



Department of Finance & Administration

Australian Federal Police

Proposed Refurbishment of ANZAC Park East and ANZAC Park
West Buildings and Fitout of ANZAC Park West Building, Parkes,
Australian Capital Territory

Statement of Evidence to the Parliamentary Standing Committee
on Public Works

June 2004

Contents

1.	Identification of the need	1
1.1	Structure of the Submission	1
1.2	General - Background	1
1.3	Refurbishment - Need	1
1.4	Refurbishment - Objectives	2
1.5	Refurbishment - Options Considered	2
1.6	Refurbishment - Reasons for adopting the Proposed Course of Action	3
1.7	Refurbishment - Description of the Proposal	4
1.8	Refurbishment - Related Projects	4
1.9	Refurbishment - Revenue to be derived from the Project	4
1.10	Fitout - Need ANZAC Park West	4
1.11	Fitout - Objectives	5
1.12	Fitout - Options Considered	6
1.13	Fitout - Reasons for adopting the Proposed Course of Action	6
1.14	Fitout - Description of the Proposal	6
1.15	General - Environmental Assessment	7
1.16	General - Heritage Considerations	7
1.17	General - Details of Organisations Consulted	8
1.18	General - Impact of the Project	8
2.	Technical Information	10
2.1	Refurbishment - Scope of the Work	10
2.2	Refurbishment - Site Selection, Zoning and Approvals	10
2.3	Refurbishment - Land Acquisition	11
2.4	Refurbishment - Masterplan Considerations	11
2.5	Refurbishment - Heritage Considerations	11
2.6	Refurbishment - Design Philosophy	12
2.7	Refurbishment - Standards and Codes	12
2.8	Refurbishment - Ecologically Sustainable Development	13
2.9	Refurbishment - Energy Conservation Measures	13

2.10	Refurbishment - Acoustics	13
2.11	Refurbishment - Fire Protection	13
2.12	Refurbishment - Precautions against Legionella	14
2.13	Refurbishment - Occupational Health and Safety	14
2.14	Refurbishment - Landscaping	14
2.15	Refurbishment - External Security Treatments	14
2.16	Refurbishment - Project Cost Estimates	14
2.17	Refurbishment - Description of the Works and Services	14
2.18	Refurbishment - Plans and Drawings	14
2.19	Fitout - Scope of Work	15
2.20	Fitout - Design Philosophy	15
2.21	Fitout - Standards and Codes	15
2.22	Fitout - Ecologically Sustainable Development	15
2.23	Fitout - Energy Conservation	16
2.24	Fitout - Security Treatments	16
2.25	Fitout - Project Cost Estimates	16
2.26	Fitout - Plans and Drawings	16
2.27	General - Project Delivery System	16
2.28	General Construction Program / Project Schedule	17

ATTACHMENT 1	Location and Site Plans
ATTACHMENT 2	Refurbishment – Description of the Works and Services
ATTACHMENT 3	Refurbishment – Preliminary Sketch Design
ATTACHMENT 4	Fitout – Concept Sketches

1. Identification of the need

1.1 Structure of the Submission

- 1.1.1 This Public Works Committee (PWC) submission is a joint submission covering the Department of Finance and Administration (Finance) funded refurbishment works as building owner and the Australian Federal Police (AFP) funded fitout works as a building tenant.
- 1.1.2 The information contained in the submission is structured into three components comprising General, Refurbishment and Fitout.

1.2 General - Background

- 1.2.1 ANZAC Park East (East) and ANZAC Park West (West) are two vacant, heritage-listed office buildings located within the Parliamentary Triangle. They were constructed in the mid 1960's and are listed on the Register of the National Estate (RNE) as portal buildings for the vista they provide along the land axis between Parliament House and the Australian War Memorial. They have been 'mothballed' since 1999 and are not tenantable in their current condition.
- 1.2.2 To allow the Australian Government to better utilise the buildings and assist in preserving their heritage value, Finance proposes to refurbish the buildings, extend them as required and lease them to Australian Government agencies with the Commonwealth retaining possession. The ANZAC Park West Cafeteria (Cafeteria) building is listed on the RNE and will also be refurbished as part of the renovations. Tenancy of the West component will allow the AFP to consolidate its accommodation in the Australian Capital Territory (ACT) from 10 dispersed sites into 2-3 principal sites over the next few years. The key drivers for this are the expiration of the existing AFP Headquarters lease in 2006, security of operational activities, enhancement of the AFP's operational capability and effectiveness through consolidation.
- 1.2.3 It is intended that provision be made for the Canberra office of the Australian Crime Commission to be accommodated in the new AFP Headquarters.
- 1.2.4 It is intended that Finance will manage the refurbishment. Finance and AFP will agree prior to commencement of works on how to manage the integrated fitout.

1.3 Refurbishment - Need

- 1.3.1 Due to the current state of the buildings, it is necessary to undertake a substantial refurbishment to enable them to meet the contemporary office needs of Australian Government agencies and current occupational health and safety standards.

- 1.3.2 The refurbishment of the buildings is dependant on Finance obtaining a commitment from future long-term tenants. The AFP has indicated it is willing to lease West and the Cafeteria for a period of 15 years with an option for a further 5 years if they are refurbished. West does not currently have enough floor space to meet the AFP's requirements, but it will be extended during the works to be undertaken by Finance.
- 1.3.3 Negotiations are underway with potential Australian Government tenants for East.

1.4 Refurbishment - Objectives

- 1.4.1 The proposal is necessary to preserve the heritage value of the buildings and make best use of them as a Commonwealth asset. The primary objective in refurbishing the buildings is to make them suitable for the current needs of Australian Government agencies, while maintaining and enhancing the heritage value of the buildings.
- 1.4.2 Current maintenance costs for the two buildings amounts to approximately \$400,000 per annum. Leaving the buildings vacant is not an efficient use of the properties. When tenanted the buildings are expected to return \$8.3 million per annum and represent a source of revenue to the Commonwealth through Finance.
- 1.4.3 Best heritage management practice supports the ongoing occupation of heritage assets where the use is compatible with the heritage values. If left in their current state the buildings will continue to deteriorate. Refurbishing the buildings so they can be tenanted will enhance their aesthetic appeal and ensure they are properly maintained in the long term.

1.5 Refurbishment - Options Considered

- 1.5.1 Finance proposed a number of options for the future management and use of East and West.
 - 1.5.1.1 Option 1: The buildings are retained 'as is' and continue to remain unused while Finance investigates costs, negotiates with potential lessees and further examines other issues. This is the least expensive option, but can only be a short-term solution. The buildings will continue to deteriorate and the Australian Government will incur ongoing maintenance costs of approximately \$400,000 per annum.
 - 1.5.1.2 Option 2: The buildings are refurbished and leased with the freehold title retained by the Commonwealth. The refurbishment will cost approximately \$83.7 million and the leased buildings will return a rent of approximately \$8.3 million per annum.
 - 1.5.1.3 Option 3: The buildings are sold. There are a number of approaches available in order to maximise the proceeds from a sale. The buildings could be sold 'as is', with tenancy

pre-commitments in place, or with tenancy pre-commitments in place after a refurbishment. The estimated sale proceeds from each approach are \$3.9, \$6.8 and \$96.6 million respectively. Upon analysis, the third approach yields the best value for the Australian Government if agreement can be reached with a suitable tenant or tenants.

- 1.5.1.4 Net present value analysis indicates that there is very little difference in the financial impacts of Option 2 and 3. Other considerations such as funding, risk and stakeholder issues will determine whether it is in the best interests of the Australian Government to retain or sell the buildings in the long-term.

1.6 Refurbishment - Reasons for adopting the Proposed Course of Action

- 1.6.1 Finance considers that Option 2 is the preferred course of action as it best meets financial, heritage and security objectives. The buildings should be refurbished to allow them to be used efficiently and provide appropriate protection for the building's heritage values.

- 1.6.2 Option 2 is consistent with the Australian Government Property Principles (AGPP) as the tenanted buildings are likely to produce an Internal Rate of Return (IRR) of 11.9 per cent. This is above the 11 per cent 'hurdle rate' required for Government retention as provided by the AGPP.

- 1.6.3 Option 3 presents a number of difficulties:

- East and West are located within the Parliamentary Triangle and hence attract heritage and security considerations.
- No Commonwealth buildings have been sold within the Parliamentary Triangle to date.
- The National Capital Authority (NCA), the applicable planning authority, has formally stated that it will not support the sale of the buildings. NCA has processes in train to change the designated use to 'Commonwealth Office Use' from 'Office Use' under the current National Capital Plan. The amendment process is well progressed and may restrict future tenants to Australian Government agencies. This would significantly reduce the value of the buildings and the proceeds from their sale.
- There is a possibility that the Australian National Audit Office may view any resultant sale and leaseback (Option 3) as a Finance Lease. Such a classification may set a precedent for future sale and leaseback transactions. From a budget perspective, the proceeds of the sale of a non-financial asset improves both fiscal and underlying cash balances. However, if the asset was finance leased then a non-finance asset purchase would be recorded largely offsetting the beneficial impacts of the sale on fiscal and underlying cash balances.
- Some Australian Government agencies are likely to prefer a Commonwealth owned building for security purposes. There is a need for the Commonwealth to retain ownership of some buildings, and historically this has been done within the Parliamentary Triangle.

1.7 Refurbishment - Description of the Proposal

1.7.1 The East and West have been vacant since 1999 and are not currently fit to be tenanted. In their current condition, they are unsuitable for providing accommodation to any Australian Government agency. The buildings will be refurbished and made suitable for leasing by Finance. The fitout of West will be funded by AFP and the fitout of East will be undertaken by a future tenant. This approach provides flexibility for the tenants to fitout the buildings to best meet their needs. The Cafeteria will also be refurbished.

1.7.2 For each building, the proposed refurbishment consists of:

- Demolition of internal partition walls, ceilings, floor finishes and building services.
- Refurbishment of internal walls, floors, ceilings, toilets and stairs.
- Installation of new building services including air conditioning, fire, electrical, communications and lifts.
- Construction of a two storey common entry to link the existing lobbies.
- Provision of disabled access.

1.7.3 In the case of West, to provide for AFP's requirements:

- An extension to the north façade of Block 2 will be undertaken to provide extra floor space.
- Secure car parking for operational vehicles will be provided by an extension on the south side at lower ground and basement level.

1.8 Refurbishment - Related Projects

1.8.1 In addition to the refurbishment undertaken by Finance, agencies intending to lease the buildings will need to undertake a fit out.

1.8.2 AFP proposes to lease West and the Cafeteria, and the Need and Technical proposal are addressed in this submission.

1.8.3 Finance is negotiating with other Australian Government agencies to lease East and the fitout for this building will be subject to a separate PWC process.

1.9 Refurbishment - Revenue to be derived from the Project

1.9.1 The full cost of refurbishment of both buildings is estimated at \$83.7 million. Market rental is estimated at \$8.3 million net per annum under 15+5 year leases.

1.10 Fitout - Need ANZAC Park West

1.10.1 AFP national functions are currently spread across a number of sites, including:

- 68 Northbourne Avenue, Civic.

- Drakeford Building, 72 Northbourne Avenue, Civic.
 - Barton College, Brisbane Avenue, Barton.
 - Wanggirrali Ngurrumbai (Majura).
 - West Block, Queen Victoria Terrace, Parkes.
 - 90 Wentworth Avenue, Kingston.
 - 109 Canberra Avenue, Kingston.
 - Salvation Army House, Brisbane Avenue, Barton.
- 1.10.2 The AFP's major accommodation leases commence to expire in 2005, with one year options available to extend these leases until mid – late 2006.
- 1.10.3 The AFP is proposing to consolidate its National Headquarters functions from locations in Civic, Parkes, Kingston and Fyshwick into one location.
- 1.10.4 The AFP is expecting to realise a number of operational and administrative improvements by consolidating these functions into one building. These will include:
- A cost effective property solution.
 - Improvement in services from technological advancement.
 - Infrastructure, e.g. conference and meeting facilities, staff amenities and floor layout.
 - Consistency of staff accommodation standards.
 - Increased organisational cohesion from collocated working relationships and shortened lines of communication.
- 1.10.5 The AFP also requires upgraded security to reflect the current threat and risk profile of the organisation. The ability to upgrade security at the current premises is limited by both the location of the premises and the building ownership.

1.11 Fitout - Objectives

- 1.11.1 The AFP is Australia's principal national and international law enforcement agency. It is the chief source of advice to the Australian Government on policing issues. AFP's vision is "to fight crime together and win". Its mission is "to provide dynamic and effective law enforcement to the people of Australia". AFP's key values are integral to the way the organisation conducts its business. They are:
- Integrity.
 - Commitment.
 - Excellence.
 - Accountability.
 - Fairness.
 - Trust.

- 1.11.2 The objective of the proposal is to provide collocated Headquarters functions in modern, flexible and safe office accommodation, which:
- Provides a cost effective property solution.
 - Delivers operational and cohesion gains.
 - Provides a level of security commensurate with the organisation's current and anticipated threat and risk profile.

1.12 Fitout - Options Considered

- 1.12.1 AFP only committed to occupy West after undertaking independent market testing options that may have been available to service its need. These activities are summarised below.
- 1.12.2 Two independent analyses were commissioned in September 2002 to review and report on options available to the AFP in the Canberra market. Both reports supported the ANZAC Park properties as preferred options for the AFP, and identified a limited number of viable alternatives including the Brindabella Business Park at Canberra Airport.
- 1.12.3 The AFP facilitated an open market Expression of Interest (EOI) process that gave all interested developers and property owners an opportunity to present options that met the AFP's brief for securing a new permanent Headquarters. The result of this process identified few genuine options for the AFP and indicated that West provided a very sound financial and physical solution.

1.13 Fitout - Reasons for adopting the Proposed Course of Action

- 1.13.1 The analysis provided in each of the activities summarised above demonstrated that the AFP's financial and functional requirements were best met by West. The commercial terms now in place between AFP and Finance further supports this position.

1.14 Fitout - Description of the Proposal

- 1.14.1 Finance propose to refurbish West and extend the building to provide 15,000m² net lettable area of good commercial grade office accommodation, provide 150 secure car parking spaces and a common entry. In addition, Finance propose to refurbish the Cafeteria, which will provide an additional area of 540m².
- 1.14.2 The AFP proposes to lease West and the Cafeteria and fitout the accommodation to suit the needs of its Headquarters operations.
- 1.14.3 The refurbished and extended premises will provide AFP with the following:
- Good commercial grade office accommodation of approximately 15,000m² taking up both wings of the West building. One wing of six storeys and the other of seven storeys.
 - 150 secure car parks for operational vehicles.
 - 150 tenant exclusive car parks.

- An unauthorised vehicle exclusion zone around the perimeter of the building.
- External security comprising a vehicle barrier and intruder resistant fence to meet the security needs of the AFP.

1.15 General - Environmental Assessment

- 1.15.1 The refurbished building will comply with the Australian Government's guidelines relating to energy efficient buildings. The Base Building Brief incorporates the Department of Environment and Heritage's (DEH) Ecologically Sustainable Development (ESD) principles and outlines performance measures. These measures include the Green Building Council of Australia 'Green Star' rating system, and the National Australian Building Environmental Rating System. The design aims to achieve low energy facilities with substantial recurrent cost savings, and provide healthy environments for the tenants.

1.16 General - Heritage Considerations

- 1.16.1 The ANZAC Park Buildings were built by the Australian Government in 1965 and 1967, and are an important part of the landscape in the Parliamentary Triangle. They also have heritage value because of their role in Australia's and the National Capital's development.
- 1.16.2 The buildings together with their settings are listed on the Register of the National Estate. Both buildings are currently subject to a Conservation Management Plan that was prepared in 1994 and adopted by the Australian Heritage Commission (AHC) in 1995. A further report was undertaken in February 2004 as the Commonwealth's *Environment Protection and Biodiversity Act 1999* (the EPBC Act) amended in 2003 and effective from 1 January 2004, imposes stringent heritage management requirements and responsibilities on the Australian Government. The subsequent report confirms that the Australian Government has responsibility for the maintenance of the heritage values of East and West and their respective landscape settings, as well as the related Cafeteria.
- 1.16.3 East and West are important because of their place within the Parliamentary Triangle and the Walter Burley Griffin Plan. When seen from the Parliamentary Vista the apparent symmetry of the buildings as background portal elements is important for anchoring an otherwise asymmetrical foreground landscape, contributing to and focusing the vista towards the Australian War Memorial.
- 1.16.4 The primary significance of the buildings lies in:
- Their location in the Parliamentary Triangle of the National Capital and their original and evolved urban planning function as visual portal elements at the crossing of, and contributing to the junction of the land and water axis, and as one of a series of visual portal elements within the Parliamentary vista.
 - Their association with the history, planning and development of the National Capital, and the evolution and implementation of plans particular to the Parliamentary Triangle.
 - Their association with the role and processes of government and human institutions in the National Capital.

- Their association with the life and work of nationally important institutions and individuals.
 - Their association with the life and work of individuals of importance to the planning and development of the built infrastructure and the landscape of the National Capital.
- 1.16.5 The refurbishment of the buildings will not adversely affect the heritage value of the buildings. Best practice management strongly supports the on-going occupation of heritage assets, provided that their use is compatible with the maintenance of their heritage value. The best use for the buildings is as offices. The portal symmetry will be retained and Finance will ensure that during design and construction phases the requirements of its Heritage Management Plan will be implemented, including the strategies and practices necessary to properly remove and adapt heritage elements and landscapes.
- 1.16.6 The Cafeteria does not form part of the Parliamentary Vista, but has potential heritage significance for its design relating to the time it was constructed, its purpose, its use of high quality materials and its creative architectural expression. The renovation and future use of the Cafeteria will retain and be sympathetic to its heritage and cultural value. The integrity of the interior and exterior of the Cafeteria and its landscape setting will be maintained.

1.17 General - Details of Organisations Consulted

- 1.17.1 Finance has been in contact with several Australian Government agencies that may wish to lease the refurbished buildings, including the AFP, as is in the interests of future tenants to be involved with the design of the refurbishment.
- 1.17.2 Finance has consulted with National Capital Authority and AHC on the heritage impact of refurbishing the buildings. Both are satisfied with the steps Finance's actions to preserve the heritage value of both buildings.
- 1.17.3 In addition, discussions have been held with the following organisations:
- Department of Environment and Heritage.
 - Joint Standing Committee on the National Capital and External Territories.
 - Australian Greenhouse Office.
 - ACT Department of Urban Services.
 - ACT Electricity and Water Corporation (ActewAGL).
 - ACT Heritage – Indigenous Liaison Unit.

