
The Parliament of the Commonwealth of Australia

Fit-out of New Leased Premises for the Department of Employment and Workplace Relations at 29-31 Brindabella Business Park, ACT

Parliamentary Standing Committee on Public Works

October 2006
Canberra

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Membership of the Committee

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Members Mr John Forrest MP

Senator Michael Forshaw

Mr Harry Jenkins MP

Senator Stephen Parry

Mr Bernie Ripoll MP

Senator the Hon Judith Troeth

Mr Barry Wakelin MP

Committee Secretariat

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Inquiry Secretary Mr Jason Sherd

Senior Research Officer Mr Raymond Knight

Research Officer Ms Penny Wijnberg

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List of Abbreviations

ABGR	Australian Building Greenhouse Rating
AGO	Australian Greenhouse Office
AWB	Allan Woods Building
BBP	Brindabella Business Park
BCA	Building Code of Australia
CAG	Canberra Airport Group
CC	Construction Control
CPSU	Community Public Sector Union
DBL	Deane's Bus Lines
DEWR	Department of Employment and Workplace Relations
EBA	Enterprise Bargaining Agreement
EOI	Expressions of Interest
EP&M	Emergency Planning and Management
Finance	Department of Finance and Administration
GLS	Green Lease Schedule
HVAC	Heating, Ventilation and Air-Conditioning

IA	Interiors Australia
IPCG	Internal Project Control Group
IT	Information Technology
LAN	Local Area Network
MOG	Machinery of Government
NLA	Net Lettable Area
OH&S	Occupational Health and Safety
RFT	Request for Tender
WRR	Workplace Relations Reform



Extract from the Votes and Proceedings from the House of Representatives

No. 111 dated Thursday, 22 June 2006

14 PUBLIC WORKS – PARLIAMENTARY STANDING COMMITTEE – REFERENCE OF WORK – PROPOSED FITOUT OF NEW LEASED PREMISES FOR THE DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS AT BRINDABELLA PARK, ACT

Mr McGauran (Deputy Leader of the House) for Mr Nairn (Special Minister of State), pursuant to notice, moved – That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Proposed fitout of new leased premises for the Department of Employment and Workplace Relations at Brindabella Park, ACT.

Question – put and passed.



List of Recommendations

3 Issues and Conclusions

Recommendation 1

The Committee recommends that DEWR advise the Committee of the progress regarding the Green Lease Schedule.

Recommendation 2

The Committee recommends that the proposed fit-out of new leased premises for the Department of Employment and Workplace Relations at 29-31 Brindabella Business Park, ACT. Proceed at the estimated cost of \$15.1 million.

Introduction

Referral of Work

- 1.1 On 22 June 2006, the proposed fit-out of new leased premises for the Department of Employment and Workplace Relations at Brindabella Park, ACT was referred to the Public Works Committee for consideration and report in accordance with the provisions of the *Public Works Committee Act 1969* (the Act).¹ The proponent agency for this work is the Department of Employment and Workplace Relations (DEWR).
- 1.2 The Hon Peter McGauran MP, Minister for Agriculture, Fisheries and Forestry; and Deputy Leader of the House, advised the House that the estimated cost of the proposed works was \$15.5 million. Subject to parliamentary approval, the fit-out procurement process could begin in September 2006, allowing construction to begin by November 2006. A staged construction has been adopted allowing stage 1 completion and occupation by December this year. Stage 2 would be completed by the end of January next year for occupation in early February.

¹ Extract from the *Votes and Proceedings of the House of Representatives*, No. 111, Thursday 22 June 2006

Background

Department of Employment and Workplace Relations

- 1.3 DEWR submits in its statement of evidence that its purpose is to provide the Government and the Australian public with high quality advice, programmes and services to achieve three key outcomes:
- efficient and effective labour market assistance;
 - higher productivity, higher pay workplaces; and
 - increased workforce participation.²
- 1.4 DEWR's headquarters is situated in Canberra and is commonly known as the DEWR National Office.³

