
The Parliament of the Commonwealth of Australia

Holsworthy Program – Special Operations Working Accommodation and Base Redevelopment Stage 1

Parliamentary Standing Committee on Public Works

August 2005
Canberra

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Membership of the Committee

Chair Hon Judi Moylan MP

Deputy Chair Mr Brendan O'Connor MP

Members Mr John Forrest MP

Senator Alan Ferguson

Mr Harry Jenkins MP

Senator the Hon Judith Troeth

Mr Bernie Ripoll MP

Senator Dana Wortley

Mr Barry Wakelin MP

Committee Secretariat

Secretary Mrs Margaret Swieringa

Inquiry Secretaries Mr Raymond Knight


Ms Vivienne Courto

Administrative Officer Mr Peter Ratas



List of Abbreviations

ADF	Australian Defence Force
Defence	Department of Defence
BCA	Building Code of Australia
DHA	Defence Housing Authority
DSTO	Defence Science and Technology Organisation
ESD	Ecologically Sustainable Development
LMA	Liverpool Military Area
MvA	Megavolt Ampere
NSW	New South Wales
OH&S	Occupational Health & Safety
SOWA	Special Operations Working Accommodation
USA	United States of America
VIC	Victoria



Extract from the Votes and Proceedings of the House of Representatives

No. 28 dated Wednesday, 11 May 2005

**26 PUBLIC WORKS – PARLIAMENTARY STANDING COMMITTEE –
REFERENCE OF WORK – HOLSWORTHY PROGRAM – SPECIAL
OPERATIONS WORKING ACCOMMODATION AND BASE
REDEVELOPMENT STAGE 1, HOLSWORTHY, NSW**

Dr Stone (Parliamentary Secretary to the 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: Holsworthy Program – Special Operations Working Accommodation and Base Redevelopment Stage 1, Holsworthy, NSW.

Question – put and passed.



List of Recommendations

3 Issues and Conclusions

Recommendation 1

The Committee recommends that the proposed Holsworthy Program – Special Operations Working Accommodation and Base Redevelopment Stage 1, proceed at the estimated cost of \$207.7 million.



Introduction

Referral of Work

- 1.1 On 11 May 2005 the proposal for the Holsworthy Program – Special Operations Working Accommodation and Base Redevelopment Stage 1, Holsworthy, NSW, was referred to the Public Works Committee for consideration and report to the Parliament in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work is the Department of Defence (Defence).
- 1.2 The Hon Dr Sharman Stone MP, Parliamentary Secretary to the Minister for Finance and Administration, advised the House that the estimated cost of the proposed works was \$207.7 million. Subject to parliamentary approval, works are planned to commence in early 2006, with completion of works progressively to late 2009.

Background

Holsworthy Barracks

- 1.3 Holsworthy Barracks is a precinct within the Liverpool Military Area which has been used for military training since 1906. During World War I, Holsworthy Camp was the principal training camp for troops in NSW. World War II saw the training area enlarged and facilities constructed for

¹ Extract from the *Votes and Proceedings of the House of Representatives*, No. 28, Wednesday 11 May 2005

the School of Military Engineering and for a Base Ordnance Depot at Casula.²

- 1.4 A number of Regular Army units are also accommodated within the Holsworthy precinct, including the 3rd Battalion Royal Australian Regiment, 1st Health Services battalion, A Field Battery and 17th Construction Squadron.³

Site of Proposed Works

- 1.5 The proposed works will be constructed within Tobruk Lines, a sub-area of the Holsworthy Barracks precinct,⁴ is the only Defence owned property in the Sydney region capable of accommodating the special operations capabilities approved by the Government.⁵
- 1.6 The proposed project includes works in Melbourne to provide office accommodation and laboratory facilities for the Incident Response Regiment, at the Defence Science and Technology Organisation's (DSTO) establishment at Fishermans Bend, Victoria.⁶

