing staff amenities are limited and inadequate to support an increased population. Deficiencies include:
  - inadequate catering facilities in the form of kiosks and lunch eating areas which tends to force staff to remain at their work spaces during lunch periods
  - a restricted number of showers available for a younger population concerned about fitness and exercise during work breaks or riding bicycles to and from work
  - limited car parking spaces to support additional staff

- limited recreational facilities there is one volleyball court on the western boundary, a modest BBQ area and a small gymnasium on the ground floor of Block C
- no attractive outdoor relaxation areas
- no library, training or conference facilities.

#### Inherent advantages of the Location

- 42. The site is 5.716 ha. There is an unimproved hard standing area in the south west corner which is used for staff car parking.
- 43. A tram stop is located in St Kilda Road at the south gate entrance. City and outward bound trams traverse St Kilda Road every four minutes. Defence believe this service is adequate because most of the tram routes to the south eastern suburbs pass along St Kilda Road. The north gate is within 15 minutes comfortable walking distance from Flinders Street Station.
- 44. At present the site accommodates about 380 car parking spaces for staff vehicles and official cars. Defence acknowledged that the existing car parking provision would need to be better arranged to cater for any increases due to increased personnel. Defence advised that the feasibility of constructing a single level car parking facility, to provide an additional 100 car parking spaces, on the south-east corner of the site will be further explored.
- 45. The Committee asked Defence if the number of car parking spaces available for use by personnel who will be employed at Victoria Barracks would be in accordance with the requirements of the Council of the City of South Melbourne. Defence indicated that the Council requirement for the Victoria Barracks area is between 1.5 3.5 spaces per 100m<sup>2</sup>; it is therefore at the lower end of the range, but within Council requirements. This was confirmed by a representative of the Council.
- 46. The Committee also questioned Defence about savings on expenditure associated with providing security personnel at leased premises and under the RIMA proposal. Defence advised that the cost of providing security services for properties in the IMA during 1992-3 was \$1.049m. Under the RIMA proposal, the cost will be \$650 000.

#### Committee's Conclusion

47. Existing buildings in Victoria Barracks need to be substantially refurbished and upgraded to provide a modern and efficient office environment for Defence personnel required to be located in the Inner Melbourne Area.

#### THE PROPOSAL

- 48. The proposal is to provide 24 294m<sup>2</sup> of modern office space in the Victoria Barracks precinct by refurbishing a number of buildings in the precinct to provide accommodation for:
  - Defence Centre Melbourne: This is an integrated tri-service organisation which employs 351 personnel. It was formally established in July 1992 to carry out administrative support activities.
  - Headquarters Logistic Command Army: This Headquarters has 647 personnel (40% of which are service personnel) and is responsible for the provision of base logistic support to the Army at large and other Services and agencies as required. Australia-wide the Command has 5000 military and 3330 civilian personnel. The Headquarters in Melbourne comprises a Logistic Operations Division which provides command, control and policy advice and a Materiel Management Division which is responsible for the development of the Army's in-service materiel inventory. This task includes the provisioning, procurement, issue and disposal of materiel to meet operational readiness and sustainability objectives.
  - Soldier Career Management Agency: This is a Melbourne based outposted element of Army Office in Canberra. It comprises 273 personnel engaged in providing career advice and personnel management for all Army members up to Warrant Officer level, EDP support and comprehensive systems of Army records.
  - Defence Force Health Centre: Subject to further planning consideration, it is proposed to locate this centre in the

- Barracks. It is an outposted RAAF element of 6 Base Hospital at Laverton and provides first line medical and dental support and treatment to serving members residing in Melbourne.
- Maintenance Engineering Agency: This organisation is presently accommodated in sub-standard accommodation at 310 St Kilda Road, with laboratory and heavy vehicle workshop facilities located in South Melbourne.

### Suitability for Refurbishment

49. The suitability of the buildings for refurbishment to provide modern office accommodation was raised with Defence by the Committee. Defence advised that it believed the type of modern office accommodation in Block H could be provided by refurbishment. The proposal comprises 11 small building projects, which would be undertaken in a very competitive marketplace, does not have a high construction risk.

#### Asbestos

- 50. Based on previous surveys of the buildings at Victoria Barracks undertaken by Australian Construction Services it had been inferred that asbestos was not present. Nevertheless investigations undertaken in Block H subsequently revealed a number of fittings or areas containing asbestos fibres and the associated report made the following recommendations:
  - woven asbestos gaskets to various airconditioning ducts leading to screened rooms to be labelled or maintained, or removed prior to any building demolition or refurbishment likely to disturb them
  - asbestos cement clad rooftop cooling tower to be labelled and maintained; the condition of the cooling tower should be reviewed within two years
  - asbestos cement sheeting to the rear of perimeter wall radiator heating elements to be left and maintained, or removed prior to any building demolition, or refurbishment likely to disturb the material

- various asbestos core fibre doors to stairwells and service risers; asbestos cement sheet in the rear of ceramic wall tiles in laboratory areas; asbestos gaskets to the pipework in the storeroom and basement plant room generally in good condition and do not require abatement works to be implemented.
- 51. The Committee understands that the majority of the asbestos is captive and will remain *in situ*. Defence will arrange for the removal of the woven asbestos gaskets within the mechanical ductwork as a matter of urgency.
- 52. Defence indicated at the public hearing that the asbestos audit is being extended to cover all the buildings included in the scope of the proposed work at Victoria Barracks. The audit has not been completed but will be made available to the Committee. The Committee asked Defence if the project budget could fund the removal of non-captive asbestos. Defence assured the Committee that the budget covers the removal of non-captive asbestos should any be found. Nevertheless Defence remains convinced that it is unlikely, based on previous surveys, that non-captive asbestos will be found.

### Design Flexibility and Life

- 53. Planning of the refurbishment has taken into account and will continue to conform with the requirements of the BCA of Australia. A key focus of the planning will be flexibility because of the dynamic nature of the functions to be accommodated. This will enable airconditioning registers and other services outlets to be relocated if required in the future.
- 54. Mechanical services will have a minimum design life of 15 years and all equipment will be designed on the basis of energy conservation and cost effectiveness over the projected life of the equipment.

#### **External Work**

55. Minimal work will be undertaken on the external facades of the buildings, particularly the heritage bluestone structures, dating from the 1850s, where roof tiles, plumbing, guttering and windows will be removed, repaired or replaced as necessary.

