



Australian Government

Department of the Prime Minister and Cabinet

Official Establishments Trust

2007-08

ANNUAL REPORT

© Commonwealth of Australia 2008

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Australian Government, available from the Attorney-General's Department. Requests and enquiries concerning reproduction and rights should be addressed to the Commonwealth Copyright Administration, Copyright Law Branch, Attorney-General's Department, National Circuit, Barton, ACT 2600, or posted at <http://www.ag.gov.au/cca>.

Produced by the Department of the Prime Minister and Cabinet.

Contact officer

Secretary
Official Establishments Trust
Department of the Prime Minister and Cabinet
One National Circuit
Barton ACT 2600

Telephone: (02) 6271 5196
Fax: (02) 6271 5033
Website: www.dpmc.gov.au



OFFICIAL ESTABLISHMENTS TRUST

The Hon Kevin Rudd MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

I have pleasure in submitting the twenty-ninth Annual Report of the Official Establishments Trust, for the year ended 30 June 2008.

Yours sincerely

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

Richard Griffin AM
Chairman

2009

Contents

1	INTRODUCTION	1
1.1	Origins and Role of the Official Establishments Trust	1
1.2	Membership	2
1.3	Acknowledgments	3
2	RESPONSIBILITIES	4
2.1	Official Establishments Trust	4
2.2	Office of the Official Secretary to the Governor-General	5
2.3	Department of the Prime Minister and Cabinet	6
3	POLICY AND PLANNING	7
3.1	Policy Considerations	7
3.2	Planning Approach	7
4	ACTIVITIES OF THE TRUST	8
4.1	Meetings of the Trust	8
4.2	Government House	9
4.3	Admiralty House	9
4.4	The Lodge	10
4.5	Kirribilli House	10
5	THE AUSTRALIANA FUND	11
5.1	Origins and Administration of The Australiana Fund	11
5.2	Acquisitions during 2007–08	11
6	FINANCIAL ALLOCATIONS	12
6.1	Expenditure in 2007–08	12
6.2	Vice-Regal Residences—Government House and Admiralty House	12
6.3	Prime Minister’s Official Residences—The Lodge and Kirribilli House	13

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 up 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 2007–08. Ms Suzie Forge was appointed as a member of the Trust for three years from 15 September 2007. Mr Bryce Raworth was reappointed for three years from 21 August 2007. The terms of Mr Richard Griffin, Mr Bruce Buchanan and Mr Peter Watts expired in June 2008 and their reappointment had not been finalised at 30 June 2008. However, these members were later reappointed for one year from 28 July 2008. The members of the Trust and their periods of appointment (including reappointments), as at 30 June 2008, are as follows.

Member	Appointment
Mr Richard Griffin AM (Chairman)	7 June 1999—6 June 2008 (subsequently 27 July 2009)
Mr Bruce Buchanan	31 May 1994—7 June 2008 (subsequently 27 July 2009)
Mrs Elaine Lawson	7 June 1999—6 June 2009
Mrs Gay Stanton	8 June 2001—7 June 2009
Mr Peter Watts AM	11 June 2002—10 June 2008 (subsequently 27 July 2009)
Mr Bryce Raworth	20 August 2004—19 August 2010
Ms Suzie Forge	15 September 2007 – 14 September 2010

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. Ms Forge is an interior designer, specialising in historic interiors and restorations.

The sitting fees payable in 2007–08 were \$756 per day for the Chairman and \$572 per day for other Trust members. The Remuneration Tribunal set travelling allowance rates at \$405 per overnight stay in Sydney and \$335 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, the Hon Kevin Rudd MP and his wife Ms Therese Rein; former Prime Minister the Hon John Howard, and his wife 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 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 2007–08 the focus in relation to the residences of the Governor-General was on the development and implementation of strategic works schedules for both residences.

The focus in relation to the residences of the Prime Minister was planning for possible refurbishments of the guard facilities and on providing advice to the new occupants on the role of the Trust.

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 90 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 for the many functions and events hosted by the Governor-General. During the year 120 of these functions and events were held in the two houses, collectively attended by more than 8150 people. Five investiture ceremonies involving the presentation of 170 awards were also held, as were 24 ceremonies where foreign diplomats presented their letters of credence to take up representational positions in Australia.

State dinners were held in honour of the Governor-General of New Zealand and the President of the People's Republic of China.

The houses were opened to support the community and fundraising programs of a number of charitable organisations. These included The Smith Family (open house and garden event), the Canberra Symphony Orchestra (prom concert in the gardens) and the Australiana Fund (weekly garden tours, and an open house and garden event). Collectively, these events were attended by over 23,000 people. Over 10,100 school students and teachers from 202 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 program of works for both vice-regal properties. The Trust is consulted on all major works activity and continues to support the implementation of the works program.

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 2007–08 Annual Report.

3 POLICY AND PLANNING

3.1 Policy Considerations

The four official residences, including their gardens and grounds and some internal features, furniture and objects, are included on the Commonwealth Heritage List. As Commonwealth Heritage Places they are protected under the provisions of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). These include the requirement that each place has a management plan, which is consistent with the Commonwealth Heritage management principles, that the Commonwealth heritage values of the places are protected and preserved for future generations, and that any proposed action likely to have an adverse or significant impact on the place's values is referred to the Minister for the Environment and Heritage for a decision.