Inquiry Process

- 1.7 The Committee is required by the Act to consider public works over \$6 million⁷ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁸

2 Appendix C, Submission No. 1, paragraph 10

3 *ibid*, paragraph 12

4 *ibid*, paragraph 3

5 *ibid*, paragraph 19

6 *ibid*, paragraph 13

7 *Public Works Committee Act 1969*, Part III, Section 18 (8)

8 *ibid*, Section 17

- 1.8 The Committee called for submissions by advertising the inquiry in *The Sydney Morning Herald* on Saturday, 17 May 2005. The Committee also sought submissions from relevant government agencies, local government, private organisations and individuals, who may be materially affected by or have an interest in the proposed work. The Committee subsequently placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Public Hearing

- 1.9 On 10 June 2005, the Committee visited the Holsworthy Barracks, NSW and inspected the site and environs of the proposed works. A confidential briefing from Defence and a public hearing were held within the Holsworthy Barracks later that day.⁹

⁹ See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 10 June 2005 Holsworthy Barracks, NSW

The Proposed Works

Purpose

2.1 The purpose of the proposed works is:

- the establishment of Army's Full Time Commando Capability, based upon the 4th Battalion, the Royal Australian Regiment (Commando);
- the establishment of the Tactical Assault Group (East), to become an organic element of the 4th Battalion, the Royal Australian Regiment (Commando);
- the establishment of the Incident Response Regiment;
- the establishment of Special Operations Combat Services Support Company; and
- the first stage of the redevelopment of Holsworthy Barracks.¹

Need

2.2 Events leading to the requirement of the proposed works are as follows:

- following terrorist attacks in the USA in 2001, the Government directed the establishment of interim additional counter terrorist capabilities;²

¹ Appendix C, Submission No.1, paragraph 2

² *ibid*, paragraph 4

- in December 2001, the Government approved a permanent counter-terrorist capability, establishing a Tactical Assault Group and an Incident Response Regiment;³
- in December 2002, the Prime Minister announced the establishment of Special Operations Command to streamline command arrangements and enhance inter-departmental and international liaison on counter-terrorism matters.⁴

2.3 Army's draft Infrastructure Strategic Planning Guidance indicates that the Liverpool Military Area will remain a critical base in the Army's long term plan until 2025.⁵ Holsworthy is the only Sydney Defence property which is capable of development to achieve the Government's special requirements,⁶ and works are therefore required to accommodate the newly established forces.

2.4 Many of the existing services and facilities are of inadequate quality and are no longer suitable for purpose as:

- they were constructed in the 1960s or earlier;
- they no longer meet functional requirements or current standards;
- they do not meet occupational health and safety (OH&S) regulations; and
- components of the engineering services and area infrastructure are inadequate for current loads and would not support the proposed developments.⁷

2.5 Regiments are currently accommodated in old facilities designed for other units. The Tactical Assault Group (East) is housed in temporary demountable and some prefabricated buildings on Luscombe Airfield. These facilities are inadequate and impact on each unit's operational and administrative efficiency.⁸

3 Appendix C, Submission No. 1, paragraph 5

4 ibid, paragraph 6

5 ibid, paragraph 9

6 ibid, paragraph 19

7 ibid, paragraph 21

8 ibid, paragraph 22

Scope

- 2.6 The proposed scope of works for the 4th Battalion, the Royal Australian Regiment (Commando) are:
- new refurbished facilities for the 4th Battalion, the Royal Australian Regiment (Commando), including working and logistic accommodation, vehicle hardstands and security infrastructure; and
 - working and logistic facilities for the Tactical Assault Group (East), incorporated within the 4th Battalion, the Royal Australian Regiment (Commando) works.⁹
- 2.7 The proposed scope of works for the Incident Response Regiment are:
- new working accommodation for the Incident Response Regiment, including working and logistic accommodation, vehicle hardstands and security infrastructure; and
 - laboratories for the Incident Response Regiment at the DSTO's Fishermans Bend (VIC) establishment.¹⁰
- 2.8 The proposed scope of works for the Holsworthy Base Redevelopment Project are:
- upgrading of electrical communications links;
 - upgrading of street and pedestrian lighting;
 - upgrading of the water supply system to dual supply for domestic and fire usage; and
 - environmental and storm water remediation works.¹¹

