



Australian Government
**Department of Immigration
and Border Protection**

**PROPOSED FIT-OUT
OF NEW LEASED PREMISES
FOR THE
DEPARTMENT OF IMMIGRATION &
BORDER PROTECTION
HEADQUARTERS PROJECT**

**STATEMENT OF EVIDENCE
TO THE
PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS**

(Submission 1.0)

DEPARTMENT OF IMMIGRATION & BORDER PROTECTION
6 CHAN ST
BELCONNEN, ACT
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NEED FOR WORKS

Introduction

1. On 1 July 2015, two large and complex organisations, each with a proud history of serving the nation, fully integrated into one Department, with one mission: to protect Australia's border and manage the movement of people and goods across it. The Department of Immigration and Border Protection (the Department), including its operational enforcement arm, the Australian Border Force, manages a system of border processes that oversee the flow of people and goods to and from our nation.
 2. The Department's vision is to be Australia's trusted global gateway. The Department is the gateway between Australia and the world, facilitating trade, travel and migration while protecting Australia from threats to the border. The Department's overarching strategic objectives are to:
 1. Protect Australia;
 2. Promote responsive migration;
 3. Advance trade and revenue; and
 4. Lead border innovation.
 3. The Department delivers services through offices and operational facilities in every Australian state and territory, and in 52 locations around the globe.
 4. The Department employs around 14,300 people nationally, of which approximately 6,000 in Canberra. In addition to the 14,300 employees, the Department utilises the services of 1,190 locally engaged employees at overseas posts.
 5. The Department's current ACT commercial office portfolio consists of 100,317sqm of leased office nett lettable area (NLA), spread across twelve properties and four suburbs. The leases are due to end progressively between 2017 and 2020, with limited options to extend and are all being proposed for consolidation under the Headquarters Project.
 6. Through the procurement of leases to support the Headquarters Project, the Department is planning to consolidate its functions into approximately 85,700sqm of office NLA over two precincts, resulting in spatial savings in the order of 14,600sqm on leased office accommodation compared to the current lease portfolio.
 7. The Whole of Australian Government (WOAG) procurement process has identified potential lease savings for the Department of \$236 million primarily driven by a reduction in leased office
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accommodation area over a 30 year period (nominal), the competitive procurement process and more efficient whole of life costs.

8. The Headquarters Project will not only achieve Commonwealth efficiencies, including meeting the Australian Government Property Data Collection (PRODAC) requirements, but will also provide accommodation that is designed to enhance the Departments capability across all areas of business, in particular the operational activities of the Australian Border Force (ABF).
 9. The Headquarters Project will provide the Department an opportunity to develop a new workplace that is innovative, fit for purpose and allows for this transformation. The proposed office accommodation will also assist towards improving internal and external collaboration and provide a higher level of overall amenity to staff. These effects will be largely achieved through the provision of a modern purpose-built flexible fit-out, which will facilitate greater agility for the Department.
 10. The Headquarters Project will also provide key accommodation to enable the co-location, and more importantly, the integration of the Department's operational capabilities of border monitoring, control and operational areas that will enhance the Departments effectiveness in achieving its mission.
 11. In these operational areas, the Headquarters Project must provide a capability that extends well beyond that of a normal office building. Operational and monitoring areas must be capable of supporting unified uninterrupted operations (24/7). The Department must also work at the requisite level of security for protecting its people, its information and assets and it must be capable of accommodating and integrating external agencies whom work alongside.
 12. It is also intended that the current ABF College and Training facilities located at Fyshwick will be amalgamated as part of the Headquarters project. The ABF College and training facilities will be integral in ensuring the Department will have a highly skilled workforce, which will deliver professional, disciplined and flexible border protection capability well into the future.
 13. This proposal seeks Parliamentary approval for the fit-out and lease of 85,700sqm of commercial office NLA. The Headquarters Project office accommodation will:
 1. Support the department achieving its strategic objectives;
 2. Facilitate enhancement of the capability through the provision of a purpose built fit-out;
 3. Provide an integrated operational command and control capability;
 4. Assist towards the realisation of financial efficiencies and fiscal savings for Government;
 5. Meet or exceed Government guidance regarding space utilisation (PRODAC);
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6. Meet the Department of Finance's Commonwealth Property Management Framework Lease Endorsement Process including the local area impact assessment requirements; and
 7. Meet current and planned departmental functional requirements until at least 2032.
14. The Department has established, on the basis of the conceptual design, a cost estimate of \$257.3 million (excluding GST) for the proposed fit-out of its office accommodation. This cost estimate includes provision for cost escalation, contingencies, relocations, associated professional fees, and internal costs. The make-up of this estimate is:
1. \$214.3 million (excluding GST) of fit-out works, including \$28.9 million of escalation and contingency;
 2. \$25.0 million (excluding GST) for relocations and professional fees; and
 3. \$18.0 million (excluding GST) of internal Departmental staff costs and ICT costs.
15. The Department has secured funding for the project of \$257.39 million (excluding GST). The make-up of this funding is:
1. \$214.32 million (excluding GST) met through incentives offered by building owners;
 2. \$25.04 million (excluding GST) of Commonwealth funds which was provided through the 2014-2015 Budget process as part of the former Australian Customs and Border Protection Service (ACBPS) measure titled "Smaller Government – Strengthen and enhance Australia's border protection services". As part of the 2015-16 Budget, the Government agreed that second pass approval for the initiatives within this measure would be provided in a staged approach. Second Pass approval for the \$25 million in commonwealth funding will be sought through the 4th tranche of this staged approach; and
 3. \$18.03 million (excluding GST) of internal costs to be absorbed by the Department.

Background

16. The need for the Department to identify future accommodation was firstly initiated in 2013 in response to the impending expiration of its properties' leases, by the then ACBPS.
 17. Following the announcement to amalgamate the ACBPS and DIBP in 2014, the ACBPS terminated the project and its procurement process and initiated the Portfolio Headquarters Project (PHQP). The new project would seek an accommodation solution that would meet the requirements of the consolidated portfolio. The PHQP issued to market a Request for Tender (RFT) for new leased accommodation for 88,000sqm in a single campus or building in September 2014.
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18. In March 2015, following a comprehensive procurement evaluation, a Cost Benefit Analysis was submitted to the Department of Finance (Finance) seeking Secretary of Finance endorsement. In the same month, the Minister for Finance announced a review of the Commonwealth's footprint in the ACT with the Department's long term accommodation to be considered as part of that review.
 19. In May 2015, Finance released an updated Commonwealth Property Management Framework Lease Endorsement Process (the Framework). The updated Framework included a requirement to undertake a local impact assessment for current and future property acquisitions.
 20. As a result of the updated Framework, the PHQP procurement was terminated in October 2015 as the local impact assessment process could not be applied within the constraints of the previous RFT process.
 21. After the RFT termination, the Department reviewed its strategy for new accommodation. This review concluded that the Department would be required to retain approximately 55,000sqm within the Belconnen Local Area and the remaining 30,000sqm would be located in a separate precinct.
 22. In November 2015, Finance directed a WOAG approach to the market for the Department with the Department of Defence (Defence) and the Australian Bureau of Statistics (ABS). The overarching strategy of this approach was to meet the revised Framework, deliver lower effective rent rates across the participating agencies, reduce the Commonwealth's property holdings and to utilise the Commonwealth market strength and purchasing power to get the best value for money.
 23. The Department returned to the market (under the now called Headquarters Project) to ensure it would receive competitive tender submissions in a select tender process. The select tender list was based on the Department's current lease portfolio, as well as, potential respondents' demonstration of value for money in the previous procurement process along with Defence and ABS's requirements.
 24. The Department, acting as the lead agency for the WOAG procurement, consolidated the requirements of the three Commonwealth agencies in a new Request for Proposal (RFP). In summary, the RFP sought the following requirements:
 1. The Department required (a collective total of 85,000sqm of office NLA):
 - a) 19,000sqm - 34,000sqm of office NLA at either Canberra City or Canberra Airport for 15 years plus two five-year extensions; and
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- b) 51,000sqm - 66,000sqm of office NLA in Belconnen for 15 years plus two five-year extensions.
 - 2. Defence required:
 - a) 23,450sqm of office NLA at Canberra Airport for 15 years plus two five-year extensions.
 - 3. ABS required:
 - a) 14,500sqm of office NLA in Belconnen for 15 years plus two five-year extensions.
 - 25. The RFP was released to market via a select tender process under the Commonwealth Procurement Rules over the period 8 February 2016 to 7 March 2016. Five (5) submissions were received from four (4) respondents, including one Alternative Solution to provide two new buildings in the Belconnen precinct.
 - 26. In accordance with the WOAG Procurement, Evaluation & Probity Plan (PEPP) developed prior to conduct of the RFP, all respondents were evaluated against the accommodation requirements set out. A value for money evaluation of these submissions was undertaken in accordance with the PEPP.
 - 27. In accordance with the framework, a WOAG Cost Benefit Analysis was developed that evaluated whole-of-life and lease costs over 15 and 30 years with various scenarios for consideration. The Cost Benefit Analysis was submitted to Finance in April 2016 with a recommendation to proceed with the current approach; this was endorsed by the Minister for Finance on 3 May 2016.
 - 28. As part of the WOAG procurement process, it was determined that following delegate approval of the Tender Evaluation Report, the Department, Defence and ABS would then each take individual responsibility for the negotiations and finalisation of their own lease procurements, including obtaining any further Government approvals (lease endorsement, budget approval and PWC).
 - 29. Following the lease endorsement and initial negotiations with the preferred building owners, the Department has confirmed it is seeking approval to fitout and lease office space for a term of 15 years (with 2 five year options) in the following buildings:
 - 1. 30,140sqm of office NLA at 3 Molonglo Drive, Canberra Airport;
 - 2. 27,664sqm of office NLA at 6 Chan Street, Belconnen;
 - 3. 17,095sqm of office NLA at 5 Chan Street, Belconnen;
 - 4. 10,759sqm of office NLA at 45 Benjamin Way (ABS House), Belconnen; and
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5. A total office NLA of approximately 85,700sqm of office NLA.

