

Department of Health – Proposed fit out of existing leased premises at Sirius building, Woden ACT  
Statement of Evidence - Submission 1.0



**Australian Government**  

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**Department of Health**

# **The Department of Health**

## **Proposed Fit out of Existing Leased Premises at The Sirius Building, Woden ACT**

**Statement of evidence  
and supporting drawings submission to the  
Parliamentary Standing Committee on Public Works**

**Submission 1.0**  
October 2021

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# **The Department of Health – Proposed fit out of existing leased premise – the Sirius Building**

Parliamentary Standing Committee on Public Works

Submission 1.0

October 2021

## **Project Title**

1. The Department of Health – Proposed fit out of existing leased premises at the Sirius Building located in Woden, Australian Capital Territory (ACT).

## **Purpose of the Works**

### **Overview**

2. The Department of Health (the Department) established the New Ways of Working Program (the NWOW Program) in 2018 as a strategic approach to improving the operating environment for the Department's staff.
3. The NWOW Program will deliver a more flexible, accessible, and responsive work environment through enhanced people support and policies, innovative information technology and modern physical workspaces. While it was initiated prior to the pandemic, the Department's learnings from our experiences over the last 18 months are being fed into the Program.
4. The impact of the COVID-19 pandemic on the Department's operating model has been significant and has rapidly changed views of where and how work can be done. The 2021 APS Census found that 81 per cent of Health staff rated their overall working from home experience as positive. The Census also found that 91 per cent of staff said that they were as, or more, productive when working from home compared with the office.
5. Since July 2021, the Department has been piloting the NWOW principles and approach with three divisions occupying approximately 4,600 square metres of re-fitted accommodation on level 9 of the Sirius Building.
6. The core principles of the NWOW Program include:
  - Providing a COVIDSafe workplace.
  - Providing increased diversity of work settings to support a range of activities, improving amenities for both individual and collaborative work, including supporting flexible working arrangements and remote work.
  - Situating divisions and branches in neighbourhoods of approximately 100–150 people, allowing staff to move around and work in different settings, empowering them to choose where they work best.



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- Implementing a 7:10 ratio of premium ergonomic workstations to staff. These workstations are supplemented by an additional 5 to 7 collaborative work settings and 2 to 3 networking seats for every 10 staff members, leading to a work point ratio of around 1.7 work points for each staff member.
  - To assist in meeting Whole of Australian Government (WoAG) standards, Executive Level (EL) 2s will no longer be situated in offices; and
  - Senior Executive Service (SES) Band 1 and 2 offices will be situated in neighbourhoods. They will not be allocated to individual SES officers. Instead, they will be both offices and additional collaboration spaces.
7. Before the COVID-19 pandemic, a detailed 2019 utilisation study indicated the built environment was underutilised, with an average of 64 per cent occupancy of individual work points, including offices, on any given day.
  8. In response to COVID-19, the Department invested in tools and technology to support staff to operate effectively and securely, whether working remotely or in the office. This was originally planned to occur gradually as part of the NWOW Program. It was accelerated to support the Department's work during the COVID-19 pandemic. This also resulted in the Department requiring to accelerate the use of collaborative technologies to support flexible work arrangements.
  9. In February 2021, the Sirius Pilot staff baseline survey (284 staff) indicated that, each week, staff were working an average of 2 days in the office, and 2.7 days at home. The survey found that 89 per cent of staff wanted the flexibility to work from home regularly.
  10. These results, are in line with recent building access and remote login data, which demonstrates that approximately 48 per cent of the Department's staff were working from home at least part of each day in the period of 29 January to 11 August 2021. .
  11. Based on extensive consultation undertaken since 2018, our piloting of the NWOW Program and our recent successful and popular increase in remote working, the Department considers that a more flexible office environment designed to support greater collaboration (face to face and virtually) will better support the Department's current business and prove more effective when dealing with an uncertain future.

## **The Current Property Situation in the ACT**

12. The Department currently occupies two ACT locations. The Woden campus is the Department's primary location and consists of the Sirius Building and Scarborough House. These two adjacent buildings currently accommodate approximately 4,600 staff, over approximately 62,466 square metres.
13. The Sirius Building is the largest of the Department's tenancies. It can currently accommodate up to around 4,000 people over 10 floors. Its 45,967 square metres footprint is 45 per cent of the Department's current 102,000 square metre footprint nationally. The Department last undertook a full fit out of the Sirius Building prior to initial occupancy in 2010.

