

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS  
AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION

**Question No. 96**

**Senator Ludlam asked the following question at the hearing on 19 October 2009:**

In relation to ASIO's new building;

- a) projected costs for ASIO's new headquarters increased by more than \$67 million, or 15 percent, between the \$460 million allocated to the project in the 2007-08 budget. In late 2008 the Finance Minister announced the budget increased to \$527 million. Is ASIO currently within this budget and if it has increased, why,
- b) given that the ASIO building is exempted from examination by the Public Works Committee on the grounds that it is held to be 'for defence purposes', did ASIO or the Attorney General consider referring just the issue of the siting of the building to the Committee given that it is within the parliamentary triangle and needs to fit into the planning of the capital,
- c) an article in the Sydney Morning Herald from 29 August quoted a spokeswoman from ASIO as saying, "The site was chosen and approved by government following extensive analysis of site options by the department and ASIO in consultation with a range of industry experts and the National Capital Authority." How many sites were considered,
- d) given the sustained public outcry, has ASIO considered revising the plan, and has the height of the building been reconsidered, and
- e) given that construction has barely begun, does ASIO concur that there is time to alter the design.

**The answer to the honourable senator's question is as follows:**

- a) In the 2008–09 Mid-Year Economic and Fiscal Outlook, released by the Government on 5 November 2008, an additional \$146.2 million of funding was identified for the delivery of this building to be tenanted by the Australian Security Intelligence Organisation (ASIO) and the Office of National Assessments (ONA). This additional funding brought the total budget for the building and fit-out works to \$606.2 million. As part of the 2009–10 Budget, released by the Government in May 2009, ONA noted it would relocate to alternative leased accommodation in Barton. The project budget was subsequently reduced to \$589 million in the 2009–10 financial year.

The figure of \$527 million relates to the value of the Managing Contractor Contract for the project. On 26 November 2008, the Minister for Finance and Deregulation announced the award of the Managing Contractor Contract to Bovis Lend Lease Limited for the delivery phase of the project, as an extension to the planning phase. He announced that the extension would bring the contract to a total value of \$527 million.

The project is currently progressing within the budget of \$589 million.

- b) As the site location is a 'Designated Area' as defined by the National Capital Plan (the Plan) the National Capital Authority (NCA) is responsible for assessing compliance (including siting) with the Plan and in particular 'Amendment 60' to the Plan.

On 4 December 2008, the Department of Finance and Deregulation and ASIO provided the Parliamentary Standing Committee on Public Works a confidential briefing on the project. At this briefing, architectural presentation boards provided the Committee with a good overview and introduction to the building design and siting within the Parliamentary Triangle and Russell Security Precinct.

- c) There were seven sites considered in the Russell Precinct. Other alternatives were also considered including extending the existing ASIO building; occupying commercial premises; and greenfield sites outside the Russell Precinct.
- d) The NCA has already exercised its powers in ensuring the building's design complies with the Plan. The NCA rejected a proposal for the building to exceed the 25m height limit specified in the Plan. The design has since been modified and is compliant with the NCA height requirements. Additionally, the height of the building and its impact on the parliamentary vista was assessed by, and to the satisfaction of, the Department of Environment, Water, Heritage and the Arts as part of the *Environmental Protection and Biodiversity Conservation Act 1999* Referral for the project.
- e) The project was approved to proceed by the former Government in August 2006 and reaffirmed by the current Government in August 2008. There is no proposal to alter the design. The major contracts have already been let and construction has commenced on site. Alteration to the design at this stage in the project would result in considerable budget costs and program delays.