

Issues and Conclusions

Amendments to Original Proposal

- 3.1 At the commencement of the public hearing, DFAT informed the Committee of an amendment to the original proposal for the new chancery, that had been instigated since the agency's evidence was submitted in June.¹
- 3.2 Under the amended design, it is proposed that the new chancery building will be set back approximately 25 metres from the northern boundary of the compound perimeter, rather than the 15 metres stipulated in the original proposal.
- 3.3 DFAT stated that the decision to relocate the chancery
“...was based on advice from a leading Australian expert on the design of blast-resistant structures...”²
- 3.4 DFAT believes that the additional setback of the chancery will improve the long-term security of the building against possible terrorist attack.

¹ Appendix D, Official Transcript of Evidence, p. 2

² ib id

Security Provisions

- 3.5 In view of DFAT's decision to increase the setback of the new chancery for security purposes, Committee members wished to know what other security measures were to be established for the compound. In particular, the Committee were concerned to note that the proposed interim chancery is to be located close to the compound's eastern boundary.
- 3.6 DFAT responded that it does not perceive any problem with the location of the interim chancery, and added that the level of security planned for the temporary building is appropriate to the prevailing threat environment.
- 3.7 DFAT explained that the increased security measures to be employed in relation to the new permanent structure take into account the projected 50-year life of the building. The incorporation of higher levels of security during construction is viewed as a cost-effective means of providing for any possible future deterioration in the overall threat level.³
- 3.8 DFAT informed the Committee that a minimum setback of 15 metres currently applies to the entire compound.⁴
- 3.9 The Committee observed that the proposed interim DIMIA waiting area will be situated less than 15 metres from the eastern boundary of the compound. DFAT acknowledged that this was the case and stated they had requested that the Indian Government install bollards along the street adjacent to the interim chancery as an additional protective measure.⁵
- 3.10 DFAT assured the Committee that security at all overseas properties is subject to both annual and ongoing review.⁶

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

4 *ib id*, p. 6

5 *ib id*

6 *ib id*, p. 7

Fire Safety Measures

- 3.11 In written evidence supplied to the Committee, DFAT described a range of fire safety measures planned for the new chancery building. Measures will include:
- installation of sprinkler protection and an alarm system within the chancery; and
 - provision of fire extinguishers and smoke detectors to both the chancery and residential units.⁷
- 3.12 In response to the Committee's questions regarding fire emergency provisions for the disabled, DFAT explained that the building would be designed to comply with the requirements of both the *Occupational Health and Safety Act (Commonwealth Employment) 1991* and the *Disability Discrimination Act 1992*.⁸

Flood Mitigation

- 3.13 DFAT's main submission states that the new chancery building will be elevated above the footpath and road level to enhance presentation and to mitigate the effects of local flooding.
- 3.14 At the public hearing, DFAT explained that the area is not prone to flooding, but that, as a precautionary measure, the building will be elevated to accommodate a one-in-one-hundred-year flood event.⁹

Air-conditioning

- 3.15 While DFAT's submission referred to air-conditioning, it did not specify the type of system to be installed.¹⁰
- 3.16 The Committee asked DFAT to elaborate on the type of air-conditioning that would be installed; specifically to ensure reliability

7 Appendix C, Submission No. 1, paragraphs 24.2 – 24.5

8 Appendix D, Official Transcript of Evidence, p. 13

9 *ib id*, p. 8

10 Appendix C, Submission No. 1, paragraph 17.9

in the extreme New Delhi climate and to prevent the possible occurrence of Legionnaires' disease.

- 3.17 DFAT intends to install energy-efficient, zoned air-conditioning of a type designed for high ambient temperatures. The system would be specified to comply with the requirements of the BCA and the Property Council of Australia.
- 3.18 The air-conditioning system proposed by DFAT will rely upon air-cooled chillers, which do not provide a breeding habitat for the *Legionella bacillus*. Added protection from airborne contaminants will be provided by ventilation filters.¹¹
- 3.19 The Committee noted that other overseas missions experience difficulties with heating and air-conditioning, which creates an unpleasant working environment for staff and must be rectified at considerable cost to the public purse. The Committee urged DFAT to ensure that such a situation does not arise in New Delhi.¹²

Recommendation 1

The Committee recommends that the Department of Foreign Affairs and Trade take care to ensure that the air-conditioning system installed at the New Delhi chancery is operationally effective, cost efficient and energy efficient and requests that the Department supply the Committee with technical details of the system when these become available.

