



PROPOSED FITOUT OF NEW LEASED PREMISES

FOR CENTRELINK

AT GREENWAY, ACT

STATEMENT OF EVIDENCE

TO THE

PARLIAMENTARY JOINT STANDING COMMITTEE

ON PUBLIC WORKS

**CENTRELINK
TUGGERANONG ACT
7 February 2006**

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1 IDENTIFICATION OF NEED

1.1 Project Objectives

- 1.1.1 Centrelink was established to provide Australian Government services under the *Commonwealth Services Delivery Agency Act 1997*.
- 1.1.2 Centrelink's purpose is serving Australia by assisting people to become self-sufficient and supporting those in need.
- 1.1.3 Since 26 October 2004, Centrelink has been a statutory agency under the umbrella of the Department of Human Services, which operates within the Finance portfolio.
- 1.1.4 The National Support Office (NSO) is Centrelink's headquarters and is predominantly located in Canberra. It supports the Executive and the Centrelink Network and works closely with the Department of Human Services, other Human Services agencies, and policy departments to deliver Government services.
- 1.1.5 The objective of the Greenway Project (Centrelink NSO New Building) is to lease a new 40,000 m² (net lettable area) office complex at Greenway ACT which will largely collocate NSO staff currently housed in generally older, sub-standard buildings over 11 sites in Canberra. The initial lease period will be for 18 years, with two 5-year options to extend the lease at Centrelink's discretion.
- 1.1.6 The objective of the new building fitout project which is the subject of this Submission is to deliver fitout for the new building which will create a contemporary workplace which is innovative, flexible and economical and which will achieve Centrelink's changing organisational requirements. This objective is further articulated at Paragraph 2.8.1 below.

- 1.2.6 Following relocation, NSO will occupy the new building and Module A of Tuggeranong Office Park (TOP; adjacent to the new building) and will retain two small overflow leases in Greenway (i.e. Four Seasons and Flax House) in the short term. Centrelink is also committed to providing a dedicated childcare centre on a site within walking distance of the new building (see Paragraph 2.14.2 below). This will be achieved as part of a follow-up proposal for the establishment of an additional smaller office building to replace the two small overflow leases mentioned above.
- 1.2.7 Centrelink's reduction in its current occupancy of TOP will enable the Department of Families, Community Services and Indigenous Affairs (FCSIA) to also achieve operational efficiencies by fully collocating its entire National Office from six separate current buildings in Tuggeranong and Woden into TOP.
- 1.2.8 The collocation of Centrelink in Greenway, together with the current presence of Medicare Australia there, means that Greenway will accommodate the largest Human Services portfolio agencies, facilitating their future cooperation.
- 1.2.9 NSO's current and future locations are illustrated at Appendix A.
- 1.3 Need for Work**
- 1.3.1 Under the pre-commitment contract (ADCL) for construction of the base building, Centrelink retained the right to contract with the Developer for specified pre-fitout works, e.g. underfloor data cabling and additional packaged air conditioning.
- 1.3.2 The fitout works proper, e.g. head contractor/construction manager, demountable partitions, workstations, loose furniture and access control system, will not be provided with the base building, but will be tendered separately. The Developer and Builder will be able to tender for these works in competition with other tenderers.

1.3.3 In order to enable relocation of NSO employees to the new building from November 2007, Centrelink has scheduled its fitout procurement for the period from June 2006 to July 2007, and its fitout installation for the period from August to November 2007.

1.3.4 The fitout project schedule is enclosed at Appendix B.

1.4 Description of Proposal

1.4.1 This Submission proposes that Centrelink procure:

- the services of a head contractor/construction manager to construct the structural fitout elements, e.g. offices, meeting rooms and joinery and to co-ordinate the installation of the portable elements, e.g. demountable partitions, workstations and loose furniture, with the respective contractors;
- contracts for the manufacture and delivery of the portable fitout elements, e.g. partitions, workstations and furniture, through separate tenders; and
- a contract for an access control system through a separate tender.

1.5 Other Options Considered

1.5.1 Centrelink procured the ADCL for the base building under a single-select method of procurement. This method was cleared by Sparke Helmore Lawyers, Centrelink's consulting probity adviser and approved by the Centrelink Board of Management, because only one response to Centrelink's Request For Information (RFI) proposed a site large enough to fit a building which would achieve the NSO collocation objectives (see Section 2.3 below).

1.5.2 In addition to the option proposed at Section 1.4 above, Centrelink considered whether it should contract with the base building Developer to provide concurrent fitout within the overall building design and construction program.