1.18 General - Impact of the Project

- 1.18.1 The construction of the refurbishment works and fitout works will generate an average employment on site of 125 during the construction period, with a peak on site labour requirement of 220.

- 1.18.2 The West initiative will allow the AFP to consolidate its accommodation in the ACT from 10 dispersed sites into 2-3 principal sites over the next few years. The key drivers for this are the expiration of the existing Headquarters leases at 68 and 70 Northbourne Avenue, Civic in 2006, security of operational activities, enhancement of the AFP's operational capability and effectiveness through consolidation.
- 1.18.3 The major lease is 68 Northbourne Avenue where the AFP leases nearly all of the building. The building owner has been aware of the AFP's desire to vacate the premises since 2002 and has commenced planning to redevelop the building to attract tenants.
- 1.18.4 It is intended that provision be made for the Canberra office of the Australian Crime Commission to be accommodated in the new Headquarters.
- 1.18.5 Although the AFP will be vacating approximately 12,000m² of leased accommodation in the central CBD zone, it will not be vacating the city precinct. West is located on the south eastern perimeter of the city and it is anticipated that the city business district will not suffer adversely from the proposed relocation.

2. Technical Information

2.1 Refurbishment - Scope of the Work

The proposed refurbishment scope of work for East, West and the Cafeteria is as follows:

2.1.1 West

- a) Demolition of internal partition walls, ceilings, floor finishes and building services.
- b) Refurbishment of internal walls, floors, ceilings, toilets and stairs.
- c) Installation of new building services including air conditioning, fire, electrical, communications and lifts.
- d) Construction of a two storey common entry, of approximately 890m² net lettable area including disabled access, to link the existing lift lobbies located in Block 1 and Block 2.
- e) Construction of an extension to the north façade of Block 2, 8.4m wide and full height of approximately 3,360m² net lettable area.
- f) External physical security works commensurate with the threat and risk profile relevant to the tenant.

2.1.2 East

- a) Demolition of internal partition walls, ceilings, floor finishes and building services.
- b) Refurbishment of internal walls, floors, ceilings, toilets and stairs.
- c) Installation of new building services including air conditioning, fire, electrical, communications and lifts.
- d) Construction of a two storey common entry, of approximately 738m² net lettable area including disabled access, to link the existing lift lobby in Block 1 and a new lift lobby in Block 2.
- e) External physical security works commensurate with the threat and risk profile relevant to the tenant.

2.1.3 Cafeteria

- a) Refurbishment of toilets and internal finishes.

2.2 Refurbishment - Site Selection, Zoning and Approvals

2.2.1 The site of the proposed works is Commonwealth Land, managed by Finance, identified as:

- Block 7 Section 3 Parkes – ANZAC Park West.
- Block 2 Section 3 Parkes– ANZAC Park West Cafeteria.
- Block 1 Section 4 Parkes – ANZAC Park East.

- 2.2.2 Refer to the location plan Fig 1.01 at Attachment 1.
- 2.2.3 All the proposed works are on Commonwealth owned land, designated under the National Capital Plan and zoned for use as office accommodation.
- 2.2.4 The NCA is the relevant planning authority.

2.3 Refurbishment - Land Acquisition

- 2.3.1 There is no requirement for the acquisition of any land.

2.4 Refurbishment - Masterplan Considerations

- 2.4.1 The National Capital Plan envisages a long term development of Constitution Avenue, creating a commercial avenue, consistent with the original Walter Burley Griffin plan. The proposed redevelopment master plans for the East and West sites show an allowance for future buildings facing Constitution Avenue. These future buildings were part of the National Capital Development Commission's 1960's Canberra Plan. As currently proposed they might either be free standing, or include links to the existing ANZAC Park buildings.
- 2.4.2 The current proposed redevelopment of East and West includes new main entrances that upgrade the presence and importance of the address of the buildings towards Constitution Avenue in a manner that is consistent with the long-term vision of the National Capital Plan.
- 2.4.3 Refer to the Site Plan Fig 1.02 at Attachment 1.

2.5 Refurbishment - Heritage Considerations

- 2.5.1 East and West were purpose built for the Australian Government, to provide office accommodation for federal government departments relocating to Canberra. They were completed in 1965 and 1967 respectively and remained occupied by the Australian Government until 1997 and 1998 respectively, by which time their engineering services, systems and interior fit out had exceeded their useful life and were no longer capable of meeting the office workplace requirements of Australian Government tenants.
- 2.5.2 East and West are the subject of a Conservation Management Plan prepared in 1994, and adopted in 1995. A replacement Heritage Management Plan, prepared in February 2004 in accordance with the requirements of the current EPBC Act, has been submitted to the Minister for the Environment and Heritage for endorsement.
- 2.5.3 An approach that enables a compatible re-use of East and West, and retains or adapts as much original fabric as is reasonably prudent and technically feasible is preferred, as it maximises the maintenance of the heritage value of the buildings and associated vista. The most compatible re-use would be as Australian Government office accommodation.
- 2.5.4 Finance will ensure that during detailed design and construction phases, the requirements of its Heritage Management Plan will be implemented, including the strategies and practices necessary to properly remove and adapt heritage elements, fabric, and landscape.

2.6 Refurbishment - Design Philosophy

- 2.6.1 An important consideration for the redevelopment design of East and West is to ensure that the Parliamentary Vista is not adversely affected, and that has been achieved and acknowledged by the NCA.
- 2.6.2 The design will provide a safe, flexible and pleasant work place, which represents value for money whilst simultaneously providing an efficient lettable floor area. Elements such as economical and buildable construction techniques, durable energy efficient materials and finishes will be adopted. Emphasis will also be placed on the functional requirements associated with the creation of buildings with contemporary good commercial grade office workspace and environment.
- 2.6.3 In the selection of services and associated equipment, the capital cost will be balanced against operational and maintenance costs. Life cycle cost analysis will be conducted prior to the final selection of equipment. Particular consideration will be given to energy efficient design solutions, within the constraints of the project cost, existing building fabric and footprint.
- 2.6.4 Maximum flexibility is required for office accommodation and the design of the building elements and engineering services will ensure maximum flexibility within the constraints of the existing building structure.
- 2.6.5 This project will:
- Maximise the use of the existing structure and façade.
 - Maintain the original heritage fabric to the extent reasonably feasible and practicable.
 - Adopt conventional construction techniques and materials that are commonly used in the construction industry, with due regard to the location and heritage requirements.
 - Utilise readily available and durable materials that combine long life with minimum maintenance.
 - Respect the planning and heritage requirements associated with the building location.
 - Preserve the Parliamentary Vista.
 - Reflect the lessons learnt from the refurbishment of similar projects such as Treasury Building and John Gorton Building.

2.7 Refurbishment - Standards and Codes

- 2.7.1 The design and construction of the works and services will conform to the requirements of:
- Building Code of Australia (BCA);
 - Relevant Australian Standards and Codes;
 - Occupational Health and Safety Act, 1991;
 - Environment Protection and Biodiversity Conservation Act 1999, amended in 2003 and effective from 1 January 2004;
 - Workplace Health and Safety Act and Regulations;

- ACT Fire Brigade; and
- ACT Utilities Authorities.

2.8 Refurbishment - Ecologically Sustainable Development

2.8.1 Finance is committed to applying the principles of ESD to the management and design of all of its properties. The Base Building Brief incorporates the ESD principles and outlines performance measures. These measures include the Green Building Council of Australia 'Green Star' rating system, and the National Australian Building Environmental Rating System. The aim is to achieve low energy facilities with substantial recurrent cost savings, and provide healthy environments for the tenants.

2.9 Refurbishment - Energy Conservation Measures

2.9.1 A key design focus enunciated within DEH's policy is improved energy management to ensure ecologically sustainable development and the reduction of greenhouse gas emissions. The design of all power supply, electrical and mechanical equipment will include an assessment of energy use by applying life cycle costing techniques and power demand analysis.

2.9.2 Further design work will include an analysis of energy delivery and consumption systems, incorporating an estimate of energy consumption and costs that are expected to result from the refurbishment work.

2.9.3 Provision will be made for tenant metering to allow for regular energy audits.

2.10 Refurbishment - Acoustics

2.10.1 Sound attenuation is especially important in all office accommodation. Attenuation will be provided through the appropriate use of material and adoption of suitable construction techniques.

2.11 Refurbishment - Fire Protection

2.11.1 The following philosophy has been adopted with respect to the design of fire protection systems:

- All construction and fire protection requirements will, as a minimum, be in accordance with the provisions of the BCA and ACT Fire Brigade requirements.
- Finance will require certification from a suitably qualified certifier, that the design and construction meet the requirements of the BCA and all other applicable Codes and Standards.

2.12 Refurbishment - Precautions against Legionella

- 2.12.1 The new air conditioning system will be designed to incorporate all reasonable precautions against Legionella Bacillus.

2.13 Refurbishment - Occupational Health and Safety

- 2.13.1 The health and safety of all workers employed on the construction of the proposed facilities will be protected by strict compliance with the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (Commonwealth) and the *Occupational Health and Safety Act 1989* (ACT). Construction of the facilities will be in accordance with a site specific Occupational Health and Safety Plan. There are no identified public safety issues.

2.14 Refurbishment - Landscaping

- 2.14.1 The refurbishment works will not give rise to any substantial alteration in the essential character of the existing landscaping. Therefore, the landscaping works will be directed to the rectification of areas disturbed during construction and the maintenance of the existing landscape.

2.15 Refurbishment - External Security Treatments

- 2.15.1 External security works, commensurate with the tenant's threat and risk profile will be constructed. The refurbishment component of the works will comprise a vehicle barrier, an intruder resistant fence with associated access point, and secure parking.

2.16 Refurbishment - Project Cost Estimates

- 2.16.1 The outturn cost estimate of the proposed works is \$83.7 million based on 2004 prices. Included is an allowance for escalation to the completion date of July 2006. The outturn cost estimate includes construction and other related elements such as consultant fees, project management and supervision.

2.17 Refurbishment - Description of the Works and Services

- 2.17.1 A description of the works and services is provided at Attachment 2.

2.18 Refurbishment - Plans and Drawings

- 2.18.1 Preliminary Design Sketches are provided at Attachment 3.

2.19 Fitout - Scope of Work

2.19.1 The proposed scope of fitout work for West and the Cafeteria is as follows:

A) West

- a) Fitout of 15,000m² net lettable area to provide good commercial grade office accommodation.
- b) Secure car parking of executive and other personnel considered at risk because of their role.
- c) Electronic security to the perimeter intruder resistant fence and vehicle barrier provided as part of the refurbishment.
- d) Intruder alarm and access control to the perimeter, and internal security zones.

B) Cafeteria

- a) Fitout of 540m² for use as determined by AFP.

2.20 Fitout - Design Philosophy

2.20.1 The fitout design will build on the refurbishment design to provide a safe, flexible and pleasant work place, which represents value for money.

2.20.2 In the selection of services and associated equipment, the capital cost will be balanced against operational and maintenance costs. Life cycle cost analysis will be conducted prior to the final selection of equipment. Particular consideration will be given to energy efficient design solutions that minimise the cost of out of hours operation by permitting relatively small areas of the building to operate independently.

2.20.3 Maximum flexibility is required for office accommodation and the use of single sized office for all areas except the executive and a 1.8m by 1.8m workstation module will assist in achieving flexibility.

2.21 Fitout - Standards and Codes

2.21.1 The fitout design and construction will comply all the relevant standards and codes as detailed in the Refurbishment Section.

2.22 Fitout - Ecologically Sustainable Development

2.22.1 The AFP is committed to applying the principles of ESD to the management and design of all of its properties. The fitout will build on the ESD features incorporated in the refurbishment and utilise the same measures including the Green Building Council of Australia 'Green Star' rating system, and the National Australian Building Environmental Rating System. The aim is to achieve low energy facilities with substantial recurrent cost savings, and provide healthy environments for the tenants.

2.23 Fitout - Energy Conservation

- 2.23.1 The refurbishment works provides a sound basis to implement energy conservation measures. The fitout will build on these measures and incorporate lighting control systems and time clocks to all supplementary air conditioning systems.

2.24 Fitout - Security Treatments

- 2.24.1 The refurbishment works will provide external physical security treatments and secure car parking for operational vehicles that reflects the AFP's requirements.
- 2.24.2 The fitout will provide appropriate electronic security treatments both internally and externally comprising Closed Circuit Television ("CCTV"), intruder alarms and access control that reflects the AFP's security risk.

2.25 Fitout - Project Cost Estimates

- 2.25.1 The outturn cost estimate of the proposed works is \$22.0 million based on 2004 prices. Included is an allowance for escalation to the completion date of July 2006. The outturn cost estimate includes construction and other related elements such as consultant fees, project management and supervision.

2.26 Fitout - Plans and Drawings

- 2.26.1 Concept sketches are provided at Attachment 4.

2.27 General - Project Delivery System

- 2.27.1 West and the Cafeteria, and East may be delivered as separate projects using delivery systems specifically tailored to achieve value for money and meet the objectives and risks associated with each building.
- 2.27.2 The refurbishment and fitout of West and the Cafeteria will be constructed concurrently. The project delivery system will be selected that meets the AFP's time, cost and quality objectives. The delivery system will be appropriate to ensure that:
- a) The required occupation date by the AFP can be achieved.
 - b) Finance's obligations under the EPBC Act are met.
 - c) The quality standards as required by the tenant lease are delivered.
 - d) Risks of delays are minimised.
- 2.27.3 It is intended that the refurbishment and fitout of East will be constructed concurrently. However, value for money considerations, and commitment of a future tenant may dictate that these activities are consecutive.

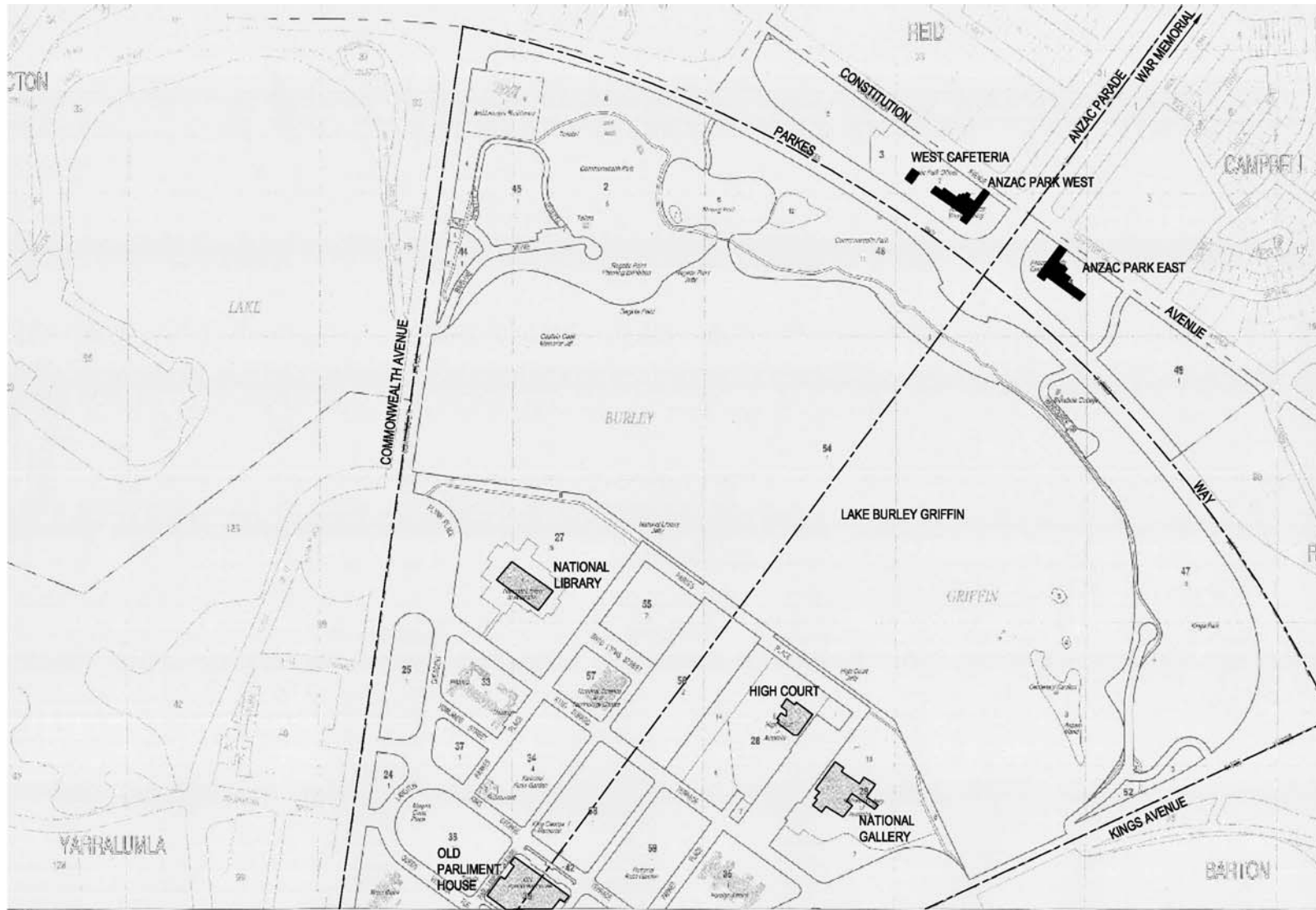
2.28 General Construction Program / Project Schedule

- 2.28.1 Subject to Parliamentary approval of the project, construction of West and the Cafeteria works are planned to commence in late 2004, and East in mid 2005.
- 2.28.2 The anticipated project milestones for West and the Cafeteria are as follows:
- a) Let construction contract: August 2004
 - b) Commence internal demolition: September 2004
 - c) Complete base building and fitout: June 2006
 - d) AFP occupation: July 2006
- 2.28.3 The anticipated project milestones for East are as follows:
- a) Agree lease with tenant: November 2004
 - b) Commence internal demolition: August 2005
 - c) Complete base building and fitout: May 2007
 - d) Tenant occupation: June 2007
- 2.28.4 In order to expedite the project program, approval is sought from the PWC to proceed with the following time critical aspects of the program, prior to confirmation of Parliamentary approval:
- a) Design and documentation of early construction works such as internal demolition and refurbishment, excluding detailed fitout. Which will require the appointment of both a consultant project manager and designer; and
 - b) Expression of Interest process and invitation of tenders for the contractor.

