

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

REPORT
relating to the
CONSTRUCTION OF NEW COMMONWEALTH OFFICES,
MELBOURNE

(Fourth Report of 1988)

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**MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS**

(Twenty-Ninth Committee)

Colin Hollis, MP (Chairman)

Percival Clarence Millar, MP (Vice-Chairman)

Senate

Senator Bryant Robert Burns

Senator John Robert Devereux

Senator Dr Glenister Sheil

House of Representatives

Maxwell Arthur Burr, MP

George Gear, MP

Robert George Halverson, OBE, MP

John Graham Mountford, MP

EXTRACT FROM THE
VOTES AND PROCEEDINGS OF THE HOUSE OF REPRESENTATIVES
NO. 33 DATED WEDNESDAY 9 DECEMBER 1987

- 23 PUBLIC WORKS COMMITTEE - REFERENCE OF WORK - CONSTRUCTION OF
NEW COMMONWEALTH OFFICES, MELBOURNE: Mr West (Minister
for Administrative Services), pursuant to notice, moved
- That, in accordance with the provisions of the Public
Works Committee Act 1969, the following proposed work be
referred to the Parliamentary Standing Committee on
Public Works for consideration and report: Construction
of new Commonwealth Offices, Melbourne.

Mr West presented plans in connection with the proposed work.

Debate ensued.

Question - put and passed

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

CONSTRUCTION OF NEW COMMONWEALTH OFFICES, MELBOURNE

By resolution on 9 December 1987 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the proposal for the construction of new Commonwealth offices, Melbourne.

THE REFERENCE

1. The proposal provides for the construction of 60 000 m² net of office accommodation on an existing Commonwealth owned site in Melbourne's Central Administrative District (CAD). The site of the proposed development is portion of a larger Commonwealth owned property bounded by Spring, La Trobe, Exhibition and Lonsdale Streets. The proposal is the first stage of a two-stage development and will utilise some 6125 m² of the southeast corner of the property.

2. The proposed office development comprises a building of 42 levels above ground and three basement levels. The above-ground design is a nine-floor podium on two levels with a tower section of a further 33 floors set back from the site boundary. The main entrance to the building will be located at the corner of Spring and Lonsdale Streets. The office areas will accommodate some 4000 staff with potential shop-front accommodation on the lower podium floors, while the basement will provide parking, storage space, plant rooms and other service areas.

3. The estimated cost of the proposed work when referred to the Committee in December 1987 was \$143m at April 1987 prices,

exclusive of fitout. The fitout of this accommodation was considered by the Committee in this reference but will be subject to later programming action. Fitout is estimated to cost \$20m at April 1987 prices.

THE COMMITTEE'S INVESTIGATION

4. The Committee received a written submission and plans from the Department of Administrative Services (both the Australian Property Group and the Construction Group) and took evidence from representatives at a public hearing held in Melbourne on 11 February 1988.

5. The Committee also received submissions and took evidence from:

- . Australian Telecommunications Commission
- . Australian Heritage Commission
- . Victoria Archaeological Survey
- . Australian Taxation Office
- . Federated Clerks Union of Australia, Taxation Officers Branch
- . Administrative and Clerical Officers Association

6. Written submissions were also received from the following organisations and these are incorporated in the Minutes of Evidence:

- . Metropolitan Fire Brigade
- . National Trust of Australia (Victoria)
- . Minister for Planning and Environment, Victoria
- . Department of the Arts, Sport, the Environment, Tourism and Territories
- . ACROD - Australia's Council on Disability (Victorian Division)

7. Prior to the public hearing the Committee inspected the site for the proposed building.

8. A list of witnesses who appeared at the hearing is at Appendix A.

9. The Committee's proceedings will be printed as Minutes of Evidence.

BACKGROUND

10. The Department of Administrative Services (DAS) is responsible for providing accommodation for Commonwealth departments and statutory authorities funded from the Budget.

11. The Government's policy on the provision of office accommodation is to move towards a higher level of owned accommodation when opportunities arise and, wherever possible, to relocate departments from high priced CAD leases. Each proposal, however, is treated on its merits taking into account the relative advantages or disadvantages of the full range of feasible alternatives. Government policy also is to move those functions out of the CAD that are not required to be there.

12. Commonwealth civil departments currently occupy approximately 275 000 m² of office accommodation in the Melbourne CAD. Less than 20 000 m² of that space is provided for in Commonwealth owned office accommodation. Consequently, some 90% of Commonwealth civil department's total CAD office accommodation needs are met by leasing from the private sector. The percentage of leased space in Melbourne is the highest of any capital city and is well in excess of the national average of some 65%.

Proposed Refurbishment of the Existing Commonwealth Centre

13. An earlier proposal to refurbish the existing Commonwealth Centre in Melbourne was considered by the Public Works Committee in 1985. Subsequent cost escalations particularly in relation to asbestos removal made the proposal less than viable. The

Government subsequently decided that the existing building be sold in the 1987-88 financial year. In March 1988 the Melbourne Commonwealth Centre was sold for \$35m.

THE NEED

14. The Commonwealth Government is experiencing a number of unsatisfactory situations with regard to its office accommodation in the Melbourne CAD.

Fragmentation

15. Commonwealth occupied office accommodation is widely scattered across the Melbourne CAD with civil departments presently occupying leased office space in 53 different locations. For example of the departments canvassed for potential tenancy of the proposed building, the Australian Taxation Office is located presently in seven office buildings in the CAD and the Construction Group of DAS in four. Fragmentation of functions causes particular problems for departments with public contact requirements and may reduce the standard of service available to the public. Operational and administrative problems also can result from inter and intra departmental fragmentation.

Accommodation Suitability

16. A substantial proportion of the leased office accommodation falls below the standard expected for modern office functions. Continued leasing of such accommodation increases costs to the Commonwealth when installing and upgrading fitout, communications and screen-based equipment. Modification to existing air-conditioning and security systems also is often required.

Leasing Costs

17. The Commonwealth's annual leasing cost for civil department office space in the Melbourne CAD is currently \$48m.

The office market is characterised presently by a shortage of rental accommodation. Consequently, CAD office rents are escalating rapidly. In the near to medium-term lease costs are expected to increase significantly in excess of the inflation rate. Construction of owned office accommodation will reduce significantly the Commonwealth's office rental costs.

Rental Savings

18. DAS informed the Committee that a study of current and projected rental levels in Melbourne indicates that an annual saving of \$15.9m at 1987 levels will result directly from the construction of 60 000 m² net of owned accommodation in Melbourne. At projected 1991 rental levels this saving will increase to at least \$22.5m. Some savings in administrative efficiencies flowing from the consolidation and co-location of several departments into one building also can be anticipated.

Supply and Demand for Melbourne CAD Office Space

19. Vacancy rates for office space in Melbourne currently are very low at around 1.5% and have been so for several years. This situation is expected to continue in the future. A continuing reliance on leased space is unlikely to offer Commonwealth departments the opportunity to consolidate operations and realise associated efficiency gains.

Impact of Proposal on the Market

20. The construction of a new Commonwealth office building will result in approximately 60 000 m² net of leased accommodation being vacated progressively. Given the high levels of demand for office accommodation in Melbourne the impact of this project on the overall leasing market is expected to be minimal.

