Australian Government
Defence

ARMOURED FIGHTING VEHICLES FACILITIES PROGRAM – STAGE 2

Gallipoli Barracks, Queensland

Gaza Ridge Barracks, Victoria

Edinburgh Defence Precinct, South Australia

Lavarack Barracks, Queensland

STATEMENT OF EVIDENCE TO THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

August 2023

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Armoured Fighting Vehicles Facilities Program – Stage 2

1. The purpose of this Statement of Evidence is to provide information to the Australian public to comment on, and the Parliamentary Standing Committee on Public Works to enquire into, proposed works under Armoured Fighting Vehicles Facilities Program: Stage 2 (the Project).

Executive Summary

2. The aim of the Project is to deliver the second stage of major capital facilities and infrastructure supporting the Australian Army's Armoured Fighting Vehicles Capability Program that commenced in 2020.

3. The Project will be delivered at Gallipoli Barracks, Queensland; Gaza Ridge Barracks, Victoria; the Edinburgh Defence Precinct, South Australia and Lavarack Barracks, Queensland (below the line scope only). The Project will deliver training facilities, maintenance facilities, office accommodation, external works and services and some refurbishment works.

4. The estimated total capital out-turned cost of the Project is $176.1 million (excluding Goods and Services Tax). The cost estimate includes management and design fees, construction, information and communications technology, furniture, fittings, equipment, contingencies and a provision for escalation. There will be ongoing operating costs as a result of the Project. No revenue is expected to be generated by the works.

5. Defence, together with the Head Contractors, will promote opportunities for small and medium local enterprises through construction trade packages, providing employment opportunities in the three regions. There will also be opportunities for Indigenous business involvement in accordance with the Government's Indigenous Procurement Policy.

6. All works will be designed and constructed in accordance with relevant legislation, standards, codes, guidelines and Defence policy. Accredited building certifiers will certify the compliance of the design and completed works.

7. Environmental and heritage investigations have been completed and the Project will not have a significant impact on existing environmental and heritage values. The Project sites are likely to intersect with existing contaminated land. Remediation of contaminated sites within the Project footprint will be completed as part of the construction works.

Purpose of the Works

Aim of the Project

8. The aim of the Project is to deliver major capital facilities and infrastructure to support, sustain and train Army personnel on the next generation of Armoured Fighting Vehicles capabilities being procured by the Australian Defence Force under the Armoured Fighting Vehicles Capability Projects. These include the new Combat Reconnaissance Vehicle being procured by LAND 400 Phase 2, the new Infantry Fighting Vehicle being procured by LAND 400 Phase 3, the upgraded Main Battle Tank being procured by LAND 907 Phase 2, and the new Armoured Engineering Vehicles being procured by LAND 8160 Phase 1.

Location of the Project

9. The Project will be delivered at:

a. Gallipoli Barracks, Queensland, located in Enoggera, approximately seven kilometres north-west of Brisbane's Central Business District;

b. Gaza Ridge Barracks, Victoria, located in Bandiana, approximately five kilometres east of Wodonga;

c. Edinburgh Defence Precinct, South Australia, located in Elizabeth, approximately 25 kilometres north of Adelaide; and

d. Lavarack Barracks, Queensland, approximately 10 kilometres south of Townsville (below the line scope only).

10. Attachment 1 illustrates the above locations.

Need for the Project

11. Under the Armoured Fighting Vehicles Capability Projects, the Australian Army will replace its current fleet of Armoured Fighting Vehicles over the next decade, including the acquisition of a new armoured engineering capability. The Armoured Fighting Vehicles Capability Program includes the following acquisition projects:

a. **Combat Reconnaissance Vehicle**. This new vehicle fleet will replace the in-service Australian Light Armoured Vehicle with a new and more capable reconnaissance vehicle. The retiring fleet will be approximately 30 years old when it is replaced by the new fleet, which commenced in 2020. The new reconnaissance vehicle is based on the Rheinmetall Boxer platform, and is longer, wider and heavier than the in-service vehicle.

b. **Infantry Fighting Vehicle.** This new vehicle fleet will replace the in-service M113 Armoured Personnel Carrier fleet with a new and more capable infantry fighting vehicle. The in-service fleet will be approximately 60 years old when the planned replacement commences. It is expected that the replacement platform for the in-service fleet will be announced by Government in 2023.

c. **Main Battle Tank.** The in-service tank platform will be upgraded, which will provide enhanced battlefield protection and connectivity.

d. **Armoured Engineering Vehicles.** This new vehicle fleet is a new capability and does not replace any existing vehicle platforms. The purpose of this fleet is to provide close engineer support to the Combat Reconnaissance Vehicle, the Infantry Fighting Vehicle and the Main Battle Tank during the execution of tasks.

