



Australian Government

Department of the Prime Minister and Cabinet

Official Establishments Trust

2003-04

ANNUAL REPORT

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OFFICIAL ESTABLISHMENTS TRUST

The Hon John Howard MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

I have pleasure in submitting the Twenty-fifth Annual Report of the Official Establishments Trust, for the year ended 30 June 2004.

Yours sincerely

A handwritten signature in cursive script that reads 'Richard Griffin'.

Richard Griffin, AM
Chairman

June 2005

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1. INTRODUCTION

1.1 Origins and Role of the Official Establishments Trust

In September 1976, the Fraser Government appointed an independent committee, the Committee on Official Establishments, to advise on the operation, conservation and long-term development of the four official residences of the Commonwealth. The final report of that committee, issued in May 1979, recommended that the Official Establishments Trust be established as a permanent, independent body to provide advice relating to the official residences: Government House and The Lodge in Canberra, and Admiralty House and Kirribilli House in Sydney.

The establishment of the Official Establishments Trust (the Trust) as an independent non-statutory body was announced in parliament by the then Prime Minister, the Right Hon J Malcolm Fraser, AC, on 20 September 1979. A review of the operation of the Trust was conducted in October 1995. Following the review, the then Prime Minister, the Hon Paul Keating, approved the continuation of the Trust's organisation and functions as set out in its Charter.

As stated in the Charter, the role of the Trust is to provide considered and objective advice on the conservation and development of the official establishments' buildings and grounds, and on the standards and adequacy of the facilities and accommodation they supply. The Trust also provides continuity of approach through long-term planning and has primary responsibility for ensuring that works are carried out in accordance with the long-term plans commissioned by the Trust.

The Official Establishments Trust Charter is as follows:

The Trust shall be responsible for advice to the government on the conservation and development of the buildings and grounds of the Official Establishments of the Commonwealth of Australia.

The Trust's principal functions shall be to advise the Prime Minister on:

- the conservation and development of the buildings and grounds of the Official Establishments in both the short and long term;
- the standard of facilities, furniture and fittings necessary for the operation of the Official Establishments;
- the accommodation needs within the Official Establishments of the Governor-General and the Prime Minister, their families, guests and staff, and of dignitaries visiting Australia as official guests of the government;

- the estimates of annual expenditure in relation to the conservation and development of the buildings, facilities, furniture and fittings, and grounds of the Official Establishments; and
- such other matters concerning the Official Establishments as may be referred to it by the government.

In providing advice the Trust should ensure, through close consultation with the occupants, that the personal preferences of the occupants are taken into account, particularly in respect to the private apartments of the Official Establishments. The Trust should also have special regard for the ceremonial and historical aspects of the Official Establishments and for the requirements of other authorities and organisations concerned with the National Estate.

The Trust's major recommendations will be submitted, in the first instance, to the Prime Minister, and the Trust will submit to the Prime Minister each year a report concerning its activities and operations.

The Trust undertakes its advisory role in consultation with the occupants of the residences and representatives of the Office of the Official Secretary to the Governor-General and the Department of the Prime Minister and Cabinet, and in line with heritage guidelines and principles.

1.2 Membership

The Prime Minister appoints members of the Trust for terms of two to three years. There are no positions on the Trust for ex-officio government members or representatives nominated by particular non-government organisations.

Membership of the Trust was reviewed during 2004. With the departure of Mr Bruce Trethowan, Mr Bryce Raworth will be appointed as a new trust member for a term of three years, commencing 20 August 2004. Mr Bruce Buchanan and Mrs Gay Stanton were reappointed for periods of two years and three years respectively, commencing on 8 June 2004.

The members of the Trust as at 30 June 2004 and their periods of appointment (including reappointments) are as set out in the following table.

Member	Appointment
Mr Richard Griffin, AM (Chairman)	7 June 1999 – 6 June 2005
Mr Bruce Buchanan	31 May 1994 – 7 June 2006
Mr Bruce Trethowan	2 August 1996 – 1 August 2004
Mrs Elaine Lawson	7 June 1999 – 6 June 2005
Mrs Gay Stanton	8 June 2001 – 7 June 2007
Mr Peter Watts	11 June 2002 – 10 June 2005

Mr Griffin has a distinguished business career and has been Chairman of The Australiana Fund since 1995. Mr Buchanan and Mr Trethowan are highly respected architects. Mrs Lawson was the Senior Curator, Australian Capital Territory Historic Places, until her retirement on 20 July 2001. Mrs Stanton is a highly respected landscape designer. Mr Watts is Director of the Historic Houses Trust of NSW and complements the Trust with a detailed understanding of heritage issues associated with historic buildings. Mr Raworth, who will commence with the Trust on 20 August 2004, is a conservation consultant and architectural historian.