Financial Analysis

21. In response to this accommodation situation DAS has undertaken a detailed investigation into the methods of securing the proposed 60 000 m² net of office space. The analysis compared the construction of the accommodation under a conventional civil works or a deferred instalment purchase agreement with the alternative of leasing equivalent accommodation. A conventional discounted present cost analysis approach was used which has been endorsed by the Department of Finance. DAS's analysis concluded that it is more cost-effective to build the proposed new office accommodation rather than leasing equivalent space and that the most cost-effective construction method is a civil works arrangement.

22. The proposed building is one of the major elements of the Commonwealth's national office construction program approved by the Government in the 1987-88 Budget.

23. In summary, the proposed work will generate savings on rental in the order of \$16m pa at 1987 levels, lead to an improved overall standard of Commonwealth office accommodation, an improved standard of service to the public, a reduction in the fragmentation of departmental operations, with consequent improvements in operational efficiency and a reduction in operating costs. It represents a rationalisation of existing Commonwealth office accommodation in Melbourne.

Committee's Conclusion

24. There is a need for leased premises occupied by selected Commonwealth civil departments in the Melbourne Central Administrative District to be replaced with a purpose designed office building providing 60 000 m² net of office accommodation.

THE PROPOSAL

25. To meet office accommodation needs of several Commonwealth departments in Melbourne for an inner city location the Department of Administrative Services proposes to construct a building to provide 60 000 m² net of office space to house some 4000 staff.

26. The site comprises an area of approximately 6125 m² on the corner of Spring, Lonsdale and Little Lonsdale Streets. The site is portion of a larger Commonwealth owned property bounded by Spring, La Trobe, Exhibition and Lonsdale Streets which was acquired compulsorily by the Commonwealth on 10 June 1948 (see Figure 2 Appendix D). Current use and future plans for the property are:

Site A Telecom propose to develop the site as office accommodation (Telecom purchased the site in mid 1987 for \$14.5m).

Site B Proposed development of 110 000 m² net of Commonwealth and C office accommodation. Stage One (60 000 m² net) to be constructed on Site C.

Site D Existing Commonwealth Centre building, sold in March 1988.

Site E Existing Telecom Telephone Exchange.

27. Plans for future office development on Site A and Site B will be referred to the Committee at a later date.

28. The site is well serviced by public transport with Parliament Station, part of the Melbourne Underground Rail Loop, immediately adjacent in Spring Street and tram and bus services close by. Other amenities including parkland, retail shops,

hotels, restaurants and bank facilities are also in close proximity.

29. In evidence to the Committee DAS stated that the proposal is supported by both State and Local Government authorities and is consistent with their strategic objective to reinforce the functions of central Melbourne as the dominant administrative centre of the metropolitan area. The project is seen as a positive stimulus to the northeastern area of the city which in recent years has attracted substantial redevelopment.

30. DAS in its submission stated that the design concept involves a 42-storey building above ground level consisting of a podium and a single tower of 33 floors set back from the street frontages. The design is dictated strongly by State and Local Government planning regulations to retain the character of the city. Buildings in Melbourne are traditionally of masonry, built up to street frontage and to a height of about 40 m; to that height new buildings should mirror these principals and above that height they are set back 10 m from street level. Floor area restrictions on the site have determined the height of the building.

31. Space in the building has been allocated as follows:

- . basement of three levels for car and bicycle parking, storage, loading dock, garbage and plant areas;
- . ground floor with main entrance at the corner of Spring and Lonsdale Streets;
- . lower podium floors - ground, first and second floors will provide shop-front accommodation (for departments with a high level of public contact) with direct access from the main entrance;

- . upper podium floors - third to eighth floors accommodating staff amenities and recreation areas and office space for departments with a moderately high level of public contact;
- . tower floors - ninth to forty-first floors will provide general office accommodation;
- . roof area housing plant and lift motor rooms with facilities for facade cleaning located at the roof levels of both the podium and tower; and
- . central service core for lifts, lobbies, toilets, tea rooms, service ducts and escape stairs.

Further details on the construction of the building are provided at Appendix B and project drawings are at Appendix D.

32. While Stage Two (Site B) of the Commonwealth office development will be a separate building, allowance has been made in the design for interlinking of the Stage One building to Stage Two at the lower levels.

33. The proposed building will provide accommodation complying with all the relevant codes. The design will incorporate the requirements of the proposed occupants while retaining sufficient flexibility for a wide range of potential users.

MASTER PLAN FOR THE BLOCK DEVELOPMENT

34. In their evidence to the Committee the Australian Heritage Commission and National Trust of Australia (Victoria) noted that when the development proposal for the block bound by Little Lonsdale, Spring, Exhibition and Lonsdale Streets was discussed with them it was presented as an integrated whole. They told the Committee that they are now concerned that the fragmentation of

the block into three sites (Sites A, B and C) could lead to substantial modifications or departures from the original design concept. The original design concept is that buildings of architectural, historic and streetscape value along the perimeter of the site are to be retained and that quality, low-rise, infill architecture is to be constructed between those buildings. Planning in relation to heritage and archaeological issues has proceeded on the basis of the whole block.

35. At the public hearing DAS told the Committee that it had presented the master plan for the three sites to several organisations and that it had not departed from that plan on Site C and that as far as design work on Site B has progressed, there has been no departure either. DAS also noted that it believed there would be a requirement for the Commonwealth to develop Site B as office space by around 1996. In the interim, Site B could be used for overflow parking from Site C or it could be revenue leased for public car parking.

36. Telecom, the owner of Site A, advised the Committee that part of the arrangements for the sale of Site A to it had been that Site A be planned as part of the total site. Telecom assured the Committee that planning is proceeding in that manner and that to facilitate the integrated development of the block, Telecom is represented on the steering committee of the Commonwealth project and, in turn, the Commonwealth has a representative on the Telecom project committee. Telecom also noted it is planning to appoint design consultants for its office building shortly and it expects that the project will be referred to the Committee soon thereafter.

37. In a submission to the Committee the Victorian Minister for Planning and Environment stated that DAS had sought from the Minister, as responsible authority for the central city planning controls, agreement to the maximum plot ratio of 12:1 for Site D. This was agreed on the condition that a mechanism be put in place

to implement a number of features of the overall master plan for the block. These include restoration and recycling of various existing buildings, pedestrian links through the development and landscaping. It happens that many of these features occur on Sites B and C. The Minister is concerned that DAS's proposal did not explicitly identify those development characteristics and associated costs and that the proposal states that the heritage buildings will be retained and preserved rather than restored and recycled.

Committee's Conclusion

38. The Committee concludes that the Department of Administrative Services and Telecom propose to develop Sites A, B and C as an integrated whole.

Committee's Recommendation

39. The Committee notes the concerns outlined by the Victorian Minister for Planning and Environment relating to landscaping, pedestrian links and heritage issues and recommends that the Department of Administrative Services liaises with the Ministry for Planning and Environment to resolve the issues raised.