12. These four vehicle types are designed to operate together as a mutually supporting system in high-threat environments to achieve Government-directed tasks. The Armoured Fighting Vehicles Capability Projects are designed to provide Defence with a fleet of vehicles that can survive and defeat the current threats in our potential operating environments. It will also allow for enhancement during service life to defeat new and emerging threats.

13. An important element for implementing the Armoured Fighting Vehicles Capability Projects is being able to effectively and efficiently maintain the new vehicle fleets and train the workforce. The incoming Armoured Fighting Vehicle fleet represents a capability evolution that requires a different approach to training, sustainment and base support. To allow for these factors, the Armoured Fighting Vehicles Capability Projects must increase reliance on simulation to achieve readiness outcomes. The new platforms are larger, wider and heavier than their predecessors, placing an additional burden on existing facilities and infrastructure to support through-life sustainment of the capability. The existing facilities and infrastructure at the sites proposed under the Project were originally designed to support the current fleet of Armoured Fighting Vehicles. Many existing facilities are also nearing their end of life.

14. The new vehicle platforms will require improved sustainment and base support. The trend in increased weight and dimensions for replacement capabilities will extend to the Combat Reconnaissance Vehicle and Infantry Fighting Vehicle capability projects. While the upgrade of the Main Battle Tank is expected to retain the in-service platform, the Armoured Engineering Vehicle is a new platform and is likely to be of similar dimensions to the in-service Main Battle Tank. The result of this general trend in increased

specifications of capability platforms means that the existing facilities and infrastructure will have insufficient capacity to support the proposed next generation of Armoured Fighting Vehicles Capability. New and upgraded facilities and infrastructure are required to provide training, sustainment and base support of the new capability project requirements over the next 30 years.

Proposed Facilities Solution

15. The Department of Defence undertook comprehensive master planning, site investigations, stakeholder consultation, whole-of-life cost analysis and design development to establish the facilities and infrastructure works required to address the Project need.

Options Considered

16. Defence developed a comprehensive Armoured Fighting Vehicles Facilities Program scope at the commencement of the Program that meets the facilities requirement across all new capability platforms proposed to be acquired. The Project was developed from the overarching Program scope, within the Project's available approved budget.

17. Scope was prioritised based on several criteria, including the suitability of current facilities to maintain, train and sustain the capability; health and safety requirements, and the requirement to ensure training was fully-enabled, along with fleet maintenance requirements. Under this risk managed approach to prioritising and defining the scope for the Project, Defence has developed four options:

a. **Option 1 Do Nothing** represents the current state without any capital investment and without providing any facilities. All critical training, maintenance, and sustainment requirements of the acquired vehicles will need to be meet using existing facilities, which will impact Defence's overall ability to conduct maintenance and training on the new vehicles.

b. **Option 2 Critical Scope** provides a balanced approach to address the immediate critical training needs as well as the enhanced maintenance sustainment requirements of the heavier and larger vehicle fleets being introduced at Edinburgh and Gaza Ridge Barracks. This option would provide increased simulated vehicle operations capacity at Gallipoli Barracks. This option addresses most of the critical requirements to support the minimum introduction into service for the Armoured Fighting Vehicle Capability Program, as well as the possibility for the delivery of additional scope elements to be delivered as below the line scope should savings be realised.

c. **Option 3 Critical Scope - Value Managed** provides a balanced approach similar to Option 2, which address the immediate critical training needs as well as enhanced maintenance sustainment requirements of the new vehicle fleets being introduced at Edinburgh and Gaza Ridge Barracks. This option addresses most of the critical requirements to support the minimum introduction into service for the Armoured Fighting Vehicle Capability Program. In contrast to Option 2, this option includes a reduced simulation capability at Gallipoli Barracks. The reduced simulation capability allows for this option to address the critical requirements for the additional personnel at Edinburgh from the newly-raised Combat Engineering Squadron, as well as providing greater opportunity for the delivery of sustainment and maintenance facilities at Edinburgh, Lavarack Barracks and Gallipoli Barracks through below-the-line scope.