The Need

30. The Headquarters Project aims to consolidate the Department's accommodation requirements from 100,317sqm to 85,700sqm by December 2020. The new accommodation solution will house an estimated 6,000 locally based staff (and contractors) in a split precinct solution in Belconnen Town Centre and at the Airport Business Park in the ACT.
31. The Headquarters Project will maintain its existing footprint in the Belconnen precinct and provide both general office space and specialist operational capability. The operational facilities will be within secure environments which has the ability to meet the 24/7 requirements and the Department's changing business needs. These specialist areas will support integrated command and control functions needed to co-ordinate, monitor and deploy the ABF and other capabilities and assets to areas of greatest threat.
32. The Department's current office lease portfolio in the ACT consists of twelve properties spread across four suburbs. These leases are all approaching end of term and do not meet the Department's requirements to have long term certainty and confidence in its office accommodation. The following buildings denoted with an asterisk (*) are being vacated as part of the project.
33. The Department's current leased office properties in the ACT are:
1. 48-56 Allara Street, Canberra City* (9,032sqm – expiry 31 July 2019);
 2. 208 Gladstone Street, Fyshwick* (1,624sqm – expiry 31 May 2017);
 3. 50 Collie Street, Fyshwick* (831sqm – expiry 31 January 2019);
 4. 3 Lonsdale Street, Braddon* (2,078sqm – expiry 31 May 2018);
 5. 5 Chan Street, Belconnen (17,314sqm – expiry 30 September 2018);
 6. 6 Chan Street, Belconnen (28,319sqm – expiry 15 November 2019).
 7. Aqua Building, Benjamin Offices, Belconnen* (6,188sqm – expiry 2 May 2019);
 8. Blue Building, Benjamin Offices, Belconnen* (5,758sqm – expiry 2 May 2019);
 9. Magenta Building, Benjamin Offices, Belconnen* (2,645sqm – expiry 2 May 2019);
 10. Purple Building, Benjamin Offices, Belconnen* (4,516sqm – expiry 2 May 2019);
 11. 5 Constitution Avenue, Canberra City* (12,098sqm – expiry 31 July 2019); and
 12. 2 Constitution Avenue, Canberra City* (9,913sqm – expiry 30 June 2020).
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34. In addition to the expiration of the leases, many of these current leased buildings are characterised by outdated and inefficient fit-outs. These fit-outs cannot support the work point density and future flexibility required to house the operational capabilities of the Department. The proposed new office accommodation will be of modern design with large efficient floor plates to support future flexibility and provide an open office environment to promote collaboration and positive cultural renewal which has been highlighted as being a critical success factor for the Department's accommodation objective.
35. In addition, through a combination of workforce planning and consolidation, the Department will reduce its leased portfolio by approximately 14,600sqm (from its current leased office NLA of 100,317sqm to 85,700sqm). Based on the August 2016 PRODAC report there is an approximately 17% underutilisation of current office space based on the occupied work space density target of 14sqm.
36. The Department's current and emerging business needs are complex and dynamic. The nature of the Department's business requires it to have the ability to quickly establish task forces (such as the Joint Agency Task Force under Operation Sovereign Borders) and major incident arrangements in secure environments that can operate continuously. The current building fitouts provide little or no flexibility to change and align functional areas to meet changing business needs (including concurrent uninterrupted operations) in secure areas, without significant disruption, high costs for change and continued relocation of business functions across the twelve separate office leases.
37. Furthermore, the twelve separate buildings across multiple locations in the ACT does not address significant organisational inefficiencies (especially in regard to the operational requirements of the Department) that have been created due to the existing leases over buildings of the former amalgamated agencies. The Headquarters Project consolidation provides an opportunity to create improved communication within and across business areas in new modern open environments (reducing the risk of business areas operating as silos) and addresses this issue.
38. The proposal will achieve and meet the Government's broad policy objectives consistent with the Commonwealth Property Management Framework and create a contemporary workplace that is flexible, ergonomic and economical, and will accommodate the Department's changing organisational requirements.
39. In addition the following deficiencies of the current accommodation need to be addressed:
1. Security. The current facilities have multiple access points and security limitations that need to be continually risk managed. The security provisions necessary to ensure the current facilities comply with the Australian Government Protective Security Policy
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Framework (PSPF) are inefficient, costly and difficult to manage and maintain. There are also current operational areas and secure facilities in the Department that are under accredited or operating on 'waivers' that will be rectified under the project.

2. Staff connectivity. Building layouts that physically separate work areas and are not conducive to staff interaction and cohesion in the workplace. The current accommodation inhibits the Department's ability to create collaborative relationships, ultimately leading to siloed and isolated work spaces.
3. Occupational density. The current underutilisation of work points does not align with the occupational density target of 14sqm per occupied work point monitored through PRODAC, set by Finance.
4. Inefficient internal design. The fit-out (internal design, furniture types and layout/configuration) does not provide flexibility to adapt to the ever changing nature of the department as dictated by Government, without incurring significant cost. Finance has published design guidelines for flexible and efficient workplaces (Resource Management Guidance 506: Flexible and Efficient Workplace Design Guidance, September 2013) which are intended to assist agencies (which are subject to the Public Governance, Performance and Accountability Act 2013) to incorporate efficient and effective workplace design into their accommodation planning consistent with the CPFM. While use of the guidelines is not mandatory, the current facilities do not meet the published guidelines, with the resulting inefficiency in responding to Government.

Options Considered

40. In February 2015, as part of the PHQP procurement and in accordance with the CPFM, an initial Cost Benefit Analysis was completed by the Department and issued to Finance.
 41. The Cost Benefit Analysis considered the various options for delivery of the accommodation solution including the following:
 1. Status Quo (i.e. remain in all current leased buildings as is);
 2. Design, Build and Operate (i.e. Asset Ownership);
 3. Whole of Government (i.e. existing Commonwealth leasing space available as shown on GovDex);
 4. Private Lease (New and/or Existing Buildings); and
 5. Alternate Funding Models (i.e. Private Public Partnership).
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42. The assessment showed that the Private Lease (new and/or existing buildings) option was recommended on the determination that this option was to be both viable & affordable.
 43. Upon the restart of the Headquarters Project and the WOAG procurement in November 2015, the PHQP Cost Benefit Analysis was reviewed and the Department determined that the assumptions and conclusions were still valid and applicable for the new process. It was agreed that the Private Lease option remained the only viable and affordable solution to address the issues identified with the current accommodation.
 44. Consultation and agreement with Finance also determined that the new Cost Benefit Analysis for the WOAG procurement would only be conducted on the Private Lease option.
 45. The WOAG Cost Benefit Analysis was submitted to Finance in April 2016 with estimated combined lease savings of \$324m over the period and this was approved by the Minister of Finance on 3 May 2016.

