



Australian Government

Department of the Prime Minister and Cabinet

Official Establishments Trust

2006-07

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-eighth Annual Report of the Official Establishments Trust, for the year ended 30 June 2007.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Richard Griffin'.

Richard Griffin AM
Chairman

31 October 2007

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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.

Mrs Elaine Lawson's and Mrs Gay Stanton's appointments have expired, however their reappointment has been recommended. The members of the Trust and their periods of appointment, as at 30 June 2007, are as follows.

Member	Appointment
Mr Richard Griffin AM (Chairman)	7 June 1999—6 June 2008
Mr Bruce Buchanan	31 May 1994—7 June 2008
Mrs Elaine Lawson	7 June 1999—6 June 2007
Mrs Gay Stanton	8 June 2001—7 June 2007
Mr Peter Watts AM	11 June 2002—10 June 2008
Mr Bryce Raworth	20 August 2004—19 August 2007

Mr Griffin has a distinguished business career and was Chairman of The Australiana Fund from 1995 until he retired from the position in April 2005. Mr Buchanan is a highly respected architect. Mrs Lawson was Senior Curator of Australian Capital Territory Historic Places until she retired in July 2001. Mrs Stanton is a highly respected landscape designer. Mr Watts is Director of the Historic Houses Trust of New South Wales and complements the Trust with a detailed understanding of heritage issues associated with historic buildings. Mr Raworth is a conservation consultant and architectural historian.

The sitting fees payable in 2006–07 were \$725 per day for the Chairman and \$548 per day for other Trust members. The Remuneration Tribunal set travelling allowance rates at \$402 per overnight stay in Sydney and \$332 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 Marlina 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 Section 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 relate to conserving the heritage values and ensuring the amenity of the official establishments. 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 on the use of consultants and application of appropriate procedures. The Trust also makes recommendations in relation to future works required to properly conserve and develop the buildings and grounds and maintain appropriate facilities for the official residences.

During 2006–07 the focus in relation to the residences of the Governor-General was on the development of strategic works schedules for both residences, and the completion of a replacement office building for the Honours and Awards Secretariat.

The focus in relation to the residences of the Prime Minister was on the management of the grounds and gardens in drought conditions, in particular the planning for the installation of water tanks, the appointment of a consultant heritage architect for The Lodge and the identification of future planning needs.

2.2 Office of the Official Secretary to the Governor-General

The Office of the Official Secretary to the Governor-General (the Office) administers Government House, Canberra, and Admiralty House, Sydney. These Commonwealth listed heritage properties comprise approximately 55 hectares of land and more than 20 buildings.

Government House in Canberra is the administrative centre of the Office, where over 80 staff members undertake functions such as corporate and executive support, property management, household services, and administration of the Australian honours and awards system. Detailed information about the Office and its activities can be found at www.gg.gov.au.

The properties continued to be used extensively during the year for the many functions and events hosted by the Governor-General. The main House was the venue for 122 events, collectively attended by more than 6,600 people; six investiture ceremonies involving the presentation of 146 awards; and 22 ceremonies where foreign diplomats presented their letters of credence to take up representational positions in Australia.

State dinners were held in honour of the President of the Republic of Korea, HE Mr Roh Moo-hyun, and Mrs Kwon Yang-suk; the President of the Republic of Finland, HE Ms Tarja Halonen, and Dr Pentti Arajärvi; and the President of the Republic of the Philippines, HE Ms Gloria Macapagal-Arroyo. A dinner in honour of Their Royal Highnesses the Prince of Orange and Princess Maxima of the Netherlands was also held.

Government House was opened to support the community and fundraising programmes of a number of organisations. These included The Smith Family (open house and garden event), the Canberra Symphony Orchestra (prom concert in the gardens), Guides Australia (fete in the grounds) and The Australiana Fund (weekly garden tours during the warmer months, and an open house and garden event). Collectively, these events were attended by over 19,400 people and raised in excess of \$111,000 for the various organisations. Over 8,900 school students and teachers from 178 schools visited the property for tours of the house and grounds.

In previous reports it was noted that the Office had received Government approval for the implementation of a ten-year property development and maintenance programme of works for both vice-regal properties commencing in 2005-06. Works have been completed in each of 2005-06 and 2006-07. Additional funding was also received in 2006-07 for the construction of a replacement office building for the Honours and Awards Secretariat, to replace unsatisfactory office accommodation in former residences that date back to the 1920s; this new building was completed in December 2006. The Trust is consulted on all major works activity and continues to support the implementation of the works programme.

As noted in last year's report the Office prepared a Heritage Strategic Plan, as required under the *Environment Protection and Biodiversity Conservation Act 1999*, which was approved by the then Minister for the Environment and Heritage in September 2006. The plan is available for review on the Governor-General's website www.gg.gov.au. The Office has commenced the preparation of a management plan for each of the properties.

