



*Parliamentary Standing Committee on Public Works*

## **REPORT**

relating to the proposed

# **FITOUT OF NEW LEASED PREMISES FOR THE AUSTRALIAN BUREAU OF STATISTICS, BELCONNEN, ACT**

(Ninth Report of 2000)

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA  
2000

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The Parliament of the Commonwealth of Australia

# **Fitout of new leased premises for the Australian Bureau of Statistics, Belconnen, ACT**

Parliamentary Standing Committee on Public Works

5 October 2000  
Canberra

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ISBN 0 642 45210 5



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Mr John Forrest MP

Mr Colin Hollis MP

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|                         | Ms Alime Smith  |



# **Extract from the Votes and Proceedings of the House of Representatives**

No. 126 dated Thursday, 29 June 2000

## **35 PUBLIC WORKS—PARLIAMENTARY STANDING COMMITTEE— REFERENCE OF WORK—FITOUT OF NEW LEASED PREMISES FOR THE AUSTRALIAN BUREAU OF STATISTICS, BELCONNEN, ACT**

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), 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: Fitout of new leased premises for the Australian Bureau of Statistics, Belconnen, ACT.

Question – put and passed.



## Introduction

### The ABS

- 1.1 The Australian Bureau of Statistics (ABS) is Australia's official statistical agency and provides statistics on a wide range of economic and social issues, covering government, business and the population in general. An important role of the ABS is its coordination function with respect to the statistical activities of other official agencies.
- 1.2 The main products and services of the ABS include printed publications, electronic products and services, information and statistical consultancy services.<sup>1</sup>
- 1.3 The ABS comprises a Central Office in Canberra and eight Regional Offices in the States and Territories. Central Office has overall program responsibility, while Regional Offices manage the Australia-wide operation of particular statistical collections. Central Office employs approximately 1,685 staff. The Regional Offices together employ about 1,450. The ABS predicted that future staff numbers are expected to remain relatively stable.<sup>2</sup>

### Inquiry Process

- 1.4 On 29 June 2000, the Minister for Finance and Administration referred the fitout proposal of New Leased Premises for the Australian Bureau of Statistics, Belconnen, ACT, to the Standing Committee on Public Works,

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1 For a more extensive background of the role and functions of the ABS see Evidence, pp. 6-7.

2 Evidence, pp. 2-3.

for consideration and report to Parliament, in accordance with the provisions of the *Public Works Committee Act 1969*.<sup>3</sup>

- 1.5 The Committee advertised the inquiry in *The Australian* on 6 July 2000 and *The Canberra Times* on 1 July 2000 and asked for submissions.
- 1.6 The Committee also sought submissions from organisations, peak bodies and individuals who may have an interest in the inquiry. The Committee wrote to Senators representing the Australian Capital Territory and to the Federal and local Members of Parliament, in whose electorates the work is located, seeking submissions and inviting them to attend the inspection of the works site and the public hearing.<sup>4</sup>
- 1.7 On 8 September, 2000 the Committee inspected the ABS' current accommodation and the proposed building site and was briefed by representatives of the ABS about the proposed fitout. Following the inspection, the Committee held a public hearing at Parliament House, Canberra. Apart from the ABS, the Committee called no other witnesses, because the Submissions received by the Committee were highly supportive of ABS' proposal.<sup>5</sup>

## Scope of Proposal

- 1.8 The fitout proposed by the ABS will comprise 35,277m<sup>2</sup> net lettable area of floor space in a new building purpose-designed for the ABS as sole tenant. The new building is being constructed at Belconnen, ACT, on land adjacent to the ABS' present location. It will be privately developed and owned by Challenger Property Nominees Pty Ltd (owner) and Bovis Lend Lease (builder).
- 1.9 The fitout proposal will be in accordance with commercial office standards and the special operating requirements of the ABS and comprise the following elements:<sup>6</sup>
- a general office fitout (including fixed partitioning and screens for open plan work stations);
  - construction and equipping of special purpose, shared-use facilities such as foyer reception areas Auditorium, staff amenities and the ABS Research and Development Centre;
  - fitting out of basement record storage areas and provision of storage facilities for office floors;

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3 Extract from Votes and Proceedings No. 126, 29. 6. 2000.