ATTACHMENT 1 – LOCATION AND SITE PLANS

Fig 1.01 Location Plan East, West Cafeteria Buildings

Fig 1.02 Site Plan East, West, Cafeteria Buildings



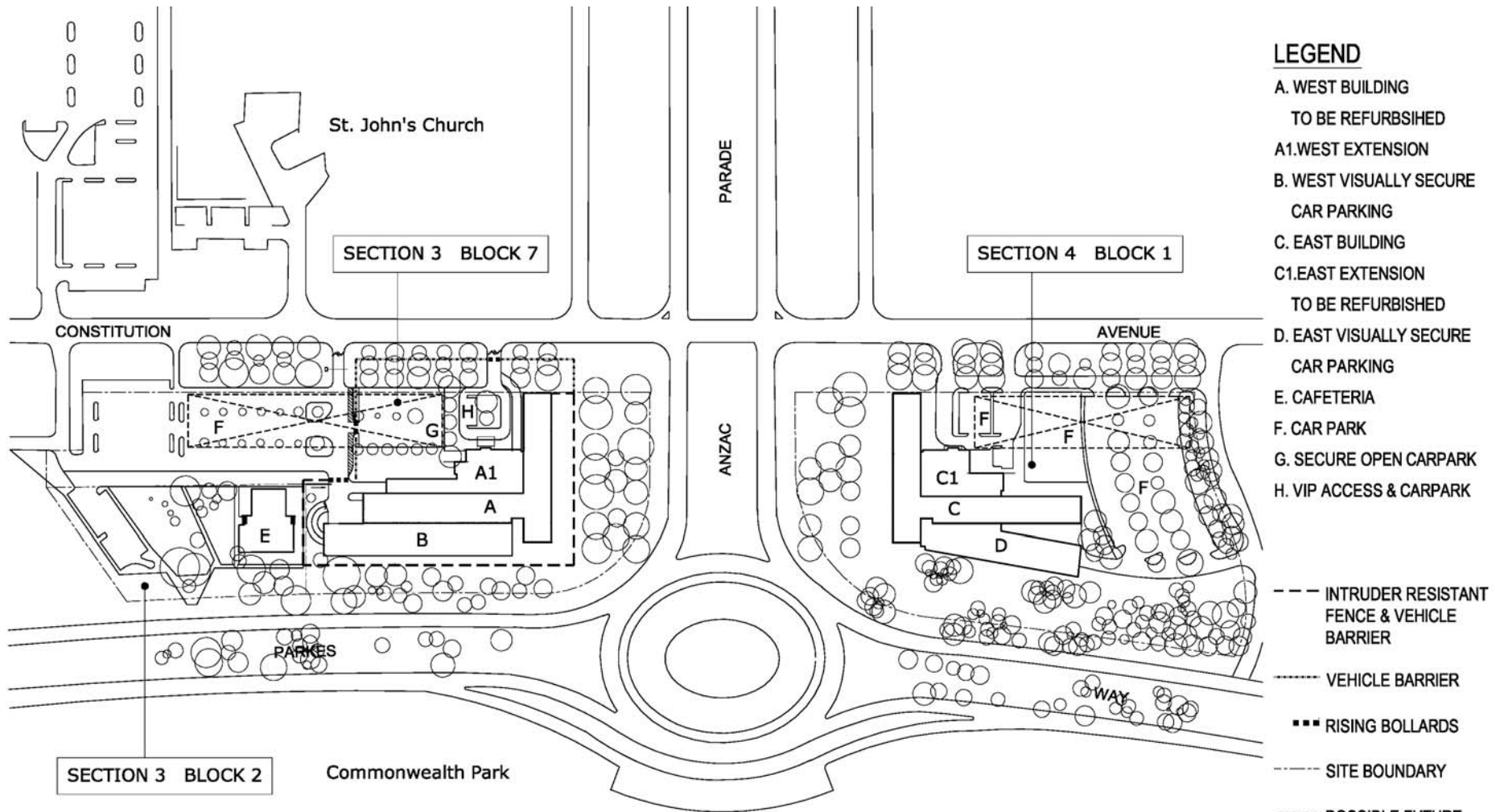
**Anzac Park
East & West Buildings**
Department of Finance & Administration

**LOCATION PLAN
EAST, WEST, CAFETERIA BUILDINGS**



MAY 04

FIG. 1.01



- LEGEND**
- A. WEST BUILDING TO BE REFURBSIHED
 - A1.WEST EXTENSION
 - B. WEST VISUALLY SECURE CAR PARKING
 - C. EAST BUILDING
 - C1.EAST EXTENSION TO BE REFURBISHED
 - D. EAST VISUALLY SECURE CAR PARKING
 - E. CAFETERIA
 - F. CAR PARK
 - G. SECURE OPEN CARPARK
 - H. VIP ACCESS & CARPARK
- INTRUDER RESISTANT FENCE & VEHICLE BARRIER
 - VEHICLE BARRIER
 - RISING BOLLARDS
 - - - SITE BOUNDARY
 - ⊠ POSSIBLE FUTURE BUILDING SITE

**Anzac Park
East & West Buildings**
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**SITE PLAN
EAST, WEST, CAFETERIA BUILDINGS**



MAY 04
FIG. 1.02

ATTACHMENT 2 – REFURBISHMENT - DESCRIPTION OF THE WORKS AND SERVICES

A2.1 The ANZAC Park East and West refurbishment is comprised of the:

- a) Refurbishment of both East and West buildings.
- b) Construction of a new common entry to both East and West buildings so as to provide for the entry requirements that reflect current standards.
- c) Construction of perimeter security works that reflect the threat and risk profile of the tenants.
- d) Construction of a new extension to West so as to provide a total of 15,000m² of net lettable space as required by the AFP.
- e) Construction of a new visually secure car park for 150 cars at West to provide for the AFP's particular operational requirements.
- f) Construction of a new visually secure car park for 50 cars at East to provide for the particular requirements of the Department of Defence or other similar tenant.
- g) Minor refurbishment works to the Cafeteria comprising carpet, ceiling, painting and toilets.

A2.2 ANZAC Park West (West)

A2.2.1 West was constructed in 1967 and is comprised of two blocks that are linked at the first to the fourth floors and incorporates:

- a) Basement in Block 2 that is suitable for storage only.
- b) Lower ground floors in Blocks 1 and 2 that are suitable for plant rooms, loading dock, storage, occupied spaces such as office, computer room, gym or childcare.
- c) Ground to fourth floors in Blocks 1 and 2 are suitable for office accommodation.
- d) Fifth floor in Block 1 is suitable for office accommodation.
- e) Penthouses at roof level in Blocks 1 and 2 are suitable for plant rooms.

A2.2.2 The refurbishment works will provide:

- a) Ground to fifth floor – 11,289m² of good commercial grade offices accommodation in Blocks 1 and 2.
- b) Lower ground floor – Plant rooms in Blocks 1 and 2, substation and main switch board in Block 1, a plant room and loading dock in Block 2. Space that the tenant may fitout to suit their particular needs such as gym, childcare or computer room.
- c) Basement – Minimum works so as to ensure compliance with codes and standards. Space that the tenant may fitout as storage or computer room.
- d) Roof – Lift motor room plant room, and space for tenant installed equipment on the roof deck.

A2.2.3 The new two storey common entry will link the existing lift lobbies in each Block and provide a single secure entry of a quality suitable for a Headquarters building. A small plant room will be constructed at the lower ground level to service the common entry. The common entry will provide 892m² of net lettable space. Features of the common entry include:

- a) A high quality well illuminated and spacious contemporary design will create a comfortable environment using materials, finishes and colours selected to be distinctive, yet in harmony with the existing buildings.
- b) Interaction between secure and public areas of the building.
- c) Opportunities for visual connection between the entry foyer and the first floor.

A2.2.4 A new extension will be constructed on the north façade of Block 2. It will be full height from the ground to the fourth floor and will be 8.4m wide. The extension will provide 3,360m² of net lettable space. Details of the extension include:

- a) Well illuminated north facing additional space, ideal for year round open plan or enclosed office use.
- b) Active and passive solar design features, including eaves at each floor level and full height external shading to the small west façade.

A2.2.5 A visually secure car park for 150 cars on two levels will be constructed on the south façade of Block 2. This location takes advantage of the existing ground levels with the lower level of the car park at basement level and the upper level at the lower ground level. The resultant car park roof will be approximately 1.2m above ground level. Details of the visually secure car park are as follows:

- a) Steel frame with metal clad roof.
- b) Concrete ground slab at basement level and concrete suspended slab at lower ground level.
- c) North side connected to the existing building.
- d) Concrete retaining wall to the south side.

A2.2.6 The site preparation and landscaping for 150 tenant exclusive car parking spaces.

A2.3 ANZAC Park East (East)

A2.3.1 East was constructed in 1966 and is comprised of two blocks that are linked at the first to the fourth floors and incorporates:

- a) Lower ground floor levels in Blocks 1 and 2 that are suitable for plant rooms, loading dock and storage. There is no basement in East.
- b) Ground to fourth floors in Blocks 1 and 2 are suitable for office accommodation.
- c) Fifth floor in Block 1 is suitable for office accommodation.
- d) Penthouses at roof level in Blocks 1 and 2 are suitable plant rooms.

A2.3.2 The refurbishment works will provide:

- a) Ground to fifth floor – 10,620m² of good commercial grade office accommodation in Blocks 1 and 2.
- b) Lower ground floor - Plant rooms in Blocks 1 and 2, substation and main switch board in Block 1, and loading dock in Block 2.
- c) Roof – Lift motor room, plant room and space for tenant installed equipment on the roof deck.

A2.3.3 A new two storey common entry will link the existing lift lobbies in Block 1 and the new lift lobby in Block 2, and provide a single entry that reflects contemporary security and quality requirements. A small plant room will be constructed at the lower ground level to service the common entry. The common entry will provide 738m² of net lettable space. Details of the common entry include:

- a) A high quality well illuminated and spacious contemporary design will create a comfortable environment using materials, finishes and colours selected to be distinctive, yet in harmony with the existing buildings.
- b) Facilitate interaction between secure and public areas of the building.
- c) Opportunities for visual connection between the entry foyer and the first floor.

A2.3.4 A visually secure car park for 50 cars on a single level will be constructed on the south façade of Block 2. This location takes advantage of the existing ground levels and the car park will be at lower ground level. The new car park roof will be approximately 1.2m above ground level. Details of the visually secure car park are as follows:

- a) Steel frame with metal clad roof.
- b) Concrete ground slab at basement level and concrete suspended slab at lower ground level.
- c) Metal cladding to the north side.
- d) Concrete retaining wall to the south side.

A2.3.5 The site preparation and landscaping for 150 tenant exclusive car parking spaces.

A2.4 East and West Building Services

It is anticipated that all existing building services will be demolished, except where greater value for money analysis dictates reuse or refurbishment. Post refurbishment all services will provide contemporary levels of comfort and safety, while satisfying energy targets.

A2.5 East and West Mechanical Services

The buildings will be air conditioned with an energy efficient air conditioning system including:

- a) small temperature controlled zones and variable speed drives to provide energy efficient operation on part load and after hours use.
- b) Building management system to control the systems including energy optimising algorithms and energy use metering.

A2.6 East and West Electrical Services

The buildings will be provided with new electrical services to suit a contemporary office building including:

- a) New main switchboard with sub-mains to distribution switchboards on each floor. Metering will be included to provide detailed energy use.
- b) Energy efficient fluorescent luminaires controlled by a lighting control system.
- c) New communication risers to allow reticulation of data cabling through the buildings.
- d) Electronic security system with access control to perimeter doors.

A2.7 East and West Fire Services

New fire services will be provided in the buildings to comply with current codes, the BCA and ACT Fire Brigade requirements. The systems will include a warning and inter-communication system.

A2.8 East and West Hydraulic Services

The existing hydraulic services throughout the buildings will be upgraded to comply with current standards. The upgrade will incorporate water saving systems including dual flush toilets and water flow restrictors. The hot water system will incorporate a Combined Heat And Power Solar ("CHAPS") concentrator system, which will use solar energy to provide domestic hot water and electricity.

A2.9 East and West Lifts

The existing lifts to both buildings will be refurbished. New lifts will be provided to the East building Block 1 as there are no lifts currently servicing this block. All lifts will incorporate facilities to suit the disabled, modern energy efficient control systems and motors.

A2.10 East and West External Security Treatments

External security comprising a vehicle barrier and intruder resistant fence will be provided to reflect the threat and risk profile of the tenants.

ATTACHMENT 3 – REFURBISHMENT - PRELIMINARY SKETCH DESIGN

Fig 2.01 Basement West Building

Fig 2.02 Basement Ground Floor West Building

Fig 2.03 Ground Floor West Building

Fig 2.04 First Floor West Building

Fig 2.05 Typical Floors West Building

Fig 2.06 Top Floor West Building

Fig 2.07 Roof West Building

Fig 2.08 Sections West Building

Fig 2.09 Sections West Building

Fig 2.10 Lower Ground Floor East Building

Fig 2.11 Ground Floor East Building

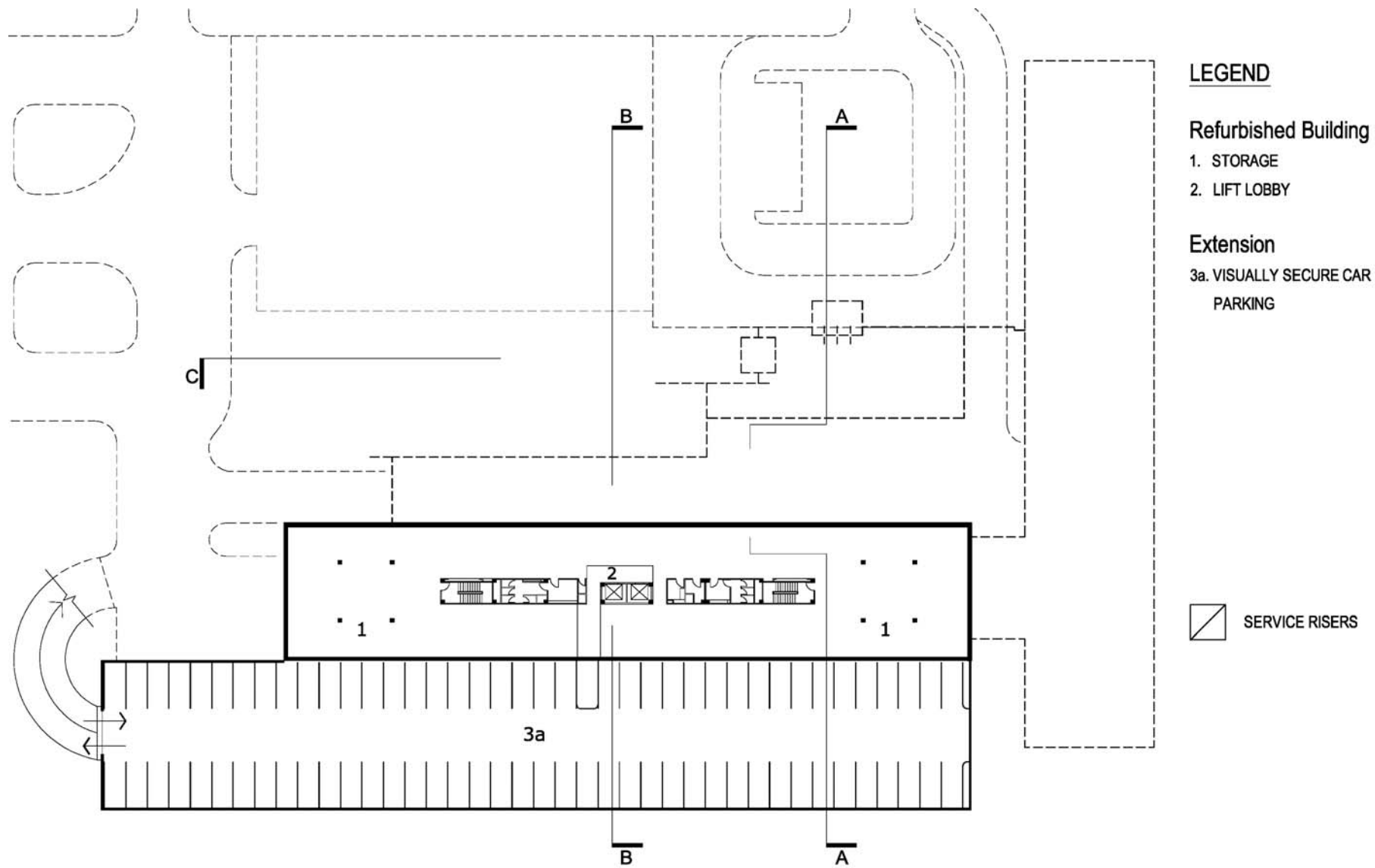
Fig 2.12 First Floor East Building

Fig 2.13 Typical Floor East Building

Fig 2.14 Top Floor East Building

Fig 2.15 Roof East Building

Fig 2.16 Sections East Building



LEGEND

Refurbished Building

- 1. STORAGE
- 2. LIFT LOBBY

Extension

- 3a. VISUALLY SECURE CAR PARKING

 SERVICE RISERS

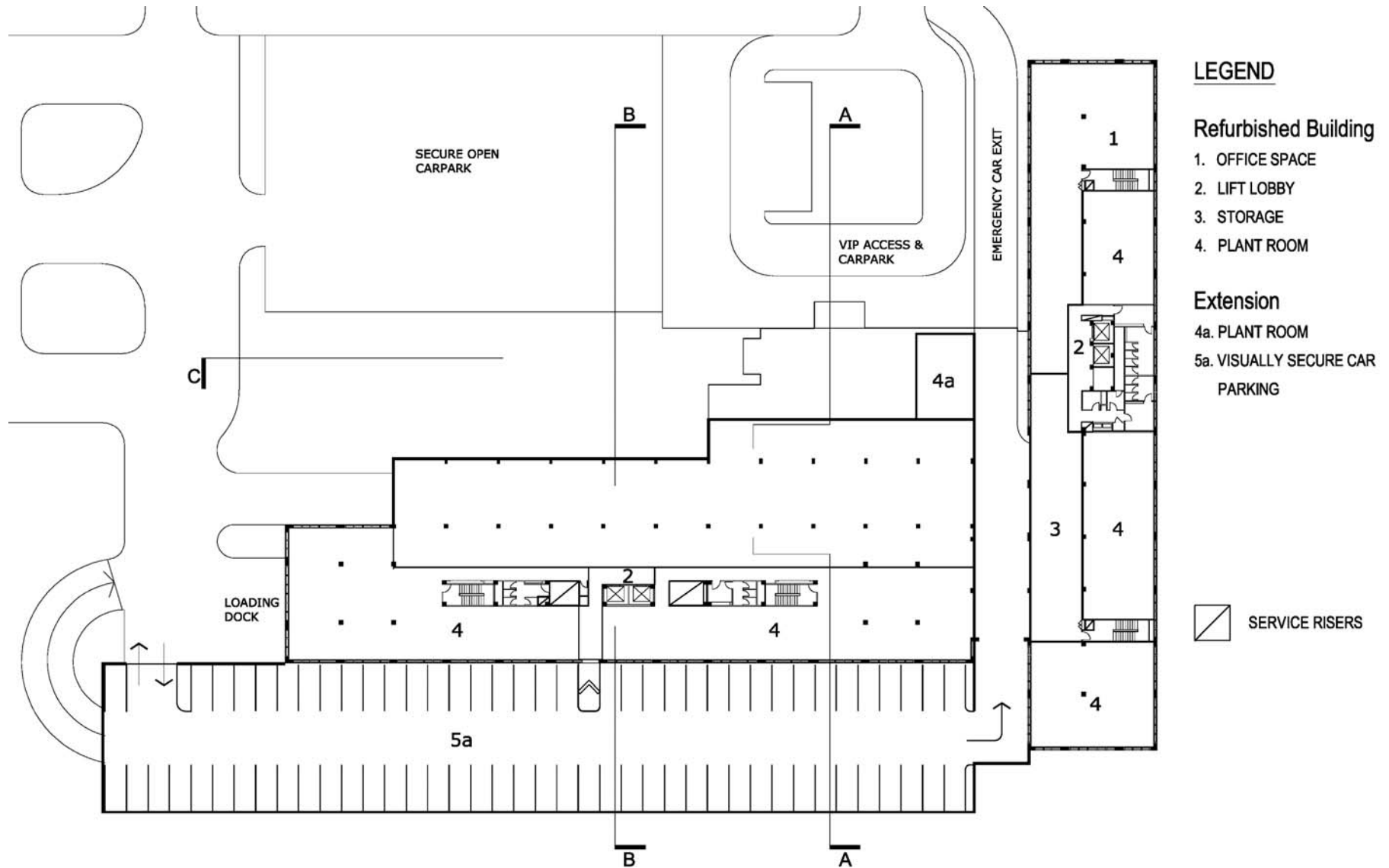
**Anzac Park
East & West Buildings**
Department of Finance & Administration

