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The Parliament of the Commonwealth of Australia

# **Refurbishment of 4 Treasury Place, Melbourne**

Parliamentary Standing Committee on Public Works

14 October 1999  
Canberra

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## **Membership of the Committee**

**Chair** Hon. Judi Moylan MP

**Deputy Chair** Hon. Janice Crosio MBE, MP

**Members** House of Representatives

Mr John Forrest MP

Mr Colin Hollis MP

Mr Peter Lindsay MP

Mr Bernie Ripoll MP

**Senate**

Senator Paul Calvert

Senator Alan Ferguson

Senator Shayne Murphy

## **Committee Secretariat**

**Secretary** Mr Bjarne Nordin

**Inquiry Secretary** Mr Michael Fetter

**Administrative Officer** Mrs Angela Nagy



## **Extract from the Votes and Proceedings of the House of Representatives**

No. 46 dated Monday 21 June 1999

### **15. PUBLIC WORKS—PARLIAMENTARY STANDING COMMITTEE— REFERENCE OF WORK—REFURBISHMENT OF 4 TREASURY PLACE, MELBOURNE**

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), for Mr Fahey (Minister for Finance and Administration), 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 4 Treasury Place, Melbourne.

Debate ensued.

Question—put and passed.



On 21 June 1999, the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the proposed refurbishment of 4 Treasury Place, Melbourne.

## THE REFERENCE

1. The terms of the reference were as follows:

The government has approved the provision of \$15.8 million from the Federation Fund to undertake the refurbishment of the Commonwealth Offices at 4 Treasury Place, Melbourne, subject to the normal Public Works Committee processes. No. 4 Treasury Place was constructed in two stages between 1911 and 1913 as the first purpose-built federal building. The building consists of six levels and a total gross area of 6,364 square metres. It is located on the eastern fringe of Melbourne's central business district within the Treasury Reserve and adjacent to a number of state government owned buildings of similar age, character and historical significance.

No. 4 Treasury Place is of national significance because of its close association with the history of the Commonwealth of Australia and it is of continued importance today as the Melbourne offices of the Prime Minister, cabinet, Melbourne-based ministers and visiting ministers, the Governor-General and former Governors-General. Having regard to the significance of the building and its place within the historic Treasury Reserve precinct, retention of the building in Commonwealth ownership and continuation of its historic use as Commonwealth parliamentary offices is considered the most appropriate course of action.

The building will, accordingly, continue to be leased by the Ministerial and Parliamentary Services group of the Department of



Finance and Administration and by the Department of the Prime Minister and Cabinet. It is proposed that non-government Senators and Members who currently are located in private sector leased premises elsewhere in Melbourne be accommodated within the building, with consequent rental savings.

The proposed refurbishment works include repair of the render work and application of new finishes, demolition of the non-original fourth-floor additions, restoration of the slate roofs, replacement of all building services and refurbishment of amenities throughout the building. Public access will be provided to an information resource centre which is proposed to be established within the building basement.

The proposed works will restore and protect this valuable heritage asset while providing the building tenants with an efficient and safe working environment with reduced building operational costs. The level of disruption associated with the proposed building works necessitates the relocation of tenants to alternative accommodation for the duration of the refurbishment works. The proposed refurbishment works are expected to take about 14 months, and the official opening of the refurbished building will form an important part of the Centenary of Federation celebrations in Melbourne early in the year 2001. I commend the motion to the House.

### **Cost of proposed works**

2. When referred to the Committee, the estimated cost of the proposed work was \$15.8 million. This was subsequently increased by \$2 million. The background and reasons for this increase are discussed later in this report.

## **THE COMMITTEE'S INVESTIGATION**

3. The Committee received a written submission from the Department of Finance and Administration (DoFA) and took evidence from DoFA officials at public hearings held at Treasury Place, Melbourne on 16 August 1999.
4. The Committee also received written submissions and took evidence from the Official Secretary to His Excellency the Governor-General and from a representative of the Department of the Prime Minister and Cabinet.
5. Written submissions were also received from the:

- National Trust Australia (Victoria); and
  - Australian Heritage Commission.
6. Prior to the public hearing, the Committee inspected Casselden Place, the Treasury Reserve Precinct and 4 Treasury Place.
  7. 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

### History of the building

8. 4 Treasury Place is a Commonwealth-owned building located on the corner of Treasury Place and Lansdowne Street, Melbourne. It fronts the historic Treasury Gardens to the south and Fitzroy Gardens to the east. The site was purchased by the Commonwealth from the Victorian Government at a cost of 7,000 Pounds in 1911. The building was constructed in two stages which are referred to as the South Block (1912) and the North Block (1913). The building is part of Melbourne's Treasury Reserve heritage precinct which comprises a group of public buildings, dating from 1858, which are of national significance in their own right.

### First purpose-built Commonwealth building

9. The building was designed by the Commonwealth Architect, John Smith Murdoch, who is publicly best known as the designer of the Provisional Parliament House in Canberra. It was the first purpose built Federal building and was designed in an Edwardian Baroque style, derived from the architecture of the late Renaissance. A Conservation Plan, prepared in 1991, comments on the historically significant architecture in the following terms:

While the design ... was influenced by the massing and detail of its architecturally distinguished Victorian neighbours, it is unequivocally an Edwardian era building. Its aesthetic framework is the design of the important English works which established the style for public architecture.<sup>1</sup>

10. The basement contains the original Treasury vault, including the Chubb vault door. The existence of these features enhances the integrity and importance of

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<sup>1</sup> Australian Construction Services, *Conservation Plan—Commonwealth Offices, 4 Treasury Place, Melbourne, Victoria, Volume 1*, November 1991, p. 49.

the building through its association with the Commonwealth Treasury and with Federation.

11. The building is also notable for its association with the Offices of the Prime Minister and Governor-General who have occupied offices in the building since 1912. Accordingly, both because of its historic role during the early years of Federation and its location in the Treasury Precinct, it is considered by heritage authorities to be one of the most significant heritage properties listed on the Register of the National Estate. The Conservation Plan comments as follows:

As the first Commonwealth construction and offices for the original major Government departments, the [building] would be the most obvious candidate for conservation works.<sup>2</sup>

12. Construction materials used in the buildings are also significant. It was one of the first reinforced concrete framed buildings constructed in Melbourne. It has brick walls, finished with stucco externally and plaster internally. The original pitched roofs are clad with slate.

13. The Conservation Plan comments on the significance of these features:

The use of a reinforcement concrete frame for the building is indicative of the willingness of the Commonwealth to use relatively new technology (reinforced concrete buildings had been introduced to Melbourne some five years earlier), and also indicative of the need to protect the Treasury portion of the building from fire.<sup>3</sup>

### **Additions and extensions**

14. The building has remained largely intact since its construction. In 1947, an additional storey was added to both sides of the of the central bay of the south block and portions of the north block. In 1948, the original lifts to the north and south blocks were replaced. In 1947, fourth floor additions were constructed on both the north and south Buildings. The original interior fabric has been altered over the years to accommodate the changing operational needs of the building occupants.

