

Issues and Conclusions

Fire Control Measures

- 3.1 In written evidence supplied to the Committee, DFAT described a range of fire protection measures planned for the new Chancery building. Fire detection measures include smoke alarms and heat detectors, as well as an audible alarm to alert occupants, while fire suppression would be achieved through an automatic sprinkler system, fire extinguishers, hose reels, hydrants and the selection of fire retardant construction materials¹.
- 3.2 In response to the Committee's questions regarding fire safety, DFAT explained that the building would be designed to ensure that egress points comply with prescribed travel distances and added that these points would be patrolled in the event of fire.
- 3.3 In an emergency situation, it is envisaged that any disabled person located on the upper floor of the building would be carried downstairs to a fire exit².

1 Appendix C, Submission No. 1, paragraphs 24.1 – 24.6

2 Appendix D, Official Transcript of Evidence, p. 4

Flooding and Drainage

- 3.4 DFAT proposes that earthworks will be undertaken to raise the ground floor of the new Chancery above the level of Gregory's Road, "To minimise the potential for local flooding as a consequence of monsoon storms..."³.
- 3.5 It is intended that this be achieved through the importation of fill material to raise the building platform. At the public hearing, DFAT stated that the height of elevation would be approximately half a metre.
- 3.6 At the public hearing, DFAT stated that they were not aware of any previous flood impact at the site, but should the road flood, the proposed elevation of the building would prevent water entering the building⁴.
- 3.7 The Committee questioned DFAT as to the implications of the proposed elevation of the building for water run-off to surrounding areas. DFAT responded that it intended to grade and sub-grade the site to local levels and that run-off would be channelled from the site by an existing storm-water drain⁵.

Future Expansion

- 3.8 According to DFAT's written evidence, the proposed new Chancery building has been designed to accommodate 11 A-based and 23 locally engaged staff, and

"...allows for some possible future expansion⁶."

However, it is noted further that any future expansion under the proposed concept design would necessarily be limited, by tenant requirements, budgetary constraints and the size of the site⁷.

- 3.9 When questioned about the potential requirements for future expansion, DFAT responded that it did not anticipate any increase in

3 Appendix C, Submission No. 1, paragraph 17.41

4 Appendix D, Official Transcript of Evidence, p. 5

5 ib id

6 Appendix C, Submission No. 1, paragraph 17.1

7 ib id, paragraph 20.3

current staff numbers at the Chancery, but that the building fit-out could be reconfigured to accommodate a modest increase in numbers, should the need arise⁸.

Security

- 3.10 DFAT's written evidence cited inadequate security provisions as one of the chief shortcomings of its current premises. The submission detailed a number of physical and electronic security measures based on 'defence in depth' principles, which are to be incorporated into the new Chancery⁹.
- 3.11 In response to the Committee's questions relating to security, DFAT stated that the new building would incorporate the full range of physical security measures employed in all their overseas offices, and would also take cognisance of the local situation¹⁰.

Building Codes and Standards

- 3.12 According to its main submission, DFAT intends that:
- "The project will be delivered in accordance with the Building Code of Australia (BCA) and relevant Australian Standards, or local (or international) standards where they are deemed to be of a higher or more relevant standard."¹¹
- 3.13 In relation to acoustic requirements, DFAT envisages that acoustic treatment to the mechanical plant and the diesel generator will be provided in compliance with local Sri Lankan regulations¹².
- 3.14 At the public hearing, the Committee was interested to know whether Sri Lankan regulations in relation to acoustics were higher or more relevant than the Australian standards, and which standards would be applied to the proposed new Chancery¹³.

8 Appendix D, Official Transcript of Evidence, p. 5

9 Appendix C, Submission No. 1, paragraph 24.7 – 24.8

10 Appendix D, Official Transcript of Evidence, p. 9

11 Appendix C, Submission No. 1, paragraph 16.3

12 *ib id*, paragraph 18.6

13 Appendix D, Official Transcript of Evidence, p. 9 - 10

- 3.15 DFAT responded the project would comply fully with BCA requirements unless local or international standards were deemed to be higher. A DFAT witness stated that Sri Lankan standards are generally based on British standards, which are compatible with Australian standards. DFAT assured the Committee that while no direct comparison between Sri Lankan and Australian requirements in relation to acoustics had yet been made, it would be done prior to the installation of services.

Energy Targets

- 3.16 A submission from the Australian Greenhouse Office recommended that the proposed new Chancery building should have a total energy consumption target of not more than 500MJ per annum, which is equivalent to the target set for Darwin by the Property Council of Australia¹⁴.

- 3.17 In a written response to this submission, DFAT stated that its intention was to:

“...achieve or better this target by considering the recommendations outlined in the Energy Performance Guidelines (published by the Property Council of Australia) and the Energy Efficiency Building Code for Commercial Buildings in Sri Lanka (published by the Ceylon Electricity Board Demand Side Branch).¹⁵”

Costs

Supervision Costs

- 3.18 At the public hearing, the Committee asked DFAT to comment on the specific difficulties and costs associated with constructing a building in Sri Lanka to Australian standards.

14 Submission No. 2, Australian Greenhouse Office

15 Submission No. 3, Department of Foreign Affairs and Trade (Supplementary)

- 3.19 DFAT replied that it intends to engage local tradespeople to execute construction and technical works, but anticipates that a high level of expatriate supervision will be needed to ensure that technical requirements meet Australian design specifications. To this end, the project budget includes a considerable provision for supervision of works.

Fees and Allowances

- 3.20 Upon examining the proposed project budget, Committee members observed that a large proportion of the total project cost was allocated to fees and allowances, rather than to construction costs.
- 3.21 DFAT explained that fees and allowances were high because they include, in addition to supervision costs, Sri Lankan VAT on escalation and contingency provisions, as well as on construction costs.

Effect of the Exchange Rate

- 3.22 DFAT's written evidence records that the project cost estimate of \$11.19 million was based on September 2002 prices¹⁶. At that time, the Australian dollar was equivalent to 50 Sri Lankan rupees¹⁷.
- 3.23 When asked by the Committee whether the project budget had been updated to reflect the current exchange rate, DFAT replied that it had not. DFAT added that as a large proportion of the project would be provided outside Sri Lanka, the effect of the exchange rate would be difficult to gauge¹⁸.
- 3.24 As DFAT intends to import a large percentage of the construction materials, the strong value of the Australian dollar against the rupee may not represent an overall cost advantage¹⁹.

16 Appendix C, Submission No. 1, paragraph 29.1

17 Appendix D, Official Transcript of Evidence, p. 7

18 *ib id*, p.8

19 *ib id*, p.7

Recommendation 1

The Committee recommends that the proposed construction of a new Chancery building for the Australian High Commission, Colombo, Sri Lanka proceed at the estimated cost of \$11.19 million.

Hon Judi Moylan MP
Chair
10 September 2003