**BASEMENT
WEST BUILDING**



MAY 04

FIG. 2.01

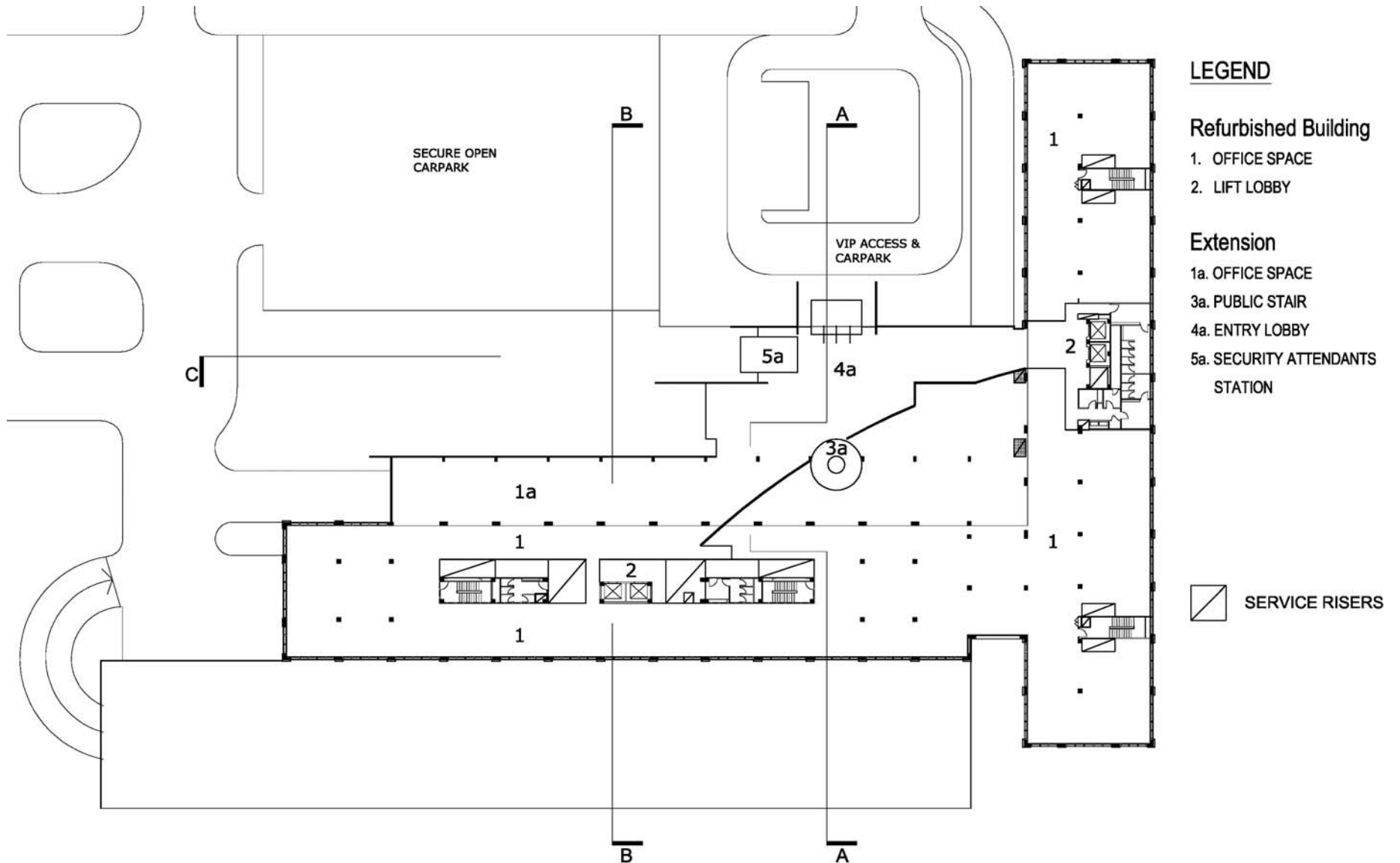


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**LOWER GROUND FLOOR
WEST BUILDING**



MAY 04
FIG. 2.02



LEGEND

Refurbished Building

- 1. OFFICE SPACE
- 2. LIFT LOBBY

Extension

- 1a. OFFICE SPACE
- 3a. PUBLIC STAIR
- 4a. ENTRY LOBBY
- 5a. SECURITY ATTENDANTS STATION

 SERVICE RISERS

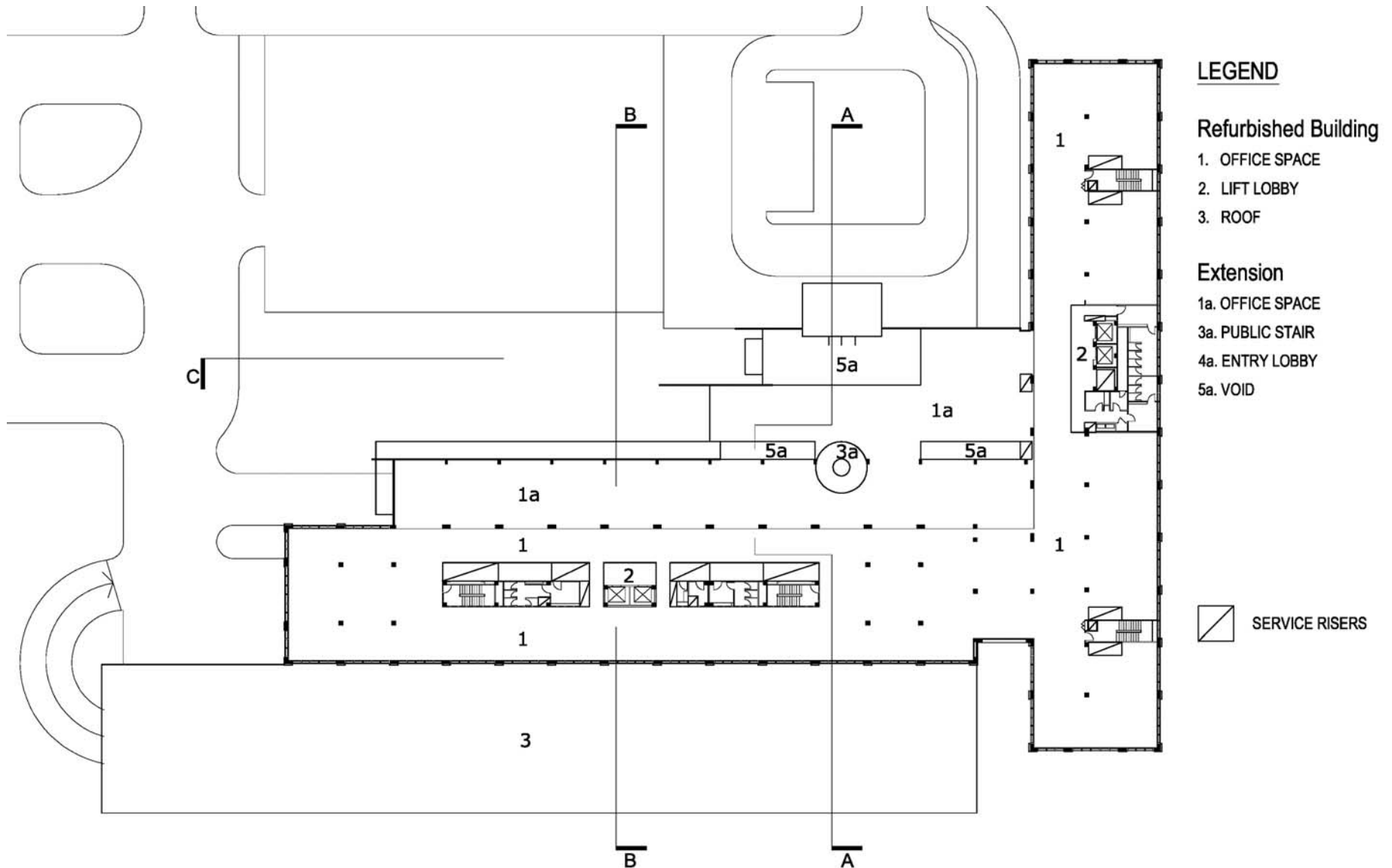
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Department of Finance & Administration

**GROUND FLOOR
WEST BUILDING**



MAY 04

FIG. 2.03



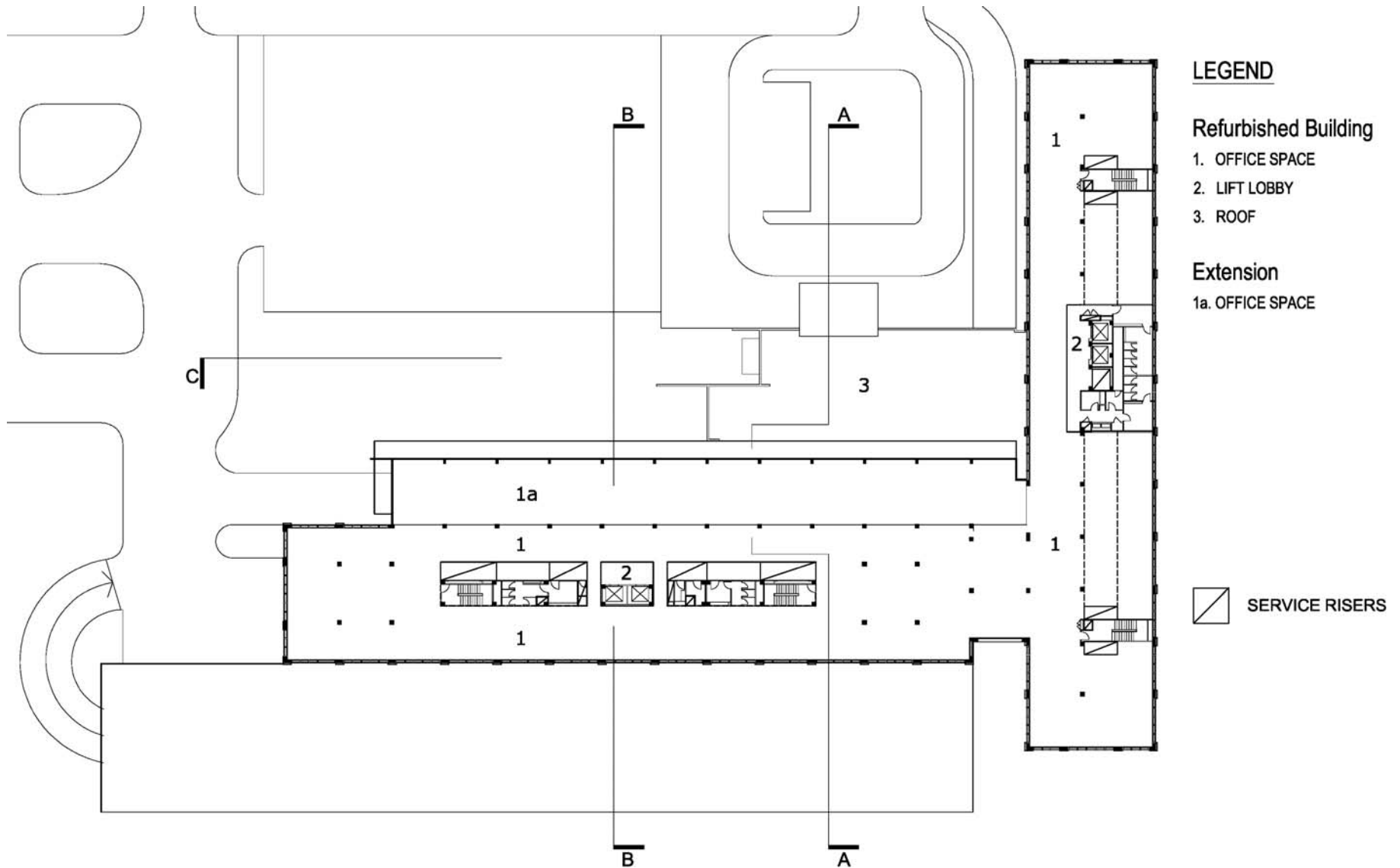
**Anzac Park
East & West Buildings**
Department of Finance & Administration

**FIRST FLOOR
WEST BUILDING**



MAY 04

FIG. 2.04



LEGEND

Refurbished Building

- 1. OFFICE SPACE
- 2. LIFT LOBBY
- 3. ROOF

Extension

- 1a. OFFICE SPACE

 SERVICE RISERS

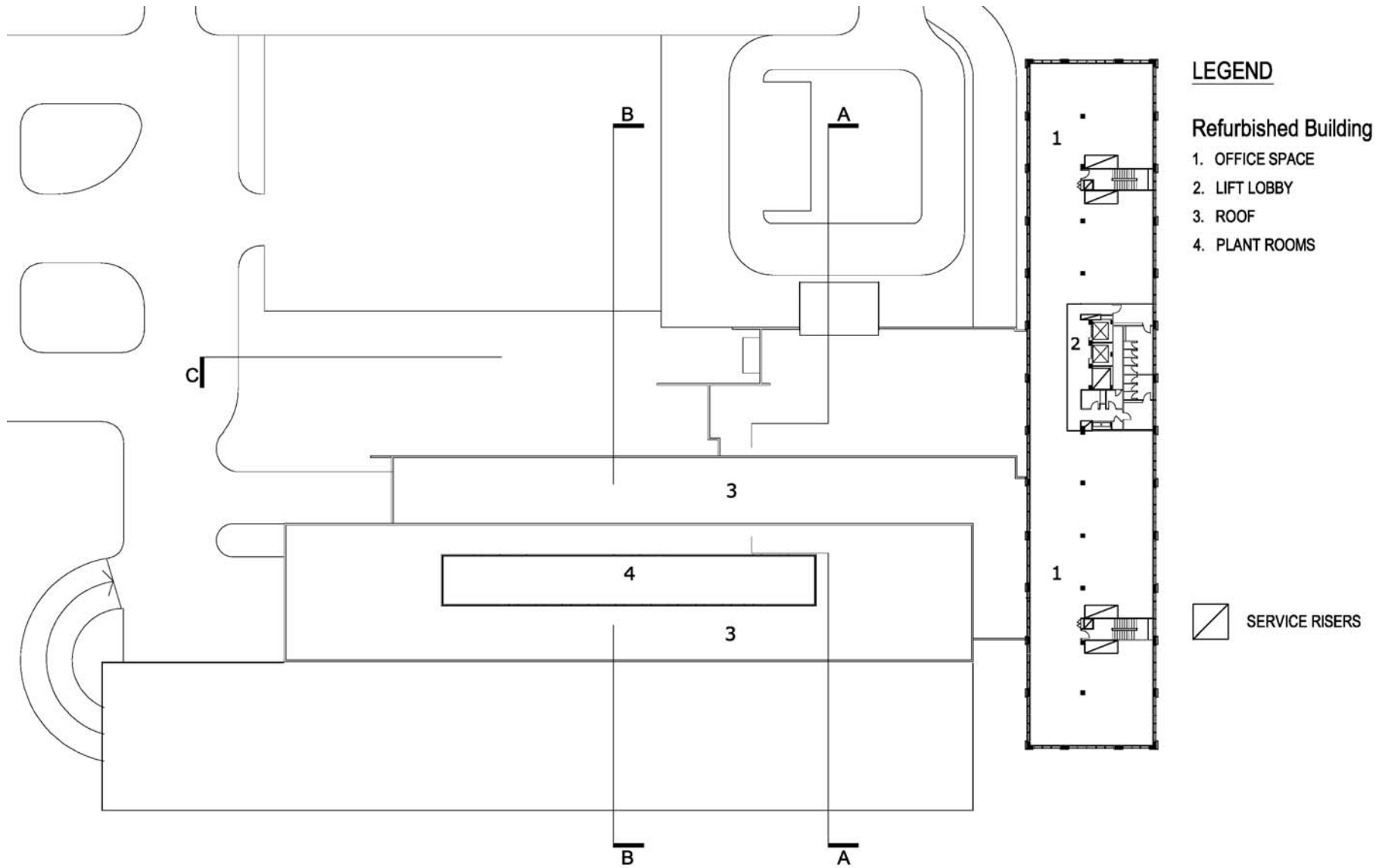
**Anzac Park
East & West Buildings**
Department of Finance & Administration

