

The Proposed Works

Purpose

- 2.1 According to DFAT, the purpose of the proposed work is to extend and refurbish the existing Chancery in Beijing to meet increased office requirements of both DFAT as well as attached agencies that include the Australian Trade Commission (Austrade), the Australian Agency for International Development (AusAID), the Australian Centre for International Agricultural Research (ACIAR), the Australian Customs Service (ACS), the Australian Federal Police (AFP), the Department of Agriculture Fisheries and Forestry (DAFF), the Department of Defence, the Department of Education, Science and Training (DEST), the Department of Immigration and Multicultural Affairs (DIMA), Department of the Treasury, and Invest Australia.¹

Need

- 2.2 DFAT submitted that pressure on office space has been in evidence since the existing Chancery building was completed in 1992, exacerbated by the need to meet the demands of attached agencies, beginning with the

¹ Appendix C, Submission No.1, paragraph 1.2

conversion of two staff apartments to offices to accommodate AusAID staff, and the conversion of the Chancery auditorium to office space.²

- 2.3 In 1997 a prefabricated temporary annex of 300 square metres was built to meet rapidly growing accommodation needs. The annex as well as the chancery is now crowded, placing pressures on the building and building services (including heating and ventilation) as well as increasing security pressures. Further, the current layout has evolved in an *ad hoc* way and does not meet efficient work practices.³
- 2.4 The annex is linked to the main chancery building at one level only by a narrow circular staircase that does not meet Building Council of Australia (BCA) standards or disability access requirements. Lighting and acoustics are also sub-standard.⁴
- 2.5 A consultants report commissioned by DFAT in May 2003 identified a net shortfall of 1,085 square metres of office space, poor efficiency of space usage, inadequate meeting and conference facilities, and problems associated with the use of residential accommodation as office space.⁵
- 2.6 A revision of the 2003 report undertaken in September 2005 confirmed the earlier report findings.⁶

Scope

- 2.7 The proposed works encompass the following elements:
- demolition of the existing temporary annex and two apartments;
 - adding a three-level extension to the main building of 2,400 square metres that will comprise new office space and replacement office space lost through the demolition of the annex and two apartments currently used as office space;
 - refurbished and new access control, security and secure communications systems;
 - new office fit-outs for the tenant agencies;

2 *ibid.*, paragraph 3.1

3 *ibid.*, paragraph 3.2

4 *ibid.*, paragraph 3.4

5 *ibid.*, paragraphs 3.5 and 3.6

6 *ibid.*, paragraph 3.7

- new mechanical, electrical and plumbing services (MEP) for the proposed extension, together with upgrades where required of the existing MEP services within the main chancery; and,
 - essential refurbishment of the mechanical, electrical, fire and standby power systems.⁷
- 2.8 The proposed works will require the relocation of some attached agencies to temporary accommodation until completion of the project⁸.

Project Delivery

- 2.9 DFAT proposes that the project will be delivered via a traditional style of design, documentation, tendering and contracting process. DFAT considers that this represents the best value for money for the Australian Government, and allows the Department, as the building owner, to be fully in control of all the project delivery stages.
- 2.10 A single contract will be awarded for the construction works and the fit-out works. Tenders will be called from a selected list of contractors, short-listed on the basis of pre-qualifications received. The advertising for pre-qualifications will be called both in Australia and China.
- 2.11 Under the master control program the design development phase will be completed in December 2007. Tendering is programmed for January 2008, construction planned in September 2008; practical completion in October 2010, with Final Certificate at the end of the defects period in October 2011.⁹

Cost

- 2.12 The estimated project cost is \$21.61 million, based on August 2005 costs escalated to construction. The estimate includes:
- construction costs;
 - fit out works;
 - project management including design and site management;

7 *ibid.*, paragraphs 6.1 – 6.4; 12.1 – 12.5

8 *ibid.*, paragraph 12.6

9 *ibid.*, paragraph 31.1

- consultancy services, including supervision;
- site office overheads;
- temporary relocation costs; and,
- project allowances including construction contingencies and an escalation provision.¹⁰

2.13 It does not include:

- furniture;
- artworks; and,
- white goods.¹¹

¹⁰ *ibid.*, paragraphs 29.1, 29.2

¹¹ *loc. Cit.*