#### Internal Work

- 56. Defence advised the Committee that the focus of the concept plans to date has been to provide a modern, bright and generally open plan working environment consistent with good commercial office services, finishes and fixtures having regard to the recommendations contained in:
  - Defence Scales and Standards
  - □ Commonwealth Office Accommodation Guidelines
  - □ Code of Practice for Commonwealth Leased Premises.

#### Workstations

57. All spaces within the buildings will be provided with modular furniture selected to match the tasks to be undertaken. Defence assured the Committee that it is intended that staff be given the opportunity to contribute, where possible, to the layout of individual workspaces during the detailed design. This was the case with the partial fitout of Block H earlier this year. The evaluation of this partial fitout will be a key factor in the detailed layout planning for workstations involved in this project. The question of standards for the provision of office space and facilities for staff was nevertheless raised by the Committee. Defence acknowledged that the module which has been provided in Block H, which is an open plan concept, is not the subject of Commonwealth guidelines although some guidelines were prepared by Australian Construction Services in 1984 and 1986. But these do not address the modular concept. A witness from Defence stated:

The fitout of the first floor of Block H is in fact a replica of what is going to be provided under the refurbishment of the Victoria Barracks. We are not equivocating here at all. This is in fact the prototype that was set up; we have got union acceptance; we have got staff acceptance to it, and that is the guideline that we are going to introduce. There is no backing away from that.

58. The Committee also questioned Defence about the extent to which the furniture and fittings will be Australian made. Defence advised that the workstations and furniture in Block H were Australian made.

#### Committee's Conclusion

59. Whilst the general layout of workstations and associated office furniture has been the subject of trials and discussions with relevant unions they may require adaptation to suit individual buildings.

#### Committee's Recommendation

60. Defence continue to consult with relevant unions and staff about the layout of workstations and associated office equipment during design development.

#### Acoustics

61. The design of the open planned office areas will be required to take special account of noise and its acoustic treatment.

#### Meeting Rooms

62. Each level of each building will be provided with one or more centrally located meeting rooms with seating capacity for up to ten persons around a central table. These rooms will also serve as interview and counselling rooms.

#### Conference Centre

63. A main conference centre will be provided in Block H. A second conference room, in theatre format, with capacity for up to 75 people, will be provided elsewhere on the site.

#### Resource Alcoves and Secure Rooms

64. Secure rooms will be provided on the basis of need. Storage areas for stationery and office material will be provided for each functional element where sharing between elements is impractical.

#### Floors

65. Floors will be finished with commercial grade, anti-static carpet on quality underfelt to all areas except lunch rooms, wet areas, main entrances and other selected areas.

- 66. To rectify the uneven nature of some floors in the heritage buildings, special attention will be given to a form of levelling. What form this takes will not be determined until the structural adequacy of the buildings is confirmed.
- 67. The Committee questioned the basis of the cost of floor finishes. Defence advised that the cost estimate for floor finishes \$1.3m, is based on a need to provide a commercial office-type environment within the heritage constraints. There will be more than 25 000m² of carpet and other hard floor finishes and the unit cost is about \$40-50/m². There will be carpet throughout and hard surfaces in toilets and amenity areas and in some passageways.

#### Walls

68. Defence advised that the number of partitioned offices will be minimised and arranged to take advantage of available natural light. The plasterboard walls of conference rooms and offices will generally be full height. Walls parallel to corridors will comprise aluminium frames and laminated glass.

#### Ceilings

69. Ceilings will generally be suspended painted plaster. Some existing vaulted ceilings will be repaired and painted.

## Lighting, Blinds and Curtains

- 70. Concealed and specific to task lighting will be provided to accord with design layout and to Australian Standards for a screen based environment. Lighting will use low loss ballasts with power consumption no more than 16W/m² and will consist of the tubular fluorescent type. They will be generally recessed. Otherwise surface mounted types will be provided. Lighting diffusers will take account of screen-based equipment.
- 71. Blinds offering a 60% shading coefficient will be provided to all external windows and to glazed walls in selected partitioned offices. Full length curtains will be provided in all offices occupied by senior officers.

### Airconditioning System

- 72. Defence propose to provide airconditioning to the majority of the buildings because it is believed to be a requirement from an occupational health and safety point of view. In the case of Block A there may be a departure from full airconditioning, given the nature of the building. It may be possible to provide an alternative system involving radiators so that windows can be opened. Provision has been made in the cost for full airconditioning, but if Defence decides on an alternative, there may be a saving. Defence would need to consult with staff about the practicalities of alternative systems.
- 73. The airconditioning system will comprise either floor by floor water cooled airconditioning units, condenser water system and cooling towers, or floor by floor chilled water handling units, chilled water system and chillers. The cooling towers could either be centralised or installed within, or adjacent to, each building.
- 74. The air distribution system will be of the variable air volume type to provide efficient operation. The system will allow additional thermostatic control zones to be installed to suit specific layouts and to be electronically controlled permitting after hour operation of any one or more areas.
- 75. Heating will be provided by gas fired boilers.
- 76. Mechanical ventilation will be provided to amenity areas and smoke control will be provided in accordance with statutory requirements.

#### **Electrical Services**

- 77. Defence advised the Committee that electricity supply will be obtained from a number of onsite substations and some upgrades of substation transformer capacities will be required. Main distribution boards adjacent to substations will be modified or upgraded to accommodate additional loads. New underground mains cables will be required to each of the buildings to be refurbished.
- 78. Defence has made no provision for standby power. There will be provision on the new main switchboards to accommodate the future connection and zone the circuits into essential and non-essential elements. No provision has been made for an uninterruptible power supply.

79. The Committee questioned Defence about the need for standby power. Defence advised that with the use of personal computers the question of standby power becomes less critical and has therefore been excluded from the proposed work. There will be battery power for critical areas such as exit lights which will operate during a power failure. There are standby power facilities in Blocks D and H.

#### Lifts

80. It is not proposed to replace the lifts in Blocks A1, D and M. Defence advised that it is proposed to upgrade them only. The project budget contains a contingency for the replacement, upgrading or renew of more than is expected. A full replacement of all lifts, including the historic lift in Block A1, would cost \$1.6m.