1.6 Reasons for Adopting Proposed Course of Action

1.6.1 Centrelink considered the option to contract with the Developer to provide the fitout, however it adopted its proposed course of action because:

- the Base Building Development Brief noted that pre-fitout works are more effectively performed concurrently with base building construction;
- Sparke Helmore Lawyers, Centrelink's consulting probity adviser, advised that beyond the pre-fitout works there was no justification for a single-select method of procurement for the fitout works proper;
- it was considered that the risks of higher total costs of the lease and fitout in a single-select procurement situation driven by suitable land availability would be minimised by tendering separately those aspects which lent themselves to separate tender, specifically the fitout;
- Centrelink was not willing to contract for the fitout more than two years before it was due to occupy the building, as its rapidly changing business operations could mean substantial changes to fitout requirements;
- Centrelink experiences high organisational and accommodation churn rates due to its need to respond flexibly to Government – during the 18 year lease term this could necessitate substantial refit, so Centrelink determined to support this requirement through flexible base building services and fitout elements; and
- separate tenders for the various fitout elements would encourage smaller niche manufacturers who could not tender for the total fitout works.

1.6.2 Centrelink will use the opportunity available under the ADCL to include a major proportion of shared facilities (e.g. conference rooms) in the base building works, locating them in the main cores or in the central shared facilities zone (see Paragraph 2.8.3.2 below). This will reduce both initial construction and ongoing operational churn costs. Negotiating with the Developer for these inclusions will be to the Commonwealth's advantage, with the following resultant benefits:

- accessibility;
- freeing up areas in the general office space to accommodate more workstations, without compromising acceptable densities; and
- these works being more efficiently performed concurrently with base building construction, reducing overall costs.

1.7 Environmental Impact Assessments

1.7.1 Centrelink is committed to using its position in the office leasing marketplace to influence the sustainable design and management of buildings and to demonstrate to the community its sound environmental stewardship and social responsibility. The new building provides a unique opportunity to demonstrate that commitment and Centrelink intends to take a leading role in working with the Developer to incorporate principles of ecologically sustainable development (ESD) in the new building. In particular, the building must be a showcase for sound environmental and energy-efficient design and on-going management practices.

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- 1.7.2 Centrelink has identified a number of tools which it will use to assess the ESD performance of both the base building and the tenancy over the lease term, including:
- the Commonwealth Government *Policy Measures for Improving Energy Efficiency in Commonwealth Operations*;
 - the National Australian Built Environment Rating Scheme developed by the Commonwealth Department of Environment and Heritage; and
 - the *Australian Building Greenhouse Rating Scheme* (ABGRS) developed by the NSW Department of Energy, Utilities and Sustainability.
- 1.7.3 The base building will be designed, constructed and operated to meet ABGRS requirements at 4.5 star level at the completion of 12 months of operation, for both the base building and the tenancy. The Building Owner is required to execute a Commitment Agreement with the ABGRS Administrator in respect of the base building, and Centrelink will execute a Commitment Agreement for the fitout.
- 1.7.4 Centrelink's ESD-related targets include reducing refit costs by 10 per cent and generating zero fitout construction waste to landfill.
- 1.7.5 Centrelink's current tenancy at TOP has validated these targets as achievable.
- 1.7.6 The ACT Planning and Lands Authority (ACT-PLA) approved the Developer's Preliminary Assessment (environmental impact assessment) on 17 June 2004.
- 1.7.7 In addition to meeting Centrelink's ESD specifications, the Developer will be required to meet ACT-PLA energy efficiency and air quality rating standards specified under the Green Star office design environmental rating methodology.
- 1.8 Heritage Considerations**
- 1.8.1 The site has not been developed previously, and there are no known heritage issues which are required to be addressed by this Submission.
- 1.8.2 ACT-PLA considered this item during its Preliminary Assessment of the development. It found no heritage considerations.

1.9 Consultation Carried Out among Relevant Stakeholders

1.9.1 Centrelink, together with Daryl Jackson Alastair Swain, its consulting architect, is conducting a five-stage stakeholder consultation program, particularly with NSO staff, the prospective occupants of the new building:

- Collocation Requirements January 2003-September 2005;
- Fitout Requirements September 2005-February 2006;
- Fitout Design December 2005-May 2006;
- Space Allocation January-March 2007; and
- Relocation and Facilities Management February-August 2007.

1.9.2 The consultation model consists of:

- Strategic Vision (Centrelink staff and focus groups outline strategic vision);
- Workplace Design Aspirations (electronic questionnaire to all NSO staff and web page for staff feedback);
- Technical Requirements (work, project and focus groups explain what they do and tools they require);
- Space Use Study (survey of intensity and ways of using spaces – sample 30 per cent of NSO); and
- Design Concepts (analysing and filtering information gathered – presentations for Centrelink staff review).

1.9.3 Consultation methods and tools include:

- Focus Groups;
- Workplace and Project Groups;
- Electronic Surveys and Questionnaires;
- a Project Web Page; and
- a Stakeholder Feedback Database.