The sitting fees payable to members of the Trust in 2003–04 were \$610 per day for the Chairman and \$460 per day for other Trust members. The Remuneration Tribunal reviewed travel allowances with effect from March 2004. The Tribunal set travelling allowance rates at \$370 per overnight stay in Sydney and \$300 per overnight stay in Canberra.

1.3 Acknowledgments

The Trust acknowledges the assistance and cooperation it received from many people during the year. In particular, it acknowledges the assistance and cooperation of the Governor-General and his wife, Their Excellencies Major General Michael Jeffery, AC, CVO, MC (Retd) and Mrs Marlena Jeffery; the Prime Minister and his wife, the Hon John Howard, MP, and Mrs Janette Howard; the Office of the Official Secretary to the Governor-General; the Official Establishments Unit of the Department of the Prime Minister and Cabinet; and various authorities and consultants.

2. RESPONSIBILITIES

2.1 Official Establishments Trust

The Trust is an advisory body without executive powers and consequently relies on the Department of the Prime Minister and Cabinet and the Office of the Official Secretary to the Governor-General for consultation and for carrying out its recommendations following approval or agreement. It is only with their goodwill that the Trust can effectively perform its role.

The Trust's responsibilities fall into the following main areas:

- buildings
- gardens and grounds
- internal refurbishment of public areas.

The Trust is not responsible for addressing the day-to-day operational requirements of the official establishments.

The Trust exercises its role in relation to the four official residences through its contributions to project planning and recommendations in relation to appropriate consultants and procedures. The Trust also makes recommendations in relation to possible future works required in order to properly conserve and develop the buildings and grounds and maintain appropriate standards of facilities for the official residences.

During the year the focus in relation to the residences of the Governor-General has been on the development of strategic plans for both residences and the development of a functional brief and siting plan for a replacement office building for the Honours and Awards Secretariat.

The focus in relation to the residences of the Prime Minister has been on the progression of the refurbishment of the reception rooms and upgrades relating to security, including the installation of bollards at The Lodge and the construction of a new guardhouse at Kirribilli House.

2.2 Office of the Official Secretary to the Governor-General

The statutory office of Official Secretary to the Governor-General was created in 1984 by amendment to the *Governor-General Act 1974*. Responsibilities of the Official Secretary include the management, maintenance and operation of

Government House in Canberra and Admiralty House in Sydney, the Governor-General's two official residences.

Funds for the upkeep of these residences are appropriated to the Office of the Official Secretary to the Governor-General. The Official Secretary reports to the parliament annually concerning the expenditure of those funds. Details of such expenditure during 2003–04 are provided in section 6 of this report and in the 2003–04 Annual Report of the Office of the Official Secretary to the Governor-General.

The Office of the Official Secretary to the Governor-General administers Government House, Canberra, and Admiralty House in Sydney. These heritage properties comprise approximately 55 hectares of land and over 20 buildings. Government House in Canberra is the administrative centre for the Office, where it has around 40 staff undertaking administrative functions such as administration of the Australian honours and awards system, corporate support and executive support. All are housed in various standards of office accommodation on site.

In 2003–04 the Office conducted 172 events attended by over 8700 people, seven investiture ceremonies involving the presentation of 169 awards, and 25 credentials presented by foreign diplomats taking up representational positions in Australia. A formal dinner was held in honour of HRH Crown Prince Maha Vajiralongkorn and HRH Princess Bajrakitiyabha of Thailand with a formal lunch being held at Admiralty House for HE Mr Hu Jintao, President of the People's Republic of China, and Madame Liu Yongqing. The Governor-General received visits from the Honourable George W Bush, President of the United States of America, and Mrs Laura Bush and HE Sir Anerood Jugnauth, GCSK, KCMG, POC, QC, President of the Republic of Mauritius, and Lady Jugnauth.

A private lunch was hosted for HRH Prince Harry of Wales at Government House, and HRH The Princess Royal stayed at Admiralty House during her visit to Sydney in October 2003.