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14. The current Sirius Building fit out is a traditional, open-plan office design, which is no longer aligned with modern workplace designs. The Department provides the same workstations for non-SES staff unless staff require reasonable adjustments to ensure their work health and safety. The current office environment provides limited options for collaborative areas beyond meeting rooms.
15. The relevant project scope would be a partial refit of level 1 (the ground floor) and a complete refit of floors 2 to 8. Based on current and projected staffing levels, and the experience to date in the NWOW pilot sites and with remote working arrangements, refit of Floor 10 is unnecessary at this time. It will be considered separately for utilisation as a surge facility using the existing fit out, for full or partial sublease (including to Health Portfolio Agencies), or for refit as a further NWOW floor in the event the Department's Canberra presence grows larger than currently anticipated. A separate notification or submission to the Committee, as appropriate, will be made in respect of Floor 10 if and as it becomes required.
16. Scarborough House currently accommodates approximately 750 departmental staff over 14 office levels, with a total leased space of approximately 16,500 square metres. The annual lease cost in 2020-21 is around \$7.2 million. Once this project is delivered, the intent is to vacate Scarborough House at the end of lease in June 2025 and consolidate all Woden-based staff in the refitted Sirius building floors 1 to 9.
17. The second ACT location is currently in Symonston. It accommodates approximately 650 staff, primarily from the Health Products Regulation Group (HPRG). It includes laboratory staff performing functions on behalf of the Therapeutic Goods Administration (TGA).
18. The Committee approved fit out of newly leased office and laboratory premises at Fairbairn Business Park in November 2020. The Department intends to relocate all Symonston-based staff and approximately 200 Woden-based HPRG staff to Fairbairn by the end of June 2022 (i.e. when the current Symonston lease ends).

**The Sirius Pilot and other NWOW Sites**

19. In June 2020, the Parliamentary Standing Committee on Public Works approved a Medium Works Notification for construction of a pilot floor within the Sirius Building. This allowed the NWOW Program principles to be piloted before a complete refit.
20. The Department selected Level 9. The pilot floor construction was completed in July 2021, with 483 staff from three Divisions moving in between late July and early August.
21. Staff feedback through a survey of pilot staff about their initial experiences on the floor has highlighted high levels of staff satisfaction, with 71 per cent of people rating their first weeks on the floor as good (53%) or excellent (18%).
22. Ratios and types of individual work points have been working well, with 94 per cent of staff saying they could find a desk easily when they were in the office, and 89 per cent of those who needed to find a quiet space to work were able to find one.

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23. The neighbourhood approach has successfully mitigate the risk of unallocated seating resulting in teams not being able to collocate, with 87 per cent of staff saying that they could find a place to work with their team when they needed one.
24. Initial indications are collaboration is increasing. There has been strong support, through qualitative feedback, for the availability and variety of meeting rooms and collaborative spaces, technology available to support collaboration, and increased levels of interaction with staff outside of their immediate team.
25. Further data to evaluate the pilot will be gained through comprehensive surveys, staff feedback and a utilisation study. The evaluation approach is being adjusted to account for the ACT lockdown and will include an assessment of how the different work environment influences how staff view and approach the return to the office post lockdown.
26. The results of the evaluation will inform future designs, change support and the approach to measuring the benefits of the NWOW Program.
27. Data will also be sought from other NWOW sites, including Hobart, Perth, Melbourne, and Fairbairn as part of measuring Program objectives and benefits.
28. This builds on the lessons already gained from the NWOW Hobart Proof of Concept (completed in February 2020). The March, May and August 2020 evaluation surveys of Hobart staff saw high levels of staff satisfaction with their ability to collaborate, increased productivity, and positive effects on wellbeing.

## **Key Objectives**

29. The key objectives of the NWOW Program include:
  - Supporting flexible working and fostering an adaptable, diverse, inclusive, and healthy workforce.
  - Supporting increased workforce productivity.
  - Supporting faster delivery of policy, program, and regulatory outcomes.
  - Contributing to improved quality of policy, program, and regulatory outputs.
  - Reducing operating expenses (printing, travel, stationery, leasing etc.).
30. The fit out of the existing leased premises will also realise operational and administrative efficiencies associated with a modern, flexible workplace, including:
  - cost-effective, value for money and fit for purpose multi-use accommodation;
  - improvements in information and communication technology to better meet the Department's needs into the future;
  - achieving greater utilisation through an average occupational density of 10 square metres per person, and 14 square metres per work point (in line with WoAG requirements) whilst retaining a COVIDSafe workplacespace; and
  - a greater ability to modify these spaces to allow for a greater variety of work to be undertaken.

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## The Need for the Works

31. As part of the Property Investment Strategy 2018–2025, the Department has been actively consolidating its ACT footprint. This is, in part, to achieve WoAG density targets.
32. The leases on its two largest tenancies, (the Sirius Building and Scarborough House), expire in 2035 and 2025 respectively.
33. To make consolidation of the Scarborough House tenancy into the Sirius tenancy practical, the Sirius fit out density must increase to align with WoAG policy.
34. The current workplace is a traditional environment that relies on people working from fixed work-points. Findings from staff satisfaction and baseline surveys are that the current workplace limits collaboration and reinforces siloed behaviours.
35. Staff have consistently rated high levels of collaboration within their immediate teams. Satisfaction significantly reduces, however, when trying to collaborate more broadly than with immediate teams due to the (lack of) meeting space variety and availability.
36. The new fit out will support many more working styles and greater flexibility than the current 'one size fits all' approach. It will also upgrade critical semi-specialist work areas such as the Executive area and the National Incident Centre.
37. The combination of general accommodation, group, and task-oriented workspaces will support a more rapid deployment of response and task group activities. This will improve the Department's ability to meet surge requirements, as well as enhancing various core functions.

