



Parliamentary Standing Committee on Public Works

REPORT

relating to the proposed

PROVISION OF LIVING-IN ACCOMMODATION AT HMAS *HARMAN*, ACT

(Twenty-fourth Report of 1995)

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

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

(Thirty-First Committee)

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

Senate

House of Representatives

Senator Bryant Robert Burns	Mr John Neil Andrew MP
Senator Shayne Michael Murphy*	Mr Raymond Allen Braithwaite MP
	Mr Russell Neville Gorman MP
	Mr Robert George Halverson OBE MP
	Hon. Benjamin Charles Humphreys MP

*Replaced Senator John Devereux on 10 February 1995

Committee Secretary: Peter Roberts

Inquiry Secretary: Michael Fetter

Secretarial Support: Belynda Zolotto
Suzanne Stanfield

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

No. 148 dated Thursday, 22 June 1995

**4 PUBLIC WORKS – PARLIAMENTARY STANDING COMMITTEE –
REFERENCE OF WORK – PROVISION OF LIVING-IN
ACCOMMODATION AT HMAS *HARMAN*, ACT**

Mr Walker (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: Provision of living-in accommodation at HMAS *Harman*, ACT.

Question – put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

PROVISION OF LIVING-IN ACCOMMODATION AT HMAS *HARMAN*, ACT

On 22 June 1995 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report to Parliament the proposed provision of living-in accommodation at HMAS *Harman*, ACT.

THE REFERENCE

1. The aim of the reference is to provide an increase in the current living-in accommodation on the base from 232 personnel to a total of 428 and to replace the existing unsuitable and substandard accommodation for 54 personnel. This equates to a total provision of living-in accommodation for approximately 85% of those entitled to live in. The 15% reduction is to take account of the estimated number of those entitled to live-in who will choose to live out at their own expense.

2. The proposed accommodation will provide a level of amenity consistent with community expectations. This increase in the live-in accommodation will require a corresponding increase in messing facilities and carparking and a new gymnasium to replace current substandard facilities that are beyond their economic life and unsuitable for extension to meet the additional demand.

3. When referred to the Committee the estimated outturn cost of the project was \$18.3m, based on construction commencing in January 1996 with completion in late 1997.

THE COMMITTEE'S INVESTIGATION

4. The Committee received a submission and drawings from the Department of Defence (Defence) and took evidence from representatives of Defence and Australian Construction Services (ACS) at a public hearing held in Canberra on 12 September 1995.

5. The Committee also received a written submission and took evidence from a representative of the National Capital Planning Authority. Mr Angus

Hall (Architect) and a representative of Australian Structured Finance, also appeared before the Committee.

6. Written submissions were also received from the following organisations and incorporated in the transcript:

- ACT Greens (ACT Legislative Assembly)
- ACT Electricity and Water
- Australian National Audit Office
- Commonwealth Fire Board
- Department of Primary Industries and Energy
- Australian Heritage Commission
- Environment Protection Agency.

7. Prior to the public hearing the Committee inspected existing facilities at HMAS *Harman* and the sites proposed for the new works.

8. A list of witnesses who appeared at the public hearing is at Appendix A. The Committee's proceedings will be printed as Minutes of Evidence.

BACKGROUND

Location and history

9. HMAS *Harman* is situated in the ACT 12.5km from Canberra City. The base is near the City of Queanbeyan and the ACT border with NSW.

10. HMAS *Harman* is a shore establishment which commenced operations in 1939 as a naval radio receiving facility in conjunction with the Belconnen transmitting facility. Over a number of decades the major functions of the base have changed and facilities were progressively developed to accommodate the changed functions. The radio receiving facilities were transferred to Bonshaw, located nearby, in 1965 and in 1989 a large communications facility was completed at HMAS *Harman*.

11. The primary functions of HMAS *Harman* today are:

- to provide support for naval communications facilities
- administration of Navy Office personnel
- to provide accommodation and messing for personnel working at the base, naval personnel serving in the Canberra area, and for transient personnel.

12. HMAS *Harman* supports in excess of 1400 personnel. Of significance is that more than one third of this number requires the provision of Living-in Accommodation (LIA).

THE NEED

Condition of service

13. The Navy has a requirement to provide LIA for its members, either through the provision of LIA or through the provision of allowances for members to secure private or commercial accommodation. Defence advised the Committee that HMAS *Harman* has one of the highest allowance costs of any naval establishment. Currently there are about 250 personnel in the Canberra area receiving Living Out Allowance (LOA) or Living Away from Home Allowance (LOFA). Defence attribute this significant incidence, which costs the Defence budget more than \$2m before fringe benefit tax is applied, to inadequate and substandard LIA.

14. Defence believe the payment of LOA and LOFA could be avoided if suitable LIA is made available. Studies undertaken by the Navy indicate that the cost of providing the additional accommodation at HMAS *Harman* could be paid back in less than ten years through savings in LOA and LOFA.

15. The Committee questioned Defence on the extent of allowances to which civilian public servants are entitled. When transferred, public servants receive removal costs, home sale/purchase costs, disturbance allowance and allowances while finding permanent accommodation. Personnel on term transfers of up to three years, which equates to a long term posting to HMAS *Harman*, are entitled to temporary accommodation allowance.

Career development

16. Defence believe the provision of LIA to be important for the career development of all personnel. At various stages in their careers, naval personnel will be required for service at sea, and living on-base in a service environment, will encourage career development and assist in the preparation of younger personnel for service at sea. Defence advised the Committee that the lack of LIA and the provision of LOA for junior personnel has in a number of cases been detrimental to both individuals and the service. Defence also believe by improving on-base living conditions there would be increased morale with a potential flow-on effect to retention rates.

Audit Office report

17. In March 1995 the Australian National Audit Office (ANAO) report into an efficiency audit of Australian Defence Force LIA was tabled in Parliament. Although the report notes a high level of vacancies on some bases, Defence assured the Committee that this does not occur at HMAS *Harman*. The report also notes that 35% of personnel elect to live out without financial assistance. At HMAS *Harman* only 15% elect to live out without financial assistance. The ANAO assessed that the cost per person on LIA as \$10 500 and LOA as \$15 000. Defence believes these costs confirm the assessment that there would be positive financial benefits by providing additional LIA at HMAS *Harman*.

18. Defence advised the Committee that the existing LIA at HMAS *Harman* considered suitable comprises:

	Cabins
senior officers	6
junior officers	30
senior sailors	nil
junior sailors	142

Alternatives considered

19. Defence considered the following options for the provision of accommodation and associated support facilities for Navy personnel serving in the Canberra area:

- maintain current arrangements
- purchase or lease an existing commercial facility
- construct additional facilities at HMAS *Harman*.

Maintain current arrangements

20. Continuation of the existing situation, which involves making up the shortfall in accommodation by the use of individual commercial alternatives along with the associated payment of LOA and LOFA, would cost in the vicinity of \$2m per annum. Furthermore, it would not address the shortage of dining, recreational and carparking facilities for the personnel currently accommodated at HMAS *Harman*, nor the need to provide supervision of junior personnel at the earlier stages of their career development.

Leasing or purchasing accommodation

21. Defence advised that the purchase or lease of a motel or similar facility appears to be superficially viable for the provision of accommodation. It would most likely involve accommodation and catering being managed under a Commercial Support Program (CSP) type contract. Defence investigated this alternative further. The investigation revealed that the Canberra market has limited availability of suitable facilities. It would cost about \$50 000 per bed space and incur substantial recurrent maintenance costs. There would also be additional costs stemming from the need to upgrade and extend dining and kitchen facilities. Defence advised the Committee that only the largest hotel/motel establishments in Canberra could come close to being able to provide the shortfall in HMAS *Harman* LIA. Only smaller motels ranging in size from 20 to 60 rooms tend to come on to the market. Defence concluded if this alternative were adopted it would result in considerable decentralisation of accommodation with inherent inefficiencies in the support services.

22. Defence also investigated the cost and practicalities of purchasing flats in Canberra to provide LIA. This revealed that flats in Canberra sell from approximately \$60 000 for single bedroom or bed-sitter and \$90 000 for two bedroom residential accommodation. Additional costs would be incurred by Defence for rations and travel allowances.

23. Defence concluded that neither of these commercial options are cost effective in comparison with the cost of providing LIA on base nor do they address the present deficiency in dining, recreational and carparking at HMAS *Harman*. In terms of cost comparisons, the estimated cost of the accommodation component, including the cost of upgrading the messes and the infrastructure at HMAS *Harman*, would be \$43 600 per person, compared with \$50 000 for motel accommodation and \$60 000 to \$90 000 for flats.

Other Defence accommodation

24. Defence also examined the practicalities of providing accommodation at another Defence establishment in the Canberra area. This would avoid the cost of acquiring land but has limitations. The Royal Military College Duntroon has little available land and RAAF Base Fairbairn is classified as an isolated establishment. Existing deficiencies in dining, recreation and carparking at HMAS *Harman* would not be rectified by the adoption of this alternative.

Benefits from on-base construction

25. A number of factors favour the provision of additional LIA at HMAS *Harman* to rectify the existing and likely future shortfall. These factors are:

- a well developed infrastructure
- adequate land available
- lower capital costs and savings in recurrent expenditure
- location in relation to major Defence establishments in Canberra – at Russell and Campbell Park and to the main centres of Canberra and Queanbeyan.

26. The other alternatives would require ongoing expenditure on LOA or higher operating costs and support staff because of the requirement to support a separate facility plus the existing facility at HMAS *Harman*.

Committee's Conclusions

27. As a condition of service, and to foster the career development of sailors, there is a requirement to provide living-in accommodation for single naval personnel.

28. A major function of HMAS *Harman* is to provide accommodation and messing for personnel working on the base and naval personnel serving in the Canberra area.

29. There is a lack of suitable available living-in accommodation at HMAS *Harman* which has resulted in the base having one of the highest allowance costs of any naval establishment.

30. Alternatives examined aimed at reducing allowance costs have indicated that the provision of additional living-in accommodation at HMAS *Harman* to be the most cost-effective solution due to the well developed infrastructure, adequate land, location, and lower capital and recurrent costs.