d. **Option 4 Full Scope** delivers all scope identified for Stage 2. This option addresses both the immediate critical training, maintenance and sustainment requirements of the heavier and larger vehicle fleets as well addressing support facilities, living-in accommodation and infrastructure shortfalls within the existing Defence estate. This option exceeds the available budget and is dependent on additional funding being provided from future capability projects.

18. **Preferred option.** Option 3 (Critical Scope – Value Managed) is the preferred option as it provides an acceptable level of capability within the Gallipoli Barracks simulation facility while delivering the greatest amount of critical scope elements within budget. It represents the best value for money solution to the Commonwealth to address the need from a whole of life perspective. Option 3 incorporates the critical facilities and infrastructure to support the capability's introduction into service requirements, with a focus on addressing the immediate needs of the Armoured Engineering Vehicles and Combat Reconnaissance Vehicles.

Scope of Project Works for the Preferred Option

19. Option 3 includes three work elements outlined by site:

a. **Project Element 1 – Gallipoli Barracks, Queensland.** Gallipoli Barracks is the home for part of the 7th Brigade (one of Defence's Combat Brigades), which will operate the Armoured Fighting Vehicle Capability. A simulation facility has been assessed as a critical requirement for the Project, which will deliver training facilities to support the introduction into service for the new Armoured Fighting

Vehicle Capability. Facilities proposed to be delivered at Gallipoli Barracks include:

(1) a new simulation training centre; and

(2) external works and engineering services upgrades required to support the new centre.

b. **Project Element 2 – Gaza Ridge Barracks, Victoria.** Gaza Ridge Barracks is the home of the Army School of Electrical and Mechanical Engineering, which provides technical training for the maintenance of Defence vehicles, hardware and equipment. Facilities proposed to be delivered at Gaza Ridge Barracks under the project include:

(1) refurbishment works to existing vehicle maintenance and storage facilities

(2) a new maintenance shelter with required crane capacity

(3) external works and services required for the new facility.

c. **Project Element 3 – Edinburgh Defence Precinct, South Australia.** The Edinburgh Defence Precinct is the home for part of the 9th Brigade (one of Defence's Combat Brigades), which will operate the Armoured Fighting Vehicle Capability. Facilities proposed to be delivered at Edinburgh under the project include:

(1) new working accommodation to support a new Combat Engineering Squadron

(2) new combined vehicle sustainment shelters and a light maintenance facility to accommodate the new squadron of Armoured Engineering Vehicles and support unit level maintenance requirements for all new Armoured Fighting Vehicle platforms

(3) external works and services required for the new facilities.

<u>Planning and Design Concepts</u>

20. The philosophy for the design of the proposed works is based on:

a. designing facilities to be adaptable to the changing needs of the Australian Army and the incoming vehicle fleet capability, and providing greater value for money and sustainability over the life of the proposed facilities;

b. providing robust and functional buildings that, wherever possible, are flexible and able to integrate with, or adaptively re-use, existing facilities;

c. catering design to the movement and parking requirements of all incoming vehicle types, and focusing on the largest vehicle specifications of the fleet;

d. providing cost-effective, functional, low maintenance, energy efficient design options compatible with proposed functions and existing aesthetics;

e. adopting, where possible, conventional construction techniques and materials commonly used by the construction industry and consistent with those already used; and

f. applying appropriate durability measures to reduce ongoing maintenance and achieve the proposed design life.

Relevant Legislation, Codes and Standards

21. The following legislation, standards, codes and guidelines are applicable:

a. *Environmental Protection and Biodiversity Conservation Act 1999 (Cth);*

b. *Fair Work (Building Industry) Act 2012 (Cth);*

c. *Work Health and Safety Act 2011 (Cth);*

d. *Disability Discrimination Act 1992 (Cth);*

e. *Fair Work Act 2009 (Cth);*

f. National Construction Code - Building Code of Australia;

g. Manual for Infrastructure Engineering Electrical;

h. Smart Infrastructure Manual;

i. Defence Estate Quality Management System;

j. Defence Security Principles Framework;

k. Defence Manual of Fire Protection Engineering; and

l. Defence Manual on Pollution Prevention Management.