A computerised maintenance management system was implemented with all maintenance and building work being recorded. The system will assist the Office with its professional and considered approach to the maintenance of the properties. The system will be an important knowledge management base for the recording of plant and equipment life cycles, maintenance and asset history, contractor and supplier details, plans and maintenance manuals; and for the direction of maintenance tasks.

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 Governance 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 2006–07 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. To ensure their ongoing use and serviceability as the official residences of the Governor-General and Prime Minister of the day, the Trust must consider 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. The Trust is aware of the need to protect the important historic building fabric of the official residences, while providing 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; each establishment has a Grounds Conservation Management Plan.

The Trust is concerned that possible delays of certain expenditures relating to the four official residences may have the effect of compounding problems which could have long-term detrimental effects upon the condition, maintenance costs and heritage value of the residences.

4 ACTIVITIES OF THE TRUST

4.1 Meetings of the Trust

The Trust usually meets quarterly in Canberra or Sydney. During 2006–07 the Trust met on five occasions: at The Lodge, Canberra, in September 2006; Government House, Canberra, in March 2007; and at Admiralty House, Sydney, in December 2006 and June 2007. The Trust also met at Admiralty House, Sydney, in July 2006. This was in place of the regular June meeting which had to be rescheduled. 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 2006–07, membership of the four House Committees was as follows.

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

Note: the Chairman is also an ex-officio member of the House Committees for The Lodge and Admiralty House.

4.2 Government House

In 2006–07, the Office continued to work on the implementation of projects identified in the ten-year property development and maintenance programme. Not surprisingly, additional projects were identified that required urgent attention and these were also undertaken as funds were available.

The major works project undertaken over the last two years has been the construction of replacement office accommodation for the Honours and Awards Secretariat, replacing former residential accommodation that had been modified for office accommodation. The works commenced in February 2006 and the Secretariat staff moved into their completed office accommodation in December 2006, after some

twelve months working from temporary portable accommodation set up within the grounds of Government House. A separate meeting room was also constructed to provide for meetings such as the Honours councils, staff workshops and training, meetings hosted by the Governor-General and for the briefing of visiting school groups. The new buildings were officially opened by the Governor-General at a ceremony conducted on 7 March 2007.

Other significant works completed or commenced in 2006–07 included replacement of failing voice cabling and the installation of data cabling from the front gate security office to the Chancery building to ensure appropriate communications infrastructure; underpinning of the 1991 lounge and dining room extension to the House Manager's Cottage that was starting to collapse because of failing foundations; upgrade of electric distribution switchboards to improve safety and equipment protection; replacement of the hot water systems (one of which was unserviceable and the other expensive to operate), and installation of improved safety and operational controls in the Boiler Room; upgrade of air-conditioning in the Chancery building to overcome inadequate air-flows and issues with heating and cooling capacity; and the replacement of the external staircase to the Stables building that was failing due to normal wear and tear and presenting a safety issue.

A number of environmental improvement projects were completed. They included installing upgraded lighting in the service wing of the main House, to reduce energy use; replacement of incandescent light globes with compact fluorescent light globes wherever possible; grounds maintenance activity included the trial of drought tolerant grass in a number of areas, installation of below surface irrigation systems in garden beds, and the recycling of wood chip from fallen trees to be used as garden mulch.

An updated energy conservation report was commissioned to see how savings could be achieved through improved energy saving investments and practices. The report's recommendations will be considered in the near future.

The number of ageing trees and the general drought conditions have had a significant impact on the more than 2,000 trees and large bushes at Government House. A number of trees have fallen through high winds and tree maintenance has continued to remove unsafe or damaged trees. This is emerging as a major issue for the Office in the management of the grounds as there will be a cycle requiring the removal and replanting of trees and other bushes to ensure the safety of staff and visitors as well as maintaining the heritage values. The cost of this work will increasingly become a significant issue into the future.

The Office continued to examine more effective ways to use scarce water resources while still maintaining heritage landscapes for future generations. Through changing priorities and better management of garden beds the office achieved a reduction of 20 per cent in the amount of water drawn from Lake Burley Griffin during the year, despite the continuing drought in the region.

4.3 Admiralty House

A number of works projects were either commenced or completed in 2006-07 as part of the works programme for Admiralty House. This included works identified in the ten-year works programme or newly identified works that needed to be undertaken because of their urgency.

Significant works completed or commenced in 2006–07 included replacement of rusted safety rails to the Harbour to improve safety; replacement of a structurally unsafe wall between the main drive and the service courtyard to improve safety; upgrade of the garages to remove lead paint and install automatic doors for health and safety purposes; refurbishment of inadequate kitchen and toilet facilities and repainting of the interior of the Gatehouse used by the Australian Federal Police Protective Services staff; replacement of a collapsing pergola and replacement of underlying pathway to remove trip hazards and generally improve safety in the area.