1.9.4 Centrelink will conduct briefings for the Community and Public Sector Union in February 2006.

1.9.5 In addition to NSO staff, internal Centrelink stakeholder work groups include:

- Property and Facilities Management Section;
- Environmental Management Section;
- Contracts and Procurement Branch;
- Financial Management and Services Branch;
- Budget and Management Accounting Branch;
- Workplace Relations and Employment Policy Branch;
- Communication Division;
- Information and Technology Group;
- Customer Service Delivery Group;
- Stakeholder Relationships Group; and
- disAbility Coalition.

1.9.6 External stakeholders include:

- Department of Finance and Administration;
- Department of Human Services and its agencies;
- Department of Families, Community Services and Indigenous Affairs;
- Department of Employment and Workplace Relations;
- Department of Environment and Heritage;
- ASIO Protective Security Section (T4); and
- ACT Planning and Lands Authority.

1.10 Revenue To Be Derived from the Project

1.10.1 Overall NSO Collocation Project

1.10.1.1 On 23 June 2005, Wilde and Woollard, Centrelink's consulting financial analyst, provided a comprehensive cost benefit analysis, which compared the option of Centrelink retaining its 11 existing leases in Tuggeranong, Woden, Weston, Fyshwick and Symonston (Option 1) against the option of leasing the new building, retaining Module A of TOP, and retaining two small overflow leases in Greenway (Option 2).

- 1.10.1.2 The cost benefit analysis considered all elements of the project (i.e. lease, fitout, relocation and churn costs, energy and cleaning outgoings, administration and overheads, and making good existing leases) over an 18-year lease term, and estimated the financial benefit of Option 2 over Option 1 as \$34,270,039 (or 4.32 per cent) on a non-discounted cash flow basis in June 2005 values.
- 1.10.1.3 The cost benefit analysis also estimated the financial benefit of Option 2 over Option 1 as \$14,439,842 (or 2.89 per cent) on a 6 per cent discounted net present value basis in June 2005 values.

1.10.2 New Building Fitout Project

- 1.10.2.1 Net revenue will not be derived from the fitout component of the new building project.
- 1.10.2.2 The new building café and kiosk operation will be tendered out under a licensing arrangement which will ensure the recovery of the Commonwealth's costs in providing these facilities. In order to protect its new building services warrantees, Centrelink will fit out these facilities rather than require the operator to fit them out. This should attract more competitive tenders, better financial returns, and better standards of service. It is considered that such facilities form a vital part of the informal workspace.

2 TECHNICAL INFORMATION

2.1 Project Location

2.1.1 The new building is being constructed at Block 4 Section 13 Greenway, on the corner of Athllon Drive and Soward Way, near the western edge of the Tuggeranong Town Centre. The site is adjacent to Module A of TOP, which Centrelink will retain as its secondary NSO lease.

2.1.2 The location of the new building is illustrated at Appendix A2.

2.2 Project Scope

2.2.1 The fitout works will include:

- two major entry and reception areas;
- two major security controlled access points;
- operations control centre;
- allocated office accommodation for SES officers, including a dedicated Executive area;
- open plan office accommodation for other staff;
- modular office design and demountable partitions;
- standard workstations and mobile personal storage units;
- hotelling (see Paragraph 2.8.3.3 below), touch down and hot desk points;
- loose furniture;
- compactus, shared storage, resource and photocopier/printer rooms;
- auditorium and multi-purpose briefing area;
- meeting, focus, break out and tea point rooms;
- carers rooms, first aid rooms and a prayer room;
- building facilities help desk;
- café and kiosk;
- health and fitness centre, showers, lockers and bicycle racks; and
- facilities for staff possibly including small retail agency outlets (e.g. dry cleaner, newsagent).

- 2.2.2 The scope does not include specified pre-fitout works, e.g. underfloor data cabling and additional packaged air conditioning, which will be provided by the Developer as part of the base building.
- 2.2.3 Preliminary fitout planning indicates that the space allocation per person in a typical office area will be about 11.8 m². The space allocation in net lettable area per person terms will be 14.5 m². This is at the lower end of comparable recent Government office developments.
- 2.2.4 An indicative general office floor plan is enclosed at Appendix D.