Project Delivery

- 2.9 Subject to parliamentary approval, early works are planned to commence in March 2006, with progressive completion by late 2009.¹²
- 2.10 The project will be delivered using a proven project management approach. Construction works will occur progressively to ensure the

9 Appendix C, Submission No. 1, paragraph 33

10 *ibid*, paragraph 33

11 *ibid*, paragraph 33

12 *ibid*, paragraph 59

quickest possible completion, while minimising disruption to the affected Army units. Major elements are to be delivered through a traditional process of detailed design and documentation by a number of design consultants, and construction by a number of head contractors.¹³

Cost

2.11 The estimated overall project cost for the Holsworthy Special Operations Working Accommodation and Base Redevelopment Stage 1 is \$207.7 million.¹⁴ This figure includes:

- professional design and management fees and charges;
- construction;
- furniture;
- fittings and equipment; and
- contingency allowances.¹⁵

13 Appendix C, Submission No. 1, paragraph 72

14 *ibid*, paragraph 57

15 Appendix D, Official Transcript of Evidence, page 2

Issues and Conclusions

Works at Fishermans Bend

- 3.1 In its main submission Defence states that this project includes works in Melbourne to provide office accommodation and laboratory facilities for the Incident Response Regiment at the DSTO establishment at Fishermans Bend.¹ The Committee sought further information on the facilities at Fishermans Bend and clarification on its inclusion as part of the Holsworthy works.
- 3.2 Defence confirmed that the Fishermans Bend component is included in the total project cost estimate, adding that works at Fishermans Bend comprise a small extension to the existing DSTO facilities to support the specific technical and analytical requirements of the Incident Response Regiment.²
- 3.3 Defence reported that twenty staff will be accommodated at the Fishermans Bend DSTO facility. This figure includes ten fulltime staff from DSTO and Australian Defence Force (ADF) personnel, and a further ten staff on a regular basis from the Incident Response Regiment.

1 Appendix C, Submission No. 1, paragraph 13

2 Appendix D, Official Transcript of Evidence, page 2

Building/Barracks Services

Air-conditioning

3.4 In its main submission Defence states that the type of air-conditioning system to be used in the project is yet to be determined.³ The Committee enquired as to whether the air-conditioning system had been determined and the reasons for selecting the particular system.

3.5 Defence replied that the air-conditioning system to be used comprises:

...centrally located air cooled condensers providing refrigerant to ceiling mounted cassette units...⁴

Defence added that a building management system would monitor air-conditioning to ensure ecologically sustainable development targets being met, a reduction in energy costs, and the use of natural ventilation where possible being maximised.

3.6 Specific information on the air-conditioning system was not included in Defence's main submission as the type of system was not determined at the time Defence submitted its evidence. By the time of the public hearing, Defence had determined that air cooled condensers would be used for the project.⁵

Child Care Facilities

3.7 Defence states in its main submission that the existing 40 place child care facility, 'the Little Diggers Centre', will be replaced under a separate project with a 90 place child care/day care facility within the next two years.⁶ The Committee sought clarification as to why new child care facilities, planned to be built within two years, were not included as part of the current project. In response, Defence informed the Committee that the replacement of the on-base Holsworthy child care facility is part of a separate national Defence child care initiative.⁷

3 Appendix C, Submission No. 1, paragraph 41

4 Appendix D, Official Transcript of Evidence, page 3

5 *ibid*, page 4

6 Appendix C, Submission No. 1, paragraph 61

7 Appendix D, Official Transcript of Evidence, page 8

Provision for People with Disabilities

- 3.8 Defence states in its main submission that facilities will be provided for most buildings in accordance with current codes and policies. However Defence later states that for some workshops and external training structures:

...dispensation for non-compliance with Building Code of Australia [BCA] disabled access requirements will be sought.⁸

The Committee sought further information regarding the process of receiving dispensation for non-compliance with the BCA disabled access requirements.