### **Current uses**

15. The building has been used continuously for Ministerial and Parliamentary office accommodation since 1913. It currently provides office and Cabinet
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2 *ibid.*, p. 69.

3 *ibid.*, p. 51.

room accommodation for Victorian based Parliamentary tenants. At present there are six Ministers and a Parliamentary Secretary accommodated in the building. There is also accommodation for visiting Ministers including the Prime Minister. The current Governor-General and two former Governors-General, and staff of the Ministerial and Parliamentary Services Group of DoFA have offices there.

## Heritage requirements

16. Under the provisions of the *Heritage Commission Act 1975*, the Commonwealth has a responsibility to conserve this valuable heritage asset.
17. A Conservation Plan was prepared for the Australian Government Property Group in 1991 by Australian Construction Services.

## THE NEED

### Internal and external refurbishment

18. Refurbishment of 4 Treasury Place will demonstrate the Commonwealth's commitment to the protection of heritage buildings within its care.
19. DoFA submitted that there is a need for extensive refurbishment of the building, both internally and externally. Internally, the requirement encompasses building services, amenities, fabrics and finishes. Both externally and internally, the building is subject to some structural cracking, water penetration and deterioration of materials and finishes. DoFA submitted that the building provides neither a healthy nor safe environment.
20. The Committee questioned DoFA about the extent to which services are beyond the end of their of their economic lives. DoFA advised that many of the services are more than 30 years old, which presents maintenance problems and does not meet contemporary expectations of service provision.
21. The exterior of the building is generally in good condition, although both the roof and wall elements show signs of deterioration and require attention. The causes of deterioration have been investigated and associated repair and restoration strategies have been developed.

### Treasury Reserve restoration

22. The Committee was advised that in recent years, the Victorian Government has undertaken significant restoration, refurbishment and fitting out of all of

the buildings for which it is responsible within the Treasury Reserve including landscaping and demolition works. The building's prominent location in the Treasury Reserve promotes comparisons with State Government investment in the conservation and refurbishment of adjacent buildings.

## Standards

23. In terms of standards, the Committee was advised that the building does not currently comply with requirements of the Building Code of Australia nor does it meet the needs of the tenants who require a safe, presentable and efficient office environment. The Committee was also advised that current building services are not energy efficient.
24. During the Committee's inspection it became obvious that the building is not being fully utilised, with portions remaining vacant and in need of upgrading. Refurbishment would therefore result in the provision of increased and more attractive office accommodation.

## Benefits of refurbishment—additional tenants

25. Any refurbishment would provide opportunities for non-Government Senators and Members, presently accommodated in privately owned leased premises at 90 Collins Street, to be accommodated in the building. The Committee was advised that this would result in annual rental saving of \$235,000. DoFA advised that increased rental proceeds of \$600,000 will be generated from refurbished space and provide a commercial return to Government.

## Heritage requirements

26. Any refurbishment undertaken would need to be carried out in accordance with Section 30 of the *Australian Heritage Commission Act 1975*.

## Committee's Conclusions

27. **The first building constructed for the Commonwealth is No 4 Treasury Place, located in Melbourne's historic Treasury Reserve precinct and is closely associated with the early history of Federation.**
28. **In the past, the building housed the office of the Prime Minister, Cabinet and the Commonwealth Treasury. Today, the building houses the Melbourne offices of the Prime Minister, Cabinet, the Governor-General, former Prime Ministers and Governors-General, Melbourne-**

**based Ministers and visiting Ministers.**

29. **It is listed on the Register of the National Estate and must be preserved for future generations.**
30. **Whilst the building appears structurally sound, there is a need to refurbish the interior and exterior.**
31. **Internally, the building's finishes and services are showing signs of disrepair and have reached the end of their economic lives.**
32. **Externally, the building requires extensive restoration and the removal of extensions and roof repairs.**

## **THE PROPOSAL**

### **Scope**

33. The proposed work will upgrade the existing building and services to provide good quality commercial standard office accommodation. The Committee was assured that all refurbishment works will be undertaken within the heritage considerations as set out in the Conservation Plan for the building. At the same time, it would also need to meet relevant Australian Standards, Building Code of Australia requirements.
34. The scope of works will encompass:
  - office accommodation, conference rooms, library, new ensuites and toilets and refurbished amenities;
  - reinstatement of the basement areas to become a useable public space readily accessible via a new entrance and lift service;
  - demolition of the 1947 fourth floor additions and reinstatement and painting of original facade and roof areas. The remaining facade will be repaired, cleaned and painted; The 1947 fourth floor additions will be demolished and original facade and roof areas reinstated and painted. The remaining facade will be repaired, cleaned and painted;
  - removal of small amounts of asbestos identified in the Asbestos and Hazardous Material Audit; An Asbestos and Hazardous Material Audit has been undertaken and the small amounts of asbestos that have been identified will be removed;

- incorporation of a new air handling plant room within the existing roof space with minimal impact on the building profile and appearance; A new air handling plant room will be incorporated within the existing roof space with minimal impact on the building profile and appearance;
  - reinstatement or replacement of existing finishes;
  - rectification of significant water/moisture ingress. Walls affected by rising and penetrating damp will be treated and repaired. The method of treatment / repair will depend on the location, cause and proposed future use of the affected area;
  - existing disabled access provisions satisfy statutory requirements and the Building Code of Australia, apart from the lifts which will be upgraded as part of the refurbishment.
35. When asked to expand on the asbestos audit, DoFA advised that this was undertaken 1995. As a consequence, some action was taken where asbestos was considered to be a hazard. This related to the fourth floor. Asbestos remains in the building but in positions where it is not hazardous unless disturbed—for example, the interior of fire doors contains asbestos material, but it is tightly sealed and unless the doors are drilled or tampered with the material is not considered to be a hazard. There are also vinyl tiles which are suspected to have an asbestos content. In addition, some backing boards of old switchboards have asbestos content. DoFA advised that when refurbishment takes place, sources of asbestos will need to be dealt with in an appropriate manner.

## Finishes

36. Existing finishes are reaching the end of their life and will be reinstated or replaced. The design principle adopted for internal refurbishment is to reinstate the original design intent by removing false ceilings to expose the existing beam system, and reinstate as much as possible the original windows, doors and skirting systems.
37. The existing solid plaster to the internal walls is generally in fair condition and will be locally repaired. The Committee asked what was meant by 'a generally fair condition' and was advised that there is some structural cracking through the building, but the cracks are not of the type requiring structural repairs to be made. Cracking is more of a superficial nature and can be repaired locally.
38. During the site inspection, the Committee noted that internal walls are affected by rising and penetrating damp. The Committee was advised at the public hearing that the method of treatment or repair will depend on location,

cause and proposed future use of affected areas. During the public hearing, it was suggested to DoFA that this response suggested a degree of uncertainty about the nature and extent of the problem. DoFA explained that many of the external walls in the subterranean basement area are close to the watertable and are inaccessible but there are plans to deal with the problem at that location. In the northern part of the building, where the natural rise of land wraps around the ground floor, there is ingress of water. It is proposed to rectify this from the exterior of the building.