Inquiry Process

- 1.5 The Committee is required by the Act to consider public works over \$6 million⁴ and report to Parliament on:
- the purpose of the work and its suitability for that purpose;
 - the need for, or the advisability of, carrying out the work;
 - whether the money to be expended on the work is being spent in the most cost effective manner;
 - the amount of revenue the work will generate for the Commonwealth, if that is its purpose; and
 - the present and prospective public value of the work.⁵
- 1.6 The Committee called for submissions by advertising the inquiry in *The Canberra Times* on Saturday, 15 July 2006. The Committee also sought submissions from relevant government agencies, private organisations and individuals, who may be materially affected by, or have an interest in, the proposed work. The Committee subsequently

2 Appendix C, Submission No. 1, paragraph 1.1.1

3 *ibid*, paragraph 1.1.3

4 *Public Works Committee Act 1969*, Part III, Section 18 (8)

5 *ibid*, Section 17

placed submissions and other information relating to the inquiry on its web site in order to encourage further public participation.

Inspection and Public Hearing

- 1.7 On 8 September 2006 the Committee visited the Brindabella Business Park and inspected the site and environs of the proposed works. A confidential briefing from the Department of Employment and Workplace Relations and a public hearing were held at Parliament House later that day.⁶

⁶ See Appendix D for the official Hansard transcript of the evidence taken by the Committee at the public hearing on Friday, 8 September 2006 at Parliament House

The Proposed Works

Purpose

2.1 The two main objectives of the proposed works are to:

- meet the additional accommodation requirements of DEWR which have been significantly affected by the implementation of the Workplace Relations Reforms (WRR), and expiration of and existing sub-lease arrangements; and
- maximise space efficiencies made possible by larger floor plates on offer at 29-31 Brindabella Business Park (BBP), DEWR will take advantage of the opportunity to collocate currently fragmented working groups.¹

Need

2.2 DEWR currently occupies 13 buildings across the ACT, located in Civic, Turner and BBP. These buildings range in condition and size, and total approximately 48,800 square metres.²

¹ Appendix C, Submission No. 1, paragraph 1.1.9

² *ibid*, paragraph 1.1.5

- 2.3 Recent Government policy reviews relating to WRR has led to staff increases of approximately 44 staff in the DEWR National Office by June 2007.³ Accommodation pressures are further accentuated by the expiration of an existing sub-lease of approximately 2,400 square metres at the Allan Woods Building (AWB), Civic, with no further sub-lease options available as part of the sub-lease agreement. Approximately 135 staff are currently accommodated at AWB.⁴

Scope

- 2.4 The scope of the proposed fit-out includes:
- main entry foyer and security guard reception point;
 - secure lift foyers to each floor;
 - security access control to all perimeter doors (swipe controls);
 - mailroom services including isolatable integrated mobile personal storage systems;
 - functional sized meeting rooms strategically located on each floor to maximise space efficiency;
 - small/large meeting facilities;
 - video conference and conference facilities;
 - IT and general training rooms;
 - large amenities room for large staff forums and semi-formal gatherings of staff;
 - break-out areas strategically positioned to make best use of available space;
 - carers, first aid and prayer rooms;
 - kitchenettes and larger sit-down meal areas;
 - storage, utilities and compactus areas;
 - loose furniture;
 - IT/communications, data and power cabling;

3 Appendix C, Submission No. 1, paragraph 1.1.6

4 *ibid*, paragraphs 1.1.6-1.1.7

- lockers; and
- heating ventilation and air-conditioning (HVAC) systems.⁵

Project Delivery

- 2.5 Subject to parliamentary approval, DEWR, through its appointed project managers, Interiors Australia (IA), intend completing stage one (approximately 4,300 square metres) of the fit-out during December 2006, with the remainder of the tenancy being occupied during February 2007.⁶
- 2.6 DEWR anticipate being able to absorb the short term growth within its existing accommodation and not unnecessarily exhaust Commonwealth funds on additional leases that essentially will not be fully realised.⁷
- 2.7 DEWR considered the optimal solution available for managing this fit-out process was for DEWR to have a single point of contact for all issues, from project initiation to completion of the defects liability period, while providing a cost and risk effective solution.⁸