## Existing Lease Details

38. Details of the Department's Woden leased properties are summarised below.

| Address  | Net Lettable Area (m <sup>2</sup> )  | No of Parking Spaces | Annual Gross Rental & Parking                                       | Lease Expiry | Option Period Years |
|--|--------------------------------------|----------------------|---|--------------|---------------------|
| <b>Sirius Building</b><br>23 Furzer Street, Phillip    | 45,967<br>(storage 1,422)            | 373                  | Rent \$25,160,000,<br>Storage \$246,000,<br>Car Parking \$1,210,000 | 01/02/2035   | 5                   |
| <b>Scarborough House</b><br>1 Atlantic Street, Phillip | 16,499                               | 47                   | Rent \$7,151,000,<br>Car Parking \$112,000                          | 30/06/2025   | 5                   |
| <b>Total</b>   | <b>63,888</b><br>(including storage) | <b>420</b>           | <b>\$33,879,000</b>   |              |                     |

39. The Sirius Building is owned by the Mirvac Group. It was purpose built for the Department and completed in 2010.

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40. Currently, the Department's Woden campus accommodates approximately 4,600 staff and secondees across both the Sirius Building and Scarborough House.
41. The average density across both buildings is currently approximately 16 square metres per person. This exceeds the current requirement of 14 square metres per person within the Commonwealth Property Management Framework.

## Options Considered

42. In accordance with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Commonwealth Procurement Rules, and the Commonwealth Property Management Framework, the Department must demonstrate value for money in determining its preferred accommodation solution.
43. The Department undertook a Cost Benefit Analysis (CBA) in 2018 that compared three options:

### Option 1: Renewal of Lease for existing premises

44. The Department considered maintaining occupancy of both buildings. The benefits of this approach included minimal change management activities, along with retaining significant available space if there was a need for rapid expansion.
45. Risk and issues were reviewed. The Department determined that this approach would not comply with the WoAG guidelines and was not consistent with the Department's Property Leasing Strategy.
46. This option would not provide any efficiencies. It would result in significantly increased maintenance costs as existing fit outs reach their end of useful life.
47. Option 1 included a requirement to continue to fund the ongoing costs of Scarborough House of approximately \$7.2 million per annum, with costs greater than \$72 million over 10 years beyond the current lease end date (to align generally with the end of the then proposed Sirius lease extension).
48. Additionally, the Department calculated that Scarborough House would require a total refreshed fit out at a cost of approximately \$29 million.
49. The Sirius fit out would also have required a total fit out refresh by around 2025. Detailed costings have been provided in the confidential cost estimate.

### Option 2: Consolidation into a single new building – Approach to Market/New Building

50. The option to consolidate staff from both Scarborough House and the Sirius Building into a single new purpose build building was also considered.
51. This option would be consistent with the Department of Finance WoAG Leasing Strategy, would comply with contemporary building standards, and increased market competition. This approach would, however, likely have taken longer to complete.

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52. The Department considered that property market conditions at the time the CBA was prepared were more favourable than in the past decade. It was likely that the lease incentive amounts offered were likely to decrease in coming years.
53. The costs associated with a new building would have been borne by the Department. The estimated total costs are difficult to determine.

### **Option 3: Early extension of the Sirius Lease and refit of Sirius Building**

54. Mirvac Group put a lease extension proposal to the Department that offered an early extension based on favourable market conditions. This also provided additional lease incentive funding to enable the refit of the existing fit out.
55. This approach is consistent with the WoAG Leasing Strategy. It provided the maximum time and funding to undertake the staged refit of Sirius.
56. The leasing strategy determined this to be the preferred option on the basis that an improved fit out of the building would allow the department to vacate Scarborough House completely by its lease expiration in 2025.

## **Scope of Works**

### **Building Location and Description**

57. The Sirius Building at 23 Furzer Street, Woden ACT is an A-grade building comprising 10 commercial floors and two levels of basement parking, across a total of 47,389 square metres.
58. The office building is owned by Mirvac and was purpose built for the Department, completed in 2010. The original fit out accommodated approximately 3,000 staff.
59. The Sirius Building was the first major office building to rate 6-stars of National Australian Built Environment Rating System Rating (NABERS) which emits 50 per cent less greenhouse gases than a 5-star rated building.
60. The building is north of the Woden Town Centre, bounded by Furzer and Worgan Streets. A site location plan is provided at **Annexure A**.

### **Scope of Fit Out Works**

61. The fit out works will encompass:
  - Fit out of the ground floor and levels 2 to 8 and level 10 of the Sirius Building.
  - Integration of services into the existing base building works including electrical, lighting control, voice and data communications, audio visual equipment, security, and fire and hydraulic services.
  - Office accommodation including partitioning of unallocated offices, meeting and conference rooms, reception areas, utility and storerooms, secure rooms, training rooms, break-out areas and staff amenities, and communication equipment rooms.