39. The original ceilings are structurally sound but the existing suspended plasterboard ceilings in the corridors will be demolished and removed following installation of services.
40. Proposed works to the existing floors are minimal and associated with damp proof works and services risers.
41. The original double doors located in the south wing corridors will be refurbished. Modern flush panel doors will be removed and timber panelled doors matching the original detailing installed. Reconstruction of side lights and top lights is also proposed for the offices in accordance with the original design.
42. It is proposed that all existing toilet amenities be demolished and new amenities provided on each floor in order to replace and rationalise outdated, inefficient services and to meet the occupants' functional requirements.

### **Selection of finishes**

43. Finishes will be selected based on quality, duration and suitability for this heritage building as follows:
  - offices, meeting rooms, corridors and lobbies will have heavy duty commercial grade carpet installed. In some larger rooms, the existing timber floor will be exposed and presented as a polished border surrounding the carpet;
  - wet areas will covered in a combination of ceramic tiles and linoleum;
  - wall surfaces in wet areas will be ceramic tiled;
  - hard plaster wall surfaces will be repainted and existing timber paneling repaired and re-polished as necessary;
  - plasterboard ceilings in corridors and amenities areas will be repainted, as will the hard plaster beams and ceilings elsewhere. Original colours will be matched as near as possible;



- new ceiling bulkheads concealing the new building services will be painted or polished timber finish as appropriate; and
  - existing door frames generally will be reinstated with appropriate trims and paint finished. New and reused timber doors will be clear finished, with etched highlight glazing used throughout.
44. The proposed finishes include new paint finishes to all internal walls, ceilings, internal joinery and balustrades. The proposed finishes for wet areas include ceramic floor and wall tiles, and painted moisture resistant plasterboard. Porcelain fixtures will be installed throughout. The Committee asked DoFA if it is proposed to provide porcelain fixtures on a lavish scale. DoFA advised that it is proposed to provide fixtures with a good commercial grade of finish.
45. New commercial grade carpet will be laid in all rooms and circulation areas.

### **Amenities for staff**

46. Amenities for staff will be located on various floors and will include a number of fully equipped kitchenettes.
47. New toilets and showers will be provided throughout the building in the centre link and north wing of the ground and upper floors.
48. The basement public access space will include toilets and a kitchenette.

## **DESCRIPTION OF BUILDING LEVELS**

### **Basement**

49. The basement will be developed and utilised for public functions and will include educational resource, exhibition and interpretation spaces, and seminar facilities.
50. A new entrance to the basement will be provided through the west end of the south wing in a two storey addition incorporating a new lift. The existing stair from the ground floor and modified escape door in the north east corner of the basement will provide the required means of emergency egress. This feature is discussed further under Fire Services.
51. The basement level will be refurbished to house public functions including educational resource space, exhibition and interpretive space, and seminar facilities.

52. The proposed work includes damp proofing, refurbishment of amenities, restoration of theatrette, and installation of new services which will be able to be incorporated into the tenant's fitout.
53. A new public lift will be provided from the ground floor to the basement.
54. The basement has significant water or moisture ingress. This problem will require significant rectification works. During the site inspection, the Committee noted that the removal of part of the basement floor, for investigatory purposes, showed the watertable to be only a few centimetres beneath the floor slab. The Committee therefore asked DoFA to explain how it is proposed to control the level of the watertable.
55. The Committee was advised that lowering the watertable could affect adjoining buildings. This advice is based on experience with other buildings in parts of Melbourne where projects have artificially created a new watertable which has created problems with adjoining buildings. The course of action proposed is to control the level of the watertable with a new drainage system and automatic pumps which will cut in depending on the level. These features will be designed to maintain a consistent watertable level.
56. The following rectification work is proposed:
  - construction of a new waterproof membrane to the basement wall;
  - installation of new drainage system around the basement wall;
  - upgrade of the current sump pump and pit system;
  - construction of a new damp proof course to the basement walls;
  - screeding of the basement floor to include waterproof additive within the screed or waterproof membrane to the existing basement slab. The existing screed is to be removed and the basement slab repaired where required; and
  - construction of an internal dry wall lining to the existing basement wall with a vented cavity and spoon drain at its base connected to the sump pits.
57. The Committee was advised that the fitting out of the basement area, including the installation of a new lift, is estimated to cost \$640,000.
58. The Committee noted that it is proposed that the basement will be used as a resource or interpretive centre and asked DoFA to expand on this. DoFA advised that expressions of interest from parties interested in leasing had been sought but no responses had been received. It was therefore possible that not all refurbishment work will proceed until indications from

organisations or individuals with an interest in providing a resource or interpretive centre in basement had been received. All the works necessary would not be undertaken until a prudent method of opening the basement to the public had been identified. The Committee questioned DoFA about the level of rent expected from the refurbished basement. DoFA advised that it does not expect the same commercial rates as for the upper floors.

## **Ground floor**

59. Ground floor works will include office accommodation, conference rooms, and refurbished amenities.
60. A separate entry will be provided from Treasury Place to provide public access to the basement level without the need to enter the main building. A new service entry will be provided to the building through the west side of the north wing. The existing access for people with disabilities will be maintained.
61. Office areas will be reinstated to closely match their original appearance and existing false ceilings will be removed and characteristic ceiling beams reinstated.
62. A contemporary design concept, respectful of the heritage value of the building's interior, has been developed to house new building services such as air conditioning ductwork located below the existing ceiling beams. The design concept is shown in Drawing B-17, Appendix B.
63. New ensuites and improved staff amenities will be provided in each wing.

## **First floor**

64. First floor works include office accommodation, new ensuites and toilets, and upgrading of existing staff amenities in the south wing. Catering on this level requires a new kitchen to be located in the Link area between the north and south wings.
65. The original character of the building will be restored such that currently concealed ceiling beam structures will be exposed. Original doors will be retained and all other doors in public areas will be replaced with paneled doors of the period.
66. In accordance with the Conservation Management Plan for the building, the curtain wall and associated block walls installed on the first and second floors and superimposed over the main entry stair window will be removed to restore the facade to open up the view into Treasury Gardens.

## Second floor

67. Second floor works will include office accommodation, conference room, library, new ensuites, installation of new services, and general enhancement of the character of the building as described for the first floor.
68. Each of the lifts in the north and south wings will be upgraded.

## Third floor

69. Third floor works will include office accommodation, new ensuites, upgraded amenities and kitchenettes in each work area, and installation of new building services.