2.3 Department of the Prime Minister and Cabinet

The Prime Minister's official residences, The Lodge in Canberra and Kirribilli House in Sydney, are administered by the Department of the Prime Minister and Cabinet using funds appropriated to the department by the parliament for that purpose. The department also provides secretariat support to the Trust. A senior officer of the department's People and Resource Management Branch undertakes the role of Secretary to the Trust.

Funds are provided through departmental appropriations to enable the Trust to carry out its duties in accordance with its Charter. Expenditure details in relation to the management of the Prime Minister's two official residences are included in section 6 of this report and in the department's 2003–04 Annual Report.

3. POLICY AND PLANNING

3.1 Policy Considerations

The four official residences are included on the Register of the National Estate (all except The Lodge incorporate structures that predate Federation). The Trust therefore has a responsibility to ensure that all works carried out are consistent with the philosophical approaches of the relevant conservation plans and the integrity of the residences.

The Canberra residences are also Designated Areas under the *Australian Capital Territory (Planning and Land Management) Act 1988*, and any external works at these establishments are subject to the National Capital Plan and approval by the National Capital Authority.

In all its activities the Trust considers the *Statements of Cultural Significance* included on either the Register of the National Estate or state heritage registers.

3.2 Planning Approach

The official residences are owned by and maintained for the people of Australia. As the houses are the official residences of the Governor-General and the Prime Minister, the Trust must consider issues relating to their ongoing use and serviceability. These include matters such as the practicality of the houses, the occupants' level of amenity, and the public's view of the residences' adequacy, style, standard and presentation. Such considerations mean that not only do the official residences need to be cared for, to protect their important historic building fabric, but they must also be able to be adapted, through alterations and additions, to provide the facilities essential for the occupants to perform their official functions effectively and efficiently.

To assist in achieving those aims the Trust has previously commissioned expert consultants to prepare conservation and management reports, tracing the evolution of the houses and appraising their significance, historically and architecturally, and their decorative sequences. The reports give essential guidance, authority and continuity to the upkeep and improvement of the four houses. The grounds and gardens also receive attention, and each establishment has a Grounds Conservation Management Plan.

The Trust is concerned that possible delays of certain expenditures relating to the conservation and the amenity of the four official residences are likely to have the effect of compounding problems which could have a long-term detrimental effect upon the maintenance, eventual cost and heritage value of the four residences.

4. ACTIVITIES OF THE TRUST

4.1 Meetings of the Trust

The Trust usually meets quarterly in Canberra or Sydney. During 2003–04, the Trust met on five occasions: at Government House, Canberra, in September 2003 and February 2004; at Grosvenor Place, Sydney, in November 2003, and at Admiralty House, Sydney, in December 2003 and June 2004. In addition to these Trust meetings, the Government House Committee met at Government House, Canberra, in June 2004.

To assist in the formulation of advice, Trust members have each been given responsibility in relation to a particular residence. The committee members responsible for each residence report any matters requiring consideration to the Trust. These arrangements are designed to ensure that full account is taken of the needs and views of the occupants while the role of the Trust in relation to the long-term maintenance and planning requirements of the establishments is maintained.

During 2003–04, membership of the four House Committees was as follows:

Committee	Members
Government House	Mr Richard Griffin, AM Mr Bruce Trethowan* Mrs Elaine Lawson Mrs Gay Stanton
Admiralty House	Mr Bruce Buchanan Mr Peter Watts Mrs Gay Stanton
The Lodge	Mrs Elaine Lawson Mr Bruce Buchanan Mr Bruce Trethowan* Mrs Gay Stanton
Kirribilli House	Mr Richard Griffin, AM Mr Peter Watts Mrs Gay Stanton

Note: Mr Bryce Raworth replaced Mr Trethowan on The Lodge and Government House Committees, from his commencement in August 2004.

4.2 Government House

During the year the Office of the Official Secretary to the Governor-General commenced a strategic plan for Government House, Yarralumla, that covered new works, asset life-cycles, routine and corrective maintenance. Consultants were engaged to review the condition of all buildings, test engineering services, review the condition of all major items of building equipment, assess the gardens and landscape, review all underground services and, in consultation with the Office, determine future facility and office accommodation requirements. The development of the strategic plan for Government House is being coordinated by Allom Lovell and Associates, while John Easthope and Associates is preparing a Landscape Conservation and Management Plan.

Presentations on the preliminary findings were made to His Excellency Major General Michael Jeffery, AC, CVO, MC (Retd), Governor-General of the Commonwealth of Australia, and Mrs Jeffery and also to the Official Establishments Trust. The Trust will further consider the various works issues in the later half of 2004. The various plans should be completed by the end of the calendar year.