4 A list of Submissions is at Appendix A.

5 A list of witnesses is at Appendix B.

6 Evidence, p. 6.

- fittings and equipment (including whitegoods and built-in items for tea points and audio-visual equipment for training rooms);
- supplementary electrical, mechanical, hydraulics and fire services to extend base building provisions to the preferred layout;
- physical and electronic security provisions;
- an IT fitout to the ABS' requirements (including cabling and communications infrastructure); and
- fitout of the ABS Data Centre (including fire protection and power supply backup).<sup>7</sup>

1.10 The proposal does not include loose furniture, which will be separately provided and does not form part of the fitout budget.<sup>8</sup>

## Cost and Project Delivery

### Cost

1.11 According to the ABS, the project developer, Bovis Lend Lease has provided the ABS with a Guaranteed Maximum Price for the fitout of \$22.8 million based on the fitout brief at May 2000. The figure includes all escalation costs, contingencies, professional fees and authority charges, but excludes GST related costs (which the ABS is able to reclaim)<sup>9</sup>, loose furniture and fittings and the cost of relocating staff and equipment from existing facilities.

1.12 Based on the Guaranteed Maximum Price, the cost rate for the fitout will be \$518 per square metre. The ABS has advised that it will continue to review the scope of the works to ensure that the fitout cost does not exceed \$22 million.<sup>10</sup>

### Project Delivery

1.13 The fitout project will be integrated with the construction of the new building. Construction of the building commenced on 22 May 2000 and the estimated completion date is 12 March 2002. Subject to a favourable recommendation from the Committee, the fitout will commence in December 2000 in order to coincide with the buildings completion date.<sup>11</sup>

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7 Evidence, p. 13.

8 Evidence, p. 13.

9 Evidence, p. 55.

10 Evidence, p. 22.

11 Evidence, p. 23.

## Background

- 1.14 Since the mid-1970s, the ABS Central Office has been accommodated in the Cameron Offices at Belconnen, ACT.
- 1.15 During 1997 and 1998 the Committee considered a proposal by the ABS for certain works to be undertaken at their leased accommodation in the Cameron Offices. The proposed works were to ensure that the fire and safety integrity of the property was retained, for at least 3-4 years when it was intended to relocate the ABS to new accommodation in Belconnen.
- 1.16 The proposed works fell within the minor and medium works categories and projected to cost \$6.25m. This figure was later revised to \$4.15m and then to \$3.8m. On 18 February 1999, the Committee informed the ABS that as the revised figures fell outside the requirements of the Public Works Act, no further information was required on the project, unless the expenditure exceeded the amount advised, or major changes were made to the scope of the works.
- 1.17 In March 1999, the ABS informed the Committee that it would not proceed with the minor works. The ABS proposed instead to pursue alternative accommodation, because the Cameron Offices were considered unsuitable for its needs.
- 1.18 In December 1999, the Minister for Finance and Administration announced the sale of the Benjamin and Cameron Offices complex in Belconnen, together with an agreement to build a new leading-edge office building for the Australian Bureau of Statistics on the Cameron Offices site. The purchaser was a consortium headed by Lend Lease Projects Pty Ltd and included a mixture of local and national parties. According to the Minister's media release these arrangements would result in a \$41m return to the Commonwealth.
- 1.19 In a letter dated 3 May 2000, the ABS sought the Committee's advice about a fitout proposal expected to cost in the order of \$21m. This figure did not include approximately \$6 million for free-standing furniture. The Committee had previously advised the ABS, in a letter dated 24 September 1999, that a Submission was not required for this amount.
- 1.20 The ABS letter dated 3 May 2000 also informed the Committee that the owner/developer [Challenger Property Nominees Pty Ltd owner and Bovis Lend Lease builder] had jointly won a public tender process managed by the Department of Finance and Administration (DoFA) to design and construct a new private sector building to be tenanted by the ABS. An integrated fitout would be undertaken by the owner/developer.

1.21 In the same letter, the ABS made the following points:

- It was not seeking appropriation to meet the cost of the fitout on the grounds that since signing a Property Resource Agreement with DoFA in 1992, property costs were to be self-managed by the ABS. As a result the ABS had created an accommodation reserve in anticipation of either major refurbishment of the Cameron Offices or fitting-out new premises.
- A major proportion of the fitout costs would be taken from the accommodation reserve.
- DoFA required any new premises for the ABS to be budget neutral and the ABS had planned its finances accordingly.
- The ABS understood that the ownership of the fitout might affect whether the matter should be referred to the Public Works Committee.
- The ABS has the option of entering into a Fitout Hire Agreement, arranged by the owner/developer and with a commercial financier (eg, the Commonwealth Bank) to hire that part of the fitout not covered by the accommodation reserve.
- The ABS had in July 1999 raised the issue of fitout hire with the Committee before it entered into an Agreement for Lease and in September 1999, the Committee advised the ABS that it required a final Submission
- The ABS subsequently entered into a fitout agreement.