Key Legislation

46. The following key legislation and regulations are relevant to this project:
 1. Environmental Protection and Biodiversity Conservation Act 1999;
 2. Building and Construction Industry Improvement Act 2005;
 3. Federal Disability Discrimination Act 1992;
 4. Safety, Rehabilitation and Compensation Act, 1988;
 5. Work Health and Safety Act 2011 (Commonwealth);
 6. Public Governance, Performance and Accountability Act 2013;
 7. Fair Work Act 2009 (Commonwealth);
 8. Public Service Act 1999;
 9. Airports Act 1996; and
 10. Airports (Building Control) Regulations 1996.
 47. Relevant Australian Standards and the National Construction Code are applicable to all design, fabrication and installation works.
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PURPOSE OF THE WORKS

The Proposal

48. The Department is seeking Parliamentary approval for the fit-out and lease of 85,700sqm of leased office NLA as part of the Headquarters Project. The project will provide the Department the platform to deliver a more efficient and sustainable workplace for at least the next 15 years. The aim of the project is to secure an accommodation solution that is contemporary, flexible, leading edge and secure, and to fully accommodate staff in a manner which meets the current and future operational requirements of the Department and the Australian Government.

Objectives

49. The objectives of the Headquarters Project is for the Department to reduce its current leased office NLA from 100,317sqm to 85,700sqm to meet PRODAC requirements and to provide accommodation that is designed to enhance capability across all areas of business, in particular the operational activities of the ABF. These areas consist of specialist capabilities of border monitoring, control and operational areas. Operational and monitoring areas must be capable of supporting unified uninterrupted operations (24/7).
50. It is also intended that the current ABF College and Training facilities located in Fyshwick will be amalgamated as part of the Headquarters Project. These ABF College and Training facilities will be integral in ensuring the Department will have a highly skilled workforce capable of delivering professional, disciplined and agile border protection as Government policy evolves in response to changing threats.
51. The proposed office accommodation will also assist towards improving internal and external collaboration and provide a higher level of overall amenity to staff. These effects will be largely achieved through the provision of a modern purpose-built flexible fit-out, which will facilitate greater agility for the Department.
52. The project will assist towards the achievement of the Department's overarching strategic objectives (strategy 2020) which are:
1. Protect Australia:
 - Maintain Australia's sovereignty by protecting our borders and territorial integrity across land and maritime domains.
 - Contribute to whole-of-government law enforcement and national security outcomes.
 - Ensure the integrity of our people, information, property and systems.
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- Identify and manage migration and trade risks across the border continuum.
2. Promote Responsive Migration:
 - Facilitate the movement and stay of people to support the Australian economy and strengthen social cohesion.
 - Contribute to the global management of refugees and displaced populations.
 - Prevent the unauthorised movement of people across the border continuum.
 3. Advance Trade and Revenue:
 - Optimise legitimate trade in goods across the border to support the Australian economy.
 - Operate across the border continuum to prevent the movement of prohibited and restricted goods.
 - Manage and enhance the collection of border revenue.
 4. Lead Border Innovation:
 - Enhance technology and business processes to strengthen border operations.
 - Develop organisational and technological capability to efficiently manage border flows.
 - Build effective partnerships both within and outside Australia to support our objectives.
53. The following long term accommodation objectives and benefits are being sought through the Headquarters Project:
1. Provide an open, collaborative and rewarding workplace in two precincts that enable responsive, innovative, efficient service delivery to government;
 2. Accommodate and support the integrated requirements of the ABF including specialist facilities such as the current Maritime Border Command, Strategic Border Command, Intelligence, ABF Capability and ABF College related facilities;
 3. Enable evolution of the workplace and promote cultural transformation;
 4. Provide flexibility and adaptability to support emerging functional requirements and a capability to surge if needed;
 5. Support provision of a Shared Operational Environment that can accommodate external partners in a secure environment;
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6. Support concurrent and uninterrupted operations (multiple incidents 24/7);
 7. Reduce Department leased office NLA by approximately 14,600sqm. It is estimated that Department will be able to relocate and consolidate its current twelve lease holdings into four with a total office NLA of 85,700sqm (existing holdings are currently 100,317sqm);
 8. Secure lease tenure beyond 2017 (until at least 2032);
 9. Stronger economic basis by minimising fixed, semi-variable and variable property operating costs through a reduction in total leased space and utilisation of a more efficient and purpose built fit-out;
 10. An ability to plan for and meet the longer term organisational needs consistent with the PRODAC density target of 14sqm per occupied work point;
 11. Improved floor area efficiencies across the Department through increased work space density in buildings with large floor plates and designed to facilitate open plan environments;
 12. Flexibility, adaptability and responsiveness to support organisational growth, and any restructure, reconfigurations and task forces;
 13. More opportunities to work cooperatively, efficiently and more effectively if staff were consolidated in an open plan environment with the potential for increased productivity;
 14. More efficient provision of Information and Communication Technology (ICT) support services which is expensive to establish and maintain in the current dispersed accommodation and is subject to protracted installation timeframes;
 15. Lower cost of churn and support of organisation change with the use of common office fit-out and furniture; and
 16. Support for sustainability and environmental objectives. The new fit-outs would satisfy Ecologically Sustainable Development (ESD) e.g. Energy Efficiency in Government Operations (EEGO), minimum 4.5 stars National Australian Built Environment Rating System (NABERS) and high quality premises standards, which would be difficult and disproportionately expensive to accomplish in the Department's current leased accommodation.

Location

54. The Headquarters Project will consolidate the Department into two precincts,
 1. Brindabella Business Park, Canberra Airport, ACT; and
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2. Belconnen Town Centre, ACT.
55. The Headquarters Project will consolidate the Department into 4 existing buildings.
1. The Belconnen precinct will consist of;
 - a) 5 Chan Street (currently occupied by the Department);
 - b) 6 Chan Street (currently occupied by the Department); and
 - c) Part of 45 Benjamin Way (currently occupied by ABS).
 2. The Canberra Airport precinct will consist of;
 - a) 3 Molonglo Drive (not previously occupied).
56. Both Canberra Airport and Belconnen are located within the Fenner electorate in the ACT.
57. Selected concept floor plans for each building are included at Attachment A.

Zoning and Approvals

58. The nominated buildings in the Belconnen precinct are located on land zoned Commercial Business. The development, building or works approvals associated with this proposal are the responsibility of the Building Owners and are subject to approval from ACT Planning and Land Authority.
59. Any development of the Canberra Airport land including the upgrade of both the Base Building and proposed fit-out is required to comply with the Commonwealth Airports Act 1996. Compliance with the Act encompasses strict compliance with supporting Regulations, such as the Airports (Airport Building Controller) Regulations 1997 and the Civil Aviation Safety Regulations. All approvals associated with this proposal are the responsibility of the Building Owners (CAG) and are subject to approval by the Airport Building Controller.

Land Acquisition

60. This project does not involve any land acquisition.

Development Agreement

61. The Department is negotiating Agreements for Lease (AFL) and these will be executed with the successful Building Owners.