22. An accredited Building Certifier will certify the compliance of the design and the compliance of the completed works. Construction compliance with the design shall be assured using approved quality management systems which will implement processes including independent inspections, audits and testing.

Land and Zoning

23. The proposed works are consistent with uses prescribed in relevant Defence zoning instruments, including the specific estate base plans and the Defence Estate Principles of Development. All elements of the Project are located within the boundaries of Commonwealth-owned and Defence-controlled land. Accordingly, no civilian authority or design approvals are required, although the works proposed will comply with the relevant standards and regulations where applicable.

Structures

24. The structural design of the proposed new buildings at each site takes into account local geotechnical conditions, and have been produced in accordance with Australian Standards and Codes. Detailed geotechnical investigation for each structure will be undertaken to validate the building foundation designs.

25. The buildings are to be of permanent construction, using low maintenance and durable construction materials. The design will also consider buildability and material availability. The use of standardised elements will be considered to allow for off-site prefabricated construction techniques to be employed, thereby reducing time and labour on site. Environmentally Sustainable Design initiatives will be incorporated into the structural design were considered appropriate. The proposed new facilities construction consists of steel portal framed, lightweight steel framed and reinforced concrete framed structures, as suitable to the different building types, with roof structure comprised of cold formed and structural steel, appropriate to the environment. Multi-level facilities will include post-tensioned concrete upper levels. Internal walls are non-load bearing frames, lined with plasterboard to provide maximum flexibility in future layout.

Civil Works

26. The proposed civil works at each site include earth works, access and building circulation roads and hardstands and carparks, stormwater and services infrastructure and retaining walls as required to support the new facilities. The civil design for the proposed works will take into account the geotechnical conditions, stormwater discharge, as well as circulation paths and weight of the new capability platforms. Roads, hardstands and carparks will be of permanent construction provided through a combination of rigid and flexible pavement types suitable to the expected long-term use.

Mechanical Services

27. The mechanical services have been designed according to the function and needs of each new building. In existing buildings, the mechanical services have been checked and re-designed where necessary according to the function and need of each refurbished building. The proposed mechanical services will meet specific user needs, relevant ventilation, thermal comfort and air quality requirements and the mandatory requirements of the Building Code of Australia, Work Health and Safety requirements, and Australian Standards.

Hydraulic Services

28. The scope of the proposed hydraulic services includes, but is not limited to, providing:

a. water supply suitable for fire-fighting purposes;

b. water supply suitable for domestic purposes;

c. sewerage drainage service;

d. stormwater drainage service; and

e. reticulated gas service.

29. These services will comply with Commonwealth, State and Territory Legislation, the Building Code of Australia, relevant Work Place Health and Safety Requirements, and Australian Standards.

Electrical Services

30. Lighting, power and lightening protection will be provided in accordance with Australian Standards and Defence engineering requirements, namely the Manual of Infrastructure Electrical Engineering. Investigations during the development phase have been undertaken at all sites to ensure the Project can be supported by the existing local networks without causing detriment to local community supply. Electrical infrastructure and switchboards will have spare capacity to allow for future growth. Sub-metering will be included to each re-used and new building. The meters will be monitored through the Building Management System which will support an active energy management program on all sites.

Fire Protection

31. Fire Protection has been addressed through compliance with the Manual of Fire Protection Engineering, and the Building Code of Australia. The Project has assessed the asset classification and criticality in order to determine the fire protection systems to be implemented in all facilities.

Security Measures

32. The security design will ensure that any new facilities conform to the existing security system employed at each proposed site. Facilities will be protected by electronic and physical security systems in accordance with the Defence Security Principles Framework.

Acoustics

33. The new facilities will comply with the National Construction Code and Australian Standards for noise and acoustics. Acoustic separation has been considered between rooms, and walls are being designed to meet user requirements and building functions.