Cost

- 2.8 The estimated cost of the proposed works is \$15.1 million. This figure includes:
- fit-out works;
 - workstations;
 - loose furniture;
 - services;
 - fees;
 - contingencies; and
 - escalation.⁹

5 Appendix C, Submission No. 1, paragraph 2.8.2

6 *ibid*, paragraph 2.23.1

7 *ibid*, paragraph 1.6.2.2

8 *ibid*, paragraph 1.5.2.4

9 *ibid*, paragraph 2.21.3

Issues and Conclusions

Options Considered

Lease Arrangements

- 3.1 DEWR states in its main submission that it currently occupies 13 buildings across the ACT, located in Civic, Turner and BBP.¹ Whilst the project allows DEWR to co-locate some workgroups rather than create more small tenancies, it will still have offices scattered around the ACT. The Committee enquired whether DEWR considered a larger building tenancy that could accommodate the whole department; and what the leasing arrangements were in place for the remaining DEWR office locations.
- 3.2 DEWR responded that it considered various accommodation options, including buildings that could accommodate as many staff as possible. However, DEWR's investigations concluded that vacancies to accommodate the entire department are not currently available.² Subsequent to the hearing the Committee was provided with DEWR's report analysing the accommodation options, and was satisfied with the report's conclusions.

1 Appendix C, Submission No. 1, paragraph 1.1.5

2 Appendix D, Official Transcript of Evidence, page 4

- 3.3 DEWR explained that with regard to its leasing arrangements for remaining properties,

...we [DEWR] have tried to ensure that they all coincide and end in 2011 so that we can look at a longer term strategy.³

DEWR conceded that recent machinery of government changes and new policy announcements were made quickly, and DEWR was required to adapt accordingly. As a result, DEWR's long-term planing is dependent on the government of the day.

- 3.4 At the public hearing DEWR informed the Committee that United Services Group is DEWR's national property service provider. All of DEWR's property arrangements including lease management for all DEWR properties are managed by United Services Group.⁴

Future Requirements

- 3.5 In its main submission, DEWR noted that the Canberra Airport Group (CAG) had made provision for an additional five buildings⁵, that would potentially meet any future requirements the Department might have.

Consultation

- 3.6 DEWR states in its main submission that it sought input into the project from ACT and Federal Government agencies including the Australian Greenhouse Office (AGO) and the Department of Finance and Administration (Finance).⁶ The Committee requested further information on the external consultation undertaken and any issues arising from the consultation.
- 3.7 DEWR provided examples of its consultation processes through contact with the Department of Transport as well as ACTION buses with regards to traffic considerations at BBP. However DEWR added that it is the building owners at the Canberra Airport that have the primary responsibility for consulting with the ACT government and those bodies responsible for planning of the ACT.⁷

3 Appendix D, Official Transcript of Evidence, page 4

4 *ibid*, page 5

5 Appendix C, Submission No. 1, paragraph 2.9.1

6 *ibid*, paragraph 1.9.2

7 Appendix D, Official Transcript of Evidence, page 6

Staff Consultation

- 3.8 DEWR's staff consultation has been conducted via:
- staff consultative forum;
 - administration officers monthly meetings;
 - a dedicated webpage as part of the DEWR intranet;
 - a dedicated email inbox to field questions relating to the project; and
 - an open forum for all staff to attend.⁸
- 3.9 In its main submission DEWR confirmed that staff consultation included consultation with user groups, relevant union and industrial groups as had been proposed⁹. The Committee sought an update of the staff consultation process, and whether any issues had been raised.
- 3.10 DEWR responded that the Community Public Sector Union (CPSU) had been consulted through representation at the staff consultative forum. In addition to the staff consultation processes outlined in DEWR's main submission, staff who will be relocating to the new premises have been consulted on a weekly basis. Major issues raised during the consultation process have been related to accommodation conditions and transport. Providing the project is approved by parliament, DEWR will engage in further detailed discussions with staff affected by the move to BBP.¹⁰

