	Submission No. 1
	(CPO fit-out)
	Date: 21/03/2012

SUBMISSION 1

**TO THE PARLIAMENTARY STANDING
COMMITTEE ON PUBLIC WORKS**

**PROPOSED FIT OUT OF NEW LEASED
PREMISES**

FOR

**SYDNEY COMMONWEALTH PARLIAMENT
OFFICES**

AT

1 BLIGH STREET

SYDNEY, NEW SOUTH WALES

Contents

- 1 Summary 4**
- 1.1. Current Situation..... 4
- 1.2. Property Selection 4
- 1.3. Value for Money Assessment..... 4
- 1.4. Lease Recommendation..... 5
- 1.5. Fitout Design 5
- 1.6. Construction 5
- 1.7. Request for Endorsement..... 5
- 2 Need for the Works 6**
- 2.1. Commonwealth Parliamentary Offices 6
- 2.2. Existing Tenancy Deficiencies..... 6
- 2.3. Market Options and Rationale for Selection 8
- 2.4. Environmental Issues 10
- 2.5. Heritage Considerations 11
- 2.6. Details of Organisations Consulted 11
- 3 Purpose of the Works 12**
- 3.1. Project Objectives..... 12
- 3.2. Description of Proposed Premises 12
- 3.3. Location 13
- 3.4. Building Description..... 14
- 3.5. Tenancy description 16
- 3.6. Return Brief 16
- 3.7. Functional Design Brief 17
- 3.8. Detailed Fit Out Design Documentation 17
- 3.9. Acoustics 17
- 3.10. Provisions for Persons with Disabilities..... 18
- 3.11. Occupational Health and Safety..... 18

- 3.12. Childcare Provisions 19
- 4 Cost Effectiveness and Public Value 20**
- 4.1. Project Cost 20
- 4.2. Project governance..... 20
- 4.3. Project Delivery System..... 21
- 4.4. Project Program..... 23
- 4.5. Public Value..... 23
- 5 Revenue 24**
- 6 Annexures..... 25**
- 6.1. Building Drawings of 1 Bligh Street 25

1 Summary

1.1. Current Situation

Ministerial and Parliamentary Services Division (M&PS) within the Department of Finance (DoFD) is responsible for the provision of office accommodation for Commonwealth Parliamentarians in each capital city. The current Sydney Commonwealth Parliament Offices (CPO) is located in a building at 70 Phillip Street, Sydney. The building was constructed by the Commonwealth approximately 30 years ago, but has since been divested. The previous lease expired in February 2012, and due to the age and condition of the accommodation, as well as inherent faults that cannot be overcome by a refit, it was considered undesirable to sign a new long-term lease on the premises. A lease extension has been negotiated to allow sufficient time to relocate and make-good on the current property. Other factors driving the decision to relocate include the safety, security, parking, access and amenity of the building, none of which are appropriate for the required use. M&PS have requested Property and Construction Division (P&CD) within DoFD to assist with the processes and approvals associated with the procurement of new CPO facilities.

1.2. Property Selection

Assessment of the feasible alternatives was conducted in three rounds. Initially, M&PS commissioned UGL Services Pty Ltd (UGL Services) to conduct a confidential desktop study of properties available commercially. The search resulted in a list of 17 properties. The second round decreased the list of properties to a shortlist of 7 properties based on assessment of threshold performance parameters for 9 key criteria. The third round assessed these properties against each other using a detailed weighted evaluation matrix. This yielded a preferred option (Bligh Street) and 2 secondary alternatives (O'Connell Street and George Street).

1.3. Value for Money Assessment

In order to ascertain which option represents best value for money to Government over the life of the lease, a cost benefit analysis (CBA) was conducted on the available options. The CBA also included analysis of alternatives to leasing; Commonwealth ownership under a 'Design, Build, Operate' (DBO) model, and comparison to the Status Quo. This was completed in consultation with Project Inception Branch, consistent with the Commonwealth Property Management Framework. The CBA yielded that the lowest net present cost, and hence best value for money, is achieved by leasing space at 1 Bligh St.

1.4. Lease Recommendation

The best value for money to the Commonwealth is achieved by relocation of the CPO to 1 Bligh Street using the lease proposed by the building owner and negotiated by M&PS contracted property managers. The Special Minister of State has approved the lease pending approval of the fitout costs by the PWC.

1.5. Fitout Design

A test fitout design has been prepared for the proposed location on floors 19, 20 and 21 of 1 Bligh Street. This confirms that the requirements of the CPO can be accommodated in this building with increased functionality and flexibility. A Fitout design team is in the process of being engaged to prepare detailed design and construction documentation. A detailed functional design brief is being prepared concurrently upon which the design will be based.

1.6. Construction

Construction of the CPO fitout is proposed via either a Head Contract or a Design and Construct Contract. The fitout procurement method will be finalised in consultation with Project Delivery Branch within the Property and Construction Division of DoFD, M&PS and the base building owner, to ensure that the best value for money is achieved for the Commonwealth and that the Commonwealth Procurement Guidelines are followed.

1.7. Request for Endorsement

M&PS must refer this proposal to the Parliamentary Standing Committee on Public Works in accordance with the requirements of the Public Works Committee Act 1969. This Act requires M&PS to provide a written submission to seek approval from Parliament for the project to proceed because the projected cost is over \$15 million.

M&PS therefore brings this submission before the Committee for endorsement.

2 Need for the Works

2.1. Commonwealth Parliamentary Offices

2.1.1 The Sydney CPO which is currently located at 70 Phillip Street, Sydney provides office and meeting facilities for the Prime Minister, Cabinet, Ministers, Office Holders and visiting Senators and Members. Currently the CPO is comprised of ten visiting suites, eight Ministerial offices, the Leader of the Opposition's office, three conference rooms, a TelePresence room, and the M&PS NSW State Office. The existing tenancy occupies approximately 5,000 m².

2.2. Existing Tenancy Deficiencies

2.2.1 **Overview.** When compared with the office accommodation provided in large CPOs in other states (such as Brisbane and Melbourne), the Sydney CPO at 70 Phillip street can be described as inadequate and no longer fit for purpose. This restricts M&PS in providing a consistent level of service across the states. The business requirements of the Sydney CPO now require greater resources than are available within the tenancy and the design and fit out of premises are now deemed unsuitable to house the CPO.

2.2.2 The identified deficiencies in security, functionality, architecture and flexibility are key areas of concern with 70 Phillip Street. Refurbishment of the tenancy has not been pursued as an option as there are several fundamental issues with Philip Street that cannot be remedied through renovation alone.

2.2.3 In the past, office facilities for the Prime Minister and operation of cabinet have been collocated with the CPO, but have been on a separate lease and have been managed and fitted-out by the Department of the Prime Minister and Cabinet (PM&C). M&PS have been advised that PM&C shares the concerns about the current building and wishes to seek alternative accommodation options for the Prime Minister, whilst maintaining the existing collocation relationship. This proposal will achieve significant efficiencies and greater flexibility in both the fit-out and ongoing operation of the facilities.

- 2.2.4 **Building Services.** Building services throughout the tenancy are rapidly approaching the end of their economic life. Lift performance is assessed as poor, which can potentially compromise security and inconveniences tenants.
- 2.2.5 **Functionality and Design.** There are a number of shortcomings in the design of the current fit out, such as:
- a) There is an over allocation of space to corridors, oversized ante and waiting rooms which restricts visiting suites, storage, small meeting spaces and dedicated media facilities;
 - b) The current design does not allow for the number of visiting suites required to meet demand;
 - c) There is a lack of shared user facilities. The current practice of changing conference, to waiting room, to reception facility, to media reception is inefficient; and
 - d) The arrangement of spaces within the tenancy does not provide an appropriate movement flow, e.g. passing through kitchen facilities to access meeting spaces detracts from the overall dignity of the tenancy.
- 2.2.6 **Work Environment.** The existing building is surrounded by high rise offices and there is an absence of natural light throughout the tenancy. The requirement for privacy and closed nature of suites restricts the penetration of natural light and results in a sub standard office environment that is heavily reliant on artificial lighting. Due to the CPO's building location, the issues with natural light cannot be fixed through renovation alone.
- 2.2.7 **Security.** Due to the nature of their business, the tenants who share 70 Phillip Street have no vested interest in maintaining or establishing the level of security required by the CPO. Considerable long term cost saving and improvement in the overall level of security afforded to the Prime Minister and other Parliamentarians could be achieved through a relocation to a building with inherent security by design, and which contains tenants with a vested interest in maintaining a heightened level of security.