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- Workstations including desks, team storage units and personal lockers. Power cables will be reticulated in the workstation screens while data will be predominantly wireless.
- Ground floor upgrades including security and concierge, surge space, secure and non-secure conference and training rooms, secure and non-secure business lounge, and wellbeing and social areas.
- An executive suite for the Secretary and Deputy Secretaries.
- 
- Unallocated offices for SES Band 1 and 2 officers that will be flexibly designed.
- Meeting rooms with a variety of both video and conference call equipment.
- Individual rooms suitable for staff undertaking sensitive focus work.
- Individual and semi-enclosed ergonomic work points suitable for interruptible individual and small team-based work.
- Individual focus and semi-enclosed ergonomic work points that are unassigned and used as quiet workspaces for deep focus work in an office setting.
- Small meeting rooms and dialogue settings that are semi-private and equipped with technology to enable remote team members to join meetings.
- A business centre on the ground floor outside of the security perimeter.
- Large meeting rooms that are enclosed and bookable to support team meetings or formal collaborative work.
- Unenclosed non-bookable team areas for informal meetings.
- Secure storage and semi-specialist fitouts operational rooms.
- A dedicated secure meeting zone for the building to maximise efficiency, reducing floor duplication and ability to maximise flexibility.
- Integrated learning and development, training and large-scale team or client meeting spaces, with operable walls to allow for increased flexibility.
- Banks of lockers for storage of laptops and personal equipment.
- Break-out and social connection spaces to allow for meals, coffee, and tea breaks as well as more informal collaboration.
- Open plan office accommodation for the APS and Executive Level workforce.
- Shared team storage.
- Utility spaces for copying equipment and office supplies, alongside a workspace for collating and assembling of documents, and for distributing and collecting mail.
- Multipurpose rooms to provide parents, carers and first aid amenities.
- Loose furniture which includes task and meeting room chairs, meeting room tables, breakout tables, chairs, stools, and other casual seating; and
- Fixed joinery to be minimised providing greater flexibility for rearrangements.

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62. In addition to these fit out works, the Department has negotiated with the Building Owner to upgrade base buildings services including End of Trip Facilities, over the next 15 years. The upgrades were negotiated with the Building Owner as part of the commitment to the lease extension. These upgrades do not result in increased rent payable by the Department.
63. The Department will leverage efficiencies in completing base building upgrades through integrated fit out works. This will achieve improved value for money compared with undertaking the works separately.
64. In conjunction with these works, the Department intends to construct a dedicated security suite to house specialist communication systems. This will be the subject of a separate notification or submission to the Committee, as appropriate, in due course.
65. A concept fit out plan of a typical floor is provided at **Annexure B**. The design process for each floor will retain sufficient flexibility to ensure that unique business requirements and lessons learned are factored into forward designs.
66. To allow for possible Departmental structure changes, the fit out provides a flexible layout, capable of accommodating most business areas with minimal changes.
67. The design incorporates COVIDSafe principles, more flexible and collaborative workspaces, and greater support for remote working or a hybrid of office based and remote working arrangements.
68. Staff feedback has indicated a strong preference for continued combination of office-based and remote working, with staff preferring to undertake individual/focused activities remotely. The design focuses the workplace towards collaborative and team activities.
69. Office design will focus on these activities as remote and flexible working will continue to be embedded into standard departmental operations. The design will still provide settings for focused work when required.
70. The use of wireless data connectivity (i.e. Wi-Fi) will be implemented in the fit out design to minimise cabling installation.
71. Audio Visual equipment (e.g. TV screens, Video Conferencing technology) will be selected to reflect current trends in presentation and teleconferencing technology and further support digital collaboration and engagement opportunities for staff.
72. The design includes a ratio of 1.7 work points for every 1 staff member. This is made up of premium ergonomic workstations (at a ratio of 7 workstations for every 10 staff), supplemented by an additional 5 to 7 collaborative work settings and 2 to 3 networking seats for every 10 staff members.
73. These ratios reflect preferences for a mix of office and remote working (which also supports COVIDSafe physical distancing) and greater increase workspaces collaboration.



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- 74. Offices and meeting rooms will be located away from the perimeter for efficiency and equitable access to natural light and views.
- 75. The electronic access control system allows for full tenant control, along with a single security and reception facility in the ground floor lobby. Speed stiles will restrict access to lift lobbies. The secondary access will be controlled by the access control system.

## **Details of Applicable Codes and Standards**

- 76. The fit out will comply with all statutory requirements including the National Construction Code (NCC), ACT Environment, Planning and Sustainable Development Directorate requirements and Australian Standards (AS). The Department will ensure that all relevant codes and standards are included in the design and building briefs.

## **Planning and Design Concepts**

- 77. The quality of building finishes and services are to “A” Grade standard in accordance with the Property Council of Australia Office Quality Grade Matrix 2019.

## **Materials and Finishes**

- 78. Materials and finishes used in the fit out will be selected for appearance, durability, functionality, and ease of maintenance and cleaning.
- 79. Typical materials and finishes will include glass for office and meeting room windows, plasterboard painted with washable acrylic paint for office and meeting room partitions, fabric panels on workstation screens, laminate finishes to workstations and meeting tables, feature colours on selected painted walls and plasterboard, and feature ceilings in key areas.
- 80. Where possible, the Department will use recycled materials in the fit out.

## **Fire Services**

- 81. The entire building will be provided with sprinkler protection. The system was originally designed to comply with the NCC, AS2118.1, and the ACT Fire Brigade requirements. The fit out will modify sprinkler systems to suit while maintaining compliance. The building will also make use of materials with fire resistance in accordance with Type A construction as per the NCC.
- 82. A smoke detection system is currently installed to activate the occupant warning system and smoke hazard management system as required by the NCC. This includes smoke control, stair pressurisation and automatic testing systems. Dry fire systems will be modified to suit the fit out as required.
- 83. The fit out will modify the existing base building sound systems and intercom systems for emergency purpose. This includes an Emergency Warning and Intercommunication System for emergency communication with building occupants.