2.3 Site Selection

- 2.3.1 On 29 June 2002 Centrelink issued an RFI for office development opportunities in Tuggeranong and Woden. The request was confined to these localities because of their proximity to one of Centrelink's major policy departments (FCSIA), the requirement to maintain part of Centrelink's current lease of TOP, and the fact that about 75 per cent of Centrelink staff live in or near Tuggeranong and Woden.
- 2.3.2 Three responses were received. Only one, for a 40,000 m² building in Greenway, proposed a site large enough to fit a building which would achieve the NSO collocation objectives. A cost benefit analysis confirmed that the best outcome in financial terms would be achieved by a building which met the NSO collocation objectives, and the only way of achieving this would be through a single-select method of procurement. On 19 August 2003 the Centrelink Board of Management endorsed this approach (subject to probity and approval protocols) for the negotiation of an ADCL.
- 2.3.3 Centrelink decided to limit the size of the new building to 40,000 m² because its current NSO staff numbers include a substantial component of non-continuing project staff and the strategy of leasing short-term overflow premises will allow Centrelink's staff numbers to reduce when projects are completed without creating vacant space in the new building.

2.4 Site Description

- 2.4.1 Block 4 Section 13 Greenway contains an area of 5.35 hectares of generally flat undeveloped grassland.

2.5 Zoning and Approvals

- 2.5.1 The land is to be used predominantly for offices, with one or more of a number of ancillary purposes.
- 2.5.2 The activities that will be conducted on the land in order to give effect to the lease purposes include land clearance, excavation, erection of buildings and hard surfaces (e.g. car parking and paving), installation of lighting, advertisement signs or hoardings, human and vehicular traffic on the land and in the surrounding area and use of the land in accordance with the purpose clause.
- 2.5.3 ACT-PLA approved the Developer's Preliminary Assessment on 17 June 2004.
- 2.5.4 ACT-PLA approved the Developer's Development Application on 27 August 2004. The Developer advised Centrelink that its Development Application did not attract any objections, and attracted one submission in support.
- 2.5.5 Subsequent to a request from the Minister for Human Services, on 30 August 2005 the Minister for Finance and Administration gave *Financial Management and Accountability* Regulation 10 authorisation for \$40.9 million for new building fitout costs.
- 2.5.6 The fitout building application will be lodged after Centrelink's appointment of a head contractor/construction manager in April-May 2007.

2.6 Land Acquisition

- 2.6.1 The Developer acquired the site on 14 September 2005 and holds the balance of a 99-year lease on the land, i.e. until 28 May 2101.

2.7 Applicable Codes and Standards

- 2.7.1 Centrelink is ensuring that the development conforms to the requirements of the *National Code of Practice for the Building and Construction Industry 1997* (the Code), the *Australian Government Implementation Guidelines for the National Code of Practice for the Building and Construction Industry 2003* (the Guidelines), and the *Building and Construction Improvement Act 2005*.
- 2.7.2 The structural elements of the fitout will be constructed in accordance with the *Building Code of Australia 2005* and all statutory codes and standards.
- 2.7.3 The Department of Employment and Workplace Relations (DEWR) Building Industry Branch conducted a tailored presentation to Centrelink and its building development consultants on 8 December 2005. This briefing outlined all of the applicable legislation, codes and standards compliance and reporting requirements.
- 2.7.4 As instructed by DEWR, Centrelink included in the ADCL clauses provided by DEWR requiring Multiplex Constructions (the Builder) to comply with the Code and to report on its compliance. In June 2005 the Builder provided DEWR with its draft 2006 Enterprise Bargaining Agreement. DEWR examined the Agreement, found it to be fundamentally compliant with the Code, and notified Centrelink that it would satisfy the Code and Guidelines. The Builder also indicated in its submission to DEWR that it has agreement with the unions to vary any agreement before the Australian Industrial Relations Commission, to ensure that any requirements under the Code at the time of signing a new agreement will be met.

2.7.5 The Federal Safety Commissioner stresses that the *Building and Construction Improvement Act 2005* will not impact on projects where contracts have already been signed (i.e. Centrelink's ADCL with the Developer for the base building). It will however impact on Centrelink in its procurement of its fitout contracts. Centrelink will ensure that its fitout tender documentation includes the wording provided by the Commissioner, and that it progresses responses from only those tenderers who can demonstrate Occupational Health and Safety accreditation. Under the Act, from 1 October 2006 only fully accredited providers will be able to contract. Centrelink will be in tender evaluation at that point and will only be able to consider tenders from fully accredited providers. Centrelink will not be able to consider providers who have gained only provisional accreditation by 1 March 2006 in accordance with the Act, as it will be executing the contracts after 1 October 2006.

2.8 Planning and Design Concepts

2.8.1 Objectives

- 2.8.1.1 The vision for the new building has led to number of key objectives for the fitout.
- The building should be 'leading edge', creating a contemporary workplace.
 - It should be innovative and offer a range of working styles, including touch down points (at break out areas) and hotelling.
 - It should provide a flexible work environment, including integration of flexible workstation layout with flexible ceiling and sub-floor services, thereby reducing the cost of organisational and technological change.
 - It should encourage staff interaction by creating a central shared facilities zone.