## **Energy Conservation**

- 81. The Committee questioned Defence about features in the design which will reduce the amount of energy required to provide lighting and ventilation. Defence advised that the question of passive design for energy efficiency does not arise because the proposed work involves the refurbishment of existing buildings with external walls of considerable substance in all cases. The following features, forming part of an energy management system, will apply:
  - mechanical services fresh air cycles, optimum start up times, zoned, and variable air volume systems
  - electrical low-loss ballast lighting, segregated lighting on external walls adjacent to windows.
- 82. The Committee questioned Defence if energy targets had been set. Defence replied that philosophies rather than quantifiable targets had been set because the proposal is in the pre-design phase. These philosophies and objectives will be embodied in the design process.

# New Openings and Infill

83. New openings and additions, such as block walls to fire doors and plant rooms, are to be provided where required ensuring minimal interference with existing structures.

# Communications and Data Networking

- 84. Buildings within the precinct will be connected via a fibre optic link. Each building, where required, will be provided with a vertical fibre optic riser with horizontal links to workstations and other areas on each floor. Patch panels or communications racks will be installed on each floor providing a Local Area Network facility where need is established.
- 85. Secure communications will be installed to cater for the carriage of classified information.

#### Fire Protection Services

- 86. Defence advised the Committee that generally, the design will comply fully with the BCA and the requirements of all relevant authorities. Fire hydrants and hose reels will be provided throughout to comply with Defence, BCA and Melbourne Metropolitan Fire Brigade requirements. Break glass alarms will be provided adjacent to each hydrant point. Smoke detectors will be provided in supply and return airconditioning ducts.
- 87. Sprinklers, presently provided in Blocks A, C and G are to be upgraded or modified to suit the refurbished design and the relevant Australian Standard.
- 88. Thermal alarms are presently installed in Blocks B, D, F and M. It is proposed to provide fire sprinklers in each of these buildings because of their heritage nature and to assist in the case of any necessary dispensations. Hand-held extinguishers will be provided to suit special areas, the water supply will be upgraded to comply with authority requirements and new fire panels will be provided.
- 89. The Melbourne Metropolitan Fire Brigade submitted that the buildings should comply with the BCA and if variations or modifications are necessary, the opinion of an independent panel concerning their acceptability should be sought. In recent years the Metropolitan Fire Brigade has been providing assistance to the upgrading of buildings similar to those at Victoria Barracks. Defence advised the Committee that because of the age and original design of the buildings in the precinct, there will be circumstances where some of the requirements of the BCA cannot be met. The Defence Fire Protection Manual states:

to impose modern building regulatory requirements to heritage buildings would in most cases, if not in all cases, provide to be futile. Each project should be assessed on its merits.

- 90. At the public hearing Defence indicated that because the project is at the pre-schematic design stage there will be a continued need for consultation with the Brigade. Defence will strive for the development of acceptable modifications which suit the property and the requirements of the Brigade and the budget is adequate to cover these aims.
- 91. Defence also indicated that the appointment of an independent panel to assess variations to the BCA had been noted and would be considered but believes it has well established procedures and expertise to cover most contingencies. Whilst Defence has adopted this position, the Committee has previously addressed the need for compliance and formal approvals for Commonwealth buildings by State and local governments, which could include independent certification services (Committee's 55th and 56th General Reports Parliamentary Papers 152/1992 and 159/1993). The Committee understands that this matter has still to be resolved by the Government.
- 92. The Committee also received a written submission from the Commonwealth Fire Board (CFB) which made the following points:
  - ☐ Fire Brigade access to buildings within the Barracks needs to be assured some buildings have restricted access
  - the water supply may need to be upgraded if fire protection is to be upgraded
  - special consideration would need to be given to egress in A Block
  - the provision of sprinklers in A Block would assist in bringing the building up to minimum standards of the BCA
  - it would be appropriate for the standard of smoke control to be better than that specified by the BCA.

93. In response, Defence advised the Committee that the CFB suggestions will be specifically addressed and incorporated as appropriate during the preparation of the design brief for the project. Furthermore, Defence has allowed for an upgrading of ring mains where required to ensure the adequacy of the hydrant fire service and this will be a specific inclusion in the design brief. The provision of sprinklers is included in the scope of the project, an allowance has been made for smoke detection, and the BCA requirements in regard to compartmentalisation will be taken into account.

#### Hydraulic Services

94. All designs will comply with the requirements of the Melbourne Metropolitan Water Board and relevant Australian Standards. Generally, water, sewerage and stormwater systems from each building will connect into existing site services.

#### Impact of Relocation

95. The Committee questioned Defence about the management of the relocation of staff from the various leased premises to refurbished buildings at Victoria Barracks. Defence acknowledged that there may be some problems, although the intention is to aim to move personnel from leased premises only once. This will be difficult to achieve with 11 buildings involved and there will be some disruption.

# Heritage Considerations

- 96. The entire Victoria Barracks precinct is listed on the Register of the National Estate.
- 97. During the inspection of Victoria Barracks the Committee was able to inspect a number of buildings within the precinct, including Block A1. Construction of this building was one of the first major Commonwealth Defence projects carried out. The proposed construction of the building was referred to the First Parliamentary Standing Committee on Public Works in 1915 at an estimated cost of £35 000. (Report relating to the question of Additional Office Accommodation at Victoria Barracks, Melbourne 29 October 1915.) It was from this building during the Second World War that the Commonwealth Government administered the nation's war effort. It houses the historically significant War Cabinet Room. The Committee is

fully aware of the historical significance of the Barracks role in the shaping of the nation's history as well as the role the Barracks have today in reflecting the past.

98. During the latter half of 1992 Defence commissioned the preparation of a Conservation and Management Plan (CMP) of the Victoria Barracks precinct. The aim of the CMP was to provide Defence with heritage guidelines for the RIMA project. The Defence brief required the consultant responsible for the preparation of the CMP to:

...identify and document the overall significance of the Victoria Barracks precinct and individual buildings within the precinct and to define conservation policies and management guidelines which would have an effect on the future use or reuse of the facility. In summary, the CMP is to address the site, buildings and relics for their archaeological, historic, aesthetic, architectural, scientific, natural, social or other special significance. It will address all buildings (and building fabric) within the precinct, trees, gardens, perimeter, walls/fences or other features which may have heritage significance.

99. The CMP, dated December 1992, made a number of conclusions and recommendations. On the question of the adaptive re-use of buildings the CMP concluded:

There is no reason why any of the significant buildings cannot be adapted for re-use. However, it is essential that any works in buildings of primary significance be appropriate in conservation terms.