THE PROPOSAL

Summary

31. Defence believe that based on the provision of LIA to 85% of personnel entitled to receive it, there is a need to provide the following new facilities at HMAS *Harman*:

- new LIA for 250 personnel
- new or extended dining and galley facilities to cater for the increase in living-in members
- new physical fitness facilities to replace current inadequate and substandard facilities that are beyond their economic life and are unsuitable to meet the additional demand

- additional carparking to meet current shortfall and increased demand created by any increases in LIA
- associated upgrading of infrastructure and landscaping.

MASTER PLANNING AND DESIGN

32. HMAS *Harman* is located on a 249.73ha site which is zoned for Commonwealth and Defence purposes. The topography is gently undulating.

Master plan

33. The master plan for HMAS *Harman* was updated in 1988. Functional areas have been delineated in a zone plan which, from north to south comprises:

- married quarters
- recreation
- living-in accommodation
- administration, operations and support.

34. The married quarters zone on the northern edge of the base is not proposed for any immediate development, although the prefabricated houses in the zone are being removed. No decision has been made on future possible uses of the vacant land. Defence advised the Committee that the remaining zones will be developed further in the near future, but only the living-in accommodation and recreation zones will be developed as part of the project.

35. A draft development plan, required in accordance with the special requirements of the National Capital Plan, was prepared to take account of the scope of works proposed. The National Capital Planning Authority advised the Committee that the draft development control plan is currently being considered by the authority. When consultations with other interested authorities – Queanbeyan City Council and the ACT Planning Authority are completed, the NCPA will approve the draft plan and certify that it meets the requirements of the National Capital Plan.

Aircraft noise and acoustics

36. The current 1997 Australian Noise Exposure Forecast (ANEF) for Canberra Airport/RAAF Base Fairbairn indicates that the proposed living-in accommodation is within the 20 to 25 ANEF contour, a zone in which aircraft noise may emerge as an environmental problem. Landuse planning guidelines – the *Defence Landuse compatibility advice for areas in the vicinity of Australian air bases* – recommends that consideration should be given to the incorporation of noise attenuation measures to flats or houses located within these contours. Planning guidelines also indicate that in areas outside the 20 ANEF contour aircraft noise is not a significant concern to the majority of the community.

37. The Committee was advised that the preliminary results of the 2005 ANEF indicates that most of the proposed development is outside the 20 ANEF zone.

38. Despite these initial assurances about the minimal impact of aircraft noise, the Committee requested further details of the basis of forecasts and the extent to which civil aviation authorities were consulted in the development of the 2005 ANEF.

39. Canberra Airport/RAAF Base Fairbairn is a joint user airfield. Data on all civil aircraft activity, both current and forecast, was obtained from *Airservices Australia*. It was included with military aircraft activity and processed through a software package used in the production of the ANEF. Although average daily movements are forecast to rise, the change in aircraft types will result in a contraction of the ANEF zones. The development control plan adopted the 1997 ANEF forecasts to determine the western limitation of new LIA. If the 2005 ANEF were used, under current guidelines, the entire base could be used for this type of accommodation. It is not planned to do this; the plan is to retain the western limitation based on the 1997 ANEF 25 contour.

40. Defence did, however, acknowledge that the proposed extension to the officer accommodation, adjacent to the 1997 ANEF contour, was carefully considered. Defence believe the benefits of providing fully enclosed access to the mess outweighs occasional aircraft noise. Defence also believes neither the current, nor future, ANEF zones require any acoustic treatment for accommodation proposed. There have been no complaints from current users of the accommodation in the area. Nevertheless, Defence

acknowledged the Committee's concerns and advised that the design brief will call for consideration of acoustic treatment and a design that does not extend as far west as the indicative layout on the development plan.

41. The Committee also questioned Defence about relocating some of the accommodation further west, on the site of the playing fields and relocating the playing fields to sites formerly occupied by on-base houses.

42. Defence advised that this option was considered but not pursued further because there is sufficient land available in close proximity to galley and dining facilities. To relocate the playing fields and develop officer accommodation on the site would cost an additional \$6m. The major cost components are attributed to the steep contours immediately west of the houses.

Committee's Conclusion

43. HMAS *Harman* is subject to noise generated by aircraft using Canberra Airport, but the Committee was assured by Defence that most of the proposed development will be located outside the 20 ANEF zone forecast for 2005.

Entrance to the base

44. At present the base is entered from Canberra Avenue via Woods Lane, a minor road. The existing entrance for traffic to the married quarters zone will be retained. In the longer term, other traffic will be directed to a new entrance to the base further along Woods Lane. The Committee was advised that provision of this new entrance is not part of the project under consideration. The Committee believes that the scope of the project should be extended to address the lack of a formal entrance to the base. This work could be funded from savings made as the project design is further developed.

Committee's Recommendation

45. The scope of the project should be extended to provide a new formal entrance to the base.

Design concepts

46. Development in each functional zone will include materials and colours common to existing development in that zone.

47. New development in the living-in accommodation zone will have significant areas of external brickwork and roofing matching the colour and texture of existing buildings immediately adjacent.

48. The new physical fitness facility may be distinctive in appearance. If brickwork is used, it will be similar to the colour and texture of brickwork in the recently constructed medical and dental facilities. Other minor buildings in the eastern part of the recreation zone will have external colours which will complement the colours of the physical fitness facility, or will blend with the colours of the landscape.

Living-in accommodation

49. The proposed mix of the 250 new cabins is:

- 30 senior officers
- 55 junior officers
- 65 senior sailors
- 100 junior sailors.

50. Defence advised that several design options were considered for the new accommodation.

- traditional barracks block with communal wet areas
- four bed-room units sharing a small common room and bathroom/laundry;
- apartment blocks with shared or separate wet areas with kitchen, dining and entertainment area
- hotel/motel unit with separate en-suite with larger bedrooms in lieu of common room.

51. The traditional barracks block solution has not been implemented for new LIA in recent years and would not meet the current expectations of single members. While the four bedroom option has been used elsewhere, it would not provide the flexibility to allow the use of accommodation across rank categories nor would it address the spatial requirements of increased ownership of personal equipment. Construction of essentially domestic units on site would incur significantly higher capital costs and result in the duplication of amenities already existing in the messes.

52. The motel room style option was initially proposed by a user group of current living in members representative of all rank categories. A later value management study confirmed a strong preference for the hotel/motel unit accommodation proposed but also indicated a need for access to a common room with a kitchenette on a reduced scale. There was no desire expressed for cooking facilities within the cabins, supporting the decision not to provide normal domestic units.

Officer accommodation

53. A 1200m² extension to the wardroom is proposed for 30 senior officers providing each senior officer with a 14m² bedroom, with ensuite, and a 14m² study. A further 600m² extension to the wardroom is proposed for 20 junior officers which will provide each junior officer with a 22m² bedroom (including ensuite). Additional new LIA for 35 junior officers is proposed to be constructed on the existing grassed parade ground to the east of the wardroom.

Senior sailor accommodation

54. The proposed solution is to vacate the existing senior sailor accommodation for 49 senior sailors in Alexandra House and provide new accommodation for 65 senior sailors in close proximity to the main galley and the proposed senior sailor mess. Each senior sailor will be provided with a 22m² bedroom (including ensuite).

55. The existing senior sailor accommodation (Alexandra House) was built in 1959. This building has not proved suitable for the reactive soil it is built upon and has a multitude of cracks that require frequent repair only to open up again. Structural investigations conclude that Alexandra House has reached the end of its useful life and it is not suitable for upgrading to meet community standards.

56. Consideration will be given to the longer term retention of that section of Alexandra House housing the senior sailors' recreation facilities. This section contains less cracking and may prove suitable for retention as a base function centre.

Junior sailor accommodation

57. The proposed solution is to provide 100 new cabins in close proximity to the main galley and to the proposed extended dining area for junior sailors.

Officer messing

58. The existing wardroom galley has only recently been refurbished and can cater for the proposed additional LIA. Some internal modification will be carried out to the wardroom to allow the dining and recreation areas to meet the increased numbers. The existing bar will be replaced by a new bar, better located to serve both the dining room and the outdoor recreation area. These changes will also provide flexibility to enable the wardroom to hold special functions and to entertain visiting dignitaries. Currently this requirement can only be met by officers living on base making alternative meal arrangements when the wardroom dining area is required for special functions.

Combined galley

59. Several options were considered to provide increased messing for senior sailors. The preferred option is to continue to provide meals from the main galley for both Junior and senior sailors. To cater for the proposed increased numbers, this will require only minor alterations to the main galley preparation area with the existing dining areas requiring extension and modifications. Other options considered included a separate senior sailor mess and extensions to the wardroom galley. These were not considered cost effective. An area now vacant but previously used as the senior sailors' bar and recreation area will be upgraded, extended and modified to replace the recreation facilities provided in Alexandra House.

Tri-service accommodation

60. The Committee was advised that in the longer term, HMAS *Harman* could be developed further to provide tri-Service living-in accommodation

for Canberra. To do this would require the provision of accommodation for another 200 personnel.

Facilities for people with disabilities

61. The bulk of the new accommodation will be at ground level which will provide temporarily disabled personnel with access to accommodation. Areas to which the general public may require access, such as the messes and main galley area, will be provided with disabled toilets. ACS advised the Committee that as part of the design process it is intended to consult ACROD.

Physical fitness facility

62. The proposal is to construct a facility which contains an indoor activity area, length 32m, width 20m, unobstructed height 9m, with provision for one netball and one basketball court (longitudinal), two badminton courts (transversely) and one volleyball court (longitudinal) marked out within this area. This proposal recognises the high incidence of skin cancer and the very cold winters in the Canberra region. Four squash courts, a weight room and football teams change facilities are to be located adjacent to the activity area. The facility should also include storage space for equipment, office and staff area, changing and toilet facilities for both male and female personnel, cleaners storage room and fittings such as drinking fountains.

Carparking

63. Although carparking is normally provided for 60 percent of living in personnel, limited public transport in Canberra on weekends results in a higher proportion of car ownership at HMAS *Harman*. The proposed provision of carparking is generally equated to the number of bed spaces provided and the ownership pattern established for personnel living in at HMAS *Harman*.

64. Because of the cold winter nights and the need for a high proportion of the living in personnel to drive to other Defence facilities early in the morning, covered carparking space will be provided adjacent to accommodation. Carports and an associated external lock-up for bulk storage are proposed for a percentage of residents in both existing and proposed LIA totalling 106 for officers, 65 for senior sailors and 170 for junior sailors.