Planning and Design Concepts

62. The overall planning concepts which have informed the development of the fitout briefs include:
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1. Delivering a modern, contemporary fit-out that aligns with Commonwealth standards and current best practice for office accommodation;
 2. Plan to align the allocation of dedicated (partitioned) office space with Whole of Government intent whilst standardising the provisions across the Department to reflect individuals needs and requirements verses rank or position;
 3. Provide an office fit-out that utilises energy efficient and environmentally friendly and sustainable materials, goods and services. The fit-out will achieve the minimum overall tenancy rating of NABERS 4.5 and will reduce waste and use recyclable materials where practicable;
 4. Plan to meet or exceed the current occupational density target of 14sqm per occupied work point (Resource Management Guide 500) whilst simultaneously providing the Department with a contingency within its accommodation; and
 5. Plan to consolidate and integrate operational areas and shared facilities where possible.
63. The basic design concepts which informed the development of the fit-out briefs included:
1. Access to natural light and views to be maximised for general open plan work areas to enhance staff wellness;
 2. Layouts and design of workstations and offices to enable easy/quick/inexpensive churn and change, long life and high durability;
 3. Power and data provision to facilitate flexible layouts;
 4. Dedicated staff amenities to encourage interaction and communication in the workplace;
 5. Meeting places to be provided in the form of crisis management, procurement, conference, auditorium, in-formal breakout areas, training and quiet rooms, in a variety of sizes and configurations. These facilities will be located within shared areas;
 6. Consideration given to the design and inclusion of more collaborative areas, as opposed to the traditional meeting room concepts, with varying layouts and furniture styles introduced which will meet both the individual's and group needs;
 7. Provision of spare workstations spread throughout divisions for visiting colleagues, consultants, graduates/trainees; and
 8. All office equipment (servers, printers, utilities etc.) to be separated from the general office space to maintain optimal environmental conditions within the office areas and minimise energy consumption.
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64. The design has adopted construction techniques and materials which are sustainable, robust, and address whole of life costs, and which are consistent with the capacity and capability of the local construction industry.

Parking

65. The Department identified as part of its requirements analysis that it would require at total 335 secure car spaces to be provided as part of the development across the 4 buildings. The building owners have made allowance for these parking spaces as part of the pending lease agreement which is still subject to finalisation.
66. General staff pay parking is also available at the Airport and Belconnen precincts and is sufficient to accommodate all staff.

Public Amenity

67. Being a key commercial, employment and community hub in the ACT, the Belconnen Town Centre has access to the full hierarchy of retail facilities. The buildings nominated are all close to the amenities desired by a modern workforce. All amenities are within five to seven minute walking distance from the precinct with exception of some of the outdoor recreation facilities.
68. The modern Brindabella Business Park at the Canberra Airport is well developed and accommodates numerous amenities desired by staff. Specifically, the Brindabella Business Park provides most public amenities including; public cafes, gymnasiums, outdoor sporting/recreational areas and banking facilities. Additional precincts surrounding the area (e.g. Majura Park, Pialligo and Fairbairn) which are home to a significant number of major retail and food outlets.
69. The Canberra Airport terminal complex is serviced by The Airport Express shuttle bus offers airport-city-airport services daily during peak periods. Other stops include Russell, National Convention Centre and the Canberra City. Separately, the Brindabella Business Park is serviced by local ACTION bus routes. Following Government approval, the Department will request the Developer negotiate with the ACT Government (i.e. ACTION buses) regarding additional and/or express public bus services between Brindabella Business Park and Belconnen and other public transport nodes (i.e. Woden and Canberra City).
70. The Department currently contracts a local transport company CBD Chauffeured Transport to transport departmental staff between its multiple buildings via a shuttle bus service. It is envisaged that the internal shuttle arrangement will be extended in the future to connect the two precincts of the Airport and Belconnen Town Centre which are 16 kilometres apart.
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Scope of Works

71. The scope of the proposed fit-out works will include:

1. Base Building integration of services. Design and construction of services to be integrated with the base building works including electrical, mechanical, communications, security, fire, acoustics and hydraulic services;
 2. Office fit-out. Design of the fit-out will conform to the Department's operational requirements including construction of general office fit-out and specialist capability work areas to standards that are appropriate to a contemporary and functional Commonwealth office. Elements that are included in the fitout are listed below:
 - a) General office areas that have modular executive offices, meeting rooms and sit-to-stand workstations throughout;
 - b) Operational areas including a unified watch floor, situation rooms, briefing rooms, incident rooms, operations planning rooms, associated intelligence support rooms, combined training and surge rooms all which meet the Commonwealth PSPF (at the secret and top secret level) which are operated 24/7;
 - c) Executive areas including the Secretary, Commissioner and Deputy Secretaries' offices and executive support facilities;
 - d) ABF college and training including use of force and ballistics preparation facilities;
 - e) An armoury for ABF staff with holding of public weapons subject to control measures;
 - f) Video conferencing and recording facilities in the base building theatre;
 - g) Kitchen and breakout spaces, quiet rooms, collaboration hubs and casual meeting spaces;
 - h) Communications, server rooms, IRIS server rooms;
 - i) Conference and training facilities;
 - j) Evidence rooms;
 - k) Gymnasium facilities and bike storage;
 - l) Change room, showers and lockers;
 - m) Records management, microfiche storage and chart/map rooms;
 - n) CCTV store and CCTV build lab;
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- o) Monitoring rooms;
 - p) Border entry/exit (Smart gate lab and passport etc.) control testing and evaluation rooms;
 - q) IT build and test rooms, store rooms and user acceptance evaluation room;
 - r) Video conferencing rooms and secure communication rooms;
 - s) DIBP shop front, interview rooms and holding cells to support operational requirements;
 - t) Visa and citizenship certificates and records management rooms;
 - u) Utilities and library areas;
 - v) Multi-purpose health and diversity rooms including first aid, multi-faith, carers rooms;
 - w) A display area for examples of seized items, objects of historical significance and other memorabilia;
 - x) Mail room designed to follow security requirements for mail scanning;
 - y) Tender evaluation rooms (variable capacity and concurrent activities); and
 - z) Secure store/loading dock facility;
3. Security. Design and installation of security controls in accordance with the PSPF and supporting documentation including physical security, type 1 alarm systems, door hardware, identity verification and electronic access control system at the main entrances, other entrances, exits, vehicle access points and all internal areas.
4. Lighting control system. A lighting control system to reduce energy consumption in tenant areas including the ability to automatically turn off lights in unoccupied rooms and to provide reduced lighting levels when appropriate, such as reduced lighting levels for access after-hours and potential task lighting solutions. Some additional lighting will be provided as required in partitioned rooms.
5. Data cabling. Data cabling throughout the tenant areas including fibre and copper with outlets at each work point which meet the Department's cabling specifications and the Australia Government Information Security Manual. The cabling infrastructure will provide saturation cabling to in-ceiling and in-floor consolidation points and be designed to cater for future capabilities in order to provide future flexibility and efficiency related to change.
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6. Flexibility for change. The building design and fit-out will enable the Department considerable flexibility to meet its ever-changing accommodation requirements Speed of change is also a key consideration. This will be achieved through:
- a) Work points that can easily and quickly be reconfigured without disturbing productivity;
 - b) Ensuring that the utilisation of modular office and meeting room design is used so that any built rooms can also satisfy an alternative purpose (e.g. being easily interchangeable between offices, meeting rooms and workstations). Noting that areas with higher security requirements require construction that is inherently inflexible;
 - c) Building services that are located to allow for repositioning of walls; and
 - d) Work point layouts and accommodation changes in technology.
72. Selected sample conceptual floor plans of each of the Buildings is provided at Attachment A.

Codes and Standards

73. The fit-out will comply with all relevant requirements of the National Construction Code - Building Code of Australia (BCA) 2016 including Disability Access and relevant Australian Standards. It will also comply with the PSPF any additional departmental security requirements.
74. An accredited Building Certifier will be engaged to certify compliance of the building works.
75. Construction contractors will be compliant with the Building Code 2016 and are required to be certified by the Office of the Federal Safety Commissioner (OFSC).