## Fourth floor

70. Fourth floor works will include office accommodation, meeting room, conference room, new amenities, demolition of the 1947 additions at the ends of each wing of the building, and replacement with flat roofs thereby enabling reinstatement of the original roof form.
71. The interior upgrade will be extensive at this level, due to the derelict nature of the space and the extent of cracking.
72. Floor levels between the north and south wings are currently discontinuous, being interrupted by a set down and two flights of stairs within the connecting link. The proposal is to raise the floor and roof slabs of the fourth floor link area to provide unimpeded level access between the north and south wings. This feature is discussed further under heritage considerations.

## Entrances

73. It is proposed to upgrade two main entrances to the building—in south southern block, fronting Treasury Place and in the northern block, facing Lansdowne Street. These two entrances were designated as Government and Opposition entrances on the plans accompanying the DoFA submission to the Committee. The Committee questioned DoFA about the need to segregate Opposition and Government members entering the building. DoFA advised that the northern entrance will be for Government and Opposition members. Additional doors, with card readers, will enable Opposition and Government members to access their respective floors. The Committee also questioned the additional costs associated with creating and maintaining a separate northern entrance. DoFA advised that the cost estimate for the refurbishment of the entrance is \$18,000 and the cost of providing additional security will be negligible.

## EXTERNAL REFURBISHMENT

### Scope

74. It is proposed that the exterior of the building be fully restored including repair of the render and demolition of the fourth floor additions.
75. The Treasury Place entrance will be retained as the principal point of entry to the building. The entrance at the north end of the building will be reestablished and provide independent access at that point.
76. DoFA advised that the roof is in very good condition. Sections of the roof will be reconstructed following the demolition works involving the 1947 extensions. The Committee questioned the extent of the roof restoration and if slate will be used. DoFA advised that five sections of roof will be removed and their interface with the existing slate roof will be very slight. Parts of the roof which it is planned to remove do not have pitched slate roofs. DoFA also advised that second hand Welsh slate is readily available in Melbourne. First quality second-hand material will be specified.
77. Existing windows will be repaired and restored to their original detailing. The Committee questioned if it is intended to seal every window to prevent them being opened from the inside. DoFA advised that the building will be airconditioned and fresh air will be introduced into the building through the system. There will not be a need to open windows but they will be capable of being opened.

### Landscaping and parking

78. DoFA advised that the budget for the proposed refurbishment provides for only minimal landscaping works including restoration of plinths and fencing, provision of new hard paving associated with the eastern entry and service entry and removal of the garden beds abutting the building in the rear west side courtyard.
79. The Conservation Plan describes existing landscaping immediately surrounding the Commonwealth property as varying in quality, type and originality. During the site inspection, the Committee noted the large palm tree adjacent to the curved portion of the north wing and a series of pencil pines along the eastern facade. These are the only substantial plantings and there is no indication of their originality. Their size would indicate some longevity. The remainder of plantings consist of small hedges and shrubs and ground cover.

80. DoFA advised that landscaping works will be reviewed in the context of the development of the Master Plan for the Treasury Place precinct and within the constraints of the Project Budget. There was strong debate within the Committee about the retention of the stand of pine trees on the eastern facade of the building. The overwhelming view of the Committee is that the proposed review of landscaping works be carried out.
81. There is limited opportunity to develop on-site car parking but there is ready access to an adjacent commercial car park. Currently six car spaces are available for parking along Treasury Place at the front of 4 Treasury Place.
82. The Victorian Government Property Group have agreed to continue with this arrangement post refurbishment.

### **Committee's Conclusion**

83. **The proposed internal and external works are extensive and can be justified to preserve the building and to provide office accommodation of a suitable standard.**

### **Pavement, kerbing and guttering**

84. There is a need to refurbish the pavement, kerbing and guttering on the southern side of the property. The area is owned by the Victorian Government and any refurbishment would normally be the responsibility of the owner. Following representations from the Victorian Government, the Commonwealth agreed to share equally with the State, the cost of the refurbishment which is estimated at \$400,000. This agreement is subject to the project budget. The Committee was advised that additional contingency funding will enable the refurbishment of this portion of the exterior of the building to be undertaken.

### **Structure**

85. The building is generally of reinforced concrete beams and slab construction supported by load bearing brickwork walls around the perimeter and columns internally.
86. The building structure is in reasonable condition generally although minor cracking is evident in the basement and fourth floors.
87. The following new structural works are also proposed:
  - new reinforced concrete and brick lift shaft;

- construction of platforms for the installation of new plant at roof level within the current roof space;
- construction of a new level link connecting the north and south wings of the building;
- construction of a new roof slab over the link to provide a platform for mechanical equipment and screening of the plant equipment will be provided;
- new service riser penetrations through all floors;
- some new miscellaneous stairs and openings through walls;
- floor strengthening as required for compactus storage; and
- demolition of the east and west 1947 fourth floor additions and reinstatement of the roof over this area.

## Roof

88. Roof works include the replacement of broken slate to match existing, repair or replacement of existing copper gutters, construction of a screened platform concealed within the roof profile to support airconditioning plant, and construction of a new metal deck roof to areas exposed following demolition of 1947 fourth floor additions.
89. The Committee asked DoFA to explain further the extent and estimated cost of repairing the copper gutters. The Committee was advised that the copper gutters are in a reasonable condition and will not be replaced with new gutters. There is a need to provide thermal control joints to allow for expansion and contraction and some alignment of the guttering is necessary. The estimated cost of repairs involved is \$7,000.

## ACCOMMODATION

### New accommodation

90. The proposed refurbishment will provide accommodation at 4 Treasury Place for non-Government Senators and Members who are presently accommodated in privately owned leased premises at 90 Collins Street Melbourne.
91. The Committee asked DoFA if non-Government Senators and Members will be compelled to move into the new accommodation at 4 Treasury Place

because the Committee understands current practice is to enable Members and Senators to decide where their offices will be. The Committee therefore understood the proposed new arrangements to reflect a new policy involving the relevant department and Minister directing Opposition members to occupy accommodation in a designated building.

92. The Committee also asked DoFA if all non-Government Senators and Members had agreed to move to Treasury Place.
93. DoFA advised that the original submission to the Government noted that there would be cost-efficiencies in having non-Government Senators and Members at 4 Treasury Place. The Government made its decision to proceed with the refurbishment based on opportunities for saving, but the Committee was assured that there is no compulsion for non-Government Senators and Members to relocate. There has been consultation and it is understood that one Senator has indicated that it may not suit him to relocate to the new building. It remains a matter for consultation and agreement with non-Government Members and Senators.