1.22 The Committee considered the points raised in the ABS letter dated 3 May 2000 and wrote to the ABS on 12 May 2000 and agreed to receive a Submission from the ABS. The Committee's view was based on sections 5 and 18 of the *Public Works Committee Act 1969*.<sup>12</sup>

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12 The background to the Australian Bureau of Statistics (ABS) proposals to upgrade their accommodation was summarised from correspondence held on Committee files, Nos. G.8.11 and G.8.11a. See also Evidence, pp. 11-12.



## The Need for the Proposed Work

- 2.1 In its Submission to the Committee, the ABS stated that the Cameron Offices no longer meet current building standards and that the Bureau was facing mounting difficulties with the configuration and quality of the existing space.
- 2.2 The ABS Submission also advised that the proposed accommodation would provide the 1,685 staff in the Central Office with a work environment that meets contemporary occupational health and safety standards and which would be functionally effective and space efficient. The existing ABS accommodation in the Cameron Offices complex will be demolished once the new premises are completed.<sup>1</sup>
- 2.3 The ABS noted that the following dimensions are required to meet its needs in the new building<sup>2</sup>:
- |                        |                       |
|------------------------|-----------------------|
| Office space .....     | 32,226 m <sup>2</sup> |
| Basement storage ..... | 2,638 m <sup>2</sup>  |
| Staff showers .....    | 180 m <sup>2</sup>    |
| Bicycle storage .....  | 233 m <sup>2</sup>    |
| Total .....            | 35,277 m <sup>2</sup> |
- 2.4 The ABS has indicated that its Central Office accommodation needs should remain stable and that the area allowances align with present staff numbers. Should substantial staff reductions occur, the Agreement for Lease allows the ABS to sub-let part of the building.<sup>3</sup>
- 2.5 At the 8 September 2000 public hearing the Committee expressed concern that provision had not been made for any large increases in staff numbers.

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1 Evidence, p. 6.

2 Evidence, p. 9.

3 Evidence, p. 9.

2.6 While Mr Graeme Walker, Director, New Building Operations, acknowledged this, he noted that meeting rooms and conference rooms provided areas for conversion to temporary project centres or project rooms in the event of a seasonal influx of staff for a particular survey.<sup>4</sup> Mr Graeme Hope, First Assistant Statistician, Corporate Services Division, confirmed advice provided in the ABS Submission that staff numbers, currently at 1,680 had peaked.<sup>5</sup>

## General Office Fitout

2.7 General work spaces provided by the fitout will be based on the ABS National Accommodation Standards. They comprise:

- fully enclosed rooms for support spaces, such as, utility rooms and storage zones;
- enclosed offices ranging from 20.16m<sup>2</sup> and 38.9m<sup>2</sup> for the Senior Executive Service and 15.12m<sup>2</sup> for the Executive Level 2 Directors;
- the location of Senior Executive Service offices will not compromise natural light to open plan work area;
- large and small meeting rooms, conference rooms and training rooms;
- open plan work areas for general staff, located on the perimeter of each floor close to windows;
- work stations for Australian Public Service 1-6 level staff each occupying 6.45m<sup>2</sup>;
- work stations for Executive Level 1 staff and Executive Level 2 non-Directors comprising 12.9m<sup>2</sup>;
- 'Quiet Rooms' each containing a desk, chair and computer on most floors for staff needing to work in seclusion for short periods;
- areas for visiting staff and short-term consultants; and
- 'breakout spaces' on atrium skybridges to create opportunities for informal gatherings and casual interaction between staff away from the immediate workplace, offering café style and lounge seating suitable for small meetings.<sup>6</sup>

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4 Evidence, p. 59.

