



Parliamentary Standing Committee on Public Works

REPORT

relating to the

REFURBISHMENT OF AUSTRALIA HOUSE, LONDON

(Fourth Report of 1995)

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
1995

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

Report Relating

to the

**REFURBISHMENT OF
AUSTRALIA HOUSE,
LONDON**

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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

Senator Bryant Robert Burns
Senator Shayne Michael Murphy*

House of Representatives

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

*** replaced Senator John Devereux on 10 February 1995**

SECTIONAL COMMITTEE ON THE REFURBISHMENT OF AUSTRALIA HOUSE, LONDON

Mr Colin Hollis MP (Chair)
Mr Robert George Halverson OBE MP (Vice-Chair)
Mr Russell Neville Gorman MP
Hon. Benjamin Charles Humphreys MP

Committee Secretary: Peter Roberts

Inquiry Secretary: Peter Roberts

Secretarial Support: Mahesh Wijeratne

EXTRACT FROM THE VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES

No. 93 dated Wednesday, 21 September 1994

PUBLIC WORKS-PARLIAMENTARY STANDING
C O M M I T T E E - R E F E R E N C E O F
WORK-REFURBISHMENT OF AUSTRALIA HOUSE,
LONDON

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: Refurbishment of Australia House, London.

Question - put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

REFURBISHMENT OF AUSTRALIA HOUSE, LONDON

By resolution on 21 September 1994, the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report to Parliament the refurbishment of Australia House, London.

THE REFERENCE

1. The proposal includes:

- . the implementation of a staged program of internal refurbishment providing tenancy conditions which meet the requirements of occupational health and safety, the replacement of outdated and obsolete equipment, and providing office accommodation which meets current data and communication needs
- . the refurbishment of areas surplus to High Commission requirements for leasing to state governments and other agencies

2. The estimated cost of the proposal when referred to the Committee was \$14.25m at May 1994 prices.

THE COMMITTEE'S INVESTIGATION

3. On 20 October 1994 the Committee appointed a Sectional Committee comprising Mr C Hollis MP (Chair), Mr R Halverson (Vice-Chair), Mr Gorman MP and Hon B Humphreys MP to undertake this inquiry.

4. The Committee received a written submission from the Department of Administrative Services (DAS) - Overseas Property Group (OPG) and evidence was taken by the Sectional Committee from its representatives at a public hearing held in Canberra on 2 November 1994.

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

- . Department of Foreign Affairs and Trade (DFAT)
 - . Department of Immigration and Ethnic Affairs (DIEA)
 - . Community and Public Sector Union (CPSU)
6. Written submissions were also received from the following:
- . Commonwealth Fire Board
 - . Mr D P Connors
 - . Australian Heritage Commission
 - . Environment Protection Agency
 - . Department of Primary Industries and Energy
 - . Australian Council of National Trusts
7. A list of witnesses who gave evidence at the public hearing is at Appendix A. The Sectional Committee's proceedings will be printed as Minutes of Evidence.
8. Section 12(1) of the Public Works Committee Act 1969 does not allow meetings of the Public Works Committee outside Australia and its external territories. The effect of this restriction has been that the Committee has been limited in its capacity to properly fulfill its obligations to adequately examine overseas works. In particular the Committee believes that the lack of the opportunity to undertake site inspections has been particularly unfortunate.
9. The lack of site inspections is completely contrary to the Committee's normal practice as it has always regarded site inspections as an integral and extremely important part of the consideration of a project. However, in this instance the Chair together with the Hon Ben Humphreys and the Committee Secretary, prior to the project being referred to the Committee, had the opportunity to inspect Australia House and in particular the areas to be refurbished in the course of other parliamentary business in July 1994. In addition most of the other members of the Committee have visited Australia House in recent years.

10. The Committee wishes to stress that on this occasion, through fortuitous circumstances it has been able to carry out an inquiry into an overseas project on almost similar terms to a project being undertaken in Australia. The Committee believes that its inquiry has therefore, been more thorough and relevant than is the case with other inquiries into overseas projects.

11. The restriction on the Committee meeting outside Australia and its external territories was inserted in the Act when it was amended in 1981 to provide for overseas works to be referred to the Committee. While the Committee accepts that in 1981 it may have been acceptable for this restriction to be placed on the activities of the Committee it believes that it is no longer justified. The Committee can see no valid reason for it to be placed in an inferior position to other parliamentary committees in relation to its ability to meet outside Australia or its external territories. The Committee points out for example that the Joint Committee on Foreign Affairs, Defence and Trade has recently travelled to Indonesia, Papua New Guinea and Thailand while the Australia - New Zealand exchange program has seen a number of committees including the Public Accounts Committee travel to New Zealand.

Committee's Conclusion

12. The Committee again draws attention to the continuing difficulty it faces in assessing overseas projects, as under current legislation it is unable to meet outside Australia or its external territories. Until this legislation is amended to enable site inspections to be carried out overseas, the Committee continues to reluctantly give approval for the construction of projects which it has been unable to properly assess.

Committee's Recommendation

13. The *Public Works Committee Act 1969* be amended to remove the restriction on the Public Works Committee meeting outside Australia and its external territories.

ROLE OF OVERSEAS PROPERTY GROUP

14. Under the Administrative Arrangements Order of 24 July 1987, the Department of Administrative Services is responsible for the acquisition,

leasing, management and disposal of land and property overseas. This activity is undertaken by the Department's Overseas Property Group (OPG) which, in managing the overseas estate, is the funding and constructing authority for new works.

15. In administering this function, the Department is advised by the Overseas Property Committee, which comprises senior representatives of user, service and regulatory departments.

HISTORICAL BACKGROUND

16. Australia House has been Australia's 'showcase' in central London since it was officially opened by King George V on 3 August 1918. Peak occupancy occurred during the post Second World War immigration boom. However continuing staff reductions since that time has resulted in surplus space in Australia House.

17. Australia House is Australia's oldest overseas mission and a London landmark building classified by English Heritage. The building was constructed during 1913-18 using substantial amounts of Australian timbers and marble. It is the oldest originally occupied Chancery of any foreign mission in London.

18. The building has unique facilities for servicing Australia's diplomatic, trade and representational needs, which are unlikely to be duplicated in alternative offices. These include a cinema/theatre, the Bruce Rooms (a collection of well appointed meeting rooms adjacent to the High Commissioner's office), the Downer Room (a major representational area featuring extensive elaborately carved Australian timbers and marbles) and the Reading Room (a public area of spectacular proportions with marble finishes, period decoration and chandeliers).

ROLE OF AUSTRALIAN HIGH COMMISSION IN THE UNITED KINGDOM

19. The purpose of the Australian High Commission (AHC) is to promote Australian interests in the United Kingdom (UK). Its principal functions include influencing British policies on matters of interest to Australia, promoting Australian trade and investment interests in the UK, promoting and protecting the positive and multifaceted bilateral relationship and providing consular services to Australians.

Staffing

20. The Australian High Commission in London is one of Australia's largest and most diverse overseas missions and one of the largest foreign missions in London. It consists of 20 branches responsible to the High Commissioner. There are currently 60 Australian-based staff working in the High Commission. There are 170 unattached Australian-based staff located elsewhere in the United Kingdom. There are also 177 locally engaged staff, as well as 16 locally engaged contract staff and 7 locally engaged casual staff.