**TYPICAL FLOORS 2nd-5th
WEST BUILDING**



MAY 04

FIG. 2.05



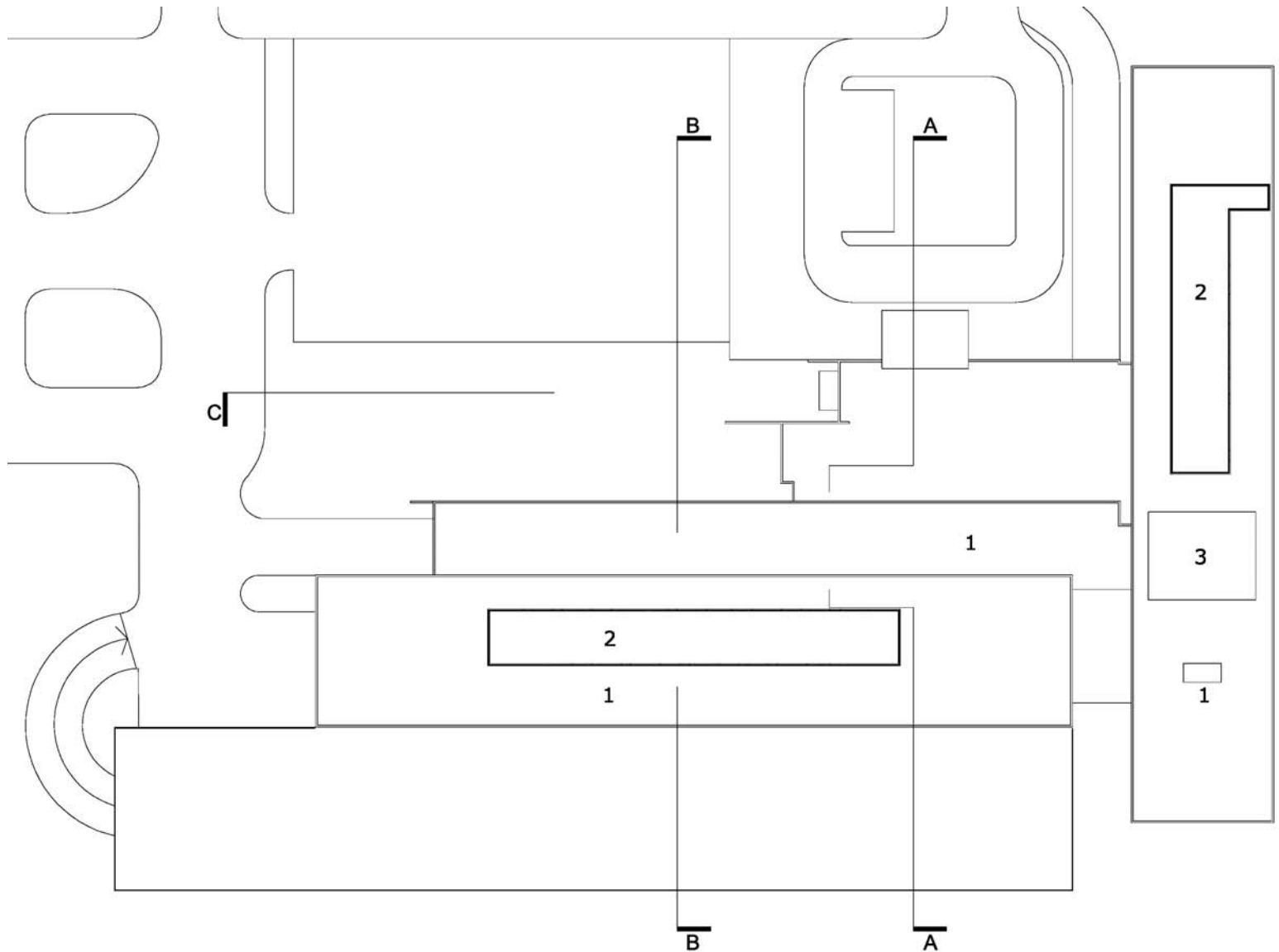
**Anzac Park
East & West Buildings**
Department of Finance & Administration

**TOP FLOOR 6th
WEST BUILDING**



MAY 04

FIG. 2.06



LEGEND

- Refurbished Building**
- 1. ROOF
 - 2. PLANT ROOMS
 - 3. MECHANICAL EQUIPMENT

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East & West Buildings**
Department of Finance & Administration

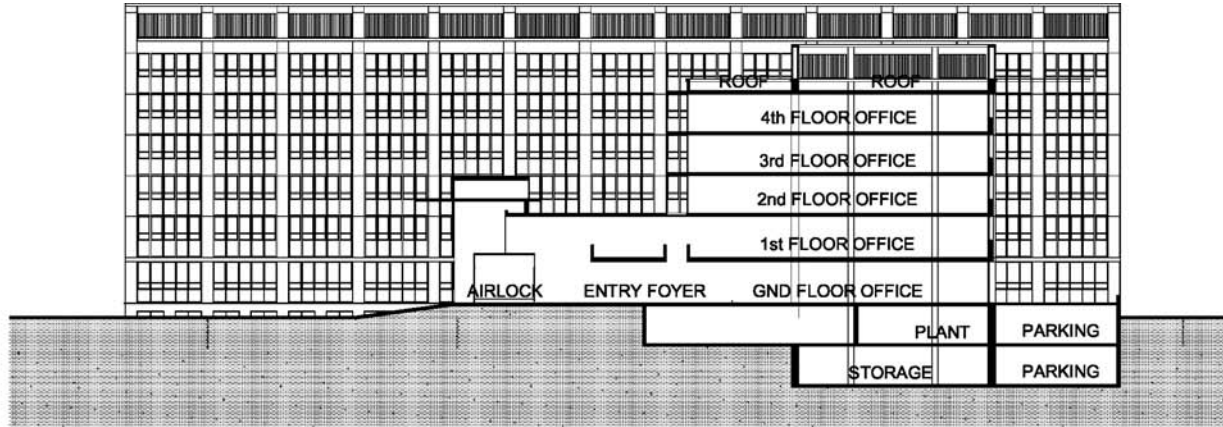
**ROOF
WEST BUILDING**



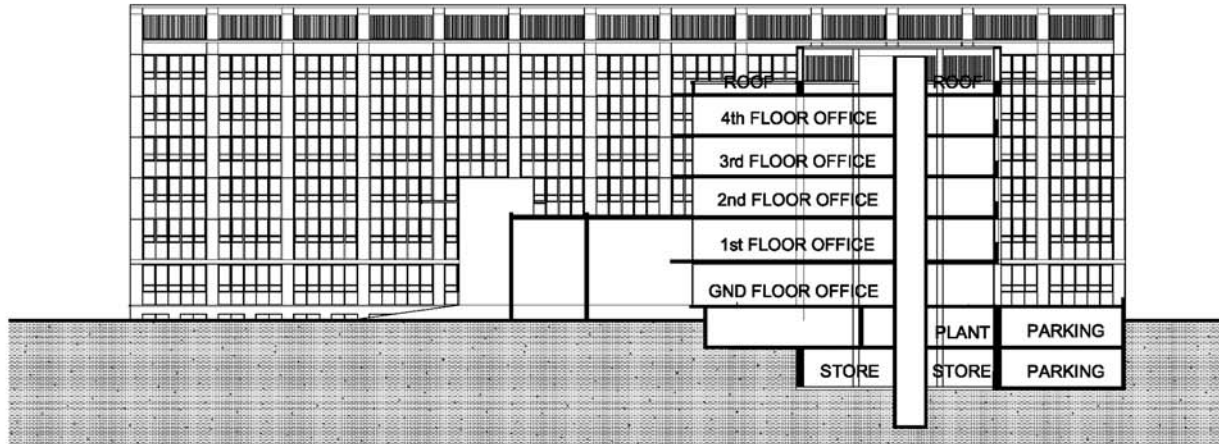
MAY 04

FIG. 2.07

SECTION A-A



SECTION B-B



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 Department of Finance & Administration

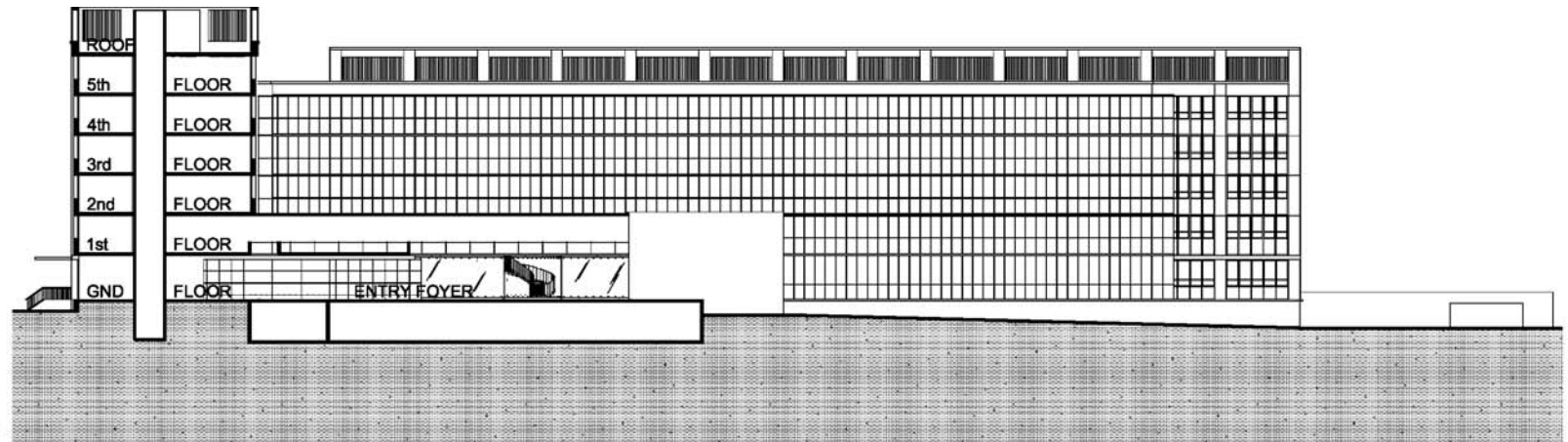
SECTIONS
 WEST BUILDING



MAY 04

FIG. 2.08

SECTION C-C



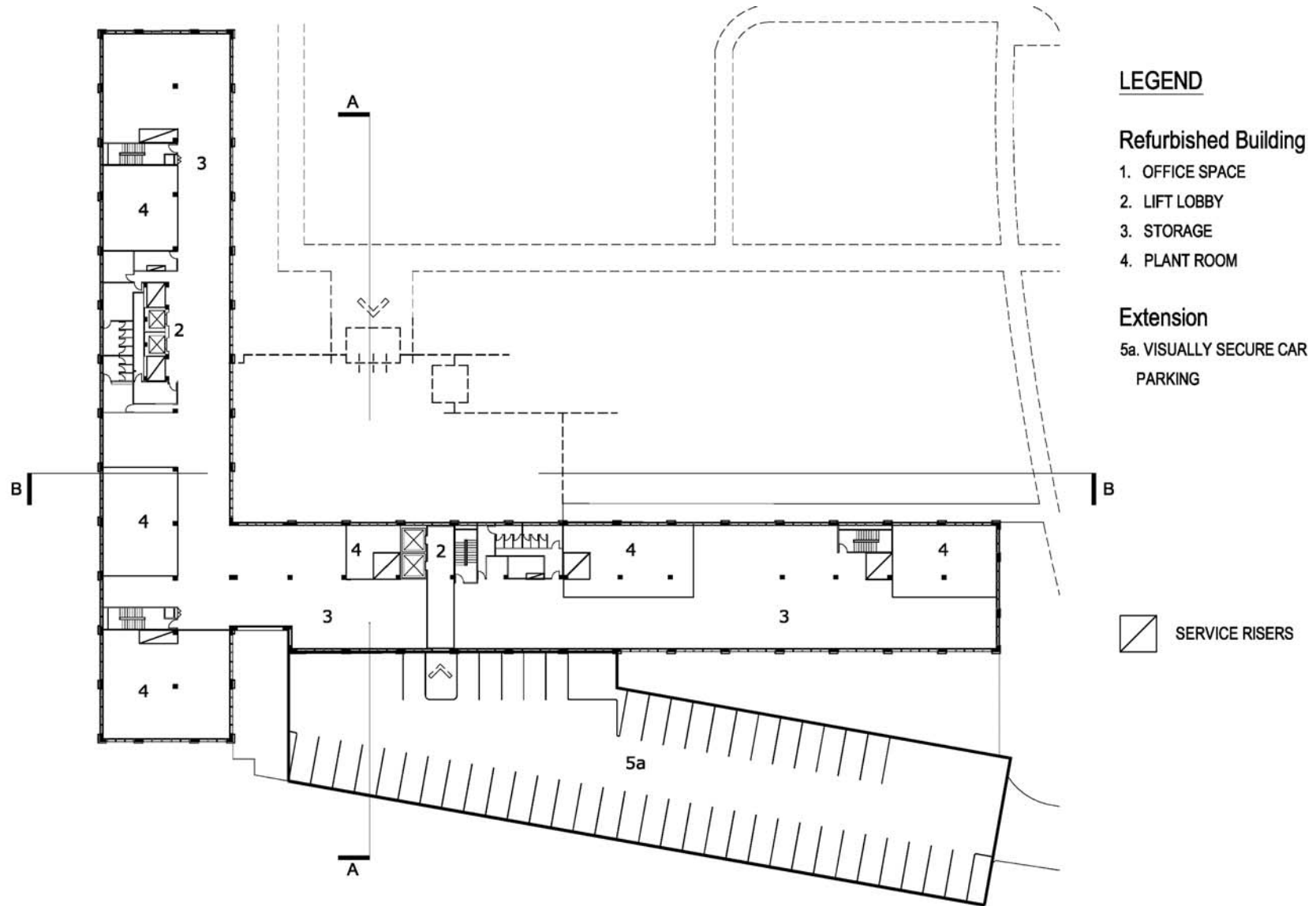
Anzac Park
East & West Buildings
Department of Finance & Administration

