



Australian Government

**Department of Infrastructure,
Transport, Regional Development,
Communications, Sport and the Arts**



**Future
Workplace
Canberra**

Proposed Fitout of New Leased Premises at
One City Hill, Canberra City

Department of Infrastructure, Transport, Regional Development,
Communications, Sport and the Arts

Future Workplace Canberra Project

1.0 Public Submission to Public Works Committee

November 2025

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We acknowledge the Traditional Owners and Custodians of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to them, their cultures, and Elders past and present.

1. Executive Summary

1.1. Introduction

- 1.1.1. In July 2025, the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the Department) presented a submission for fitout of leased premises at 7 London Circuit, Canberra City for the Committee's consideration. This submission was Stage 1 of a two-stage process delivering a precinct model within the Canberra CBD.
- 1.1.2. Following the expediency motion for 7 London Circuit, Canberra City being supported in the House of Representatives on 30 October 2025, this submission represents Stage 2 of the two-stage precinct model for the Department's future workplace accommodation strategy.
- 1.1.3. This Stage 2 submission focuses on the south tower, One City Hill 20 Knowles Place, Canberra City, which will complete the precinct model and enable the Department to vacate its accommodation at 2 Phillip Law Street (Nishi Building) by 14 December 2027, in line with the lease expiry.
- 1.1.4. This submission seeks to inform the Public Works Committee (PWC) of the Department's proposal to fitout leased premises at One City Hill, Canberra City at an estimated cost of **\$2,413 per sqm (ex GST)**, the total fitout construction cost estimate is **\$33.34 million (ex GST)**.
- 1.1.5. It is noted that a breakdown of the project total out turn cost estimate at **\$3,358 per sqm (ex GST)** and total out turn estimate at **\$46.40 million (ex GST)** is detailed in the confidential cost submission issued separately to the PWC committee members.
- 1.1.6. The Department assessed its long-term accommodation needs as current leases are set to expire mid-2026 and late-2027. This initiative is known as the Future Workplace Canberra Project ("the Project"). Office details are provided in the table below:

Site	Dept	NLA (sqm)	Leased Carparks	Lease Expiry
62 Northbourne Avenue, CITY	DITRDCA	10,218	109	30 June 2026
111 Alinga Street CITY		16,382	199	30 June 2026
Narellan Street, CITY		4,075	9	1 September 2026
Nishi, 2 Phillip Law Street, ACTON		8,478	59 +	14 Dec 2027
	Austrade*	3,854	0	14 Dec 2027
TOTAL NLA (sqm)		43,007	376	
TOTAL NLA (sqm) Excluding Austrade		39,153	376	

* Austrade occupies space within Nishi under a Memorandum of Understanding with the Department, aligned with the Head Lease term. Austrade is currently exploring long-term property options.

- 1.1.7. The Commonwealth Property Management Framework (RMG500) states that 14sqm is the government's target for the amount of useable office area per occupied work point. The Department through stakeholder consultation and workplace strategy review, identified an opportunity to reduce its office accommodation from 39,153 sqm (**excluding Austrade**) to approximately 23,500 sqm of Net Lettable Area (NLA) whilst meeting the RMG500 target.
- 1.1.8. As outlined in Stage 1 of the 7 London Circuit PWC submission, the precinct model is the preferred solution to address lease expiries and support the Department's strategic objectives. It offers the lowest risk and cost, meets critical lease timelines, and enables long-term flexibility. The Department is implementing this through a two-stage approach, Stage 1 for Building 1 and this Stage 2 submission for Building 2, which will complete the precinct model.
- 1.1.9. The model was endorsed by the Executive Leadership Team on 4 September 2024, with the Minister for Finance endorsing the first lease via formal correspondence dated 10 April 2025.
- 1.1.10. One City Hill, Canberra City (Building 2) provides 13,818 sqm within the South Tower across levels 1-6. Stage 1 will provide approximately 9,716sqm out of the total sqm, with the total NLA of the precinct model being approximately 23,500sqm.
- 1.1.11. The proposed accommodation will conform to all relevant building codes and practices. The Department has conducted due diligence and will continue to assess compliance with workplace health, safety, diversity, inclusion, and environmental standards.
- 1.1.12. Occupying One City Hill will stimulate growth in the Canberra CBD and enhance the use of the light rail corridor due to its proximity to the future London Circuit light rail stop. The building is newly completed and fully electrified and meets current Codes, Standards and the Energy Efficiency in Government Operations (EEGO) targets.

1.2. Consultation and Workplace Design

- 1.2.1. Since 2022, the Department has been working with That Works, a specialist consultancy in workplace and change management, to evaluate and assist with the streamlining of business operations. This partnership has provided strategic recommendations on future capabilities and new ways of working that will contribute to the reduction of the Department's accommodation footprint.
- 1.2.2. As part of this initiative, the Department has undertaken, and continues to undertake, a comprehensive consultation process in collaboration with That Works. This process actively engages staff and key stakeholders through intranet updates, staff forums, a consultative committee, consultation design groups, and union briefings.
- 1.2.3. As a result, the Department will adopt a 7 to 10 ratio allocation to minimise space and maximise collaboration, based on successful strategies from other Commonwealth departments.
- 1.2.4. The proposed fitout design for Stage 2 will target a work point density of approximately 14 sqm per work point, which is in line with the RMG500 target of 14 sqm per occupied work point for useable office area.
- 1.2.5. Staff will continue to be engaged through forums, working groups, and other activities. Feedback from earlier consultations informed the current workplace strategy. Future engagement will include virtual workplace experiences, with staff input guiding the refinement of the concept design.

1.3. Project Costs / Value for Money

- 1.3.1. The project cost estimate, prepared by TSA Riley (Cost Planner) based on a 30% concept design and base building documentation, reflects professional judgement and has been benchmarked against comparable Commonwealth projects and the recent procurement of a Head Contractor for 7 London Circuit.
- 1.3.2. Stage 2 project total out turn cost estimate is **\$3,358 per sqm (ex GST)**, and the total out turn estimate is **\$46.40 million (ex GST)**, this is detailed in the confidential cost submission issued separately to PWC committee members.
- 1.3.3. Stage 2 fitout construction cost estimate is **\$2,413 per sqm (ex GST)**, the total fitout construction cost estimate is **\$33.34 million (ex GST)**. According to the PWC Procedure Manual (Version 9.6, December 2022), standard fitout costs in metro areas range from \$1,500–\$2,000/sqm. Costs for this project reflect its premium-grade classification, larger scale, and elevated Canberra market rates.
- 1.3.4. The landlord's incentive is structured to fully offset the cost of the fitout as part of the lease agreement.
- 1.3.5. The design includes flexible workspaces, specialised ICT, and enhanced Zone 3–5 areas to meet operational needs. Features like intra-tenancy stairs, dedicated storage, specialised areas and high-security zoning significantly increases the fitout complexity and cost. These investments will ensure a secure, connected, and future-ready workplace aligned with departmental requirements.
- 1.3.6. The landlord will provide access from 1 July 2026 for tenant fitout works and staff relocation, with lease and rent commencing on 1 July 2027. The Nishi building lease will be terminated by the lease expiry of 14 December 2027. The project has sufficient time to complete the fitout and relocations of staff prior to the current lease expiry at Nishi building.
- 1.3.7. All procurement complies with Commonwealth Procurement Rules, ensuring transparency and value for money. Supported by internal and external oversight, the project uses a cost-effective, standardised fitout designed to last the full term of the lease.
- 1.3.8. The workplace strategy, informed by a detailed review of staff numbers and operational requirements, enabled a strategic footprint reduction from 39,153 sqm to approximately 23,500 sqm—a 40% decrease. This supports long-term cost savings and cost avoidance and aligns with the Department's efficiency goals. Stage 2 will deliver 13,818 sqm at One City Hill.
- 1.3.9. As the fitout for One City Hill, Canberra City is considered Public Works under the *Public Works Committee Act 1969*, this submission is brought before the Committee for consideration.

2. Identification of Need

2.1. Background Existing Accommodation

2.1.1. The Department's current office accommodation is within four separate leased buildings within the Canberra CBD listed as follows:

- 111 Alinga Street (expires 30 June 2026);
- 62 Northbourne Avenue (expires 30 June 2026);
- 2 Phillip Law Street (expires 14 December 2027); and
- 26 Narellan Street - Memorandum of Understanding (MoU) with the Australian Taxation Office (ATO) (expires 1 September 2026).

2.1.2. Following PWC approval of the fitout of leased premises at 7 London Circuit, Canberra City, the Department will be on track to vacate the current buildings with the leases expiring in 2026 and relocate staff to 7 London Circuit and Nishi Building.

2.1.3. In addition, the Department must vacate the Nishi Building at 2 Phillip Law Street by 14 December 2027, in line with the lease expiry. This requirement is a key driver for the second stage of the precinct model, which will be completed through the fitout and occupation of One City Hill.

2.2. The Need for the Works

2.2.1. The fitout of One City Hill is required to enable the Department to vacate its office accommodation at Nishi, 2 Phillip Law Street by 14 December 2027, in line with lease expiry. Together with 7 London Circuit, which forms Stage 1 – Building 1, the completion of One City Hill as Stage 2 – Building 2 will finalise the Department's precinct model, delivering a cohesive, future-ready accommodation solution that supports long-term workplace strategy and operational continuity.

2.2.2. The fitout of One City Hill will ensure continuity of operations, support a more efficient and sustainable workplace, and align with long-term strategic goals, including the APS Net Zero 2030 target.

2.3. Details of the Existing Accommodation

- 2.3.1. The Department operates across four office sites in Canberra, three located centrally within the CBD and one in Acton, which is situated on the western edge of the CBD and lies within a short 10–15-minute walk. Office details are provided in the table below.

Site	Dept	NLA (sqm)	Leased Carparks	Lease Expiry
62 Northbourne Avenue, CITY	DITRDCA	10,218	109	30 June 2026
111 Alinga Street CITY		16,382	199	30 June 2026
Narellan Street, CITY		4,075	9	1 September 2026
Nishi, 2 Phillip Law Street, ACTON		8,478	59 +	14 Dec 2027
	Austrade*	3,854	0	14 Dec 2027
TOTAL NLA (sqm)		43,007	376	
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* Austrade occupies space within Nishi under a MOU with the Department, aligned with the Head Lease term. Austrade is currently exploring long-term property options.