Associated infrastructure

65. The infrastructure at HMAS *Harman* is well developed. The proposed new facilities will require some upgrading of engineering service mains within the base, including hydraulic services, gas and power supply. Also an allowance has been included for some relocation of services required by the proposed development.

Sub-contractors

66. The Committee questioned Defence about mechanisms which will ensure that the interests of sub-contractors are protected. Defence advised the Committee that there is a standard clause in each contract which requires that the head contractors certify that sub-contractors and their own wages staff have been paid before payments to the head contractor are processed.

Committee's Conclusion

67. The location and extent of the proposed development at HMAS *Harman* conforms with zone planning and will address immediate accommodation, messing and recreational requirements.

Committee's Recommendation

68. The Committee recommends that the Department of Defence undertake a study of the use of HMAS *Harman* as a possible tri-Service centre of living-in accommodation for single Defence personnel working in the Canberra area.

FIRE PROTECTION

69. Fire protection will be provided to all new facilities in accordance with the minimum standards as defined by all codes applicable to the ACT. Relevant codes and Australian Standards will apply to the provision of the following:

- external hydrants
- design and installation of small bore hose reels

- ❑ fire detection system
- ❑ manual call points
- ❑ first aid fire fighting equipment (including sprinklers)
- ❑ emergency escape lighting.

ENERGY AND WATER CONSERVATION

Energy

70. The building designs and mechanical and electrical equipment will be selected to minimise energy usage and whole of life costs. Therefore, a major criterion to be used in the selection of systems and equipment will be the extent to which energy usage is minimised. Defence proposes to establish a performance index for each building, with energy targets assigned to elements such as fuel or energy type, location and usage. Defence also advised that the following measures will be reviewed during the detailed design phase:

- ❑ insulation in external walls and roofs
- ❑ passive solar design
- ❑ automatic lighting controls and light switching patterns
- ❑ natural ventilation and shading rather than cooling
- ❑ water saving devices for all shower roses
- ❑ dry land landscaping to minimise water consumption.

71. The Committee questioned ACS about the practicalities of using geothermal power on the project. ACS will encourage tenderers to provide details of how energy savings could be achieved. The problem with geothermal power, compared with conventional gas-fuelled heating, is the significantly high capital cost and a longer payback period. Heating will only be required for certain times of the day.

Water

72. The Committee also questioned ACS about the practicalities of using grey water to irrigate the landscaping and the playing fields. ACS advised that the provision of a grey water irrigation system is outside the scope of the project, although it could be provided. It was decided not to proceed with the provision of a grey water irrigation system because the present project involves only part of the base. ACS did acknowledge, however, that there would be scope in the future to collect the sewerage from the base, and use treated effluent for watering.

Committee's Recommendation

73. The use of grey water to irrigate playing fields and landscaping should be further investigated during detailed design.

TIMING, PROJECT DELIVERY AND COST

Timing and project delivery

74. Construction is planned to commence during 1995/96, and most construction activity will occur during 1996/97. Defence proposes to employ the design and construct method which is a two-stage tendering process. The first stage involves calling for registrations of interest, and the second stage the selection of tenderers to submit tenders for the design and construction of elements of the project. The overriding criterion in assessing tenders will be design performance and the extent to which requirements are met. Defence advised the Committee the design and construct method had been used successfully on the HMAS Watson Project (*Upgrading of accommodation at HMAS Watson, NSW - Committee's 13th Report of 1994 - Parliamentary Paper 419/1994*). At the time of the hearing, construction of this project was ahead of schedule, on budget and the design and construct project delivery method had produced excellent designs and tender prices. It is proposed therefore to continue with this method at HMAS Harman.

75. The first contract is planned to be awarded in December 1995, with other contract packages following progressively. The contract packages will comprise:

- new physical fitness facilities

- ❑ alterations and additions to the main galley and junior and senior sailor messing
- ❑ new senior sailor LIA
- ❑ alterations and additions to the wardroom, including new LIA for 30 senior and 20 junior officers
- ❑ new LIA for 35 junior officers
- ❑ new LIA for 100 junior sailors
- ❑ demolition of substandard LIA in Alexandra House.

Alternative delivery method

76. Mr Angus Hall, an architect, appearing as a private citizen, suggested that an alternative method of design and project delivery, involving the majority of construction being undertaken in a factory, should be considered. Mr Hall pointed to a number of substantial projects in which this method of delivery was underway or had been successfully completed and indicated that the following advantages over conventional methods would apply as a result of the adoption of factory constructed facilities:

- ❑ reduced construction time and capital cost
- ❑ flexibility in future planning
- ❑ readily relocatable and saleable as movable assets when no longer required
- ❑ scope for opportunities for alternative financing.

77. Defence advised the Committee that evaluation of the merits or otherwise of alternative construction methods would more appropriately be considered during the two-stage tendering process. In relation to the project being financed privately, and Defence leasing the assets, the Committee shares the view of Defence that it is more cost effective for projects of this type to be capital funded rather than being acquired through a leasing arrangement. The Department of Finance advised the Committee that:

It must be kept in mind that there is not usually a tax advantage to the Commonwealth in leases. Generally there is a presumption against leases to the Commonwealth because the lease financier would be hoping to make a profit out of the deal. As the Commonwealth can generally raise finance at a lower rate of interest than any private individual or company, it is difficult to see how a lease can be cost effective unless the lessor is able to dispose of the residual property at the end of the lease at a higher price than the value of the residual to the Commonwealth.

Cost

78. The estimated outturn cost of the project is \$18.3m.

Committee's Recommendations

79. The calling for expressions of interest for the design and construction of the project should not preclude submissions offering alternative methods of delivery. The overriding criterion in the assessment of tenders should remain value for money to the Commonwealth.

HERITAGE AND ENVIRONMENT

Heritage

80. The Australian Heritage Commission indicated that in accordance with the provisions of the *Land (Planning and Environment) Act 1992*, it would be prudent for Defence to undertake a study aimed at identifying any Aboriginal places on the new construction sites to minimise any impact on them. This view was also supported by the ACT Heritage Council.

81. Defence advised the Committee that an archaeological study of the areas proposed for development was not undertaken because it was considered most unlikely that a survey would reveal any previously unidentified Aboriginal sites or artefacts. Defence pointed out that under the general conditions of contract, there is a requirement that any archaeological sites or artefacts discovered during construction be immediately notified and protected against disturbance. This clause will be in all contracts for construction work associated with the project and will

enable relevant authorities to be notified and appropriate action taken in accordance with the *Land (Planning and Environment) Act 1992*.

Environment

82. Defence advised the Committee that none of the sites proposed for development as part of the project are greenfields sites. All have been subjected to considerable disturbance for a number of decades. The ACT Heritage Council also raised the possibility of the presence of the nationally threatened legless lizard (*Delmar impar*) on the sites, as the species had been located in the vicinity of HMAS *Harman* for the first time. The ACT Wildlife Research Unit advised the Committee that the proposed developments will not affect areas likely to contain the legless lizard.

83. An environmental certificate of compliance was issued by Defence.

CONSULTATIONS

Organisations

84. Defence consulted the following organisations during the development of the project:

- Australian Heritage Commission
- National Capital Planning Authority
- ACT Planning Authority
- ACT Electricity and Water
- ACT Department of Urban Services
- ACT Roads and Transport
- ACT Heritage Council.

Users

85. A user group of living-in members, representative of all ranks, was involved in the development of the project. Users were also well represented in value management studies and influenced the direction of the project.

Committee's Recommendation

86. **The Committee recommends the provision of living-in accommodation at HMAS *Harman* should proceed at an estimated outturn cost of \$18.3 million.**

CONCLUSIONS AND RECOMMENDATIONS

87. The conclusions and recommendations of the Committee and the paragraphs in the report to which they refer are set out below:

- | | Paragraph |
|---|-----------|
| 1. As a condition of service, and to foster the career development of sailors, there is a requirement to provide living-in accommodation for single naval personnel. | 27 |
| 2. A major function of HMAS <i>Harman</i> is to provide accommodation and messing for personnel working on the base and naval personnel serving in the Canberra area. | 28 |
| 3. There is a lack of suitable available living-in accommodation at HMAS <i>Harman</i> which has resulted in the base having one of the highest allowance costs of any naval establishment. | 29 |
| 4. Alternatives examined aimed at reducing allowance costs have indicated that the provision of additional living-in accommodation at HMAS <i>Harman</i> to be the most cost-effective solution due to the well developed infrastructure, adequate land, location, and lower capital and recurrent costs. | 30 |
| 5. HMAS <i>Harman</i> is subject to noise generated by aircraft using Canberra Airport, but the Committee was assured by Defence that most of the proposed development will be located outside the 20 ANEF zone forecast for 2005. | 43 |
| 6. The scope of the project should be extended to provide a new formal entrance to the base. | 45 |

7. The location and extent of the proposed development at HMAS *Harman* conforms with zone planning and will address immediate accommodation, messing and recreational requirements. 67
8. The Committee recommends that the Department of Defence undertake a study of the use of HMAS *Harman* as a possible tri-Service centre of living-in accommodation for single Defence personnel working in the Canberra area. 68
8. The use of grey water to irrigate playing fields and landscaping should be further investigated during detailed design. 73
9. The calling for expressions of interest for the design and construction of the project should not preclude submissions offering alternative methods of delivery. The overriding criterion in the assessment of tenders should remain value for money to the Commonwealth. 79
10. The Committee recommends the provision of living-in accommodation at HMAS *Harman* should proceed at an estimated outturn cost of \$18.3 million. 86



Colin Hollis MP
Chair

19 October 1995

APPENDIX A

WITNESSES

BOLTON, Mr John Edward, Acting Executive Director, Planning and Development Control, National Capital Planning Authority, 10-12 Brisbane Avenue, Barton, ACT

COOK, Captain James Reginald, Director-General Facilities - Navy, Department of Defence, Campbell Park Offices, Campbell, ACT

COULSON, Commander Peter Kenneth, Project Director, Department of Defence, Campbell Park Offices, Campbell, ACT

DUNNE, Commodore Michael, Chief of Staff, Naval Support Command, Jones Bay Road, Pyrmont, NSW