2.2.8 **Vehicular Access.** City of Sydney Council has introduced highly restricted street parking arrangements and traffic management arrangements within the Financial Precinct. These arrangements severely restrict the accessibility of 70 Phillip Street. It is no longer possible for vehicles to wait kerbside for Parliamentarians who are exiting from the building. This leads to situations where Parliamentarians wait on the street while their COMCAR drives around the block.

2.2.9 Delivery of COMCAR clients is best facilitated through the basement car park. The current deficiency cannot be rectified at the current location.

2.2.10 **Car Park.** The parking at 70 Phillip Street no longer meets the requirements of the CPO, primarily due to issues concerning access, availability of space and security, such as:

- a) Limited number of accessible parking spaces available;
- b) Signage is the only method of control to ensure tenants park in their allocated parking bay;
- c) No capacity to receive visitors;
- d) No parking arrangements for persons with disabilities;
- e) No capacity for special access arrangements;
- f) Absence of boom gates, barriers or other form of anti-vehicle device that prohibits tail-gating or unauthorised entry;
- g) No dedicated space for emergency or maintenance vehicles; and
- h) Minimal deterrence to the general public entering by vehicle or foot.

2.3. Market Options and Rationale for Selection

2.3.1 **New building Selection Criteria.** M&PS accommodation standards dictated that a property environment suitable for current and future occupancy would include the following:

- a) Minimum A grade building standard as defined by the PCA (Property Council of Australia);
- b) Either a new, refurbished or existing building can be considered;
- c) Minimum 4.5 star NABERS in line with Federal Government leasing guidelines;
- d) Adequate backup generators or power provided from separate power grids;
- e) Large contiguous floor plates to maximise flexibility and efficiency of the fit out;
- f) High quality building services in line with Federal Government Accommodation Standards;

- g) Located in the environs of the existing Phillip Street premises;
- h) Adequate and secure parking with direct floor access from the car park;
- i) Strong base building security systems that can accommodate interaction with the tenants system; and
- j) A building that represents correctly the environment, image and public face interaction that is required by the Federal Government.

2.3.2 **New Site Selection.** A tailored and competitive market campaign via an initial selected expression of interest was undertaken to seek new, refurbished or existing office accommodation options which could best suit the M&PS premises selection criteria.

- 2.3.3 A thorough due diligence process was applied to the 17 initial options considered, including a thorough and detailed analysis of the following:-
- a) Compliance to minimum expected technical specification;
 - b) Fit for purpose design and fabric;
 - c) Location / security / building amenities;
 - d) Ability to be available within required timeframes;
 - e) Proven track record of owner / developer; and
 - f) Attractiveness of the lease terms and conditions.

Resulting from the analysis, seven potential sites were short listed as meeting the selection criteria. These sites were all inspected and requests were then made of Lessors for initial proposals in line with key M&PS terms.

- 2.3.4 **Due Diligence Analysis.** The seven inspected options were analysed using a weighted matrix analysis tool. The key areas covered were:
- a) Risk;
 - b) Location;
 - c) Financial & review terms;
 - d) Building access & security; and
 - e) Building environment / services.

2.3.5 The weighting ranking analysis provided a refined short-list of the three options which were subjected to a detailed Cost Benefit Analysis (CBA), as required by the Property Management Framework. The CBA demonstrated that the best value for money accommodation option is to lease 3 floors at 1 Bligh Street.

2.3.6 Details of the CBA are provided in the confidential cost report.

2.4. Environmental Issues

- 2.4.1 The proposed building exceeds the Commonwealth guidelines relating to energy efficient buildings.
- 2.4.2 The proposed property at 1 Bligh Street has been awarded a 6 Star Green Star - Office Design v2 Certified rating, the highest Green Star rating score in Sydney/NSW.
- 2.4.3 The building is designed to achieve a 5-star NABERS Energy rating.
- 2.4.4 1 Bligh Street includes innovation and environmental design features, many of which are a first in the Australian market place:
- a) **Central Atrium.** A naturally ventilated glass atrium extends the full height of the building, providing a flow of fresh air and a sense of openness on every floor;
 - b) **Double Skin Façade.** It is the first high-rise office tower in Australia to feature a double-skin, glass façade. An outer glass skin protects computer-controlled sun shades, shielding the double glazed curtain wall from the sun, whilst reflecting natural light into the building. This is one of the most energy efficient features available in high-rise buildings today;
 - c) **Air-conditioning.** A hybrid structure combining a variable air volume (VAV) with a chilled beam air conditioning system installed to maximise comfort levels and reduce energy consumption;
 - d) **Energy Generation.** It uses an innovative tri-generation system that uses gas and solar energy to generate cooling, heating and electricity.
 - e) **Solar Panels.** A series of curved solar thermal collectors provide the energy to drive the cooling systems; an advanced hybrid of VAV and chilled beam air conditioning technology;
 - f) **Black Water Recycling.** It is Sydney's first CBD commercial office tower to incorporate black water recycling. Black water recycling reduces water consumption throughout the building with the provision of clean, recycled water for the washroom flushing system. Recycled water is also used to irrigate a feature 9.7m high green wall; and
 - g) **Recycled Rain Water.** Recycled rain water is used to irrigate decorative plantings spread throughout the building, from the rooftop terrace to the open transfer floor and down to the ground plane, green wall and childcare facility.
- 2.4.5 Fitout of the building will be designed to a 4.5 star NABERS target rating.

2.5. Heritage Considerations

- 2.5.1 There are no known heritage issues that are required to be addressed with this proposal.
- 2.5.2 The base building and the proposed fit out will conform to the requirements of the Environmental Protection and Biodiversity Conservation Act.

2.6. Details of Organisations Consulted

- 2.6.1 The following agencies and businesses have been consulted during the development of this proposal:
- a) Department of Prime Minister and Cabinet – consulted with regularly from both user and security requirement standpoint;
 - b) Security Co-ordination Branch (Attorney-General’s Department) – determined building suitability from a high level security perspective;
 - c) UGL Services – property search arrangements, property selection advice and lease negotiations;
 - d) Corrs Chambers Westgarth – Legal reviews of heads of terms and lease documentation;
 - e) DEXUS Property Group – owner of 1 Bligh Street and lessor;
 - f) Davenport Campbell – test fit design documentation and stakeholder consultation process facilitation;
 - g) WT Partnership – quantity surveying services for fitout cost estimation of the test fit plans;
 - h) Medland Metropolis – technical services review of the test fit plans in relation to the capacity of base building services; and
 - i) Davis Langdon Australia – Project Manager / Contract Administrator for the fitout project.

3 Purpose of the Works

3.1. Project Objectives

- 3.1.1 The key objectives of the Sydney CPO new office strategy are:
- a) Building services improvement;
 - b) Space reduction;
 - c) Fit for purpose accommodation;
 - d) Facilitation of cultural change;
 - e) Increased work space flexibility;
 - f) Address end of life cycle fit out in current premises; and
 - g) Lease negotiations taking advantage of current tenant friendly market conditions.
- 3.1.2 The building and fit out infrastructure for the CPO should provide:
- a) A safe and secure environment;
 - b) Easy access to Airport and Central Business District (CBD);
 - c) Suitable design and functionality;
 - d) Adequate secure parking; and
 - e) Demonstrated value for money over the economic life of the asset or lease.
- 3.1.3 **Required Standard.** All CPOs should be constructed to a consistent standard. Due to the design, age and level of amenity that it provides, the Brisbane CPO has been used as the basis from which to compare potential sites for the new Sydney CPO.
- 3.1.4 **Site Selection.** The process for selecting the proposed building for the CPO is described in section 2.3 of this submission.

3.2. Description of Proposed Premises

- 3.2.1 It is proposed to lease levels 19, 20 and 21 of 1 Bligh Street for the Sydney CPO which will provide a total fit out area of 4,891 m².
- 3.2.2 **Proposed Facilities.** It is proposed that the Sydney CPO comprise the following facilities:
- a) Six or more Ministerial suites – open planned space for staff and a separate enclosed office for the Minister;
 - b) One electorate office suite;
 - c) One Opposition Leader suite – as for Ministerial suite;

- d) Ten or more visitor suites – open planned office for staff and a separate enclosed office;
- e) M&PS NSW State Office;
- f) A range of different sized conference/meeting spaces;
- g) Security/Reception;
- h) Tele-presence room;
- i) Media Room;
- j) Informal meeting spaces;
- k) Breakout spaces with small kitchen facilities;
- l) Kitchen;
- m) Waiting space; and
- n) Storage rooms.

3.2.3 It is also proposed to collocate the following facilities for Department of Prime Minister and Cabinet:

- a) Prime Minister office;
- b) Cabinet Room; and
- c) Office suites.

3.2.4 There should be consistency across all suites of the same function and some offices should have built-in capacity to combine with the adjoining office.