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84. The fit out works will be designed in accordance with the Protective Security Manual to achieve the required security zoning requirement.

## **Building Certification**

85. An accredited independent Building Certifier has been engaged to certify compliance of all works.

## **Hydraulic Services**

86. The fit out site services will include:
- Sewer connections; and
  - Water connections.
87. Connections have been sized for the fit out in accordance with the relevant standards and the NCC.
88. Shower and locker amenities are located on the ground level End-of-Trip facility.
89. An accessible toilet is provided on each office floor and an accessible shower is provided on the ground floor.
90. A hot and cold-water connection is provided on each floor for the tenant's fit out requirements in the office.
91. A compliant fire hydrant and fire hose reel system is installed in the building.
92. The building is equipped with roof and basement drainage tied into the sites storm water connection point.

## **Electrical and Communications Services**

93. Power is provided to tenancy distribution boards, house services on each floor and general cleaners' outlets. This tenant power is provided in accordance with the 2019 Property Council Australia Grade A requirements.
94. The base building lighting system will be modified to suit the fit out. The base building system has a lighting control system present that will also be reprogrammed to suit the fit out.
95. Main data infrastructure is generally not altered by the fit out, but all field data points for the Department will be new Cat 6A. Wi-Fi coverage throughout is also provided.

## **Acoustics**

96. The fit out design aims to achieve AS2107 recommendation for new areas.
97. Acoustic performance criteria have been incorporated into the fit out brief to ensure adequate noise insulation between rooms such as offices and meeting rooms and other workspaces.
98. Design criteria and building performance for ambient noise ratings shall be in accordance with the requirements of AS2107.

## **Water and Energy Conservation Measures including Energy Targets**

99. The Sirius Building complies with the Commonwealth energy guidelines relating to energy efficient buildings and meets a 6-star NABERS rating.

## **Mechanical Services**

100. The fit out will modify the existing base building mechanical systems to suit the fit out. This will consist of changing air volumes and air distribution.
101. Where meeting rooms or other spaces require additional cooling or outside air requirements, this will be provided by supplementary packaged air conditioning systems serviced by the tenant condenser water system and outside air provision.
102. Air distribution on occupied floors is via low temperature variable air volume boxes (VAV) and use of high air mixing swirl diffusers in centre and perimeter zones.
103. Full Building Management System automatic control, monitoring and alarming system, energy metering and monitoring for power, heating ventilation and air conditioning energy and water consumption are provided.

## **Environmental Sustainability**

104. The fit out will be designed, constructed, and maintained to use energy and water as efficiently as possible and comply with the following statutory requirements:
- Section J of Volume 1 of the NCC; and
  - Energy Efficiency in Government Operation policy.
105. The principles of Environmentally Sustainable Design have been adopted in the design of the fit out work as follows:
- Recycling of construction waste.
  - Use of paints, flooring, carpets, adhesives, and sealants with low Volatile Organic Compound emissions.
  - Inclusion of engineered timber products with low or zero formaldehyde emissions.
  - Selection of environmentally certified fit out products.
  - Use of water efficient fixtures and appliances.
  - Lighting controls with time clocks, motion sensors and daylight sensors to minimise wasted energy, and energy efficient lighting design including consideration of LED lighting options.
  - Maximise the use of natural light in the office while controlling direct sun penetrations into the building.
  - Incorporate installation of energy efficient light fittings and an intelligent lighting control system which includes ambient light level detection devices for daylight sensing and motion detectors for after-hours lighting control.
  - Encourage the use of existing public facilities and transport infrastructure.

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- Deliver a fit out density which will assist the Department in reducing its carbon footprint; and
- Maximise the use of environmentally sustainable and recyclable materials, wherever practical.

## Provision for People with Disabilities

106. The Department is committed to creating and maintaining an accessible workplace, from a physical environment perspective and an inclusive culture. The designs have been purposefully created to be accessible for current and future staff, therefore it will decrease the amount of future user-specific workplace modifications required to meet the needs of those with disability.
107. The fit out brief factors in the accessibility and inclusion feedback from the Department's Disability and Carers Network, along with staff feedback about the Hobart, Sirius Pilot, Perth and Melbourne designs. Additionally, recommendations from an upcoming Dignified Access Review will be considered. The fit out brief provides requirements for people with disability, including:
- The fit out shall be designed to comply with the latest edition of AS1428.2 and at a minimum, comply with the mandatory parts of the code under the NCC;
  - Suitable access to the building; and
  - Access ways and doorways will be sized and designed to conform to Australian Standards and the Building Code of Australia.

## Childcare Provisions

108. No on-site childcare facilities are proposed as this is an office accommodation fit out project. The current fit out of the Sirius building does not include any childcare facilities however there are approximately four services nearby (<1km).

## Work Health and Safety

109. In accordance with *Work Health and Safety (WHS) Act 2011* requirements, the design phase will include Safety in Design Workshops. These workshops will review the design with a view to identifying any risks associated with safety during the construction phase and safety during the operational phase.
110. The Department will ensure that all contractors and subcontractors comply with WHS legislation appropriate to the building site.
111. The Department's client-side project manager has an obligation to monitor the Department's construction contractor's compliance with WHS requirements.