21. Australia also has an immigration office in Manchester. The immigration office in Edinburgh was closed on 1 July, 1994, and an honorary consul appointed to assist Australians requiring consular services. Applications previously processed by Edinburgh are now processed by missions in London, Manchester or Dublin.

Future development of relationship with the United Kingdom

22. The Australia-UK relationship is continually evolving and is revealing a strong mutually beneficial bilateral relationship. Australia's accelerating integration into Asia and the UK's integration into Europe can in fact complement each other and provide a key modern element to underpin some still important traditional ties.

23. There are very few issues of significance to Australia on the international, political, security, and trade agenda on which there is not value for Australia in exchanging opinions and assessments with the UK, and in seeking to influence British policies. London remains an outward-looking capital, a financial and capital centre, and is the home of key commodity markets and organisations. It therefore remains, and will continue to be, one of Australia's most important bilateral relationships.

THE NEED

24. Over the years various parts of Australia House have been renovated on an as-required basis but no comprehensive renovation program has been undertaken since it was completed although the public areas have been maintained at a high level.

25. Whilst the exterior has been comparatively well maintained, the interior condition is variable, and many of the building services are at the end of their safe and useful life.

26. Much of the existing office accommodation at Australia House is in poor condition, having been maintained and altered in an 'ad hoc' manner in the past, and does not meet the needs of current working environments.

27. In 1989-90 \$A4.8m was spent on renovation of the ground floor to meet immigration needs and the Government's requirement for over-the-counter visa issue. The work undertaken included the relocation of some activities and refurbishment of all these ground floor offices. A further \$A2.8m was spent in 1992-93 consolidating the Defence occupancy on the 4th floor.

28. As a consequence of concern about the condition and the status of Australia House an investigation was undertaken in 1991. This study reviewed the following items:

- . rationalisation of space to achieve efficient use
- . improvement in the standard of accommodation
- . generation of income by leasing out surplus space.

29. This study indicated that a rationalisation of the existing space in Australia House could result in up to 2 000m² being surplus to the needs of the High Commission.

30. This study also formed the guideline for subsequent renovation work consolidating Defence's occupancy on the 4th floor.

31. The point has now been reached where retaining the property carries a concomitant requirement to renovate it. Piecemeal renovation could continue from existing funding as and when global priorities permit. This option would add about 20% to renovation costs and extend the program over 7 to 10 years.

32. In addition to a long period of construction work in an occupied building the extended period will inevitably result in further building deterioration, delays in improving substandard areas and interim increases in maintenance costs.

33. OPG believes that a comprehensive renovation program to protect the Commonwealth's investment and provide modern efficient office accommodation is called for.

34. OPG advised the Committee that these conclusions led to a major review of:

- . master planning
- . services installation
- . conservation issues
- . leasing opportunities
- . States occupancy.

Options Considered

35. A number of alternative property options were considered and these included:

- . sell and relocate to leased accommodation
- . sell and purchase alternative accommodation
- . sell and lease back
- . refurbish only for immediate needs of AHC and close off surplus areas
- . refurbish only for immediate needs of AHC plus 500m² of lease space
- . refurbish entire building (except the 6th floor) and lease all surplus space.

Reasons for adopting proposed course of action

36. In examining the options it was considered by OPG that:

- . the opportunity for true commercial rental of the current vacant space is limited. Any attempt to recover fitout/refurbishment costs in the short term makes it impossible to match the discounted rents currently being offered in London for areas that might be made available in Australia House
- . Australia House is a significant and identifiable Australian presence in London and it is in the Commonwealth's interest to have Australia House fully occupied. Thus whilst commercial opportunities are limited there are other possibilities for the use of the surplus space
- . officials of State Governments (in particular, South Australia, Western Australia and New South Wales) have expressed interest in an Australia Centre concept for collocation of their Agents-General and other representatives. The States interest is predicated on low startup costs (in some circumstances to offset the buy out of existing leases). The recovery of setting up costs for such activities would therefore be a long term proposition.

37. Australia House offers some unique attributes including the historically classified external facade and public areas, a location which is recognised as Australian and a cinema/stage function area. It is also technically feasible to provide separate access to non-Commonwealth users thus avoiding security compromises in what is a major diplomatic mission.

38. OPG believes that refurbishing Australia House presents an opportunity to create a united front to a changing Europe, and a focus to present Australia in all its facets, from a single high profile location.

39. DFAT believes that the most cost-effective solution to the problem of maintaining appropriate representative accommodation for Australia in London was found to be the retention and upgrading of Australia House and the development of the Australia Centre concept with State occupancy.

40. DFAT advised the Committee that the modernisation of the office accommodation envisaged by the project will enable the mission to conduct its activities more efficiently. The collocation of most, and ultimately all, Australian Government activities in Australia House would assist synergy and coordination. DFAT also believes that while coordination of activities between Australia House and the Agents General is very good, the location of the State offices in Australia House will assist the further development of cooperation. The States place a strong emphasis on investment and trade, which is a central element of the High Commission's objectives.

Committee's Conclusions

41. There is a need to retain Australia House, London as the focal point of Australia's representational activities in the United Kingdom.

42. There is a need to refurbish the interior of Australia House, London as proposed by the Overseas Property Group as much of the existing office accommodation is in a poor condition and does not meet the needs of a modern working environment. In addition many of the building services need replacing as they no longer meet current regulatory requirements.

THE PROPOSAL

43. The aim of the proposal is the implementation of a staged program of internal refurbishment providing tenancy conditions which meet the requirements of occupational health and safety, the replacement of outdated and obsolete equipment and providing office accommodation which meets current data and communication needs.

44. The proposal also provides for the refurbishment of areas surplus to High Commission requirements for leasing to State Governments and other agencies.

45. The scope of the proposed refurbishment comprises:

- the relocation of the Communications Branch from the 6th floor to the 3rd floor central area
- the refurbishing including air conditioning of unconverted areas of the High Commission designated for occupation by specific branches on a staged basis

- . the provision of Versatemp recirculation units to the High Commissioner's suite of offices, the entertaining rooms and the Downer Room on the first floor. The redecoration of these areas excluding the Downer Room
- . the installation of two high speed lifts to serve the Australia Centre accommodation rising from a separate self contained entrance hall off the Strand
- . the reorganisation of the roof plant including the stripping out of all redundant plant and the provision of a new installation including boilers, generators and heat rejection equipment. The relocation of the non-complying roof plant at the east end of the building into the main plant room
- . the provision of fresh air ventilation services to the occupied zones of the upper and lower basement areas
- . the general refurbishing of toilet accommodation
- . the provision and installation of new electrical switch gear and busbars to serve lighting and general power throughout the building.