Energy Conservation Measures

- 3.20 Having received a submission from the Australian Greenhouse Office¹³, the Committee requested that DFAT explain how energy efficiency targets will be met in the new building.
- 3.21 DFAT responded that energy conservation is an important focus of the building design. DFAT intends to follow the formal guidelines established by the Property Council of Australia and, to this end, will be implementing a range of 'passive' energy conservation measures,

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

12 *ib id*, p. 9

13 Submission No. 2

including solar-passive building orientation and use of light-coloured cladding materials; and 'active' measures such as zoning and time control of air-conditioning and lighting.¹⁴

Materials and Finishes

- 3.22 In view of DFAT's proposal that Australian materials and finishes be incorporated into the new chancery where practical and cost-effective¹⁵, the Committee wished to know where DFAT intended to source the bulk of materials, and which materials would be imported from Australia.
- 3.23 DFAT stated that the majority of construction materials, such as glass, concrete and stone, would be sourced in India.
- 3.24 As all plant and equipment will be required to meet Australian standards, DFAT intends to tender on the world market, providing an opportunity for Australian suppliers.
- 3.25 While there is no specified target for the amount of Australian materials to be incorporated into the building design, it is proposed that Australian timbers and finishes will be used in public areas to reflect an Australian image.¹⁶

Local Workforce

- 3.26 DFAT's main submission indicates that the majority of construction and fit-out works will be executed by Indian tradespeople.¹⁷
- 3.27 In view of this, the Committee wished to know how DFAT will ensure that the building is constructed to Australian standards.
- 3.28 DFAT replied that it intends to use a contracting technique involving a high level of expatriate supervision during construction. Under this arrangement, individual trade-based contracts will be managed on-site by an Australian project management team.¹⁸

14 Appendix D, Official Transcript of Evidence, p. 11

15 Appendix C, Submission No. 1, paragraph 17.7

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

17 Appendix C, Submission No. 1, paragraph 27.2

18 Appendix D, Official Transcript of Evidence, pp. 8 - 9

Growth of the Chancery

- 3.29 In DFAT's main submission, insufficient floor space is cited as a significant factor in the requirement for a new chancery. While the current chancery has a floor area of 2, 963 square metres, it is proposed that the new chancery will have a net lettable area of 4,878 square metres.¹⁹
- 3.30 In response to questions from the Committee, DFAT explained that the increased need for space reflects the growth in staff numbers since the construction of the original chancery in the 1960s.²⁰
- 3.31 DFAT stated that the proposed net lettable area was the result of a comprehensive survey of the space requirements of individual tenant agencies.²¹

On-site Accommodation

Type and Occupancy

- 3.32 At the public hearing, the Committee asked DFAT to elaborate on the nature of the proposed accommodation, and the number of people who would be living at the compound.
- 3.33 DFAT responded that there were currently 19 residential units on site; comprising:
- the head of mission residence;
 - seven houses; and
 - 11 apartments.²²
- 3.34 Under the current arrangements, some six families are living off-compound. With expected staff increases, DFAT anticipates that two or three families will remain off-site following the construction of the additional accommodation units.

19 Appendix C, Submission No. 1, paragraph 3.1

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

21 *ib id*, p. 5

22 *ib id*, p. 11

- 3.35 DFAT described the existing accommodation at the compound as being of a good standard. The bungalow-style houses, although old, are regularly maintained and the 11 staff apartments were refurbished in the 1990s. As a consequence, no further upgrade of these properties was included in the current works proposal.²³

Rental Arrangements

- 3.36 When questioned by the Committee about rental arrangements for the residential units, DFAT stated that its Overseas Property Office is obliged to manage all overseas properties on a commercial basis. To this end, all properties at the New Delhi compound are leased at market rates, which

“...reflect the high quality of the housing.”²⁴

- 3.37 DFAT noted that the proposed new accommodation units were being constructed at the request of tenant agencies, which had already signed pre-commitment memoranda on the properties.²⁵

Costs

- 3.38 The Committee questioned DFAT on project costs at a confidential briefing conducted prior to the public hearing. Issues covered at this briefing included:
- taxes and duties;
 - fees and allowances;
 - sundry costs; and
 - contracting arrangements.

23 Appendix D, Official Transcript of Evidence, p. 12

24 *ib id*, p. 13

25 *ib id*, p. 12

Recommendation 2

The Committee recommends that the proposed construction of a new chancery at New Delhi, India, proceed at the estimated cost of \$24.61 million.

Hon Judi Moylan MP
Chair
17 September 2003