- 100. It recommended that in assessing the scope of alterations that the following guidelines should be followed:
  - it is essential that the exteriors of all buildings of primary significance (Blocks A, A1, B, C, F, G and J, the married men's quarters, parade ground, perimeter wall and Keep, 310 St Kilda Road, the trees along the southern boundary of the parade ground, remnants of the residential garden around the married men's quarters, the remnant paths and paving around Block F and the landscaping to the east of Block A) and contributory significance (Block M and the motor transport depot) be

preserved and that alterations are only permitted if they are in strict accord with the guidelines of the Burra Charter. No new external additions such as annexes, verandahs, toilets etc should be made to the buildings of primary significance.

- prior to any works being undertaken, it is essential that detailed building surveys be undertaken to document all original fabric and to note any alterations which have occurred
- progressively replace all spouting and downpipes on the bluestone buildings with cast iron of the correct dimension and profile
- progressively repoint all stonework where it has failed. Re-tuck point where appropriate
- new mechanical services should be installed in such a manner that there is minimal intervention into the original fabric and in a manner that the essence of the principal volumetric spaces is retained. In preference, the hydronic heating system should be retained in the bluestone buildings, which stay relatively cool in summer, rather than installing full reverse cycle airconditioning systems
- in all buildings of primary significance, physically investigate all original decorative finishes by paint scraping and microscopic analysis and research documentary sources prior to recommending any internal or external decorative schemes...
- preferably retain all original fittings. All historic fittings and furnishings which necessarily need to be replaced, including luminaries, switches and door furniture should be carefully researched to ensure that original or appropriate fittings and furnishings are installed...

#### Australian Heritage Commission

- 101. Subsection 30(3) of the Australian Heritage Commission Act 1975 requires that:
  - (3) Before a Minister, a Department or an authority of the Commonwealth takes any action that might affect to a significant extent, as part of the national estate, a place that is in the Register, the Minister, Department or authority, as the case may be, shall inform the Commission of the proposed action and give the Commission a reasonable opportunity to consider it.
- 102. The written submission from Defence advised during the preparation of the CMP representatives of the Commission had visited the site for familiarisation. The submission from Defence also indicated that the CMP had been referred to the Commission. Defence did not, however, formally advise the Commission of the action proposed for Victoria Barracks, required pursuant to subsection 30(3), until 28 August, shortly before the Committee's public hearing.
- 103. A written submission from the Commission acknowledged that consultations had taken place with Defence for more than a year but expressed concern about the lack of time to give full consideration to the subsection 30(3) referral within the time frame required for submission to the Committee on the proposal. Accordingly, the Commission offered some preliminary comments to the Committee of a general and specific nature. In general terms, the Commission questioned the extent to which Defence had examined 'feasible and prudent alternatives to the taking of action', required by the Heritage Commission Act. Further consultation at strategic milestones, as occurs with a similar Defence project, now under construction, was considered a prudent course of action by the Commission. (Relocation of Naval Support Command Headquarters, Prymont, NSW Committee's Eleventh Report of 1991 Parliamentary Paper 302/1991.) The Committee agrees with this approach.
- 104. In specific terms the Commission highlighted a number of matters of detail or interpretation. These include:
  - the retention of structures which the CMP considers to be intrusive which should be totally or partly removed

- the indicated extent of removal of non-structural internal walls exceeds the limits intended by the CMP
- the proposed airconditioning system appears to be at variance with the CMP recommendation
- the proposed installation of electrical, communications and data networking
- the heritage implications of the levelling of floors are not explained; the levelling appears to be at variance with the CMP.
- 105. At the public hearing representatives of the Commission acknowledged that Defence:
  - as a major owner of the National Estate has over recent years had the best record of organisations the Commission deals with
  - recognises the importance of military history and environmental matters
  - has acted with the best intentions in preserving the national estate and environmental matters generally.
- 106. Defence gave the Committee an unequivocal assurance at the public hearing that the Commission will be consulted and involved in the management process to ensure that heritage matters are taken fully into account during the detailed design process.

#### Committee's Conclusion

107. Subject to the continued involvement of the Australian Heritage Commission in the project, the proposed work can be justified, will result in the provision of modern office accommodation and makes good use of existing buildings.

#### Committee's Recommendation

108. The Australian Heritage Commission, or if necessary an agent of the Commission, should be involved in the acceptance of proposed design features during the further development of the project.

#### CHILD CARE

109. The provision of work based child care is not included in this proposal. The Committee was pleased to discover that under the auspices of the Defence Centre Melbourne, it is proposed to establish a 60-person child care facility within the Barracks. This initiative is being undertaken independently of the project under consideration by the Committee. The Committee was advised that plans for the child care facility are well advanced.

#### CONSULTATION

#### **Organisations**

- 110. Defence formally notified the following organisations of about the proposal:
  - □ Melbourne Water
  - Council of the City of South Melbourne
  - Gas and Fuel Corporation
  - State Electricity Commission of Victoria
  - □ Victorian Ministry of Transport
  - □ Melbourne Fire Brigade
  - □ Victorian Ministry of Planning
  - Australian Heritage Commission.

#### Consultations with Staff

111. Consultation with staff has been carried out on a number of fronts. Meetings between the Project Control Group and the Defence Regional Consultative Committee were held at six week intervals. After these meetings the project director released a report on progress with the project to staff. Unions and staff were also approached and were briefed —

particularly in relation to the fitout of Block H. Defence believes that from its inception there has been a long trail of consultation with staff which will continue as the design develops.

### Local Support for the Project

- 112. The Committee was advised of strong local support for the Project. The Hon. Clyde Holding MP, representing the electorate of Melbourne Ports, indicated that the project has overwhelming local support.
- 113. Mr Holding urged the Committee to recommend that the successful tenderer or subsequent sub-contractors seek additional employees required from those registered as unemployed at the local Commonwealth Employment Service in St Kilda or South Melbourne. Defence indicated that given the nature and location of the work proposed, it is likely that sub-contractors and their employees will be from the surrounding locality. Defence also assured the Committee that it would be prepared to include in special conditions some encouragement for tenderers or sub-contractors to obtain employees from the local area. This form of encouragement could not, however, be used as an adverse condition in considering tenders Defence remains committed to a policy of assessing tenders and letting contracts on the basis of value for money.