## Heritage Issues

112. There are no known heritage issues in relation to this site.

## Impact on the Local Community

113. The project is expected to have a positive effect on the local economy through:

- Creation of jobs during construction and fit out works, (consultants, construction workers, suppliers, and related services).
- Use of locally sourced materials during construction.
- Ongoing support for local trades and services through future maintenance and supply requirements; and
- Support of local retail businesses which will be frequented by the Department's employees and visitors to the upgraded building; and there will be no traffic impact as the Department does not expect an increase in overall staff number.

## Consultation

114. Through the development of the NWOW program strategy and development of the proposal, consultation has occurred with:

- The Department of Finance;
- The Whole-of-Australian Government Strategic Property Advisor;
- Office of the Federal Safety Commissioner in relation to the Australian Building and Construction WHS Accreditation Scheme;
- ACT Fire Brigade on building design;
- Information Communication Technology and Security;
- Other Government Entities including;
  - Department of Foreign Affairs and Trade
  - IP Australia
  - Australian Bureau of Statistics
  - Department of Agriculture, Water and Environment
  - Department of Prime Minister and Cabinet
  - Department of Industry
  - Department of Social Services.
- Property and Facility Management;
- Staff representatives from NWOW sites;
- The Department's employee representative groups; and

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- **Staff Networks:**
  - National Aboriginal and Torres Strait Islander Staff Network, including a Friends of the Network for non-Indigenous staff
  - Disability and Carers Network
  - Health Pride Network
  - Gender Equality Network
  - Culturally and Linguistically Diverse Network
  - National Staff Participation Forum including representatives from the CPSU
  - National Work Health Safety Committee.

115. The Department will continue to consult and work closely with the Department's representative groups and networks, the Department's Executive, and staff as they transition to the new working environment.

## Related work

This project is related to the following projects.

116. **Fit out of new leased premises at Fairbairn Business Park.** The Department is constructing two purpose-built buildings for new office accommodation and laboratory space. The office building has 8,500 square metres Net Leasable Area (NLA), and the laboratory facility 5,200 square metres NLA. The proposed leases have a commencement date of 1 July 2022 for a period of fifteen-years, with two options for five-year extensions at the Department's discretion.
117. **Sirius Pilot Floor Fit out.** The Sirius Building has completed a fit out of approximately 4,663 square metres of working accommodation on level 9 in alignment with the NWOW principles. The project finished construction in July 2021.
118. **Perth Office Fit out.** The Department leased new accommodation to house its Perth office, and is undertaking a fit out of approximately 930 square metres of working accommodation. Design activities have commenced, and the program has received a Medium Works Notification approval on 2 September 2021.
119. **Melbourne Office Fit out.** The Department leased new accommodation to house its Melbourne office, and will undertake a fit out of approximately 2,794 square metres of working accommodation. Design activities have commenced, and the program will be subject to the Medium Works Notification process. This notification will be provided to the Committee in due course.

## **Cost Effectiveness and Public Value**

### **Project Budget**

120. The budget for fit out is approximately \$64.25m (excluding GST) and includes contingency, project management, design and documentation and escalation from 2022 to 2025.
121. The current cost estimate has been prepared by the Department's quantity surveyor, and assuming that the Department will proceed based on the architect's concept design, with a staged roll-out.
122. The estimated average cost of \$1,816 per square metre.
123. The fit out cost is based on an estimate by the project's quantity surveyor. The Department has defined a scope of work within budget which meets the Department's operational requirements.
124. The Department will seek to refine these budgets, should there be savings identified in the detailed design phase.
125. Project funding will be drawn from a combination of Departmental Capital appropriations, and lease incentives provided by the landlord.

### **Value for Money**

126. In assessing the options available, the Department undertook analyses of an existing building refurbishment and constructing a new purpose-built building in Woden. In January 2019, the Department undertook a CBA including whole-of-life cost analysis, and a risk assessment on the proposals.
127. It determined that the proposed fit out of existing leased premise provides the best value for money accommodation solution. The CBA provided to the Department of Finance and the Strategic Property Advisor examined the economic feasibility of the proposal and confirmed that it provides the best value for money solution.

### **Project Delivery**

128. The Department will be responsible for procurement of its own construction contractor to deliver the fit out works.
129. The Department has appointed a client-side project manager, based in Canberra, to manage the planning and deliver of the fit out works to achieve the milestones.
130. The Department has engaged a Design Services Consultant (DSC) to undertake design the fit out.
131. The lead design consultant, based in Canberra, have designed several major office fit outs across Australia including other government entities' fit out. The lead design consultant has significant experience in commercial office development. The design will be consistent with the NWOW principles, take into consideration COVIDSafe work

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practices, security specification, and Information Communication Technology requirements.

132. As part of the DSC, the Department has engaged a multidisciplinary team, as noted below, to progress the design to documentation, costing and for construction:

- Engineering, fire, services, and cost consultants;
- Quantity surveyor;
- Building certifier and an access consultant; and
- Security Construction and Equipment Committee consultant to provide physical security advice on the design and acceptance testing and commissioning of Type 1 security alarm systems.

