

Issues and Conclusions

Site Selection

- 3.1 The ACS explained that the proposed site at The Circuit, Brisbane Airport was selected after an exhaustive process that involved an intensive assessment of a number of other accommodation solutions. According to the ACS the proposed site represented best value for money on the basis that it best reflected the long-term needs of the agency including security requirements, design, accessibility for clients, and other issues.¹
- 3.2 The ACS informed the Committee that the building would be purpose built, constructed by the BAC, and be of approximately 9,000 square metres spread over four floors. The proposed area has been designed to include the relocation of staff from the current premises located in the Brisbane CBD, as well as providing the opportunity to accommodate further staff increases.²
- 3.3 Construction of the building is due to commence in October 2007 and be completed by 2008. This time-frame coincides with ACS planning for the

1 Appendix D, Official Transcript of Evidence, page 3.

2 loc.cit.

commencement of the building fit-out, and the completion of leases on existing office accommodation.³

Tenancy

- 3.4 In its opening statement to the hearing, the Committee was informed by the ACS that it will be the sole tenant of the building. This is in contrast to the present arrangements whereby the ACS shares office accommodation with a number of other federal government departments, including the Australian Taxation Office and the Australian Quarantine and Inspection Service (AQIS), and some state government agencies. A sole tenancy agreement will provide the opportunity for the ACS to install features that will be unique to its requirements, including; measures to allow for the discreet transfer of detained goods and operational fire arms into and out of the building; investigations areas and an armoury.⁴
- 3.5 Under the terms of the leasing arrangements with the BAC, the ACS informed the Committee that it had negotiated a 15-year lease, with two further options of 5 years each, commencing in July 2009.⁵
- 3.6 As the intention of the current project is the collocation of a number of work groups into a single building, it will provide the opportunity for operational efficiencies by removing duplicate facilities including the closure of the shop-front at the current premises in the Brisbane CBD, and reduce costs and time in the transport of detained goods and weapons seized at the Brisbane Airport that are currently transported to the city. The new accommodation will also serve as hub for staff deployed to other ACS business units located in the airport precincts.⁶
- 3.7 The Committee inquired as to the effect the closure of the shop-front at the current Brisbane office would have on the agency's clients including the public.
- 3.8 The ACS explained that the numbers of people accessing the shop-front was small, and that in the main these were people seeking to collect firearms, or businesses depositing papers for the clearance of customs goods. The majority were in the category of the former, which were

3 *ibid.*, page 4.

4 *ibid.*, pages 3 and 4.

5 *ibid.*, page 3.

6 *ibid.*, page 4.

already located at the airport, and were inconvenienced by having to process documentation at the city shop-front.⁷

Current Leasing Arrangements

- 3.9 In its opening statement to the inquiry, the ACS informed the Committee that:

Given that the leases in the CBD and air cargo premises are due to expire in 2009, it was viewed as opportune to identify an appropriate accommodation solution that met our needs and represented a value for money option.⁸

- 3.10 The Committee sought clarification as to the timing of the move from the existing accommodation to the new premises, with reference to the avoidance of 'dead' rent on the present office space.

- 3.11 The ACS informed the Committee that it will implement a transitional arrangement for moving staff from existing accommodation to the new building over the six months beginning from January 2009. The agency has informed the current lessor that it will not forgo the options on the existing lease until all approvals for the fit-out have been received. According to the ACS this approach offers some protection over existing accommodation in the event of building delays or some other unforeseen event.⁹

Consultations

- 3.12 In its submission the ACS stated that the principal stakeholders, namely the BAC and AirServices Australia have been consulted and discussions are continuing, and will be continued up until final design and prior to the commencement of the construction works.¹⁰

7 *ibid.*, page 6.

8 *ibid.*, page 8.

9 *loc.cit.*

10 Appendix C, Submission No. 1, paragraph 2.19.3.

- 3.13 ACS further stated that preliminary briefings of the proposed new arrangements had also taken place with industry clients on the proposed relocation, and that this would be continued as the project develops.¹¹

Staff Consultations

- 3.14 In its main submission, the ACS states at paragraphs 2.19.1 to 2.19.6 that it has engaged in a range of consultations with staff that are ongoing. The agency proposes to develop:

A comprehensive Communication Strategy for internal and external consultation with clients following the execution of the Agreement to Lease.¹²

- 3.15 In response to questions from the Committee relating specifically to the extent of staff consultation, the ACS informed the Committee that staff had been kept informed of the progress of the project.¹³ In evidence, the agency described the mood of the staff toward the proposed office relocation as positive, although some concerns have been expressed relating to transport for which the ACS are exploring possible solutions.¹⁴
- 3.16 Although decisions relating to transport are continuing, the ACS has formed a Transport Working Group to discuss with transport operators what options might be available for staff arising from additional travel to the new offices. The Group has been in contact with the BAC that is in negotiation with the operators of the 'airtrain' with the intention of securing a commitment for a third station that coincidentally is within walking distance of the proposed new office.¹⁵
- 3.17 On the matter of staff consultation more generally, the ACS informed the Committee that as it indicated in its main submission, it would be providing an 'intranet site' on its internal computer network that would allow wider opportunities for staff feedback. Access to the mailbox will enable staff to e-mail the project management team with suggestions and comments.¹⁶
- 3.18 In addition to opportunities provided to staff to directly comment on the proposed building, and to provide feedback to the various forums

11 Appendix D, page 5.

12 Appendix C, paragraph 2.19.2.

13 Appendix D, page 6.

14 loc.cit.