46. A detailed Master Plan Survey and Conservation Management Study was undertaken by London consultants during November 1992. That information was reviewed and updated in April 1994. In summary, the principal objectives and findings of these studies are:

- . a revised space audit was implemented taking account of known and anticipated staff reductions and revisions
- . preliminary 'block planning' proposals have indicated areas of vacant space that can be released once the High Commission's own needs have been met
- . proposals for installing a new ground floor entrance on the Strand, and associated new dedicated lifts serving floors that may be sub-let were subject to a detailed study

- . refurbishment proposals were examined for the upgrading of Australia House in order to achieve a consistent and modern standard of office accommodation and make effective use of the space available
- . the condition of the mechanical and electrical service installation was studied in detail. Many of the existing services are reaching the end of their useful life, and substantial expenditure is required to maintain these in working order
- . the opportunity should be taken to 'dovetail' the maintenance and upgrading of the services and installations with the overall refurbishment strategy for the building
- . a notional program for implementing a phased refurbishment strategy has been developed
- . a detailed review was also carried out on fire safety and means of escape. The report highlighted problems in relation to means of escape provisions. These problems are currently being rectified as part of separately funded works relating to occupational health and safety issues
- . a separate Conservation Management Study was undertaken to ensure that future maintenance and alterations were implemented in a sensitive manner taking into consideration the historical significance of the building
- . a key element of the refurbishment proposal involves the removal of unsightly plant from the roof. The presence of this plant has resulted in objections from English Heritage
- . investigations into the nature and condition of the structure and external fabric were carried out
- . a detailed cost plan for a range of refurbishment strategies was developed.

Department of Immigration and Ethnic Affairs (DIEA)

47. In its submission DIEA indicated to the Committee that it broadly supports the proposal in the context of long term representational needs in London and the relatively poor working environment currently available to its staff at the mission. However, DIEA believes that its fundamental emphasis must be on client services. By focussing on client needs DIEA is continuing to improve its services to clients and to achieve efficient and effective operational arrangements. DIEA was concerned that the OPG proposal gives insufficient weight to these objectives.

48. In response to the DIEA submission OPG noted DIEA's broad support for the refurbishment proposals and its concern that the proposals may not give sufficient weight to its primary client services objectives.

49. OPG undertook to maintain close liaison with DIEA and deal cooperatively and sympathetically with its requirements. However, OPG pointed out that a major refurbishment is being undertaken and some inconvenience will be inevitable.

50. Following the public hearing OPG advised the Committee that discussions had been held in London between representatives of OPG, DIEA and the Australian High Commission to discuss the various accommodation alternatives. OPG advised the Committee that a revised ground floor layout, which caters for DIEA's present and future needs has been accepted by all parties.

Community & Public Sector Union (CPSU), PSU Group

51. In its submission the CPSU indicated its support for the project but brought a number of issues to the attention of the Committee.

Occupational Health and Safety Problems

52. The OH&S problems in the existing chancery have been of concern to unions for some time. Until the passage of the OH&S Act in 1991, there was little that could be done. Union concerns over the safety of the electrical wiring, air circulation and fire safety arrangements are to be addressed.

53. The resolution of health and safety issues involving computing equipment, copying and other office machinery cannot be finalised until layouts for offices and workplaces have been drafted.

Protective Security Arrangements

54. At the time of the public hearing the CPSU indicated that as there were no detailed layouts of the High Commission refurbishment available it was not possible to indicate any possible weaknesses in the proposed protective security arrangements. CPSU concerns include barriers between public and non-public areas, interview room arrangements and after hours protective arrangements. CPSU would like to examine the workplace layouts before they are finalised to satisfy union concerns on protective security arrangements.

Information Technology

55. CPSU believes that the refurbishment should provide the opportunity for standardisation of wiring arrangements and the additional electrical outlets required for the operation of office equipment and machines. It is important that the workplace design takes into account the positioning of computing equipment to minimise any health and safety risks. CPSU believes that copiers and photocopiers that use low ozone emitting cartridges, can copy on both sides of the page and are capable of operating with recycled paper should be provided.

Welfare of Officers and Amenities

56. CPSU understands that the Commonwealth Amenities Guidelines for government workplaces will be applied to the project including the facilities for disabled officers/visitors. At the public hearing the CPSU indicated that it wished to be involved in the detailed planning of workplaces.

Child minding facilities

57. Officers serving in London mostly live some distance from the mission and as parking in the city is either unavailable or prohibitively expensive, commuting to and from work by public transport is the norm. An exception to this would be those occasions when official functions are held at Australia House, often requiring spouses/partners to travel into central London for the occasion. It is disappointing that no provision is being made for a child

minding facility in the refurbishment for such occasions. The CPSU believes that as the project will not utilise all the space available in the Chancery it would take little effort and cost to incorporate such a facility.

Environmental Issues

58. OPG advised that there are no known environmental impact issues and also indicated that an environmental impact statement is not required by the local authorities. Improved mechanical and electrical systems will provide more efficient services with reduced likelihood of breakdown and failure. Energy efficient systems will be specified.

Heritage

59. The building is listed by English Heritage as Grade 2 in respect of both internal and external features. It is an important building in respect of its period, location and contribution to the streetscape. It is considered one of the best examples of its type and a major focal point at the end of Aldwych Street.

60. The classification of the building by English Heritage constrains use options and development potential. The proposals have been discussed with and will proceed with the concurrence of English Heritage.

Revenue

61. OPG advised the Committee that the project will result in rental income and rationalisation of leasing arrangements:

- . negotiations with State representatives indicating that 7 000ft² of space will be taken up at commercial rates. At about £20/sqft/annum this will return \$290 000 per annum less maintenance cost after initial commercial incentives (rent free periods) are absorbed
- . negotiations with Victoria on the future of the Victoria House lease are continuing with the Commonwealth seeking a rationalisation of the present arrangements and relief from the operational burdens of the 1917 lease arrangements.

Victoria House

62. Victoria House pre-dates and now comprises one corner of Australia House. The Victorian Government has historical rights of occupancy to Victoria House at very low rent. Those rights terminate in 2006 when the Victorian leasehold reverts to the Commonwealth. Like Australia House, Victoria House is under-utilised and is in need of renovation to provide efficient office space and reliable building services. It also suffers from some deficiencies in fire safety requirements.

63. The refurbishment strategy proposed in this project includes the renovation of the 4th and 5th floors of Victoria House which are incorporated into Australia House.

64. An agreement with the Victorian Government which best meets the long term interests of both parties is being negotiated.

Master Planning and Future Development

65. The space allocation was calculated from staff lists and the Accommodation Guidelines. A further allocation was made for special requirements, storage and circulation.

66. The building plan shape and window arrangements inevitably result in those groups with a high degree of cellular office accommodation requiring more space than recommended under the Accommodation Guidelines in order to achieve a workable layout.

67. The implementation of the Australia Centre concept influenced the project by the provision of self contained lettable refurbished air conditioned office space on 2nd, 3rd and 4th floors for State Government use (with possible extension to 5th and 6th floors in the future).

68. That space would generally be on the Strand (south) side of the building and would be accessed via two high speed passenger lifts rising to the various floors from a separate entrance off the Strand.

Options for use of the 6th floor

69. OPG advised the Committee that as part of this proposal it is not intended to refurbish the 6th floor. OPG indicated that the 6th floor may

produce additional vacant space of marginal lettable value. The Committee notes that in addition to the communications facilities which will be moved to the 3rd floor some 200m² of the 6th floor is being utilised by both OPG and DIEA following minimal fitout.

70. At the public hearing the Sectional Committee requested OPG to examine the following options for the use of the 6th floor:

- . official residence for the High Commissioner
- . constructing apartment(s) for senior officers
- . constructing apartments for junior officers
- . constructing transit apartments for visitors and new arrivals.