2.4. Deficiencies in Current Facilities

- 2.4.1. **62 Northbourne Avenue and 111 Alinga Street, Canberra City**
- 2.4.2. As addressed in the Stage 1 PWC approval process, the Department's current facilities present significant deficiencies. The buildings at 62 Northbourne Avenue and 111 Alinga Street, both located in Canberra's CBD, were constructed in 1990 and 1987 respectively, with refurbishments completed in 2009/10. The fitouts in these buildings have reached the end of their economic life and no longer provide the amenity or flexibility required for modern working environments.
- 2.4.3. Refurbishment while occupied is neither feasible nor cost-effective, and a proposed campus-style arrangement between the two sites was deemed unsuitable due to space limitations and disruption risks.
- 2.4.4. **2 Phillip Law Street, Nishi Building, New Acton**
- 2.4.5. The Nishi Building in New Acton, constructed in 2015, currently meets acceptable standards but requires upgrades to align with departmental needs and net zero policy compliance. Collectively, these facilities are unable to support contemporary operational requirements, necessitating consideration of alternative accommodation solutions.
- 2.4.6. **Narellan Street, Canberra City**
- 2.4.7. The Department currently occupies two floors of the ATO's Narellan Street premises under a MOU arrangement that was due to expire in May 2027, which was aligned with the ATO's original lease expiry date. The MOU arrangement is being terminated early as the ATO is relocating into their new Barton office in mid-2026 and have negotiated an early surrender of their Narellan Street lease from 1 September 2026. The Department is unable to remain in the ATO's Narellan Street premises beyond the early surrender date.

2.5. Key Project Objectives

- 2.5.1. The objective of the Project is for the Department to reduce its current leased office space footprint to meet the RMG500 - Commonwealth Property Management Framework, reduce overall leasing and operational costs and provide accommodation that is designed to enhance capability across all areas of business.
- 2.5.2. 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 fitout, which will facilitate greater agility and internal collaboration within the Department.
- 2.5.3. The following long-term accommodation objectives and benefits are being sought through the Project:

- Supporting flexible working and fostering an adaptable, diverse, inclusive, and healthy workforce;
- Supporting increased workforce productivity;
- Enable evolution of the workplace and promote cultural transformation;
- Provide flexibility and adaptability to support emerging functional requirements and a capability to surge if needed;
- Reduce Department leased office NLA and consolidate its current four holdings into a precinct model across two buildings;
- Stronger economic basis by minimising property operating costs through a reduction in total leased space and less two (2) premises;
- An ability to plan for and meet the longer-term organisational needs consistent with the RGM500 density target of 14sqm per occupied work point;
- Improved floor area efficiencies across the Department through increased workspace density in buildings with large floor plates and designed to facilitate open plan environments;
- Flexibility, adaptability and responsiveness to support organisational growth, and any restructure, reconfigurations and taskforces;
- More opportunities to work cooperatively, efficiently and more effectively if staff were in close proximity of buildings with the potential for increased productivity;
- 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;
- Lower cost of churn and support of organisation change with the use of common office fitout and furniture;
- Support for sustainability and environmental objectives;
- Deliver a modern, contemporary fitout that aligns with Commonwealth standards and current best practice for office accommodation;
- Plan to align the allocation of dedicated (partitioned) office space with Whole of Government intent whilst standardising the provisions across the Department to reflect individual needs; and
- Provide an office fitout that utilises energy efficient and environmentally friendly and sustainable materials, goods and services.

2.6. Benefits of the Precinct Model

- 2.6.1. The Department has adopted a precinct model comprising two buildings located in close proximity.
- 2.6.2. To address the expiry of leases at 111 Alinga Street and 62 Northbourne Avenue in 2026, 7 London Circuit, which offers 9,716 sqm of NLA has undergone a full refurbishment and is ready for immediate fitout.
- 2.6.3. One City Hill will serve as Stage 2, Building 2, to address the Nishi lease expiry in December 2027 and provide the remaining 13,818 sqm of NLA.
- 2.6.4. The workplace strategy, informed by a detailed review of staff numbers and operational requirements, has facilitated a strategic reduction in the overall (NLA) from 39,153 sqm to approximately 23,500sqm, subject to final lease negotiations, and meets the Department's desire to remain in Canberra's Central Business District (CBD).
- 2.6.5. This reduction is informed by an analysis of workforce needs, including the impact of flexible and hybrid work arrangements. The Department will adopt a 7:10 ratio work point allocation model, enabling more efficient use of space and addressing previous over-allocation in existing buildings.
- 2.6.6. Compared with other options, the precinct option presents the lowest risk, lowest cost and meets the current lease end dates, while still achieving the Department's need for a long-term lease strategy, beyond the current lease expiry dates.
- 2.6.7. The proposed works aim to deliver a high-quality, flexible, and secure office solution aligned with the Department's vision and Government requirements. Located in the Canberra CBD, it will support a sustainable, efficient workplace that meets staff needs for the next 20 years and beyond. While the model introduces some inefficiencies, these are outweighed by its flexibility to adapt to future Machinery of Government (MOG) changes. It supports the Department's ability to deliver responsive, innovative, and efficient services in line with stakeholder expectations.

3. Options Considered

3.1. Options

- 3.1.1. **Option 1 – Status Quo is not feasible.** The Nishi building requires major refurbishment to meet the Commonwealth's new zero targets and be suitable for a further 10-year occupancy. As the existing fitout is at the end of its economic life and unsuitable for a flexible working model, it would be uneconomic to install a new fitout for a 10-year life. 26 Narellan St is occupied under an MOU with the ATO. Continued occupancy past June 2026 is not possible as the Landlord has leased the space to another Commonwealth tenant.
- 3.1.2. **Option 2 – New Lease of Nishi** - whilst a new lease of the Nishi Building is theoretically the lowest cost option, it has numerous risks to both cost and program as outlined in previous sections. It is also the least desirable due to the necessity to stage the base building refurbishment and fitout over a minimum 27-month period with the resultant disruption to staff and the business. It is the highest risk option.
- 3.1.3. **Option 3 – New Lease of South Tower, One City Hill** presents a higher Whole of Life Cost (WoLC) comparing with Option 2, however it is the preferred option for the following reasons:
 - Security advantages provided by the lease of the whole building.

- Compared to Option 2, where existing facilities face risks from aging services, latent conditions, and extended delivery timelines, Option 3 offers known quality with completed building services and finishes.
- The building meets all current Codes and Standards including the Commonwealth's NABERS EEGO requirements.
- Reduced risk to program as occupancy of the building from 1 July 2026 is agreed.
- Reduced risk of disruption to staff and the business.
- Superior location to Nishi due to proximity to retail services in Civic, location of the light rail station and closer proximity to 7 London Circuit.
- One City Hill offered the best value for money, presenting greater benefits and lower risk.

3.2. Market Testing

- 3.2.1. The Department initiated a review of its accommodation due to the inefficiencies identified with offices being housed in four separate locations and the opportunity presented by the June 2026 expiry of its major leases.
- 3.2.2. The Commonwealth Property Management Framework requires property decisions to be based on the Commonwealth Property Management Principles.
- 3.2.3. Guided by these principles the Department in consultation with Finance and consistent with the Commonwealth Leasing Strategy conducted several market testing exercises as described below.

3.3. Approach to Market and Preferred Respondent

- 3.3.1. In September 2024, the Department commenced a formal tender process for Building 2, supported by a Tender Evaluation Committee, Probity Advisor, legal, and technical advisors. The evaluation was conducted in two stages, beginning with a technical assessment and followed by parallel commercial negotiations.
- 3.3.2. Negotiations ran from April to August 2025, focusing on achieving a cost-neutral outcome by reducing face rent and maximising lease incentives. Final offers were received in June and reviewed by the Evaluation Committee, with legal support from Clayton Utz.
- 3.3.3. After considering financial and non-financial factors, the Committee determined that One City Hill offered the best value for money, presenting greater benefits and lower risk. The submission aligned with the Department's strategic objectives and is expected to deliver \$273 million in cost avoidance and savings over 20 years through a move to a new, fully electrified building by July 2027.

3.4. Lease Negotiations

- 3.4.1. One City Hill was identified as the preferred option for approximately 13,818 sqm of office accommodation, subject to successful commercial negotiations and required Government approvals.
- 3.4.2. All financial approvals, including those under the PGPA Act, have been secured. The Minister for Finance has endorsed the lease, while the Department continues to finalise the Commonwealth National Lease and associated Works and Incentive Deed and Car Park License. The Department will enter into a 20-year lease with a five-year renewal option. The fitout construction cost, estimated at **\$33.34 million (ex GST)**, will be fully covered by the landlord's incentive.

4. Consultation

4.1. Stakeholder Consultation and Briefing

- 4.1.1. The Department has continued to implement the same structured and inclusive consultation practices for Stage 2 of the workplace project as were successfully applied in Stage 1. This consistent approach ensures continuity in staff engagement, supports informed decision-making, and reinforces the Department's commitment to a modern, adaptive, and human-centred work environment.
- 4.1.2. The Department engaged That Works, a workplace design consultancy, to support the development of a modern, adaptive, and human-centred work environment. The approach prioritises early and ongoing staff consultation and, engagement throughout planning, design, and implementation.
- 4.1.3. Stakeholder Consultation plays a pivotal role in the success of the Department's new workplace strategy, it ensures the workplace is not only functional but also inclusive, future-ready, and aligned with staff needs.
- 4.1.4. The Department follows a structured consultation process, progressing through defined consultation phases including:
- **Discovery Phase:** Gathered deep insights through surveys, interviews, observations, and global benchmarking to inform the Functional Design Brief.
 - **Engagement & Experience Phase:** Ongoing collaboration with staff through workshops, virtual walkthroughs, and feedback sessions.
 - **Transition & Outcomes Phases** (upcoming): Will support staff adaptation and evaluate project impact for continuous improvement.
- 4.1.5. Governance and representation for the project are structured through key decision-making bodies and inclusive staff committees to ensure broad input and effective oversight. Governance Bodies include:
- Project Advisory Board
 - Project Working Group
 - Executive Leadership Team
 - Project Control Group
 - SES Monthly meeting
 - Departmental Consultative Committee (DCC)
- 4.1.6. DCC Representation include:
- All divisions and corporate branches
 - Networks: Disability, Neurodiversity and Allies Network, Pride and Allies Network, First Nations Network, Cultural and Linguistic Diversity Network and the Community and Public Sector Union
- 4.1.7. Design and implementation are being guided by staff feedback, with early concepts already developed and ongoing consultation shaping the detailed design of the future workplace, in close collaboration with operational teams including IT, WHS, HR, Security, and Property.
- 4.1.8. Refer to the Department's consultation roadmap and Annexure A for detailed breakdown of staff and stakeholder engagement.