#### Committee's Recommendation

- 114. Defence and the primary contractor liaise with local Commonwealth Employment Service offices to encourage the use of locally registered unemployed tradespeople on the project.
- 115. A representative of the Council of the City of South Melbourne advised the Committee that the Council:
  - strongly supports the retention of the Defence headquarters in the City of South Melbourne
  - strongly supports the sensitive refurbishment of the historically significant Barracks
  - seeks to promote opportunities for urban design improvements in the Victoria Barracks precinct that would link it closer to the emerging built form of Southbank Village

seeks to encourage any initiatives or developments which would meet the objectives of both concentrating Defence personnel within the Barracks and encouraging a viable redevelopment of surrounding land for residential purposes.

# Public Access to Historic Buildings

116. Defence advised that recently discussions were held with the Council about greater public access to sections of the Barracks of historical interest — including the War Cabinet Room and the Keep. In principle Defence has no objection to implementing controlled public access and is presently considering the implications of a weekly, supervised tour of some features of the Barracks on a trial basis.

#### **COST AND TIMETABLE**

#### Reliability of Cost Estimate

- 117. When referred to the Committee the estimated cost of the proposed work was \$27.0m at December 1992 prices. The Committee questioned Defence about the level of confidence of this cost estimate. A number of factors prompted this being raised
  - uncertainties about the extent of asbestos and therefore the cost of its removal; Defence was asked what would happen if more asbestos were found. All projects have a contingency of about 10% and Defence believes that in this particular instance the contingency would be sufficient to cater for unforeseen circumstances (see paragraph 52).
  - the extent of the airconditioning which will be required. Defence believes that the only uncertainty about airconditioning is whether it will be provided in some of the bluestone heritage
    - buildings. The total mechanical services budget is \$3.5m which Defence considers to be adequate
  - the cost of workstations; Defence indicated the costs estimates are firm.

#### **Excluded Projects**

- 118. Defence advised the Committee that the following components are not included in the scope of the proposed work nor in the estimated cost:
  - the construction on the upper level of the utilities wing of Block H to provide an additional 1000m<sup>2</sup> of office accommodation. Defence indicated that the estimated cost of the addition is \$1.3m
  - the clear glazing of the infill beneath the podium of Block H to provide a staff an internal/external eating area and an activities room for a gymnasium. The estimated cost is \$700 000
  - a concrete, single storey car parking structure in the south-west corner of the site to provide additional car parking spaces. The estimated cost is \$1.3m
  - works to 310 St Kilda Road to accommodate the Defence Health Care Centre. The estimated cost is \$1.3m
  - replacement of the existing lifts.

#### Committee's Recommendations

- 119. If tenders for the project are below the estimated cost, the balance of the funds available should be spent on the clear glazing of the infill beneath the podium of Block H to provide an internal/external eating area and an activities room for a gymnasium.
- 120. The Committee recommends the construction of facilities required for the Rationalisation of Inner Melbourne Accommodation at an estimated cost of \$27m.

# CONCLUSIONS AND RECOMMENDATIONS

121. The conclusions and recommendations of the Committee and the pages in the report on which they appear are set out below:

		Page
1.	Any rationalisation of accommodation in the Inner Melbourne Area for the Department of Defence or other Commonwealth agencies should give preference to the use of Commonwealth-owned premises.	7
2.	Existing buildings in Victoria Barracks need to be substantially refurbished and upgraded to provide a modern and efficient office environment for Defence personnel required to be located in the Inner Melbourne Area.	11
3.	Whilst the general layout of workstations and associated office furniture has been the subject of trials and discussions with relevant unions they may require adaptation to suit individual buildings.	15
4.	Defence continue to consult with relevant unions and staff about the layout of workstations and associated office equipment during design development.	15
5.	Subject to the continued involvement of the Australian Heritage Commission in the project, the proposed work can be justified, will result in the provision of modern office accommodation and makes good use of existing buildings.	25

5 <b>.</b>	The Australian Heritage Commission, or if necessary an agent of the Commission, should be involved in the acceptance of proposed design features during the further development of the project.	25
7.	Defence and the primary contractor liaise with local Commonwealth Employment Service offices to encourage the use of locally registered unemployed tradespeople on the project.	27
8.	If tenders for the project are below the estimated cost, the balance of the funds available should be spent on the clear glazing of the infill beneath the podium of Block H to provide an internal/external eating area and an activities room for a gymnasium.	29
9.	The Committee recommends the construction of facilities required for the Rationalisation of Inner Melbourne Accommodation at an estimated cost of \$27m.	29

Colin Hollis Chairman

28 October 1993

#### APPENDIX A

#### WITNESSES

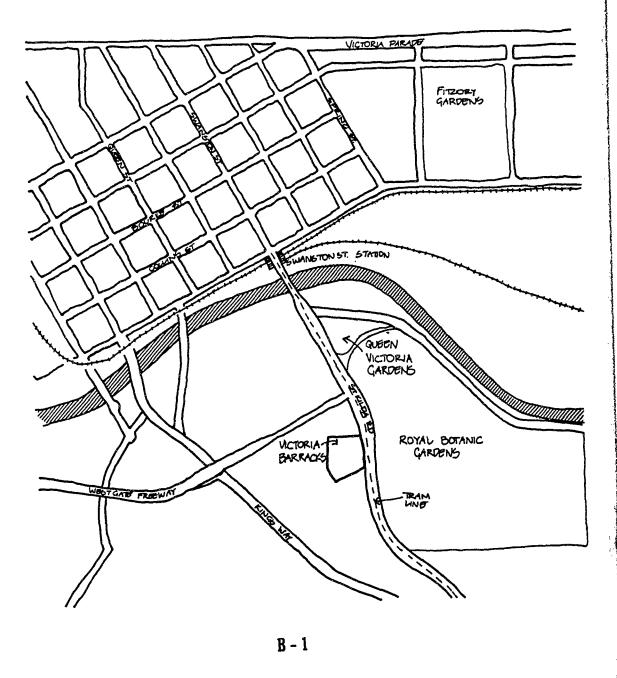
- BLACKLEY, Mr Bernard, RIMA Project Director, Department of Defence, Canberra, ACT
- BRUCE, Dr Robert, Acting Deputy Executive Director, Australian Heritage Commission, 39 Brisbane Avenue, Barton, ACT
- BURNS, Mr Philip Denis, Project Consultant, Burns Bridge Australia Pty Ltd, 19 Prospect Street, Box Hill, Vic
- CLAMPETT, Mr John, Senior Station Officer, Metropolitan Fire Brigade, 103 Hoddle Street, Collingwood, Vic
- HOLDING, Honourable Allan Clyde, Federal Member for Melbourne Ports, 78 Acland Street, St Kilda, Vic
- MORRISON, Mr Richard Gregory, Senior Conservation Officer, Australian Heritage Commission, 39 Brisbane Avenue, Barton, ACT
- NEMETH, Mr Peter, Director Facilities Engineering-Navy, Department of Defence, Russell Offices, Canberra, ACT
- PAPAGEORGIOU, Mr Michael, Strategic Planner, Council of the City of South Melbourne, 208 Bank Street, South Melbourne, Vic
- RILEY, Mr Paul, Commander, Metropolitan Fire Brigade, 103 Hoddle Street, Collingwood, Vic
- WALLACE, Mr Leslie Andrew, Assistant Secretary, Estate Management, Department of Defence, Russell Offices, Canberra, ACT

