2

# **The Proposed Works**

#### Need

- 2.1 The Commonwealth agencies that originally occupied the building have changed operations over time resulting in a reduction in numbers of Australian and local staff.<sup>1</sup> The reduced level of occupation has not been compensated for by growth in the size or number of agencies occupying the building, leaving many areas of the Chancery vacant, underutilised or inefficiently configured.<sup>2</sup>
- 2.2 A report by consultants GHD Pty Ltd submitted in August 2003 provided detailed recommendations as to the scope and nature of the proposed comprehensive mid-life refurbishment of the building structure, engineering services and fitout.<sup>3</sup>
- 2.3 The existing Chancery building is inadequate for its purpose, specifically:
  - the current building has significant deficiencies in meeting Australian and Singaporean building requirements;
  - the building requires upgrades to comply with OH&S and Building Code of Australia standards;
  - entrance, reception and representational areas do not meet DFAT (and occupying agencies) standards;

<sup>1</sup> Appendix C, Submission No. 1, paragraph 2.5

<sup>2</sup> ibid, paragraph 2.6

<sup>3</sup> ibid, paragraph 2.7

- current workplace layout is not functional;
- service provision and core environmental services require upgrading to increase amenity; and
- the current arrangement of tenant agencies is not cost-effective.<sup>4</sup>

### Scope

- 2.4 Proposed refurbishment of the Chancery will consist of:
  - upgrade of building mechanical, electrical, hydraulic and fire engineering services, and removal of hazardous materials;<sup>5</sup>
  - refurbishment of existing and new Access Control, Security and Secure Communication systems;<sup>6</sup>
  - refurbishment of mail, drivers' and cleaners' rooms;
  - new office fitouts for tenant agencies, including consolidation of tenant operations to four of the five floors, leaving the third floor vacant;<sup>7</sup> and
  - minor modification of the entry driveway and resealing of bitumen services.<sup>8</sup>

### **Purpose**

- 2.5 DFAT state that the refurbishment will:
  - maintain the High Commission as the primary owner/occupier of the building;
  - provide efficient, high quality accommodation and representational facilities that meet the current requirements of the High Commission; and

<sup>4</sup> Appendix C, Submission No. 1, paragraphs 3.1-3.3

<sup>5</sup> ibid, paragraph 11.1

<sup>6</sup> ibid, paragraph 12.2

<sup>7</sup> ibid, paragraph 12.3

<sup>8</sup> ibid, paragraph 13.2

THE PROPOSED WORKS 7

provide an opportunity for the consolidation of current tenant accommodation within the building and create potential for the accommodation of other function.<sup>9</sup>

## **Project Delivery**

2.6 A traditional design, documentation, tendering and contracting delivery methodology has been selected for this project. DFAT has determined that this process will deliver best value for money and will give DFAT full control of all project delivery. A single contract will be awarded for the construction and fitout works.<sup>10</sup>

#### Cost

- 2.7 The total estimated cost of the proposed development is \$12.7 million based on August 2003 prices. This figure includes:
  - escalation;
  - construction costs;
  - consultants' fees;
  - project management; and
  - supervision and site office expenses.<sup>11</sup>
- 2.8 The cost estimate does not include:
  - provision of loose furniture;
  - provision of artworks;
  - provision of white goods;
  - interest charges; or
  - duties taxes or Singaporean GST (as it is expected that the project will be exempt).<sup>12</sup>

<sup>9</sup> Appendix C, Submission No. 1, paragraph 5.1

<sup>10</sup> ibid, paragraph 30.1-30.2

<sup>11</sup> ibid, paragraph 29.1

<sup>12</sup> ibid, paragraph 29.2-29.3