4.2. Workplace Strategy

- 4.2.1. The Workplace Strategy for Stage 2 Building 2, One City Hill remains the same as Stage 1 - Building 1, 7 London circuit.
- 4.2.2. The Department views this project as a key opportunity to enhance workplace culture and attract talent, with success relying on a strategic plan that meets future needs and engages staff and visitors.
- 4.2.3. In 2022, the Department commissioned a workplace strategy report including a survey of all staff. The report was prepared by Dexu and Cox Architecture and issued to the Department in 2023.
- 4.2.4. The Department in collaboration with That Works, has diligently considered the workplace strategy reports, surveys, studies and consultation and the workplace strategy and design solution will consider the following:
 - The Department would provide a work point for 70% of staff (7 work points provided for every 10 FTE staff), which will exceed the Property Management Framework (RMG500) density targets. The approach also properly considers the expectation that staff will continue to work several hours per week from home.
 - Senior Executive Staff (SES) would be provided with access to a dedicated office.
 - All other staff would have access to a work point (work point management system). The work point, depending on the employee's preference (and proposed work to be undertaken) maybe in a high focus area (quiet areas, small workstation pods or small focus rooms) or lower focus areas (open plan workstation, collaboration areas) where more verbal integration and team-based approach is expected.
- 4.2.5. The 7:10 ratio was a decision made by the Department's executive leadership team for 7 London Circuit. The decision was informed by the more flexible working options available to staff and ensuring a contemporary, fit for purpose workplace that caters to the Department's current needs, with the flexibility to adapt as those needs evolve.
- 4.2.6. The ratio was also informed by other organisations that have transitioned to a non-allocated desking arrangement, including Department of Health, Disability and Ageing and Department of Agriculture, Fisheries and Forestry.
- 4.2.7. The move to a non-allocated desking environment and less allocated offices will be a new concept for staff and as such the transition is being carefully managed.
- 4.2.8. The executive believes the 7:10 ratio provides the right balance between moving to an agile environment, accommodating a portion of staff that may work from home on a given day, while still retaining an "anchor" in a particular work area.

4.3. Indigenous Consultation and Engagement

- 4.3.1. The Future Workplace Project, Canberra is a journey for all DITRDSCSA staff. We acknowledge and respect all cultures and the diversity in our workplace. On entering our new accommodation our aim is for everyone to have a sense of belonging, inclusion, respect and comfort through the interior design and in recognition of our First Nations people and their connection to Country, their insights and engagement with the previous iterations of this project have informed the requirements for the Future Workplace Project, Canberra.
- 4.3.2. The Department engaged First Nations consultant Djinjama to facilitate First Nations consultation activities to ensure that the design respectfully considers how to integrate First Nations themes/design to reflect the importance of the Ngunnawal people regarding the land the building is constructed on.
- 4.3.3. Djinjama have completed the First Nations Design Brief in consultation with representatives from the First Nations Network, the Department's Executives and Consultation Committees. The First Nations Brief contributed to the Future Workplace Project Concept Design for Stage 1 - Building, 7 London Circuit and Stage 2 - Building 2, One City Hill.

4.4. Union Consultation and Engagement

- 4.4.1. The Department continues to consult with the Unions throughout the project, with a union representative participating in the departmental Consultative Committee to ensure ongoing representation and input.
- 4.4.2. The Unions have been kept informed through both formal consultations and broader departmental communication channels.
- 4.4.3. Formal consultation commenced on 28 May 2025, during which no major concerns were raised. A structured consultation schedule has since been implemented to support continued engagement and ensure the Unions remain informed and involved as the project progresses.

4.5. Scope of Works

4.5.1. Functional Design Brief (Fitout Works)

4.5.2. Through the briefing phase and collection of data, feedback and comments with stakeholder groups identified above, the project team developed a detailed Function Design Brief (FDB), to be utilised and inform the development of the design.

4.5.3. The FDB also captured the requirement for the design to maximise flexibility of the design to actively respond to future MOG changes, surges in requirements and contraction/expansion of the Department. This will be achieved through:

- Work points that can easily and quickly be reconfigured without disturbing productivity;
- Maximising the use of open plan areas and locating these within the centre area of the building;
- Ensuring the enclosed areas are capable of being altered easily to allow for future change, e.g. the utilisation of modular meeting room design so that two small meeting rooms will also satisfy the requirements of one large meeting room with minimal additional building works;
- Building services that are located to allow for repositioning of walls, work point layouts and accommodation changes in technology; and
- A robust security system that protects the Department's information, people, assets and operations.

4.5.4. A focus of the brief and design solution is to deliver a workplace solution that also activates the building throughout and encourages integration and harmony between business areas within every floor.

4.5.5. The fitout design is predominantly open plan with modular workstations supported by enhanced meeting capacity, breakout areas and support facilities. Offices and formal meeting areas will be in the core of the building to maximise the use of natural light or staff.

4.5.6. The Department has adopted a universal space planning approach. This is a holistic, inclusive, and strategic approach to designing and managing office environments that are accessible, flexible, standardised, cost-effective, and sustainable that align with the whole of government policies and legislative requirements. These design principles will provide flexibility across the fitout which will enable creative working spaces, including quiet meeting rooms, project rooms, and collaboration hubs.

4.5.7. Tenant fitout will be undertaken to conform to the Department's operational requirements including physical and electronic security. These include door hardware and electronic access control at the main entrances, other entrances, exits, vehicle access points and internal areas with higher security needs.

4.5.8. A Security Design Brief has been developed by a SCEC- consultant (Forcefield Services), with all measures designed to comply with the Protective Security Policy Framework (PSPF), Information Security Manual, ASIO Technical Notes, and ACT Crime Prevention Guidelines.

4.5.9. High security zones, required by the Department to perform its role, would be designed that are accessible by the Department's executive and staff and in an area requiring minimal reconfiguration of the base building.

4.5.10. Security services would include physical and electronic security in accordance with the Security Advisors design and advice. This would also include a security alarm system, security races on ground floor lobby and an electronic access control system.

4.5.11. The fitout will also include:

- Secure lift lobbies to each floor;
- Standardised office sizes and modules have considered future reuse of the space including modularity of design; i.e. SES offices can be converted to meeting room or two quiet rooms;
- A variety of workstation settings that reflect different styles of working and respect neurotypical, neurodiverse, inclusive and accessible needs. Effort has also been made to place workstations with good solar access, reduce built zone on window line whilst maintaining a good level of privacy for all users;
- Offices and meeting rooms will be mostly constructed in the central cores so as not to limit natural light from external windows;
- Breakout spaces, kitchens, quiet rooms and casual meeting space will be provided throughout the tenancy whilst ensuring that acoustic treatments are suitable to enable all staff to work effectively;
- One communication room per floor is required which minimise the cost of infrastructure and non-habitable spaces;
- Storage facilities would be provided in the basement;
- First Aid, multi faith and multipurpose rooms; and
- Equality of access for people with disability and mobility impaired.