Fit-out Design

Workstation Configuration

- 3.11 Conceptual floor plans included in DEWR's main submission¹¹ provides a layout of a typical floor, including the configuration of the proposed 120 degree modular workstation design. At the public hearing, the Committee sought further detail on specifications for workstation and office areas.
- 3.12 DEWR stated that each workstation is based on approximately 6.8 to 7.2 square metres, translating to approximately 18 square metres which takes into account building amenities such as kitchens, meeting and conference

8 Appendix C, Submission No. 1, paragraph 1.9.3.4

9 *ibid*, paragraph 1.9.3.3

10 Appendix D, Official Transcript of Evidence, page 7

11 Appendix C, Submission No. 1, Appendix E, Conceptual Floor Plans

rooms, break-out areas. Internal offices are approximately 14 square meters in area.¹²

- 3.13 The open office floor plan of workstation clusters, which is proposed by DEWR, is already in use in building fit-outs in Canberra and Sydney, and proven to be a functional use of available space. Another advantage of the proposed workstation configuration is that it allows for the bundling of cabling such as for the provision of IT and power services to a workstation.¹³

Sound Attenuation

- 3.14 During the site inspection the Committee noted the proximity of the site to the Canberra Airport and the associated sound issues that the location presented. In its main submission DEWR states that 29-31 BBP has been designed to conform with acoustic requirements of AS2107, and that an acoustic engineer will be engaged to ensure noise levels are adequately attenuated.¹⁴ The Committee sought further detail on the sound attenuation strategies DEWR has proposed for the fit-out.

- 3.15 DEWR responded that the building will incorporate same sound attenuation measures, such as double glazed windows, as other DEWR tenancies already at BBP. Furthermore,

The building has been designed and constructed in accordance with the BCA and relevant Australian standards to meet the acoustic integrity of the building.¹⁵

Sound attenuation concerns regarding the location of critical office areas, and the selection of appropriate construction materials have also been taken into account with internal fit-out design.

Access Equity

- 3.16 DEWR's accessibility objective is total workplace equity of access and amenity.¹⁶ The Committee sought further details on the proposed access equity measures incorporated into the fit-out design to ensure access equity to staff and members of the public.

12 Appendix D, Official Transcript of Evidence, page 9

13 *ibid*

14 Appendix C, Submission No. 1, paragraph 2.11.1 and 2.11.2

15 Appendix D, Official Transcript of Evidence, page 9

16 Appendix C, Submission No. 1, paragraph 2.14.3

- 3.17 In response, DEWR listed access equity initiatives including:
- ramps;
 - the height of lift operation buttons;
 - voice annunciation in the lifts;
 - automatic sliding doors to each part of the tenancy;
 - delay action doors;
 - appropriate door handle height and design (lever design at 900-1110 millimetres above floor level);
 - adequate circulation for wheelchairs;
 - adequate width of corridors and aisles to allow for wheelchair access;
 - accessible toilets at each level;
 - adjustable workstations, tables and desks;
 - adequate provision of seating and rest points
 - accessible kitchenettes;
 - non-slip floors and short-level carpet pile; and
 - adequate lighting and low brightness diffuser light fittings to minimise glare.¹⁷
- 3.18 Furthermore, DEWR assured the Committee that in case of emergency, appropriate evacuation procedures for persons with a disability will be undertaken. These procedures are already utilised in DEWR's Civic tenancies.¹⁸

Staff Amenities

Kitchenette

- 3.19 The conceptual floor plans included in DEWR's main submission show two kitchens on each floor at the outer edges of the buildings.¹⁹ The

17 Appendix D, Official Transcript of Evidence, pages 11 and 12

18 *ibid*, page 12

19 Appendix C, Submission No. 1, Appendix E, Conceptual Floor Plan

Committee queried why the staff kitchens were not located more centrally on each floor.