2.8.2 Themes

2.8.2.1 Fitout themes related to workplace design include:

- to promote a 'knowledge' organisation;
- to create a contemporary workplace;
- to provide a variety of spaces and flexible work styles; and
- to foster internal engagement and communication.

2.8.3 Design Principles and Provisions

2.8.3.1 General Design Principles

- **Branding**

The Fitout Brief developed by Daryl Jackson Alastair Swain, Centrelink's consulting architect, includes a detailed section on integrating Commonwealth and Centrelink brand policies into the new building. Branding and signage have been discussed as important aspects of the fitout concept and the resultant fitout solution will communicate both of these within the building, through signage, privacy film on glass, multi-media, and variety in lighting, colour, texture and materials.

- **Daylight and Windows**

The majority of staff will be within 12.5 metres of a window, being external windows or windows onto the shared zone. No offices will be located along the window line.

2.8.3.2 Shared Amenity – Central Shared Facilities Zone

- **Meeting Rooms**

The following principles have been applied.

- The rooms will be located in the building's central shared facilities zone, maximising shared amenity. This location should prevent the erosion of the amenity due to fitout churn (e.g. the temptation to convert meeting rooms to enlarged team workstation space).
- An electronic booking system will be developed.

- A mix of meeting room sizes will be provided, with an emphasis on smaller rooms to allow for spontaneous small meetings.
- The cafeteria, kiosk, break out areas, focus rooms, offices, and meeting rooms within the general office space will provide other places to meet.
- At least one dedicated training room (i.e. aisle and row desk layout) per floor will be provided, reflecting the amount of training requiring this style of room. It may be determined during the fitout design phase that these training rooms would be better grouped together on one floor.
- A number of rooms are located outside secure areas to allow Centrelink staff to conduct meetings in a public area of the building without having to sign in visitors.
- Individuals who have traditionally sought out meeting rooms in NSO to conduct work requiring confidentiality or concentration will have access to focus rooms throughout the fitout.
- **Auditorium and Multi-purpose Briefing Area**

The new building will include a 100-seat auditorium and a multi-purpose briefing area in the shared zone for presentations larger than 100 people. The multi-purpose briefing area will spill down from the cafeteria, providing a combination of sitting and standing spaces for audience members. Two speakers' points have been identified; on Level One (ground) and on Level Two and the appropriate power, data and audio-visual equipment will be provided. This will provide the benefit of a large gathering area without setting aside space dedicated solely to that purpose.
- **Building Facilities Help Desk**

To ensure excellent service to staff and to minimise unwanted staff access to the basement, a Help Desk will be located on Level One, servicing:

 - facilities management enquiries (e.g. air conditioning, lighting);
 - retrieval and archiving of files;

- conference centre management;
- mail enquiries;
- general information; and
- meeting room and catering bookings.

- **Cafeteria**

The cafeteria will be at the western end of Level Two and will overlook the Brindabella Ranges to the west and the shared zone to the east. It will be within the secure perimeter of the building and will have access to a secure outdoor terrace. It will have full commercial kitchen provisions and direct lift access to the basement loading dock. The cafeteria will seat 200 people and the size of the commercial kitchen base building services have been set accordingly.

- **Kiosk**

The kiosk will be accessible to the public at the eastern end of Level One. Indoor and outdoor eating areas will be provided. This will be nominally a 30-seat kiosk, however the final seating number will be determined with input from the operator. The food service will focus on pre-prepared food (prepared either in the main commercial kitchen on Level Two or off-site). It is anticipated that sandwiches etc will be prepared at the kiosk, but hot meals will not be provided.

The cafeteria and kiosk operator will also be responsible for catering services to meeting rooms.

A detailed fitout brief for the cafeteria and kiosk spaces will be developed once the operator has been identified.

2.8.3.3 Workplace Amenity – General Office Space

- **Flexibility**

Flexibility will be achieved through an integrated services solution within the ceiling space and in the access sub-floor space in the base building design. Flexible planning solutions have emerged by identifying the permanent features that must endure over the life of the fitout, and then ensuring that all other aspects are highly flexible.

Permanent features will be located in the shared zone, and immediately upon entry into the general office space. These will include:

- small meeting rooms;
- focus rooms;
- resource, compactus, storage and photocopy rooms;
- hotelling points; and
- tea points and break out areas for informal meetings and breaks.

- **Executive Area**

The location of the Executive area within the building will ensure visibility and connectedness between the Executive and the organisation. The Executive area will spill into the shared zone, thereby connecting the Executive to the organisation. A lift lobby, break out area and meeting rooms in the shared zone will form the Executive reception.