HALL, Mr Angus Donald, Architect, 9 Favenc Circle, Griffith, ACT

KNIGHT, Mr Peter William, General Manager, Australian Structured Finance, L17/55 Clarence Street, Sydney, NSW

NEWMAN, Mr Robert John, Senior Project Manager, Australian Construction Services, 169-171 Gladstone Street, Fyshwick, ACT

APPENDIX B

PLANS

	Page
Location	B - 1
Zone plan	B - 2
Development plan	B - 3
Scope of Works	B - 4
Physical fitness facility	B - 5
New senior and junior sailors' mess and galley	B - 6
Residential accommodation for senior sailors and associated carports	B - 7
Wardroom alterations and additions	B - 8
Other new junior officers' residential accommodation and associated carports	B - 9
New junior sailors' residential accommodation and associated carports	B - 10
Alexandra House demolition	B - 11
Examples of cabins for sailors and officers	B - 12
Examples of common room, laundry and store	B - 13

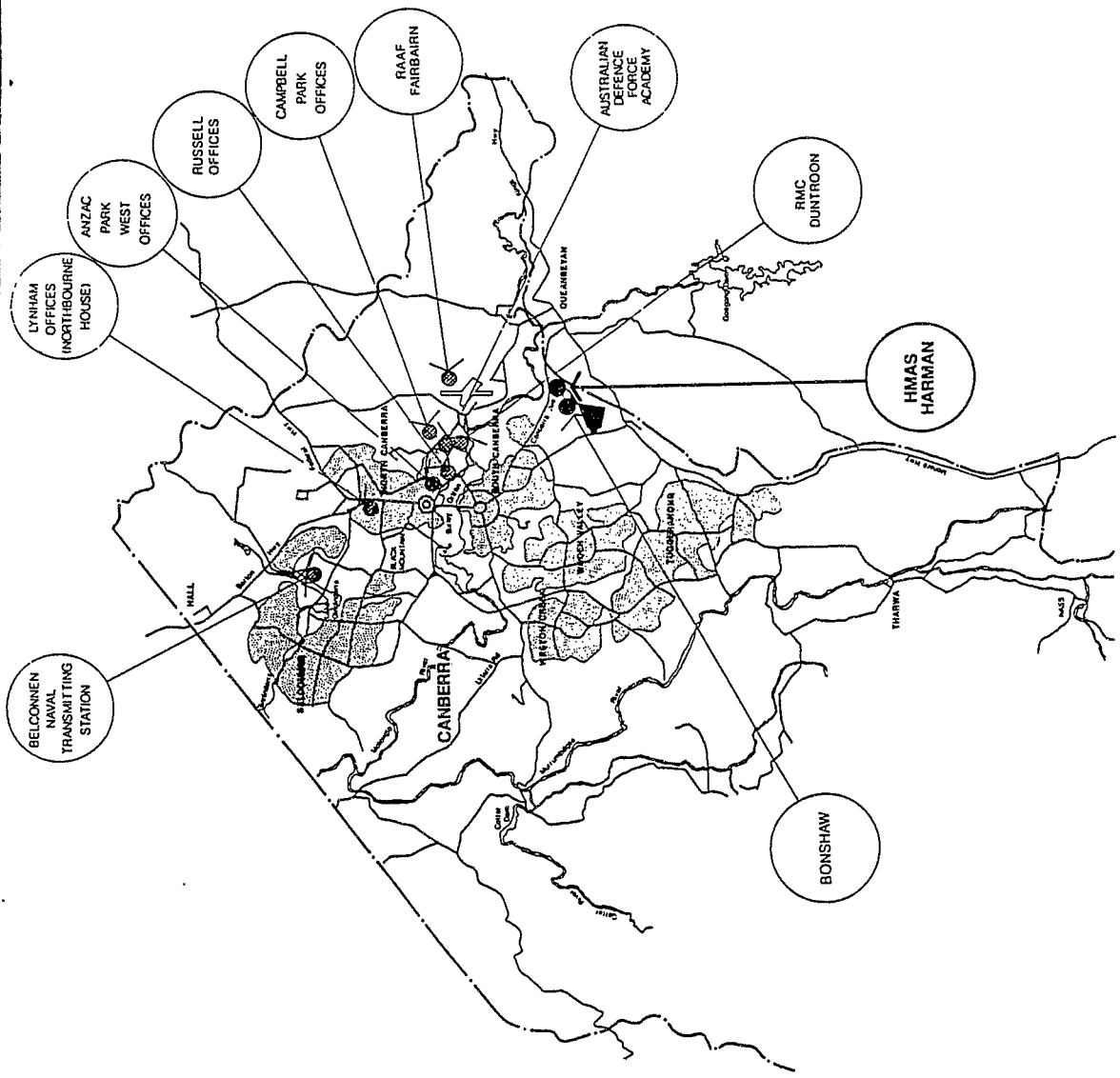
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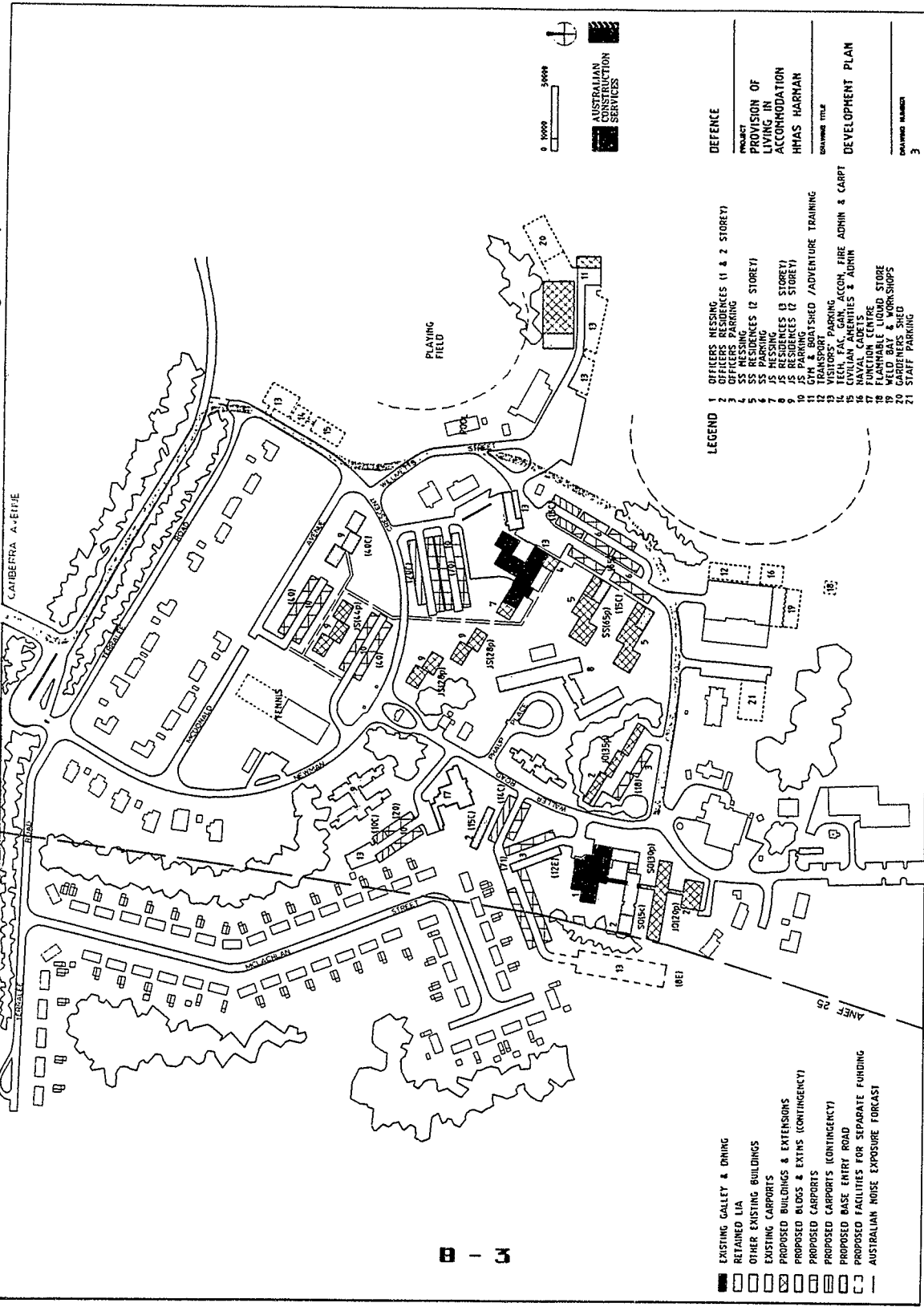
PROJECT
 PROVISION OF
 LIVING IN
 ACCOMMODATION
 HMAS HARMAN

DRAWING TITLE

LOCATION PLAN

DRAWING NUMBER
1





CAMBERRA A-EMPE

8 - 3

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AUSTRALIAN
CONSTRUCTION
SERVICES

