



THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

REPORT relating to CONSTRUCTION OF NEW COMMONWEALTH OFFICES, HAYMARKET, NSW

(Fifth Report of 1988)

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MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

(Twenty-Ninth Committee)

Mr Colin Hollis, MP (Chairman)
Mr Percival Clarence Millar, MP (Vice-Chairman)

Senate

House of Representatives

Senator Bryant Robert Burns Senator John Robert Devereux Senator Dr Glenister Sheil Mr Maxwell Arthur Burr, MP
Mr George Gear, MP
Mr Robert George Halverson,
OBE, MP
Mr John Graham Mountford, MP

EXTRACT FROM THE VOTES AND PROCEEDINGS OF THE HOUSE OF REPRESENTATIVES NO. 33 DATED WEDNESDAY 9 DECEMBER 1987

22 PUBLIC WORKS COMMITTEE - REFERENCE OF WORK - CONSTRUCTION

OF NEW COMMONWEALTH OFFICES, HAYMARKET, NSW: Mr West

(Minister for Administrative Services), pursuant to

notice, moved - That, in accordance with the provisions

of the <u>Public Works Committee Act 1969</u>, the following

proposed work be referred to the Parliamentary Standing

Committee on Public Works for consideration and report:

Construction of New Commonwealth Offices, Haymarket,

NSW.

Mr West presented plans in connection with the proposed work.

Debate ensued.

Question - put and passed.

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

CONSTRUCTION OF NEW COMMONWEALTH OFFICES, HAYMARKET, NSW

By resolution on 9 December 1987 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the proposal for the construction of new Commonwealth offices, Haymarket, NSW.

THE REFERENCE

- 1. The proposal provides for the construction of some $50~000~\text{m}^2$ net of office accommodation at Haymarket in Sydney on Commonwealth land known as the Australian Gas Light (AGL) site. The site is bounded by Pitt, Barlow, Parker and Hay Streets.
- 2. The proposed development comprises:
 - . a main tower of 31 levels at the southern end of the site which will be linked to a medium-rise building of nine floors along the western boundary providing 50 000 m² net of office accommodation:
 - replacement and new retail/commercial facilities totalling approximately 1600 m² net;
 - restoration of three historic buildings on the site and the incorporation of an underground gasholder base that has heritage value; and
 - . off-street parking for some 130 vehicles.

The main entrance to the building will be located in Pitt Street. A pedestrian concourse is proposed from Hay Street to the complex with vehicular access from Parker Street.

3. The estimated cost of the proposed work when referred to the Committee in December 1987 was \$118m exclusive of fitout, at April 1987 prices. The fitout of this accommodation will be considered as part of this reference but will be subject to later programming action. Fitout is estimated to cost \$18m at April 1987 prices.

THE COMMITTEE'S INVESTIGATION

- 4. The Committee received a written submission and plans from the Department of Administrative Services (both the Australian Property Group and the Construction Group) and took evidence from representatives of the organisation at a public hearing in Sydney on 30-31 March 1988.
- 5. The Committee also received submissions and took evidence from:
 - . Australian Taxation Office
 - . Public Works Department, NSW
 - . Royal Australian Institute of Architects
 - . National Trust of Australia (NSW)
 - . Heritage Council of NSW
 - Federated Clerks Union of Australia, Taxation Officers Branch
 - . Administrative and Clerical Officers Association and Australian Public Service Association
 - ACROD Australia's Council on Disability
- 6. Written submissions also were received from the following organisations and individuals and are incorporated in the Minutes of Evidence:
 - . Urban Transit Authority of NSW

- . The Council of the City of Sydney
- . Masterplan Consultants Pty Ltd
- . W.E. Lucas Architect and Associates
- . Mr M. Bavliss
- . Mr K. Bendall
- A list of the witnesses who appeared at the public hearing is at Appendix A.
- 8. The Committee also asked the Australian Heritage Commission (AHC) to appear at the public hearing in the role of heritage adviser to the Committee. AHC provided professional advice outside its statutory requirements under section 30 of its Act. Provision of general advice and comment on the national estate is one of the roles of the Commission as specified elsewhere in its Act.
- 9. Prior to the public hearing the Committee inspected the proposed site at the Haymarket.
- 10. The Committee's proceedings will be printed as Minutes of Evidence.

BACKGROUND

- 11. The Department of Administrative Services is responsible for providing accommodation for Commonwealth departments and statutory authorities funded from the Budget.
- 12. The Government's policy on the provision of office accommodation is to move towards a higher level of owned accommodation when opportunities arise and, wherever possible, to relocate departments from high priced Central Business District (CBD) leases. Each proposal, however, is treated on its merits taking into account the relative advantages or disadvantages of the full range of feasible alternatives. The Government's policy also is to move those government functions out of the CBD that are not required to be there.

13. The Commonwealth's civil and defence departments occupy some 449 300 m² of office accommodation in Sydney with Telecom, Australia Post and other users occupying a further 337 000 m². Almost 264 000 m² (60%) of the civil and defence departments' office accommodation is located in the Sydney CBD; 37 000 m² or 14% of that space is owned by the Commonwealth excluding buildings which are in the process of disposal (that is, the Commonwealth Centre at Chifley Square and 5-7 Hickson Road). The remaining 227 000 m² (86%) is leased from the private sector.