ARCHAEOLOGICAL INVESTIGATION OF THE SITE

40. The Commonwealth Centre site block (Sites A, B and C) has considerable potential cultural significance due to its archaeological remains. Throughout its history the block has been a component of the lowest valued land within Melbourne's city centre. For a time it housed part of Chinatown and in the early 1900s low-cost light industrial and retail premises replaced residential uses.

41. The Committee was advised that the archaeological potential of the site is remarkable because of the size of the site, the

fact that it has not been redeveloped since it was acquired by the Commonwealth in 1948 and the complexity of historical activities. The potential for intact archaeological deposits and features to be found extensively throughout the site is very high and they could be of national importance.

42. In late 1987 following advice from the Australian Heritage Commission and the Victoria Archaeological Survey, DAS and Telecom agreed to provide \$50 000 each to fund an archaeological salvage project on Sites A and C. As the salvage work was initiated late in the planning of the site development the time for archaeological excavation was limited. There also have been problems with funding some of the excavations and all of the analysis and reporting stage of the archaeological investigation as only two-thirds of the Victoria Archaeological Survey's cost estimate of \$165 000 for the salvage project were provided by DAS and Telecom.

43. DAS advised the Committee that as the developer of the site it had provided funds to protect the site and recover artefacts. In relation to the funding of the analysis, cataloguing and storing of those artefacts DAS will consult further with organisations such as the Australian Heritage Commission that deal with those issues.

Committee's Recommendation

44. The Committee recommends that the Department of Administrative Services consults with the Australian Heritage Commission and the Victoria Archaeological Survey concerning the funding of the analysis, reporting and storage of the results of the archaeological investigation of the site.

HERITAGE BUILDINGS

45. DAS has agreed with relevant State and Local Government authorities that a number of buildings of heritage interest on

the site be retained. The buildings concerned are shown in Figure 3 at Appendix D.

46. The former house at 17 Casselden Place is on the Interim List of the Register of the National Estate and it will be registered during April 1988. A number of other buildings have achieved a formal level of heritage recognition. These buildings have been identified by the Central City Interim Development Order, prepared by the Ministry for Planning and Environment and by the National Trust of Australia in their Classified List. Details are provided at Appendix C.

47. All of the heritage buildings except 17 Casselden Place are located on the perimeter of the block. None of the heritage buildings on Site C, including 17 Casselden Place, form part of the development proposal.

48. The Australian Heritage Commission is concerned about the future ownership and maintenance of the heritage buildings until development takes place. The Commission is concerned that the proposed new building is to proceed rapidly but that the heritage buildings may wait a considerable time for a separately planned development. During that time the buildings may deteriorate and their retention become impractical. The Commission is concerned about the timetable of the maintenance work and the timetable for determination of the use of the heritage buildings even if they are sold.

49. DAS informed the Committee that it has allocated \$200 000 in the project budget to undertake essential repairs on the heritage buildings on Site B and C to ensure that water leakage through the roofs or windows does not cause any deterioration of the internal fabric.

50. The Commonwealth at this stage is not considering retaining those buildings as they have no useful purpose for the

Commonwealth. However, in disposing of the buildings, DAS plans to tie the end purchaser to conditions that require the purchaser to restore the buildings in line with the State and Local Government objectives. DAS informed the Committee that the costs of restoring the buildings would be of the order of \$3m. DAS plans to retain and preserve the heritage buildings not restore and recycle them.

51. In a submission to the Committee the Victorian Minister for Planning and Environment expressed concern in relation to DAS's plans and noted that his understanding of the situation is that DAS is to restore and recycle the heritage buildings. As stated earlier the Committee has recommended that DAS liaise with the Ministry for Planning and Environment to resolve the issue (see paragraph 39).

Committee's Recommendation

52. The Committee believes there is a need for improved co-ordination in relation to archaeological and heritage issues related to Commonwealth building projects and recommends these concerns be addressed at an early stage in the development of a project.

53. The Committee recommends that the development of the heritage buildings on the site proceed in parallel with the development of the proposed new building regardless of whom assumes responsibility for the heritage buildings.

OCCUPANCY OF THE PROPOSED BUILDING

54. In evidence to the Committee DAS stated that the preferred principal tenant for the building is the Australian Taxation Office (ATO) which has a staff in its Melbourne Branch Office of 2800 occupying some 37 000 m² of office accommodation.

55. The Australian Taxation Office in its evidence told the Committee that it currently is going through a substantial review phase. The future design and structure of the ATO will be dictated by its ADP redevelopment and re-equipment programs in association with the Office Structures Review and other initiatives currently under implementation or investigation. The ATO noted that it is critical that the redevelopment be co-ordinated with its future accommodation plans.

56. More specifically, the ATO stated that the major building that it currently occupies in Collins Street is due to be vacated in 1992 and generally that coincides with plans for the introduction of some of the major systems in the redevelopment program. It is therefore critical that the ATO be in a position to move into new modern office accommodation around the beginning of 1992. The four-year time period on the construction of the new Commonwealth offices creates a very tight time frame for the ATO. The ATO also noted that it has specific requirements for future accommodation in relation to the provision of car parking since the ATO is moving towards a more mobile workforce, improved security arrangements for staff and client information, and that its per capita space requirements will be higher as a result of moving to a more computerised office arrangement.

57. The ATO stated that based on the major changes foreshadowed by these initiatives, it may be premature to commit itself to a major tenancy of the proposed building.

58. In response DAS noted that the ATO is a critical element in its planning of the proposed building and that it has established a national consultative group with the ATO to discuss its new accommodation requirements. The planned staged occupancy of the building would allow the ATO to take advantage of early occupancy if required and, in the contractual arrangements for the project being discussed with the Attorney-General's Department, DAS plan

to provide some degree of incentive for the contractor to complete the project ahead of schedule.

59. In addition, DAS pointed out that although the ATO is the preferred principal tenant there are a number of other departments in high cost leased accommodation in the Melbourne CAD that could be relocated and that the proposed strategy is not dependent on any one occupant.

AMENITIES AND FACILITIES

Office Accommodation Space Requirements

60. Consistent with current practice for Commonwealth office accommodation a space allocation rate of 15 m² per person has been used for design purposes. However, DAS assured the Committee that if the ATO was to occupy the building its estimated space requirement of 19-20 m² per person resulting from its ADP re-equipment program would be available as there is a balancing factor in spacing requirements with other tenants in the building.

Shop-front Accommodation

61. The development has been designed specifically to provide some shop-front accommodation for Commonwealth departments with a high level of public access. This space will be available on the lower podium floors (ground, first and second floors).

Security Arrangements

62. Internal security details will be determined by tenant requirements, floor design and lift control options and will allow for discrete security of any floor or groups of floors.

ADP Requirements

63. In the design of the building DAS has made provision for the possible future installation of dedicated computer rooms and facilities for extensive cable reticulation for screen-based equipment. The air-conditioning system has been designed with air handling units on each floor so that the units can be adjusted to meet the heat load requirements of any electronic equipment. These facilities are particularly important to the ATO with regard to its ADP re-equipment program.

Child-care Facilities

64. The Administrative and Clerical Officers Association and the Federated Clerks Union of Australia, Taxation Officers Branch raised the issue of the provision of work-related child-care facilities. DAS reiterated that it is currently not Commonwealth Government policy to provide child-care facilities in government departments. However, it assured the Committee that if government policy changed child-care facilities could be accommodated within the building or within the surrounding area.