71. OPG commissioned an architectural consultant to review the above options.

72. The findings of the consultant are as follows:

- . The 6th floor of the building can be planned to provide residential accommodation. Services exist to cater for such a conversion, subject to certain modifications
- . there do not appear to be any restrictions from the local authorities preventing use as residential accommodation providing the existing exterior of the building is not altered
- . the building is suitably located for shopping, schools and theatres. Parking is difficult in the immediate area
- . private access can be achieved from street level via the south west lift and stairs without entering the High Commission space
- . the windows to Melbourne Place and the Strand are oval in shape, are small with high sills and do not provide any outlook from the space beyond the buildings opposite. The windows from the central area into the lightwells are larger and as such let in considerably more light and air, however again there is no outlook beyond the lightwells themselves

in the opinion of the consultant the existing window arrangement and the lack of any outlook or vista from the 6th floor level, could restrict the use of this as living accommodation on a long term basis. It would however provide suitable transit accommodation for visitors and new arrivals.

73. The estimated cost of each option shown both in pounds and dollars are as follows:

High Commissioners Residence	£1,513,000	\$3,219,000
Apartments for Senior & Junior Officers	£ 643,000	\$1,370,000
Transit Apartments	£ 502,000	\$1,068,000

Views of Australia House Administration

74. In summary, the option of locating permanent residential accommodation in Australia House has received little support from agencies and officers within the mission. Apart from the convenience factor of being close to work and the West End theatre district among factors which make the use of Australia House unattractive for residential accommodation are:

- the 6th floor of Australia House is within the Mansard roof with its attic type sloping exterior walls and high set porthole style dormer windows. The windows cannot be altered, leaving the floor without any outlook apart from an internal light well
- the housing would be overlooked directly across the light wells by the OPG training rooms and other office facilities to be located in that area
- access to schools with vacancies may be a problem in the inner city area and the environment is not considered adequate for permanent accommodation for children as there are no parks or activity centres in the area
- the location of Australia House is on one of the busiest corners in London and the level of air pollution is evidenced in the problems maintenance staff have with the filtering of air in

those Australia House offices that are currently air-conditioned. It is considered that very few staff members would wish to live 24 hours a day in the artificially created environment that would be necessary to make the accommodation livable. It is noted that the units would also have to be further sealed to overcome the problems of noise pollution.

75. In relation to the economics of the proposal the following points were highlighted:

- . the Official Residence, Stoke Lodge, is a very special Australian Government asset, the value of which lies in its position, the standing that its location has in the London community and recognition of that property as one of the traditional focal points of Australia's official representation in Britain
- . for evaluation purposes a Head of Mission apartment in Australia House would need to be compared with the acquisition price of an inner city apartment of equivalent size and amenity
- . the disposal of Stoke Lodge and the downgrading of the Head of Mission Residence as a revenue raising exercise was considered and rejected at most senior Government level in very recent times.

76. However there was considered to be some merit in the conversion of a section of the 6th floor of Australia House for temporary or transit accommodation provided the economics and use can support it.

77. The Committee was advised that there is constant demand for settling-in and transit accommodation in London and many of the objections against permanent accommodation would have less impact on short term accommodation. Visitors and staff under settling-in conditions are likely to accept the location and the savings to the Commonwealth could be considerable. One suggestion has been \$A200 000 per annum but that is premised on the basis that the bulk of visitors and staff under settling-in conditions would occupy transit apartments in the High Commission. However, management costs must be considered and again the commercial rental value of the space used for settling-in vis-a-vis office accommodation would need to be taken into account.

78. On balance the Australia House administration believes that the most appropriate and cost effective use of sections of the 6th floor could be office accommodation. Space could be leased commercially. Also, the scenario of potential expansion by existing agencies should not be discounted. It believes that of all the options canvassed this would prove the most sensible and cost effective use of the existing space. The Committee understands that no agency will be responsible for rental charges for the vacant space on the 6th floor.

Committee's Conclusion

79. On the evidence provided to the Committee from the Australian High Commission in London the 6th floor of Australia House is not suitable for conversion to provide long term residential accommodation but is suitable for transit accommodation or office accommodation.

Committee's Recommendation

80. The 6th floor of Australia House, London should be converted for use as transit accommodation or office accommodation.

Land Status

81. The site is Commonwealth owned freehold and includes the land on which Victoria House is built.

Codes and Standards

82. It is proposed that all refurbishment works be carried out in accordance with the current building regulations in force within the City of Westminster and also with the requirements of English Heritage.

83. All new work will be designed to meet relevant Australian or British equivalent codes and standards. Within buildings of this age and historic importance there will always be areas of conflict between current regulatory demands and conservation issues.

84. New work will endeavour to meet statutory requirements in the fullest manner with the recognition that some constraints will apply. The requirements will be negotiated with appropriate organisations including staff representatives and associations. OPG's resident regional director will

be responsible for monitoring the quality assurance program.

BUILDING WORKS AND SERVICES

Structure

85. Structurally the building is in good condition. The building is steel framed with external cladding of Portland stone. The structural survey indicated:

- . there is stonework movement at the Melbourne Place/Aldwych Street corner. Remedial works have been undertaken to prevent water entry and minimise future movement
- . the building has a low floor loading capability compared with current embassy construction but no deflection problems were identified. Investigations will take place prior to any decision to install items of exceptional weight.

Materials and Finishes

86. The nature of refurbishment work specified and costed includes:

- . new suspended ceilings
- . integral lighting (low brightness) 500 lux
- . demountable partitions to cellular offices
- . new doors and skirtings
- . redecoration to all new surfaces (vinyl)
- . secondary glazing and blinds to windows
- . comprehensive refurbishment of toilets
- . new carpets
- . new electrics to comply with category of buildings requirements

- Versatemp air conditioning and heating
- communication power and data wiring to desk positions.

Special considerations

87. A new ground floor entrance area located on the Strand will be constructed to served State tenancies. Allowances have been made for a new entrance lobby, specialist ceiling and lighting, high quality wall finishes, stone floor finishes, and a built-in receptionist desk. Negotiations are proceeding with the Victorian Government to secure commercial entry through the ground floor of Victoria House. In the event that these negotiations are successful the funds allocated for the entry will be transferred to that work.

Mechanical Services

88. In general, the majority of the principal services installations are in poor condition and have minimal life expectancy. It is proposed that the opportunity should be taken to upgrade and replace the mechanical and electrical services installations in a manner which is compatible with the long term strategy for the building. The principal recommendations emanating from the above study which have been adopted are as follows:

- remove existing redundant ventilation and air conditioning equipment from the roof plant so as to release essential plant space
- provide Versatemp air conditioning and comfort cooling to refurbished floors
- upgrade electrical installation including new risers and extension of distribution panels in basement
- provide a new standby generator
- replace small power and lighting installation on refurbished floors
- replace existing boiler plant and relocate new boilers to roof level

- . provide new heating to staircases, common and basement areas.
89. Installing these upgraded services will be carefully programmed and phased with the general refurbishing.
90. The installation of two high speed lifts to serve the proposed leased accommodation rising from a separate self contained entrance. The existing lifts in the building do not require replacement.