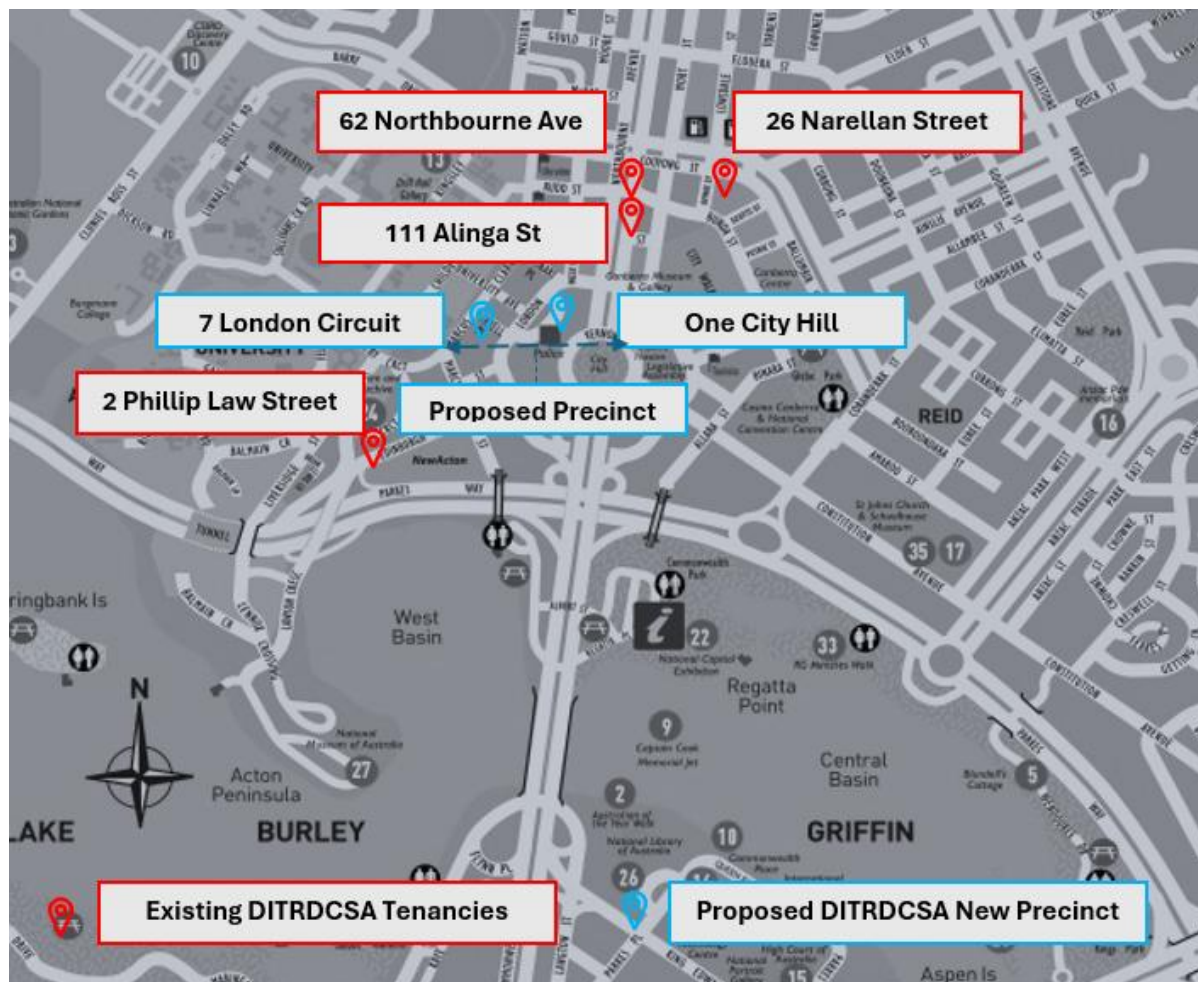
Space Brief

		Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Total Achieved	Space Brief
	→ NLA								
	↓ Space Type								
Individual Settings	Secretary Office	-	-	-	-	1	-	1	1
	Chief of Staff Office	-	-	-	-	1	-	1	1
	SES Deputy Secretary Office [SESB 3]	-	1	1	1	3	-	6	7
	Executive Office [SESB 1 & 2]	6	10	10	11	9	9	55	55
	Enclosed Focus Room [1-2p]	7	10	12	11	9	11	60	59
	Single Workpoint	103	163	169	179	133	147	894	895
	Speciality Office	-	-	1	-	-	-	1	1
	EA/EO Workpoints	-	-	-	-	10	-	10	10
Meeting Settings	Small Meeting	4	6	7	6	6	6	35	36
	Medium Meeting	1	1	1	1	1	1	6	6
	Large Meeting	7	1	1	1	1	1	12	12
	Speciality Meeting Room Reading Room	-	1	-	-	1	-	2	2
	Boardroom	-	-	-	-	1	-	1	1
Kitchen Settings	Project Space	-	2	2	2	2	2	10	12
	Kitchen Hub	-	1	-	1	-	1	3	3
Support Settings	Kitchenette	2	1	2	1	3	1	10	10
	Print Hub Avenue [standard]	2	2	2	2	2	3	13	13
	Print Hub Avenue [large]	-	-	1	-	-	-	1	1
	Fitout Accessible Toilet	1	1	1	1	1	1	6	6
	Store room	1	1	1	1	1	1	6	7
Specialty Settings	Cleaner's Lunch Room	-	-	-	-	-	-	-	1
	Multifaith Room	1	-	-	1	-	-	2	1
	Parent's Facilities	1	-	1	-	-	-	2	2
	First Aid Room	1	-	-	-	1	-	2	1
	IT Hub Tech Bar Service Counter IT Store Build Room	1	-	-	-	-	-	1	1
	Mail Room	1	-	-	-	-	-	1	1
	Primary Comms Room [PCR] Comms	1	1	2	1	1	1	7	7
	Interview Room	1	-	-	-	-	-	1	1
	Repatriation Room	-	-	1	-	-	-	1	1
	Media Suite	-	-	1	-	-	-	1	1
	Security Suite	1	-	-	-	-	-	1	1
	Evidence Room	-	1	-	-	-	-	1	1
	Record Management Space	-	1	-	-	-	-	1	1

- 4.5.12. Based on the RGM500 target of 14 sqm of usable office area per occupied work point, the total usable office area required to support up to 2,100 Canberra based staff and contractors **would be 29,400 sqm.**
- 4.5.13. Since the Stage 1 PWC submission for 7 London Circuit, further design development has reduced the number of anticipated staff that will be allocated to Building 1, 7 London Circuit **from 950 to 843.** The occupational density will increase from **9.8 sqm to 11 sqm per person.**
- 4.5.14. It is anticipated up to **1257 staff and contractors** will be based at One City Hill, which offers approximately **12,530 sqm of usable NLA.** This results in an **occupational density of 10 sqm per person.**
- 4.5.15. Under the Department's Workplace Strategy, **adopting a 7:10 occupancy ratio** for open-plan workstations (with SES at 1:1) and a two-building precinct model across Stages 1 and 2, the required NLA has been **reduced to approximately 23,500 sqm.**
- 4.5.16. With consideration to the above space brief, the project has planned for **895 works points across 12,530 sqm of usable office area at One City Hill.** This results in a work point density of approximately **14sqm per work point.**
- 4.5.17. The above indicates an efficient use of usable space and is in line with the RGM500 benchmark of 14sqm per person.

5. Proposed Accommodation

5.1. Building 2 One City Hill, Canberra City



5.2. Description of the proposed Building 2 accommodation

- 5.2.1. The Department proposes One City Hill (South Tower) to form Building 2 of the precinct model. This building is located on Block 25 and 26, Section 63 in Canberra City. The site is prominently positioned within the city centre, bounded by Vernon Circle, Edinburgh Avenue and Knowles Place.
- 5.2.2. One City Hill is located approximately 200 meters from Building 1 which is situated at 7 London Circuit. This proximity supports strong physical and functional integration between the two sites, enhancing connectivity across the precinct.
- 5.2.3. The building consists of commercial office space, retail and hospitality use on the ground floor and associated basement car parking. There is also a public carpark within the site.
- 5.2.4. There will be significant co-location benefits of being situated within this precinct, with the future stages, including circa 65,000 sqm of Grade A office space, expected to possibly accommodate numerous Commonwealth tenants.
- 5.2.5. One City Hill is the first stage of a mixed-use development by Morris Property Group (trading as BJM), comprising commercial offices, restaurants, cafés, and shops arranged around laneways and a north-facing public plaza fronting Knowles Place.

- 5.2.6. The development will provide approximately 3,000 sqm of retail space, featuring a mix of food, beverage, and service outlets to support office workers and nearby precincts, including the Courts and New Acton. Surrounded by commercial, residential, and retail developments, the site is ideally positioned within Canberra City.
- 5.2.7. The site is well serviced by public transport. It is positioned close to the bus interchange and the light rail. The light rail Stage 2A (under construction) will also be walking distance to the building.
- 5.2.8. The base building at One City Hill has reached practical completion, with some elements intentionally left unfinished to avoid abortive works and optimise future fitout efficiency. It is proposed the Department will manage its own interior works separately, allowing for greater control over design, timing, and budget.
- 5.2.9. The proposed accommodation solution includes the following:
- One City Hill South Tower with a maximum of 13,818 sqm NLA;
 - A building, with flexible and adaptable floor plates of between 1,876 sqm - 2,436 sqm;
 - A lease term of 20 years with an option to renew of 5 years;
 - Secure basement car parking for 80 Commonwealth car parking spaces (including mobility access) of which 2 will be able to charge electric vehicles;
 - Secure storage of approximately 174 sqm;
 - No requirement for make good at the end of the tenancy;
 - A minimum 5 star NABERS rating in the base building design;
 - A lease incentive that will cover the construction fit out costs; and
 - The Commonwealth National Lease has also included a condition that the agreement is subject to the approval of the Public Works Committee.
- 5.2.10. One City Hill will provide the Department with an A Grade commercial building that will ensure that the Department's accommodation needs are met as part of the two-building precinct model and support the growth of the Department over the next 20 years.
- 5.2.11. Following a detailed assessment, the One City Hill North Tower was deemed unsuitable for the Department's operational requirements. While the building features an architecturally impressive central atrium that promotes openness and connectivity, its design poses challenges for security and spatial control. Addressing these issues would require significant and costly modifications, making the space impractical for departmental use without substantial redesign.

5.2.12. The proposed building NLA schedule is as follows, which will accommodate the Department's current and future requirements. This excludes ancillary areas such as cleaner's room, plant level storerooms and UPS rooms.

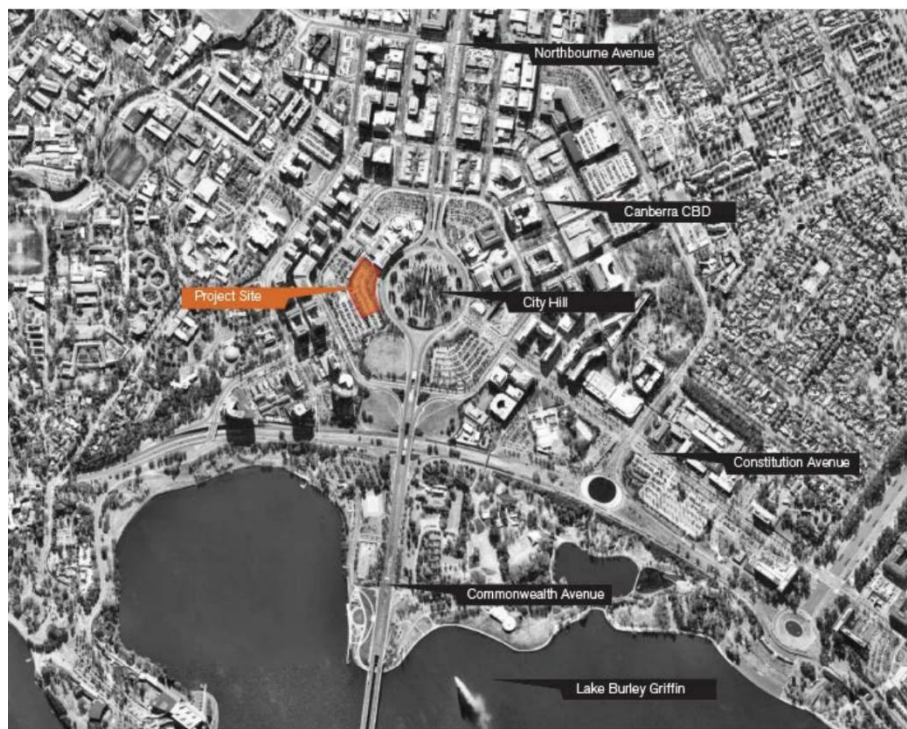
Description	Estimated NLA (sqm)
Basement (incl 80 secure parking bays including 2 EV)	N/A
Ground / Lobby	244
Level 1	1,876
Level 2	2,345
Level 3	2,436
Level 4	2,436
Level 5	2,436
Level 6	2,045
TOTAL	13,818

5.2.13. The floor plates range between 1,876 sqm to 2,436 sqm NLA which provide an opportunity for flexibility and efficiency in fitout design. The floor to ceiling height for the typical work areas is 2.7m, which is a commercial office standard height. Level 1 provides 3.6m ceiling height which provides excellent opportunity for security arrival areas, function spaces, informal training and conference facilities.

