

The Proposed Works

Objective

- 2.1 The proposed work is driven by DITR's objective of co-locating its four premises at numbers 20, 31, 40 and 51 Allara Street, Canberra, at one purpose-built premises in nearby Binara Street, and the operational benefits that will arise from such consolidation.¹

Need

- 2.2 The need for the work lies in the condition of the current premises and the imminent expiry of all leases.

General Standard of Accommodation

- 2.3 DITR states that its current premises are inefficient, difficult to secure and do not provide an acceptable standard of accommodation. The buildings are not suitable for continued occupation by the Department in the longer term.²

Expiry of Leases

- 2.4 The decision to relocate is timely given that the leases on all four properties expire in 2006. Leases on 20, 31 and 51 Allara Street expire on 31 December 2006, while the lease on 40 Allara Street expires six months earlier.³

1 Appendix C, Submission No. 1, paragraphs 1.1.7 and 1.2.3

2 ib id, paragraphs 1.1.5 and paragraph 1.1.6

3 ib id, paragraphs 1.2.2 and paragraph 1.2.3

Scope

- 2.5 Base building construction commenced in September 2004 and must be completed to allow occupation before the expiry of DITR's current leases in December 2006.⁴
- 2.6 The new building will provide some 21, 750 square metres of net lettable area (NLA) comprising:
- 650 square metres of basement storage, bicycle spaces and ablutions;
 - a ground floor with reception, security, and retail facilities;
 - three levels of above-ground parking for 261 cars (including four designated disabled car-parking spaces) and 25 motor bike spaces; and
 - six levels of office accommodation measuring 2, 500 square metres.

It is intended that DITR will occupy the whole building, excepting the retail outlets.⁵

- 2.7 Works required to meet DITR's objectives include:
- integration of electrical, ventilation, communications, security, fire and hydraulic services into base-building construction;
 - office accommodation, including meeting and training rooms, IT/communications rooms, storage, workstations and loose furniture; and
 - staff facilities, including amenities room, parenting rooms, carer's room, first-aid rooms, break-out areas and a prayer room.⁶

Purpose and Suitability

- 2.8 DITR expects that rationalisation of accommodation will result in a number of operational and administrative benefits. Specifically:
- enhanced operational efficiency and cohesiveness;
 - greater flexibility and more efficient management of internal staff movements;
 - reduced environmental impact;
 - better staff facilities;
 - improved security arrangements;

4 Appendix C, Submission No. 1, paragraph 1.3.6

5 ib id, paragraph 1.7.3

6 ib id, paragraph 1.7.7 and paragraph 1.7.4

- increased space efficiency; and
- improved visitor access and facilities.⁷

Project Delivery

- 2.9 The fit-out project will be designed by the developer and executed, as far as practicable, concurrently with the base-building construction.
- 2.10 The works will be undertaken on a costs-plus basis, with DITR paying a percentage fee to the developer for management of the works.⁸

Cost

- 2.11 The total estimated cost of the proposed project is \$19.4 million. The cost includes:
- contingency and escalation;
 - project management; and
 - design documentation fees.
- It assumes integrated fit-out and the re-use of furniture, joinery and equipment where suitable.⁹
- 2.12 The figure excludes Goods and Services Tax (GST).¹⁰

Value for Money

- 2.13 Having considered a number of options, DITR believes the proposal presented to the Committee to be the most cost-effective and efficient solution to address the shortcomings of the present facilities.¹¹
- 2.14 DITR's written evidence explains that the preferred (new building) option will have reduced operating costs, cause minimal disruption to staff, and provide a significantly improved standard of accommodation.¹²

7 Appendix C, Submission no. 1, paragraph 1.1.7

8 ib id, paragraph 2.22.1

9 ib id, paragraph 2.21.1

10 ib id

11 ib id, paragraph 1.6.3

12 ib id