Cafeteria Facilities

65. The Federated Clerks Union of Australia, Taxation Officers Branch provided evidence to the Committee on the need for cafeteria facilities in the building and told the Committee that those facilities are provided in many of the buildings currently occupied by the ATO.

66. The provision of food services is governed by the Code of Practice on the Provision of Amenities in Commonwealth Government Employment. Whether or not a food service is provided is determined in the light of local circumstances with particular regard to:

- . numbers of staff at the establishment;
- . whether shifts are worked and the times and duration of meal breaks; and
- . other facilities in the vicinity.

67. DAS advised the Committee that some of those issues would only become known closer to occupation and that if then appropriate, the guidelines on the provision of food services will come into operation. DAS noted however, that the proposed building is located in an area of the city with substantial food outlets close by.

Staff Amenities

68. Amenities including toilets, tea rooms and showers will be provided in accordance with standards applicable to such development proposals.

Facilities for Disabled Persons

69. The Committee was advised by DAS that all requests made by ACROD for facilities for the disabled have been complied with except colour schemes and projections in passageways which are yet to be discussed and a new lift standard to be examined when released.

Car Parking

70. The estimated car park requirement for the development is 300 spaces with 200 of those spaces provided at the three basement levels. Due to site constraints created by the close proximity of the underground railway tunnels the remainder will be provided on Site B and/or through appropriate leasing arrangements. The car spaces are provided for official vehicles

though provision will be made for disabled staff and members of the public.

Committee's Recommendation

71. The Committee accepts the desirability of the provision of cafeteria facilities in the proposed building and requests that the Department of Administrative Services investigate the issue as soon as details of local circumstances are available.

72. The Committee recommends that fully adequate provision of facilities should be made for disabled persons.

ENVIRONMENTAL CONSIDERATIONS

73. In its submission DAS stated that a Notice of Intent had been submitted to the Department of the Arts, Sport, the Environment, Tourism and Territories. The Department advised DAS that an Environmental Impact Statement and a Public Environment Report was not required. However, the Department requested that in proceeding with the design and implementation of the proposal that DAS Property and Construction Groups should continue to liaise with relevant authorities and ensure that their requirements are taken into account.

74. In addition, in evidence to the Committee DAS also stated that the proposed building will not impact adversely upon the environment in terms of shadows, wind, traffic generation or service loads.

CONSULTATIONS

75. DAS informed the Committee that the following authorities and organisations have been consulted in the development of the proposal. Details on the concerns and objections raised have been outlined in earlier sections of this report.

Commonwealth Government

Australian Government Solicitor
Australian Heritage Commission
Australian Survey Office
Department of the Arts, Sport, the Environment, Tourism and Territories
Australian Taxation Office
Department of Community Services and Health
Department of Social Security
Australian Telecommunications Commission
Commonwealth Fire Board

State Government

Victorian Ministry for Planning and Environment
Melbourne Underground Rail Loop Authority
Road Traffic Authority
Historic Buildings Council
Victoria Archaeological Survey

Local Government

Melbourne City Council
Melbourne Fire Brigade
Melbourne and Metropolitan Board of Works

Staff Associations

Administrative and Clerical Officers Association
Australian Public Service Association
Federated Clerks Union
Commonwealth Works Supervisors Association
Professional Officers Association
Association of Drafting, Supervisory and Technical Employees
Association of Professional Engineers Australia
Commonwealth Medical Officers Association

Other Organisations

National Trust of Australia (Victoria)

Disabled People's International

Disabled Resource Centre

ACROD - Australia's Council on Disability (Victorian Division)

76. The unions expressed concern about their late involvement in discussions on the project. DAS informed the Committee that its consultations with the unions take place at both the design and fitout stage of the project and to facilitate discussions at the design stage DAS plan to bring a union representative onto the project steering committee. The Committee supports that decision.

CONSTRUCTION PROGRAM

77. The anticipated construction period is 48 months. Staged occupancy of lower areas could be provided if required, due to the design solution and in this case, the podium areas could be available for fitout some six to eight months earlier than the highest floor.

FITOUT

78. DAS advised the Committee that fitout of the accommodation for the building is considered to be part of the project but is subject to later programming action. During the planning of a major building fitout requirements can change significantly and, for this reason, the detailed design and documentation for fitout provisions is done as late as possible in the project to avoid aborted work.

79. DAS recognises that in recent years the Commonwealth has experienced increasing fitout costs especially for leased

accommodation and consequently DAS makes every effort to keep fitout costs as low as possible.

80. The Committee was informed that DAS has developed considerable expertise in estimating fitout requirements and costs and has developed a computer software package to analyse office space requirements and a data base of Commonwealth fitout projects in excess of \$200 000 to assist in estimating costs.

81. Using those resources DAS provided the Committee with sample workpoint layouts, space schedules and furniture requirements for similar accommodation for the proposed principal tenant, the Australian Taxation Office. DAS also provided a notional fitout budget which can be summarised as:

. fitout for three mainframe computers	\$3.0m
. standard fitout provisions	\$13.2m
. post and panel provisions	\$3.8m

82. The total fitout cost is estimated at some \$20m at April 1987 prices.

Committee's Recommendation

83. The Committee recommends that because of the substantial cost involved and the increasing costs of fitout the Commonwealth has experienced in recent years, that it be kept informed on progress with fitout requirements and costs for the project.

LIMIT OF COST

84. The limit of cost estimate for the proposal is \$143m at April 1987 prices. This includes:

- . preliminaries
- . building work (including facade)

- . structural frame
- . mechanical, electrical and hydraulic services, lifts, fire protection, building maintenance unit and management systems
- . landscape and external services
- . documentation costs.

Committee's Recommendation

85. The Committee recommends the construction of the new Commonwealth office building in Melbourne at an estimated cost of \$143m for construction and \$20m for fitout both at April 1987 prices.

CONCLUSIONS AND RECOMMENDATIONS

86. The conclusions and recommendations of the Committee and the paragraph in the report to which each refers are set out below:

- | | Paragraph |
|---|-----------|
| <p>1. There is a need for leased premises occupied by selected Commonwealth civil departments in the Melbourne Central Administrative District to be replaced with a purpose designed office building providing 60 000 m² net of office accommodation.</p> | 24 |
| <p>2. The Committee concludes that the Department of Administrative Services and Telecom propose to develop Sites A, B and C as an integrated whole.</p> | 38 |
| <p>3. The Committee notes the concerns outlined by the Victorian Minister for Planning and Environment relating to landscaping,</p> | |

- pedestrian links and heritage issues and recommends that the Department of Administrative Services liaises with the Ministry for Planning and Environment to resolve the issues raised. 39
4. The Committee recommends that the Department of Administrative Services consults with the Australian Heritage Commission and the Victoria Archaeological Survey concerning the funding of the analysis, reporting and storage of results of the archaeological investigation of the site. 44
5. The Committee believes there is a need for improved co-ordination in relation to the archaeological and heritage issues related to Commonwealth building projects and recommends these concerns be addressed at an early stage in the development of a project. 52
6. The Committee recommends the development of the heritage buildings on the site proceed in parallel with the development of the proposed new building regardless of whom assumes responsibility for the heritage buildings. 53
7. The Committee accepts the desirability of the provision of cafeteria facilities in the proposed building and requests that the Department of Administrative Services investigate the issue as soon as details of local circumstances are available. 71