- **Offices**

Partitioned offices will be provided for SES Officers unless they elect to be accommodated within the open plan general office areas. All other staff, including Executive Level, will be accommodated in the open plan. Offices and rooms will be universal or modular rooms and will be provided in the general office space. These rooms may be 6-person meeting rooms, SES offices or carers rooms. By minimising the number of staff accommodated in offices, more shared facilities have been provided, e.g. focus rooms, meeting rooms, touch down points and break out spaces.

- **Hotelling**

The design will provide hotelling points in the workplace to allow for seamless accommodation of contract and other staff on project teams in a flexible manner. These will be more compact work points for transitory visitors and users of the building. Visitors will need to dock laptops or log in to PCs, and they will need telephones. Particular emphasis on immediate proximity to tea points, utilities (e.g. photocopier, fax), meeting rooms, focus rooms and toilets will be required, as visitors will be unfamiliar with the building. Secure personal and project storage will be required. The fitout will provide 100 hotelling work points.

- **Hot Desking**

Hot desking allocates multiple permanent staff to one work point, managing their time at that work point through an accommodation management system. A space use survey in 2003 identified a daily vacancy rate of 20 per cent of work points in two modules of TOP. A number of factors contribute to the vacancy rate, e.g. leave, churn relocation of workstations, and NSO staff visiting the Network. Centrelink will use hot desking to improve management of existing demands for project teams expanding and contracting and part-time and job-sharing staff. Hot desking does not affect the number of work points provided. The fitout will provide 2,650 permanent work points and the utilisation of these work points can evolve over the life of the building.

- **Shared Storage**

The fitout design principles have been developed incorporating shared storage for project teams.

2.8.3.4 **Facilities Management – Basement Loading Dock and Tunnel**

- **Facilities Services Agreement**

Under the Lease for the new building, Centrelink will be the lessee of a single net lease and will be the sole occupant of the building. Under the Facilities Services Agreement which was executed as a schedule to the ADCL, the Landlord will be responsible for building performance and maintenance. Rental discounts for the Landlord's failure to meet specified performance standards are outlined at Paragraph 2.11.3 below.

- **Goods Handling and Facilities Management**

Detailed design reports on goods handling and waste management resulted in the following features being incorporated into the Base Building Development Brief:

- basement level internal and external loading dock areas, discrete from other building entries and with adjacent stores;
- building services contractor facilities with tea point, break out area, showers, toilets and hotelling points;
- distributed lifts accessible via the basement level tunnel for goods, mail and waste reticulation;
- the mail room will be located in the loading dock – this is a sealed room with its own toilet and isolated air conditioning to facilitate Fire Brigade decontamination procedures if required (e.g. for a powder agent incident); and
- the two main entry reception points will not accept goods or mail deliveries – tenders will be accepted at the main visitor reception via the Tender Box and Tender Receipt Room.

- **Records Management**

The area available in the new building will accommodate Centrelink files up to five years old with a high likelihood of retrieval request by staff. Older files will continue to be stored off-site or sentenced for destruction.

2.9 Acoustics

- 2.9.1 Spatial acoustics and noise isolation has been detailed in the Base Building Development Brief, and a design solution prepared by the Builder's acoustic engineer has been provided to Centrelink.
- 2.9.2 The Base Building Development Brief requires that noise generated will achieve, as a maximum, the levels in accordance with the requirements of AS/NZS 2107: 2000: Acoustics – recommended design sound levels and reverberation times for building interiors.
- 2.9.3 A brief for acoustic speech privacy related to the fitout will be provided in the room data sheets and further detailed input by the building development consultant's acoustic engineer will occur during fitout design.

2.10 Energy Conservation Measures

- 2.10.1 Centrelink has identified a number of tools which it will use to assess energy efficiency in the design and operation of the building over the lease term, including:
- the Commonwealth Government *Policy Measures for Improving Energy Efficiency in Commonwealth Operations*; and
 - the *Australian Building Greenhouse Rating Scheme*.
- 2.10.2 The Base Building Development Brief specifies measures to ensure energy efficiency in design and operation addressing:
- electrical services, including:
 - reticulation and recording;
 - lighting;
 - switching and lighting control;
 - illumination; and
 - general power reticulation; and
 - mechanical services, including:
 - efficiency factors;
 - ventilation;

- cooling;
- space heating; and
- control of heating and cooling.

2.11 Other Ecologically Sustainable Development Measures

2.11.1 Achievement of the required National Australian Built Environment Rating Scheme target levels will be progressively demonstrated at the completion of each phase of the development of the new building.

2.11.2 Specific performance targets and objectives are required to be demonstrated for:

- refrigerant use;
- water use;
- stormwater runoff;
- stormwater pollution;
- sewage outfall volume;
- landscape diversity;
- transport;
- toxic materials;
- waste; and
- indoor air quality.