### Temporary relocation

94. DoFA advised that tenant occupation during the refurbishment period is impractical given the extensive nature of the works which includes the total replacement of all building services. Subject to successful lease negotiations, suitable temporary accommodation for existing tenants has been located at Casselden Place, at the corner of Lonsdale and Spring Streets. The tenants of 4 Treasury Place have agreed to relocate to Casselden Place for the duration of the refurbishment.
95. It is anticipated that the temporary accommodation will be required from September 1999 to March 2001, when the refurbishment of 4 Treasury Place is programmed for completion.
96. Based on the refurbishment program, temporary accommodation at Casselden Place will be required for an approximate period of 16 to 18 months. This includes a period for fitting out the temporary space, decanting, and reinstatement.
97. The Committee raised a number of concerns about the nature and extent of the proposed refurbishment of an entire floor at Casselden Place to cater for the requirements of tenants. These concerns and DoFA responses are as follows:
  - the standard of fitout and cost and if there had been comparable relocations undertaken by DoFA or its predecessors over recent years—



- ⇒ DoFA advised that no comparable relocation, within its jurisdiction, had been undertaken in recent years. In relation to the standard and cost of the fitout, DoFA advised that Rawlinsons Australian Construction Handbook 1999, regarded as the leading authoritative reference on construction costs in Australia, provides information which shows that the current cost of undertaking a medium quality office fitout—incorporating a medium number of executive offices—in Melbourne has an average cost range of between \$605 and \$855 per square metre. The construction cost of \$1.58 million for fitting out the Casselden Place accommodation translates to \$628 per square metre which, DoFA believes, is on the low side of the average current cost for undertaking works of this nature.
- The need for fire protection to be included in the scope of the work—
  - ⇒ DoFA advised that there may be a need to supplement fire sprinkler heads to comply with Fire Code requirements. The extent to which this supplementation is necessary would depend on the layout of the proposed refurbishment.
- The need for carparking to be included in the cost of relocation accommodation—
  - ⇒ DoFA advised that carparking is a tenant requirement. There are currently six parking spaces available at 4 Treasury Place and an equivalent number is required for the temporary accommodation.

## BUILDING SERVICES AND SYSTEMS

### Scope

98. The proposed work will upgrade existing building services encompassing:
- mechanical;
  - electrical;
  - fire protection;
  - hydraulics; and
  - communications and security.

## Design

99. The design and provision of building services will be in accordance with the following principles:
- flexibility—air conditioning and electrical reticulation systems will provide flexibility for future rearrangement of the office and meeting room spaces commensurate with good quality commercial office accommodation standards;
  - adaptability—where practical building services systems will be adaptable to future changes in the building use;
  - airconditioning plant will be arranged so that the bulk of the plant may be shut down in the event that a small number of people are working outside normal office hours or should the space not be fully occupied;
  - provision of distribution boards to suit tenancy zones in the building;
  - provision of electrical supply with spare capacity of 20 per cent for future expansion; and
  - quality—equipment of the highest quality, within the cost constraints of the project, will be specified for improved life cycle costs. Equipment of Australian and New Zealand manufacture will be specified where available. Equipment will be specified to achieve a life expectancy of 15 to 20 years.

## Mechanical

100. The existing mechanical services consist of an outdated, inefficient hybrid system covering only parts of the building. It is proposed to replace these with new plant that complies with the following criteria:
- to provide comfort conditions complying with the current Australian Standards and Commonwealth standards for modern office buildings; and
  - to provide reliable and energy efficient plant which will serve the building for the next 15 to 20 years without major replacement or overhaul.
101. The building will be provided with a good quality commercial office standard air conditioning system supplying air conditioning to all occupied areas, including the basement.
102. Heating ventilation and cooling to the offices and meeting areas, including the Cabinet room, will be provided from fan coil units in each office suite or

meeting room. Fan coil units will be supplied with chilled water and hot water from central chilled water and heating water plant.

103. Outdoor air to the occupied areas will be supplied from a central roof space mounted air-handling unit. The outdoor air will be conditioned prior to feeding the fan coil units. Pre conditioned fresh air will also be supplied to the corridors to provide tempered conditions only to these areas.
104. Zoning of the floor will be achieved by the installation of a fan coil unit for each thermal zone, Minister's office or meeting room. The installation of smaller fan coil units has the energy saving advantage of allowing individual units to be switched off when the room is not occupied, as could be the case for significant periods in this building.
105. Mechanical exhaust systems will be provided to large photocopy areas, ensuites and general toilet areas. Kitchen exhausts will be provided to the kitchen area where required.
106. Chilled water will be reticulated to the fan coil units through new vertical risers. It will be generated from duplicate air cooled chillers installed on a rooftop plant platform. Air cooled plant has been selected over water cooled plant for reasons of lower overall recurrent costs, good part load efficiency, and reduced risk of legionnaires disease. Refrigerants will have low ozone depleting potential and will not have a phase out date before the life of the plant.
107. Heating hot water will be reticulated to the fan coil units through new vertical risers. Heating hot water will be generated from duplicate gas fired heating hot water boilers installed in a fire rated room in the roof space of the south wing.

### **Automatic controls and Building Automation System**

108. A Building Automation System (BAS) will provide remote automatic control and monitoring of all mechanical and other building services installed as part of this refurbishment.
109. The BAS will also monitor other building services including:
  - electrical power supply and standby generators;
  - fire alarms;
  - lifts; and
  - general security alarms.

110. Energy management programs will minimise the energy usage of the building and will include the following:

- optimised stop / start of the plant depending on the amount of heat stored in the building structure;
- maximum electrical demand management to minimise electricity charges.
- separate time switch control for every item of plant; and
- night purge to flush the building with outside air during periods of high daytime temperatures and cool night time temperatures.

## Lifts

111. Two electric lifts will be provided, one lift servicing the southern end of the building from basement level to fourth floor, and the other servicing the northern end of the building from the ground floor to the fourth floor.

112. The lifts will have facilities for people with disabilities.

113. A third lift will be provided at the western end of the building between 3 Treasury Place and 4 Treasury Place to service the basement. The lift will be hydraulic and will incorporate facilities for people with disabilities.

## Electrical

114. Existing electrical services and equipment are outdated and do not comply with current standards and will be replaced with new updated installations as follows:

- Power will be supplied to the building via underground fire rated cables from the existing internal substation located at the northern end of 3 Treasury Place;<sup>4</sup>
- Uninterrupted power supply will be provided for PABX and security systems;
- A new main switchboard will be installed in the existing main switch room in the northern side of the basement. New distribution switchboards will be installed in new electrical risers located at the North and South areas of the building; and
- Power cabling will be provided via vertical electrical risers to light and power distribution boards located at the northern and southern areas of the building.

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4 DoFA submission, *Transcript*, p. 19.

115. Separate sub-main cables will be provided for the following:

- mechanical services;
- lifts;
- fire protection;
- uninterrupted power supply;
- building automation and communications services; and
- final subcircuit cabling.

116. Lighting throughout the building will be designed in accordance with appropriate Australian Standards. Security lighting will be provided in meeting rooms and to selected lights in corridors, stairs and lobby areas.