Materials and Finishes

76. Materials and finishes will be selected from those that are readily available for their functionality, durability, low maintenance and for their ecologically sustainable design properties.
77. Plasterboard, prefinished board and glass partitioning will be used to form individual offices, meeting rooms, reception areas, utility and store rooms, training rooms, communications equipment rooms and staff facilities. Wherever possible partitioning will be a modular system based on generic room dimensions to accommodate future change. Areas that require a higher security rating will be constructed to meet PSPF and agency security standards.
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Mechanical Services

78. Mechanical services provided in the base building will be integrated with the fit-out works and will be based on the following principles:
1. Reliability;
 2. Redundancy;
 3. Durability;
 4. Ease of maintenance with minimised entry to tenant areas;
 5. Ease of replacement;
 6. Efficiency of operation in accordance with ESD principles and practice;
 7. Proven design;
 8. Reasonable maintenance costs;
 9. Be designed and procured based on lifecycle effectiveness and cost efficiencies;
 10. Have the capacity to cater for highly variable tenant occupancy loads, fit-out configurations, and operational demands with minimal modification;
 11. Permit high fit-out churn to be performed quickly, at low cost and with minimal material waste;
 12. To support areas that enable uninterrupted (24/7) operations; and
 13. Minimum noise and vibration characteristics.
79. The office fit-out areas will be served by low temperature Variable Air Volume systems provided by the Base Building and integrated through the fit-out. Air handling units will be zoned through the offices, operational areas and across floors to maximise ability to shut down areas not in use and save energy. On-floor reticulation will be flexible to facilitate re-arrangement of the fit-out associated with churn.

Hydraulic Services

80. Hydraulic services will include the following provisions provided in the base building and integrated with the fit-out works:
1. Domestic cold water reticulation serving all fixtures and fittings complete with consumption metering connected to the energy-monitoring system and required backflow prevention in each case;
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2. Domestic hot water independent of the system serving the mechanical services installation;
 3. Non-potable water treatment and reticulation system with consumption metering connected to the energy-monitoring system;
 4. Sanitary drainage reticulation separating reusable waste water (grey water) for processing in a water treatment system for reuse within the building;
 5. Branched valved connections for cold water supply for tenant future connection;
 6. Water conservation measures, including grey water treatment, rainwater retention and flow-limiting fixtures and equipment;
 7. Separate building owner and tenant authority metered natural gas supplies;
 8. Provisional sanitary drainage stacks to service the NLA; and
 9. Low water use in the landscape watering system.

Electrical Services

81. The electrical installation includes electrical supply, metering, distribution, lighting and special purpose power in compliance with required regulations. The provision of electrical services provided in the base building will be integrated with the fit-out works and include:
 1. Separate main switchboards for the base building supply services and tenancy supply services;
 2. Standby power system for critical operational functions including an uninterruptible power supply, load banks, fuel supplies and programmable logic control systems. Standby power systems also include parallel transfer between mains and generator power to allow full and complete system testing of the system under normal load conditions without affecting operation;
 3. Power factor correction equipment for the base building main switchboard;
 4. Active power filtration for the tenant main switchboard, to cater for the high IT based equipment loads in the building;
 5. Separate base building services switchboard supplies, including essential services components and sub-metering provisions;
 6. Sub-mains to all base building and tenancy services including, but not limited to, vertical transportation, mechanical services, fire services and general lighting and power;
 7. Separate sub-mains to serve an unmetered tenancy supply arrangement;
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8. Tenancy distribution boards, including separately metered lighting chassis, separately metered general power chassis and separately metered supplementary mechanical services chassis;
 9. Metering of switchboards and electrical supplies;
 10. An energy-monitoring system to measure all meters and power analysers associated with base building and tenancy supplies;
 11. Lighting and power sub-circuit wiring;
 12. Luminaires, efficient and uniform light distribution to assist in minimising change during churn;
 13. A modular lighting control system to control and manage all lighting throughout all areas of the building which may include task lighting;
 14. General and specific power wiring to equipment;
 15. A cast-in cable management system to provide multiple services, including general power, data and voice communications, Master Antenna Television (MATV) cabling and audio visual cabling access for the future fit-out;
 16. Ceiling-mounted power distribution points to provide power to all workstation locations;
 17. Fully monitored exit and emergency lighting system;
 18. Lightning protection and primary and secondary surge suppression within switchboards; and
 19. Technical earth reticulation to the primary communications room, the tenancy communications rooms and main distributor room.

Information and Communications Technology (ICT) Services

82. The provision of ICT services provided in the base building will be integrated with the fit-out works and include:
 1. Installation of cable pathways (conduits and pits) associated with Telecommunications Carrier Lead-in services;
 2. Installation of cable pathways (conduits and pits) associated with incoming Intra Government Communications Network (ICON) network connections;
 3. Horizontal cabling to support the provision of communications services in the buildings to meet the Department's needs;
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4. A range of provisions for distributed audio-visual facilities throughout the building;
 5. Provision of hearing augmentation systems for conference and meeting rooms; and
 6. Infrastructure and support for specialist communications equipment.
83. All cabling associated with secure networks will be installed in accordance with the Australian Government Information Security Manual.
 84. Provision of infrastructure and horizontal cabling in accordance with the Server Room and Cabling Construction Specifications of the Department of Immigration and Border Protection Version 6.1 January 2016

Fixed Furniture and Joinery

85. Fixed furniture and joinery items include fixed shelving, personal and phone lockers, utility room cupboards and benching, meeting room joinery, office joinery, kitchen facilities, tea points, shelving, sink units and storage cupboards.
86. Specific proprietary fixed items have been identified including whiteboards, pin boards, coat hooks and dispensers.

Loose Furniture and Equipment

87. Loose furniture to be provided for open work points, offices and to all specialised spaces will be modular and flexible.
88. Specific proprietary items, including storage, compactus, open metal shelving, lockers and cabinets will be procured and installed by the project.

Acoustics

89. Noise and reverberation criteria for internal spaces have been specified in accordance with Australian Standards AS2107:2000 Acoustics and AS1469-1983 Acoustics – Methods for the Determination of Noise Rating Numbers and AS 2021-2015 Acoustics – Aircraft noise intrusion – Building Siting and Construction.
 90. Internal sound insulation criteria for partitions have been nominated for specific areas of the fit-out utilising industry standard approaches. These have been used as the basis for developing appropriate acoustic insulation construction between various internal spaces.
 91. Design criteria and building performance for ambient noise ratings shall be in accordance with the ACT Environment Protection Act and Regulations for noise emissions.
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Landscaping

92. External landscaping is a component of the base building and will be provided by the developer.

Environmental Sustainability

93. The department is committed to ESD and the reduction of greenhouse gas emissions. The building's objective is to be commensurate in sustainable design with other Commonwealth Departments and in accordance with the EEGO policy. The base building and fit-out will achieve at least 4.5 Star NABERS energy rating.

94. The generic features that help achieve sustainability for the design are:

1. Recycling of construction and demolition waste;
 2. Detailed building tuning and commissioning to ensure efficient building operation;
 3. Building orientation to maximise energy efficiency while allowing maximum daylight penetration and external views;
 4. Use of paints, flooring, carpets, adhesives and sealants with low Volatile Organic Compound emissions;
 5. Inclusion of engineered timber products with low or zero formaldehyde emissions;
 6. Selection of environmentally certified fit-out products;
 7. Use of thermal insulation and refrigerant products with zero Ozone Depletion Potential;
 8. Use of water efficient fixtures, toilets and appliances;
 9. Supply of all toilets and urinals with grey water for flushing, supply rainwater for irrigation and cooling tower water make up;
 10. Solar hot water systems with gas boost to provide domestic hot water;
 11. Use of economy cycle when outdoor ambient temperatures are suitable to minimise energy consumption;
 12. Recovery of waste heat from exhaust air to temper outdoor supply air;
 13. Lighting controls with time clocks, motion sensors and daylight sensors to minimise wasted energy, and energy efficient lighting design including consideration of LED lighting options;
 14. External lighting designed to minimise light pollution;
 15. Plant species to be low water use, indigenous and drought resistant;
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16. Use of recycled rainwater for landscape irrigation; and
 17. Provision of metering and sub metering to capture the energy and water consumption of each area within the building.

95. A Green Lease Schedule will be included in the lease.

Measures to Reduce Energy and Water Use

96. The following passive design features have been integrated into the design to reduce the energy and water demand of the base building and fit-out:
1. Orientation of buildings, shading, thermal mass, insulation and glazing have been optimised to reduce energy consumed by active heating and cooling through appropriate use of solar gains throughout the year;
 2. Natural light has been maximised and artificial lights are linked with daylight sensors to limit energy use;
 3. Incorporating water sensitive urban design strategy to maximise water retention and reuse on site from the building and car park areas, reducing on site demand on potable water supplies;
 4. All taps and toilets will be water efficient and rated as at least 4 Star Water Efficiency Labelling and Standards (WELS);
 5. “Energy Star” compliant appliances and equipment will be installed where available and fit-for-purpose; and
 6. Artificial lighting in the building will utilise low energy lamps and incorporate lighting control systems such as daylight sensing, occupancy sensors and time switches to minimise energy usage.