Hydraulic Services

91. The study demonstrated a need to undertake the following work:
- . sanitary pipework and plumbing will be upgraded
 - . parts of the drainage/rainwater system will be replaced
 - . the size of the holding tank on the roof will be increased.

Electrical

92. The following works will need to be carried out to provide updated and reliable services to the refurbished accommodation.
- . new generators installed at roof level
 - . extend new sub-basement switch panel
 - . rebalance the phase loadings as new areas are refurbished
 - . replace the existing general purpose risers with new plug-in busbar risers
 - . remove existing redundant switch gear
 - . install new lighting and general power services to each area as it is refurbished.

Acoustics

93. Particular consideration has been given to the materials to be used throughout to minimise reverberation. Control of sound transmission between special areas such as conference rooms and nominated offices is to be incorporated. Building services will be designed to minimise noise transmission to the working environment.

Energy Conservation Measures

94. Energy conservation measures is a prime consideration. The refurbishment therefore incorporates measures which will minimise energy consumption.

Provisions for people with disabilities

95. Access and toilet provisions have been incorporated in the occupational health and safety issues which proceeded independently of other renovations.

96. The existing unisex toilet for people with disabilities which is located off the main staircase at the upper basement level is being enlarged as the dimensions are not to Australian Standard 1428.

Child-care provisions

97. Child-care provisions have not been provided. Officers (including single parents) can obtain local domestic assistance which caters, in part, for child minding needs.

Fire Protection

98. The building will be equipped in accordance with Australian Fire Safety Standards. There has also been close consultations with the Area Commander of the London Fire Brigade. The upgrading program includes:

- . smoke detectors, fire alarms and emergency lighting
- . fire hydrant and hose reel systems internally
- . hand held fire extinguishers internally and to service areas

- . overhaul and extend the sprinkler system
- . modify fire alarm system to suit refurbished areas.

99. The Commonwealth Fire Board (CFB) raised a number of issues relating to the details of fire protection measures. At the public hearing OPG advised the Committee that it felt that it had responded adequately to the issues raised by the CFB.

Security

100. Refurbishment proposals for the building have been prepared taking account of the various security issues relating to a Diplomatic Mission.

101. The potential security problems arising from an external tenancy will be overcome by providing a dedicated ground floor entrance and lifts in the southwest corner of the building, together with the security alarming of appropriate doors.

102. It should be noted that at all times emergency access will be required to the main and southwest staircases for means of escape purposes. The doors to these escapes will be electronically controlled to prevent unauthorised use.

Occupational Health and Safety

103. Due to the urgency of certain Occupational Health and Safety (OH&S) aspects some works have proceeded independently at a cost of \$1.3m. These works have been directly funded from current Overseas Property Group Budget allocations and do not form part of this submission and include:

- . repairs to rotunda glazing, fire safety measures and the upgrading of disabled toilet facilities
- . upgrading and restoring external areas of the building such as stonework and flashings
- . undertaking urgent electrical and mechanical service items.

104. There is additional OH&S work related to specific floors which can only be undertaken as part of refurbishment program. Work in this category includes the upgrading of lighting, the removal of redundant in situ concrete air ducts and the fire stopping of other inaccessible duct work and risers.

CONSULTATIONS

105. As a result of the Master Plan Survey and Conservation Management Study discussions were held with:

- . English Heritage
- . Planning and Transportation Department, City of Westminster
- . Westminster District Surveyors' Office.

The following organisations were consulted in developing the proposal:

- . Department of Foreign Affairs and Trade
- . Department of Industry Science and Technology
- . Department of Immigration and Ethnic Affairs
- . PSU Branch Committee on Overseas Conditions
- . Australian Trade Commission
- . Department of Defence
- . Australian Federal Police
- . Department of Finance
- . Department of the Treasury
- . Australian High Commission London
- . Australian National Audit Office
- . Australian Nuclear Science & Technology Organisation

CONSTRUCTION PROGRAM

106. The refurbishment will be undertaken over a three year construction period.

PROJECT DELIVERY SYSTEM

107. It is proposed to call tenders based on full working documentation.

COST

108. The limit of cost estimate for the proposed refurbishment is \$A14.25m at May 1994 prices, at an exchange rate of \$A1.00 = £ 0.47. The cost includes consultants' fees, supervision and 17.5% VAT however it does not include loose furniture and fittings. In all refurbishment work of this nature there is always a degree of uncertainty, particularly in opening up concealed works and spaces. However, the Overseas Property Group is satisfied that the estimate will meet all but the most extreme contingencies. The Committee notes that the limit of cost estimate is fixed in Australian dollars and is therefore subject to exchange rate variations which may require some modifications to the scope of works.

Committee's Recommendation


109. The Committee recommends the refurbishment of Australia House, London at a limit of cost estimate of \$14.25m at May 1994 prices.

CONCLUSIONS AND RECOMMENDATIONS

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

	Paragraph
1. The Committee again draws attention to the continuing difficulty it faces in assessing overseas projects, as under current legislation it is unable to meet outside Australia or its external territories. Until this legislation is amended to enable site inspections to be carried out overseas, the Committee continues to reluctantly give approval for the construction of projects which it has been unable to properly assess.	12
2. The <i>Public Works Committee Act 1969</i> be amended to remove the restriction on the Public Works Committee meeting outside Australia and its external territories.	13
3. There is a need to retain Australia House, London as the focal point of Australia's representational activities in the United Kingdom.	41
4. There is a need to refurbish the interior of Australia House, London as proposed by the Overseas Property Group as much of the existing office accommodation is in a poor condition and does not meet the needs of a modern working environment. In addition many of the building services need replacing as they no longer meet current regulatory requirements.	42
5. On the evidence provided to the Committee from the Australian High Commission in London the 6th floor of Australia House is not suitable for conversion to provide long term residential accommodation but is suitable for transit accommodation or office accommodation.	79

- | | | |
|----|--|-----|
| 6. | The 6th floor of Australia House, London should be converted for use as transit accommodation or office accommodation. | 80 |
| | | |
| 7. | The Committee recommends the refurbishment of Australia House, London at a limit of cost estimate of \$14.25m at May 1994 prices. | 109 |


Colin Hollis MP
Chair

30 March 1995

APPENDIX A

WITNESSES

Chapman, Mr Geoffrey William, Director, Overseas Resources, Overseas Operations Branch, Department of Immigration and Ethnic Affairs, Benjamin Offices, Belconnen, ACT

Forsyth, Mr Ian, Assistant Secretary, West Europe Branch, Department of Foreign Affairs and Trade, Administration Building, Parkes, ACT

Franklin, Mr Brian John, Director, Construction Management, Overseas Property Group, 111 Alinga Street, 3rd Floor West, Canberra City ACT

Kent, Mr John Mervyn, General Manager, Overseas Property Group, 111 Alinga Street, Canberra City, ACT

Leader, Dr Malcolm, Assistant Secretary, Resources Branch, Department of Foreign Affairs and Trade, Administration Building, Parkes, ACT

Lynch, Mr Mark, Member, CPSU Delegates Committee, Community and Public Sector Union, Department of Foreign Affairs and Trade, Administration Building, Parkes, ACT