117. Dimming systems will be provided where required with individual control panels for each room. The dimming level and requirements of each room will be controlled independently. External lighting will be provided as part of the refurbishment.

118. The emergency and exit lighting system will be designed to the requirements of the appropriate Australian Standard with single point exit and emergency light fittings provided throughout.

119. Emergency exit lighting systems will be monitored continuously by a central computerised supervisory system.

120. Automatic transfer switches will be included in the main switchboard for connection to a future stand-by generator set. A stand-by generator connection box will be located externally to the building. A permanent stand-by generator will not be provided as part of the refurbishment.

## **Communication**

121. A structured cabling system will be provided throughout the building, integrating both voice and data services. A new main communication room will be established in the existing PABX room located on the fourth floor. A new main distribution frame will provide the interface between external carrier services and internal distribution. Sufficient space will be allowed for the installation of a telephone system including battery backup and centralised data networking equipment.

122. A strategy to implement 'vertical centralised distribution' will be provided installing a number of communication closets throughout the building. All communication rooms will be linked with optical fibre cable and multi-core UTP cable.

## Fire

123. Existing fire services installed in the building are in good operating condition and will be upgraded to latest Australian Standards and Codes as agreed by the project building surveyor as follows:
- the sprinkler system will be rearranged to suit the new architectural layout and pipework will be concealed;
  - hydrant and hose reel systems will be upgraded to include a ring main supply with isolating valves and dual booster connection to comply with the relevant Australian Standards;
  - existing Emergency Warning and Intercommunication System (EWIS) will be upgraded to the latest standards and to suit the new fitout;
  - existing smoke door systems will be upgraded; and
  - extinguishers to Fire Brigade requirements will be provided.

### Basement fire safety

124. At the public hearing, the Committee noted that there is no exit point from the south-western end of the basement and asked about adequate exit points for evacuating that part of the basement. DoFA advised that at present there is a steel staircase leading from a substandard door. It is proposed to remove the door and alternative exits will be located towards the eastern end of the building. The result will be that the length of egress will be greater than allowed for in the BCA and it will therefore be necessary to obtain a dispensation.
125. The building is being fire modelled by computer, which the current BCA allows, to establish that, in emergency situations, it will not be a safety problem for the occupants of the building.
126. The Committee asked DoFA to provide the results of fire engineering studies to ensure that satisfactory evacuation procedures can be carried out in the event of a fire or other emergency situation. DoFA advised that the BCA allows for performance based assessment—which was taking place during the Committee's inquiry. The Committee did, however, ask for details of the BCA in relation to exit points and was advised that it is 20 metres, while the distance between the exit point and the south-western end of the basement is 28 metres. To the front of the building it is within 20 metres.
127. Following the public hearing, DoFA provided a written response in relation to the Committee's concerns raised at the public hearing. DoFA advised that the building certifiers engaged for the project have confirmed that the 28

metre distance to alternative exits would be acceptable under current building requirements for the following reasons:

- the BCA allows alternative building solutions to comply with performance requirements where non-compliance to the 'deemed to satisfy' provisions exist;
- fire engineering analysis on the design indicates that the distance of travel to an exit and other design features can be demonstrated as meeting the BCA through the use of performance-based fire engineering and taking into account the existing provision of a sprinkler system and other fire protection features; and
- under Victorian legislation, the relevant building surveyor has discretion to grant dispensation to allow partial compliance with the BCA provided the fire safety level is not substantially affected. The building certifier, engaged by DoFA, assesses this to be the case and will issue the required dispensation.

### **Committee's Recommendation**

128. **The building certifiers have confirmed that emergency egress from the basement will be the subject of a dispensation from the Building Code of Australia. Emergency evacuation of basement occupants should be accorded the highest priority. The suitability of the basement as a public resource or interpretation centre should be investigated further. The views of the Melbourne Metropolitan Fire Brigades should be sought before final plans are developed for the basement.**

### **Hydraulic**

129. The following services works are proposed:

- replacement of all internal sanitary plumbing soil pipes, wastes and vents;
- installation of new stacks within new vertical service shafts located adjacent to proposed toilet areas;
- installation of new sanitary fixtures and fittings, and new waste pipe connections;
- re-use existing in-ground drainage system;
- replace the concrete section of drainage beneath the north building;
- provision of new sewer drainage to the basement level of the south building to connect the toilet block proposed for this level;

- provision of a grease interceptor trap within the western courtyard for collection of kitchen wastes and pre-treatment prior to discharge to the sewer; and
  - provision of sound attenuation wrapping to all piping to be located within any false ceiling and/or bulkhead and at the bottom of stacks.
130. The new internal pipework shall be of copper alloy and of cast-iron pipes and fittings. The sanitary plumbing and sewer drainage system shall be designed to comply with the National Plumbing Code and relevant Australian Standards and will be a 'fully vented modified' system. Where possible, existing vent pipes will be reused.
131. The existing domestic water service is part of a combined water supply to the State and Commonwealth precinct and the connection into the building is an unmetered supply connecting into the north west corner of the basement within the south building. This does not comply with current regulations.
132. The following is proposed:
- upgrading of existing water service pipework where required, including provision of new independent metered domestic water service connection from the main in St Andrews Place;
  - provision of back flow prevention devices at the property boundary and within the buildings where appropriate;
  - the new water reticulation will be lagged for sound attenuation in office type areas and will comply with the National Plumbing Code;
  - piping will be concealed within new vertical service shafts to be located adjacent to the toilet blocks at all levels of the north and south building;
  - for cost and maintenance reasons, the existing flushometer system will be replaced with local cisterns connected to the main pressure supply;
  - provision of isolation valves for each group of fixtures at each level to allow future maintenance;
  - provision of temperature controlled outlets to all disabled toilets and sanitary fixtures used for personal hygiene;
  - connection of water supply to all mechanical plant and hot water systems;
  - provision of hot water piping to connect all sanitary fixtures and fittings between the point of outlet and the hot water system; and
  - provision of a separate fire main and a separate cold water main.



## Security

133. Security systems will be specified and designed in accordance with the requirements of the Protective Security Coordination Centre (PSCC) to meet the specific needs of the tenants. The Committee was advised that the PSCC identified areas of concern in relation to possible public use of the basement and stipulated certain requirements which address these concerns. The Department of the Prime Minister and Cabinet and the Office of the Governor-General were consulted by the project team.

## Disabled access—standards and codes

134. Access and facilities will be provided to all users of the building in accordance with relevant Australian Standards, the Building Code of Australia and the Disability Discrimination Act.

135. Features and facilities to be provided will comprise:

- independent public access to public areas in the basement will be provided by an independent lift which will serve the ground floor and basement;
- street level disabled access to the main building will be provided centrally on the eastern side of the building. Access will be controlled within the ground floor security lobby. Access to other floors will be provided by two electric lifts located at the northern and southern ends of the building;
- lift car access to each floor level;
- new lift cars will be in accordance with relevant Australian Standards relating to disability provisions; and
- disabled persons toilets and showers.