6. One City Hill – Building Technical Assessment

6.1. Site Visual

6.1.1. Below are some visuals of Once City Hill provided by the Landlord:



AERIAL PHOTOGRAPH OF SITE SHOWING BROAD CONTEXT



6.2. Base Building Performance

- 6.2.1. The Department engaged qualified consultants to undertake comprehensive due diligence on the building. As the asset is a newly constructed A Grade commercial building, no major concerns were identified. All base building infrastructure and services are considered suitable for the proposed fitout and operational requirements.
- 6.2.2. The fitout will be designed to comply with the PSPF security standards, ensuring alignment with the Department’s physical security requirements.
- 6.2.3. A summary of base building performance as follows:

Building Component	Performance Criteria
Base Building	All base building services, including lighting, fire protection, mechanical, and electrical, will be reconfigured to align with the proposed fitout layouts. All engineering design, compliance, and certification will adhere to applicable building codes and standards.
Electrical & Data	The building features separate switchboards and metering for base building and tenancy services, supporting reliable and efficient power distribution. Energy-efficient LED lighting and emergency systems comply with NCC and AS2293 standards. Standby power systems, surge protection, and redundancy ensure operational continuity. Structured cabling supports high-speed data and telecommunications, with flexible pathways for future upgrades. A 399kW solar array powers base building services, with excess energy available to the Department or fed back to the grid.
Hydraulics	The building is serviced by a high-capacity water supply with backflow prevention, metered by both the authority and BMS for NABERS monitoring. High-efficiency fixtures, including dual-flush cisterns and flow-restricted taps, are used throughout. Fire hose reels and sprinklers are supplied via mains with booster support. Provisional sewer and water points allow flexible tenant connections using a ventless drainage system. Stormwater is captured for non-potable use and irrigation, with excess discharged to the community system. Hydraulic services will support new amenities such as breakout areas and tea points. All installations will comply with the National Plumbing Code (AS/NZS 3500) and relevant hydraulic engineering standards.
Mechanical	The building’s mechanical system is designed for energy efficiency, occupant comfort, and climate adaptability. Rooftop plant rooms supply conditioned air via central risers, with ceiling diffusers ensuring even airflow. Redundant boilers, chillers, and pumps provide standby capacity. Ductwork is thermally and acoustically insulated. The system meets NCC and Australian Standards and supports flexible fitout integration, with a focus on reliability, efficiency, ease of maintenance, and minimal noise.
Fire Protection	The building’s fire protection systems comply with the NCC, AS1851, AS1668, and AS2118.1, and meet local fire authority requirements.

Building Component	Performance Criteria
	Systems include automatic sprinklers, fire detection and alarm systems with EWIS (including hearing-impaired provisions), smoke hazard management, hose reels, extinguishers, fire blankets, and hydrants. Emergency lighting and exit signs are battery-operated and connected to an automated testing system. An alternative fire engineering solution will be developed as required. All systems are maintained and tagged in accordance with AS1851, with ancillary alarm outputs integrated across building subsystems.
Acoustics	Intra-tenancy walls will be constructed to meet Zone 2 to Zone 5 acoustic standards, where applicable. This ensures appropriate sound attenuation and privacy aligned with the Department's security and operational requirements.
Landscape/Civil	The civil infrastructure such as pedestrian and cycle paths, electrical power, water supplies, stormwater and sewerage is well established to service the development.
Building Security	Physical security features will include layered security zones (Zones 2 to 5) with turnstiles and barriers, continuous physical barriers that prevent unauthorised access, and systems such as speed gates, CCTV, intruder alarms, and intercoms. A dedicated guarding at the Security Concierge Desk will be constructed in the public lobby, where Department staff and visitors will be required to sign in and escort all visitors.

6.3. Codes and Standards

- 6.3.1. All works will comply with all statutory requirements including National Construction Code (NCC), Disability Discrimination Act 1992, and other relevant Australian Standards. The Department will ensure that all relevant codes and standards are included in design and building briefs, including the National Code of Practice for the Construction Industry, and the guidelines from the Office of the Federal Safety Commissioner.

7. Environmental Sustainability

7.1. Base Building NABERS Energy Rating

- 7.1.1. The base building and proposed fitout of One City Hill will meet the EEGO Policy. The EEGO requires National Australian Built Environment Rating System (NABERS) rating of at least 4.5 Stars.
- 7.1.2. One City Hill holds a 5-Star NABERS and is aiming for a 5 Star NABERS Energy rating for the whole building and targeting a 5.5 Star Energy Rating for the base building.
- 7.1.3. In addition to NABERS ratings the landlord has demonstrated commitment to the Net Zero APS Policy through the following sustainability measures:
- Climate Active Certification: Designed to meet Climate Active Carbon Neutral Certification, showcasing its commitment to net-zero emissions.
 - Fully Electric Base Building: Features a 399kW rooftop solar system, eliminating reliance on fossil fuels and enhancing energy independence.
 - Water-Sensitive Urban Design: Includes water-saving tapware and efficient systems to reduce water consumption.
 - Efficient Glazing System: Minimizes heat gain and loss, improving thermal comfort and reducing energy use. The base building fitout will maximise the use of environmentally sustainable and recyclable materials wherever possible, and includes the following initiatives to reduce consumption, costs and environmental impact:
 - Dedicated end of trip facilities including bicycle racks, showers and lockers to encourage staff to walk, run or cycle to work.
 - Direct access to Canberra public transport including buses and the light rail.

7.2. Green Star Compliance

- 7.2.1. Under Net Zero initiatives, Commonwealth leases signed after 1 July 2026 must achieve a minimum 4 Star Green Star fitout rating; however, this requirement does not apply to One City Hill. The Green Star Fitouts rating tool is still under development and unavailable for formal certification, so while the project will follow sustainable design principles, formal certification is not currently planned. To support best practice, the Department has engaged a Green Star consultant to guide the fitout design in alignment with Green Star standards.

7.3. Heritage and Geographical Considerations

- 7.3.1. There are no known heritage or geographical considerations for this site.

7.4. Environmental Impact Assessment

- 7.4.1. There are no known issues for this site.

7.5. Local Impact Assessment

- 7.5.1. The Department's decision to remain within the Canberra CBD did not trigger the requirement to lodge a Local Impact Assessment with the Department of Finance, as the selected location falls within the designated CBD zone. Although relocating from its current tenancies, the move remains close to existing leases, ensuring continued access to the CBD and minimal disruption to staff and stakeholders.

8. Key Provisions

8.1. Public Transport

- 8.1.1. Adjacent to 7 London Circuit, One City Hill also provides strong transport connectivity, making it a convenient and future-ready location for the department. The site is well-serviced by public transport and parking, supporting both staff and visitors. While driving remains common in Canberra, there is a growing shift toward public and active transport, aligning with broader commuting trends and the site's accessibility advantages.
- 8.1.2. **Light Rail**
- 8.1.3. The expansion of Canberra's light rail network will significantly improve sustainable transport access to One City Hill. A new stop at Edinburgh Avenue, just 300 metres from the building, will connect staff and visitors to Gungahlin and, once Stage 2B is complete, to Woden. This north-south corridor supports a shift away from car dependency, helping reduce emissions, ease congestion, and promote greener commuting. Until then, the nearby Alinga Street stop ensures continued access to public transport.
- 8.1.4. **Buses**
- 8.1.5. The city is the major destination and interchange for bus routes allowing transportation of employees to almost every area of Canberra. There are more than 10 stops located within walking distance of One City Hill including the major Alinga Street terminus. The Jolimont Centre is also only a 10-minute walk away, providing coach travel connections to Sydney and Melbourne.

8.2. Local Road and Traffic Concerns

- 8.2.1. There are currently some traffic implications between One City Hill and 7 London Circuit due to ongoing construction projects, including the Raising London Circuit and light rail extension to Woden. The entire western side of London Circuit is closed to regular traffic, with limited movement allowed through specific routes.
- 8.2.2. These closures and diversions are expected to continue until 2026. It is important to note the anticipated lease start date for building 2 One City Hill is 1 July 2027 and traffic management is currently in place to manage local traffic. Roads ACT engages with residents and businesses to address any concerns. There are no significant risks anticipated at this stage.

8.3. Provisions for People with Disabilities

- 8.3.1. The Department is committed to creating and maintaining an accessible workplace, from a physical environment perspective and an inclusive culture. The designs have been purposefully created to be accessible for current and future staff; therefore, it will decrease the amount of future user-specific workplace modifications required to meet the needs of those with disability.
- 8.3.2. The fitout brief factors in the accessibility and inclusion feedback from the Department's Disability, Neurodiversity, Carers and Allies Network.
- 8.3.3. One City Hill is designed to be compliant with the Disability Discrimination Act (DDA), the relevant technical requirements of the National Construction Code, Disability (Access to Premises – Buildings) Standards 2010 (Premise Standards) and associated Australian Standards to ensure safe and equitable access for all building occupants.
- 8.3.4. Right- and left-handed accessible toilets will be provided on every level, ensuring equitable access for people with a disability. In addition, two accessible bathrooms are included as part

of the End of Trip facilities, as well as accessible showers, change rooms, drying facilities and lockers.

- 8.3.5. The building has been designed with accessibility in mind, ensuring that all entrances and exits are accessible to individuals with disabilities. It includes elevators and ramps for easy movement between floors, accessible restrooms, and clearly marked signage to support wayfinding. Additionally, designated accessible parking spaces are provided near the building entrance to enhance convenience and inclusivity.

8.4. Inclusivity

- 8.4.1. One City Hill and the Department are committed to creating a market-leading inclusive workplace. It will offer a variety of working arrangements to support diverse needs, including accessible amenities.
- 8.4.2. Base building also includes all- gender bathrooms on every level of the tenancy.
- 8.4.3. These design measures will foster an inclusive environment that supports and attracts a highly diverse workforce.

8.5. Childcare Provisions

- 8.5.1. There are no childcare facilities at One City Hill, however, there are several centres within a 2km radius. The leasing of this site will enable Departmental staff, currently accommodated in the Canberra CBD, to continue to utilise existing childcare arrangements.

8.6. Workplace Health and Safety Measures

- 8.6.1. In accordance with the requirements of the Work Health and Safety (WHS) Act 2011, the design phase for the fitout works will include safety in design workshops which will review the design to identify any risks associated with safety during the construction phase and safety during the operational phase.
- 8.6.2. The Fitout Construction Contract will require all contractors and subcontractors comply with WHS legislation appropriate to the building site.
- 8.6.3. As One City Hill is a newly constructed building, the Landlord has confirmed that no hazardous materials, such as asbestos or combustible cladding are present on site. No specific Work Health and Safety (WHS) concerns have been identified in relation to the property.

8.7. Pandemic Provisions

- 8.7.1. The Department will collaborate with its specialists to ensure that the fitout design considers health advice and lessons learnt from the global COVID-19 pandemic.