Work Health and Safety

34. The Project will comply with the *Work Health and Safety (WHS) Act 2011 (Cth)*, Work Health and Safety (Commonwealth Employment – National Standards) Regulations, and relevant Defence policies. In accordance with Section 35 (4) of the *Building and Construction Industry Improvement Act 2005 (Cth)*, project contractors will also be required to hold full work health and safety accreditation from the Office of the Federal Safety Commissioner, under the Australian Government Building and Construction Work Health and Safety Accreditation Scheme. Safety aspects of the Project have been addressed during the design development process and have been documented in a Safety in Design Report. No special or unusual public safety risks have been identified in this process. A Work Health Safety Plan will be required to be developed by the successful construction contractors for the construction phase prior to the commencement of any construction activities.

Materials and Furnishings

35. External walls for new will be a mixture of concrete panels and metal cladding with curtain wall glazing or profiled metal sheeting consistent with the use and function of each building. All new buildings will have mono-pitched roofs with overhangs appropriate to their purpose and location. Roofs generally will be steel with Zincalume or Colorbond finished metal roofing.

Landscaping

36. The proposed landscape design will introduce plants comprising predominately of indigenous vegetation (native and endemic) to minimise water use and to ensure landscapes are durable, sustainable and low maintenance. Precautions will be taken to avoid compromising environmental sensitivities by adopting landscaping practices in accordance with local environmental conditions and the Construction Environmental Management Plan.

Childcare Provisions

37. As there is minimal increase in personnel number on base, there is no requirement to provide additional childcare facilities under the Project.

Provisions for People with Disabilities

38. Access for people with disabilities will be provided in consultation with the Defence Centre for Diversity Expertise and in accordance with the National Construction Code, Australia Standard 1428 Design for access and mobility and Defence policy "Disabled Access and Other Facilities for Disabled Persons". These standards lay out the design and construction requirements to comply with the Disability and Discrimination Act 1992 (Cth).

Environmental Sustainability

39. Defence is committed to ecologically sustainable development and reducing greenhouse gas emissions, and has adopted cost effective measures as a key objective in the design and development of the proposed works. These include:

a. **Energy targets:** Energy targets will comply with measures as required under the National Australian Built Environment Rating System, Defence's Smart Infrastructure Manual: Design and Construction and Defence's Building Energy Performance Manual.

b. **Measures to reduce energy and water use:** Measures will comply with Defence's Building Energy Performance Manual and Engineers Australia Australian Runoff Quality – A guide to Water Sensitive Design.

c. **Re-use of existing structures:** Re-use of existing structures will occur wherever possible on all sites.

d. **Demolition and disposal of existing structures:** Material which cannot be re-used will be removed from each site in accordance with Defence policy and local environmental regulations applicable at each site.

e. **Indoor environment to maximise occupant comfort:** This will be achieved by adopting a number of strategies, including facilitating daylight to occupied spaces, shading for privacy, undertaking glare control measures, building orientation, and thermal insulation in non-conditioned spaces.

f. **Renewable energy:** Viability of installing photovoltaic to supplement mains power supply for some facilities is currently being assessed. This may include

facilities structures designed to accommodate installation of photovoltaic systems in the future. These will be subject to wider base agreements with local energy providers.

Potential Impacts

40. Defence has conducted rigorous assessments to identify potential environmental and local community impacts, and propose suitable mitigation measures. These include:

a. **Visual Impacts.** The assessments conducted identified minimal visual impacts arising from the Project. The Gallipoli Barracks Simulation facility is a three-story building which will be visible from the Northern Boundary of Gallipoli Barracks. The design has reduced the overall building height as far as practicable and will minimise outwards-facing lighting. The residual effect is assessed to be low.

b. **Noise Impacts.** The assessments conducted did not identify any noise impacts arising from the Project.

c. **Heritage Impacts.** Assessments conducted concluded that any heritage risk associated with the Project are minor and manageable through the development of the site-specific Construction Environmental Management Plans.

d. **Traffic, Transportation and Road Impacts.** An increase in traffic and daily population is expected during the construction phase owing to a number of large vehicles that will need to enter each of the three locations to deliver materials to construction sites. Contractual arrangements within each construction contract will mitigate the effects of this on local road networks through the development of traffic plans within each Site Management Plan. The Project also expects an increase to the base population by 135 personnel at Edinburgh Defence Precinct, as a result of a new engineering squadron being established to operate the new Engineering Vehicles at Edinburgh Defence Precinct, however this is not expected to have an adverse impact to on-base or local traffic, transport and roads.