DEFENCE

PROJECT
PROVISION OF
LIVING IN
ACCOMMODATION
HHAS HARMAN

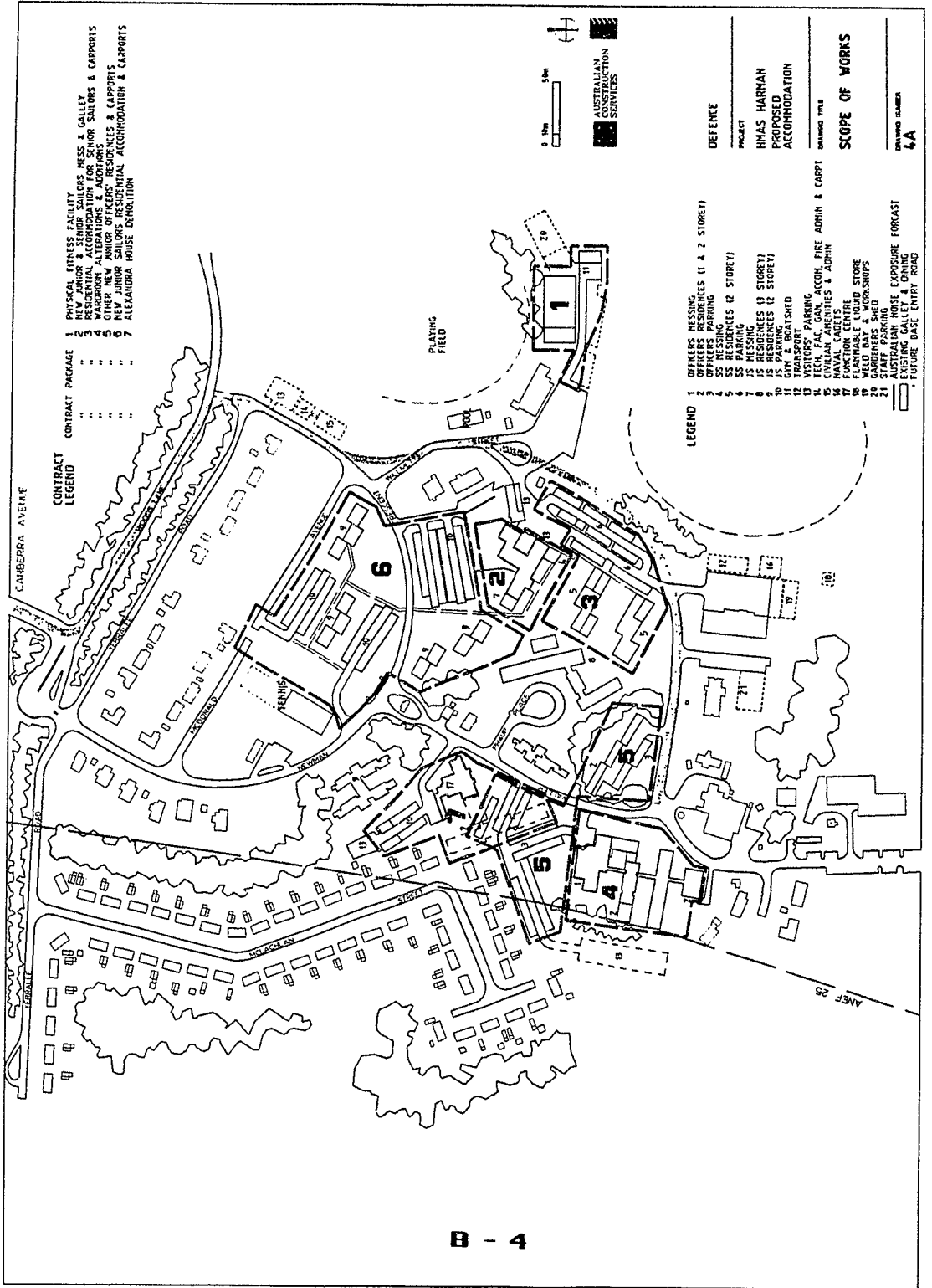
DRAWING TITLE

DEVELOPMENT PLAN

DRAWING NUMBER
3

- LEGEND
- 1 OFFICERS MESSING
 - 2 OFFICERS RESIDENCES (1 & 2 STOREY)
 - 3 OFFICERS PARKING
 - 4 SS RESIDENCES (2 STOREY)
 - 5 SS PARKING
 - 6 JS MESSING
 - 7 JS RESIDENCES (3 STOREY)
 - 8 JS RESIDENCES (2 STOREY)
 - 9 JS PARKING
 - 10 GYM & BOATSHED / ADVENTURE TRAINING
 - 11 TRANSPORT
 - 12 TEEN TALK WORKING
 - 13 CIVILIAN AMENITIES & ADMIN
 - 14 NAVAL CADETS
 - 15 FLAMMABLE LOUNG STOBE
 - 16 WELD BAY & WORKSHOPS
 - 17 GARDENERS SHED
 - 18 STAFF PARKING

- EXISTING GALLEY & DINING
- RETAINED LIA
- OTHER EXISTING BUILDINGS
- EXISTING CARPORTS
- PROPOSED BUILDINGS & EXTENSIONS
- PROPOSED BLDGS & EXTNS (CONTINGENCY)
- PROPOSED CARPORTS
- PROPOSED CARPORTS (CONTINGENCY)
- PROPOSED BASE ENTRY ROAD
- PROPOSED FACILITIES FOR SEPARATE FURDING
- AUSTRALIAN NOISE EXPOSURE FORCAST



- CONTRACT PACKAGE**
- 1 PHYSICAL FITNESS FACILITY
 - 2 NEW JUNIOR & SENIOR SAILORS MESS & GALLEY
 - 3 RESIDENTIAL ACCOMMODATION FOR SENIOR SAILORS & CARPORTS
 - 4 OFFICERS MESSING
 - 5 OTHER NEW JUNIOR OFFICERS' RESIDENCES & CARPORTS
 - 6 NEW JUNIOR SAILORS' RESIDENTIAL ACCOMMODATION & CARPORTS
 - 7 ALEXANDRIA HOUSE DEMOLITION

CONTRACT LEGEND

- 1 OFFICERS MESSING
- 2 OFFICERS MESSING (1 & 2 STOREY)
- 3 OFFICERS PARKING
- 4 OFFICERS MESSING
- 5 OFFICERS MESSING
- 6 RESIDENCES (2 STOREY)
- 7 RESIDENCES (2 STOREY)
- 8 RESIDENCES (3 STOREY)
- 9 RESIDENCES (2 STOREY)
- 10 RESIDENCES (2 STOREY)
- 11 GYM & BOATSHED
- 12 TRANSFORMER PARKING
- 13 TRANSFORMER PARKING
- 14 TECH, FAC, GAN, ACCOM, FIRE ADMIN & CARPT
- 15 CIVILIAN APARTMENTS & ADMIN
- 16 CIVILIAN APARTMENTS & ADMIN
- 17 FUNCTION CENTRE
- 18 FLAMMABLE LIQUID STORE
- 19 FLAMMABLE LIQUID STORE
- 20 WAREHOUSE
- 21 STAFF PARKING

- LEGEND**
- 1 OFFICERS MESSING
 - 2 OFFICERS MESSING (1 & 2 STOREY)
 - 3 OFFICERS PARKING
 - 4 OFFICERS MESSING
 - 5 OFFICERS MESSING
 - 6 RESIDENCES (2 STOREY)
 - 7 RESIDENCES (2 STOREY)
 - 8 RESIDENCES (3 STOREY)
 - 9 RESIDENCES (2 STOREY)
 - 10 RESIDENCES (2 STOREY)
 - 11 GYM & BOATSHED
 - 12 TRANSFORMER PARKING
 - 13 TRANSFORMER PARKING
 - 14 TECH, FAC, GAN, ACCOM, FIRE ADMIN & CARPT
 - 15 CIVILIAN APARTMENTS & ADMIN
 - 16 CIVILIAN APARTMENTS & ADMIN
 - 17 FUNCTION CENTRE
 - 18 FLAMMABLE LIQUID STORE
 - 19 FLAMMABLE LIQUID STORE
 - 20 WAREHOUSE
 - 21 STAFF PARKING
- AUSTRALIAN HOSE EXPOSURE FORECAST
 — FUTURE BASE ENTRY ROAD

DEFENCE
 PROJECT
 HMAS HERRAN
 PROPOSED
 ACCOMMODATION

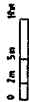
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SCOPE OF WORKS

DRAWING NUMBER
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CONTRACT PACKAGE

1



AUSTRALIAN CONSTRUCTION SERVICES

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PROJECT

HMAS HARMAN

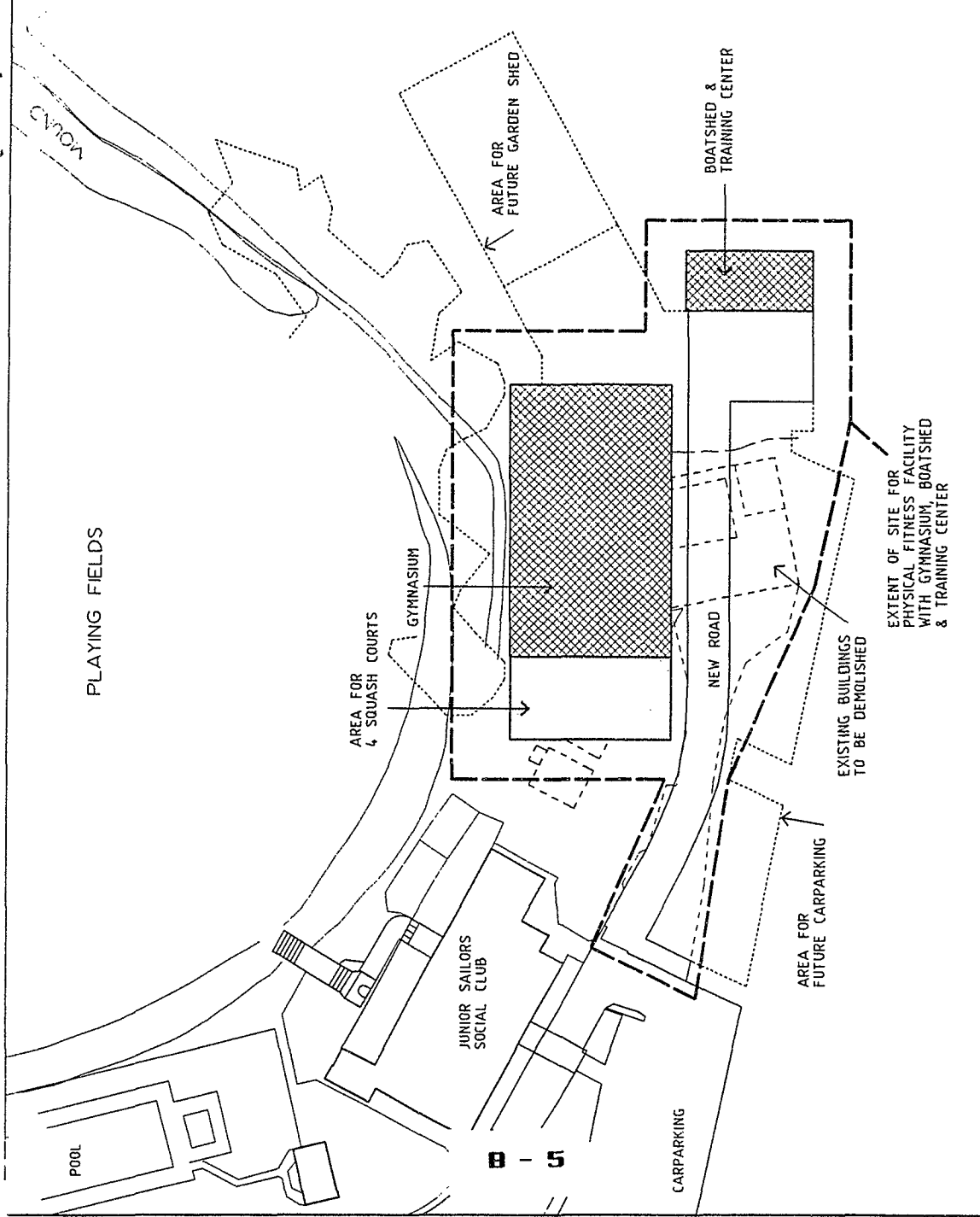
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PHYSICAL FITNESS FACILITY

