

## The Proposed Works

### Purpose

- 2.1 The purpose of the proposed work is to fit-out newly leased premises to enable relocation of all ATO staff to a single complex. The current arrangements whereby the National Headquarters of the ATO is spread across seven buildings in the Canberra CBD is inefficient both administratively and in terms of work practices. The opportunity is now available for the ATO to create a national headquarters building that offers collocation for all staff in a single complex which will give the ATO the opportunity to implement more collaborative work practices, uniformity of workspace and administrative efficiencies<sup>1</sup>.

### Need

- 2.2 The national headquarters of the ATO is currently located in several leased premises in the Canberra CBD<sup>2</sup> and there are considerable inefficiencies in this arrangement. Further, the leases on these buildings will gradually expire from May 2006 until June 2008<sup>3</sup>.

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1 Appendix C, Submission No. 1, paragraph 1.1.1

2 *ibid*, paragraph 1.1.4

3 *ibid*

- 2.3 Currently ATO staff are accommodated at an average of 13.7 square metres per person across its CBD portfolio. This is proving inadequate to meet changing business needs, with particular pressure on appropriate meeting, conference and training facilities<sup>4</sup>.

## Scope

- 2.4 The ATO will lease the new office accommodation for 15 years with three five-year options and will be undertaking an office fit-out integrated with construction of the buildings<sup>5</sup>.
- 2.5 The fit-out design is predominantly open plan with modular workstations supported by enhanced meeting capacity, homerooms, breakout areas and support facilities. All offices and formal meeting areas will be located in the core of the building to maximise the use of natural light for the majority of staff. These offices and meeting areas are modular and will be fully interchangeable as business requirements dictate. The ATO is investigating the use of demountable partitions to reduce the long-term costs of changes in these configurations. Offices will only be provided to Senior Executive Service (SES) officers<sup>6</sup>.
- 2.6 It is expected that in the new buildings staff will be allocated 15.5 square metres of space on a per capita basis which, according to the ATO submission, is highly efficient in the current climate<sup>7</sup>.

## Project Delivery

- 2.7 The ATO plans to construct the fit-out concurrently with the base building<sup>8</sup>. The benefits of the integrated fit-out are expected to be:
- lower costs;
  - time savings;
  - single project team managing the work; and

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4 Appendix C, Submission No. 1, paragraph 1.1.5

5 *ibid*, paragraph 1.10.6

6 *ibid*, paragraph 1.10.9

7 *ibid*, paragraph 1.9.1

8 *ibid*, paragraph 2.19.1

- less duplication of resources<sup>9</sup>.

2.8 Precinct B is scheduled for completion in May 2007 and Precinct C is scheduled for completion in November 2007. This will allow for progressive relocation into the new buildings over a period of two to three months<sup>10</sup>.

## Cost

2.9 The estimated cost for the fit-out is \$76.879 million<sup>11</sup>. This figure includes:

- GST;
- contingency;
- escalation costs; and
- project costs<sup>12</sup>.

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9 Appendix C, Submission No. 1, paragraph 2.19.2

10 *ibid*, paragraph 2.20.1

11 Letter from John Cheney, 24 March 2006

12 *ibid*