Compliance with Territory and Commonwealth Water and Energy Policies

97. The base building and fit-out will be designed, constructed, operated and maintained in order to use energy and water as efficiently as possible and comply with the following statutory requirements:
1. Parts J1 – J8 of Section J of the BCA 2014; and
 2. Energy Efficiency in Government Operation (EEGO) policy.
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Security

98. Security for the Headquarters Project will be developed using the Department's Security Construction and Equipment Committee (SCEC) endorsed Security Consultant in line with the PSPF and the Australian Government Information Security Manual.
 99. A Security assessment was conducted during the procurement evaluation process by the Department's Agency Security Adviser (ASA) and then an external security risk assessment (including a blast assessment) was conducted by Agilent on the four (4) preferred buildings to ensure that they were deemed as suitable.
 100. The Department's physical security requirements and systems requirements are clear. A layered approach to physical security is required and must be in accordance with the PSPF and ASIO Technical Notes. Areas accessible to the public shall be Zone 1, areas surrounding lifts and general office areas shall be Zone 2, specialists' office areas and operational areas shall be Zone 4. All Zone 4 areas are to be capable of accommodating Zone 5.
 101. Each element of the construction must be installed in such a manner that they create a continuous barrier which cannot be removed or displaced to allow entry unless by an authorised key or at least one of the elements is visibly and permanently damaged. The designs implemented across the building(s) and proposed fit-outs include an access control system, speed gates, security cameras, intruder alarm and intercom system.
 102. All staff will use photo identification security passes to access the premises. The passes will interface with proximity card readers at specified locations around the perimeter. Electronic access control and security features include:
 1. Electronic speed gates at controlled entry points to the facility;
 2. Vehicle and bicycle access control to parking areas;
 3. Loading dock and after-hours access control doors; and
 4. External doors, including emergency exit doors, will be electronically monitored.
 103. Internal areas with higher than normal security requirements, such as server rooms will also have electronic access control installed to restrict access to authorised staff only.
 104. A security risk assessment has been conducted in line with the requirements of the PSPF and recommendations implemented as appropriate. In addition, the building perimeter shall be cognisant of ACT Crime Prevention and Safety Guidelines.
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Fire Protection

105. The provision of fire protection services provided in the base building will be integrated with the fit-out works and include:
1. Fire protection and detection systems including smoke hazard management in accordance with the National Construction Code;
 2. An emergency warning and intercommunication system complete with additions to cater for hearing-impaired requirements;
 3. Portable fire products, including extinguishers and blankets;
 4. An external and internal hydrant system;
 5. An internal fire hose reel system;
 6. Ancillary alarm outputs to various subsystems;
 7. Fire sprinkler systems, dry and wet pipe as defined; and
 8. Very Early Smoke Detection Apparatus (VESDA) system or equal to the primary communications room only.

Provision for People with Disabilities

106. The design of both the base building and fit-out include equitable access provisions for persons with a disability in accordance with the Disability Discrimination Act 1992 (DDA), the relevant technical requirements of the BCA, Disability (Access to Premises-Building) Standard 2010 and associated Australian Standards. Accordingly, the following facilities will be provided:
1. The appropriate number of self-contained accessible toilets per floor;
 2. Accessible shower facilities;
 3. All lifts accessible and facilities provided in accordance with AS1735.12;
 4. Accessible parking;
 5. Hearing aid loops to meeting rooms, security desks and public areas; and
 6. Lifts, access-ways, doorways and accessible toilets and showers will be sized to conform to the NCC.
107. Given that some of the buildings are existing buildings built to previous standards, the fitout and refurbishment of critical non-conformances with current code requirements will be needed. Some areas may also require a formal alternative solution to be put in place.
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Child Care Provisions

- 108. No childcare provisions are being provided by the Department under this project.
- 109. Health and diversity rooms will be provided on all floors, including the ground floor, these rooms can be used by breastfeeding mothers to express milk or feed. These will be located within close proximity to lifts and amenities.
- 110. Departmental staff have been surveyed on child care with 83% of the Departments staff indicating that they do not currently require child care. Analysis of the results indicated that 15% of Department's staff surveyed said they were considering child care sometime in the future. The remaining staff currently use existing child care facilities.
- 111. Within the Belconnen Town Centre area there are six (6) child care providers operating.
- 112. Within the Airport precincts there are two (2) child care providers operating.
- 113. The base building and fit-out will comply with the requirements of the *Work Health and Safety Act 2011* (Commonwealth).
- 114. The Department is committed to improving occupational health and safety outcomes in the building and construction industry. In accordance with Section 35(4) of the Building and Construction Industry Improvement Act 2005 (Commonwealth), contractors will be required to hold full occupational health and safety accreditation from the Office of the Federal Safety Commissioner under the Australian Government Building Construction Occupational Health and Safety Accreditation Scheme.
- 115. Safety in design workshops will be undertaken during the design phases of the project.

Non-denominational rooms

- 116. The staff demographic characteristic to the Department requires dedicated facilities such as non-denominational rooms that may be used for prayer and/or other religious activities. This facility is included in the health and diversity rooms.

Environmental Considerations

- 117. A Referral under the Environment Protection and Biodiversity Conservation Act 1999 is not required for this proposal.

Heritage Considerations

- 118. There are no known heritage issues that are required to be addressed in relation to this proposal.
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COST EFFECTIVENESS AND PUBLIC VALUE

Project Budget

119. The Department has established, on the basis of the conceptual design, a cost estimate of \$257.3 million (excluding GST) for the proposed fit-out of its office accommodation. This cost estimate includes provision for cost escalation, contingencies, relocations, associated professional fees, and internal costs. The make-up of this estimate is:
1. \$214.3 million (excluding GST) of fit-out works, including \$28.9 million of escalation and contingency;
 2. \$25.0 million (excluding GST) for relocations and professional fees; and
 3. \$18.0 million (excluding GST) of internal Departmental staff costs and ICT costs.
120. The Department has secured funding for the project of \$257.39 million (excluding GST). The make-up of this funding is:
1. \$214.32 million (excluding GST) met through incentives offered by building owners;
 2. \$25.04 million (excluding GST) of Commonwealth funds which was provided through the 2014-2015 Budget process as part of the former Australian Customs and Border Protection Service (ACBPS) measure titled “Smaller Government – Strengthen and enhance Australia’s border protection services”. As part of the 2015-16 Budget, the Government agreed that second pass approval for the initiatives within this measure would be provided in a staged approach. Second Pass approval for the \$25 million in commonwealth funding will be sought through the 4th tranche of this staged approach; and
 3. \$18.03 million (excluding GST) of internal costs to be absorbed by the Department.

Details of Project Delivery System

121. The Department intends to engage the successful Developers through AFLs and will prepare the detailed design documentation and construct the fit-out concurrently with the base building being completed as an integrated fit-out. This work will be undertaken on a cost-plus basis, the Department paying competitively tendered prices for goods and services received and the Developers charging a percentage fee for management of the works.
122. The AFLs are conditional upon receiving Parliamentary approval for the project and clearly articulate the conditions precedent to progressing to the Commonwealth National Lease (CNL) to be executed upon occupation of the new office accommodation.
123. An integrated fit-out is expected to provide the Department with the following benefits:
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1. Reduced costs associated with re-work or modification of the base building to accommodate the fit-out as the design and construction for both elements will be coordinated and occur in parallel;
 2. Time efficiencies will be realised through the parallel sequencing of the fit-out such that the fit-out works may commence prior to completion of the base building. This creates further cost efficiency in the current leasing costs associated with the existing accommodation;
 3. Reduced risks associated with the coordination of the project as the same project team manages all aspects of the work. There are fewer overlaps in responsibility and less potential for disputes over matters such as interference; and
 4. Efficient project deliveries through less duplication of resources, with one team to design, supervise and manage personnel for both elements of the project.
124. The Department has engaged a specialist consultant team to manage the project and ensure its interests are protected throughout the project.