3.2.5 Initial test-fit layouts have been prepared for the proposed CPO tenancy which have shown the required facilities can be accommodated within the leased area.

3.3. Location

3.3.1 **Geographic Precinct.** The area considered for a new CPO location is that bound by Bridge, King, George and Macquarie Streets. Maintaining the CPO within the financial district will incorporate the lesson learnt from the existing tenancy that an essential CPO attribute is to maintain a presence within the Business End of Sydney CBD.

3.3.2 **Proposed Location.** 1 Bligh is centrally located, with Circular Quay two blocks to the north. The building is positioned between Macquarie Street to the east and George Street to the west and is within short walking distance to Martin Place to the south.

3.3.3 Public transport is located nearby with train stations within a short walking distance at Circular Quay, Wynyard and Martin Place. 1 Bligh also grants easy access to the ferry at Circular Quay and bus services along George and Elizabeth Streets.

3.3.4 The building has convenient vehicle access and road links to the northern suburbs via the Cahill Expressway and the eastern and southern suburbs plus the airport via the Eastern Distributor.

3.4. Building Description

3.4.1 **Ownership.** 1 Bligh is co-owned by DEXUS Property Group, DEXUS Wholesale Property Fund (DWPF) and Cbus Property.

3.4.2 **Overview.** 1 Bligh is a premium grade sustainable office space that combines leading edge design, technology and sustainability. The building provides approximately 42,000 m² of net lettable area over 27 levels of office space.

3.4.3 **Architecture.** The building has the following design features:

- a) Glazed and naturally ventilated wintergarden space at ground floor level;
- b) full height naturally ventilated internal atrium of some 135 metres in height and approximately 16 metres in diameter with internal pods at each level;
- c) Ground floor retail/café available within the wintergarden lobby and at the Bligh Street entry approach;
- d) Commercial child care facility;
- e) Parking for 96 cars and loading dock facility within 4 basements levels accessed and exited via O'Connell Street;
- f) Locker and shower facilities available in the basement along with 270 bicycle spaces;
- g) Double skin column free façade system, with 1,600mm mullions and floor to ceiling glass to promote maximum daylight and views, at the same time offering a flexible workplace planning module; and
- h) 150mm access floor to all office and atrium areas.

3.4.4 **Sustainability.** The building has been designed to achieve a 5 star NABERS Energy rating and a 6 Star Green Star rating.

- 3.4.5 **Engineering Services Generally.** Medland Metropolis have been commissioned to undertake an engineering suitability assessment of the building levels proposed for the CPO fit out. This assessment has determined that the building more than provides the required level of engineering services for the potential office fitout.
- 3.4.6 **Mechanical.** Air conditioning is a low temperature VAV hybrid with chilled beam with naturally ventilated spaces available on each floor and to the full height atrium. Commercial kitchen exhaust and tenant supplementary condenser water are also available.
- 3.4.7 **Power.** Mains power is provided via underground high voltage cables from the Triplex City Network Grid. Tenant sub-mains are provided for tenant lighting and power. Highly flexible cable management system is available within the risers and associated riser cupboard spaces specifically to assist in the management of 'House' and 'Tenant' Services. Horizontal distribution on a typical floor can be accommodated within the tenant ceiling zone and/or access floor zone.
- 3.4.8 **Standby Power.** The building is provided with standby backup power via on-site diesel generator power.
- 3.4.9 **Hydraulics.** Black water/grey water recycling will meet over 90 percent of water demand for the building.
- 3.4.10 **Lighting.** In all office, common and external areas, time scheduling of the lighting will be provided with manual override push buttons. Office perimeter lighting will be controlled by automatic photocell control with time clock override for out of hours lighting control.
- 3.4.11 **Communications.** Two house communication risers are provided (one per core). The riser is of sufficient size for main building backbone cabling, data/communications incoming fibre-optic cabling, MATV and/or Satellite system, security, fire and BMCS wiring. Two separate tenant communications risers are provided (one per core). MATV/Pay TV infrastructure is available to tenant and 100 percent mobile phone coverage provided.

- 3.4.12 **Security.** Ground floor lift lobby raceways are provided. A complete electronic security system is provided, comprising of central supervisory system, CCTV and intruder alarm system. The building is provided with an access control system, which will control access to lifts, car park, main entries, plant rooms and provision for installation in fire stairs (for tenant re-entry). There is also the provision to integrate a tenant's access control systems with the House system (if required).
- 3.4.13 **Lifts.** The office tower includes 7 high-rise and 7 low-rise passenger elevators plus one goods lift and 2 car park lifts.

3.5. Tenancy description

- 3.5.1 The indicative tenancy layouts for the CPO have been prepared by Davenport Campbell on behalf of M&PS. These test fits have been prepared for levels 19, 20 and 21, 1 Bligh Street based on the outline requirements brief developed for the project.
- 3.5.2 The planning of each floor was based primarily on the mix of Visiting and Ministerial suites and their common requirements. Keeping each suite standardised allows for an environment that caters for the changing nature of this organisation. All suites were designed to allow for expansion and contraction if required.
- 3.5.3 Common shared spaces such as breakout zones, waiting and meeting spaces were located centrally, accessible by all staff and visitors (when required). Keeping these spaces central reduces the need to repeat them within suites therefore reducing the amount of real estate taken as well as promoting collaboration and engagement between the CPO residents.
- 3.5.4 All spaces were planned with careful consideration of security for the CPO staff and visitors.

3.6. Return Brief

- 3.6.1 **Consultation.** Davenport Campbell (DC) conducted workshops with key stakeholders to collect data that will form the basis of a return brief for the relocation of the Sydney Commonwealth Parliament Offices (CPO) from its current premises at 70 Phillip Street to the proposed premises at 1 Bligh Street Sydney.

- 3.6.2 Questionnaires were issued to each CPO resident office and frequent visitors giving key stakeholders the opportunity to have their say. Many completed the questionnaire and also agreed to meet DC and discuss further during workshop sessions held on Tuesday 29 November and Thursday 1 December 2011. Additionally, all Senators and Members were invited to provide comments to DC by email.
- 3.6.3 DC interviewed stakeholders via telephone conversations, emails and separate discussions, to discuss their specific needs in relation to team structure and operational requirements.
- 3.6.4 **Return Briefs.** Separate briefs have been prepared which set out the requirements for each of the following:
- a) Prime Minister's Office (and Department of Prime Minister and Cabinet);
 - b) Leader of the Opposition;
 - c) Ministerial Suites;
 - d) Visiting Suites; and
 - e) Ministerial and Parliamentary Services (M&PS).

3.7. Functional Design Brief

- 3.7.1 A full Functional Design Brief is currently being prepared by DEGW. DEGW is an international consultancy that specialises in optimising the relationship between people and places to improve organisational performance. This will form the basis for the detailed fit out design and construction documentation.

3.8. Detailed Fit Out Design Documentation

- 3.8.1 Following the appointment of the fit out design consultancy team, a detailed design, documentation and review process will be undertaken to determine the final fit out arrangements for the CPO at 1 Bligh Street.

3.9. Acoustics

- 3.9.1 The building design incorporates measures to reduce noise in the work environment including the double-skinned external facade, acoustic ceiling tiles in offices and meeting rooms, and carpeted floors.

- 3.9.2 Attention will also be paid to fit out air-conditioning detailing to reduce noise from moving air and mechanical plant.
- 3.9.3 Acoustic performance criteria will be incorporated into the fit out brief to ensure adequate noise insulation between adjacent suites, offices, meeting rooms, rooms and other work spaces.

3.10. Provisions for Persons with Disabilities

- 3.10.1 The base building includes a number of requirements to assist people with disabilities including such as:
- a) Compliance with AS1428.1 and with the mandatory provisions of the Building Code of Australia;
 - b) Provision of disabled parking for staff;
 - c) Accessible WC and shower facilities on each floor; and
 - d) External landscaping and layout that ensures wheelchair access is available to main entry.
- 3.10.2 All lifts are accessible and provide facilities in accordance with relevant Australian Standards, including AS1735.12 and AS 1428.
- 3.10.3 Lifts, access ways, doorways and accessible toilets and showers are designed to comply with Australian Standards and the Building Code of Australia.
- 3.10.4 The fitout layout will be reviewed by an Access Consultant to ensure that the appropriate requirements have been included in the CPO for access and use of the facilities by persons with disabilities.

3.11. Occupational Health and Safety

- 3.11.1 The project design team will include recognised OH&S consultants to ensure that the fit out design complies with the relevant codes.
- 3.11.2 Similarly, the design team will assist with the selection of furniture and fittings for the fit out to ensure that they are suitable for staff to use safely and with minimal risk of injury.
- 3.11.3 All contractors and sub-contractors will be required to comply with OH&S legislation appropriate to the construction site.