The Office also continued its work to improve the gardens and landscape at Admiralty House in accordance with the works schedule and landscape plan overseen by our heritage landscape architect, Taylor Brammer Landscape Architects Pty Ltd. Further soft and hard landscape work will continue into the future for the implementation of this plan.

The Water Conservation Group was engaged to prepare a water conservation report to see how the Office could better manage the water resources available to it, especially the use of the 124,000 litre underground water tank that was recently recommissioned for the watering of the grounds. The report was received late in the year and its recommendations are being considered.

4.4 The Lodge

During 2006-07 the department engaged the services of heritage architects Lovell Chen to prepare a strategic plan for the ongoing maintenance of the residence. Lovell Chen will also provide project and planning advice with regard to the existing Conservation Management Plan.

In late 2006 and early 2007 severe storms resulted in significant damage in the grounds at The Lodge. Several trees were uprooted including two significant eucalypts which were planted in 1959 by Dame Pattie Menzies. Replacement eucalypts were planted by the Prime Minister and Mrs Howard on Australia Day 2007. Other plantings have been undertaken to replace the many trees and shrubs damaged in the storms.

Having been severely damaged in the storms, another significant tree, a Monterey Cypress which was part of the original garden, was removed. Advice was sought from a heritage tree specialist and the necessary approvals were obtained from the National Capital Authority prior to its removal. The tree had sustained significant damage over time and about eight years ago a replacement cypress was planted behind the tree that has been removed. The replacement tree is now of a significant size.

Two elm trees, which were grown from cuttings from the original plantings at The Lodge, were planted in the avenue of elms in the grounds this year. Planning for the installation of a water tank at The Lodge to collect rain water for use in maintenance of the grounds is underway.

Environmental concerns have been addressed at the residence, particularly in regard to water conservation. The gardeners have actively worked to reduce the water consumption in the gardens through the use of wetting agents, mulch and efficient watering systems. Energy efficient light bulbs have also been installed in the residence.

4.5 Kirribilli House

Several bathrooms were refurbished at Kirribilli House in 2006-07 and this included the installation of water saving devices where possible.

In early 2007, two 1500 litre water tanks were installed to collect rainwater for use in the gardens. Approval has been obtained for the installation of a 23,000 litre PVC tank in the grounds and it is expected to be in place in the second half of 2007. It is planned that the tank will be screened by plantings consistent with the existing landscaping.

Environmental concerns have been addressed at the residence, particularly in regard to water conservation. The gardener has actively worked to reduce the water consumption in the gardens through the use of wetting agents, mulch and efficient watering systems. Energy efficient light bulbs have also been installed in the residence.

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 \$5 million. Detailed information about The Fund and its activities can be found at www.theaustralianafund.org.au.

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 2006-07, a grant-in-aid of \$96,500 (plus GST) 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. Mr Donald McDonald, AO, is the current Chairman of The Fund. Close links are maintained between the Trust and The Fund. As Chairman of the Trust, Mr Richard Griffin, AM, is a non-elected Councillor of The Fund and Trust member Mrs Elaine Lawson is a Councillor of The Fund.

5.2 Acquisitions during 2006–07

During 2006–07, The Australiana Fund acquired:

- a Royal Doulton Cup and Saucer decorated with waratahs by Lulu Shorter, circa 1913;
- “There Goes A Good Bloke” Cartoon by Frith, 1947;
- A Highly Important Tasmanian card table;
- Large Doulton vase and cover;
- A Studio Glass vase by Amanda Loudon;
- Two silver plated salts by Stokes and Sons;
- a pair of silver table bells; and
- a portrait sketch of Lord Casey by Louis Kahan.

6 FINANCIAL ALLOCATIONS

6.1 Expenditure in 2006–07

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, summarises expenditure for 2006–07 and 2005–06 in relation to Government House and Admiralty House.

	Expenditure (\$)	
	2006–07	2005–06
<i>Governor-General's office and establishments</i>		
Running costs	916 800	1 032 259
<i>Capital and minor works</i>		
Buildings, works, plant and equipment	4 531 470	1 771 247
TOTAL	5 448 270	2 803 506

Note: These figures include repairs and maintenance, property operating expenses, property-related consultancies and capital works and services expenditure only. Other expense items associated with the general operations of the Office and management of the Governor-General's residences—such as wages, household costs and the costs of guarding and general security—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, summarises expenditure for 2006–07 and 2005–06 in relation to The Lodge and Kirribilli House.

	Expenditure (\$)	
	2006–07	2005–06
<i>Administered item</i>		
Maintenance and conservation—Prime Minister's official residences	403 701	337 382
TOTAL	403 701	337 382

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.