McCahey, Ms Patricia Faith, First Assistant Secretary, Corporate and International Division, Department of Immigration and Ethnic Affairs, Benjamin Offices, Belconnen, ACT

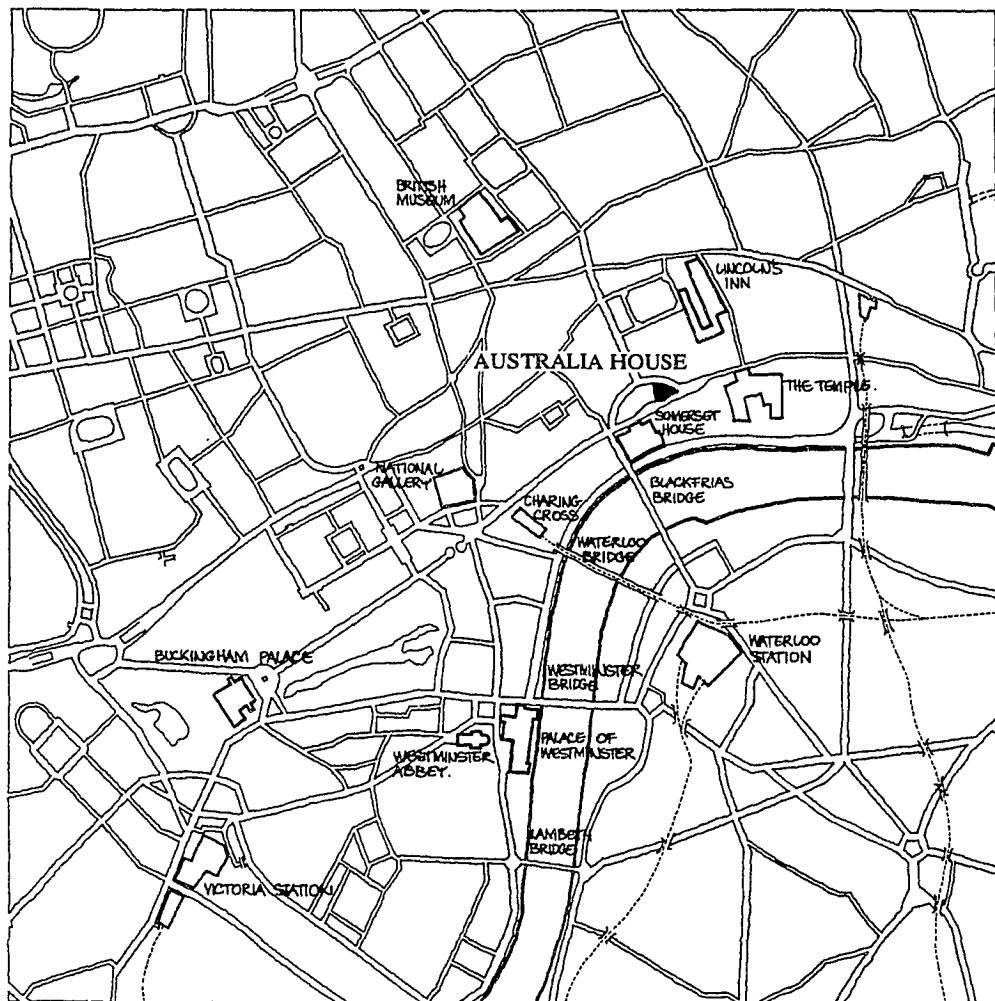
Meffert, Mr Wolfgang Klaus, Chief Engineer, Technical Services, Overseas Property Group, 111 Alinga Street, Canberra City, ACT

Solin, Mr Ian, Secretary, CPSU Branch Committee on Overseas Conditions, Community and Public Sector Union, Department of Foreign Affairs and Trade, Administration Building, Parkes, ACT

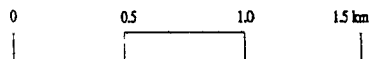
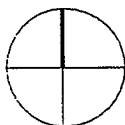
APPENDIX B

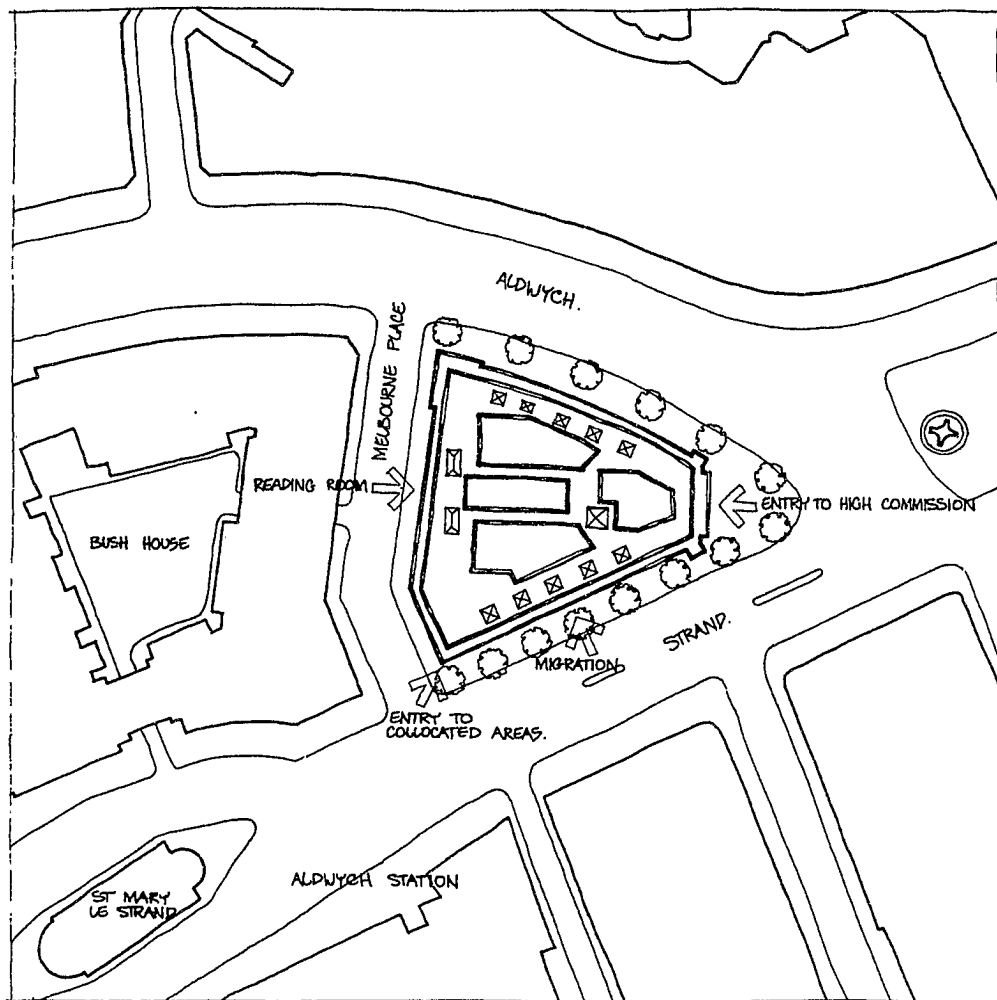
LIST OF DRAWINGS

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Australia House London - Ground Floor	B-3
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Perspective	B-7