8. The Committee recommends that fully adequate provision of facilities should be made for disabled persons. 72
9. The Committee recommends that because of the substantial cost involved and the increasing costs of fitout the Commonwealth has experienced in recent years, that it be kept informed on progress with fitout requirements and costs for the project. 83
10. The Committee recommends the construction of the new Commonwealth office building in Melbourne at an estimated cost of \$143m for construction and \$20m for fitout both at April 1987 prices. 85



Colin Hollis

Chairman

Parliamentary Standing Committee on Public Works

21 April 1988

APPENDIX A

LIST OF WITNESSES

BRIGDEN, Mr W.F., Manager, Buildings, Australian
Telecommunications Commission, 333 Queen Street,
Melbourne, Vic 3000

BUCKLEY, Ms K.I., Senior Archaeologist and Officer in
Charge, Historical Archaeological Unit, Victoria
Archaeological Survey, PO Box 262, Albert Park,
Vic 3206

DIVETT, Mr R.S., Acting General Manager, Australian
Property Group, Department of Administrative
Services, GPO Box 1920, Canberra, ACT 2600

HARROP, Mr G.D., Project Manager, Construction Group,
Department of Administrative Services,
239-241 Bourke Street, Melbourne, Vic 3000

HOGAN, Mr W.R., Acting Associate Director, Projects
Division 3, Construction Group, Department of
Administrative Services, 239-241 Bourke Street,
Melbourne, Vic 3000

JACKSON, Mr R.L., Manager Construction, Planning and
Review Section, Australian Property Group,
Department of Administrative Services,
525 Collins Street, Melbourne, Vic 3000

KENT, Mr J.M., First Assistant Secretary, Civil
Programs 2, Construction Group, Department of
Administrative Services, 470 Northbourne Avenue,
Dickson, ACT 2602

LEONG, Mr H.C.H., Principal Design Architect,
Construction Group, Department of Administrative
Services, 239-241 Bourke Street, Melbourne,
Vic 3000

MITCHELL, Mr V.T., Senior Assistant Commissioner,
Corporate Services, Australian Taxation Office,
2 Constitution Avenue, Canberra, ACT 2600

O'CONNELL, Mr S.P., Assistant Secretary, Taxation
Officers Branch, Federated Clerks Union of
Australia, 4-53 Queen Street, Melbourne, Vic 3000

PEARSON, Dr M., Assistant Director, Historic
Environments, Australian Heritage Commission,
Casey House, Rhodes Place, Yarralumla, ACT 2600

POWELL, Ms S.M., Acting Assistant Branch Secretary, Victorian
Branch, Administrative and Clerical Officers Association, Third
Floor, 393 Swanston Street, Melbourne, Vic 3000

CONSTRUCTION DETAILS**Foundations and Structure**

The site has good load bearing foundation material of Silurian mudstone and siltstone bedrock. The maximum allowable loads are restricted by the close proximity of the underground railway tunnels. The actual loads will be within those allowable by the Melbourne Underground Railway Loop Agreement.

The structure is proposed to be of reinforced concrete with the core and the perimeter frame of spandrel beams and columns providing the main load bearing elements.

Building Materials

The external walls will consist of insulated light-weight walls and masonry panels of selected colour and finish. Windows will be glazed with reflective glass to the tower, tinted glass to the podium and clear glass for the ground level and main entrance.

In general office areas, internal walls will be rendered and painted. Ceilings will be suspended acoustic tiles and floors will be prepared for carpets. Ground level entrance foyer and forecourt will incorporate selected paving.

Mechanical Services

Air-conditioning will be provided to all office areas throughout the building with individual air handling plants on each floor.

All central energy plants will be located at basement levels with the exception of the cooling towers which will be located on the top of the podium. This will allow the building to be occupied in stages and permit individual floor operation whilst providing lower operating costs and greater flexibility. Other mechanical services will include ventilation to toilets, car park exhaust systems, smoke lobby and stairwell pressurisation systems, domestic hot water systems, and chilled drinking water units.

Where appropriate, energy conservation measures will be incorporated in the design of the mechanical services, including use of an outside air cycle whenever outside ambient conditions are suitable. An integrated energy management and digital control system will be provided to ensure that all plant runs under optimum operating conditions. Functions will include air-conditioning monitoring and control, fire alarms, smoke control and energy management.

Electrical Services

Mains power will be supplied at high voltage with electric supply connected to switchboards on each floor and reticulated from the two main substations and switchboards in the basement, a third substation and associated switchboards in the top of tower. In the event of mains power failure, emergency generators located in the basement will provide power for fire systems, security, essential lighting, essential power and limited lift operation.

Lighting throughout the Building will be in accordance with the requirements of Australian Standard 1680 - Interior Lighting and the Visual Environment.

The following power and communications systems will be provided:

- . general purpose power outlets
- . special purpose power facilities
- . telephone - telex - facsimile cabling systems
- . building monitoring system
- . emergency warning and intercommunications system

Duct and riser space will be allowed for computer, data transmission, television, paging and security services.

Lifts

Two groups of lifts will be provided. The main group of three banks of lifts servicing low, medium and high rise office floors. The second group will serve the basement and podium areas. Emergency power will be provided for limited lift operation and lifts will be capable of carrying stretchers. The configuration of the vertical transportation system provides a completely separate lift lobby for each group of lifts, which in turn will enable optimum traffic movement and operation.

Fire Protection

The building will be fully protected by a sprinkler system provided in accordance with Australian Standard AS 2118, SAA code for Automatic Fire Sprinkler Systems and current codes of practice. A fire control room will be provided at the ground floor. The building structure and functional subdivision will be fire rated in accordance with Victoria Building Regulations and any other relevant regulations. All materials will be selected to ensure full compliance. Fire isolated stairways will serve each floor level. Manual break glass alarms, hose reels, fire hydrants, an emergency warning and intercommunications system, a battery powered emergency lighting system and hand-held fire extinguishers will be provided throughout the building.

Civil Works, Landscaping and Hydraulics

Access and egress for vehicles has been designed in consultation

with the relevant authorities. Laneways will be retained and the forecourse landscaped.

Hydraulic services will provide water for domestic and fire-fighting requirements and sanitary drainage, all of which will comply with relevant codes and regulations.