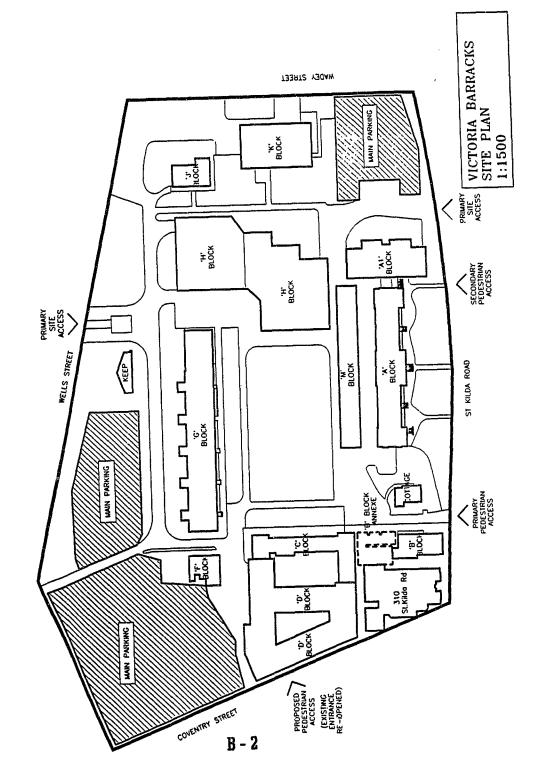
#### APPENDIX B

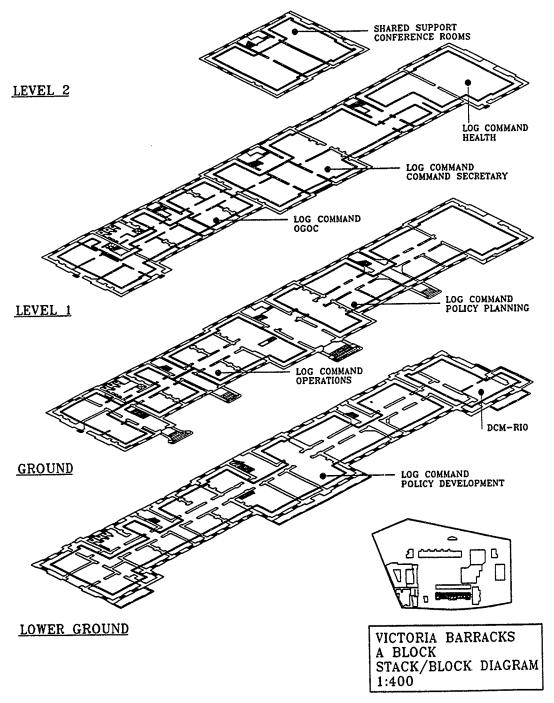
#### PROJECT DRAWINGS

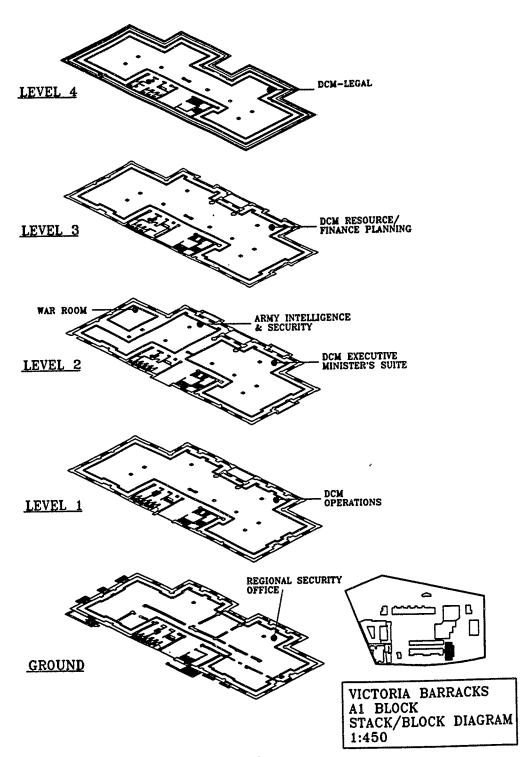
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# INNER MOUBOURNE AREA