Work continued on the development of the functional brief and siting plan for a replacement office building for the Honours and Awards Secretariat. The Secretariat is currently accommodated in a mix of a former 1970s residential building, a former butler's residence dating from 1926 and another residence that dates from 1944. All buildings have been converted for office use, with resultant inefficiencies and occupational health and safety concerns. With the high demand on the Secretariat to manage increasing workloads and to better address health and safety issues, the Office has set the construction of a replacement building as its highest priority capital works project. This has the strong support of the Official Establishments Trust.

Other priority building works in Canberra relate to the refurbishment and extension of both the Government House and Caretaker's cottages. These cottages date from 1926 and are no longer fully suitable for their purpose. The Office has worked with the Official Establishments Trust to finalise the functional brief for the upgrade of these residences, and by the end of the reporting period full documentation had been completed for the Caretaker's Cottage. Subject to final priorities established through the master planning process and funds availability, it is planned that work will commence on these buildings during 2004–05.

A number of minor works projects were undertaken during the year to: improve the heating system at the State Entrance to address operational shortfalls and overcome safety and security issues; remove an unused underground fuel

storage tank for environmental protection reasons; remove undergrowth and unsafe trees along the western boundary of the property; install a generator at the front gate to provide power in emergency situations; upgrade the key system to improve the security of buildings; and upgrade fire service systems.

The Office worked within the restrictions imposed by the National Capital Authority for the extraction of water from Lake Burley Griffin for the watering of the gardens and lawns at Government House. Some 95 per cent of the managed landscape at Government House is serviced by water drawn from the lake—the Office will be working to increase this coverage. The watering of the gardens and lawns is closely managed, with watering efficiency achieved through a computerised sprinkler control system.

The Office will continue to look for ways to improve water usage efficiency in the management of its landscaped areas. The heritage gardens and trees and the main representational landscape—covering the main drive, vista lawn and immediate surrounds of the House—are being given priority for watering. The landscape conservation plan currently being developed will include management plans to deal with ongoing drought conditions expected in Canberra.

4.3 Admiralty House

To assist with the development of the comprehensive strategic property master plan referred to in ‘Government House’ above, the Office commissioned Tanner & Associates to update the *1987 Admiralty House Conservation Management Plan* and to develop a ten-year Strategic Plan for Admiralty House. At the same time, Taylor Brammer and Associates was commissioned to prepare a Landscape Conservation and Management Plan. Building condition reports were prepared. Options for new works, asset life-cycles, and routine and corrective maintenance were addressed.

Presentations on the preliminary findings were made to the Governor-General and Mrs Jeffery and also to the Official Establishments Trust. The Trust will further consider the various works issues in the later half of 2004. The various plans should be completed by the end of the calendar year.

Work was commissioned for the upgrade of the service yard through the improvement of stormwater and sewerage systems and the replacement of a wide area of broken and damaged concrete. This area was prone to flooding during heavy rains. The upgrade was completed in July 2004.

Work was also undertaken to recommission a 124,000-litre underground water storage tank dating from the 1850s that had not been used for some time. The water collected in this tank from the roof of the House will be used to irrigate the gardens and lawns at a time when water restrictions are a feature of the Sydney environment. In compliance with the water restrictions introduced by the Sydney Water Authority, the Office reduced its water consumption and this has had a noticeable impact on the condition of the lawns and some garden areas.

A number of minor works projects were undertaken during the year, including the refurbishment of all garden beds that were overgrown, the removal of a number of unsafe trees and the upgrade of the swimming pool fence to meet local government safety standards.

4.4 The Lodge

Works undertaken at The Lodge included a modest upgrade of the guest toilet facilities, installation of new carpet in the staff areas, remedial work to the swimming pool and minor internal painting.

Interior designer Ms Mary Durack continued to provide design services in relation to the refurbishment of the reception areas. This included the design for new armchairs and side tables for the morning and drawing rooms and the design for new carpet for the foyer and staircase.

With the aim of improving security at the residence, the Protective Security Coordination Centre installed bollards at the rear gates.

The Trust has identified a number of future works and maintenance requirements, not the least of which is the replacement of the slate roof. A strategic plan for The Lodge will be developed during the year and will include a programme for the various works required.

The Trust maintains its view that The Lodge is inadequate in a number of respects. The Trust has in previous years recommended that planning should commence for a new official residence for the Prime Minister of Australia. The Trust notes, however, that the Prime Minister has indicated that this is not to be pursued at this time.

