

Proposed fitout of new leased premises for Divisions of the Department of Innovation, Industry, Science and Research at Buildings 2 and 3, Riverside Corporate Park, North Ryde, New South Wales

- 3.1 The proposed fitout of new leased premises for the Divisions of the Department of Innovation, Industry, Science and Research at Riverside Corporate Park, North Ryde, aims to provide new office and laboratory space for three organisations – the National Measurement Institute (NMI), the Australian Astronomical Observatory (AAO – formerly the Anglo-Australian Observatory), and Enterprise Connect. The estimated cost of the project is \$25.7 million.
- 3.2 The proposal was referred to the Committee on 18 November 2010.

Conduct of the inquiry

- 3.3 The inquiry was advertised in *The Australian* newspaper and submissions sought from those with a direct interest in the project. The Committee received four submissions, one supplementary submission, and two confidential supplementary submissions detailing the project costs. A list of submissions can be found at Appendix A.
- 3.4 The Committee undertook a site inspection, public hearing and an in-camera hearing on the project costs on 9 December 2010 in Sydney.
- 3.5 The transcript of the public hearing as well as the submissions to the inquiry are available on the Committee's website.¹ Plans for the proposed

¹ <www.aph.gov.au/pwc>

works are detailed in Submission 1: Department of Innovation, Industry, Science and Research (DIISR).

Need for works

- 3.6 The DIISR submission states that the works are needed because:
- the current accommodation for the three divisions is old, inefficient, and many of the laboratories are unsuitable for the research being conducted therein;
 - building engineering services do not comply with statutory requirements;
 - repairs to existing premises are difficult and costly, and there is some infrastructure for which replacement parts are no longer available;
 - premises are crowded, and staff are forced to undertake office-work in laboratories due to lack of space; and
 - two existing leases are due to expire within eighteen months.
- 3.7 The Committee inspected some of the premises of both the NMI and AAO, and considers there is an urgent need for new accommodation for these organisations.
- 3.8 The Committee finds that there is a need for the proposed works.

Scope of works

- 3.9 The proposed scope of the works is detailed in Submission 1: DIISR. Briefly, the project proposes the fitout of some 10,200 m² of two buildings (linked at various levels) which will sit above a single carpark basement of two levels². The fitout will include:
- laboratories, offices and workstations;
 - meeting rooms, first-aid room, amenity area and dispersed tea stations;
 - a library;
 - sample reception facility, simplifying 'chain of custody' requirements for sport drug testing and forensic laboratories;
 - supplementary air conditioning in specialist laboratory areas;
 - fume cupboards and hoods;
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2 Dr L. Besley, National Measurement Institute, *Transcript of Evidence*, 9 December 2010, p. 3.

- data cabling, including provision for expansion;
 - emergency generator for essential equipment and instruments including long-duration testing and sample storage;
 - security controls, including greater security for certain areas; and
 - secure bicycle, shower and locker facilities.
- 3.10 Fitout works are expected to commence in early 2011, and to be completed in mid 2012.
- 3.11 The Committee finds that the proposed scope of works is suitable to meet the needs of the project.

Cost of works

- 3.12 The total estimated out-turn cost for this project is \$25.7 million (excluding GST). The Committee received a confidential supplementary submission detailing the project costs and held an in-camera hearing with DIISR on those costs.
- 3.13 The Committee is satisfied that the costings for the project provided to it are adequate.

Project issues

Bushfires

- 3.14 The Department's submission details aspects of fire protection to be incorporated into the proposed facility, including gas fire-retardation systems in some rooms to protect valuable instruments that would be destroyed by water from sprinklers.³
- 3.15 The submission also notes that a bushfire assessment has been undertaken by the building owner, the recommendations of which will be reflected in the development of the site and the building's construction. Given the site's proximity to the Lane Cove National Park, the Committee sought

3 Submission 1, DIISR, p. 15.

and received the Department's assurances that the building and fitout will be appropriate to the site's bushfire risk.⁴

- 3.16 The Committee also underlines the importance of giving clear and unambiguous information to staff regarding safety during a bushfire.

Childcare

- 3.17 The Committee is aware that childcare arrangements for staff may need to change as a result of the relocation of their workplace. The Department advised the Committee that the childcare centre in the enveloping business park is full for 2011, but that staff might be able to register for 2012 in the centre. The Department further advises that it recommends staff register in 'as many childcare centres as possible in the North Ryde area'.⁵ The Department should continue to provide as much assistance as possible to enable staff to change their childcare arrangements as necessary.

Committee comment

- 3.18 Overall, the Committee is satisfied that this project has merit in terms of need, scope and cost.
- 3.19 Having examined the purpose, need, use, revenue and public value of the work, the Committee considers that it is expedient that the proposed works proceed.

4 Mr J. Kent, DIISR, *Transcript of Evidence*, p. 4-5.

5 Submission 1.3, DIISR, p. 1.

Recommendation 2

The Committee recommends that the House of Representatives resolve, pursuant to Section 18 (7) of the *Public Works Committee Act 1969*, that it is expedient to carry out the following proposed work: proposed fitout of new leased premises for Divisions of the Department of Innovation, Industry, Science and Research at Buildings 2 and 3, Riverside Corporate Park, North Ryde, New South Wales.

Ms Janelle Saffin MP

Chair

10 February 2011