- 3.20 DEWR clarified that there are three kitchens proposed per floor: the two specifically labelled in the conceptual floor plans and a third kitchen in the centre of the building near the lift well and labelled as “staff amenities”. The staff amenities area provides a central break-out point for staff.²⁰

Carers, First Aid and Prayer Rooms

- 3.21 DEWR states in its main submission that the dispersion of carers, first aid and prayer rooms will be in accordance with legislation and/or DEWR internal policy, whichever is more stringent.²¹ The Committee commended DEWR on the provision of carers, first aid and prayer rooms into the fit-out proposal. However the Committee expressed concern that only first aid rooms are identified on DEWR’s conceptual floor plans.²²
- 3.22 DEWR clarified that the one room included on the conceptual floor plans labelled as first aid room are proposed to be utilised as carer and prayer rooms also.²³

Childcare Services

- 3.23 There is an existing childcare facility at BBP, the “Parkes School of Early Learning”, which accommodates 86 placements.²⁴ The Committee asked DEWR for further detail regarding the childcare facilities, and whether it believed childcare facilities would be sufficient for its staff requirements.
- 3.24 DEWR informed the Committee that additional childcare facilities are currently being constructed, and will increase the capacity to 174 placements. Preference for placements for the childcare facility is provided for persons who work within the airport precinct. However according to DEWR, the current capacity is not fully utilised.²⁵

20 Appendix D, Official Transcript of Evidence, page 10

21 Appendix C, Submission No. 1, paragraph 2.7.12.1

22 *ibid*, Appendix E, Conceptual Floor Plans

23 Appendix D, Official Transcript of Evidence, page 10

24 Appendix C, Submission No. 1, paragraph 2.15.1

25 Appendix D, Official Transcript of Evidence, page 11

Building Services

Heating, Ventilation and Air-conditioning

3.25 DEWR submits that it will utilise, where possible, the existing base building heating, ventilation and air-conditioning (HVAC) system. Where additional HVAC is required, "DEWR will make best endeavours to ensure systems are in keeping with environmental goals of the building".²⁶ The Committee requested more information on the proposed HVAC system.

3.26 DEWR responded that the HVAC system proposed will be:

...state-of-the-art and very contemporary in its design and technical performance.²⁷

Such a system is in compliments the design of a building that takes into account energy management and usage. DEWR continued that with regard to the energy management design initiatives, the building design

...is probably achieving beyond its performance benchmarks.²⁸

3.27 Subsequent to the hearing, DEWR provided the Committee with the specifications relating to the proposed air-conditioning system as follows:

- base building cooling load is 850kw, installed capacity 1200kw;
- base building heating load is 440kw, installed capacity 610kw;
- supplementary cooling capacity of 20 watts per square metre on all floors with any one floor capable of 50 watts per square metre;
- air quality is ensured by continuous outside air into all air-handling units which vary the rate from minimum BCA requirements to 100% outside air (should ambient temperature allow);
- all pumping and air-handling units have variable speed motors; and
- natural gas fired boilers are high efficiency.²⁹

26 Appendix C, Submission No. 1, paragraph 2.7.11.1

27 Appendix D, Official Transcript of Evidence, page 9

28 *ibid*, page 10

29 Letter and supplementary information from Michael Barlow, Director, Property and Facilities Management Team, Department of Employment and Workplace Relations, 8 September 2006

Australian Building Greenhouse Rating

- 3.28 The Committee was interested to know whether DEWR had consulted the Australian Greenhouse Office (AGO) with regards to the project, and what Australian Building Greenhouse Rating (ABGR) DEWR had proposed to achieve. DEWR responded that the AGO was consulted with regard to this project and is currently in negotiations with the building owner to attach a Green Lease Schedule allowing for building owner and tenant to achieve 4.5 star ABGR.³⁰
- 3.29 DEWR added that its environmental management strategy at its 64 Northbourne Avenue tenancy has gained certification, and DEWR proposes to implement the same strategy at 29-31 BBP.³¹

Recommendation 1

The Committee recommends that DEWR advise the Committee of the progress regarding the Green Lease Schedule.