15 loc.cit.

16 ibid., page 4 and 9.

established by the agency for this purpose, the Community and Public Sector Union (CPSU) have also been engaged in the consultative process through newsletters and other information exchanges.¹⁷

Re-use of Furniture, Fittings and Equipment.

- 3.19 During the in-camera hearing the Committee, acknowledging the possibility that some new items of furniture, fittings and equipment (FFE) may need to be purchased, inquired as to what scope existed for the reuse of furniture and equipment from the current premises at the new office site.
- 3.20 The ACS responded that provision had been made for the relocation of secure storage facilities – safes and server room storage units – but indicated that items such as filing cabinets would be replaced with a more efficient file storage system. According to the Project Director for the project:
- Much of the furniture we have inspected as part of our process, particularly... chairs and meeting room furniture, is starting to become tired and non-functional. We are looking down the track, and we will get another two years out of that furniture. We have looked at the budget from the point of view that, in two years time, much of that furniture will be beyond its useable, functional life span.
- 3.21 By way of further explanation, the Project Director informed the Committee that a significant part of the costs for FFE was directed towards the provision of shelving for the detained goods store.
- 3.22 Subsequently the Committee was informed by the ACS that the estimate for FFE is directed to the replacement of items that will be ten years old at the time of occupancy of the new building. The agency identified a number of items it proposes to reuse, including boardroom tables, electronic whiteboards, audio visual equipment, all computer terminals, fume cabinets, and lounge style furniture, from which it expects savings to be derived.¹⁸

17 *ibid.*, page 4.

18 Letter of 2 August 2007 to the Committee from the Manager, Accommodation Projects, Australian Customs Service.

Staff Amenities

Child Care

- 3.23 In its opening statement to the Committee, the ACS made note of the rapidly expanding services and amenities facilities within the airport precinct. According to the ACS, BAC planning is underway for the development of a shopping centre, a medical centre and child care facility all of which are scheduled for completion by 2009.¹⁹
- 3.24 The Committee sought comments from the agency regarding the child care facility and whether children of staff would be given preferential access to the facility, and whether the centre would be operated by a private provider.
- 3.25 The ACS informed the Committee that it had recently received a letter from the BAC in response to one sent by the agency indicating that the proposed child care centre would be privately operated, and that the ACS would need to contact the operator to reserve spaces for the children of staff.²⁰

Other Staff Amenities

- 3.26 In its submission the ACS stated that the base building design included provision for a gymnasium, showers and change room facilities, kitchens and lunch room facilities, and tea points on each floor.²¹ In evidence to the Committee the agency further elaborated that it would also include provision for bicycle parking as well as lockers.²²
- 3.27 In addition, car parking would be provided for 60 official car parks under the building. This would be supplemented by the provision for up to 210 private vehicles on pay-and-display car park facility to be provided within 150 metres of the new building.²³ However according to the ACS the matter of whether these 210 car parking spaces will be reserved for the agency is still under discussion with the BAC.²⁴

19 Appendix D, page 4.

20 *ibid.*, page 9.

21 Appendix C, paragraph 2.8.4.4 (n), (o), and (p), and paragraph 2.8.5.4.

22 Appendix D, page 3.

23 *loc.cit.*

24 *ibid.*, page 10.

3.28 For staff travelling on public transport, the ACS was considering the option of a shuttle bus from the nearest train station to the new office, until the issue of a third Airtrain station in closer proximity to the new building had been resolved.²⁵

3.29 ACS further informed the Committee that:

The design planning to date...has allowed a flexible and efficient fit-out design that provides a workplace that is open and dynamic and places an emphasis on team culture and interaction. We have dedicated meeting rooms that blend work and non-work activities, including break-out areas on each floor.²⁶

Project Cost

3.30 The estimated cost of this proposal is \$15.84 million based on a fit out and provision of services of approximately 8,100 square metres. This estimate also includes:

- An amount of \$1.4 million for the fit-out of a future expansion area of 855 square metres;
- an escalation of 9 per cent;
- an allowance for consultancy costs;
- authority fees and charges;
- base building modifications;
- fit-out building works;
- furniture, fittings and equipment;
- contingency allowances; and
- relocation costs.²⁷

25 *ibid.*, page 6.

26 *ibid.*, page 4.

27 Appendix C, paragraphs 2.21.1 – 2.21.7. See also Chapter 2, paragraph 2.12 above.

Recommendation 1

The Committee recommends that the proposed fit-out of new leased premises for the Australian Customs Service at the Circuit, Brisbane Airport, Queensland proceed at an estimated cost of \$15.84 million (including GST).

Hon Judi Moylan MP

Chair

16 August 2007