9. Project Delivery

9.1. Project Team

- 9.1.1. The Department continues to engage the existing project team to support the design and delivery of Stage 2 - Building 2 at One City Hill, ensuring continuity and alignment with project objectives.
- 9.1.2. The Department has engaged TSA Riley (international Project Management and Advisory business), who will act as the Department's project advisor, cost planner and project manager throughout the entire process.
- 9.1.3. TSA Riley continues to engage a range of technical experts including That Works (Change Management), Relocation Laws (Relocation Management), Forcefield (Security Consultant), Acor (Building Services Engineering design) Djinjama (First Nations Consultant) and a range of other technical consultants.
- 9.1.4. The Department continues to engage Cox Architecture (Cox) a prominent design-focused contemporary architectural practice to provide architectural workplace design services and lead design consultant, including peer review from Indigenous consultant Yerrabingin to ensure alignment of the Indigenous design brief. Cox have experience with the delivery of similar projects across Australia.
- 9.1.5. Cox have engaged Lit (Fire Engineering), TTW (Structural Engineer) and LCI (Building Services Engineer) as part of their technical design team.

9.2. Fitout Procurement

- 9.2.1. The Department will adopt the same procurement approach used successfully for 7 London Circuit for the fitout of Building 2 at One City Hill. This consistent strategy ensures alignment with government procurement standards and leverages lessons learned from recent project delivery.
- 9.2.2. The Department will use the Home Affairs Head Contractor Panel for its fitout procurement. This panel is part of the Australian Government's procurement framework, managed through AusTender, and is designed to facilitate the procurement of goods and services by government agencies.
- 9.2.3. The head contractor contract for this project will be structured as a lump sum contract, which involves a single, fixed price for all specified work.
- 9.2.4. This approach offers cost certainty, simplifies project management, and shifts the risk of overruns to the contractor. Clear scope definitions reduce misunderstandings, while the lump sum model incentivises efficient and timely delivery.
- 9.2.5. By adopting a lump sum contract, the Department aims to ensure financial predictability, streamlined delivery, and a clear understanding of the quality outcomes expected. The project timeline allows for the development of detailed documentation, further supporting cost and time certainty.
- 9.2.6. In line with the Department's commitment to inclusive procurement, invitations will also be extended to Indigenous organisations to participate in the tender process for the Head Contractor role. This supports broader government objectives to foster diversity and economic opportunities for Indigenous businesses.

9.3. Project Costs / Value for Money

9.3.1. Project Costs

- 9.3.2. Stage 2 project total out turn cost estimate is **\$3,358 per sqm (ex GST)**, equating to a total out turn estimate of **\$46.40 million (ex GST)**, this is detailed in the confidential cost submission issued separately to PWC committee members.
- 9.3.3. Stage 2 fitout construction cost estimate is **\$2413 per sqm (ex GST)**, equating to a total fitout construction cost estimate of **\$33.34 million (ex GST)**. This is considered mid-range for commercial office fitouts in the ACT. The landlord's incentive is structured to fully offset the cost of the fitout as part of the lease agreement.
- 9.3.4. According to the PWC Procedure Manual (Version 9.6, December 2022), standard fitout construction costs in metropolitan areas typically range from \$1,500 to \$2,000 per sqm. The higher estimated costs for this project reflect the building's premium-grade classification, larger scale and elevated Canberra market rates.
- 9.3.5. Additionally, the design incorporates flexible, agile workspaces, specialised ICT infrastructure, and enhanced Zone 3, 4, and 5 areas to meet the Department's operational requirements. The inclusion of intra-tenancy stairs to improve internal connectivity, dedicated storage areas, and the need to accommodate higher security zoning requirements further contribute to the overall complexity and cost of the fitout. Together, these elements ensure the project delivers a secure, functional, and future-ready workplace environment.
- 9.3.6. The landlord will provide access from 1 July 2026 for tenant fitout works and staff relocation, with rent commencing on 1 July 2027. The Nishi building lease will be terminated by the expiry date of 14 December 2027.
- 9.3.7. The project has sufficient lease tail to complete the fitout and relocations of staff minimising disruption to staff.

9.3.8. Value for Money

- 9.3.9. All procurement activities associated with the project were undertaken in full compliance with the Commonwealth Procurement Rules (CPRs), ensuring transparency, accountability, and value for money for the Commonwealth. To maintain the integrity of the procurement process, all goods and services were competitively tendered, with oversight provided by both the Department's internal procurement team and an independent external probity advisor. This dual-assurance framework ensured that procurement decisions were fair, equitable, and defensible.
- 9.3.10. The project leveraged existing market offerings by adopting a generic and standardised fitout approach to maximise efficiency and cost-effectiveness. This medium-complexity delivery model was specifically designed to ensure the fitout remained functional and fit-for-purpose throughout the full term of the lease, thereby avoiding the need for costly mid-lease refurbishments.
- 9.3.11. A key driver of value for money was the significant reduction in the Department's accommodation footprint. Through the adoption of a precinct model, NLA requirement has reduced from **approximately 39,153 sqm to approximately 23,500 sqm, representing an overall 40% reduction in footprint**. This reduction supports long-term cost savings and aligns with the Department's efficiency objectives.
- 9.3.12. Stage 2 of the project will deliver 13,818 sqm at One City Hill. This strategic consolidation will not only deliver substantial long-term cost savings but also aligned with the Department's broader objectives of operational efficiency and sustainability.

9.4. Revenue Derived from the Project

- 9.4.1. The operating cost benefits from the reduction in NLA also contribute to the overall savings. There is no direct revenue from this project.
- 9.4.2. The Department will be responsible for the full lease of the building, should any areas be sublet in the future the Department will be reimbursed rent and operating costs for that portion occupied by others under a MOU.

9.5. Construction program

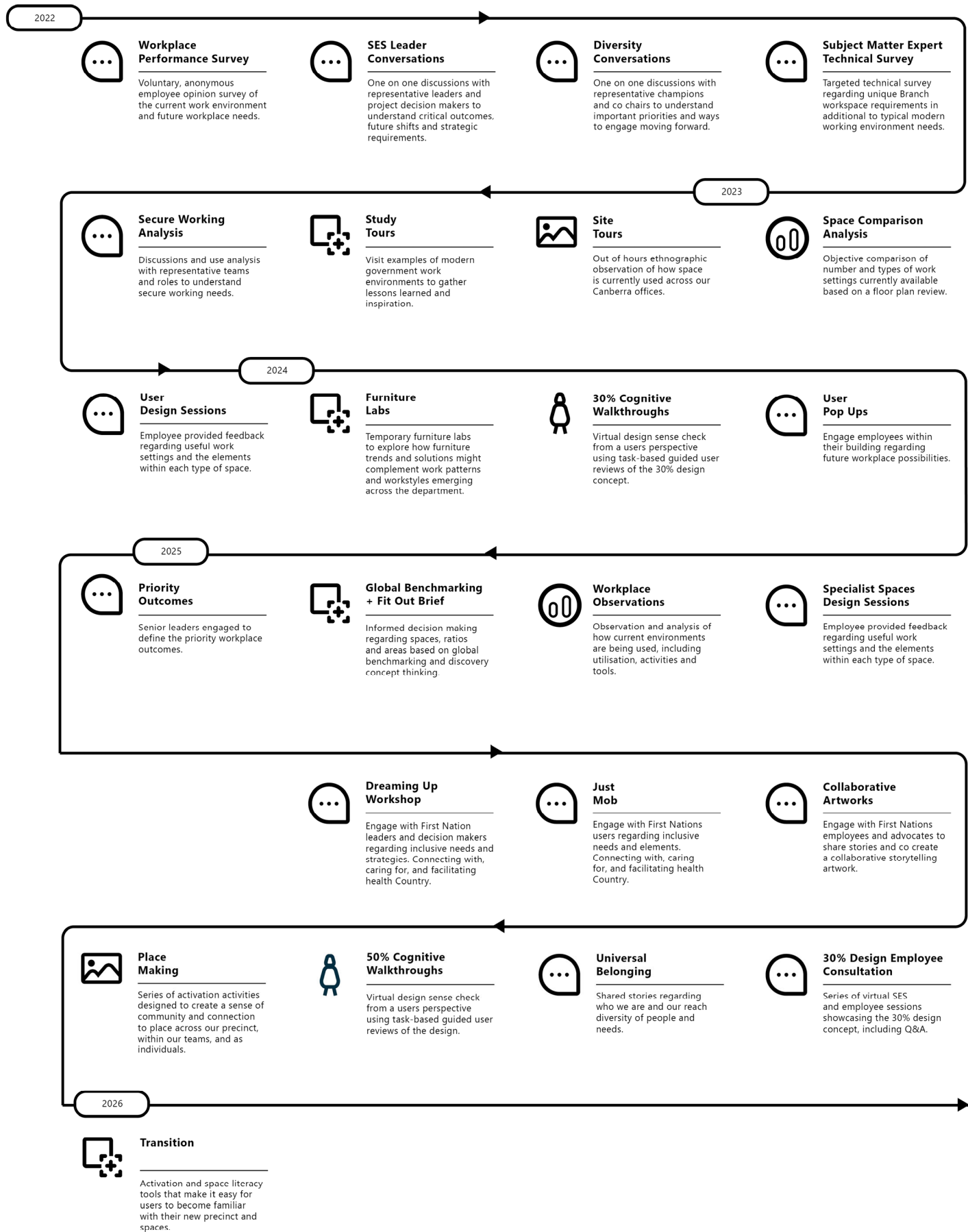
- 9.5.1. The critical date for the project is the expiration of the leases at Nishi Building on the 14 December 2027. There are no make-good obligations under these leases, so no time allowance is required for make-good works.
- 9.5.2. The project's fitout works schedule has considered the critical timing of the existing lease expiry and has built in sufficient time contingency to enable the works to be completed, and security and IT works and relocations to occur prior to the lease expiry dates. Subject to Parliamentary approval, the fitout works are expected to occur between July 2026 and May 2027, with final commissioning and relocation occurring in June to July 2027.
- 9.5.3. The project technical consultants have reviewed the construction program to verify it is feasible and that there is appropriate contingency to cover time over-runs. These milestones will form part of the Head Contractor Request for Quotation process.
- 9.5.4. TSA Riley will provide close supervision and verification of the fitout including monitoring the construction program to ensure that any potential program delays are identified at an early stage so that it does not impact the proposed completion date or lease expiry dates.

9.6. Plans and Drawings.

- 9.6.1. The concept fitout floor plans are attached at Annexure B.