SECTIONS
WEST BUILDING

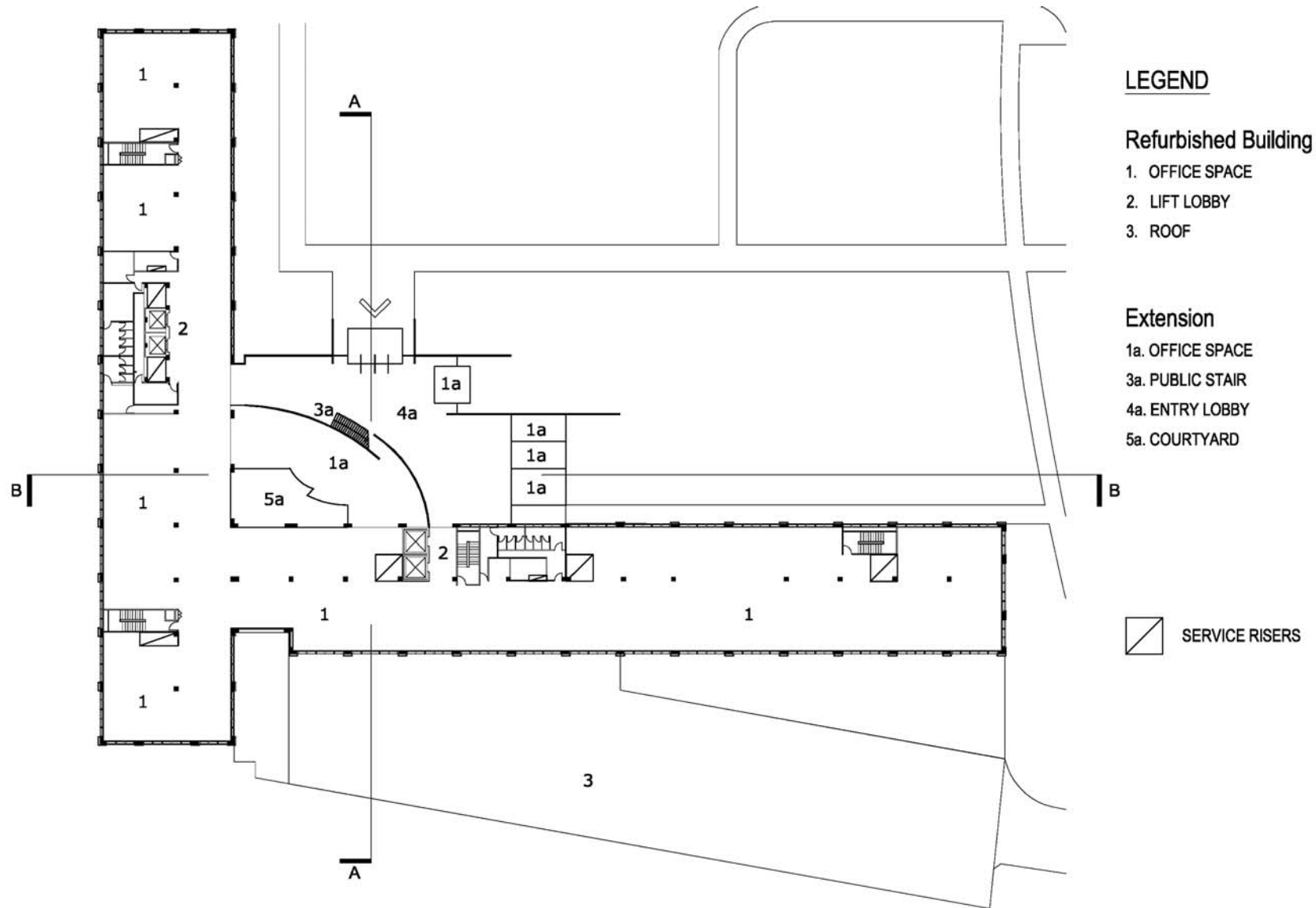


MAY 04

FIG. 2.09



Anzac Park East & West Buildings Department of Finance & Administration	LOWER GROUND FLOOR EAST BUILDING		MAY 04 <hr/> FIG. 2.10
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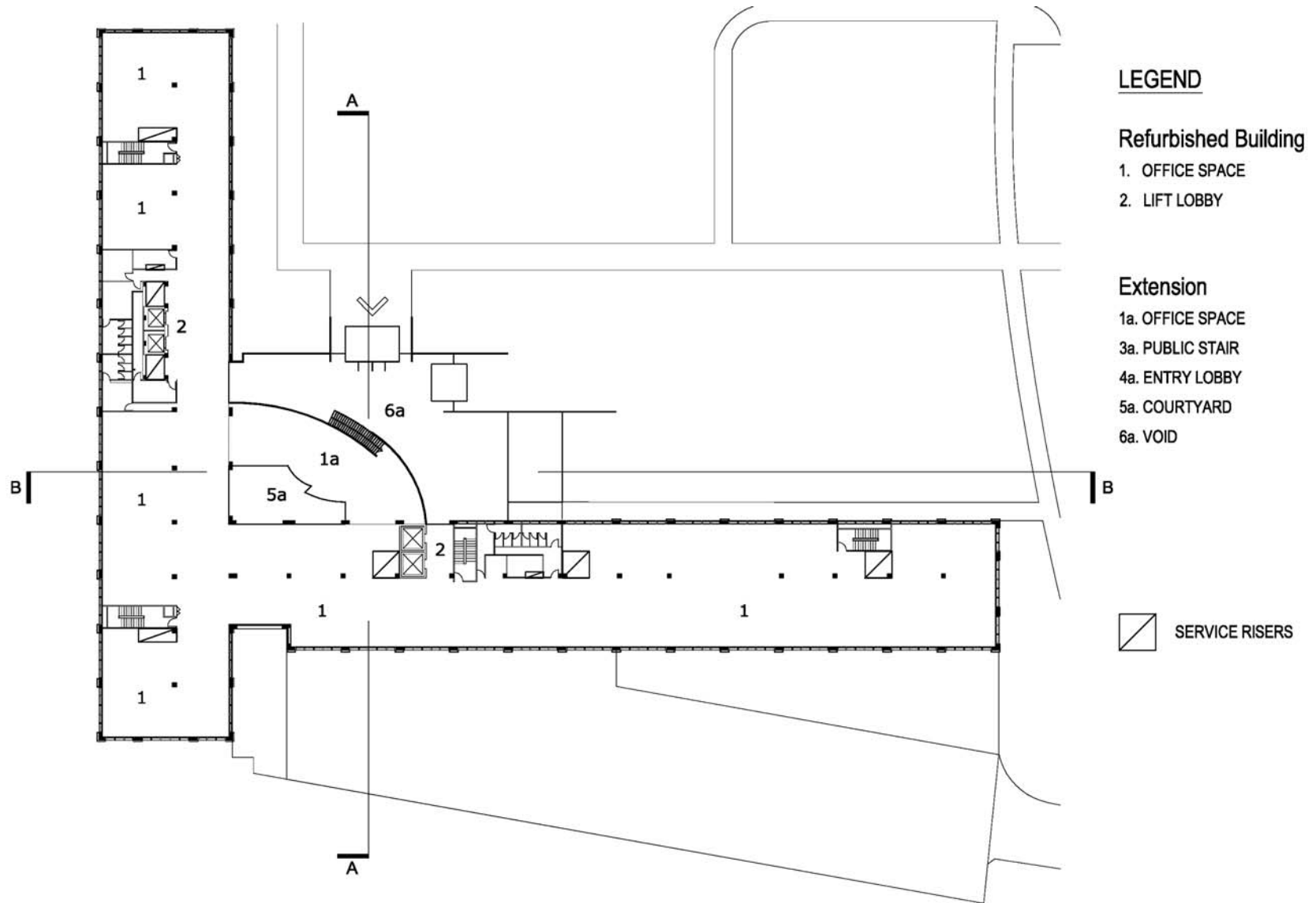
**Anzac Park
East & West Buildings**
Department of Finance & Administration

**GROUND FLOOR
EAST BUILDING**

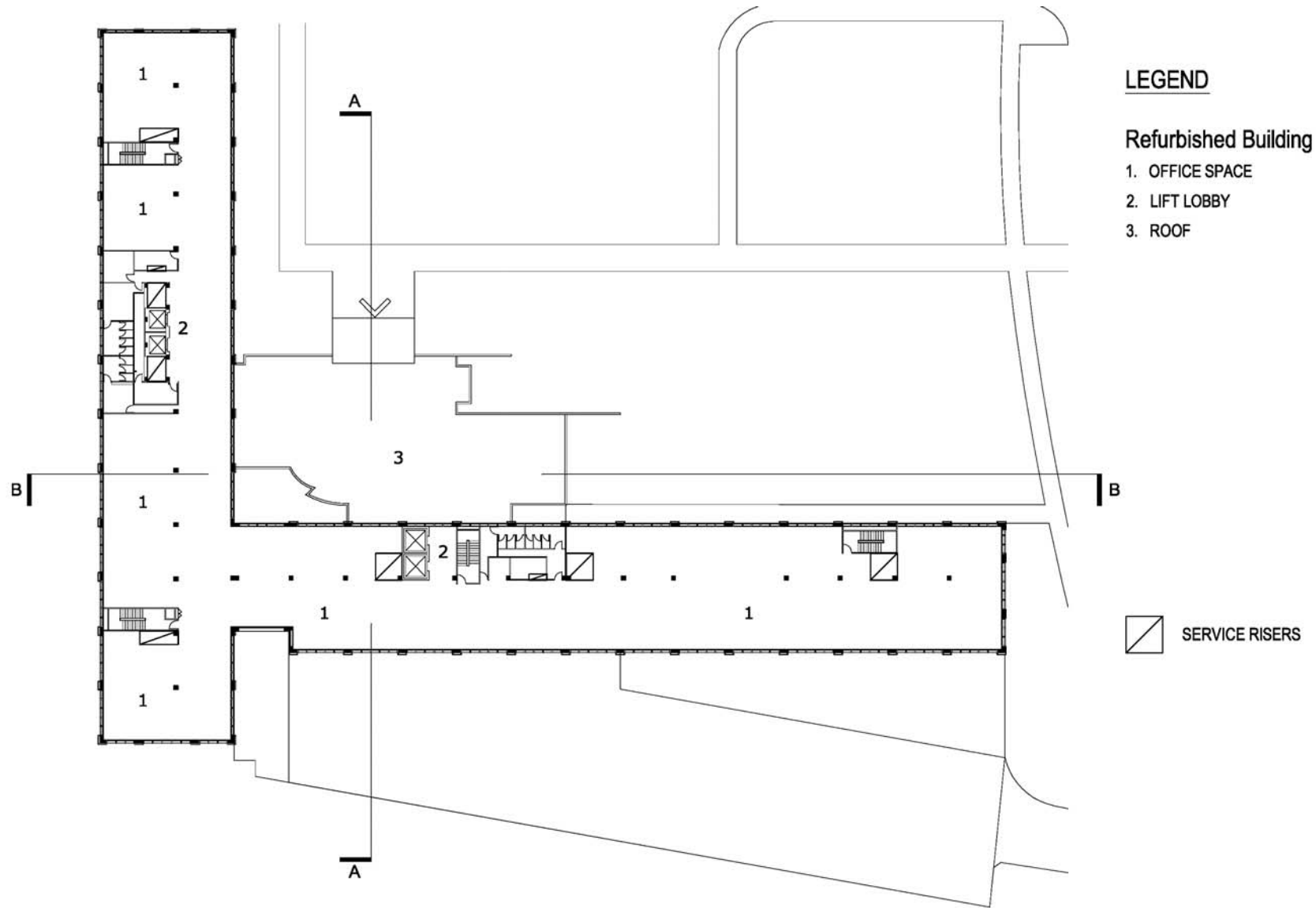


MAY 04

FIG. 2.11



Anzac Park East & West Buildings Department of Finance & Administration	FIRST FLOOR EAST BUILDING		MAY 04 FIG. 2.12
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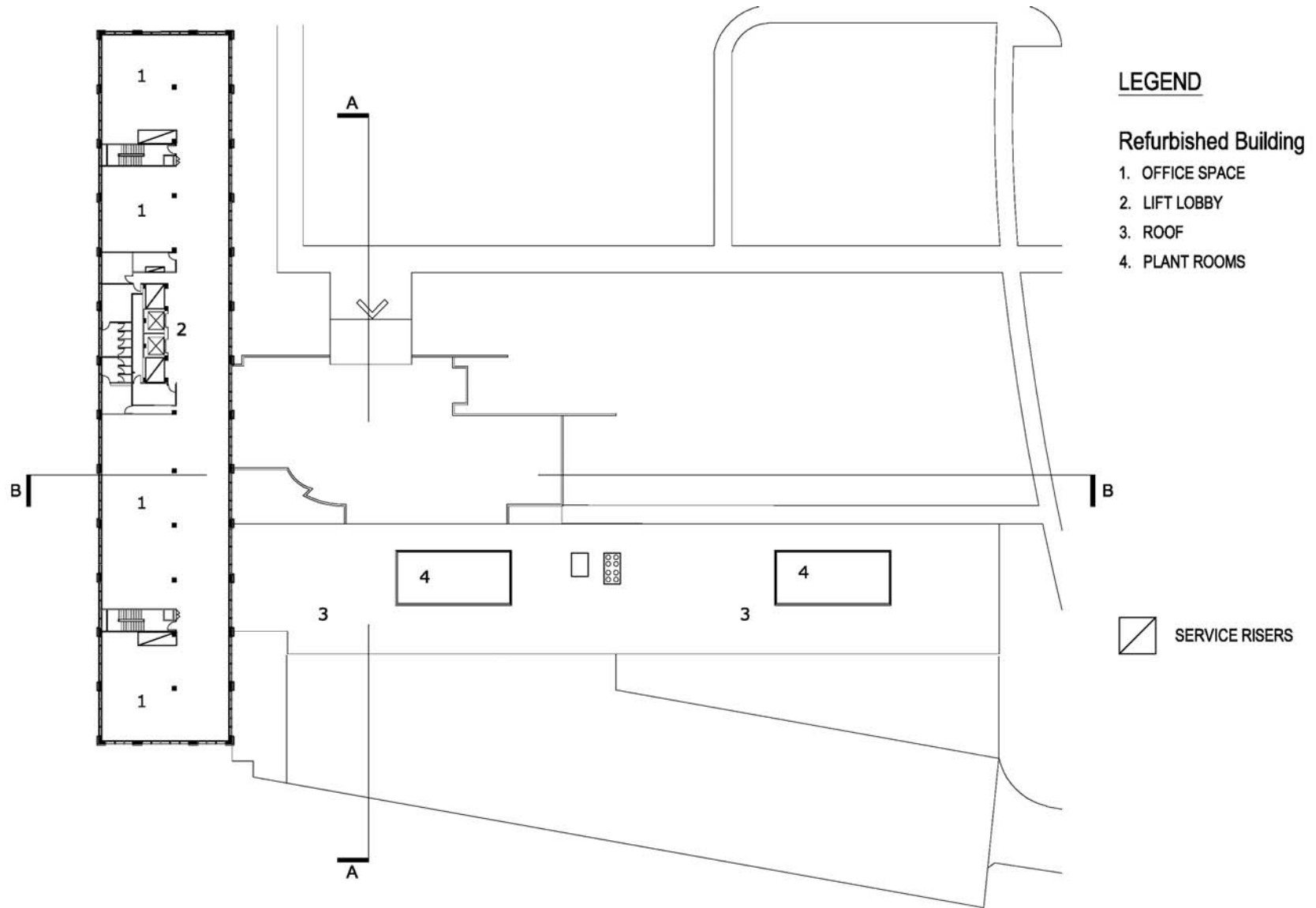


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Department of Finance & Administration

**TYPICAL FLOORS 2nd-5th
EAST BUILDING**



MAY 04
FIG. 2.13

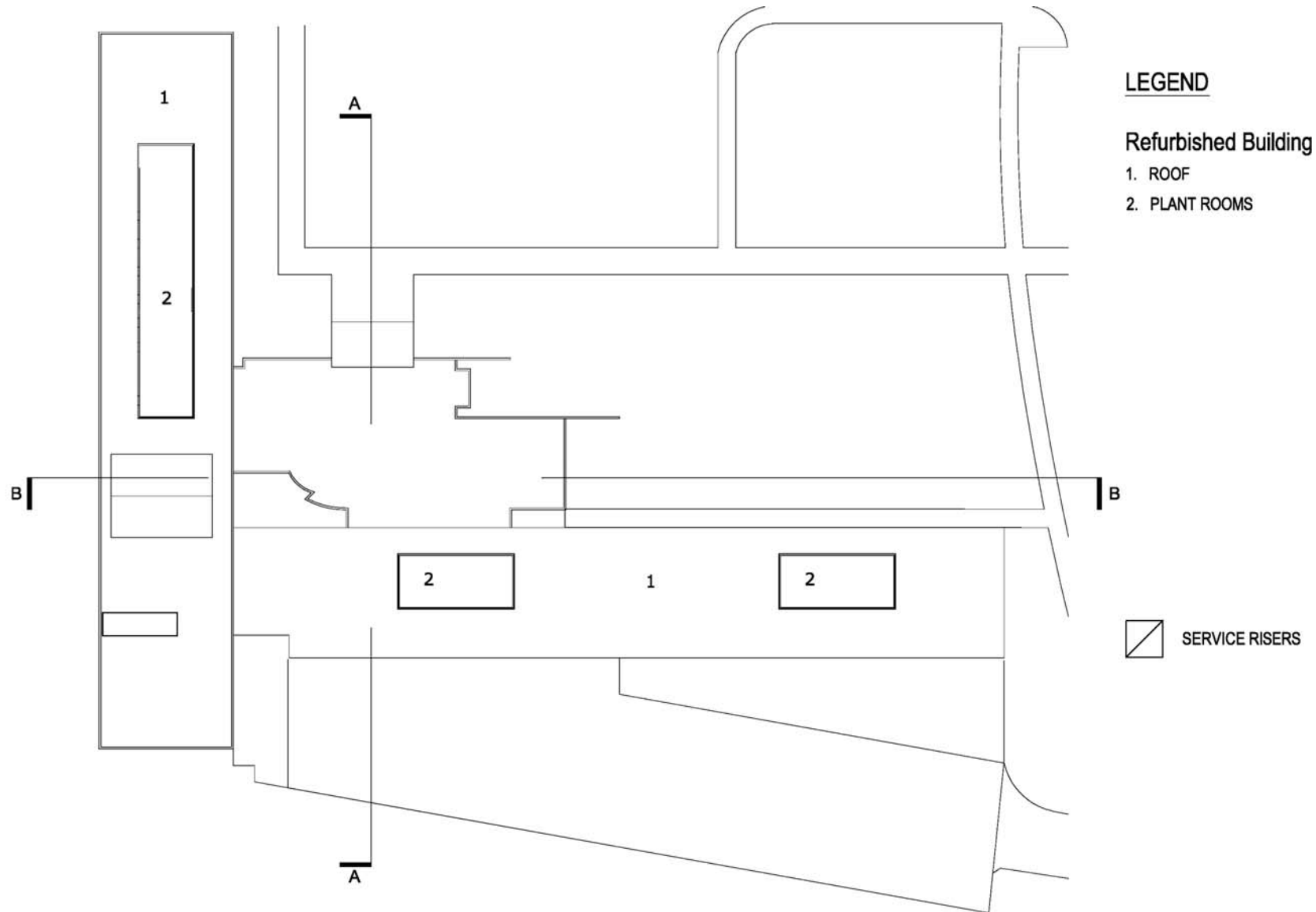


**Anzac Park
East & West Buildings**
Department of Finance & Administration

**TOP FLOOR 6th
EAST BUILDING**



MAY 04
FIG. 2.14

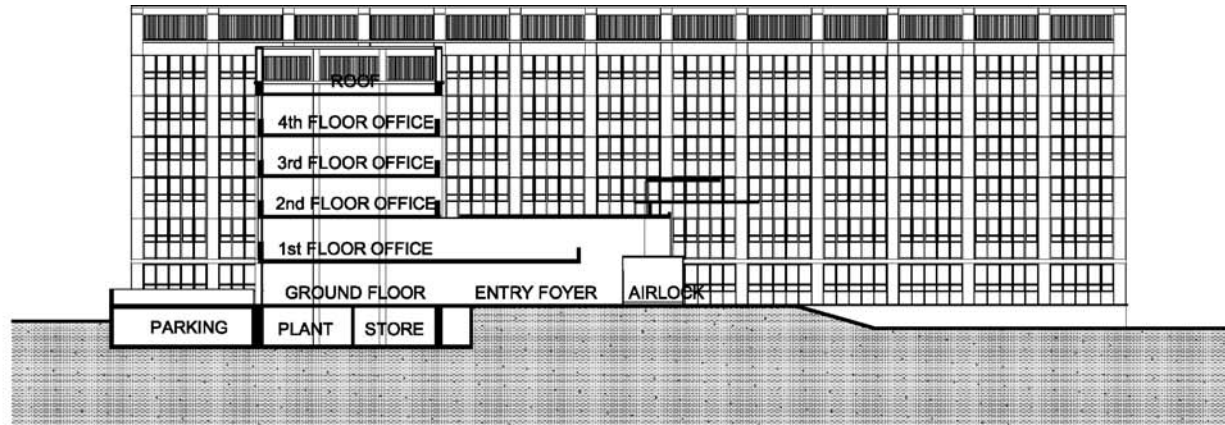


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Department of Finance & Administration