5 Evidence, p. 59.

6 Evidence, pp. 13-15.



## Special Facilities

- 2.8 Special facilities for meetings would be located on the Ground Floor for all staff comprising:
- three small spaces for client consultations;
  - three medium meeting rooms;
  - two conference rooms;
  - media meeting/lockup room;
  - multi-purpose room available for religious observances, prayer or meditation, containing small basin for washing hands and feet;
  - an Auditorium accommodating 120 people, located on the Ground Floor;
  - a staff recreation area located on the Ground Floor; and
  - the ABS Research and Design Centre, “equipped with state-of-the-art observation and recording equipment for cognitive testing and user-centred design” comprising a suite of special purpose facilities.<sup>7</sup>

## Storage Facilities

- 2.9 Three types of storage facilities have been identified to meet the needs of the ABS. These comprise:
- personal storage at workpoints;
  - common storage; and
  - basement storage.<sup>8</sup>

## Building Services

- 2.10 Provision has been made under the fitout proposal for building services. These include: air conditioning and ventilation; lighting and power, hydraulics and fire protection.<sup>9</sup>
- 2.11 The Committee noted that these are essential items in any fitout proposal and their need is beyond question.

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7 Evidence, pp. 15-16.

8 Evidence, p. 16.

9 Evidence, p. 12.

## Security

- 2.12 The Committee expressed concern about security at the Cameron Offices, noting that the building had numerous entry points.
- 2.13 Mr Walker advised that the new building would have three main entry points, compared to 254 doors in the Cameron Offices. There would be a number of other doors, but these would be secured most of the time. They would also have break-glass facilities for fire exist.<sup>10</sup> The following security features to the base building were outlined by ABS:
- sole tenancy, with the ABS controlling the building perimeter;
  - provision of 24-hour secure perimeter to prevent unauthorised access;
  - building access limited to three main entry points; and
  - use of a single checkpoint to control access during business hours.<sup>11</sup>
- 2.14 Further security features would include:
- the provision of secure areas inside the ABS security perimeter;
  - installation of a commercial grade intruder alarm system to the building perimeter; and
  - protection of reception staff by installing a duress alarm.<sup>12</sup>
- 2.15 The ABS also advised that another important security feature would be extensive monitoring of all entry points to the new building. Doors that are not normally used, such as the fire exists, would be continuously monitored. In addition, security guards would be stationed on the ground floor and all members of the public will be required to pass the security desk. Staff coming in through the staff entrance will need to pass the security guard foyer.<sup>13</sup>

## Information Technology Fitout

- 2.16 The proposed Information Technology (IT) fitout will comprise:
- the installation of voice and data cabling that would include the fibre optic backbone network, vertical cabling from the PABX Main Distribution Frame to the Intermediate Distribution Frame and horizontal wiring on each floor;

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10 Evidence, p. 53.

11 Evidence, p. 13.

12 Evidence, p. 13.

13 Evidence, p. 53.

- provision of data racks in the secondary communications rooms and telecommunications equipment rooms for the purpose of allowing the ABS to install and connect active equipment in these rooms; and
  - laying under the floor all horizontal power and communications cabling, 14 comprising high-speed category 6 Ethernet saturated cabling that will provide up to 200, or above, megabits a second.<sup>15</sup>
- 2.17 During its inspection of the site, the Committee was shown an example, of the under floor cabling, which the ABS believed would allow flexibility for staff relocation and workplace configuration.
- 2.18 At the public hearing the Committee sought to determine whether the proposed IT facilities were an improvement on the previous system and the extent to which the new facilities represented value for money.
- 2.19 Mr Brian Pink, Group Manager, Statistical Support Group, Australian Bureau of Statistics, advised that the Cameron Offices had not been an IT friendly environment even though the ABS was ‘... a very sophisticated user of technology.’<sup>16</sup> Mr Pink expressed some frustration at the current level of IT infrastructure. He noted that data transmission speeds were low, at 10 megabits to the each desktop computer,<sup>17</sup> and there was a lack of flexibility in the workplace for work group changes and staff relocation. He added that, in relation to IT, the ABS was ‘future-proofing’ the building over the period of the lease.<sup>18</sup>

## Car Parking Provisions

- 2.20 The ABS Submission noted that the new building would provide short-term parking for visitors, spaces for disabled drivers, close to the main ground floor entrance. In addition, secure parking would be provided under the building through a controlled entry point. A further 340 spaces will be provided for ABS staff controlled by electronic boom gate.<sup>19</sup>
- 2.21 While the Committee noted the 340 car park spaces were being provided for approximately 1,600 staff<sup>20</sup>, it questioned the need for car parking facilities, particularly, as it believed, an efficient public transport system existed to transport staff to and from Belconnen.

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14 Evidence, p. 18.