e. **Relevant Local Facilities.** The assessments conducted did not identify any impacts on existing local facilities.

f. **Environmental Impacts.** An Environment Constraints Report for the proposed works was prepared. The report considered in detail where elements of the Project might impact environmental values, protected species, heritage values and contamination risks. The report also determined that associated environmental

risks are minor and manageable through the development of site-specific Construction Environmental Management Plans. As part of the tendering process to deliver the Project, Construction Environmental Management Plans will be required to comply with the associated Environmental Reports.

g. **Contamination.** Contaminated land investigations, including historical studies, identified a high likelihood for presence of per- and polyfluoroalkyl substances (PFAS) within the Project footprint. Further investigations identified potential concentrations of other contaminants (hydrocarbons, pesticides, metals and asbestos) of potential concern in soil within the Project footprint. Prior to construction and excavation works within the Project footprint, soil and potentially soil vapor assessment of potential contamination will be conducted. Pending the outcome of the assessment, appropriate control measures to manage contamination will be implemented in accordance with Defence's Pollution Prevention Management Manual. Where possible, soils excavated during construction are to be re-used on-site. If offsite disposal of contaminated fill is required, waste classification sampling will be undertaken by a qualified environmental consultant to determine the level of contamination and an approved waste transporter to dispose at an appropriately licensed facility. Contaminated soils are unlikely to significantly impact the Project. Contaminants will be managed through a Construction Environmental Management Plan.

41. Based on the findings of the assessments undertaken by the Project in the Environmental Constraints Report, existing environmental and heritage values will not be significantly impacted by the Project. Further detailed environmental analysis will be undertaken in the design process. The outcomes of this analysis will be detailed in an Environmental Assessment Report to ensure Defence meets its obligations under the *Environmental Protection and Biodiversity Conservation Act 1999 (Cth)*.

Consultation with Key Stakeholders

42. Defence has developed a community consultation and communications strategy that recognises the importance of providing local residents and other interested stakeholders an opportunity to provide input into, or raise concerns relating to, the proposed works.

43. Defence has, and continues to, engage with a variety of internal and external stakeholders during Project development to date and further consultation will be conducted

to support the Parliamentary Standing Committee on Public Works' inquiry into the proposed works as required.

44. The stakeholders engaged for the Project included:

a. Federal Member for Ryan – Ms Elizabeth Watson Brown, Member of Parliament;

b. Federal Member for Indi – Ms Helen Haines, Member of Parliament;

c. Federal Member for Spence – Mr Matt Burnell, Member of Parliament;

d. State Member for Ferny Grove – Mr Mark Furner;

e. State Member for Benambra – Mr Bill Tilley;

f. State Member for Taylor – Mr Nicholas Champion;

g. Brisbane City Mayor – Adrian Schrinner;

i. Wodonga City Mayor – Ron Mildren;

j. Salisbury City Mayor – Gillian Aldridge OAM;

k. Gallipoli Barracks Action Group;

l. Local Indigenous groups;

m. Master Builders Association;

n. Local Chambers of Commerce; and

o. Power and Water Corporation.

Related Projects

45. The following projects relate to the Project:

a. **Armoured Fighting Vehicles Facilities Program: Stage 1** was approved by the Parliamentary Standing Committee on Public Works in June 2020. This Project is delivering training and maintenance facilities and infrastructure facilities required to support the new Armoured Fighting Vehicles. The proposed scope of this Project is a continuation of the facilities scope which commenced under Stage 1.

b. **Edinburgh Defence Precinct Mid Term Refresh** is proposed to address electrical, sewer, stormwater, fire and high voltage infrastructure upgrades at the Edinburgh Defence Precinct. Deconfliction with the Project has been undertaken to ensure duplication of works do not occur.

c. **LAND19 Phase 7B** was approved by Parliament in December 2021 which included relocation of 16th Air Land Regiment to Edinburgh. Siting of facilities has taken into consideration the siting of this Project.

d. **Joint Project 9711 Phase 1** Australian Defence Simulation and Training Centre and core simulation capability project will deliver new simulation capability at HMAS Harman and will enable networking of simulation across Defence.