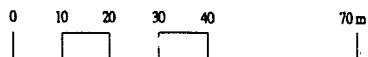
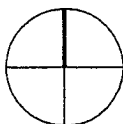


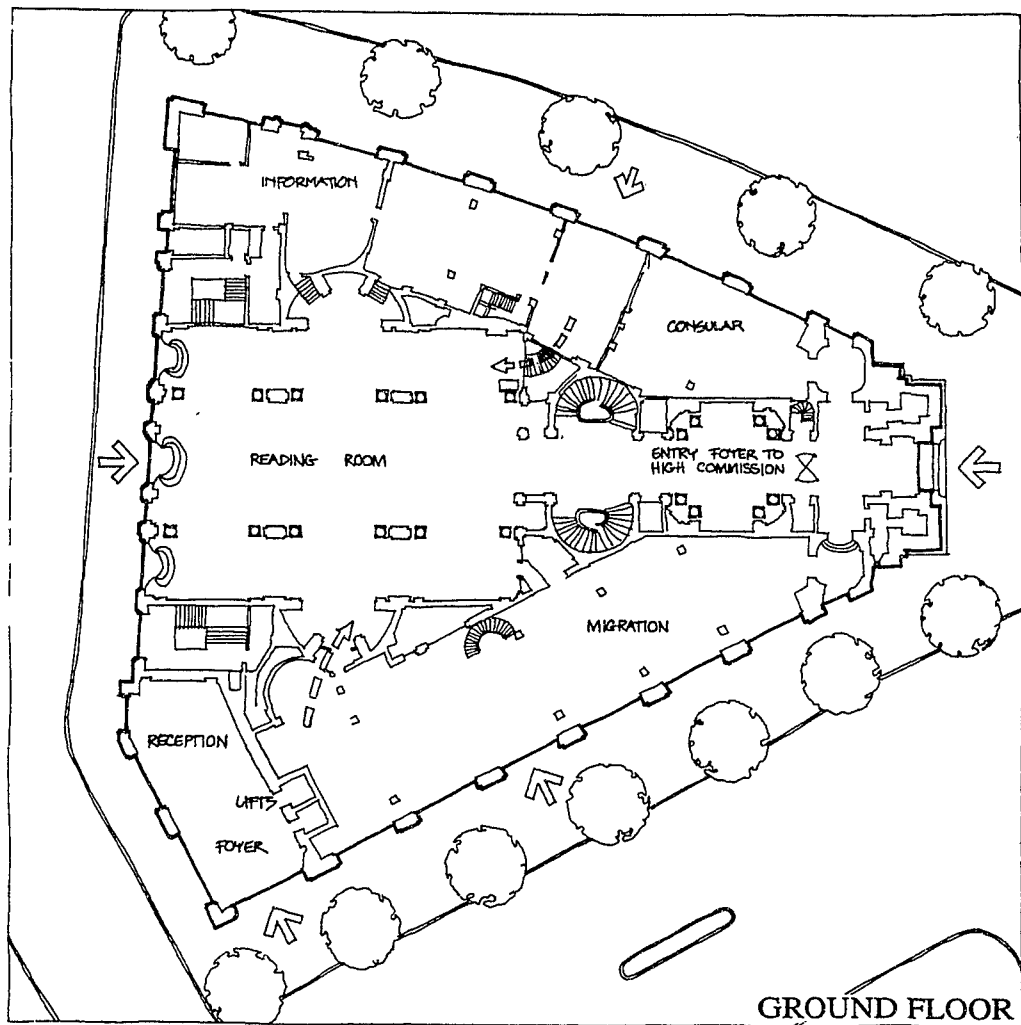
AUSTRALIA HOUSE: LONDON LOCALITY PLAN



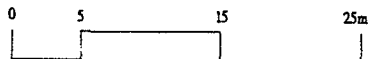
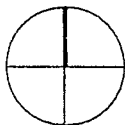


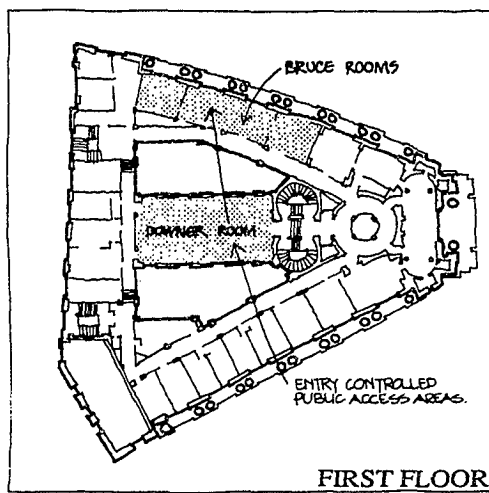
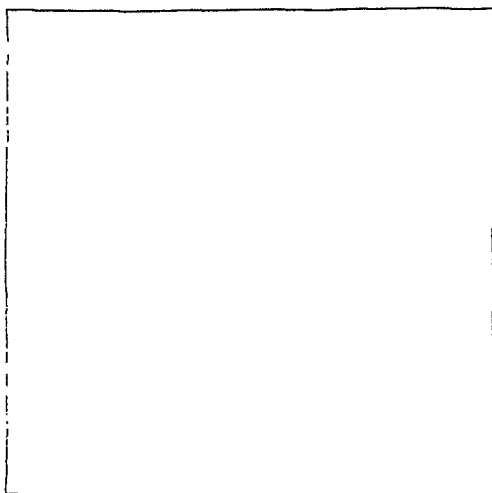
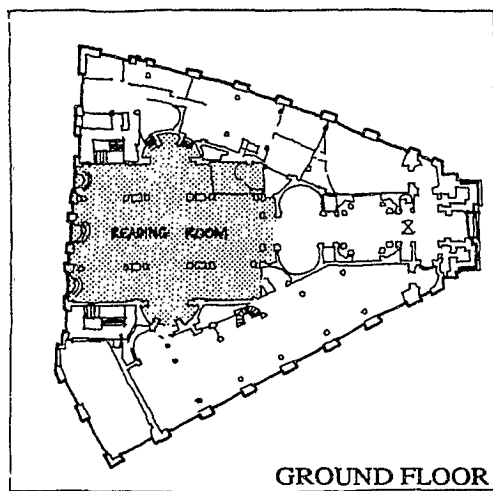
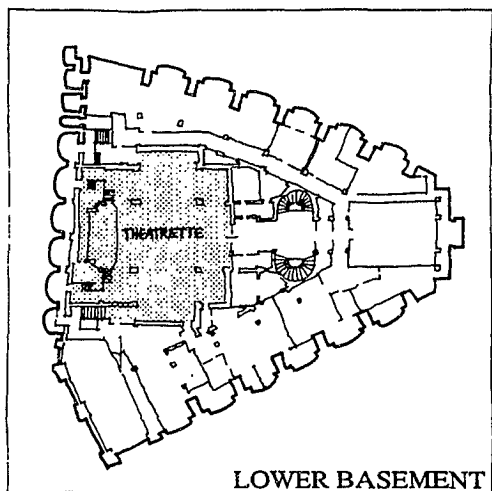
AUSTRALIA HOUSE: LONDON SITE PLAN