15 Mr Brian Pink, ABS, Evidence, p. 55.

16 Evidence, p. 55.

17 Evidence, p. 56.

18 Evidence, p. 55.

19 Evidence, p. 23.

20 Evidence, p. 23.

2.22 Mr Hope replied that car park spaces associated with the proposed ABS building comprised 340 in an open area car park at the rear of the building and secure parking for 60 cars within the basement area of the building.<sup>21</sup> The total number in the new building would be 400 car spaces compared to approximately 800 before the development commenced.<sup>22</sup>

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21 Evidence, pp. 23, 60.

22 Evidence, p. 60.

## Costs and Consultations

### Costs and Benefits

- 3.1 As noted in Chapter 1, the proposed project cost has been fixed at \$22.8 million through an agreement reached with Bovis Lend Lease.<sup>1</sup>
- 3.2 The Committee asked the ABS to explain the arrangements that enabled Bovis Lend Lease to guarantee a fixed price of no more than \$22.8 million for the work.
- 3.3 Mr Hope advised that the ABS had clarified with Bovis Lend Lease, at the outset, what constituted the 'base building' and what comprised 'fitout'. As a result, a guaranteed limit was negotiated. Mr Hope viewed such an arrangement as beneficial for the ABS with the risk borne by Bovis Lend Lease.<sup>2</sup>
- 3.4 Mr Hope also suggested that part of the guaranteed arrangements with Bovis Lend Lease was an assurance that the ABS be involved in elements of the fitout when tenders were called. Mr Hope indicated that the ABS would be closely involved in the process with Bovis Lend, in order to secure any possible savings for the ABS.<sup>3</sup> He assured the Committee that any savings would be passed back to the Commonwealth and so reduce the total price.<sup>4</sup>
- 3.5 Mr Desmond Jordan representing Bovis Lend Lease explained how offering to integrate the fitout with the base building as a single element avoided duplication. He said that while it was quite common for fitouts to be provided after the base building had been completed, this resulted in wasted resources. An integrated fitout, on the other hand, impacted

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1 See para 1.8.

2 Evidence, p. 49.

3 Evidence, p. 49.

4 Evidence, p. 50.

favourably on both cost and time and was a 'very good way of providing value for money.'<sup>5</sup>

- 3.6 The Committee noted that it was concerned to ensure proper prudential procurement processes were in place and asked the ABS to confirm that independent advice for the fitout proposal had been sought.
- 3.7 Mr Walker indicated that independent advice had been sought and undertook to provide the Committee with further information on this issue.<sup>6</sup>
- 3.8 The Committee subsequently considered a supplementary Submission from the ABS which provided evidence of independent advice on the fitout project. The Committee noted that the price accepted by ABS at \$518m<sup>2</sup> was below recent fitout projects undertaken by Commonwealth agencies. These ranged from \$630m<sup>2</sup> to \$550m<sup>2</sup>.<sup>7</sup>
- 3.9 A further issue raised by the Committee related to the construction time line. The ABS had advised in its original Submission that pending a favourable Committee recommendation, fitout work will commence in December 2000 and progress in tandem with building construction to meet the estimated completion date set at 12 March 2002.<sup>8</sup>
- 3.10 After examining the construction time line provided at the Committee's request, the Committee is satisfied with the plan to integrate the base building construction and the fitout proposal.<sup>9</sup>

## Project Management Fees

- 3.11 The Committee sought an explanation as to how project management fees were calculated and whether they had been independently verified.
- 3.12 The ABS provided the Committee with information that showed 'Project Management Fees and Cost Planning Fees' are calculated at 3.35% of the total sum of comprising:
- Trades (eg. plumbing, electrical, security, etc.);
  - Preliminaries and Supervision (eg. various governmental charges, project insurance, salaries and travel, temporary electrical, etc.); and
  - Design (architect's fees).

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5 Evidence, p. 50.