Annexure A – Stakeholder Consultation Road Map

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts—Proposed Fit-out of
New Leased Premises at One City Hill, Canberra City
Submission 1



Annexure B – Cox Concept Design

September 2025



Australian Government
Department of Infrastructure, Transport,
Regional Development, Communications, Sport and the Arts



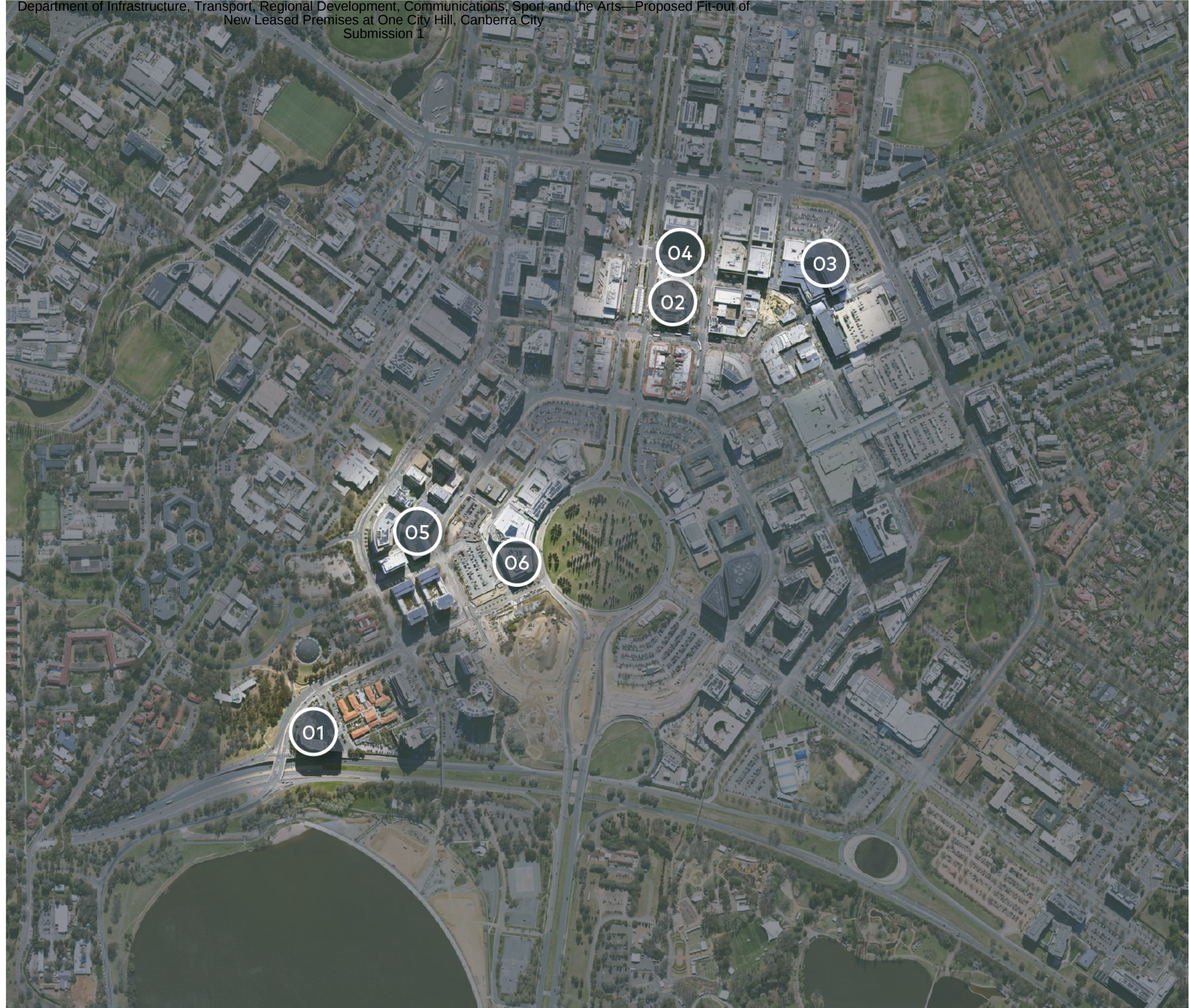
DITRD CSA

PWC Concept Design

Existing + New Buildings

Legend

01	<i>Existing Building 01 - 2 Phillip Law St</i>
02	<i>Existing Building 02 - 111 Alinga Street</i>
03	<i>Existing Building 03 - Narellan Street</i>
04	<i>Existing Building 04 - 62 Northbourne Avenue</i>
05	<i>New Building 01 (Spoke) - 7 London Circuit</i>
06	<i>New Building 02 (Hub) - One City Hill South Tower</i>

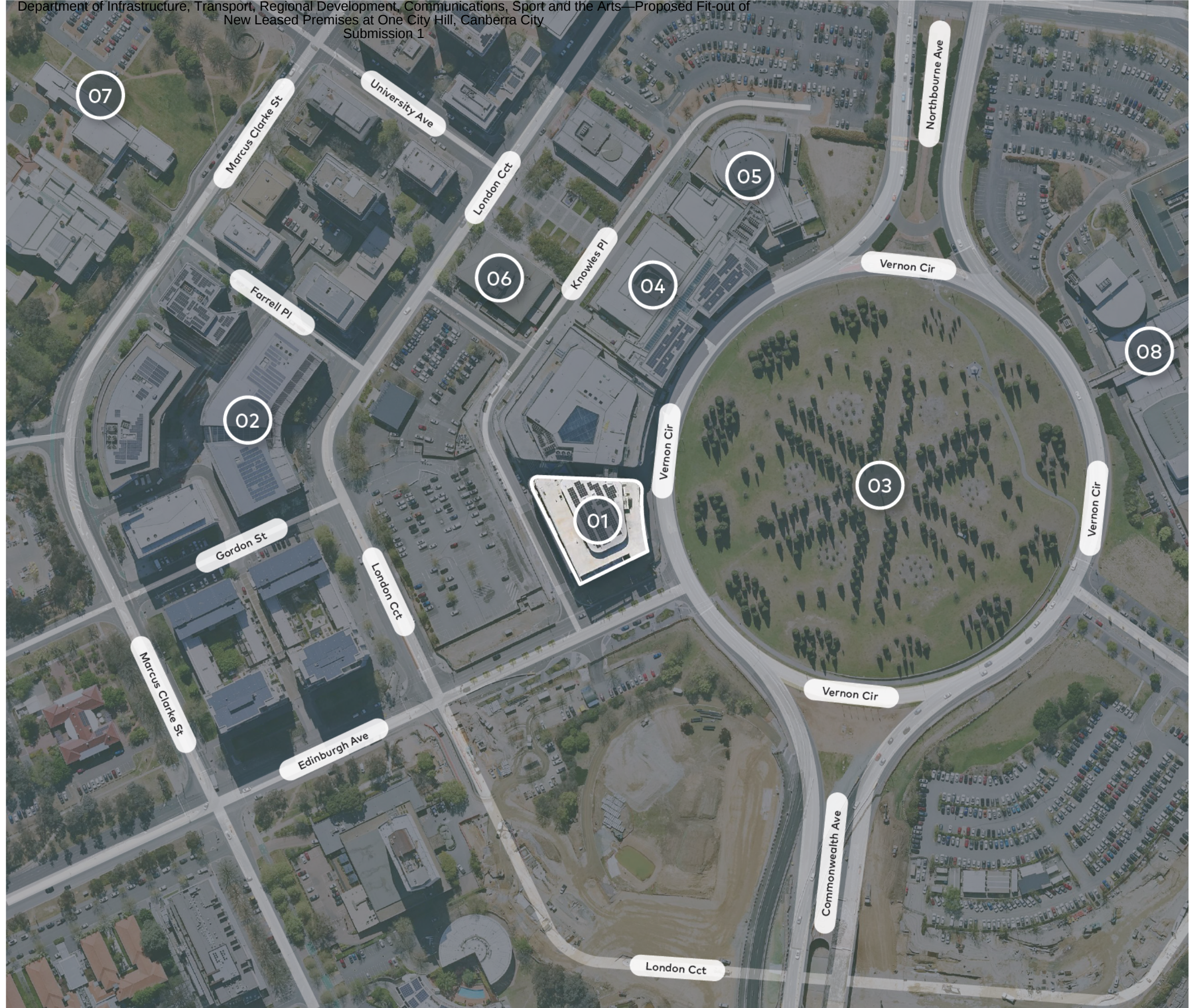


Building Location 1 City Hill

DITRDCA will occupy full floors from Level 1 to Level 6, as well as part of the Ground Floor at 1 City Hill.

Legend

01	Building 02 (Hub) - 1 City Hill South Tower
02	Building 01 (Spoke) - 7 London Circuit
03	City Hill
04	Supreme Court of the ACT
05	ACT Magistrates Court
06	Canberra City Police Station
07	ANU
08	Canberra Theatre



The New Fitout NLA

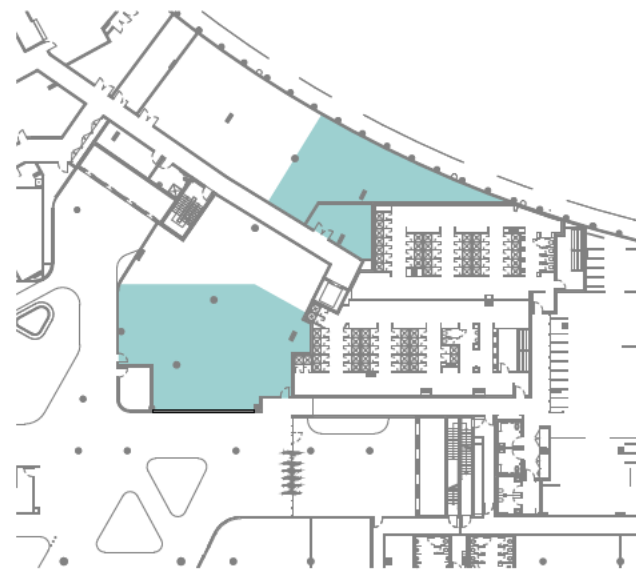
Legend

- Net Lettable Area (NLA)
- Core / Other tenancy

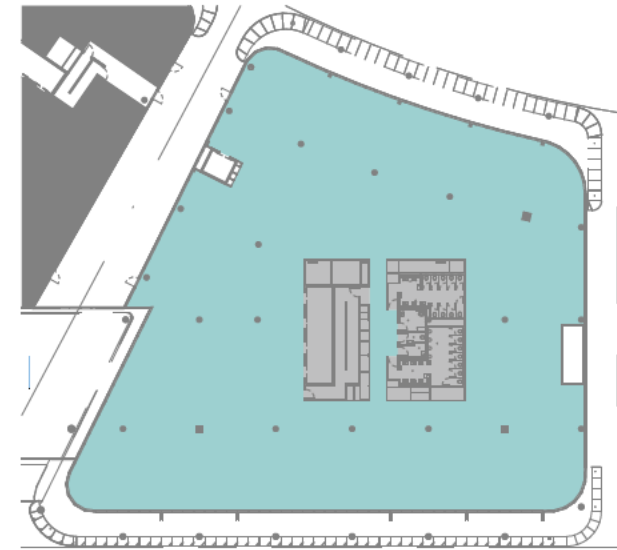
NLA

Ground	244m ²
Level 01	1,876m ²
Level 02	2,345m ²
Level 03	2,436m ²
Level 04	2,436m ²
Level 05	2,436m ²
Level 06	2,045m ²
Total	13,818m ²