3.11.4 Design review processes will identify and avoid OH&S hazards to users, occupants and maintenance personnel within the fit out.

3.12. Childcare Provisions

3.12.1 A commercial childcare facility is located on the lower ground floor of the building.

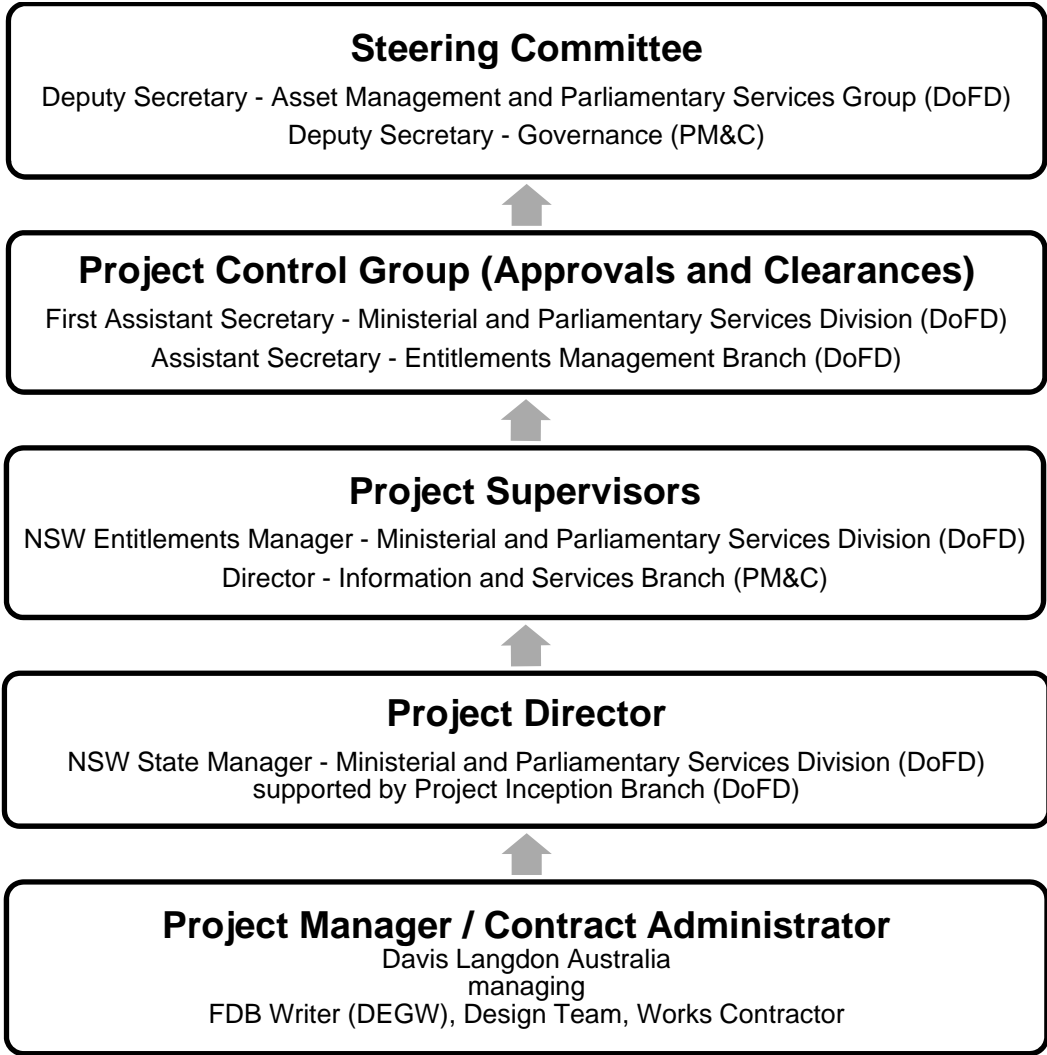
4 Cost Effectiveness and Public Value

4.1. Project Cost

- 4.1.1 The estimate of project cost is based on the Indicative Estimate prepared by WT Partnership. This has been augmented by Davis Langdon to include additional items necessary for the particular nature of the fitout.
- 4.1.2 A breakdown of the project cost estimate of \$21.0m (excluding GST) is detailed in the Confidential Submission 1.1.

4.2. Project governance

- 4.2.1 The project governance structure is set out in the following diagram.



4.3. Project Delivery System

4.3.1 Finance has engaged Davis Langdon as their PM/CA to develop, coordinate the design and then manage the delivery of the fit out and integration of the fit out into the existing base building structure and services. Davis Langdon will liaise closely with the stakeholders to deliver the project for Finance to a high standard and in a timely manner whilst managing stakeholders and contractors.

4.3.2 The PM/CA will:

- a) Assist Finance in achieving PWC approval by the required date including writing the statement of evidence and coordinating the input of others to achieve this date;
- b) Take responsibility for all prudent project management functions including project scheduling, risk assessment and management, cost estimation and budget management;
- c) Assist with the procurement of a Works Contractor to deliver the works, including development of the Scope of Services and assistance with the assessment of tenders;
- d) Manage the Works Contractor on behalf of Finance to ensure high quality, timely and value for money outcome, whilst ensuring the highest standard of Workplace Health and Safety; and
- e) Provide project assurance, peer review and contract administration for Finance to ensure fitness for purpose and value for money.

4.3.3 Davis Langdon's deliverables include:

- a) Assistance with the preparation of PWC Submission;
- b) Stakeholder Management;
- c) Risk Management;
- d) Cost Estimation & Value Management;
- e) Coordination of design and development ;
- f) Peer Review of designs;
- g) Procurement Activities for Head Contractor;
- h) Management of Head Contractor; and
- i) Project Assurance and Contract Administration.

- 4.3.4 Finance has also engaged DEGW to develop a high level Functional Design Brief, in advance of the engagement of the Principal Design Consultant.
- 4.3.5 The contents of the Functional Design Brief will include:
- a) User aspirations;
 - b) Workplace principles;
 - c) Operating overview;
 - d) Specific user requirements;
 - e) Space budget;
 - f) Team adjacencies;
 - g) Review of typical floor plate ; and
 - h) Recommended block & stack.
- 4.3.6 Subsequent detailed briefing will be the primary responsibility of the Principal Design Consultant, and will include:
- a) Facilities and Room Data Sheets;
 - b) Technical standards;
 - c) Materials, finishes and/or FFE requirements;
 - d) Value Management Review of draft FDB; and
 - e) Final issue.
- 4.3.7 Expressions of Interest have been called from Principal Design Consultants, who will also include specialist services sub-consultants as part of their team. The EOIs will be assessed and shortlisted, and then proposals will be requested. The intention is to appoint the Principal Design Consultant and the specialist services sub-consultants by the end of March 2012.
- 4.3.8 The current intention is that expressions of Interest will be called from Head Contractors, which will be assessed and shortlisted. Once the design has been completed and approved, tenders will be called from the shortlisted Head Contractors. The intention is to appoint the Head Contractor by mid-July 2012.
- 4.3.9 The fitout procurement method will be finalised in consultation with Project Delivery Branch within the Property and Construction Division of DoFD, M&PS and the base building owner, to ensure that the best value for money is achieved for the Commonwealth and that the Commonwealth Procurement Guidelines are followed.

4.3.10 The Draft Project Master Programme is based at this stage on the early appointment of the Head Contractor, the novation of the Principal Design Consultant to the Head Contractor to complete the detailed design, and then the subsequent procurement and appointment of the subcontractors for the project.

4.4. Project Program

4.4.1 A draft master project development and delivery programme is included in the Confidential Submission 1.1.

4.4.2 The key target milestone dates are:

- a) PWC Referral - 22 March 2012
- b) Engagement of Principal Design Consultant - 26 March 2012
- c) Completion of RFT documentation - 26 April 2012
- d) Engagement of Head Contractor - 16 July 2012
- e) Commence works on site - 3 September 2012
- f) Practical Completion - 30 November 2012
- g) Move in to completed tenancy - 14 December 2012

4.5. Public Value

4.5.1 The Cost Benefit Analysis (CBA) prepared as part of the building selection process has determined that the proposed approach has the lowest Net Present Costs over the period of the lease when compared with other options such as:

- a) Maintaining the status quo;
- b) Leasing other short-listed properties;
- c) Designing, building and operating a new purpose-built facility; and
- d) Purchasing a suitable facility.

4.5.2 The proposed arrangements for the CPO will result in a more efficient use of space with a slight reduction in leased area.

4.5.3 It is anticipated that relocating the CPO into a highly energy-efficient building will result in a reduction in tenancy running costs.