6 Evidence, pp. 50-51.

7 Submission No. 8 (Supplementary), Attachment C.

8 See Chapter 1, para 1.10.

9 Submission No. 8 (Supplementary), Attachment B.

- 3.13 In addition, a 'Developers Margin' is factored into the cost of the proposal. This was calculated as 6% of the total costs comprising 'Trades; Preliminaries and Supervision; Design and Project Management Fees'.
- 3.14 The ABS also provided the Committee with copies of independent advice it had sought on the competitiveness of the rates being charged by Bovis Lend Lease.
- 3.15 The Committee found that the independent advice provided to ABS varied as each organisation consulted queried the rationale used to make calculations. For example, ABS' Quantity Surveyor/Cost Planner, WT Partnership Pty Ltd did not question the formula used by Bovis Lend Lease to calculate 3.25% but questioned whether it should apply to Preliminaries and Supervision and the Design fees. WT Partnership also indicated that the Developers Margin should be calculated at 5%, rather than 6% quoted by Bovis Lend Lease.<sup>10</sup>
- 3.16 The ABS advised that the overall assessment of WT Partnership was that Bovis Lend Lease 'Guaranteed Maximum Price' at \$22.8 million was approximately \$1.5 million higher than their estimate. The ABS argued, however, that WT Partnership's estimate was constrained by lack of full documentation.<sup>11</sup>
- 3.17 Another organisation Rawlinsons Management Pty Ltd, ABS' Project Consultants, gave a number of examples for recent Preliminaries and Supervision costs. These ranged from 9.2% to 7.58%.<sup>12</sup>
- 3.18 The Committee is satisfied that the ABS sought independent opinion in relation to Bovis Lend Lease's cost estimates. The Committee notes, however, that no independent auditor was requested to compare the various cost estimates and to provide ABS with an assurance that those quoted by Bovis Lend Lease were competitive. The Committee further notes that the decision to accept Bovis Lend Lease's quotes was taken by ABS' management, who had concluded that these costs were appropriate.<sup>13</sup>
- 3.19 However, the Committee believes that an independent audit should have been carried out in relation to Bovis Lend Lease's margin on the project's costs.

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10 Submission No. 8 (Supplementary), Attachment D, p. 2.

11 Submission No. 8 (Supplementary), Attachment D, p. 2.

12 Submission No. 8 (Supplementary), Memorandum of 22 June 2000 from Rawlinsons Management Pty Ltd included with Attachment E.

13 Submission No. 9 (Supplementary).

## Recommendation 1

**3.20 The Committee recommends that in the interest of contestability and transparency, the Australian Bureau of Statistics carry out an independent audit to demonstrate that the Bovis Lend Lease estimate is competitive.**

### Furniture/Fittings and Equipment

- 3.21 In their Submission, the ABS had advised that it would seek to limit the cost of the proposed fitout by retaining existing equipment ‘to the extent reasonably possible’.<sup>14</sup>
- 3.22 The Committee asked the ABS about the amount of furniture likely to be salvaged from the existing building. Mr Walker noted that some would be sold for example, workstations and desks that do not meet Occupational Health and Safety standards and the revenue returned to the Commonwealth.<sup>15</sup>

## Consultations

### Staff Consultations

- 3.23 The Committee sought details of the staff consultations that had taken place in relation to the proposed accommodation. The Committee noted that in previous inspections of the Cameron Offices, working conditions were poor and staff morale noticeably low.<sup>16</sup>
- 3.24 Mr Hope replied that consultations with staff had been ‘very comprehensive’ and ongoing.<sup>17</sup> He assured the Committee that from the outset various staff had been on a focus group that had examined the proposals. In addition, each work area had been, and would continue to be, consulted about their respective needs.
- 3.25 The Committee queried the lack of a designated spokesperson representing staff. Mr Hope said that consultations had been conducted through the formalised structure of the ABS and a designated Senior

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14 Evidence, p. 16.

15 Evidence, p. 57.

16 The Committee had inspected the Cameron Offices in relation to ABS’ previous upgrade proposal discussed in Chapter 1.

17 Evidence, p. 58.



Executive Officer, usually one of the Branch heads in each of the Divisions had been appointed the principal spokesperson or coordinator of the consultations for each group. Mr Hope indicated that a senior level appointment ensured that staff suggestions were brought to the attention of management at the highest level of the organisation.<sup>18</sup>

- 3.26 The ABS advised that, in addition to consultations with staff representations, discussions have also taken place with the Community and Public Sector Union throughout the development of the fitout brief.<sup>19</sup>

### Child Care Facilities

- 3.27 Mr Walker advised that all staff had access to the Bluebell facility adjacent to the Cameron Offices.<sup>20</sup> The ABS advised in its Submission that it is a member of a consortium which owns the Bluebell Early Childhood Education Centre, located close to the Cameron offices and the site of the new building. In addition, two carers' rooms would be provided in the new building for staff who were unwell, for children and for nursing mothers.<sup>21</sup>

### Other Agencies

- 3.28 The ABS noted that during the development of the tender process for the sale of the Belconnen properties, the DoFA consulted with a range of relevant government agencies. However, being the future tenant for part of the larger redevelopment scheme, the ABS was not consulted as part of the DoFA process.<sup>22</sup>

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18 Evidence, pp. 10-11, 58.