APPENDIX C

HERITAGE BUILDINGS ON THE REGISTER OF THE NATIONAL ESTATE AND
CLASSIFIED/RECORDED BY THE NATIONAL TRUST OF AUSTRALIA

Address+	RNE	NTA
280-282 Exhibition Street (Coopers Family Hotel)	-	REC
268-270 Exhibition Street (P.N. Hong Nam Building)	-	REC
266 Exhibition Street	-	CLA
76-78 Lonsdale Street	-	REC
64-70 Lonsdale Street (Khyat & Co Building)	-	CLA
42-44 Lonsdale Street (former Black Eagle Hotel)	-	CLA
261 Spring Street (Holy Name Sisters Church Mission)	-	CLA
35-39 Little Lonsdale Street (former Oddfellows Hall)	-	CLA
17 Casselden Place (cottage)	*	CLA

SOURCE: Australian Heritage Commission and National Trust of
Australia

NOTE: RNE - Register of the National Estate (Commonwealth)
NTA - National Trust of Australia
REC - recorded
CLS - classified
+ - location of heritage buildings is shown in Figure 3
Appendix D Masterplan of the Site

PROJECT DRAWINGS

Figure

- 1 Locality Plan
- 2 Staging Plan
- 3 Master Plan
- 4 Basement Plan
- 5 Ground Floor Plan
- 6 First Floor Plan
- 7 Podium Floor Plan
- 8 Typical Tower Floor Plan
- 9 High Rise Tower Floor Plan
- 10 Section A-A Plan
- 11 North Elevation
- 12 Schematic Representation of the Building
(corner of Spring and Lonsdale Street)

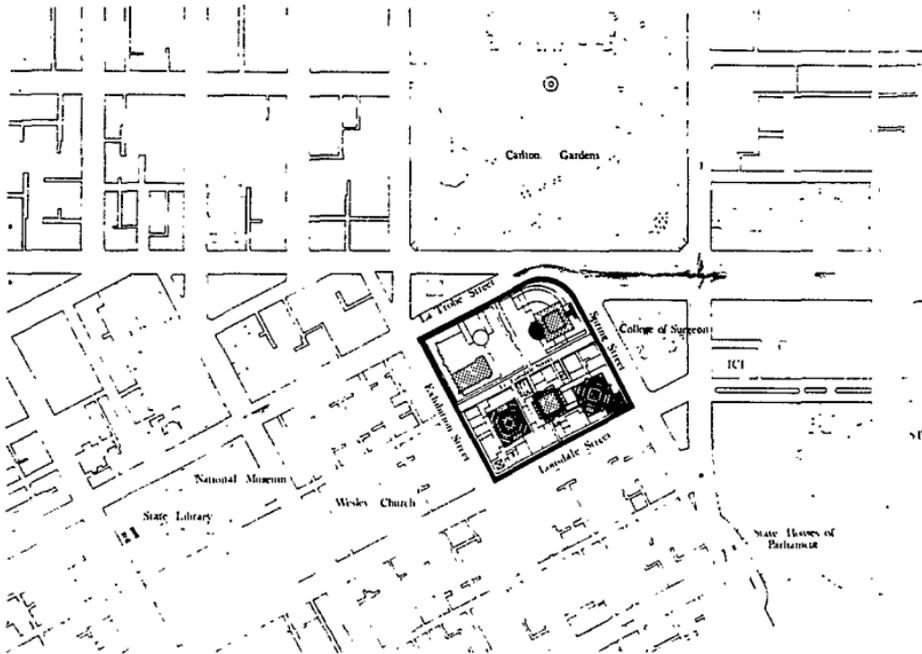


FIGURE 1 - LOCALITY PLAN

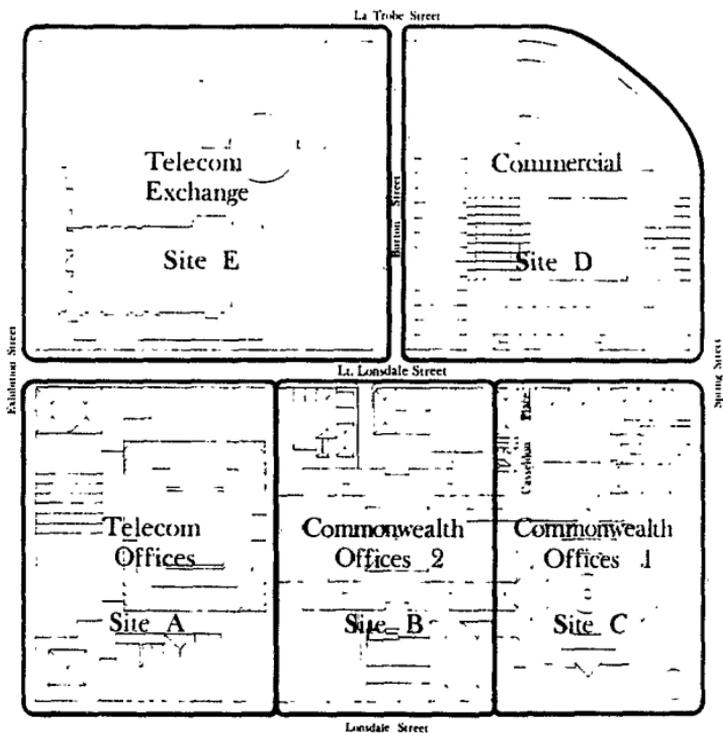


FIGURE 2 - STAGING PLAN



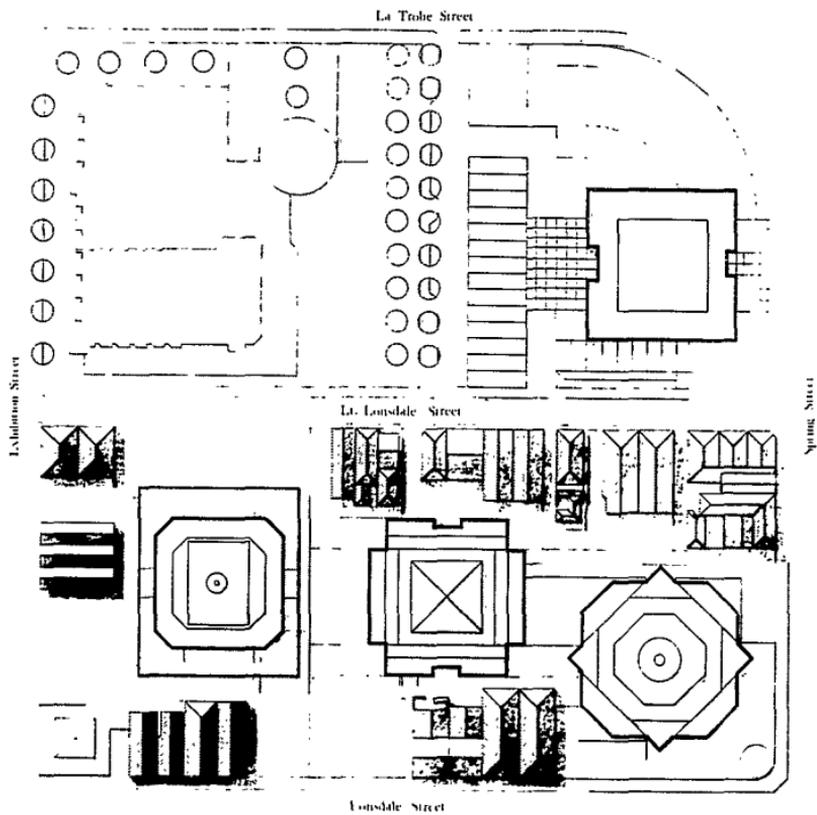
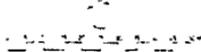
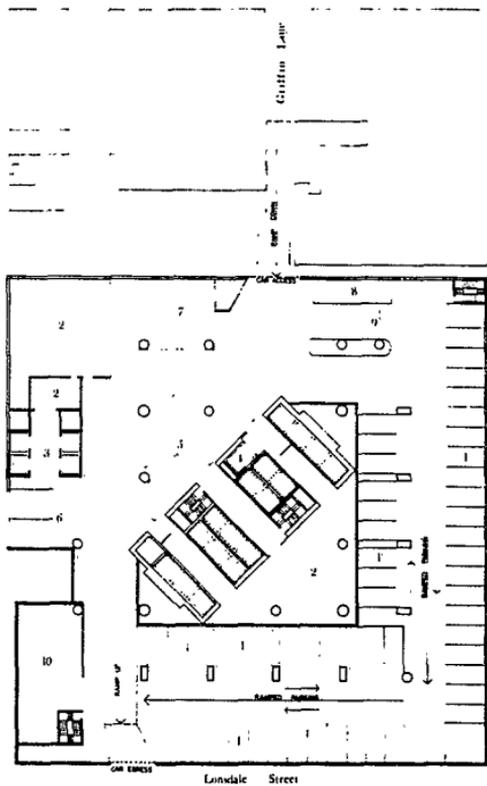