Cost Effectiveness and Public Value

Project Costs

46. The estimated total capital out-turned cost of the Project is $176.1 million (excluding Goods and Services Tax). This cost estimate includes management and design fees, construction, information and communications technology, furniture, fittings, equipment, contingencies, and a provision for escalation.

47. There will be ongoing operating and sustainment costs resulting from the proposed works. This is due to the additional maintenance, cleaning and utilities expenses that will be required to operate and maintain the proposed new facilities and infrastructure.

Project Delivery System

48. Defence proposes to retain the incumbent Project Manager / Contract Administrator and Design Services Consultant for the delivery phase of the works.

49. Head Contract and Medium Works Contract forms of contract are planned to be employed to deliver the works, which will provides the Commonwealth with direct control over the design and quality of the Project. The Head Contract and Medium Works Contract delivery methodologies will also assist to promote opportunities for small to medium enterprises by sub-contracting construction trade packages.

50. Three separate construction packages are proposed to promote opportunities in each regional geography, apportioning project risk where it can be best managed. The three proposed construction packages are as follows:

e. **Gallipoli Barracks, Queensland.** This package is expected to be delivered by a Head Contractor and focuses on maximising local participation in the South Queensland region, specifically around Brisbane. It will construct a three-level building that includes training networks and simulation equipment.

f. **Gaza Ridge Barracks, Victoria.** This package is expected to be delivered by a Medium Works Contractor and focuses on maximising local participation in the Northern Victoria region, specifically around Wodonga. It involves construction of a vehicle maintenance facility.

g. **Edinburgh Defence Precinct, South Australia.** This package is expected to be delivered by a Head Contractor and focuses on maximising local participation in the Adelaide area. It involves a two-level office style building which also contains basic vehicle maintenance facilities.

Construction Program

51. Subject to Parliamentary expediency, design activities are expected to be completed by mid-2024, with construction expected to commence in mid-2024 for completion by early 2026.

Public Value

52. Defence has comprehensively assessed public value, opportunities and benefit to the community as a result of the proposed works:

a. **Economic impacts.** Defence and the Head Contractors will actively promote opportunities for small to medium enterprises through the construction subcontractor packages.

b. **Employment opportunities.** The Project is expected to employ a diverse range of skilled consultants, contractors and construction workers that could also include opportunities for up-skilling and job training to improve individual skills and employability on future projects. The estimated workforce across the three works package locations is as follows:

(1) Gallipoli Barracks – 265;

(2) Gaza Ridge Barracks – 50; and

(3) Edinburgh Defence Precinct – 170.

c. **Local industry and Indigenous business involvement opportunities.** Defence and the Head Contractors will actively promote opportunities for small to medium enterprises through the construction trade packages. There will be opportunities for indigenous business involvements in accordance with the Indigenous Procurement Policy.

d. **Health and Safety.** Tenderers for the Head Contracts will be required to prepare a Work Health and Safety Plan for the construction phase of the works prior to the commencement of any construction activities as part of the procurement process. Once engaged, the successful Head Contractors will be required to develop site specific Environment, Health, and Safety Management Plans outlining the management practices for key risks specific to each site, including (but not limited

to) hazards, safety and quality, site amenities, waste management, environmental management plan, construction traffic management plan, and site security.

Below the Line Items

53. In the event that savings are achieved through procurement and/or retiring risk provision, Defence proposes to utilise the savings to enhancements that are consist with the approved Project scope, including:

a. **Edinburgh Defence Precinct, South Australia.** Vehicle Shelter, Q-store, Armoury, and Field Training Facility for Armoured Engineer training;

b. **Lavarack Barracks, Queensland.** Light Maintenance Shelter;

c. **Gallipoli Barracks, Queensland.** Light Maintenance Shelter.