4.5.4 The design and construction of the new CPO will require the services of an estimated professional project team of 20 persons throughout the remainder of 2012 and the services of an estimated average construction work-force of 280 persons throughout the period August – November 2012.

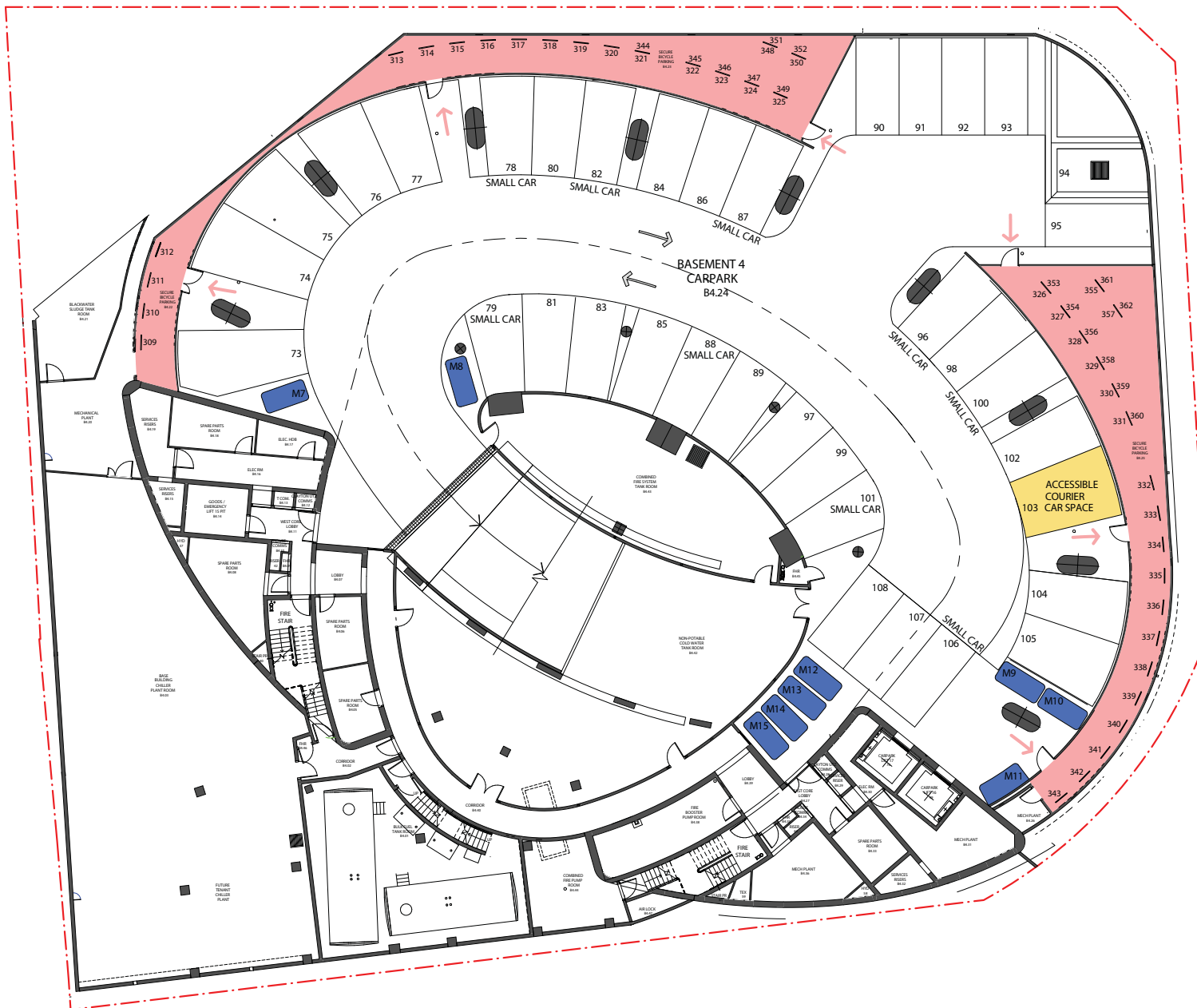
5 Revenue

5.1.1 There is no overall revenue to the Commonwealth that will be derived from this project.

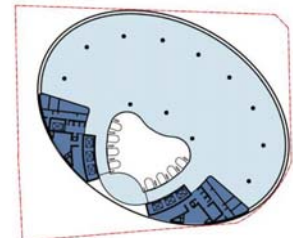
5.1.2 The Department of Prime Minister and Cabinet (PM&C) will contribute payments to M&PS for those facilities within the CPO that will be used by PM&C.

6 Annexures

6.1. Building Drawings of 1 Bligh Street



- KEY:**
- BICYCLE PARKING
 - MOTOR CYCLE PARKING BAY
 - ACCESSIBLE COURIER CAR PARKING

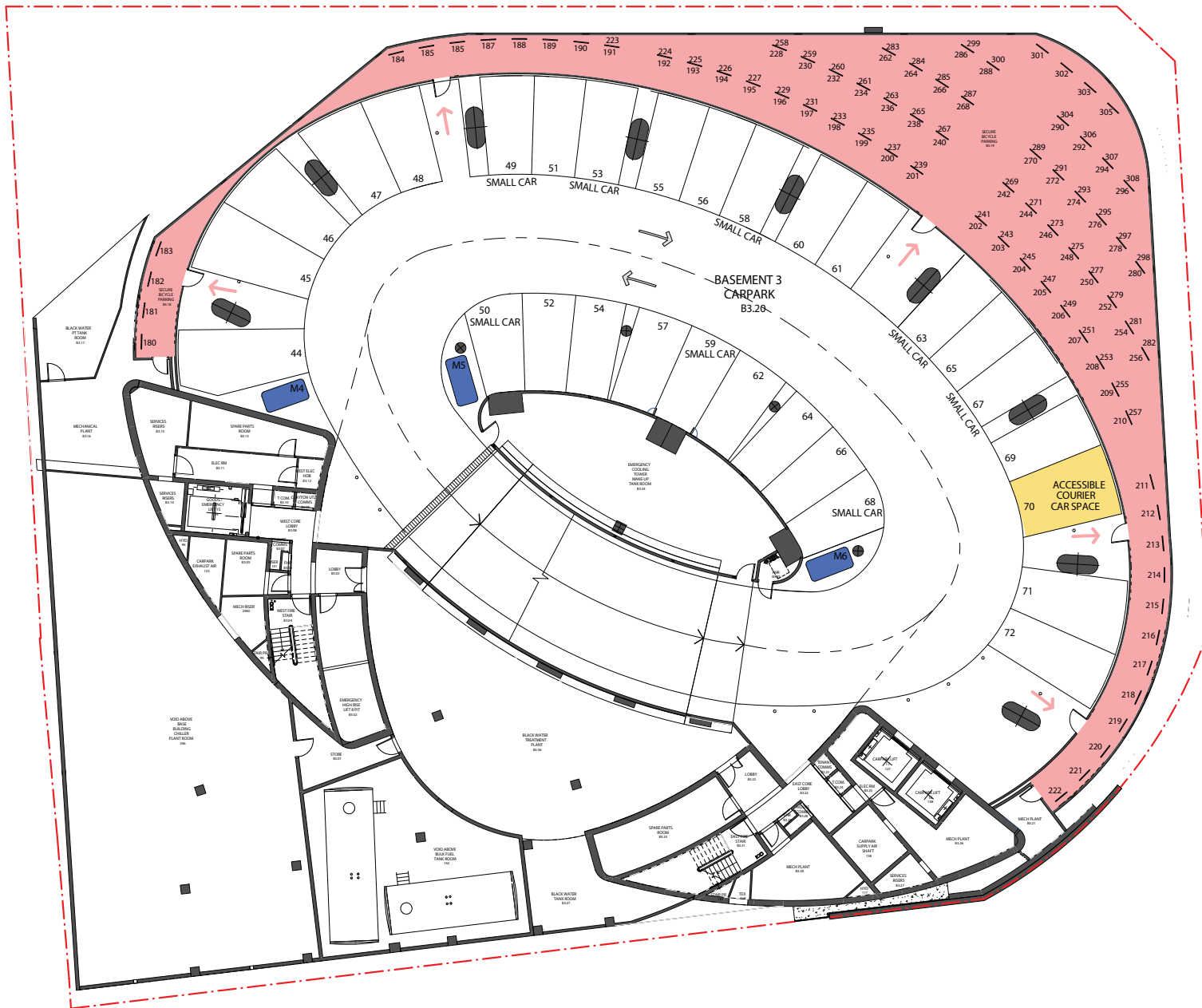


architectus + Ingenhoven Architekten

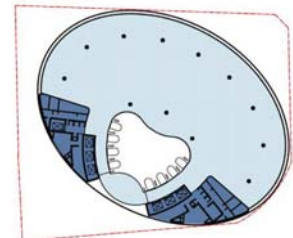
project 1 Bligh Street, Sydney

drawing Parking Diagram - Basement 4

scale	1:100 @ B1	drawing no.	MA-95-1
drawn	DS	checked	MC
checked	MC	issue	B
project no.	060081		