Traffic Considerations

Shuttle Bus

- 3.30 In its main submission, DEWR explains that it currently provides, through Deane's Bus Lines (DBL), a shuttle bus linking its Civic tenancies to BBP tenancies. The service runs every hour and is free of charge to DEWR staff upon presentation of their DEWR identification pass.³² At the public hearing the Committee enquired as to the level of usage of the bus service.
- 3.31 DEWR informed that approximately 40 people a day use the shuttle bus service between Civic and BBP. As there is no ACTION bus service to the airport, the shuttle bus provides DEWR staff with a link to ACTION bus services from the Civic bus interchange.³³ DEWR initiated the shuttle bus service to ensure that staff were not adversely inconvenienced by working at BBP as opposed to DEWR's Civic offices.

30 Appendix D, Official Transcript of Evidence, page 13

31 *ibid*

32 Appendix C, Submission No. 1, paragraph 2.20.4

33 Appendix D, Official Transcript of Evidence, page 7

Car Parking

- 3.32 In its main submission DEWR indicates that there is parking available within the BBP precinct and parking rates are cheaper than in Civic.³⁴ Whilst on the site inspection the Committee observed some of the available parking, and asked DEWR for clarification of the proposed car parking arrangements for staff of its new premises.
- 3.33 DEWR assured the Committee that the current car parking arrangements is sufficient for the existing DEWR tenancies, and a multi-storey car park is proposed for the precinct to cater for new buildings. According to DEWR calculations,
- ...there will be 1,200 car parking spaces in 12months.³⁵
- 3.34 DEWR added that the exact number of car parking spaces within the precinct allocated for people with a disability, was determined by the airport authority. However, DEWR was confident that there would be adequate provision of car parking for people with a disability within the BBP area.³⁶

Recommendation 2

The Committee recommends that the proposed fit-out of new leased premises for the Department of Employment and Workplace Relations at 29-31 Brindabella Business Park, ACT, proceed at the estimated cost of \$15.1 million.

Hon Judi Moylan MP

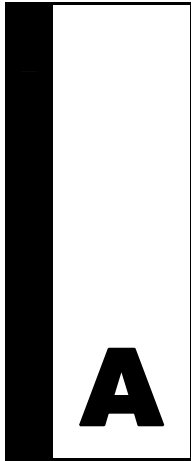
Chair

18 October 2006

34 Appendix C, Submission No. 1, paragraph 2.20.9

35 Appendix D, Official Transcript of Evidence, page 10

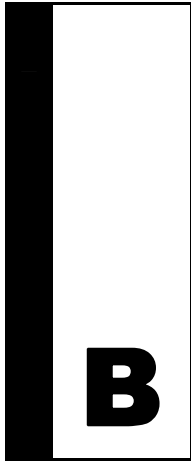
36 *ibid*, page 12



Appendix A – List of Submissions

Submissions

1. Department of Employment and Workplace Relations
2. Mr Simon Corbell MLA
3. Australian Greenhouse Office
4. Department of Employment and Workplace Relations (Supplementary)
5. Department of Employment and Workplace Relations (Supplementary)



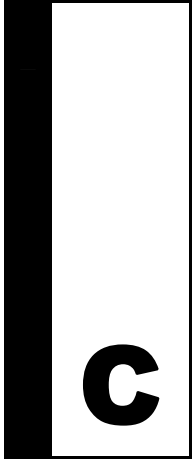
Appendix B – List of Witnesses

Mr Michael Barlow, Director, Property and Facilities Management Team,
Department of Employment and Workplace Relations

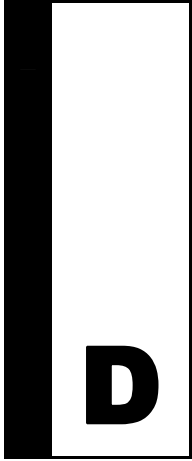
Ms Vanessa Graham, Chief Financial Officer and Acting Group Manager,
Corporate, Department of Employment and Workplace Relations

Mr Alan Hastings, Director, Interiors Australia

Mr Aloka Sinha, Assistant Secretary, Business Services Branch, Department of
Employment and Workplace Relations



**Appendix C – Submission No. 1 from the
Department of Employment and
Workplace Relations**



Appendix D – Official Transcript of Evidence