19 Evidence, pp. 11.

20 Evidence, p. 61.

21 Evidence, p. 21.

22 Evidence, p. 11.



## Conclusion and Recommendation

### Conclusion

- 4.1 The Committee noted that it had previously been asked to consider an amount of \$6.25 million to upgrade facilities at the Cameron Offices, although the building was being considered for sale to private developers. The Committee rejected that proposal. A subsequent figure of \$4.15 million, later revised to \$3.8 million, was later used to upgrade a range of facilities at the Cameron Offices. The Committee did not consider the works as the revised figures fell outside the provisions of the *Public Works Committee Act 1969*.
- 4.2 At the public hearing to consider the fitout project for the ABS new building, the Committee expressed concern that \$3.8 million had been spent to upgrade facilities in a building already designated for sale and possible demolition. The Committee understands that, as a result, very little of the work undertaken can be salvaged.
- 4.3 The Committee notes that the provision of the new premises for the ABS received Government approval on the basis that the project would be budget neutral. As a result the ABS will meet part of the cost from its Accommodation Reserves built up since 1997/98 in anticipation of accommodation requirements and the balance funded through a commercial hire agreement arranged by the landlord/developer. These funding arrangements are between the ABS and DoFA.<sup>1</sup>

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<sup>1</sup> Evidence, p. 59.

- 4.4 The Committee believes that the arrangements entered into by the Australian Bureau of Statistics for the fitout of new leased premises at Belconnen ACT represent value for money and meet the needs of the Central Office of the Australian Bureau of Statistics.

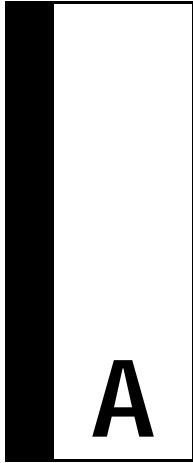
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**Recommendation 2**

- 4.5 **The Committee recommends that the fitout of the Central Office of the Australian Bureau of Statistics proceed.**

Hon Judi Moylan MP  
Chair

5 October 2000



## **Appendix A—Witnesses**

Bowyer, Mr Peter John—Senior Project Manager, Bovis Lend Lease Pty Ltd

Crowley, Mr Peter—Legal Partner, Clayton Utz

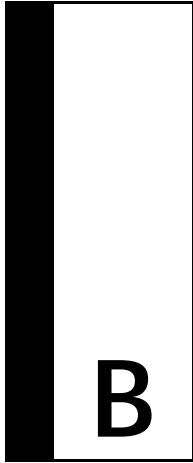
Hope, Mr Graeme Lindsay—First Assistant Statistician, Corporate Services Division, Australian Bureau of Statistics

Jordan, Mr Desmond—Regional Executive, Bovis Lend Lease Pty Ltd

Palmer, Mr Jonathan James—First Assistant Statistician, Technical Services Division, Australian Bureau of Statistics

Pink, Mr Brian, Group Manager—Statistical Support Group, Australian Bureau of Statistics

Walker, Mr Graeme Anthony—Director, New Building Operations, Australian Bureau of Statistics



## **Appendix B—Submissions**

|                                     |   |
|-------------------------------------|---|
| Submission No. 1                    | Stephen Grubits & Associates, Fire Safety Engineers, Building Code Consultants, Accredited Certifiers, Canberra, ACT. |
| Submission No. 2                    | Senator the Hon Margaret Reid, Senator for the ACT and President of the Senate  |
| Submission No. 3                    | National Capital Authority  |
| Submission No. 4                    | Australian Heritage Commission  |
| Submission No. 5                    | Environment ACT   |
| Submission No. 6                    | Environment Australia   |
| Submission No. 7                    | Mr Mervyn Willoughby-Thomas   |
| Submission No. 8<br>(Supplementary) | Australian Bureau of Statistics   |
| Submission No. 9<br>(Supplementary) | Australian Bureau of Statistics   |



## **Appendix C—Associated Drawings**

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DIAGRAMS NOT AVAILABLE IN ELECTRONIC FORMAT.