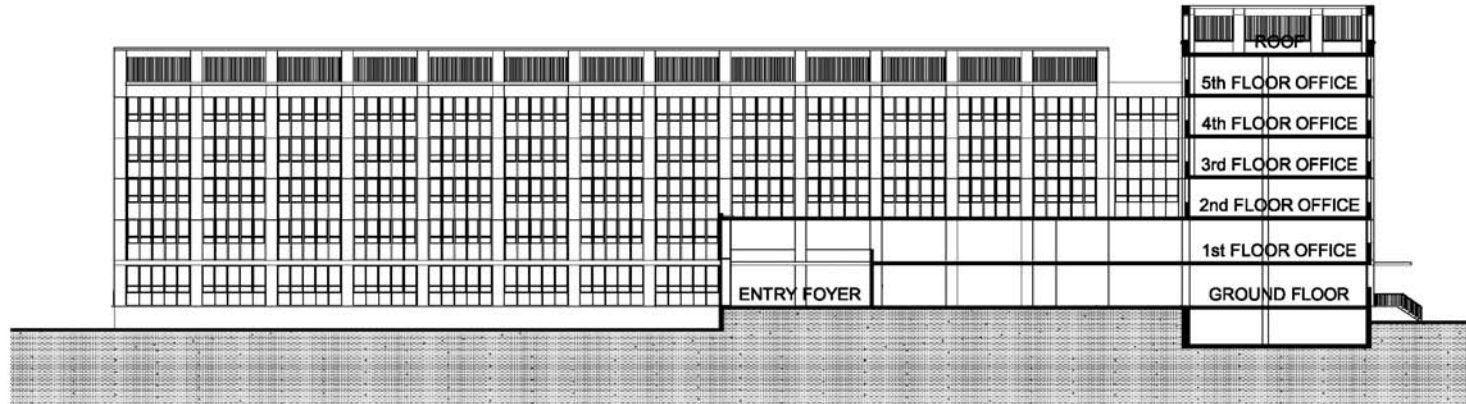
**ROOF
EAST BUILDING**



MAY 04
FIG. 2.15



SECTION A-A



SECTION B-B

Anzac Park
East & West Buildings
Department of Finance & Administration

SECTIONS
EAST BUILDING



MAY 04

FIG. 2.16

ATTACHMENT 4 – FITOUT – CONCEPT SKETCHES

Fig 3.01 Location Plan

Fig 3.02 Site Plan

Fig 3.03 Lower Ground Floor

Fig 3.04 Ground Floor

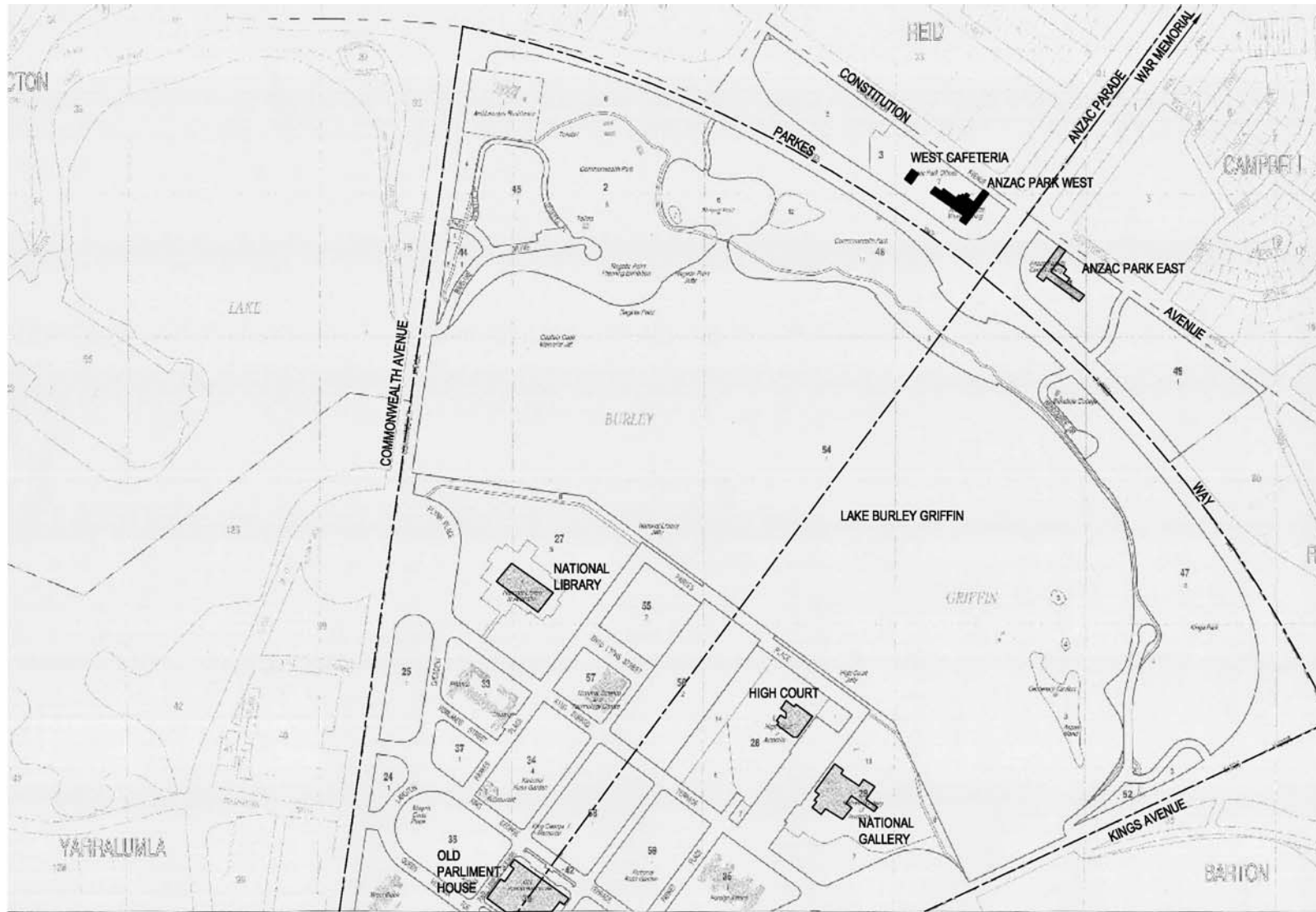
Fig 3.05 First Floor

Fig 3.06 Typical Floor 2nd to 5th

Fig 3.07 Top Floor 6th

Fig 3.08 Roof

Fig 3.09 Security Zoning Layout



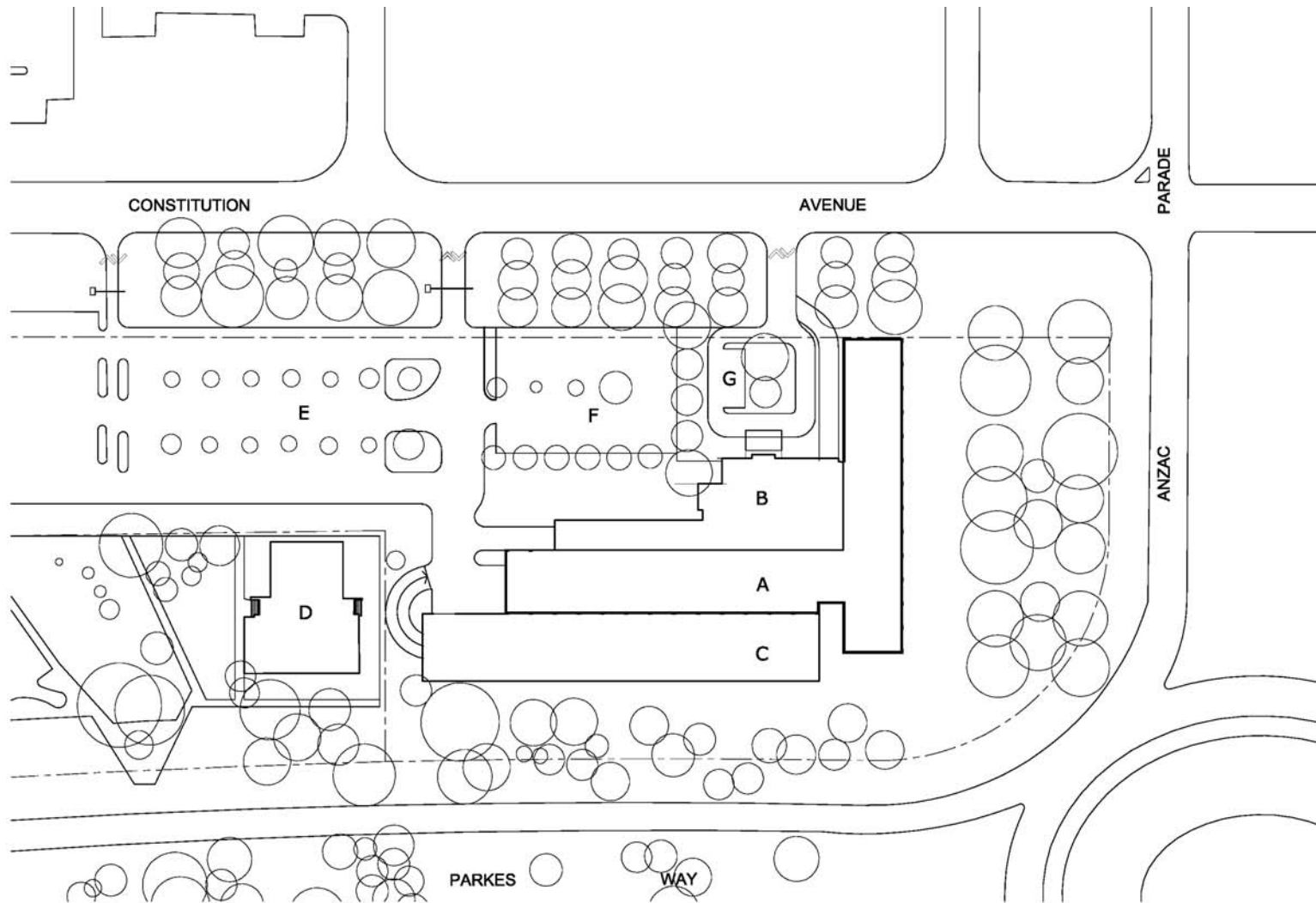
**Anzac Park
West Building**
Australian Federal Police

**LOCATION PLAN
WEST BUILDING**



MAY 04

FIG. 3.01



LEGEND

- A. WEST BUILDING
- B. WEST EXTENSION
- C. WEST VISUALLY SECURE CAR PARKING
- D. CAFETERIA
- E. STAFF CAR PARK
- F. SECURE OPEN CARPARK
- G. VIP ACCESS & CARPARK

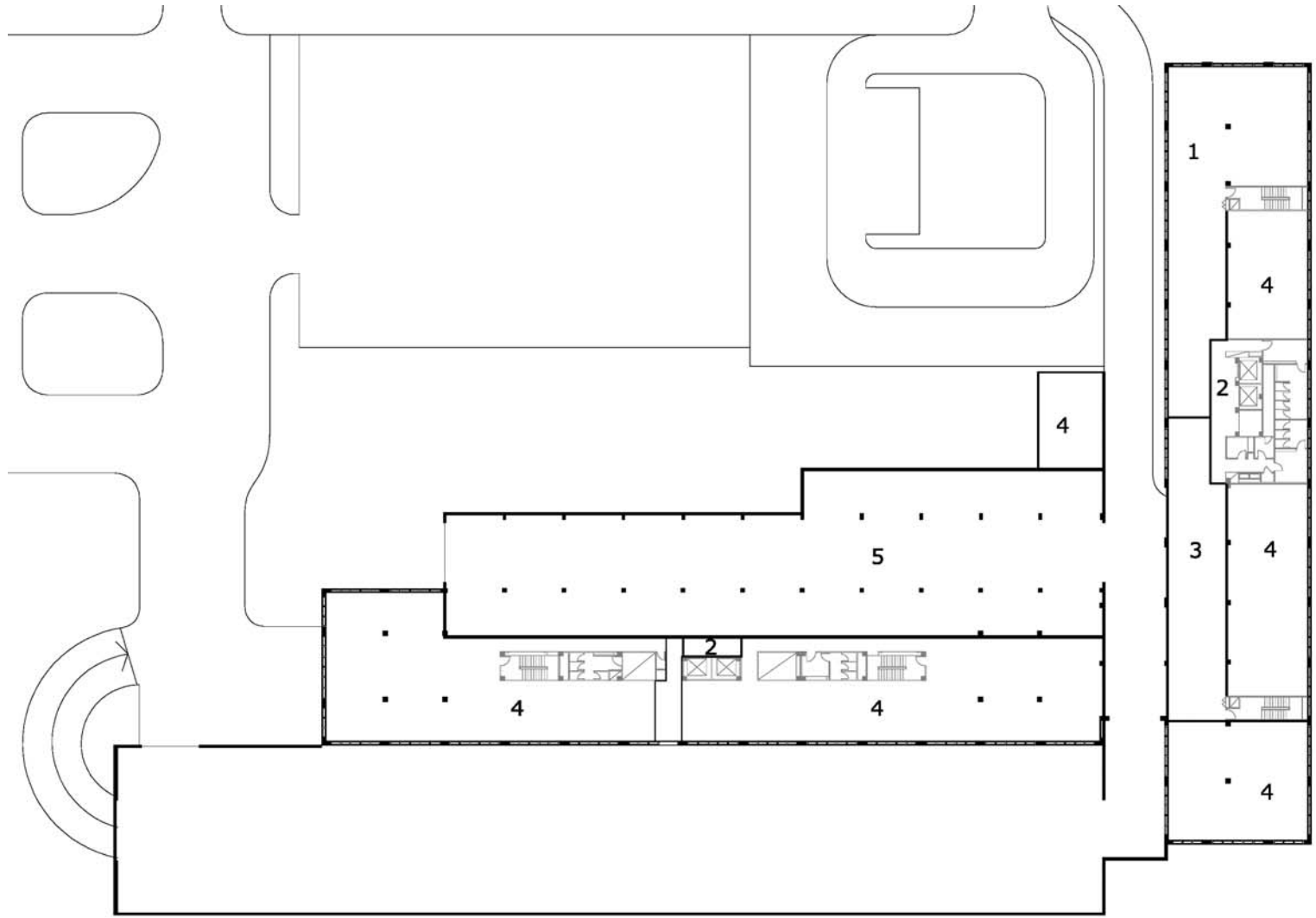
**Anzac Park
West Building**
Australian Federal Police

**SITE PLAN
WEST BUILDING**



MAY 04

FIG. 3.02



LEGEND

- 1. OFFICE SPACE
- 2. LIFT LOBBY
- 3. STORAGE
- 4. PLANT ROOM

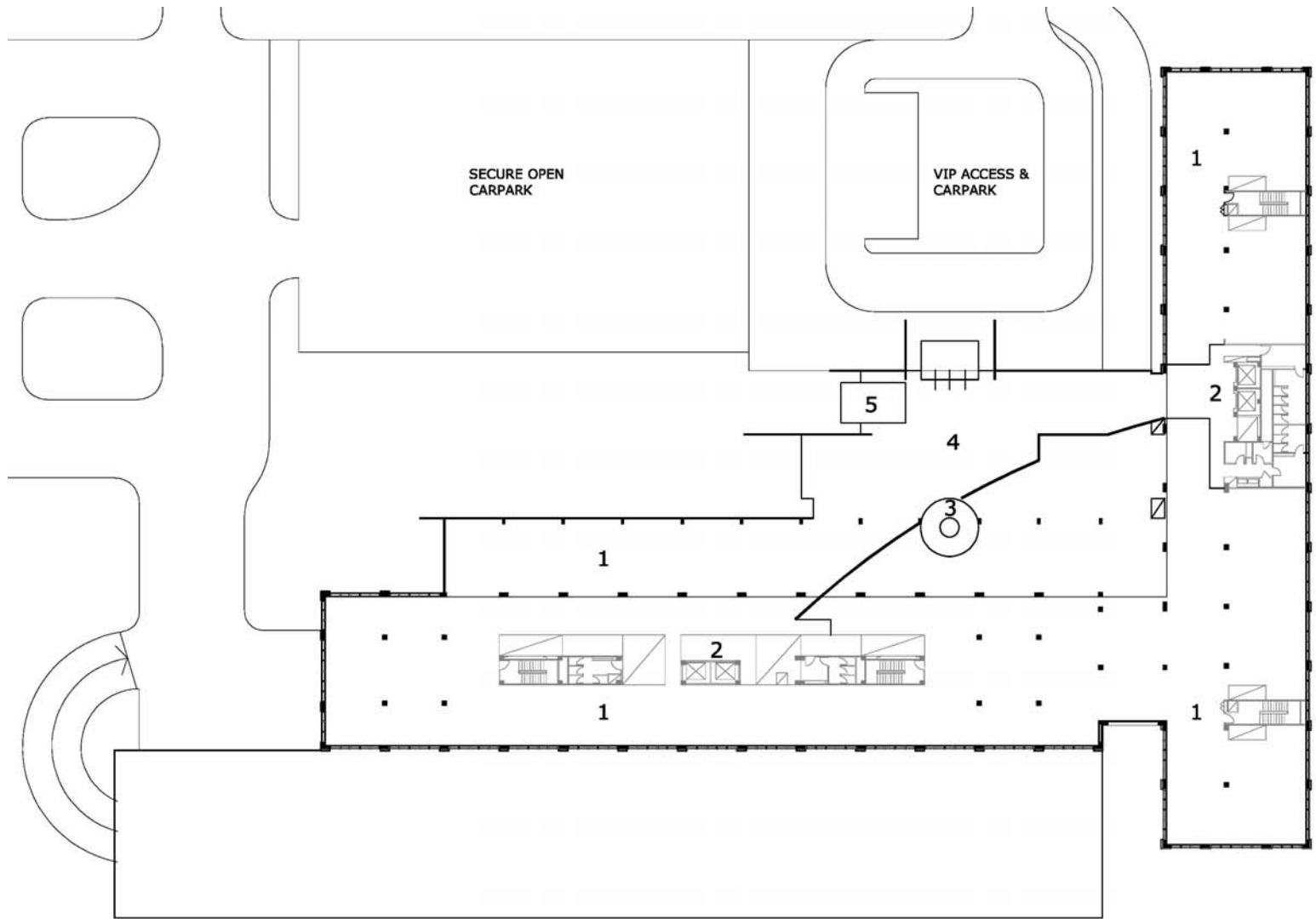
**Anzac Park
West Building**
Australian Federal Police