## Committee's Conclusion

136. **The scope and design of building services and systems are appropriate for the operation of the building subject to basement emergency evacuation requirements being satisfactorily addressed.**

## ENERGY MANAGEMENT

137. Engineering services will be energy efficient, minimise the production of greenhouse gases, and meet desired comfort conditions.
138. A Building Automation System (BAS) will be installed with energy management programs to minimise energy consumption.

### Airconditioning

139. Airconditioning plant will be selected to maximise energy efficiency and minimise environmental impact. The selected plant will include the following features:
- plant will be specified to shut down to minimise energy consumption when the rooms are not being occupied;
  - the proposed multiple compressor refrigeration plant will ensure good part load performance and energy efficiency;
  - refrigerants used in the plant will have a low ozone depleting potential and will not have a phase out date shorter than the expected plant life;
  - the airconditioning will be controlled by the Building Automation System (BAS); and
  - where practical, variable speed drives will be specified for pumps and fans to reduce electricity consumption at part load conditions.

### Water heating

140. Gas fired plant has been selected for heating hot water as it is the most economical and efficient heating energy source. High efficiency gas boilers will be specified to minimise the production of greenhouse gas emissions.

### Lighting

141. Lighting will be controlled by the Building Automation System (BAS), which will activate and deactivate lights at pre-set times. A local resetting zoned lighting control switch will be provided in certain areas to override the automatic controls.
142. Passive infra-red detectors will be provided in all office spaces to detect the presence of the occupants. If the occupant is not detected for a set period of time the lights will switch off until manually switched on again.

## HERITAGE

143. The Australian Heritage Commission (the Commission) expressed concern that the proposal had been submitted to the Committee before the Commission had made formal comments on the proposal. The Commission acknowledged that the proposal had been the subject of discussions with 'agents' of DoFA, but such discussions did not constitute statutory comment. The proposal submitted to the Committee, according to the Commission, is a revised proposal which had resulted from the iterative process of design changes made in consequence of discussions with DoFA 'agents'. The Commission advised that the revised proposal is an improvement on the proposal referred to the Committee, it suggested further improvements could be made by reviewing some operational requirements.
144. The Commission, nevertheless, advised the Committee of its support for much of the refurbishment work. In particular, the Commission supports the:
- removal of the 1947 fourth floor additions;
  - removal of the glass curtain wall over the main southern entrance;
  - reinstatement of the glass bricks in the Treasury Place pavement and new bluestone pavings;
  - removal of the ground floor ensuite at the north-west corner of the south block; and
  - reinstatement of the internal partition walls on the centre lines of columns.
145. The Commission advised that the redesign of the airconditioning and lighting bulkheads, the identification of suitable paint colours and the efficacy of removing paint from the bluestone cills and stair nosings are still to be investigated. The Commission expects to be consulted by DoFA before any action is taken to decide the final finishes.

### Areas of concern

146. The Commission shares the Committee's view that the building is of considerable historical importance. As time goes on, its value to the nation will increase. For these reasons, the Commission advised that other features of the proposal will have a significant adverse effect and recommended that further options be explored with respect to three major features. These, and the DoFA responses, are as follows:
- relocation of the toilets from the ends of the corridors in the south block and reinstatement of the windows, particularly at the eastern end—

- ⇒ DoFA advised that alternative locations were investigated and found to be operationally unacceptable to tenants. The alternative locations would also result in major alterations to the existing building fabric. As a compromise, DoFA proposed to reinstate the external window on the eastern end of the ground floor (south block) and reinstate all exterior windows at the ends of the remaining corridors in the south block with obscure glass within the lower sashes or as required for privacy.
- arrange for the removal of the intrusive toilet additions to the first floor of the link building—
  - ⇒ DoFA advised that there is currently a shortage of space on this floor. The floor must accommodate a substantial kitchen and servery. The loss of the toilet would create a major shortfall in adequate facilities.
- connect the floors of the north and south blocks in a way that avoids adversely affecting the important fabric in the north, south and link buildings—
  - ⇒ DoFA advised that the raising of the existing stepped slab to provide level access on the fourth floor between the north and south buildings is considered mandatory to comply with disabled access requirements and essential to meet operational needs. Alternative options, including the provision of a wheelchair hoist, have been examined but would not be cost effective or practical. The link is well set back from the eastern and western facades and the raising of the link by less than two metres will have minimum visual impact on the roofscape. The latter will be enhanced by removing deteriorated and unsightly plant and equipment on the roof and replacement of the existing screen with materials in character with the building.

### **Committee's Recommendation**

147. **The Committee recognises the sensitive nature of heritage issues raised by the Australian Heritage Commission and requests continuing advice and information about ongoing discussions between the Department of Finance and Administration and the Commission to ensure that all options are properly explored to maintain the heritage aspects of the building.**

## CONSULTATIONS

148. Consultation was undertaken to assess community and Government interest in the long term use of 4 Treasury Place.
149. The consultation process concentrated on current users of 4 Treasury Place and organisations with a specific interest in the conservation and enhancement of the building and the Parliamentary Precinct.
150. The following organisations were consulted during the development of the proposal:
- Australian Heritage Commission;
  - Heritage Victoria;
  - National Trust of Australia (Victoria);
  - Heritage Watch Groups;
  - Royal Historical Society of Victoria;
  - National Museum of Australia;
  - Museum of Victoria;
  - Committee of Melbourne;
  - Melbourne City Council;
  - Victorian Department of Infrastructure;
  - Melbourne Fire Brigade;
  - Telstra;
  - City West Water;
  - Citipower;
  - Victorian Environment Protection Authority;
  - Kinetic Energy;
  - Centenary of Federation Council;
  - National Australia Day Council;
  - Australian Council for the Rehabilitation Of the Disabled;
  - Peter McCallum Institute;
  - Victorian Tourism;

- Victorian Department of Treasury and Finance;
  - Nursing Mothers Association;
  - Park Hyatt (adjoining owner);
  - Ministers and other tenants of 4 Treasury Place; and
  - Non Government Senators and Members to be accommodated in 4 Treasury Place.
151. Consultations with organisations other than tenants indicated that the proposed refurbishment should be sensitive to the requirements of the building's users, bear a strong relation to the building's role in the Parliamentary Precinct and the Centenary of Federation celebrations, and include appropriate proposals for ancillary public use and access.
152. Current tenants support the proposal and recognise the building's significance as the first Federal Building in Australia and that it has a role to play in the Centenary of Federation celebrations and the future.