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5



CONTRACT PACKAGE
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DEFENCE

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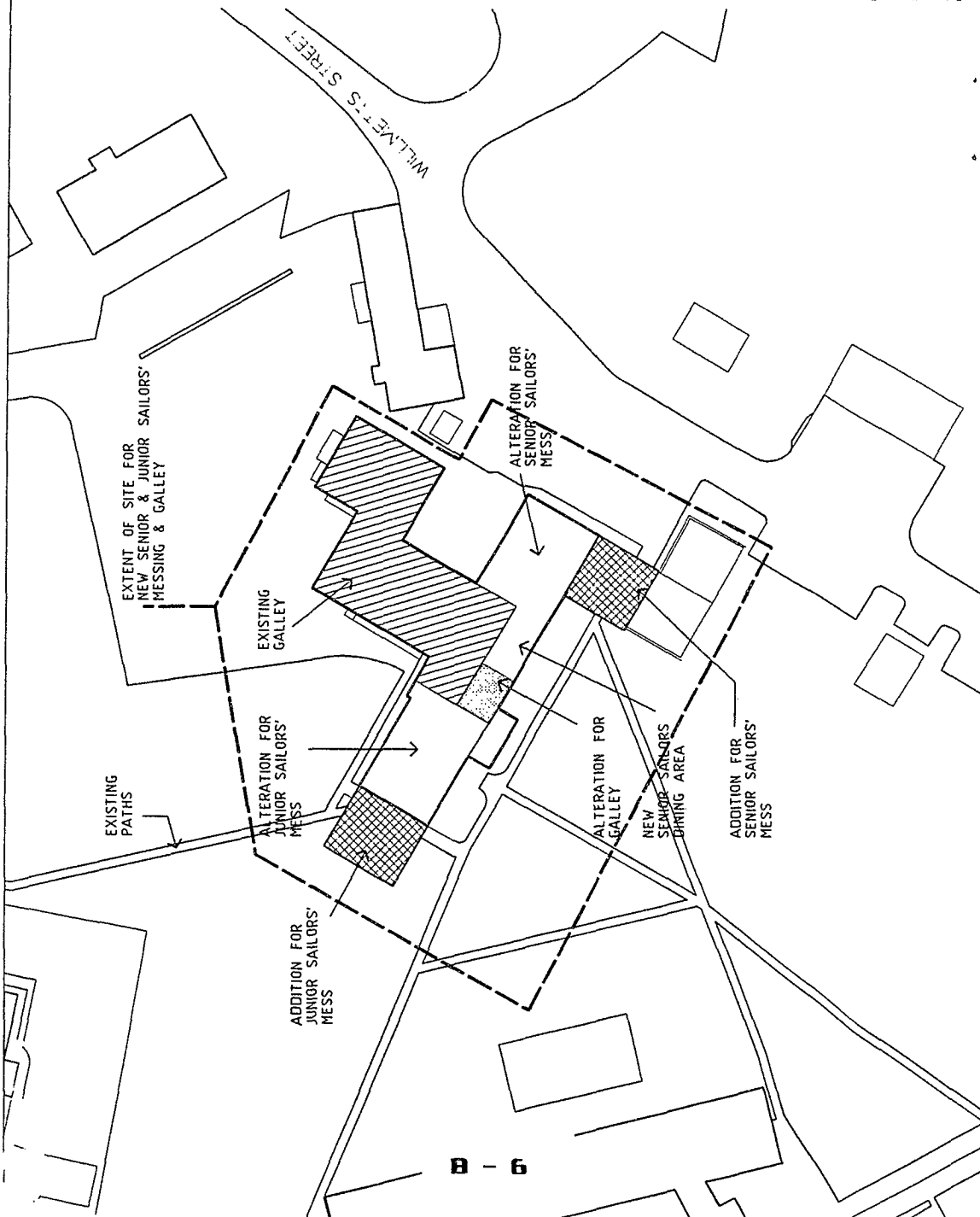
HMAS HARRMAN
PROPOSED
ACCOMMODATION

DRAWN TITLE

NEW SENIOR & JUNIOR
SAILORS' MESS &
GALLEY

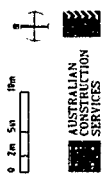
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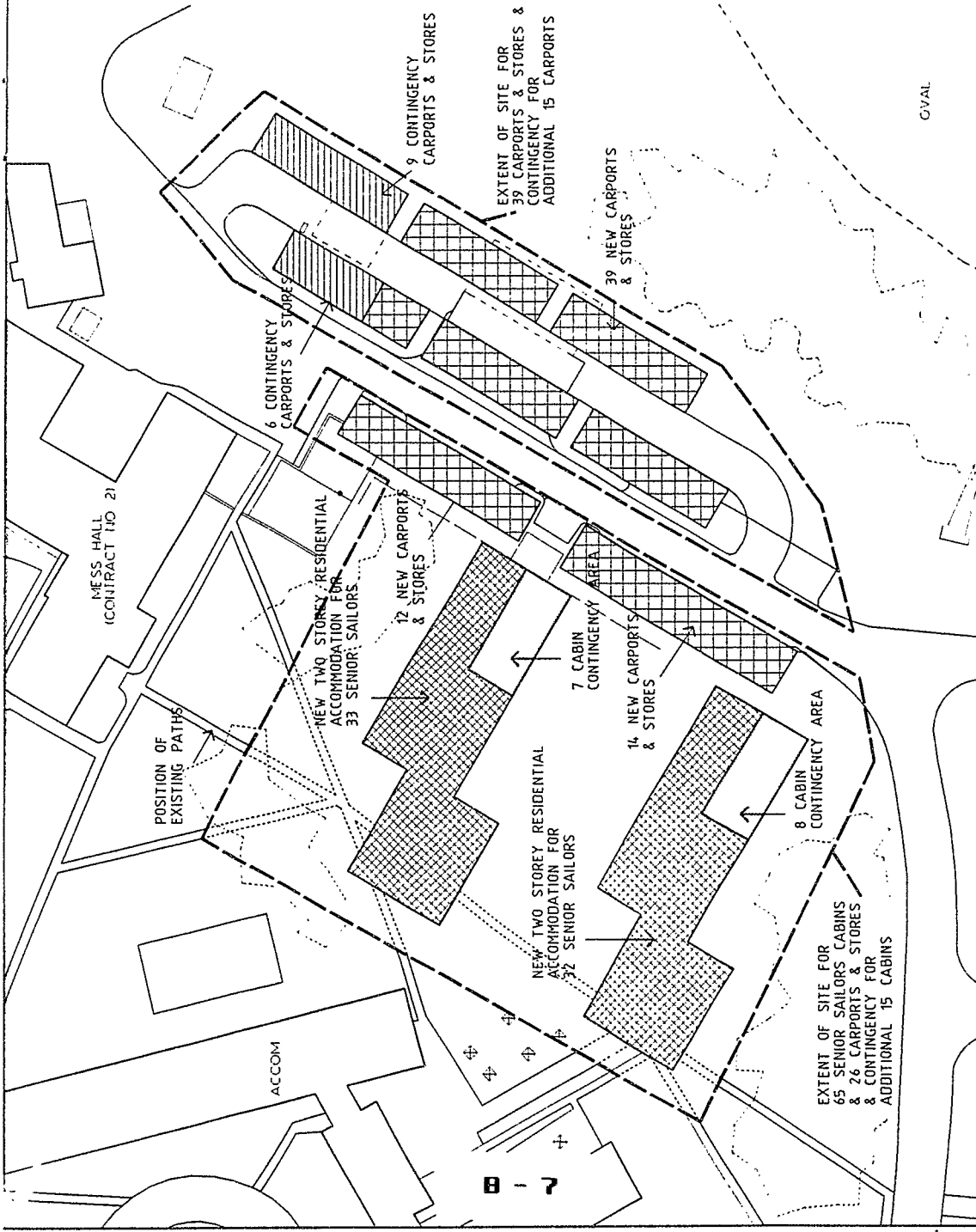