**LOWER GROUND FLOOR
WEST BUILDING**



MAY 04

FIG. 3.03



LEGEND

- 1. OFFICE SPACE
- 2. LIFT LOBBY
- 3. PUBLIC STAIR
- 4. ENTRY LOBBY
- 5. SECURITY ATTENDANTS STATION

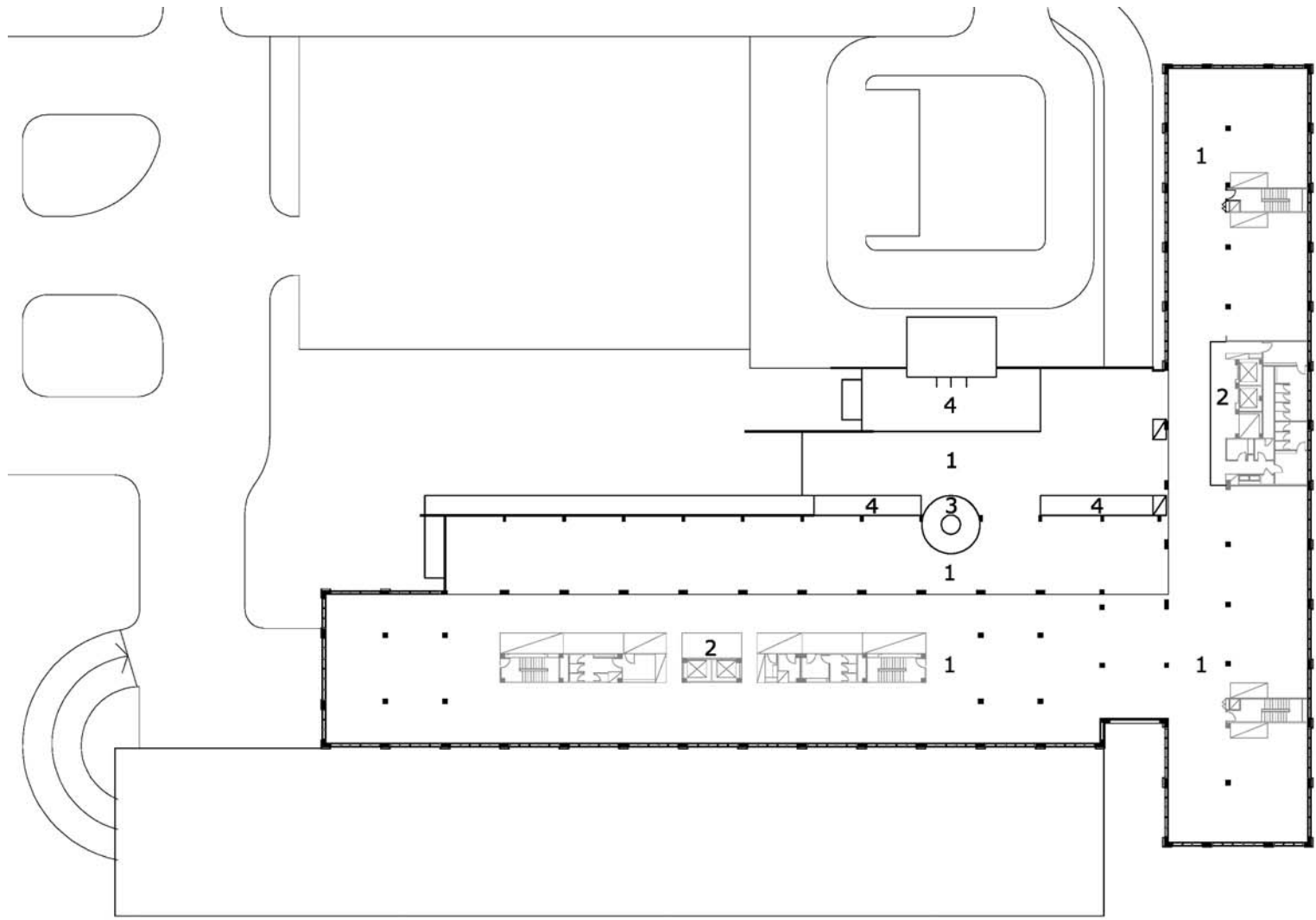
**Anzac Park
West Building**
Australian Federal Police

**GROUND FLOOR
WEST BUILDING**



MAY 04

FIG. 3.04



LEGEND

- 1. OFFICE SPACE
- 2. LIFT LOBBY
- 3. PUBLIC STAIR
- 4. VOID

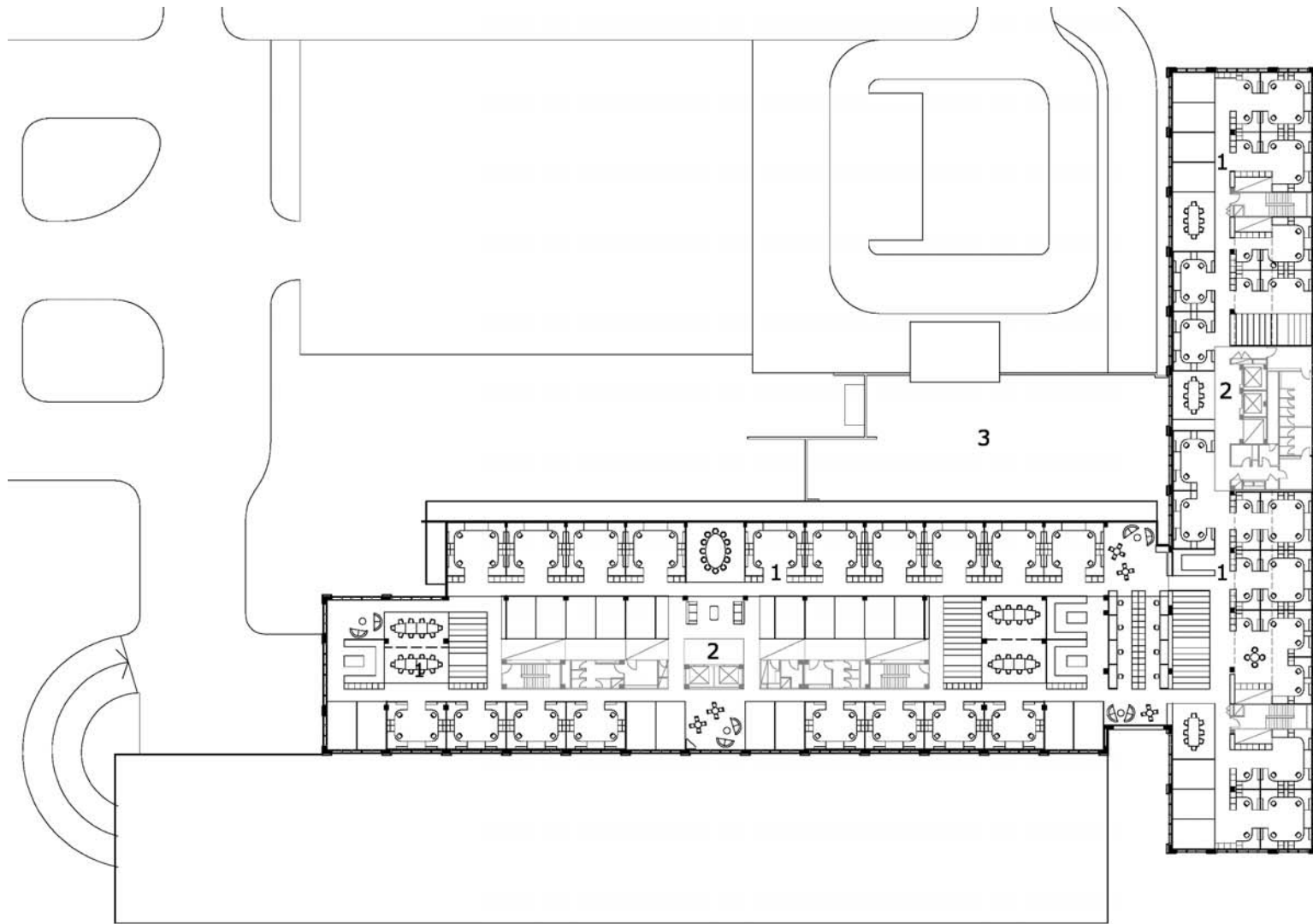
**Anzac Park
West Building**
Australian Federal Police

**FIRST FLOOR
WEST BUILDING**



MAY 04

FIG. 3.05



LEGEND

- 1. OFFICE SPACE
- 2. LIFT LOBBY
- 3. ROOF

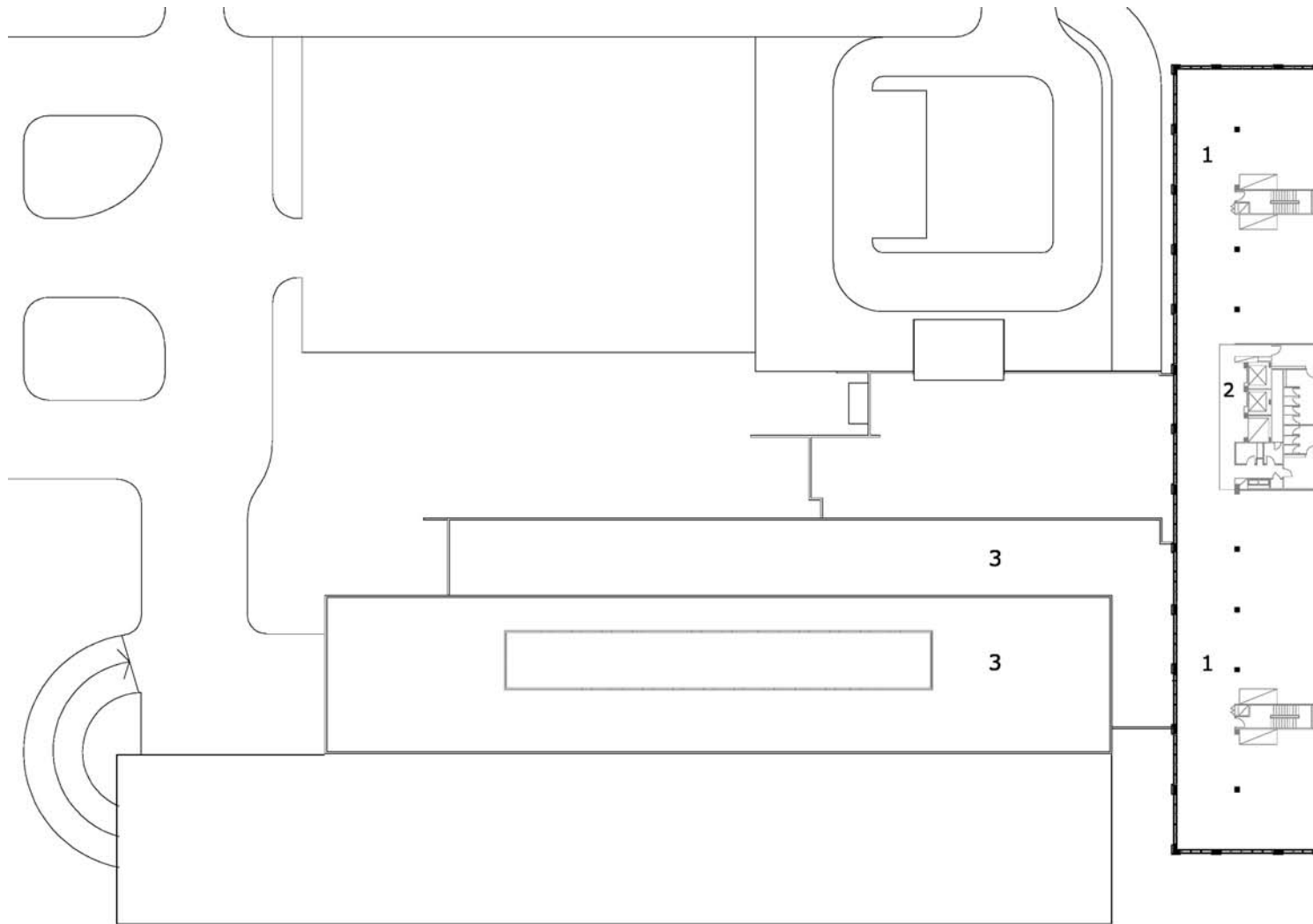
**Anzac Park
West Building**
Australian Federal Police

**TYPICAL FLOOR 2nd-5th
WEST BUILDING**



MAY 04

FIG. 3.06



LEGEND

- 1. OFFICE SPACE
- 2. LIFT LOBBY
- 3. ROOF

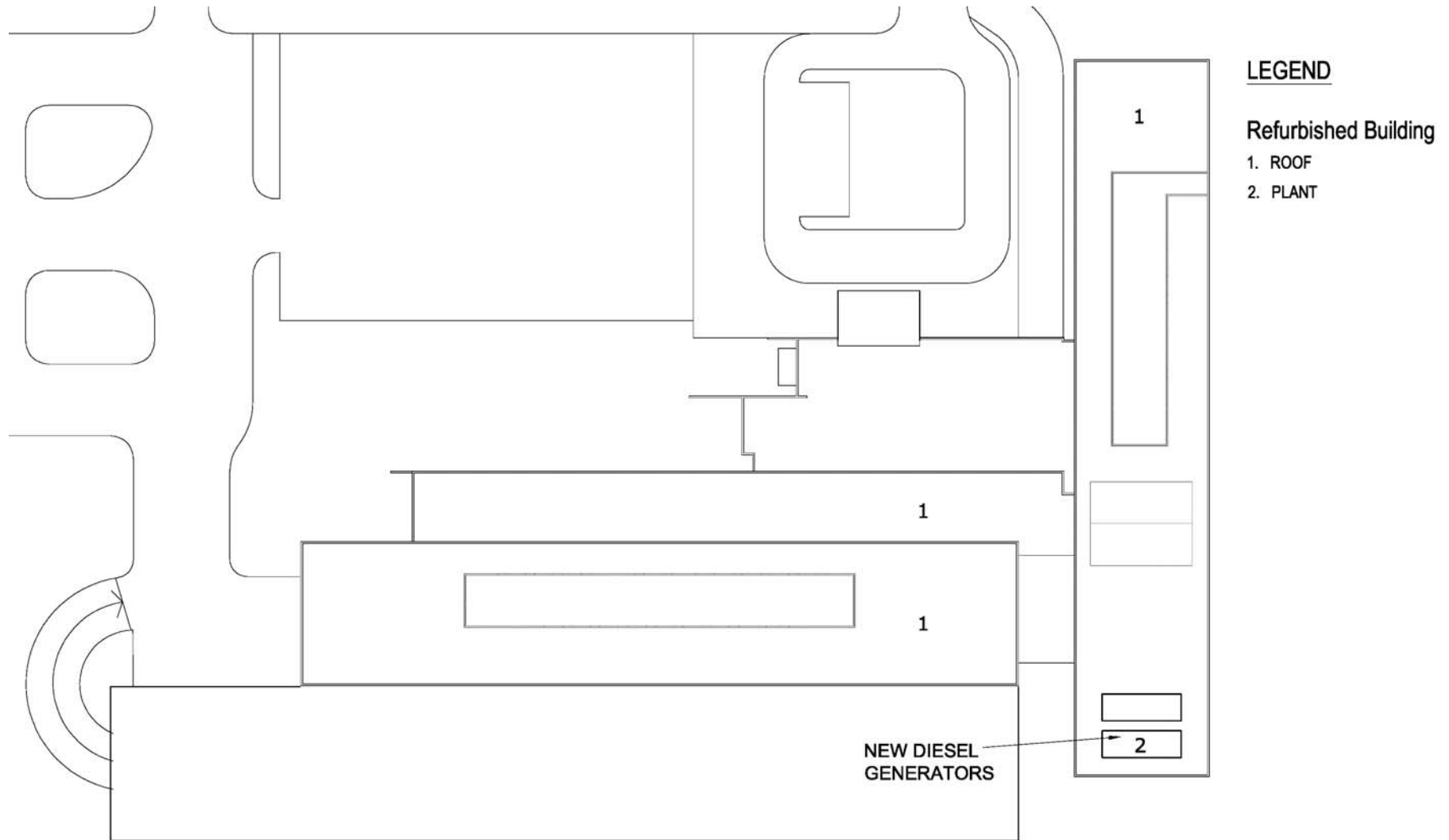
**Anzac Park
West Building**
Australian Federal Police

**TOP FLOOR 6th
WEST BUILDING**



MAY 04

FIG. 3.07



LEGEND

Refurbished Building

- 1. ROOF
- 2. PLANT

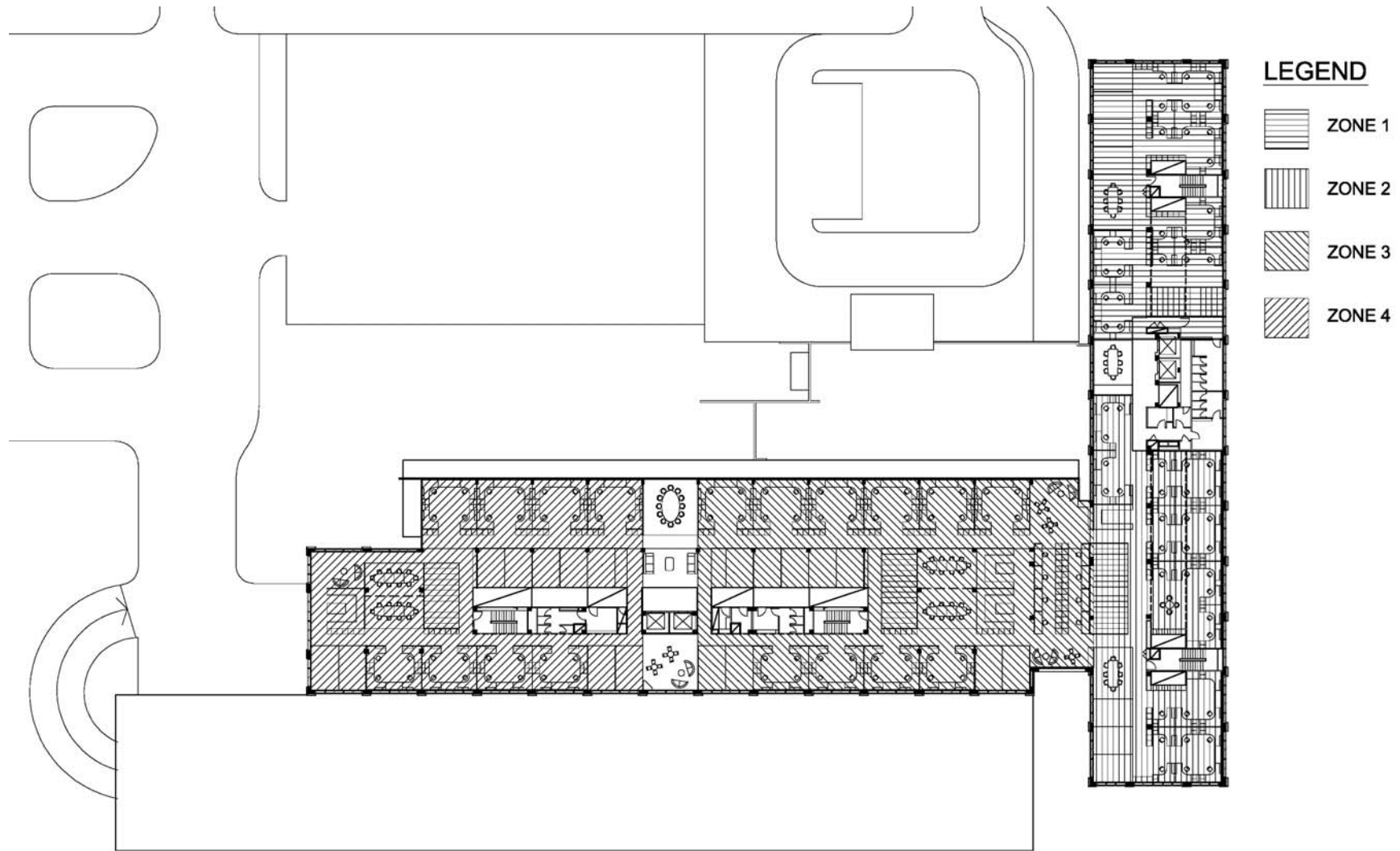
**Anzac Park
West Building**
Australian Federal Police

**ROOF
WEST BUILDING**



MAY 04

FIG. 3.08



**Anzac Park
West Building**
Australian Federal Police

**SECURITY ZONING LAYOUT
WEST BUILDING**



MAY 04

FIG. 3.09