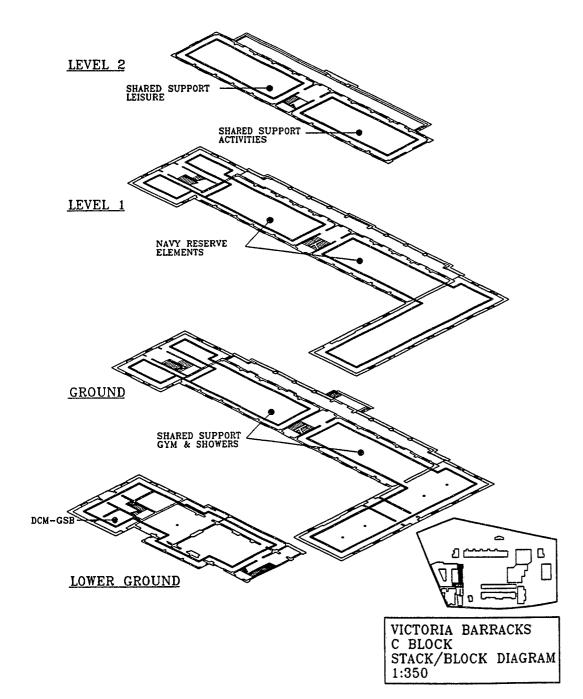


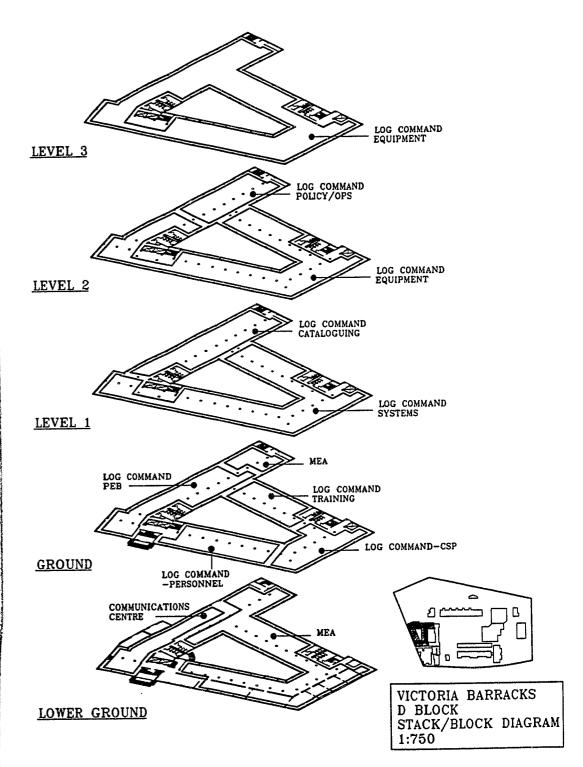




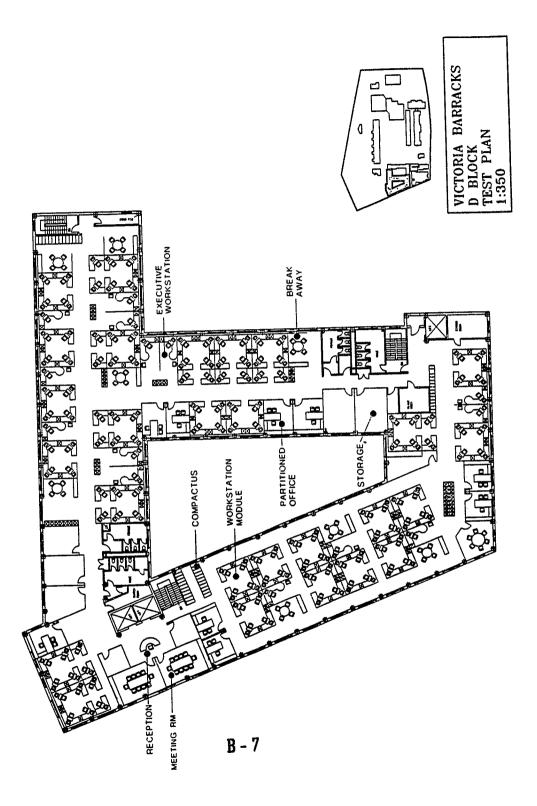


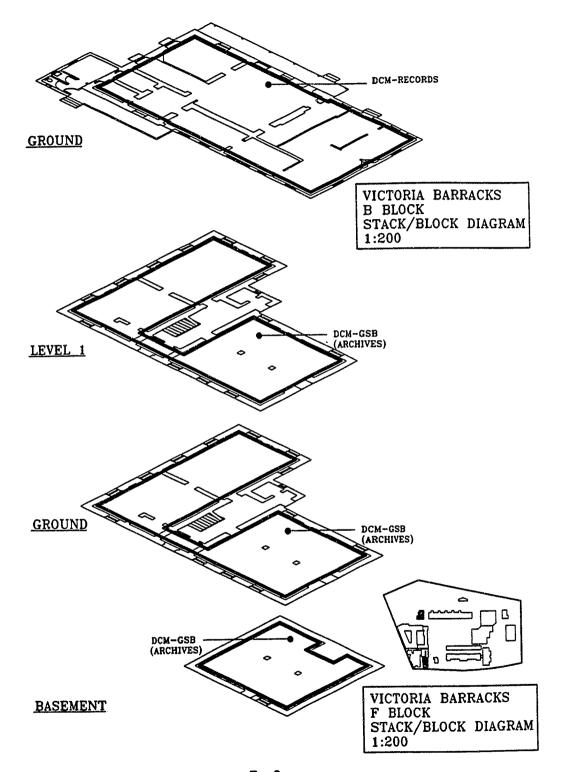
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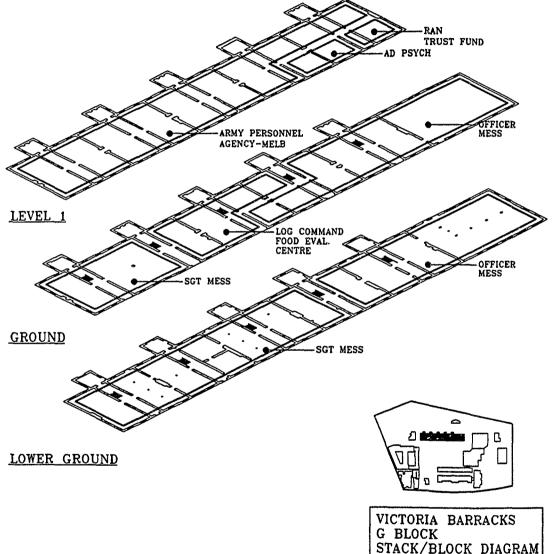


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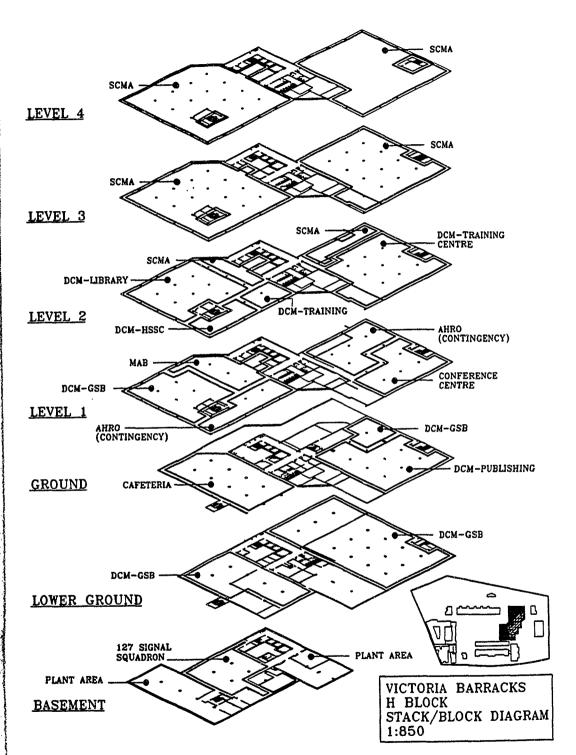