Governance Structure

125. The Property and Commercial Services Branch (within the Department's Corporate Group) will be responsible for the delivery of the works in accordance with the scope of works proposed within this submission. This Branch includes property management teams with significant experience in delivering complex infrastructure programmes, having been responsible for the delivery of numerous fit-out and refurbishment projects across Australia.
126. The Department's internal governance structure includes the following:
1. Deputies Committee which is responsible for setting the broad project direction, communicating with the Minister and Executive Committee on the project scope, status and issues, resolving issues affecting multiple divisions within the Department.
 2. The Headquarters Project Steering Committee is responsible for the successful implementation of the project. It has overall responsibility for the establishment and commissioning of the Headquarters Project. The Steering Committee will
 - a) Support the development and implementation of the program of works for the Headquarters Project;
 - b) Provide strategic advice and guidance in relation to the overall planning, objectives, priorities for delivery;
 - c) Be responsible for governance and assurance oversight of the project;
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- d) Be responsible for oversight of the financial performance of the project;
 - e) Ensure that all procurements are being conducted in accordance with the relevant Department and Commonwealth Government legislation and policy;
 - f) Ensure key project risks are identified and mitigated in accordance with the internal DIBP Risk Management Framework; and
 - g) Regularly review project performance against milestones and objectives.
3. The Project Working Group (PWG) is established to manage delivery of the project. The PWG will be responsible for the planning, design and delivery of buildings and site infrastructure. The PWG is established to make decisions on matters relating to the detailed implementation of the project.
 4. The Design Working Group which manages the delivery of the project design including building fit outs and site infrastructure.
 5. Specialist Working Groups which determine and refine the requirements for the specialist areas of the Department and provide feedback to the design consultant team.
127. A diagrammatic representation of the governance structure of the project is provided below.

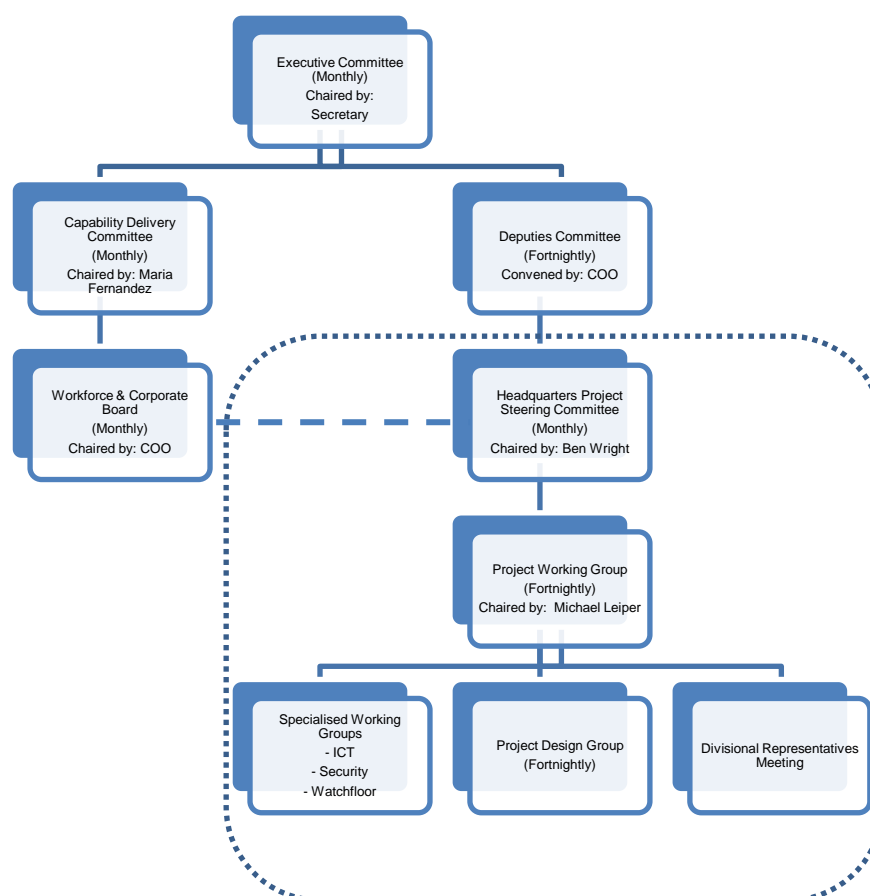


Figure 1: Headquarters Project Governance Structure

Construction Program

128. Subject to Parliamentary approval of the proposed project, construction of the fitouts are expected to commence in August 2017 and be completed by February 2021.
129. As the fitout work will occur in buildings currently occupied by the Department, the works will be delivered in a staged manner. The staging program has been designed to minimise relocations, to reduce the disruption to staff and to minimise costs to the Commonwealth.
130. If the completion of works is delayed past February 2021, short term lease extensions on existing leases will be negotiated, or existing options exercised. Cost recovery for the short term leases will be mitigated under the Liquidated Damages provisions within the AFL.
131. The major project milestones are:
1. December 2016 – Enter into Agreement for Lease (with condition of Parliamentary approval);
 2. February 2017 – Receive Expediency Motion;
 3. July 2017 – Final Fitout Design Complete;
 4. August 2017 – Commence Fitout Construction at 3 Molonglo Dr;
 5. December 2017 – ABS vacated space in 45 Benjamin Way for the Department;
 6. January 2018 – Commence Fitout Construction at 45 Benjamin Way;
 7. September 2018 – Complete Fitout Construction at 3 Molonglo Dr;
 8. December 2018 – Accreditation and staff relocations into 3 Molonglo Dr Complete
 9. December 2018 – Complete Fitout Construction at 45 Benjamin Way;
 10. January 2019 – Commence Fitout Construction at 6 Chan St;
 11. March 2019 – Accreditation and staff relocations into 45 Benjamin Way Complete;
 12. April 2019 – Commence Fitout Construction at 5 Chan St;
 13. March 2020 – Complete Fitout Construction at 5 Chan St;
 14. June 2020 – Accreditation and staff relocations into 5 Chan St Complete;
 15. November 2020 – Complete Fitout Construction at 6 Chan St;
 16. February 2021 - Accreditation and staff relocations into 6 Chan St Complete;
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Impact on Local Communities

132. The proposal will have a positive economic impact on the Canberra community. The project will generate significant employment opportunities for local businesses. It will lead to the anticipated continual employment from 2015 to 2020 in the following sectors:
1. (Professionals/Consultants): Approximately ten to twelve separate companies will be engaged to provide consultancy services during the project delivery. This has the potential to involve 50 to 60 employees in order to ensure that the timeframes and deliverables are achieved;
 2. (Contractors): There is likely to be a need for up to approximately 60 trade companies and 100-200 personnel on site at various times across the buildings (and a further 50 personnel off site including manufacturers and suppliers) during the delivery of the works; and
 3. Other businesses within the Capital region including hospitality and other services industries will also benefit from the construction works and eventual full occupation of the accommodation.
133. The existing buildings in Belconnen are occupied and currently operating and therefore there will be little to no change or impact to local traffic flow in the Belconnen Town Centre.
134. The developer of the 3 Molonglo Building at the Airport has commissioned a traffic study for the project. This study assessed the impact to local traffic flow at the airport as minimal. Construction traffic will have minimal impact on local traffic networks with project activities to be coordinated with the ACT Government. The integrity of the Canberra Airport Emergency Plan must be maintained throughout fit-out construction and the full term of the lease (2031)

Consultation with Relevant Authorities and Stakeholders

135. During the development of the project, extensive consultation has occurred with the Department's employees and other key departmental stakeholders.
136. In addition, consultation will occur with the following external stakeholders:
1. Department of Finance;
 2. Department of Defence;
 3. Australian Bureau of Statistics;
 4. Australian Capital Territory Planning and Land Authority;
 5. National Capital Authority;
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6. Community and Public Sector Union;
 7. Airservices Australia;
 8. Australian Capital Territory Fire Brigade;
 9. Australian Capital Territory Department of Territory and Municipal Services;
 10. Canberra Airport - Airport Building Controller; and
 11. Civil Aviation Safety Authority.
137. Consultation with the relevant Federal Senators and Members of the House of Representatives will occur, as appropriate.
138. Consultation with the relevant Members of the Australian Capital Territory Legislative Assembly will occur, as appropriate.