B - 6

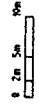
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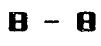
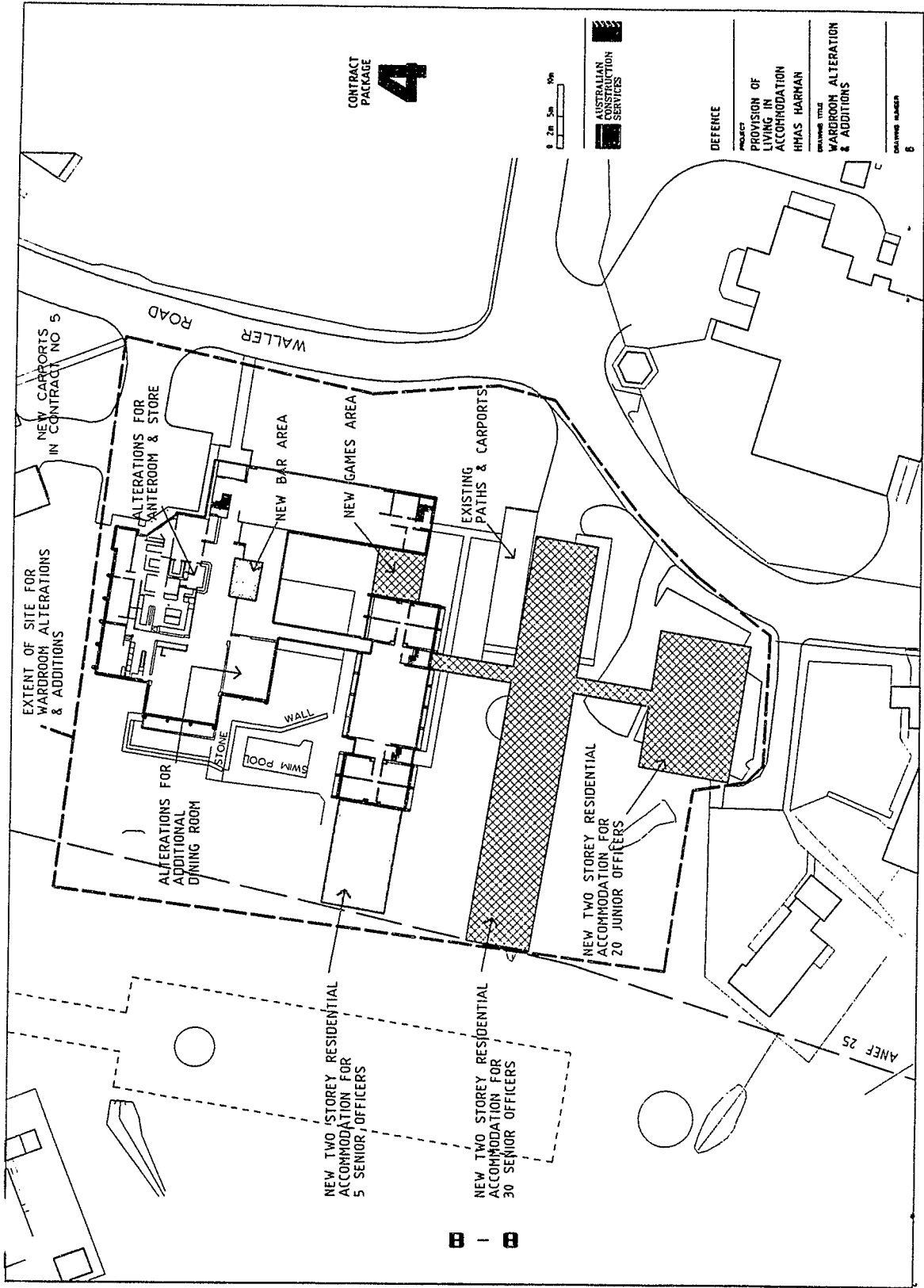
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 PROPOSED
 ACCOMMODATION
 RESIDENTIAL
 ACCOMMODATION
 FOR SENIOR SAILORS
 & ASSOCIATED CARPORTS
 DRAWING NUMBER
 7

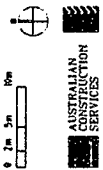


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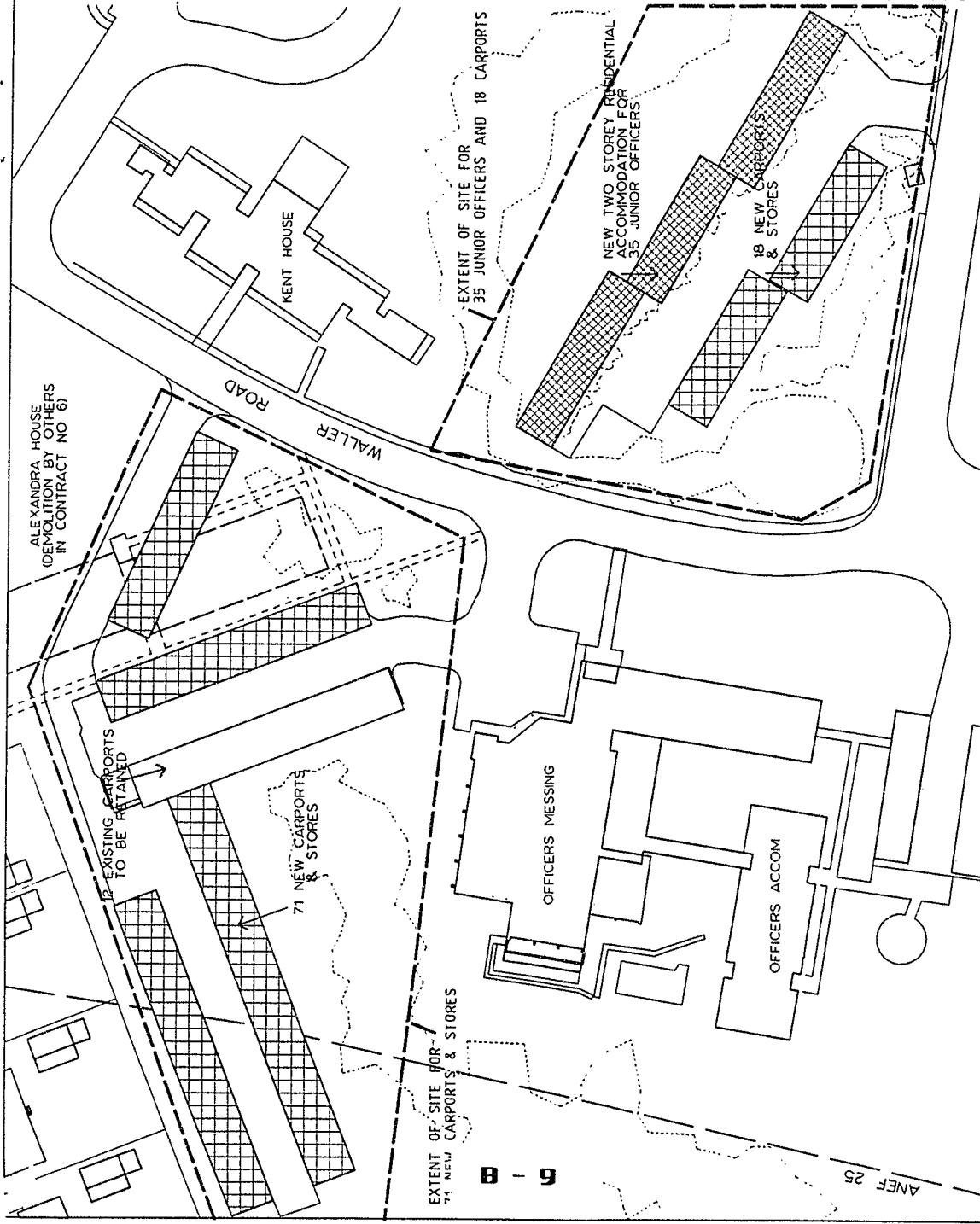


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 WARDROOM ALTERATION
 & ADDITIONS
 DRAWING NUMBER
 6



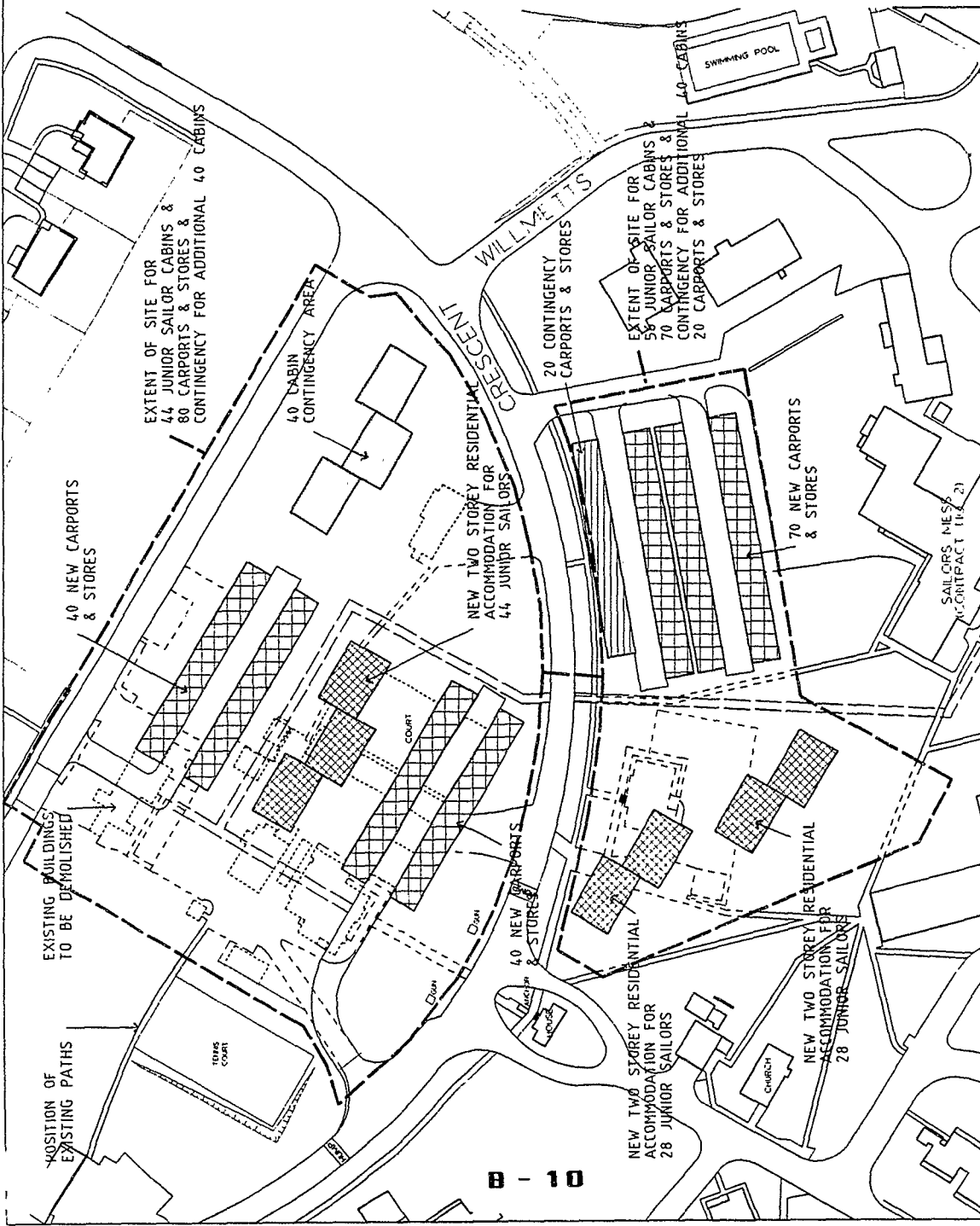


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PROJECT
HMAS HARMAN
PROPOSED
ACCOMMODATION
DRAWING TITLE
OTHER NEW
JUNIOR OFFICERS'
RESIDENTIAL
ACCOMMODATION &
ASSOCIATED CARPORTS
DRAWING NUMBER
9