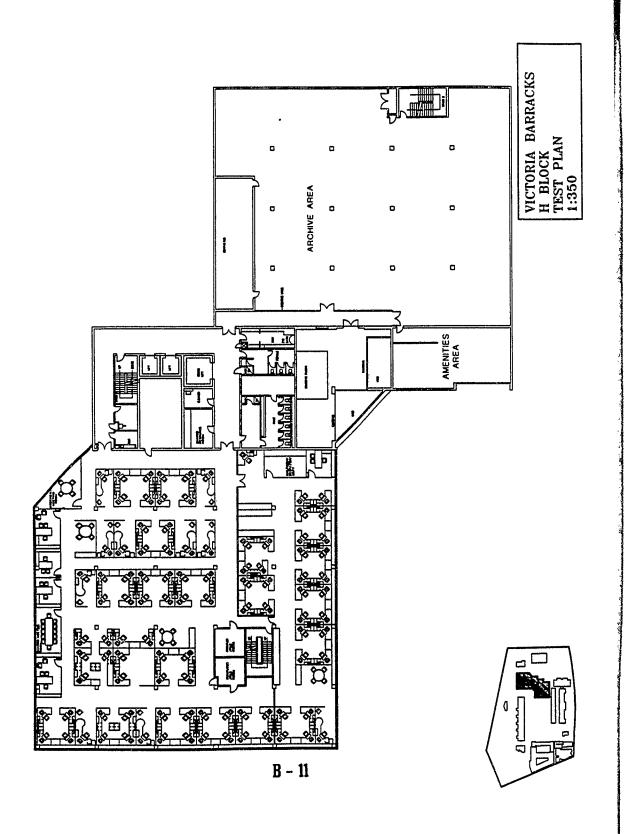


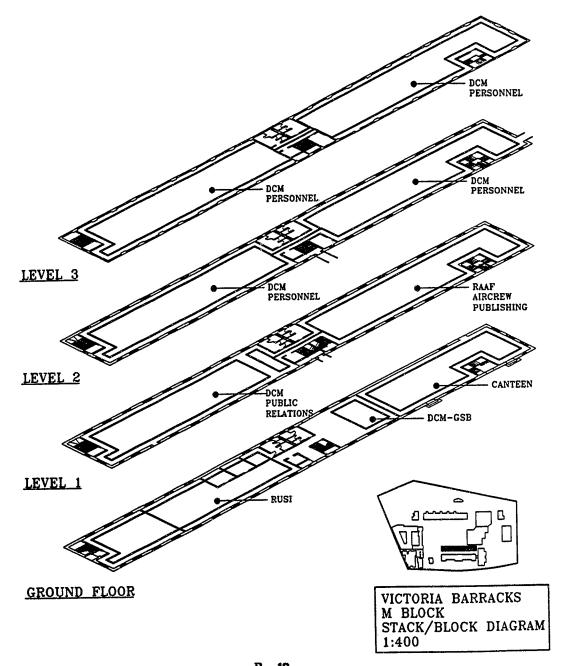
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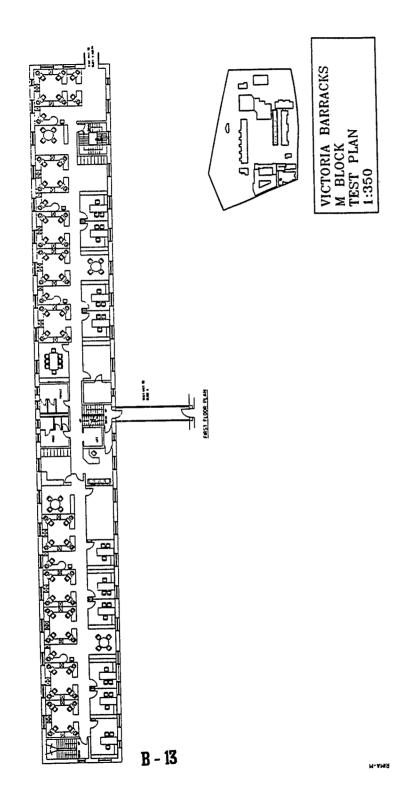
STACK/BLOCK DIAGRAM 1:500

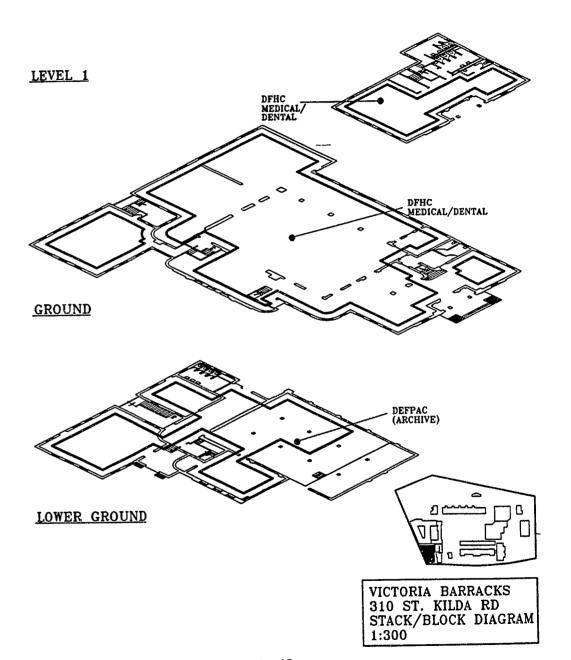






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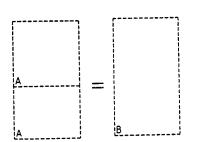


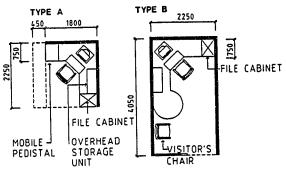


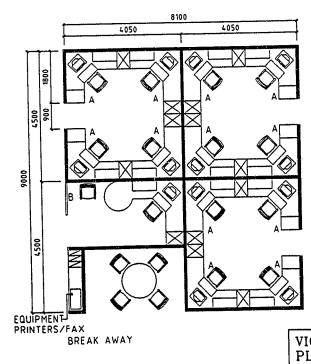
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### MODULARITY









VICTORIA BARRACKS PLANNING MODULE 1:100