- KEY:**
- BICYCLE PARKING
 - MOTOR CYCLE PARKING BAY
 - ACCESSIBLE COURIER CAR PARKING



architectus + Ingenhoven Architekten

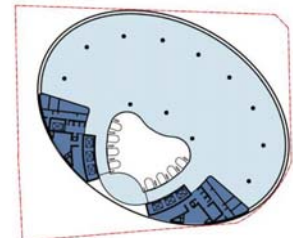
project 1 Bligh Street, Sydney

drawing Parking Diagram - Basement 3

scale	1:100 @ B1	drawing no.	MA-96-1
drawn	DS	checked	MC
checked	MC	issue	B
project no.	060081		



- KEY:
- VISITOR BICYCLE PARKING
 - COURIER CAR PARKING
 - VISITOR CAR PARKING
 - TRUCK PARKING BAY
 - ACCESSIBLE COURIER CAR PARKING

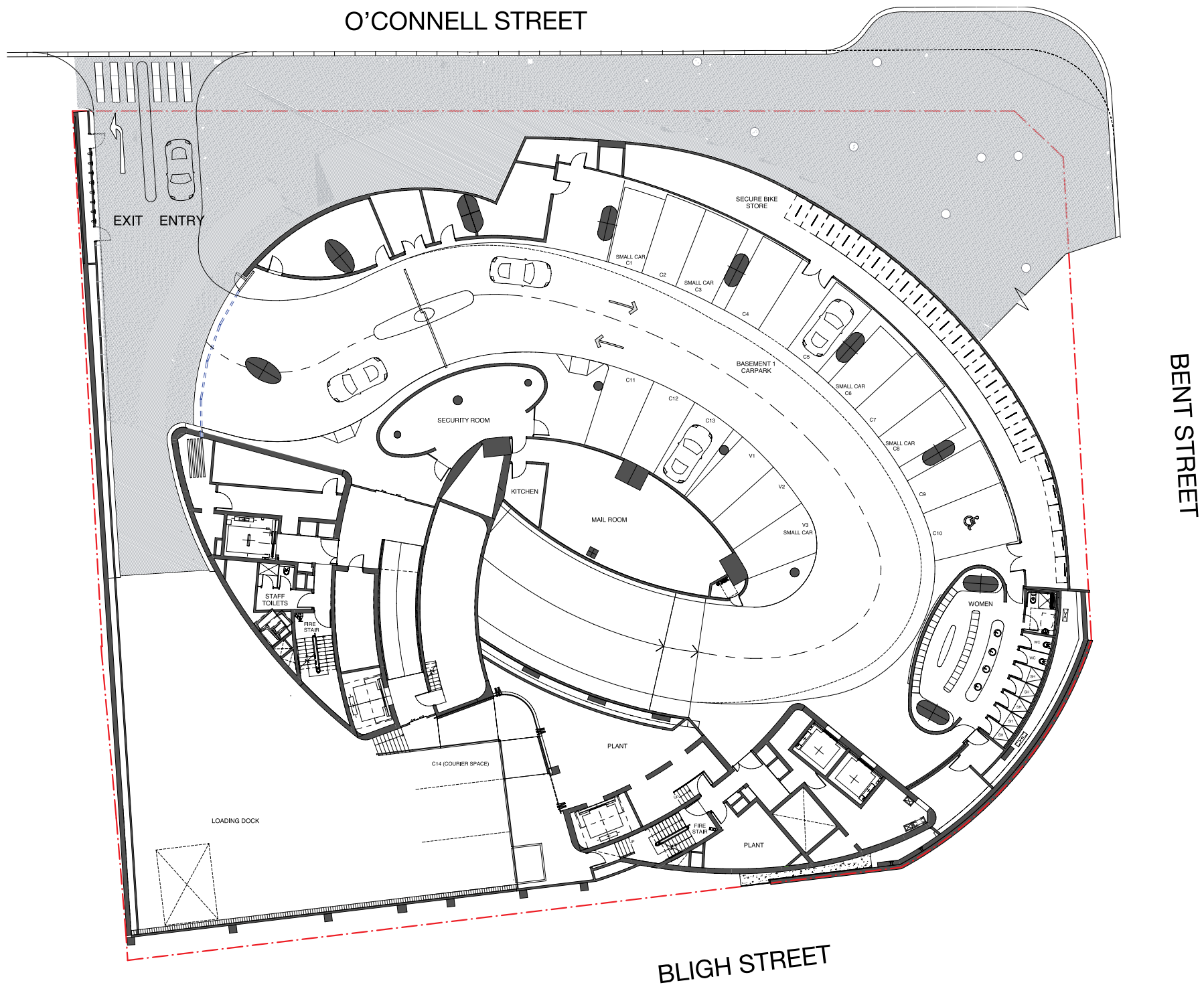


architectus + Ingenhoven Architekten

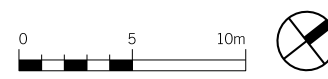
project
1 Bligh Street, Sydney

drawing
Parking Diagram - Basement 1

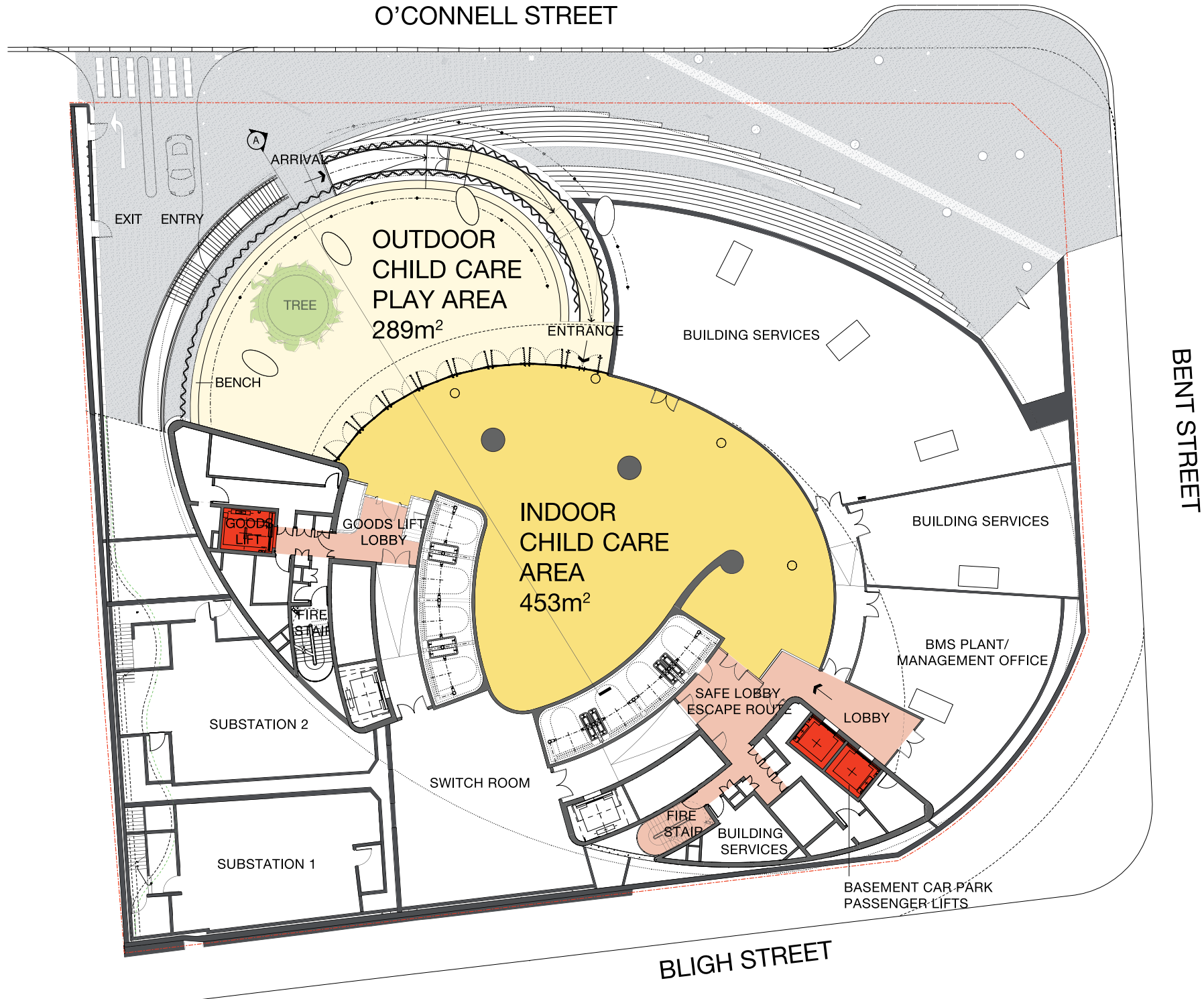
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drawn	DS	checked	MC
checked	MC	issue	B
project no.	060081		