## Program

133. The key milestones for the project are as follows:

|                            |          |               |
|----------------------------|----------|---------------|
| Stage 1 (2022)             | 2 Floors | December 2022 |
| Stage 2 (2023)             | 2 Floors | December 2023 |
| Stage 3 (2024)             | 2 Floors | October 2024  |
| Stage 4 (2025)             | 2 Floors | March 2025    |
| Stage 5 (TBD) <sup>1</sup> | 1 Floor  | TBD           |

*1. To be determined based on future requirements, with a notification or submission to the Committee as appropriate.*

134. Subject to the passing of an Expediency Motion, the fit out will commence between March and April 2022, with completion in March 2025.

## Public Value

135. The public value associated with the project include:

- The improvement in operational efficiencies derived from co-location of all Canberra based staff into one building;
- Value for money associated with extension of current leasing in the existing building;
- Improved Environmental Sustainable Development outcomes associated with modern and efficient building design and engineering systems; and
- Efficiencies associated with higher density of operations and a reduction in the overall footprint of the Department's operations in Canberra.



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## **Annexure A – Site Location Plan**

# Annexure A - Site Location Plan



## Sirius Building

The Sirius Building is an A-grade building comprising 10 commercial floors and two levels of basement parking across a total of 46,167 square metres.

The campus style office building was purpose built for the Department of Health; each floor offers approximately 4,500 square metres of floor space. The base building has been designed and delivered to achieve a 6-star NABERS Energy rating. Which it maintains.

The quality of the base building provides an excellent foundation for the NWOW Workplace strategy, within which to provide a high-quality workplace. The characteristics of the internal tenancy space are of excellent quality. Providing high levels of flexibility due to the columns being part of the engaged façade, minimising the obstructions within the open plan areas. Access to high levels of natural light is provided to all areas due to narrow depth of the floors, with louvers providing environmental controls external to the façade where needed.

| LEGEND |   |
|--------|---|
|        | Main Arterial Rd - North/West connection            |
|        | Main Arterial Rd - South/East connection            |
|        | Sun Path  |
|        | Sirius Building, Department of Health               |
|        | Dept. of Social Services + Civil Aviation Authority |
|        | IP Australia  |
|        | Phillip Oval  |
|        | Phillip Pool and Ice Skating Rink                   |
|        | Scarborough House, Department of Health             |
|        | Woden Westfield Shopping Centre                     |
|        | Woden Bus Interchange                               |
|        | Eddison Park  |
|        | Abode Apartment Hotel                               |
|        | National Indigenous Australians Agency              |
|        | Multi-storey parking facility and Gym               |



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## **Annexure B – Concept Fit out Plans**