4.5 Kirribilli House

Following consultation with Clive Lucas, Stapleton and Partners and the relevant heritage bodies, significant work was undertaken on the sewerage system and air-conditioning was installed to the staff quarters.

The Protective Security Coordination Centre managed the construction of a new guardhouse to replace the previously inadequate structure, in consultation with Clive Lucas, Stapleton and Partners. The new building reflects the style of the residence and provides a more functional centre from which the guards carry out their duties.

5. THE AUSTRALIANA FUND

5.1 Origins and Administration of The Australiana Fund

The Australiana Fund (The Fund) was established as a private company in 1978 to encourage direct public participation in the acquisition and preservation of a permanent collection of works of Australian artistic and historical interest for the four official residences.

The collection, owned and maintained by The Fund, is loaned to the four official establishments and is valued at more than \$4 million.

The Fund's acquisitions are financed from its own resources and through direct public participation in the form of private and corporate donations. In 1996, the Prime Minister endorsed the continued provision of financial support to The Fund through a government contribution towards meeting administrative costs. In 2003–04, a grant-in-aid of \$87,500 was provided to The Fund through the Department of the Prime Minister and Cabinet for that purpose. None of the grant-in-aid funding is used for acquisitions.

Since The Fund's inception, the wife of the Prime Minister of the day has been its President *ex-officio*. The Trust Chairman, Mr Richard Griffin, AM, is also Chairman of The Fund. Trust member Mrs Elaine Lawson is also a Council member of The Fund, thereby maintaining the links between The Fund and the Trust.

5.2 Acquisitions during 2003–04

During 2003–04, The Australiana Fund acquired the following items:

- Card table c.1848–51, cedar, fold-over table with a circular baize-covered playing section over a central column with applied carving and lions paw feet. Located at Government House.
- Set of two punch bowls, Chinese export porcelain, c.1829, commissioned in China for the first elected Lord Mayor of Sydney, decorated with sacred carp design on the inside, rose medallion borders including Mandarin figures on the outside. Located at Admiralty House.
- Pair of hall chairs, cedar and paint c.1830, decorated with a sculpted and painted crest and motto: Pollet Virtues (Virtue excels). Located at Kirribilli House.

6. FINANCIAL ALLOCATIONS

6.1 Expenditure 2003–04

The Trust, in accordance with its Charter, provides advice to government in relation to proposed expenditure for capital works and services, repairs and maintenance, including grounds maintenance, and furniture and fittings. The Trust has no funds allocated to it (therefore no grants are provided by it), and all expenditure on the official establishments is undertaken through appropriations to either the Office of the Official Secretary to the Governor-General or the Department of the Prime Minister and Cabinet.

The Portfolio Budget Statements for the Prime Minister and Cabinet Portfolio provide summary information on appropriations for the official establishments.

6.2 Vice-Regal Residences—Government House and Admiralty House

The following table, based on data provided by the Office of the Official Secretary to the Governor-General, provides details of appropriations and expenditure for 2003–04 and expenditure for 2002–03 in relation to Government and Admiralty Houses.

	2003–04 Appropriation \$	2003–04 Expenditure \$	2002–03 Expenditure \$
Governor-General's office and establishments			
Running costs, repairs and maintenance	709,900	599,291	419,651
Capital works and services			
Buildings, works, plant and equipment	716,000	187,233	475,220
TOTAL	1,425,900	786,524	894,871

Note: These expenditure figures include repairs and maintenance costs, property operating expenses and capital works and services expenditure only. Other expense items associated with the management of the Governor-General's residences—such as wages, household costs and the costs of guarding, security maintenance and so on—are not included.

6.3 Prime Minister's Official Residences—The Lodge and Kirribilli House

The following table, based on data provided by the Department of the Prime Minister and Cabinet, provides details of appropriations and expenditure for 2003–04 and expenditure for 2002–03 for The Lodge and Kirribilli House.

	2003–04 Appropriation \$	2003–04 Expenditure \$	2002–03 Expenditure \$
Administered			
Maintenance and conservation – Prime Minister's official residences	397,681	366,681	442,703
TOTAL	397,681	366,681	442,703

Note: These expenditure figures include maintenance and conservation (including grounds maintenance) and capital works expenditure only. Other expense items associated with the management of the Prime Minister's residences—such as wages, household costs and the costs of guarding, security maintenance and so on—are not included.