

## **Comments, conclusions and recommendations**

### **Need for the work**

#### **Replace or refurbish?**

- 5.1 The Committee recognises that, over the 30 years since Lavarack Barracks was established in Townsville, significant investment has occurred, with progressive refurbishments and upgrades to the various areas within the Barracks. Moreover, the Committee recognises that many of the buildings which were constructed more than thirty years ago have reached the end of their functional life.
- 5.2 During the inspections of Lavarack Barracks it was evident to the Committee that facilities such as the Headquarters building, for example, are clearly inadequate for current operational needs. Lack of covered vehicle accommodation is detrimental to the vehicles. The Committee also noted that much of the maintenance work to the vehicles was undertaken in exposed conditions and some procedures such as those for the disposal of oil from the vehicle bays met neither occupational health and safety nor environmental standards.
- 5.3 The Committee accepts that the proposed redevelopment would enhance the overall effectiveness of the 3<sup>rd</sup> Brigade by grouping Brigade functions and providing facilities that reflect the work practices and functional relationship of the organisation and therefore concluded there is a clear need for the Stage 3 redevelopment proposal.

- 5.4 The Committee agrees that for the most part rebuilding is more cost effective in the longer term than refurbishing, not only in financial terms but also in operational terms.
- 5.5 The option of refurbishing or replacing facilities at Lavarack Barracks is pivotal to this Inquiry and to the Committee's recommendation as to whether or not the project should proceed at a cost of \$170 million.
- 5.6 The Committee is therefore surprised that Defence should claim that replacement of facilities is a more cost effective option than refurbishment without providing the Committee with detailed figures which support this assertion in its Statement of Evidence at the outset.
- 5.7 Defence later substantiated its claim with figures which were furnished to the Committee following the public hearing.
- 5.8 Provision of appropriate supporting evidence goes to the heart of determining value for money which is a fundamental requirement of the Committee's work in accordance with the *Public Works Committee Act 1969*. The Committee therefore urges all proposing agencies to ensure that convincing supporting information is made available in the first instance.

### **Recommendation 1**

- 5.9 **The Committee recommends that Defence disaggregate figures to reflect component costs in its Statement of Evidence at the commencement of an Inquiry.**

### **Scope and cost of the project**

- 5.10 The Committee notes that Defence is proposing a scope of work which has an estimated cost of \$230 million when it has a capped budget of only \$170 million.
- 5.11 Defence is to be commended for attempting to achieve savings in order to complete a larger scope of work. It is self-evident however that Defence will be unable to complete the scope of work approved by the Committee as part of Stage 3 if the savings are not found.
- 5.12 The Committee believes that it would be more appropriate for Defence to present for approval a scope of work which could reasonably be achieved

within the limits of the allocated funding, that is \$170 million, and to identify areas where:

opportunities for some rationalisation and sharing are to be exploited.<sup>1</sup>

- 5.13 In its Statement of Evidence to the Committee, Defence should set out the anticipated savings which could possibly be made at the value management stage or through implementing other cost-saving measures, and the works to which those savings could be applied, for examination by the Committee.
- 5.14 In this way Defence could maximise the scope which might be delivered within the cost cap.

## Recommendation 2

- 5.15 **The Committee recommends that where major projects consist of several phases, Defence set out details of proposed savings which could be made and the works to which those savings could be applied in its Statement of Evidence to the Committee.**

## Heritage

- 5.16 The Committee notes that there are no places entered on the Register of the National Estate which are likely to be affected by the proposed development. The Committee also notes that the Heritage Commission states that, with respect to the Stage 3 proposal, it would be appropriate for Defence to undertake more detailed investigations to assess the nature and significance of the base and any important elements that it may contain.
- 5.17 The Committee believes that, if elements of heritage significance are identified, they should be given appropriate public recognition.

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<sup>1</sup> See Chapter 4, paras. 4.7-4.10

## Environmental issues

- 5.18 The Committee was concerned during its inspections to find that some situations and practices at the Barracks do not meet current environmental standards.
- 5.19 However, the Committee commends the Department of Defence for promoting an energy efficient design and developing a philosophy for energy management and lighting in relation to the proposed Stage 3 redevelopment of the Barracks.

### Recommendation 3

- 5.20 **The Committee recommends that the Department of Defence maintain ongoing consultations with the Managing Contractor to ensure that the most energy efficient measures are implemented to preserve or enhance the environment.**
- 5.21 The Committee notes that the Lavarack Barracks redevelopment Stage 3 proposal had not been referred under the *Environment Protection and Biodiversity Conservation Act 1999* for assessment of environmental significance.
- 5.22 The onus is on proposing agencies to advise Environment Australia of forthcoming proposals for works which may have an environmental impact. The Committee notes that Defence intends to do this.

### Recommendation 4

- 5.23 **The Committee recommends that the Department of Defence continue to inform Environment Australia of the Lavarack Barracks redevelopment Stage 3 proposal with respect to environmental considerations.**

## Consultation

- 5.24 The Committee notes that Defence has consulted, and is planning to consult, with a broad range of organisations during the development of the project.
- 5.25 The Committee regards consultation as an integral and highly important part of the process, particularly in the areas of heritage, environment and safety.

### Recommendation 5

- 5.26 **The Committee recommends that the Department of Defence continue ongoing consultations in relation to heritage, environment and safety matters with the Heritage Commission, Environment Australia, the Australian Greenhouse Office and the Queensland Fire Brigade.**

## Conclusion

- 5.27 The Committee concluded that on the basis of the evidence, and on its findings during its inspections of Lavarack Barracks, the redevelopment Stage 3 proposal should proceed.

### Recommendation 6

- 5.28 **The Committee recommends that the proposed Lavarack Barracks redevelopment Stage 3 proceed at a cost of \$170 million.**

Hon Judi Moylan MP  
Chair

9 August 2001