2.11.3 Rent for the new building will be discounted for the Landlord's failure to meet ABGRS 4.5 star performance standards, e.g.

- a small percentage of rent following an annual independent audit rating between 4 and 4.5 stars; and
- a larger percentage of rent following an annual independent audit rating below 4 stars.

2.12 Master Planning and Site Planning Considerations

2.12.1 The Developer is responsible for ensuring that the development complies with master planning and site planning requirements.

2.12.2 ACT-PLA approved the Developer's Development Application on 27 August 2004.

2.12.3 No future development is planned for the site.

2.13 Provisions for People with Disabilities

2.13.1 The accessibility objective is total workplace equity of access and amenity. Performance against this requirement will go beyond AS 1428 requirements.

2.13.2 Centrelink disAbility Coalition requirements have been incorporated into the base building.

2.13.3 Interiors generally, including workspace, resource areas, meeting areas, cafeteria, kiosk and circulation spaces, will feature:

- adequate circulation for wheelchairs;
- accessible toilets throughout the building;
- where possible, provision of automatic or operable doors;
- appropriate size and weight doors;
- delay action door closers;
- corridors and aisles wide enough for wheelchairs;
- adjustable workstations, tables and desks at a height for wheelchairs to fit underneath;
- lever door handles will be preferred to knobs (mounted at 900-1100 mm above floor level);
- stairs and walkways with handrails, tactile indicators, non-slip and contrasting edges;
- provision of seating at strategic points (rest stops);
- accessible tea points and other equipment;
- non-slip floors and short level carpet pile (no underlay);
- adequate lighting and low brightness diffuser light fittings to minimise glare; and
- essential steps only, with convenient ramp alternatives.

2.14 Child Care Provisions

- 2.14.1 Centrelink is committed to providing better access to childcare for its employees. We currently have an “Expression of Interest” in the childcare market with the aim of providing employees with affordable access to childcare services in a location of their choice.
- 2.14.2 Notwithstanding this, Centrelink is also committed to providing a dedicated childcare centre for up to 90 children on a site within walking distance of this new building. This will be achieved as part of a follow-up proposal for the establishment of an additional smaller office building.
- 2.14.3 Centrelink currently provides support for employees with school-aged children by subsidising the cost of approved school holiday care. In addition, there will be carer’s rooms on each floor of the new building to provide additional support for employees with carer responsibilities.

2.15 Fire Protection and Security Measures**2.15.1 Fire Protection Measures**

- 2.15.1.1 The Developer’s fire protection systems exhibit to the ADCL for the base building was submitted in the form of a trial design. The final design may be subject to design and construction development in accordance with the Base Building Development Brief. The fire safety measures were proposed as a starting point for the fire safety engineering assessment to achieve compliance with the relevant performance requirements of the *Building Code of Australia 2005*.
- 2.15.1.2 The concept fire safety strategy detailed fire safety measures addressing:
- structural fire resistance schedules;
 - fire compartmentation schedules;
 - egress provisions, including travel distances and emergency exits;
 - smoke detection and alarm systems;

- fire suppression system, i.e. a Grade 3 sprinkler system (or better) must be provided throughout the building in accordance with the requirements of the Code and AS 2118.1-1999;
- smoke hazard management, including shared zone smoke and heat ventilation, office zone smoke control system, car park smoke extraction and Fire Brigade controls;
- fire safety management and training; and
- commissioning scheme for the fire safety strategy.

2.15.2 Security Measures

2.15.2.1 A threat assessment by ASIO T4 deemed Centrelink to have a low threat risk. The perimeter will be secured with three building entry points:

- public and staff entry at the corner Soward Way and Athllon Drive;
- public and staff entry off the main car park; and
- contractor entry, mail/goods and waste handling on the basement level at the western end of the building.

2.15.2.2 A number of meeting rooms, the health and fitness centre, kiosk and reception counters will be publicly accessible. Security turnstiles/speed gates at two locations will prevent unwanted access beyond the public areas without security passes. General office space will be fitted with electronic access door controllers at each entry. This will have the benefit of integrating the general office space with the shared zone to achieve a total work environment. Plant rooms, wiring rooms and the loading dock/basement tunnel will be restricted to relevant personnel only.

2.15.2.3 Centrelink intends to design and construct a new access control system as part of its fitout. A risk assessment is currently being undertaken by ASIO T4 which will underpin the design. This exercise will also review Centrelink's earlier base building risk assessment in accordance with the current security situation and the nature of Centrelink's operations. Centrelink will engage specialist security and access control consultants during the detailed fitout design phase.