DEFENCE
 PROJECT
 HMAS HARMAN
 PROPOSED
 ACCOMMODATION
 DRAWING TITLE
 NEW JUNIOR SAILORS
 RESIDENTIAL
 ACCOMMODATION &
 ASSOCIATED CARPORTS
 DRAWING NUMBER
 10



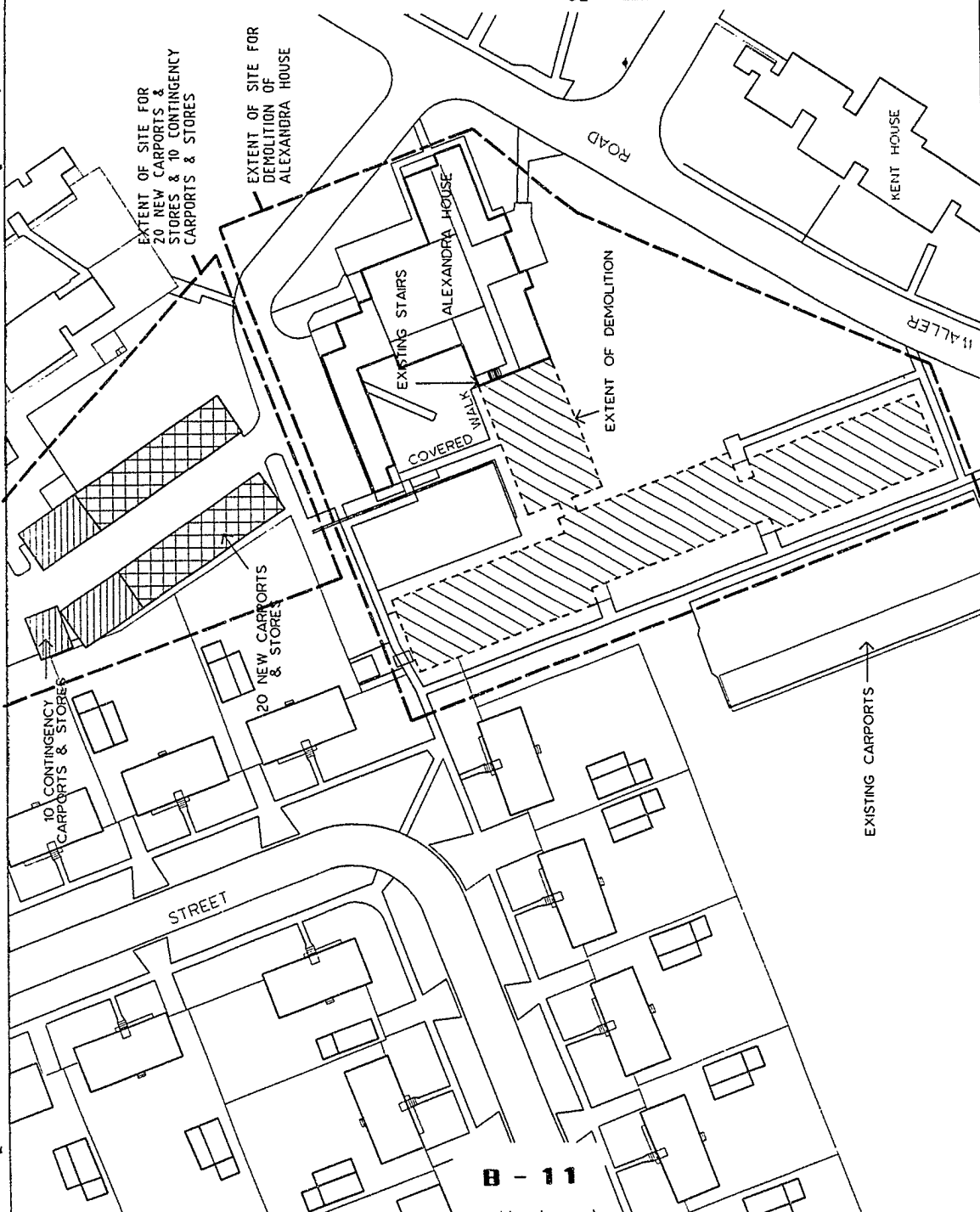
CONTRACT
PACKAGE **7**

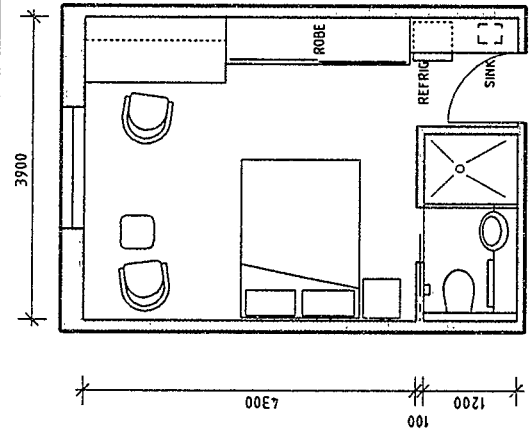


DEFENCE

PROJECT
PROVISION OF
LIVING IN
ACCOMMODATION
HMAS HARRMAN
MARKING TITLE
ALEXANDRA HOUSE
DEMOLITION

DRAWING NUMBER
11





3900

2400

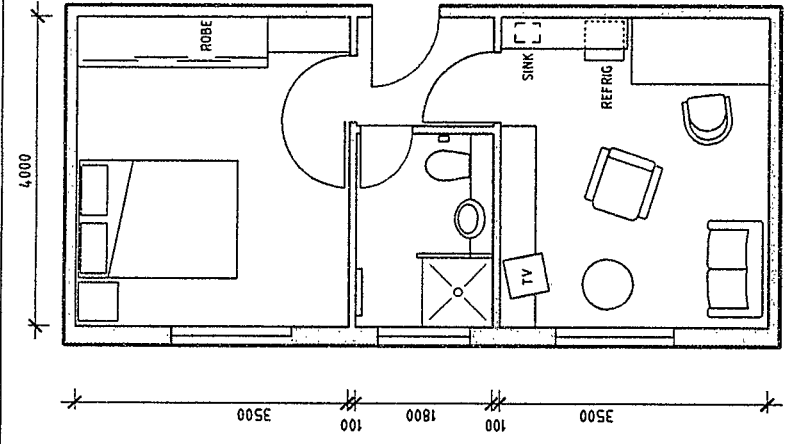
JUNIOR OFFICERS' CABIN INCLUSIONS

22sqm

JUNIOR SAILORS

SENIOR SAILORS

- adjustable shelves
- wardrobes
- pinboards
- space for double bed
- desk with drawer unit under (not built-in)
- ironing board bracket
- TV aerial
- phone outlet
- 3 x double GPs
- space for bar fridge
- optional sink



4000

2500

SENIOR OFFICERS' CABIN INCLUSIONS

35sqm

- adjustable shelves
- wardrobes
- pinboards
- space for double bed
- desk with drawer unit under (not built-in)
- ironing board bracket
- TV aerial
- phone outlet
- 6 x double GPs
- space for bar fridge
- optional sink



DEFENCE

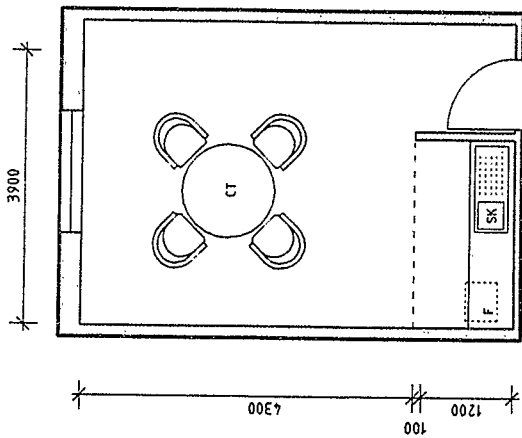
PROJECT

PROVISION OF LIVING IN ACCOMMODATION HRNAS HARBAN

PACKAGE TITLE
EXAMPLES FOR CABINS FOR SAILORS & OFFICERS

PACKAGE NUMBER

17A

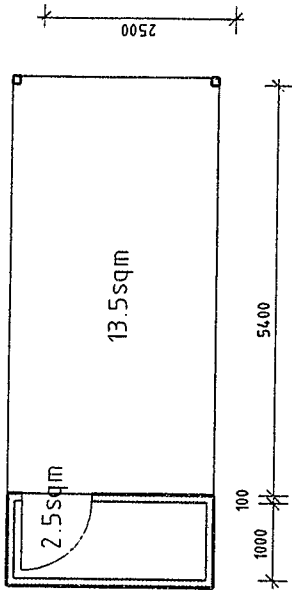


COMMON ROOM

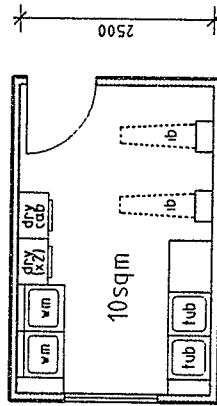
2.2sqm

INCLUSIONS:

- sink
- space for microwave by others
- space for refrig under bench by others
- coffee table & chairs
- lounging
- tv aerial
- phone outlet
- 3 x double GPOs



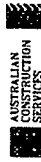
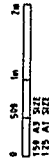
CARPOT & STORE



LAUNDRY

INCLUSIONS:

- 2 x washing tubs and bench
- 2 x washing machines
- 2 x dryers
- 1 x drying cabinet
- 2 x ironing boards
- phone outlet
- 3 x double GPOs



REFERENCE

PROJECT

PROVISION OF
LIVING IN
ACCOMMODATION
RHYAS HARBOR

CLIENT TITLE

EXAMPLES OF
COMMON ROOM
LAUNDRY
CARPORT & STORE

DRAWING NUMBER
13A