- 3.9 Defence explained that all Commonwealth agencies have a designated officer who can assess and provide the dispensation. For Defence projects, dispensation is assessed on specific project-by-project basis.⁹ Defence added that in general, all buildings will be compliant with the exception of the logistic workshops. The building certifier, who also assesses fire protection of the project, will alert Defence of any non-compliant areas that may require dispensation.¹⁰

Fire Protection System

- 3.10 Given the bushfire threat of the area Defence explained that, where possible, a 100 metre buffer-zone is to be established around buildings. In areas where the full buffer-zone can not be achieved Defence will incorporate design features to reduce exposure to bushfire. Furthermore, after consultation with the local rural bushfire service, filling points on the new ring main have been installed.¹¹

Fire Codes and Standards

- 3.11 In its main submission Defence states that the project requires design and construction certification in accordance with the BCA, Defence Manual of Fire Protection Engineering, and relevant State and departmental codes

8 Appendix C, Submission No. 1, paragraph 52

9 Appendix D, Official Transcript of Evidence, page 9

10 *ibid*, page 10

11 *ibid*, page 6

and standards.¹² The Committee enquired as to whether Defence had yet attained the appropriate fire protection certification.

- 3.12 Defence assured the Committee that the project would meet requirements of the BCA and the Defence Manual of Fire Protection. Certification from appropriate authorities would be carried out at the end of the design process and again at the completion of construction. Defence stated that upon completion of the project, the NSW Fire Brigade and the Rural Fire Service would have an opportunity to visit the site. Furthermore, Defence will look to satisfy specific industrial and military fire protection requirements which extend beyond the BCA and Defence Fire Manual.¹³

Fire Hydrants and Sprinklers

- 3.13 Defence states in its main submission that the existing site fire hydrant and sprinkler system does not meet current Australian standards.¹⁴ The Committee sought reassurance that after base redevelopment, the fire hydrant and sprinkler system would meet current Australian standards and that the site would be adequately protected.
- 3.14 Committee was assured by Defence that all construction with the project, including the fire hydrant and sprinkler system, will meet current Australian standards. However, Defence could only guarantee that these standards of fire protection will be achieved in areas identified as part of this project.¹⁵
- 3.15 In the event of a fire within the barracks, Defence reported that the NSW Fire Brigade would respond as with any other regular fire alarm instance. In addition, the Emergency Response Squadron, from within the Incident Response Regiment, has the capability to handle fire threats if required, however NSW Fire Brigade would act as first response to fires at the barracks.

Consultation

- 3.16 In its main submission Defence lists a number of authorities and organisations to be consulted during development of the project.¹⁶ The
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12 Appendix C, Submission No. 1, paragraph 53b

13 Appendix D, Official Transcript of Evidence, page 5

14 Appendix C, Submission No. 1, paragraph 29a

15 Appendix D, Official Transcript of Evidence, page 5

16 Appendix C, Submission No. 1, paragraph 62

Committee was interested to know what level and types of consultation had been undertaken to date, and what feedback had been received.

- 3.17 Defence stated that authorities and organisations consulted were informed of the plans to construct facilities, with limited feedback regarding the project. Furthermore, Defence provided briefs to the Defence Housing Authority (DHA) in Canberra on 31 May 2005 and the Liverpool City Council on 17 June 2005. No significant issues relating to this project were identified at either brief.