Staff Consultation

139. The Department has established internal consultation and decision making mechanisms which will be employed throughout the project. The project team will engage with stakeholders to ensure the project is informed and shaped to deliver the most cost effective, functional and quality outcome within budget and program constraints.
140. The project specific Stakeholder Engagement & Communications Plan includes proactive engagement with the Work Health and Safety committee. Furthermore, staff representatives will be routinely engaged through the Divisional Representatives, Operations Area Working Groups, ICT Working Groups, Equity and Diversity representatives, the Community and Public Sector Union (CPSU), the Deputies Committee and the Executive Consultation.
141. The Department has engaged a Change Manager to assist staff with the likely impacts and to help the Department to realise the wider integration outcomes desired.
142. The Department is a major employer and thus amenities have an impact on staff satisfaction and retention. The ability for the Department to provide a reasonable level of office accommodation, similar to other recent Commonwealth office accommodation projects, is an important factor in maintaining staff satisfaction and attracting skilled and experienced staff.

Public Value

143. Public value associated with this proposal is realised through the ability of the Department to adequately continue to deliver its mandate as Australia's lead border protection organisation.
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Revenue

144. There will be no revenue derived from the project.

ATTACHMENTS

Attachment A - Sample Concept Floor Plans

145. The selected concept floor plans for each building are listed below:

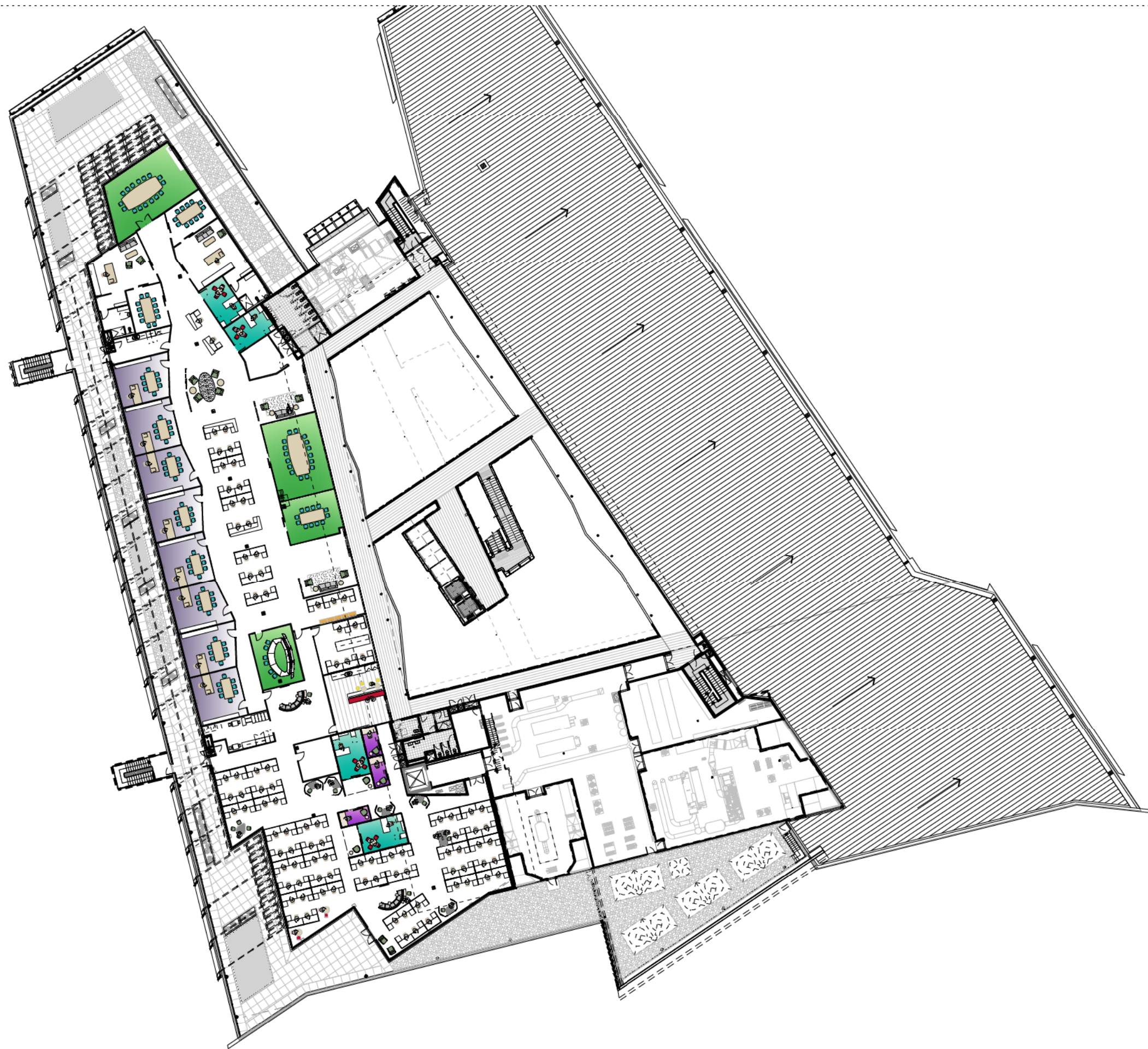
1. Attachment 1 - SOE - DIBP HQ Project - 3 Molonglo - Level 1
 2. Attachment 2 - SOE - DIBP HQ Project - 3 Molonglo - Level 2
 3. Attachment 3 - SOE - DIBP HQ Project - 3 Molonglo - Level 5
 4. Attachment 4 - SOE - DIBP HQ Project - 5 Chan Street - Level 2
 5. Attachment 5 - SOE - DIBP HQ Project - 5 Chan Street - Level 3
 6. Attachment 6 - SOE - DIBP HQ Project - 6 Chan Street - Level 3
 7. Attachment 7 - SOE - DIBP HQ Project - 6 Chan Street - Level 5
 8. Attachment 8 - SOE - DIBP HQ Project - 45 Benjamin Way - Ground Floor North Tower
 9. Attachment 9 - SOE - DIBP HQ Project - 45 Benjamin Way - Level 1 North Tower
 10. Attachment 10 - SOE - DIBP HQ Project - 45 Benjamin Way - Level 1 South Tower
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GRAND TOTAL WORKPOINTS:	342
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	6021
AREA PER WORKPOINT (m2):	17.7



GRAND TOTAL WORKPOINTS	545
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	6973
AREA PER WORKPOINT (m2):	12.8



GRAND TOTAL WORKPOINTS	107
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	2103
AREA PER WORKPOINT (m2):	19.6



GRAND TOTAL WORKPOINTS	74
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	2144
AREA PER WORKPOINT (m2):	28.9



GRAND TOTAL WORKPOINTS	218
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	2565
AREA PER WORKPOINT (m2):	11.8





GRAND TOTAL WORKPOINTS (EXCL. HOT DESKS):	382
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	4771
AREA PER WORKPOINT (m2):	12.4
<hr/>	
GRAND TOTAL WORKPOINTS (INCL. HOT DESKS):	392
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	4771
AREA PER WORKPOINT (m2):	12.1



GRAND TOTAL WORKPOINTS (EXCL. HOT DESKS):	311
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	4771
AREA PER WORKPOINT (m2):	15.3
<hr/>	
GRAND TOTAL WORKPOINTS (INCL. HOT DESKS):	340
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	4771
AREA PER WORKPOINT (m2):	14.0





GRAND TOTAL WORKPOINTS (EXCL. HOT DESKS):	83
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	1260
AREA PER WORKPOINT (m2):	15.2
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GRAND TOTAL WORKPOINTS (INCL. HOT DESKS):	100
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	1260
AREA PER WORKPOINT (m2):	12.6



GRAND TOTAL WORKPOINTS (EXCL. HOT DESKS):	212
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	2307
AREA PER WORKPOINT (m2):	10.9
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GRAND TOTAL WORKPOINTS (INCL. HOT DESKS):	214
NET LETTABLE AREA (NLA m2) (EXCL. ANCILLARY)	2307
AREA PER WORKPOINT (m2):	10.8