2.16 Occupational Health and Safety Measures

2.16.1 The principles of good ergonomic design will be adhered to, with features such as workstation adjustability, size and shape, the use of flat screen computer monitors and task chair adjustability. The workstation solution will be flexible to cater for both team-based and individual work. Materials to be used have not yet been determined, however their selection will have regard to relevant ESD standards for noxious emissions, etc.

2.17 Landscaping

2.17.1 The Developer is responsible for ensuring that the development complies with ACT-PLA master planning and site planning requirements as regards external landscaping.

2.17.2 The Developer's landscape plan provides for:

- deciduous trees;
- evergreen trees;
- shrubs/strap plants; and
- wetland planting, in edge and margin zones.

2.17.3 Details of internal landscaping will be considered in fitout design.

2.18 Consultation with Relevant Authorities

2.18.1 The Developer is responsible for consulting with the relevant authorities, e.g. ACT-PLA, ACTEW, ACTION.

2.19 Impact on Local Community

2.19.1 The new building will be the biggest development in Tuggeranong in the past decade, with up to 900 base building construction jobs expected to be created. The impact of the fitout contracts on local community employment cannot be assessed until the contracts are let.

- 2.19.2 The Builder's consulting traffic services analyst has developed a traffic model which clearly shows that the traffic conditions in Athllon Drive, Soward Way and at the access points to the site and within the car park itself operate at a good level of service with acceptable queue lengths during peak periods. This model has been reviewed by representatives of ACT-PLA and Roads ACT Asset Use, and has been endorsed as confirmation that the roads will be able to operate within their environmental capacity after completion of the development. The existing trunk bicycle path running adjacent to the site will be realigned.
- 2.19.3 The site has provision for 1,100 car parks to service 2,750 building occupants. This scale is in accordance with ACT-PLA requirements. External covered secure bicycle racks will be provided for 100 bicycles, with sheltered bicycle racks for up to a further 100 bicycles to be provided in other locations yet to be designed.
- 2.19.4 The traffic services analyst has discussed the development with representatives of ACTION Operations Management, who have endorsed the establishment of on-street bus stops on Athllon Drive between Soward Way and Reed Street South.
- 2.19.5 The Tuggeranong local economy is expected to reap the benefits of Centrelink staff relocating to Tuggeranong. Centrelink has briefed the Tuggeranong Community Council, which supports the development.

2.19.6 Conversely, the relocation of 1,228 Centrelink staff from Woden to Tuggeranong will have a negative effect on the Woden local economy. This scenario was considered in ACT-PLA's *Woden Town Centre Master Plan 2004*, which acknowledged that a number of buildings are now reaching an age and condition where redevelopment may be a viable option. The Woden office supply includes a significant proportion of old stock and is undergoing a period of refurbishments, demolitions and new developments. Office tenancy in Woden relies on six Commonwealth agencies and a decision by one or more agencies to consolidate their headquarters outside Woden would generate relatively high vacancy rates within the existing office supply. A low growth scenario in the *Master Plan* considered that over the next five years 3,000 jobs would relocate to other centres in Canberra. ACT-PLA has supported Centrelink's collocation in Tuggeranong, as the benefits to Tuggeranong outweigh the impacts on Woden.

2.20 Project Costs

2.20.1 The estimated fitout cost, based on advice from Wilde and Woollard, Centrelink's consulting quantity surveyor and cost analyst, is \$40.9 million.

2.20.2 The fitout cost breakdown is:

Item	Estimated Cost (\$)
Workstations/Loose Furniture	12,807,000
Joinery/Fittings/Compactus Units	2,976,000
Partitions, Doors, Finishes	4,025,000
Services	10,208,000
Audio Visual Equipment	515,000
Head Contractor's Preliminaries and Profit	3,105,000
Contingencies	3,364,000
Escalation to Completion	3,900,000
Total (excluding GST)	40,900,000

2.20.3 Centrelink has a high level of confidence in this cost estimate, as it is based on a cost benefit analysis developed in close association with Wilde and Woollard, an experienced and well-respected Canberra-based firm of quantity surveyors.

2.20.4 Provision has been made to fund the \$40.9 million for fitout costs in 2006-07 and 2007-08 from within Centrelink's existing five-year capital budget. Centrelink is not seeking additional funding from Government for this purpose.

2.21 Project Delivery System

2.21.1 The fitout component of the new building project will be managed by Centrelink's established in-house new building project team, with advice from its building development consultants.

2.22 Project Schedule

2.22.1 Key phases of the overall NSO collocation project are outlined at Paragraph 1.2.5 above.

2.22.2 The full new building fitout project schedule is enclosed at Appendix B.

2.23 Plans and Drawings

2.23.1 A site plan is enclosed at Appendix C.

2.23.2 An indicative general office floor plan is enclosed at Appendix D.

2.23.3 Elevation impressions are enclosed at Appendix E.