

The Proposed Works

Purpose

- 2.1 The objective of the Centrelink NSO new building proposal, also known as the Greenway Project, is to lease a new 40,000 square metre net lettable area (NLA) office complex at Greenway, ACT. The new building will collocate NSO staff currently housed in older, sub-standard buildings over 11 sites throughout Canberra.¹
- 2.2 Centrelink envisages that the fit-out for the new NSO building will:
- ...create a contemporary workplace which is innovative, flexible and economical and which will achieve Centrelink's changing organisational requirements.²

Need

- 2.3 Centrelink's 3,200 NSO employees are currently accommodated in 55,414 square metres of leased accommodation over 11 buildings in Tuggeranong, Woden, Weston, Fyshwick and Symonston, ACT. The

1 Appendix C, Submission No. 1, paragraph 1.1.5

2 *ibid*, paragraph 1.1.6

Woden and Weston buildings in particular are 15-20 years old and are incapable of being efficiently or economically adapted to Centrelink's changing business needs. The buildings do not provide suitable indoor working conditions, and do not meet Commonwealth environmental standards, particularly in respect of energy consumption.³

Scope

- 2.4 The new NSO will consist of two buildings with a common basement, an enclosed shared zone between the buildings and a common roof. The northern building will have four levels and the southern building will have five levels, including covered car parking on the ground level.⁴
- 2.5 Proposed fit-out works include:
- two major entry and reception areas and a building facilities help desk;
 - two major security-controlled access points;
 - an operations control centre;
 - allocated office accommodation for Senior Executive Service (SES) officers, including a dedicated executive area;
 - open-plan office accommodation for other staff;
 - modular office design and demountable partitions;
 - standard workstations and mobile storage units;
 - hotelling, touch down and hot desk points;
 - loose furniture;
 - compactus, shared storage, resource and photocopier/printer rooms;
 - auditorium and multi-purpose briefing area;
 - meeting, focus, break-out and tea rooms;
 - carers' rooms, first aid rooms and a prayer room;
 - café, kiosk, health and fitness centre, showers, lockers and bicycle racks; and

3 Appendix C, Submission No. 1, paragraph 1.2.1

4 *ibid*, paragraph 1.2.3

- facilities for staff, possibly including small retail outlets.⁵

Project Delivery

- 2.6 On 14 September 2005 Centrelink executed an Agreement to Design, Construct and Lease (ADCL) with Allco SPC No 5 Pty Ltd (the developer) for a 40,000 square metre office complex at Block 4 Section 13, Greenway. The ADCL for the base-building under a single-select procurement method was cleared by Centrelink's consulting probity adviser and approved by the Centrelink Board of Management.⁶
- 2.7 Construction of the office base-building began in September 2005, and is scheduled for completion in July 2007. Subject to parliamentary approval, the fit-out procurement process could begin in June 2006. Fit-out installation is proposed for August-November 2007 with Centrelink relocation in November-December 2007.⁷
- 2.8 The proposed fit-out component of the new building project will be managed by Centrelink's established in-house new building project team, with advice from its building development consultants.⁸
- 2.9 Under the pre-commitment contract for construction of the base-building, Centrelink retained the right to contract with the developer for specified pre fit-out works. The fit-out works proper will not be provided with the base-building, but will be tendered separately.⁹

Cost

- 2.10 The estimated cost of the proposed fit-out is \$42.79 million excluding GST.¹⁰ This figure includes:
- workstations and loose furniture;
 - joinery, fittings and compactus units;
 - partitions, doors, finishes;

5 Appendix C, Submission No. 1, paragraph 2.2.1

6 *ibid*, paragraphs 1.2.2 and 5.1

7 *ibid*, paragraph 1.2.5

8 *ibid*, paragraph .2.21.1

9 *ibid*, paragraphs 1.2.6 and 1.2.7

10 Appendix D, Official Transcript of Evidence, page 2

- services;
- audio-visual equipment;
- head contractor's preliminaries and profit;
- contingencies;
- escalation to completion¹¹; and
- design and management fees.¹²

11 Appendix C, Submission No. 1, paragraph 2.20.2

12 Appendix D, Official Transcript of Evidence, page 2