## PROJECT TIMING AND COST

### Timing

153. DoFA advised that the refurbishment construction works could be staged over a fourteen month period with construction to commencing in January 2000 with completion in March 2001. The Committee questioned DoFA about what appears to be a relatively lengthy construction period. DoFA advised that the timetable is based on past experience involving the refurbishment of a similar building in the Treasury Precinct. DoFA's consultants concluded that the works could be completed within 12 months and the timetable of 14 months is reasonably consistent with the estimate. Refurbishment work can be more complex than new construction involving a clean site and a knowledge of quantities required. With projects involving refurbishment the possibility of latent conditions arising require an allowance to address unexpected problems.
154. The Committee requested DoFA to obtain a second opinion on the construction program. Subsequent advice provided by a construction manager experienced in the delivery of heritage refurbishment work confirmed that the construction period should be a minimum of 12 months with an additional three months to cater for latent conditions, wet weather and industrial conditions which may arise.

155. Fitout works in temporary staging space were due to commence in September 1999 with completion scheduled in December 1999.

## Project Delivery

156. Engagement of a head contractor under a lump sum fixed price contract is considered the most appropriate form of minimum cost least risk project delivery for both the refurbishment works and temporary accommodation fitout works. DoFA advised that separate contracts would be let for each project.

## Cost

157. When referred to the Committee, the estimated cost of the project was \$15.8 million. During the Committee's inquiry into the proposal, additional contingency funding of \$2 million was approved by the Minister for Finance and Administration. This caused the cost of the project, the project budget, to increase to \$17.8 million.

158. The Committee sought an explanation from DoFA about the reasons for the cost increase and the likelihood of further increases during construction.

159. DoFA advised that in 1997, the Minister for Finance and Administration (Mr Jull) put forward a proposal to the Government for to Federation funding of the refurbishment of the building at a cost of \$15.8 million. Since then, consultants were engaged to undertake investigation works throughout the building. As a consequence, it recently became obvious that it would not be able to produce a quality product if stayed within the original budget. Accordingly, DoFA requested additional funding.

160. Asked to expand further on the substance of investigatory work, DoFA advised that the investigation work undertaken revealed that many elements in the building are concealed and because tenants occupy the building, the ability to investigate these elements has been limited. The Committee was advised that possible areas likely to incur additional expense include uncertainties about the following elements:

- existing foundations;
- floors underneath carpet which it has not been possible to remove to determine their condition;
- structural connections above suspended ceilings and other areas encased by decorative boxes;
- the need to replace services under the basement slab; and

- repair and replacement of render.

161. In summary, DoFA advised that these elements may lead to additional cost and required an increased contingency to cater for unforeseen eventualities. DoFA told the Committee:

The professional advice from our project managers, who have completed similar projects to this in the past, is that the contingency will be sufficient to cover the likely elements that we will discover during the refurbishment process.<sup>5</sup>

162. The Committee had concerns about cost estimates provided and, when questioned by the Committee to explain what would occur if the amount set aside for contingencies proves to be inadequate, DoFA advised:

Depending on what the elements are, we would seek approval to increase the budget for the project. After the recent budget, Property Group [of the Department of Finance and Administration] now runs on a capital budget and we seek every year a capital injection for projects such as this. We would at first, of course, seek approval and try to absorb any additional costs within the current Property Group capital works budget, but if that was not possible, we would have to go back to Government. But we are not expecting to have to go back.<sup>6</sup>

163. The Committee noted that the cost of demolition works was not included as a separate item in the confidential cost estimate. DoFA advised demolition costs are included in the overall cost of the project.

164. The Committee also noted that the cost estimate does not include fitout works which tenants will undertake and fund separately. DoFA was asked to explain this and advised that the works involved will be standard tenant-funded fitout works such as curtains and loose furniture. They have not been costed yet and will be funded through Parliamentary services appropriations not yet budgeted for.

### Committee's Recommendation

**165. The Committee recommends the refurbishment of No 4 Treasury Place, Melbourne, at an estimated cost of \$17.8 million.**

5 DoFA, *Transcript*, p. 47.

6 DoFA, *Transcript*, p. 47.



## CONCLUSIONS AND RECOMMENDATIONS

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

1. **The first building constructed for the Commonwealth is No 4 Treasury Place, located in Melbourne's historic Treasury Reserve precinct and is closely associated with the early history of Federation. (paragraph 27)**
2. **In the past, the building housed the office of the Prime Minister, Cabinet and the Commonwealth Treasury. Today, the building houses the Melbourne offices of the Prime Minister, Cabinet, the Governor-General, former Prime Ministers and Governors-General, Melbourne-based Ministers and visiting Ministers. (paragraph 28)**
3. **It is listed on the Register of the National Estate and must be preserved for future generations. (paragraph 29)**
4. **Whilst the building appears structurally sound, there is a need to refurbish the interior and exterior. (paragraph 30)**
5. **Internally, the building's finishes and services are showing signs of disrepair and have reached the end of their economic lives. (paragraph 31)**
6. **Externally, the building requires extensive restoration and the removal of extensions and roof repairs. (paragraph 32)**
7. **The proposed internal and external works are extensive and can be justified to preserve the building and to provide office accommodation of a suitable standard. (paragraph 83)**
8. **The building certifiers have confirmed that emergency egress from the basement will be the subject of a dispensation from the Building Code of Australia. Emergency evacuation of basement occupants should be accorded the highest priority. The suitability of the basement as a public resource or interpretation centre should be investigated further. The views of the Melbourne Metropolitan Fire Brigades should be sought before final plans are developed for the basement. (paragraph 128)**
9. **The scope and design of building services and systems are appropriate for the operation of the building subject to basement emergency evacuation requirements being satisfactorily addressed. (paragraph 136)**
10. **The Committee recognises the sensitive nature of heritage issues raised by the Australian Heritage Commission and requests continuing advice and information about ongoing discussions between the Department of**

**Finance and Administration and the Commission to ensure that all options are properly explored to maintain the heritage aspects of the building. (paragraph 147)**

**11. The Committee recommends the refurbishment of No 4 Treasury Place, Melbourne, at an estimated cost of \$17.8 million. (paragraph 165)**

Hon. Judi Moylan  
Chair

14 October 1999



## **Appendix A—Witnesses**

BERGERSEN, Mr Frank Raymond, Development Manager, Development Management Branch, Project Management Section, Department of Finance and Administration

BONSEY, Mr Martin, Official Secretary to the Governor-General, Office of the Governor-General

CAMPBELL, Ms Kathryn Jane, Head, Property Group, Department of Finance and Administration

CRANE, Mr Terry, Senior Advisor, Facilities and Services, Department of The Prime Minister and Cabinet

CURNOW, Mr Stephen Woodsley, Project Director, Sinclair Knight Merz

HANCOCK, Mr Brian Richard, Assistant Secretary, Department Management Branch, Property Group, Department of Finance and Administration

MASSARI, Mr Thomas, Senior Project Management, Sinclair Knight Merz

MATHIESON, Mr Brian George, Perrott Lyon Mathieson Pty Ltd

SHAW, Mr Douglas John, State Manager, Ministerial and Parliamentary Services, Department of Finance and Administration



## **Appendix B—Associated Drawings**

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