**Basement Level 1
Floor Plan**

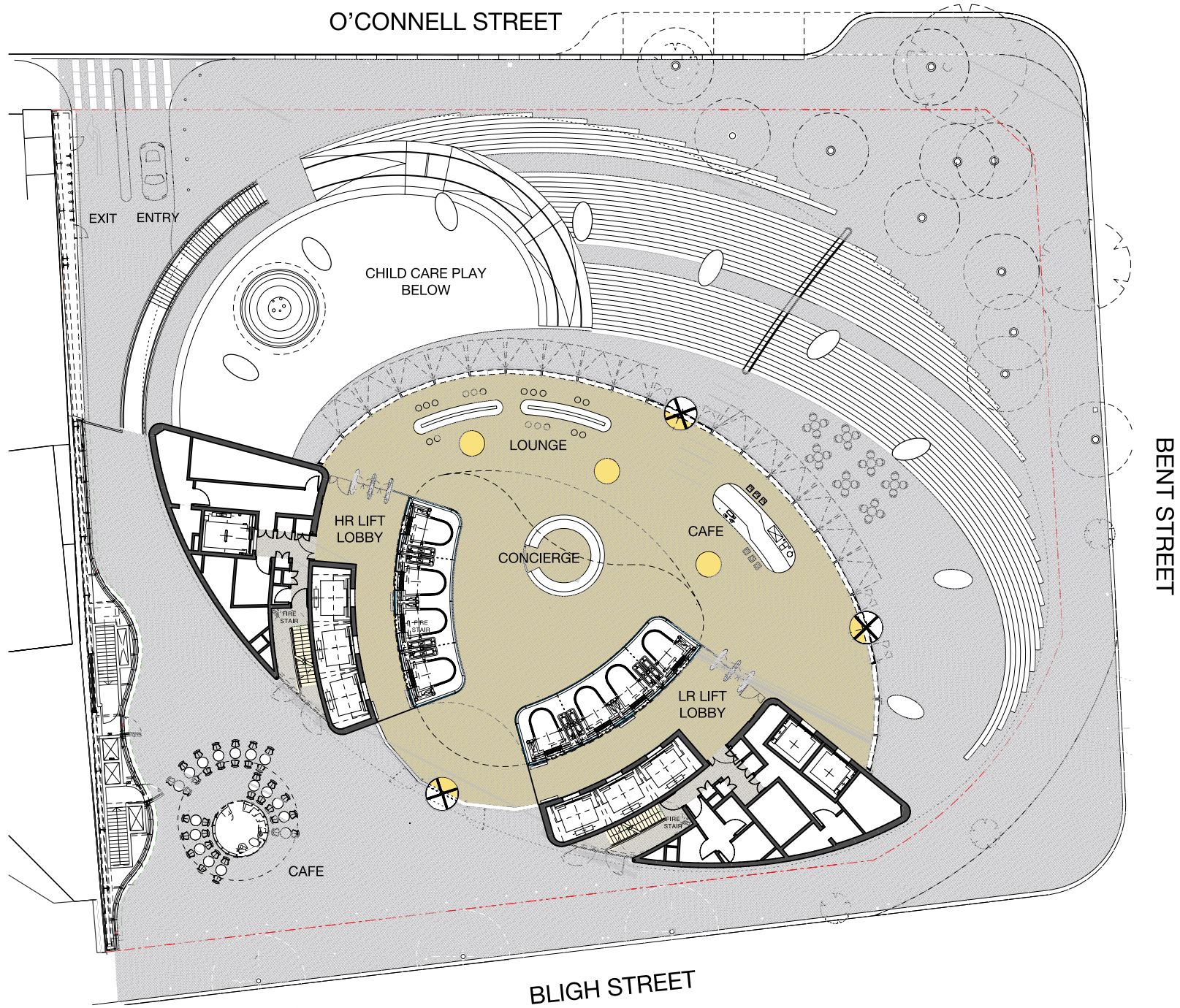


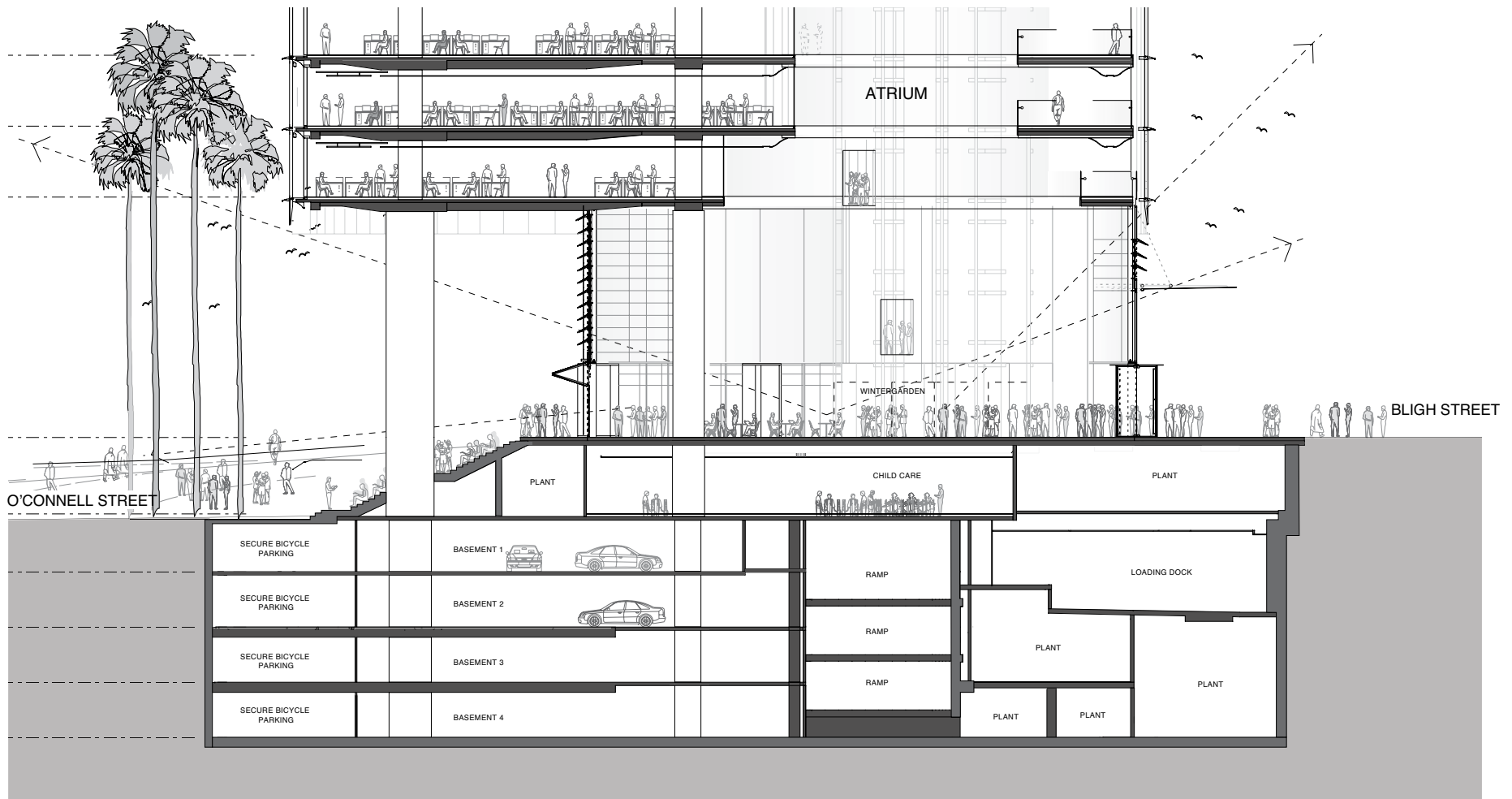
O'CONNELL STREET



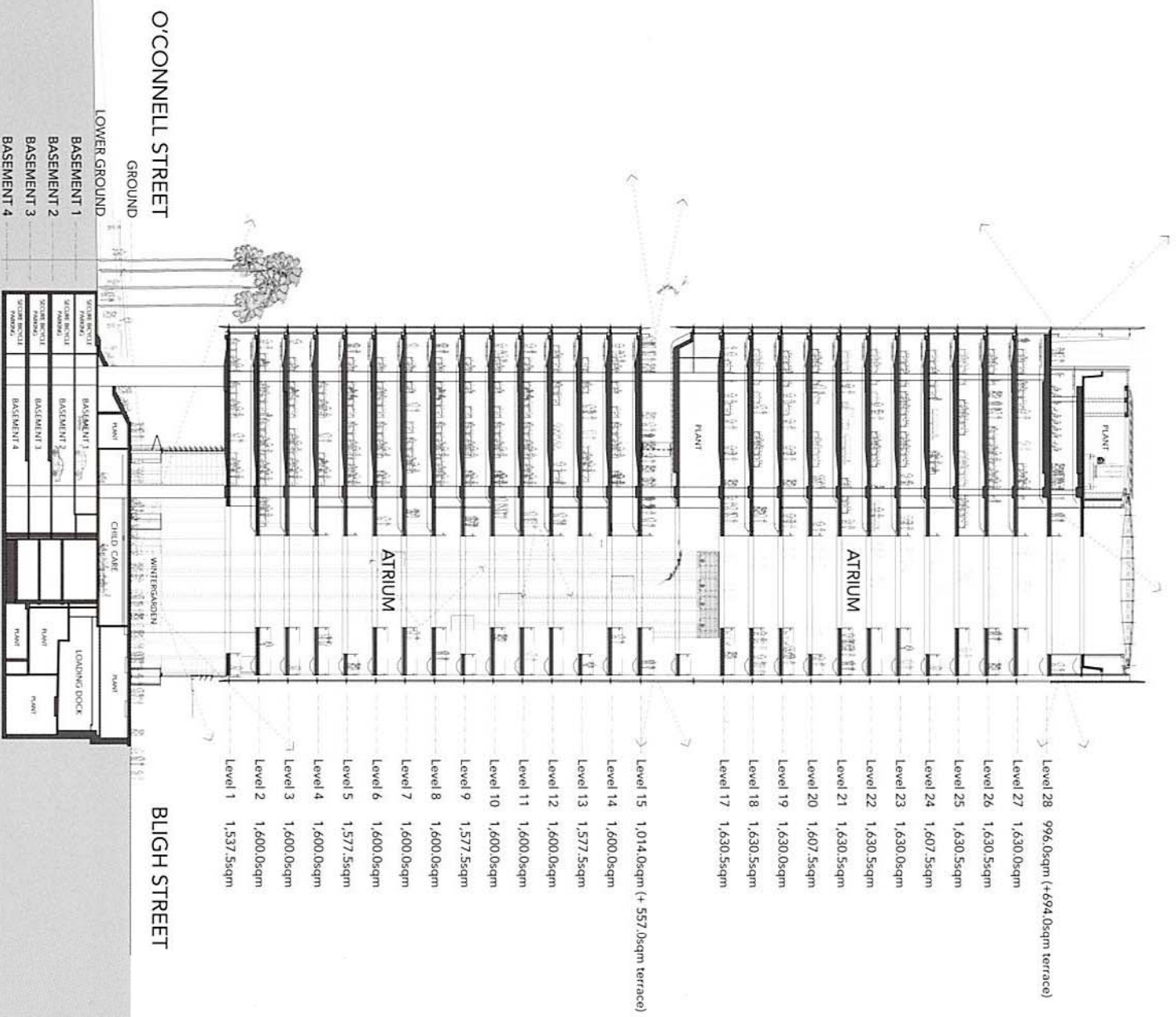
Lower Ground Floor Plan







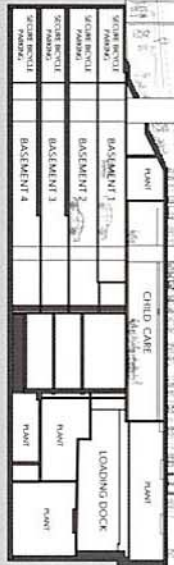
SECTION



O'CONNELL STREET

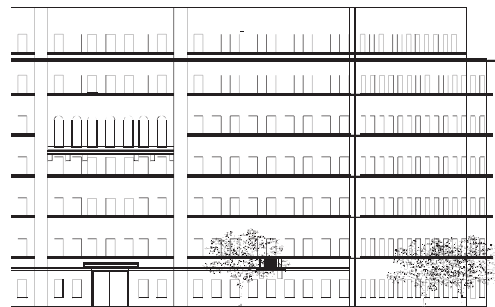
BLIGH STREET

LOWER GROUND
GROUND
BASEMENT 1
BASEMENT 2
BASEMENT 3
BASEMENT 4

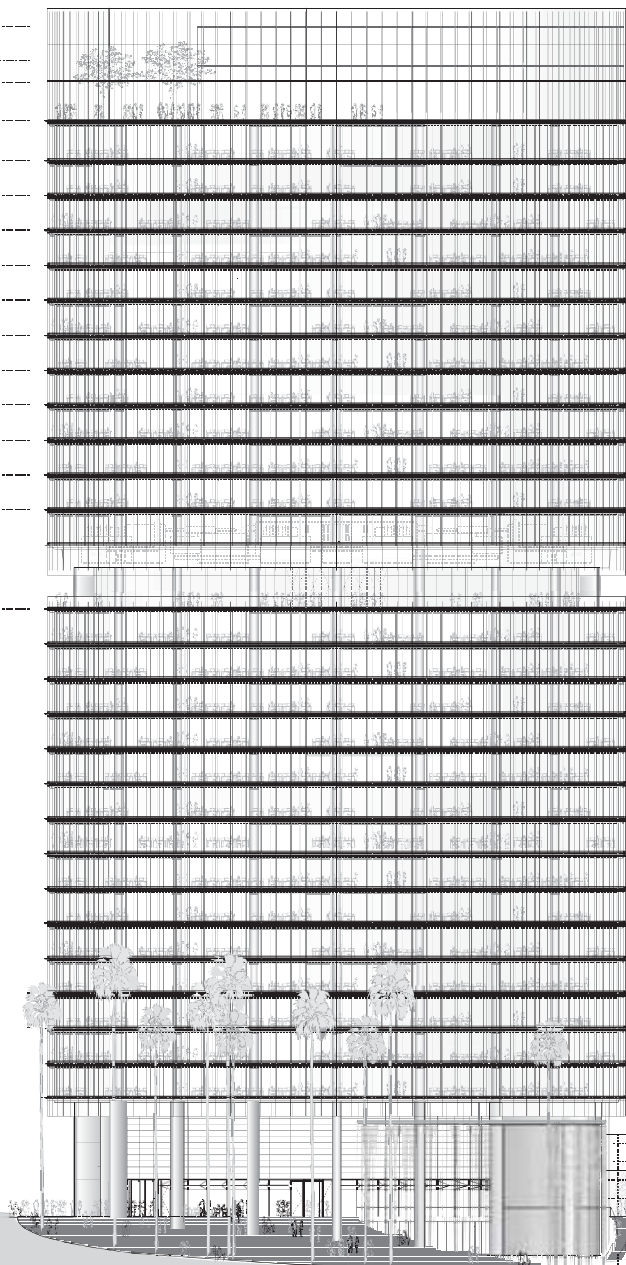


- ROOF - 152.400 RL -----
- LEVEL 29 MEZZ PLANT - 148.700 RL -----
- LEVEL 29 PLANT - 146.300 RL -----
- LEVEL 28 - 142.050 RL - 1,006.0sqm
TERRACE +694.0sqm -----
- LEVEL 27 - 137.650 RL - 1,636.0sqm -----
- LEVEL 26 - 133.800 RL - 1,637.0sqm -----
- LEVEL 25 - 129.950 RL - 1,637.0sqm -----
- LEVEL 24 - 126.100 RL - 1,617.0sqm -----
- LEVEL 23 - 122.250 RL - 1,637.0sqm -----
- LEVEL 22 - 118.400 RL - 1,637.0sqm -----
- LEVEL 21 - 114.550 RL - 1,637.0sqm -----
- LEVEL 20 - 110.700 RL - 1,617.0sqm -----
- LEVEL 19 - 106.850 RL - 1,637.0sqm -----
- LEVEL 18 - 103.000 RL - 1,637.0sqm -----
- LEVEL 17 - 99.150 RL - 1,637.0sqm -----

**LEVELS 1-15
LEASED TO CLAYTON UTZ**



BENT STREET



O'CONNELL STREET