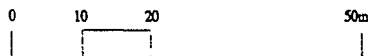
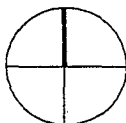


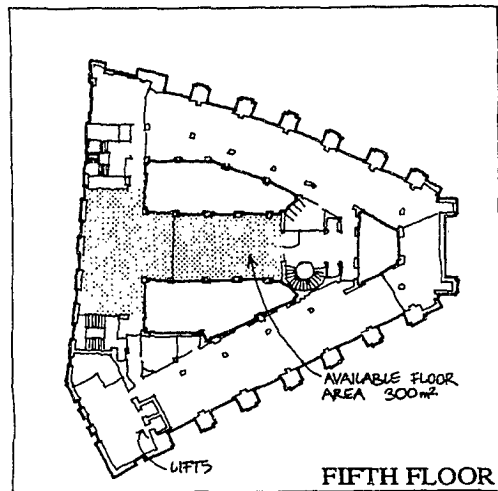
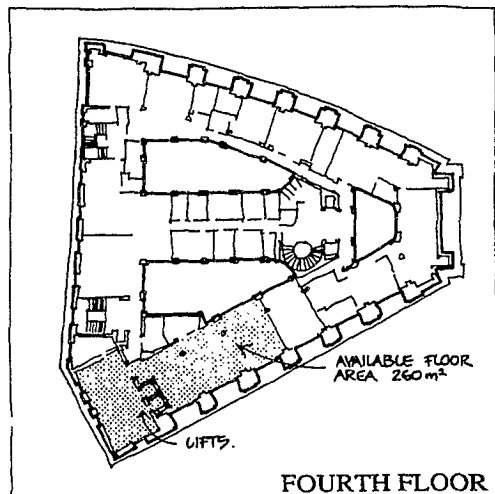
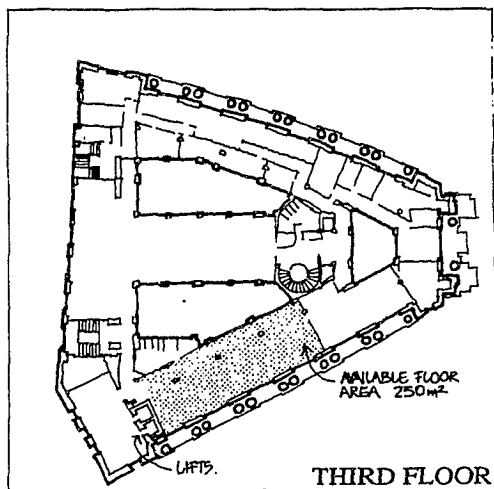
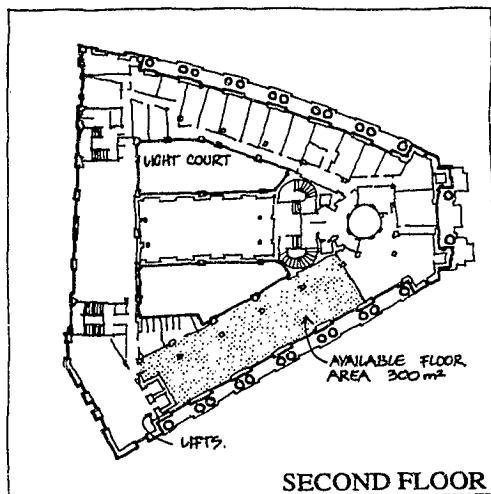
AUSTRALIA HOUSE: LONDON



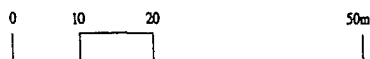
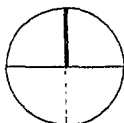


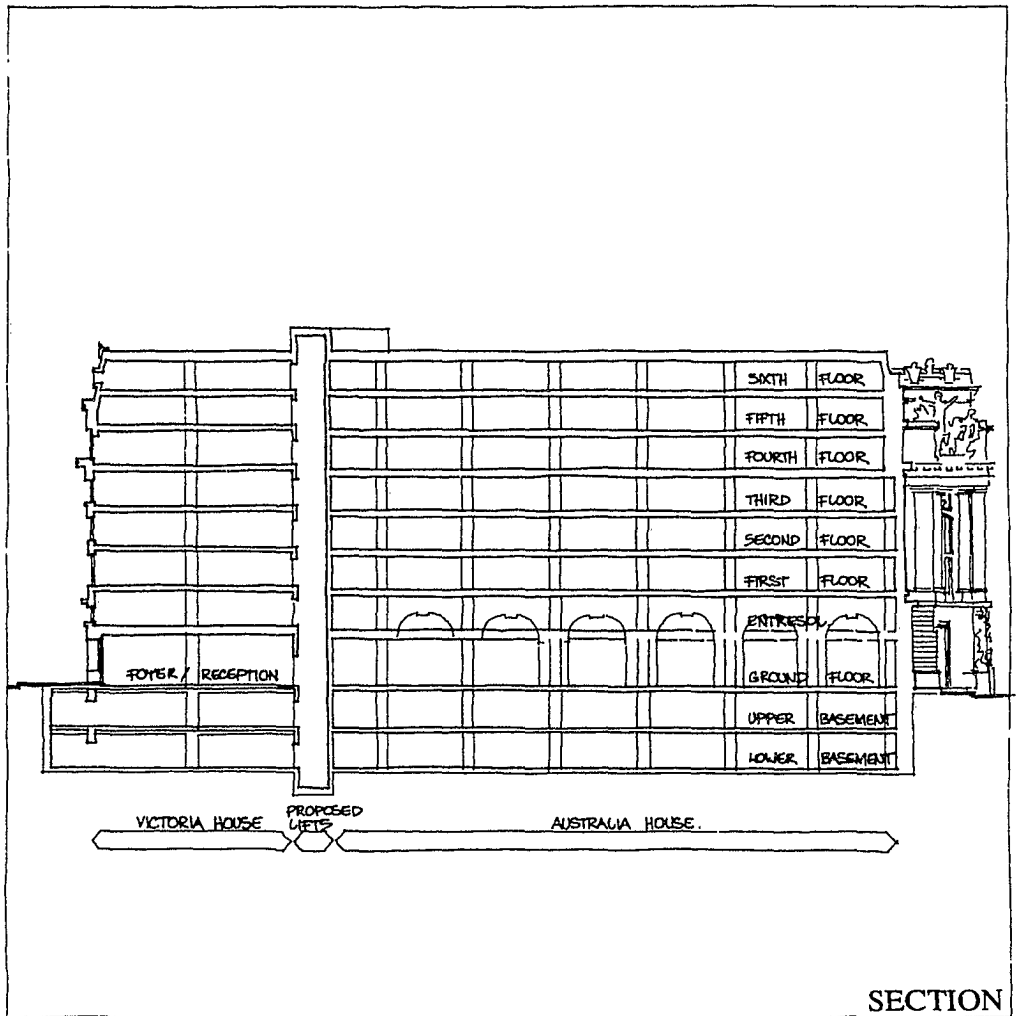
AUSTRALIA HOUSE: LONDON PUBLIC ACCESS AREAS





AUSTRALIA HOUSE: LONDON OFFICE AREAS





AUSTRALIA HOUSE: LONDON