The residences are also included in 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 Official Values as described for each place in its listing on the Commonwealth Heritage List, and, where relevant, the Statement of Cultural Significance in its listing in the Register of the National Estate or state heritage register.

3.2 Planning Approach

The official residences are maintained by the Commonwealth for the people of Australia. To provide advice about 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. In formulating its advice, the Trust considers both the conservation and interpretation requirements of the important historic building fabric of the official residences, and the need for those facilities which are essential to allow 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 aware that the reports and management plans for The Lodge and Kirribilli House require updating to comply with the requirements of the EPBC Act.

4 ACTIVITIES OF THE TRUST

4.1 Meetings of the Trust

The Trust usually meets quarterly in Canberra or Sydney. During 2007–08 the Trust met on four occasions: at The Lodge, Canberra, in September 2007; at the Department of the Prime Minister and Cabinet in March 2008; and at Admiralty House, Sydney, in December 2007 and June 2008. 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 2007–08, 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 Ms Suzie Forge
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 Ms Suzie Forge

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

4.2 Government House

In 2007–08, the Office continued to work on the implementation of projects identified in the ten-year property development and maintenance program or newly identified works that needed to be undertaken because of their urgency.

Significant works completed or commenced in 2007–08 included the upgrade of centralised heating and air conditioning to overcome inadequate air flow and issues with heating and cooling capacity; replacement of the original 1992 kitchen flooring that was failing due to normal wear and tear and had become a safety issue; replacement of failing Main House pergola and Chancery building interiors repainting.

A number of environmental improvement projects were completed. They included replacement of incandescent light globes with compact fluorescent light globes wherever possible, installation of drip irrigation systems in garden beds and the recycling of wood chip from fallen trees to be used as garden mulch.

4.3 Admiralty House

A number of works projects were either commenced or completed in 2007-08 as part of the works program for Admiralty House. This included works identified in the ten-year works program or newly identified works that needed to be undertaken because of their urgency.

Significant works completed or commenced in 2007–08 included refurbishments of State Reception Room, Dining Room and Main Bedroom Suite that had deteriorated since last refurbished in the 1990s. Upgrade of the original cabling throughout the building to ensure suitable communications infrastructure; repair of window shutters which were in both a dilapidated and dangerous condition and replacement of underlying pathway to remove trip hazards and generally improve safety in these areas was also undertaken.

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.

4.4 The Lodge

In late 2007 an Arizona Cypress was removed. Advice was sought from an arborist and the necessary approvals were obtained from the National Capital Authority prior to its removal. The tree had sustained significant damage over time and several limbs had fallen. Also in the gardens, a Dame Pattie Menzies rose, donated by a Menzies family member, was planted in the grounds.

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 and low-flow shower heads have been installed in all bathrooms in the residence.

In December 2007 a study and a dressing room were repainted and in January 2008 air conditioning was installed in the study and the attic bedroom. Early in 2008 two hot water systems failed and were replaced.

4.5 Kirribilli House

In July 2007 the powder room bathroom was refurbished which concluded the bathroom renovations at the residence.

Also in July 2007, a 23,000 litre PVC tank was installed in the grounds. A rock wall was extended around the tank and some associated plantings, sympathetic to the surrounding grounds were undertaken.

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 and low-flow shower heads have been installed in all bathrooms 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 previous Prime Minister endorsed the continued provision of financial support to The Fund through a government contribution towards meeting administrative costs. In early 2008 Prime Minister the Hon Kevin Rudd, MP approved payment of a grant-in-aid for 2007-08. A grant of \$103,000 (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.

Mr Donald McDonald, AC, 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 2007–08

During 2007–08, The Australiana Fund acquired:

- *Cook, The Discoverer*, 2007, by Georg Forster, fax transcript of 1787 original, bound in quarter tan roo skin;
- Photograph of Lord and Lady Northcote with staff at New South Wales Government House, c. 1904-05, men in uniform;
- Australian Red Cedar Display Cabinet, 2007, by Neil Scobie;
- Untitled Earthenware Pot, 1987, by Thancoupie;
- Copper goblet, 1988, from the Great Cobar Copper Mine;
- A pair of silver candlesticks by FJ Mole, c. 1930; and
- Silver Claret Jug, by William Edwards.

6 FINANCIAL ALLOCATIONS

6.1 Expenditure in 2007–08

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 2007–08 and 2006–07 in relation to Government House and Admiralty House.

	Expenditure (\$)	
	2007–08	2006–07
<i>Governor-General's office and establishments</i>		
Running costs	732 242	916 800
<i>Capital and minor works</i>		
Buildings, works, plant and equipment	2 731 864	4 531 470
TOTAL	3 464 106	5 448 270

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 2007–08 and 2006–07 in relation to The Lodge and Kirribilli House.

	Expenditure (\$)	
	2007–08	2006–07
<i>Administered item</i>		
Maintenance and conservation—Prime Minister's official residences	306 285	403 701
TOTAL	306 285	403 701

Notes: 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.

Changes to accounting procedure at the Department means that machine maintenance is not included in the 2007-08 totals, however the cost is not significant. In 2006-07 machine maintenance costs were a combined total of \$4 377.