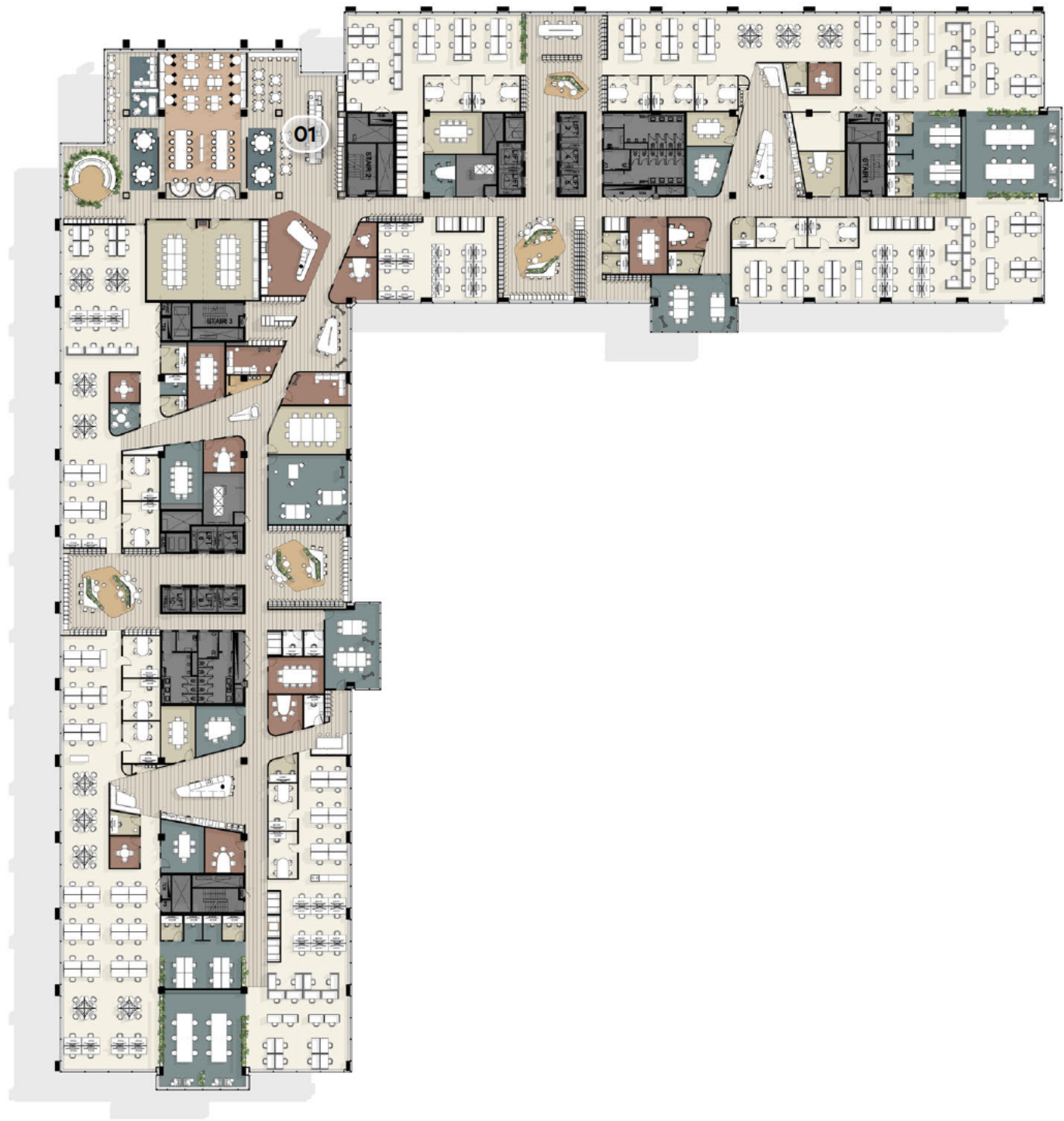


Annexure B - Concept Fitout Plans

The Typical Floors - Level 3

| LEGEND |  |
|--------|--|
| 01     | Updated kitchen design to be under island bench. |

| WORKPOINTS |                            |
|------------|----------------------------|
| 237        | Team Workpoints            |
| 77         | Focus Workpoints           |
| 12         | SES Rooms                  |
| 326        | Total Ergonomic Workpoints |



# The Typical Floors - Level 6

| LEGEND |  |
|--------|--|
| 01     | Updated kitchen design to be under island bench. |

| WORKPOINTS |                            |
|------------|----------------------------|
| 237        | Team Workpoints            |
| 77         | Focus Workpoints           |
| 14         | SES /Multi purpose Rooms   |
| 328        | Total Ergonomic Workpoints |



# The Typical Floors - Level 7

| LEGEND |  |
|--------|--|
| 01     | Updated kitchen design to be under island bench. |
| 02     | Relax space to replace Yarning Circle            |

| WORKPOINTS |                            |
|------------|----------------------------|
| 237        | Team Workpoints            |
| 77         | Focus Workpoints           |
| 14         | SES / Multi purpose Rooms  |
| 328        | Total Ergonomic Workpoints |





# The Typical Floors - Level 8

| LEGEND |  |
|--------|--|
| 01     | Updated kitchen design to be under island bench. |
| 02     | Amphitheater to replace Yarning Circle           |
| 03     | Carers Room                                      |
| 04     | First Aid Room                                   |

| WORKPOINTS |                            |
|------------|----------------------------|
| 237        | Team Workpoints            |
| 77         | Focus Workpoints           |
| 14         | SES / Multi purpose Rooms  |
| 328        | Total Ergonomic Workpoints |



# Level 2 – ITD Floor

| LEGEND |   |
|--------|---|
| 01     | Social Hub to both wings. utilizing existing hydraulic services |
| 02     | Existing ICT infrastructure to be retained                      |
| 03     | Water points removed from utilities                             |
| 04     | Kanban space to replace booth                                   |



| WORKPOINTS |                            |
|------------|----------------------------|
| 215        | Team Workpoints            |
| 51         | Focus Workpoints           |
| 7          | SES / Multi purpose Rooms  |
| 273        | Total Ergonomic Workpoints |





# Specialty Floors

## Level 4 - Executive Floor

| LEGEND  |  |
|---|--|
| 01  | Update kitchen design to be under island bench |
| 02  | Relax space to replace Yarking circle          |
|  | High Security Area                             |
|  | Executive Zone                                 |



| WORKPOINTS |                            |
|------------|----------------------------|
| 122        | Team Workpoints            |
| 35         | Focus Workpoints           |
| 7          | SES / Multi purpose Rooms  |
| 164        | Total Ergonomic Workpoints |



# Specialty Floors

## Level 5 - Contact Centre and NIR

### Executive Callout

| LEGEND  |  |
|---|--|
| 01  | Update kitchen design to be under island bench |
| 02  | Relax space to replace Yarking circle          |
|  | Contact Centre                                 |
|  | NIR  |

| WORKPOINTS |                            |
|------------|----------------------------|
| 172        | Team Workpoints            |
| 24         | Focus Workpoints           |
| 8          | SES / Multi purpose Rooms  |
| 204        | Total Ergonomic Workpoints |



# Level 1 Areas

| LEGEND |  |
|--------|--|
| 01     | Security + Concierge                     |
| 02     | Department Memorabilia & Flags           |
| 03     | Non - Secure Meeting / Business Lounge   |
| 04     | Non - Secure Conference / Training Rooms |
| 05     | Non - Secure Conference Meeting Rooms    |
| 06     | Surge Space                              |
| 07     | Comms / AV / Store Room                  |
| 08     | Print Area                               |
| 09     | End of Trip Locker Expansion             |
| 10     | Secure Business Lounge                   |
| 11     | Comms Room                               |
| 12     | Ramp                                     |
| 13     | Wellness & Social Area                   |
| 14     | Secure Conference and Training Rooms     |
| 15     | Updated Outdoor Area                     |
| 16     | Social Breakout / Kitchen                |
| 17     | Existing Cafe                            |
| 18     | Existing Store Room                      |