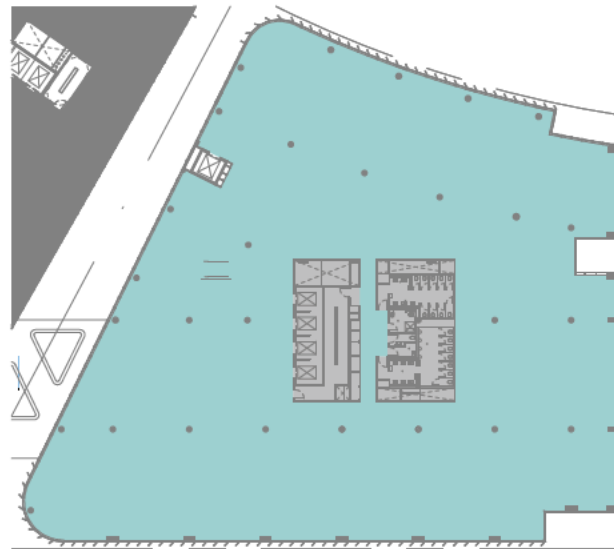
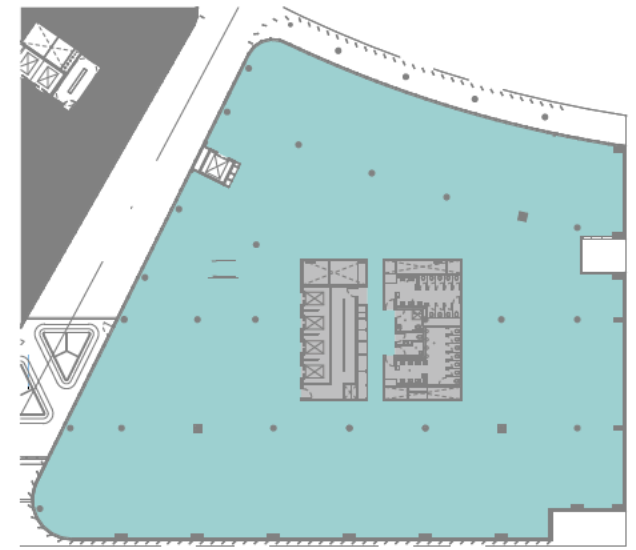
Ground Level



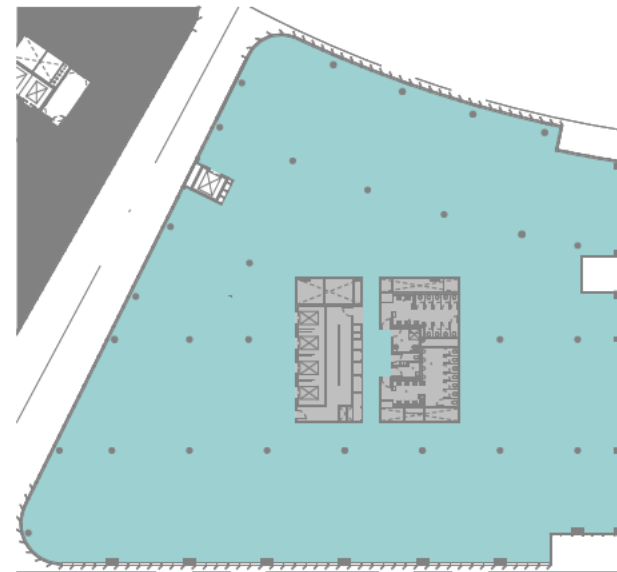
Level 01



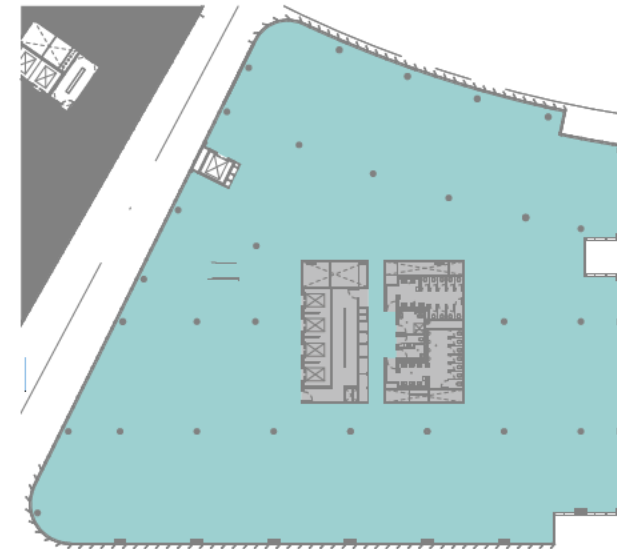
Level 02



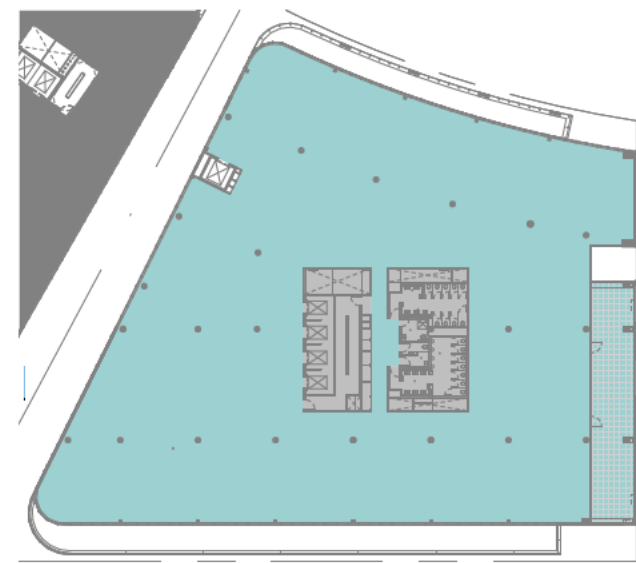
Level 03



Level 04



Level 05



Level 06

Project DNA and Areas in Detail

Space Brief

		Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Total Achieved	Space Brief
→ NLA									
↓ Space Type									
Individual Settings	Secretary Office	-	-	-	-	1	-	1	1
	Chief of Staff Office	-	-	-	-	1	-	1	1
	SES Deputy Secretary Office [SESB 3]	-	1	1	1	3	-	6	7
	Executive Office [SESB 1 & 2]	6	10	10	11	9	9	55	55
	Enclosed Focus Room [1-2p]	7	10	12	11	9	11	60	59
	Single Workpoint	103	163	169	179	133	147	894	895
	Speciality Office	-	-	1	-	-	-	1	1
	EA/EO Workpoints	-	-	-	-	10	-	10	10
Meeting Settings	Small Meeting	4	6	7	6	6	6	35	36
	Medium Meeting	1	1	1	1	1	1	6	6
	Large Meeting	7	1	1	1	1	1	12	12
	Specialty Meeting Room Reading Room	-	1	-	-	1	-	2	2
	Boardroom	-	-	-	-	1	-	1	1
	Project Space	-	2	2	2	2	2	10	12
Kitchen Settings	Kitchen Hub	-	1	-	1	-	1	3	3
	Kitchenette	2	1	2	1	3	1	10	10
Support Settings	Print Hub Avenue [standard]	2	2	2	2	2	3	13	13
	Print Hub Avenue [large]	-	-	1	-	-	-	1	1
	Fitout Accessible Toilet	1	1	1	1	1	1	6	6
	Store room	1	1	1	1	1	1	6	7
	Cleaner's Lunch Room	-	-	-	-	-	-	-	1
Specialty Settings	Multifaith Room	1	-	-	1	-	-	2	1
	Parent's Facilities	1	-	1	-	-	-	2	2
	First Aid Room	1	-	-	-	1	-	2	1
	IT Hub Tech Bar Service Counter IT Store Build Room	1	-	-	-	-	-	1	1
	Mail Room	1	-	-	-	-	-	1	1
	Primary Comms Room [PCR] Comms	1	1	2	1	1	1	7	7
	Interview Room	1	-	-	-	-	-	1	1
	Repatriation Room	-	-	1	-	-	-	1	1
	Media Suite	-	-	1	-	-	-	1	1
	Security Suite	1	-	-	-	-	-	1	1
	Evidence Room	-	1	-	-	-	-	1	1
	Record Management Space	-	1	-	-	-	-	1	1

Floor Plan Typical

Space Type	QTY
Secretary Office	-
Chief of Staff Office	-
SES Deputy Secretary Office [SESB 3]	1
Executive Office [SESB 1 & 2]	11
Enclosed Focus Room [1-2p]	11
Single Workpoint	179
Speciality Office	-
EA/EO Workpoints	-
Small Meeting	6
Medium Meeting	1
Large Meeting	1
Specialty Meeting Room Reading Room	-
Boardroom	-
Project Space	2
Kitchen Hub	1
Kitchenette	1
Print Hub Avenue [standard]	2
Print Hub Avenue [large]	-
Fitout Accessible Toilet	1
Store room	1
Cleaner's Lunch Room	-
Multifaith Room	1
Parent's Facilities	-
First Aid Room	-
IT Hub Tech Bar Service Counter IT Store Build Room	-
Mail Room	-
Primary Comms Room [PCR] Comms	1
Interview Room	-
Repatriation Room	-
Media Suite	-
Security Suite	-
Evidence Room	-
Record Management Space	-



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Australian Government
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Regional Development, Communications, Sport and the Arts



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