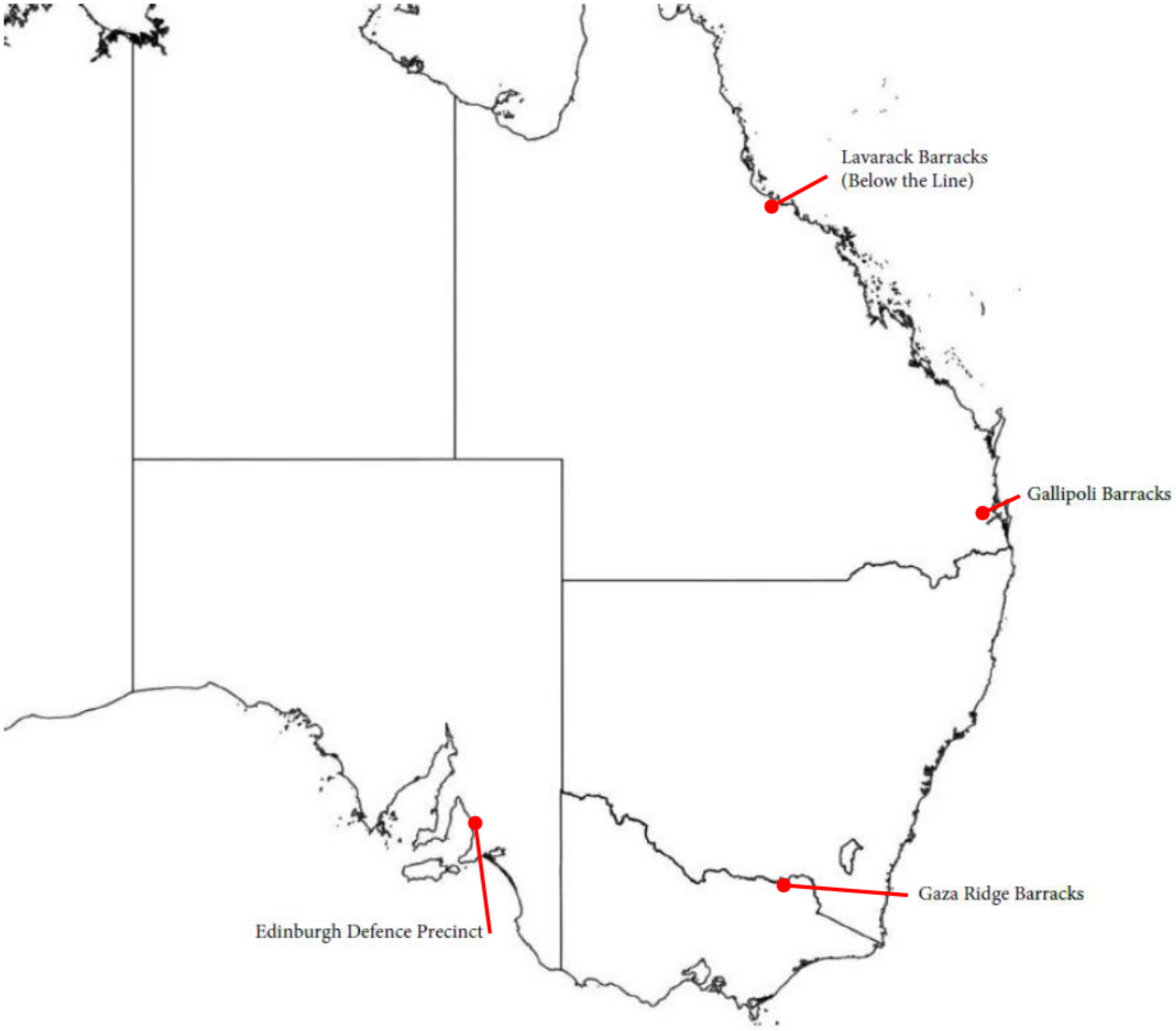
Revenue

54. No revenue is expected to be derived from the Project.

Attachments

1. Location of Project Works
2. Selection of Proposed Works

Attachment 1 – Location of Project Works



Attachment 2 – Proposed Works

Figure 1 – Gallipoli Barracks – Simulation Facility

Figure 2 – Gaza Ridge Barracks – Light Maintenance Facility

Figure 3 – Edinburgh Defence Precinct – Working Accommodation Facility

Figure 4 – Edinburgh Defence Precinct – Combined Vehicle Sustainment Shelter and Light Maintenance Facility