FIGURE 3 - MASTERPLAN



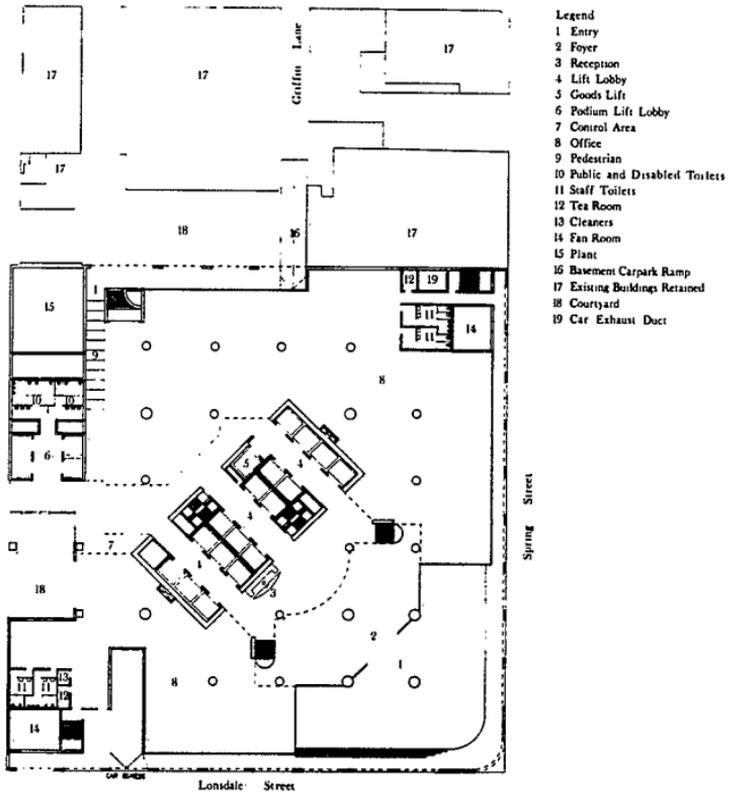


- Legend
- 1 Car Parking
 - 2 Plant
 - 3 Lift Lobby
 - 4 Goods Lift
 - 5 Loading Bay Area
 - 6 Disabled Parking
 - 7 Garbage Store Area
 - 8 Bike Parking
 - 9 Boom Gate
 - 10 Storage

COMMONWEALTH OFFICES MELBOURNE

FIGURE 4 - BASEMENT PLAN

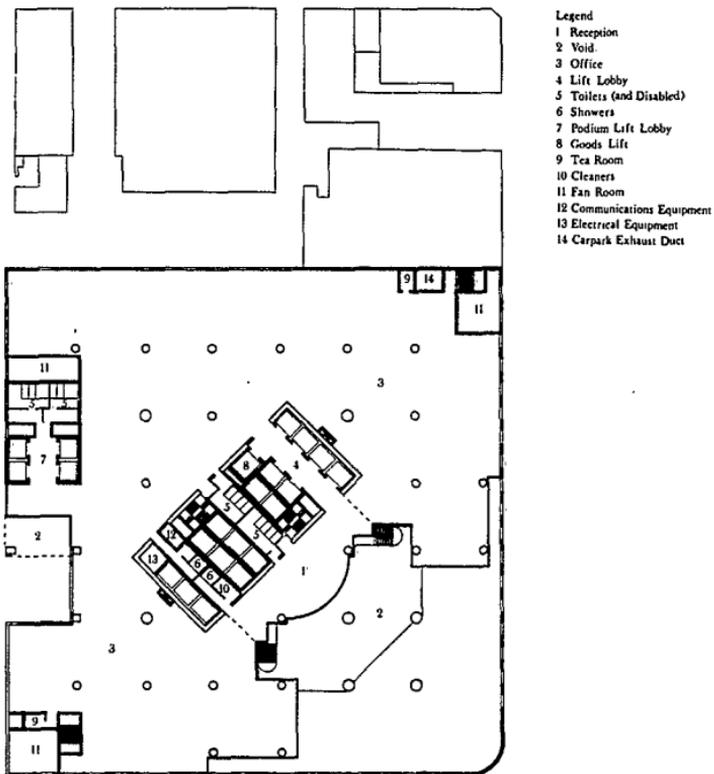


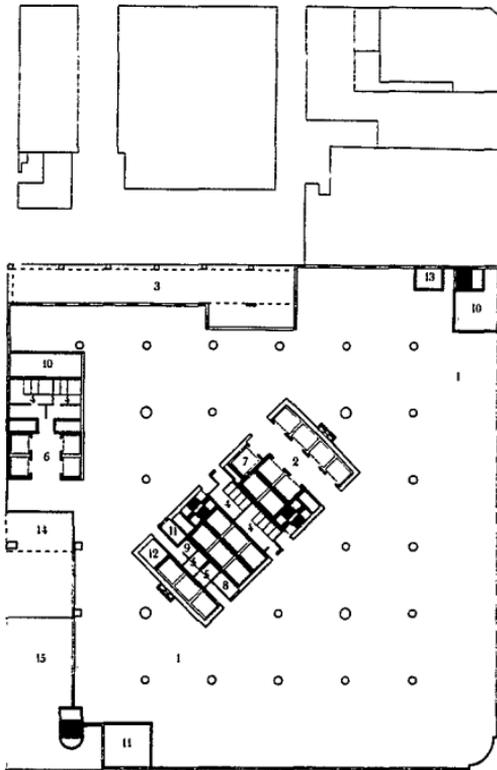


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FIGURE 5 - GROUND FLOOR PLAN