Australian Defence Force Personnel

- 3.18 The Committee was interested to know what level of consultation Defence had undertaken with ADF personnel in respect of the project. Defence explained that there had been extensive consultation with ADF personnel, who had discussed issues and concerns with the project manager to ensure user requirements are addressed. A representative of the project manager group acknowledged the significant level of input provided by ADF representatives in the design of the project.¹⁷

Liverpool City Council

- 3.19 Given that Holsworthy Barracks is located within the Liverpool Military Area (LMA) and this project being a part of the draft LMA Master Plan, the Committee enquired as to what consultation had been undertaken with the Liverpool City Council. Defence was unable to comment in detail about consultation specific to this project, but stated that:

...as a normal process with all Defence bases, particularly Holsworthy and other sites, the local community and the councils are engaged on a variety of occasions to address any of the issues what we [Defence] might be doing or what the council proposes.¹⁸

Integral Energy

- 3.20 According to its submission, Integral Energy is currently in negotiations with Defence with respect to:
- securing additional real estate adjacent to the existing substation to permit the installation of extra capacity to the site; and

17 Appendix D, Official Transcript of Evidence, page 12

18 *ibid*, page 7

- identifying a site to establish a new zone substation in a location to be agreed in order to secure supply available to the subject location.¹⁹

The Committee sought further information on the negotiation process between Defence and Integral Energy, and what stage negotiations have reached.

- 3.21 Defence informed the Committee that Integral Energy operates a substation on Defence land, and is required to give priority power to the Holsworthy base, with any spare capacity used in the local area. There are currently two feeder lines from the existing substation at 4.5 MvA each (providing a total of 9 MvA) which can accommodate the current base peak demand capacity of 6.8 MvA. Defence continued that any expansion in capacity by Integral Energy may be for commercial purposes and that negotiations are in still in progress.²⁰

Environmental Considerations

Water Usage

- 3.22 The Committee was interested to learn what water usage considerations Defence had incorporated into the project, considering the current water supply situation. At the public hearing Defence explained that rainwater would be channelled and collected, through surface and subsurface means, in detention basins and wetlands. Water would be recycled for irrigation of landscaping.²¹
- 3.23 Defence informed the Committee that water for the base is drawn from Sydney Water, which is also responsible for handling the waste water. As water from the detention basins would not be reused as grey water, dual reticulation would be provided within buildings with the possibility of a future connection of a grey water system by Sydney Water.
- 3.24 Defence intend to sub-meter individual buildings, which would enable the identification of any specific water usage issues. Water efficient fittings and fixtures, with AAA or higher rating, would be installed to further address water usage concerns.²²

19 *Volume of Submissions*, Submission No 2, Integral Energy, page 1

20 Appendix D, Official Transcript of Evidence, page 9

21 *ibid*, page 10

22 *ibid*

Removal of Hazardous Materials

- 3.25 Given the size of the project, the Committee was concerned with the removal of any hazardous materials. Defence confirmed that there was asbestos on site and a program to identify all asbestos, and other such hazardous materials, had been undertaken. The project manager would ensure that specialist subcontractors, who deal with the removal of asbestos, appropriately handle and remove hazardous materials.²³

Ecologically Sustainable Development (ESD) Initiatives

- 3.26 The Committee asked Defence for a more detailed list of ESD Initiatives that will be implemented with the Holsworthy project. Subsequent to the hearing, Defence supplied supplementary information to the Committee on the ESD initiatives. The Committee was satisfied that Defence have addressed environmental concerns through the implementation of ESD initiatives as explained to the Committee.²⁴

Options Considered

- 3.27 The Committee sought more detail on the selection of Holsworthy Barracks (and Tobruk Lines) as the preferred redevelopment option. Defence responded that once the Government announced the intention to establish special operations capability in the Sydney region, Holsworthy (and Tobruk Lines) identified as most suitable for the following reasons:
- Holsworthy has the capacity to accommodate Defence requirements;
 - training space is immediately available;
 - there are sufficient buffer zones between Holsworthy and the community; and
 - it is the most cost-effective option.²⁵

