

Midlife Engineering Services refurbishment of the Australian Embassy, Paris, France

- 4.1 This project proposes a midlife engineering services refurbishment at the Australian Embassy, Paris, France. The building houses the Australian Embassy and the International Energy Agency (IEA).
- 4.2 The project is being delivered by the Department of Foreign Affairs and Trade (DFAT). The total cost of the proposal is \$28.3 million (including French value-added tax).
- 4.3 The proposal was referred to the Committee on 17 September 2009.

Conduct of the inquiry

- 4.4 The inquiry was advertised in *The Australian* and submissions sought from those with a direct interest in the project. The Committee received two submissions and one confidential supplementary submission detailing the project costs. A list of submissions can be found at Appendix A.
- 4.5 The Committee undertook a public hearing and an in-camera hearing on the project costs on 26 October 2009 in Canberra. A list of witnesses can be found at Appendix B.
- 4.6 The transcript of the public hearing as well as the submissions to the inquiry are available on the Committee's website. Plans for the proposed works are detailed in Submission 1: Department of Foreign Affairs and Trade.¹

1 <www.aph.gov.au/pwc>

Need for works

4.7 The DFAT submission states that the works are necessary as:

- the existing plant and equipment has reached its 'end-of-life' and has become increasingly difficult and costly to maintain;
- the current engineering systems are inefficient, and do not allow for zone-specific control; and
- new lease arrangements with the tenant, the IEA, require replacement of building engineering services within the tenancy.²

4.8 The Committee finds that there is a need for the proposed works.

Scope of works

4.9 The proposed scope of works is detailed in Submission 1: DFAT. In short the project proposes the following:

- Entire chancery building:
 - ⇒ replacement of mechanical equipment including pumps, heat exchangers, mechanical switch boards, IT distribution and security systems;
 - ⇒ new access control, CCTV central control and building management systems to address current functionality requirements, and provide for connectivity of future building works; and
 - ⇒ upgrade of early warning systems, fire detection and exit and emergency lighting.³
- IEA Tenancy:
 - ⇒ replacement and upgrade of the building services including installation of energy efficient heating, ventilation and air-conditioning (HVAC) systems with zone and timing controls;
 - ⇒ new fan-coil units, fresh air ventilation and upgrade of the perimeter induction units;
 - ⇒ refurbishment of the core building areas, including wet areas; and
 - ⇒ preparation of staging areas to allow for the implementation of the IEA refurbishment works.⁴

2 Submission 1, Department of Foreign Affairs and Trade (DFAT), p. 2.

3 Submission 1, DFAT, p. 2.

4 Submission 1, DFAT, p. 3.

- 4.10 The project is due to commence construction in mid-2011 with completion anticipated in mid-2013.
- 4.11 The Committee finds that the proposed scope of works is suitable to meet the stated needs of the project.

Cost of works

- 4.12 The total estimated out-turn cost for this project is \$28.3 million including French value-added tax (VAT). The Committee received a confidential supplementary submission detailing the project costs and held an in-camera hearing with DFAT on the project costs.
- 4.13 The Committee is satisfied that the costings for the project provided to it are adequate.

Project issues

Environmental standards

- 4.14 The Committee was pleased to note the environmentally sustainable measures being carried out in the project, particularly in respect of energy saving measures and zone-specific control of heating, air-conditioning and ventilation. In addition, water saving devices will be installed in the IEA refurbishment.
- 4.15 The Committee sought further information from DFAT about proposed features to monitor energy use. In particular, the Committee is concerned about the extent to which independent smart metering will be installed. DFAT advised that, whilst the current plan provided for installation in the IEA tenancy only, it would be technically and financially feasible, as part of the current project, to extend the installation throughout the entire chancery building at a low cost.
- 4.16 The Committee is of the opinion that this would be a worthwhile addition to the proposal for improving awareness of energy use and efficiency in the building.

Recommendation 4

The Committee recommends that the Department of Foreign Affairs and Trade install independent smart metering throughout the chancery building of the Australian Embassy, Paris.

Mobile phone coverage

- 4.17 Concerns were raised about the provision of mobile phone coverage within the chancery building. In particular, the Committee is concerned that, if equipment is directly installed inside the building, more than one mobile phone carrier should be able to provide services, such as the Property Council of Australia recommends for A-grade buildings.⁵
- 4.18 The Committee encourages DFAT to ensure that the building-specific mobile phone coverage is open to competing carriers.

Site heritage

- 4.19 The Embassy complex was designed by the distinguished Australian architect Harry Seidler, in collaboration with French architect Marcel Breuer, and as such the buildings have particular significance for Australian heritage. In addition, the site is within a United Nations Educational, Scientific and Cultural Organisation (UNESCO) heritage precinct of Paris.
- 4.20 DFAT assured the Committee that it had notified the architectural firm Harry Seidler and Associates of the works and that no issues had been raised.⁶

Committee comment

- 4.21 Overall, the Committee is satisfied that this project has merit in terms of need, scope and cost.

5 Mr M. Chalak, Director, ITC Group Pty Ltd, *Proof Transcript of Evidence*, 26 October 2009, p. 10.

6 Mr P. Davin, Director, Overseas Property Office, DFAT, *Proof Transcript of Evidence*, 26 October 2009, p. 2.

- 4.22 Having examined the purpose, need, use, revenue and public value of the work, the Committee considers that it is expedient that the proposed works proceed.

Recommendation 5

The Committee recommends that the House of Representatives resolve, pursuant to Section 18 (7) of the *Public Works Committee Act 1969*, that it is expedient to carry out the following proposed work: Midlife Engineering Services Refurbishment of the Australian Embassy, Paris, France.