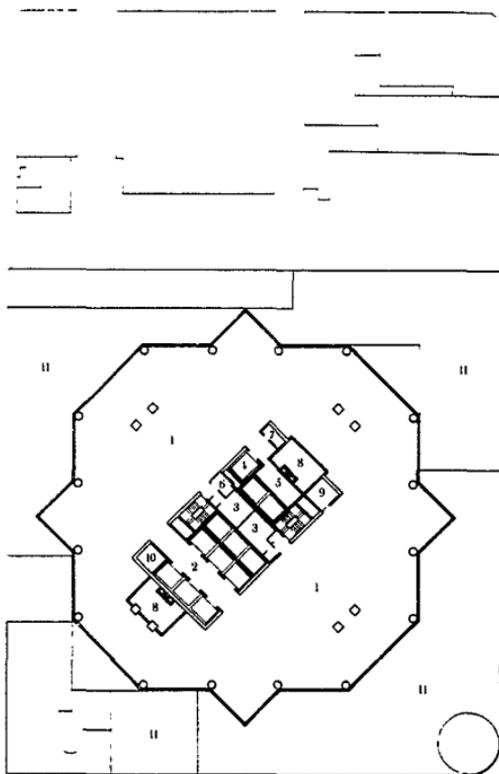


- Legend
- 1 Office
 - 2 Lift Lobby
 - 3 Terrace
 - 4 Toilets (and Disabled)
 - 5 Showers
 - 6 Podium Lift Lobby
 - 7 Goods Lift
 - 8 Tea Room
 - 9 Cleaners
 - 10 Fan Room
 - 11 Communications Equipment
 - 12 Electrical Equipment
 - 13 Carpark Exhaust Duct
 - 14 Void
 - 15 Roof

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FIGURE 7 - PODIUM FLOOR PLAN

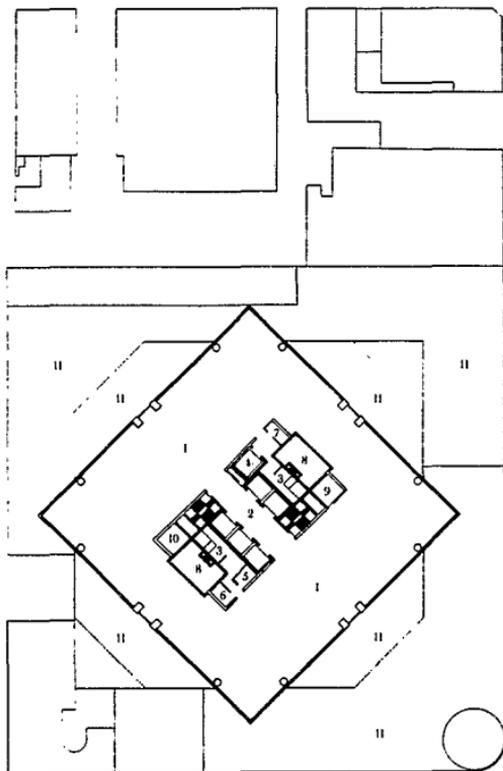




- Legend
- 1 Office
 - 2 Lift Lobby
 - 3 Toilets (and Disabled)
 - 4 Goods Lift
 - 5 Store
 - 6 Tea Room
 - 7 Cleaners
 - 8 Fan Room
 - 9 Communications Equipment
 - 10 Electrical Equipment
 - 11 Roof

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 FIGURE 8 - TYPICAL TOWER FLOOR PLAN

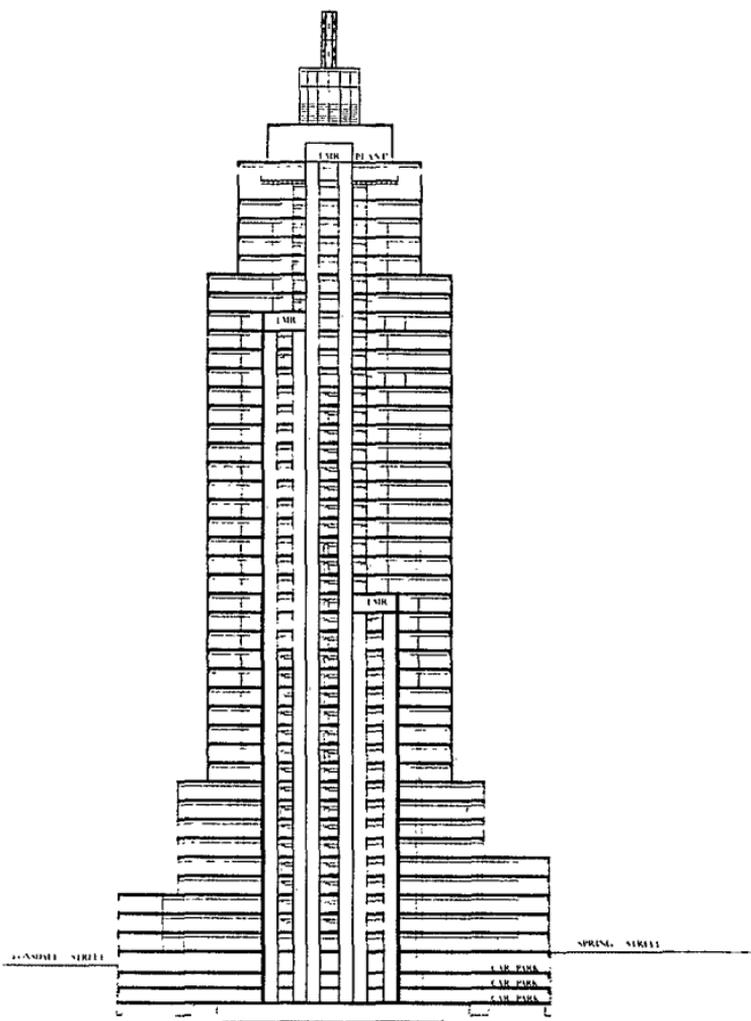




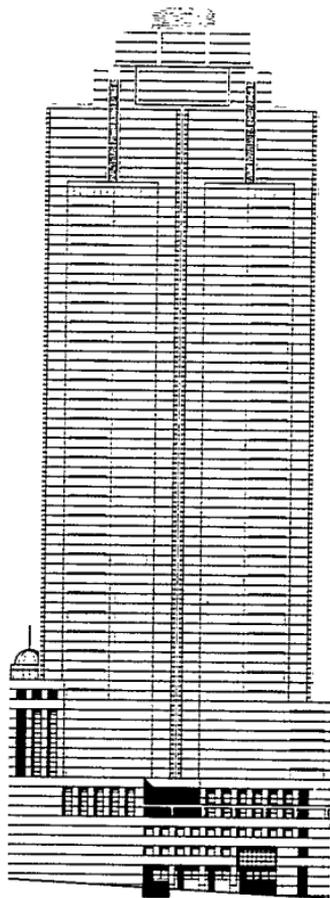
- Legend
 I Office
 2 Lift Lobby
 3 Toilets (and Disabled)
 4 Goods Lift
 5 Store
 6 Tea Room
 7 Cleaners
 8 Fan Room
 9 Communication Equipment
 10 Electrical Equipment
 II Roof

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 FIGURE 9 - HIGH RISE TOWER FLOOR PLAN





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 FIGURE 10 - SECTION A-A PLAN



COMMONWEALTH OFFICES MELBOURNE.
FIGURE 11 - NORTH ELEVATION



FIGURE 12 - SCHEMATIC REPRESENTATION OF THE BUILDING
(corner of Spring and Lonsdale Streets)

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