23 Appendix D, Official Transcript of Evidence, page 14

24 Letter from Brigadier Peter Hutchinson, Director General, Infrastructure Asset Development, 21 June 2005

25 Appendix D, Official Transcript of Evidence, page 13

Project Delivery

- 3.28 Defence's main submission states that the project will be delivered using a proven management approach through a traditional process of detailed design and documentation by a number of design consultants, and construction by a number of head contracts.²⁶ The Committee sought more detail on the project delivery process and who would be responsible for the overall management of the project.
- 3.29 Defence responded that the Infrastructure Asset Development Section of the Department of Defence holds the overall responsibility for management this project, as well as new capital works facilities across Australia. The contracted project manager, as per the proven project management approach, is the Carson Group, which has been involved in supervising the design of the project and will supervise the construction.²⁷
- 3.30 In addition to the contracted project manager Defence would seek to use a number of head contracts to deliver individual components of the project. Having the components separated would enable contractors to control a particular site and not interfere with the work of other contractors. Defence stated that this project delivery method allows for more control over project costs and scheduling.

Local Impact

- 3.31 Defence estimates that over a proposed construction period of approximately three years, an average of 250 people will be directly employed on construction activities with further job opportunities off site.²⁸ The Committee wished to know how Defence would provide job opportunities for the local community.
- 3.32 Defence responded that the works would be publicised to ensure that local people are aware of opportunities. The head contractor would be encouraged to explore local options with respect to the works. Furthermore, any correspondence with Defence regarding employment opportunities for project would be passed on to the head contractor via the project manager.²⁹

26 Appendix C, Submission No. 1, paragraph 72

27 Appendix D, Official Transcript of Evidence, page 11

28 Appendix C, Submission No. 1, paragraph 58

29 Appendix D, Official Transcript of Evidence, page 12

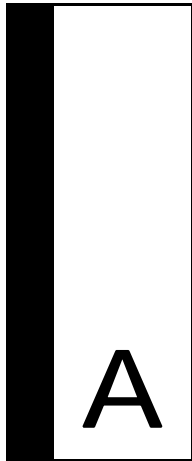
Recommendation 1

The Committee recommends that the proposed Holsworthy Program - Special Operations Working Accommodation and Base Redevelopment Stage 1, proceed at the estimated cost of \$207.7 million.

Hon Judi Moylan MP

Chair

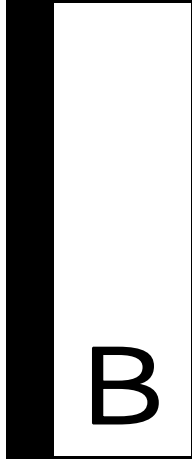
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Appendix A – List of Submissions

Submissions

1. Department of Defence
2. Integral Energy



Appendix B – List of Witnesses

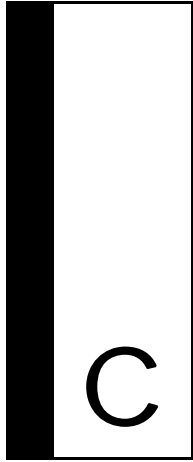
Mr Mike Healy, Director Project Development and Delivery – NSW/ACT,
Department of Defence

Brigadier Peter Hutchinson, Director General Infrastructure Asset Development
Branch, Department of Defence

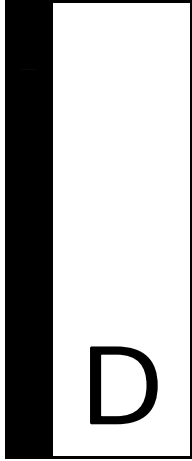
Brigadier Tim McOwan, Deputy Special Operations Commander, Department of
Defence

Mr Craig Mills, Regional Manager, Corporate Services and Infrastructure Group,
Department of Defence

Mr Rod Weir, Project Manager, Carson Group



Appendix C – Submission No. 1 from the
Department of Defence



Appendix D – Official Transcript of
Evidence