THE NEED

- 14. The Commonwealth's office accommodation strategy for Sydney provides for a significant decentralisation of Commonwealth activities out of the central city area. However, there will be a continuing need for a residual core of Government presence in the city centre in locations accessible to the general public particularly given that Sydney is essentially based on a radial transportation system.
- 15. The Commonwealth currently is experiencing a number of unsatisfactory situations with regard to its office accommodation in and near the Sydney CBD.
- 16. The Commonwealth's present activities are dispersed widely throughout the city in 56 leased buildings as well as in three buildings which are Commonwealth owned.
- 17. The total annual rental cost to the Commonwealth for its 227 000 m² of leased office space in the CBD is almost \$59.3m. Rental for leased space is in the range of \$130-\$590 per m² pa. At present some 30% of that space is in the rental range \$240-\$300 per m² pa. This cost is expected to escalate during the next ten years to between \$570-\$710 per m² pa.
- 18. In recent years the availability of suitable office accommodation also has been a problem. The Sydney CBD leasing market currently is undersupplied with the vacancy level for

office accommodation considerably below the 5% norm for a 'balanced' market. In addition, the market for leased accommodation has not provided premises of the appropriate standard and/or sufficiently consolidated floor space to meet the changing Commonwealth needs.

- 19. In response to this situation, DAS has undertaken a detailed investigation into the methods of securing the proposed 50 000 m² of office accommodation. The analysis compared constructing the accommodation under a conventional civil works or a deferred instalment purchase agreement with the alternative of leasing equivalent accommodation. A conventional discounted present cost analysis approach was used which has been endorsed and accepted by the Department of Finance. DAS's analysis concluded that it is more cost-effective to build the proposed new office accommodation rather than leasing equivalent space and that the most cost-effective construction method is a civil works arrangement.
- 20. In addition, the proposed retail space in the development will allow the Commonwealth to increase its income from rental of retail space on the site from its current gross annual income of \$60 000 to about \$2m pa.
- 21. The Haymarket project is the major proposal by DAS to redress the problems referred to above and is nationally the highest priority civil works office accommodation proposal.
- 22. In summary, increasing high rentals, poor distribution, a dependence on unsatisfactory leasing supply markets and fragmentation of departments are constraints on the Commonwealth's capacity to provide office accommodation which is appropriate and economical to its needs.

Committee's Conclusion

23. The Committee concludes that:

- . the Commonwealth continues to require office accommodation in the Sydney Central Business District:
- the most cost-effective manner of providing that accommodation is by building new office space rather than leasing equivalent space;
- there is a need for 50 000 m² net of Commonwealth-owned office space to replace existing leased accommodation;
- this is consistent with the Government's policy of increasing its ownership of office accommodation and reducing overall rental costs; and
- the most cost-effective construction method is a civil works arrangement.

THE PROPOSAL

- 24. To fulfil the accommodation requirements of several Commonwealth departments for an inner city location in Sydney the Department of Administrative Services proposes to construct a building to provide 50 000 $\rm m^2$ net of office space to accommodate some 3000 staff.
- 25. The proposed site of 5942 m² is an island block located at the southern fringe of the Sydney CBD at Haymarket. It is bound by Pitt, Barlow, Parker and Hay Streets and faces east onto Belmore Park which is an important open space in the CBD. The site was acquired by the Commonwealth in April 1975 for redevelopment from the Australian Gas Light Company at a cost of approximately \$7.4m. The current market value of the site is

estimated at \$20.5m. The site is well positioned in relation to the road networks, bus and rail services and has convenient access to Sydney (Kingsford-Smith) Airport.

- 26. The proposal coincides with current and planned developments contributing to the commercial revitalisation of the Haymarket area, for example, the 'World Square Development' (former Anthony Hordern's site), 'Centennial Plaza' (former Toohey's site), Chinatown, Darling Harbour redevelopment and redevelopment adjacent to Central Railway Station.
- 27. The land is zoned County Centre 3(d) under the City of Sydney Planning Scheme Ordinance which permits, with the consent of the Council, office, retail and related commercial uses.
- 28. DAS informed the Committee that the proposal meets all current planning controls and regulations for the area. DAS is aware that planning controls in the Haymarket area currently are the subject of revision and that guidelines for future development are set out in the Belmore Park Civic Design Study, 1984. Although that report has not yet been adopted, DAS informed the Committee that it has attempted to develop a building design that is as consistent as possible with those guidelines.
- 29. In its submission to the Committee DAS stated that the design solution has evolved from complex site conditions, planning criteria and the design brief. The design solution incorporates:
 - . 31-storey tower to the south of the site providing office accommodation:
 - nine-storey northern wing to the west of the site which is interconnected to the tower block and provides office accommodation (individual floor areas are about 2500 m² net compared with 1000 m² net in the upper levels of the tower);

- two-storey podium to the northeast with street level accommodation for departments with high public contact.
 Retail/commercial facilities of about 1600 m² net also are provided;
- pedestrian concourse covered by a glazed atrium and served by escalators from Hay Street to facilitate access to and within the public areas of the complex;
- . three historic buildings will be restored but will remain functionally independent of the main accommodation:
- basement of two levels with parking for 130 vehicles, storage, loading dock, garbage/storage removal and plant areas; and
- air-conditioning, ventilation, emergency power, lighting and power reticulation, lifts, fire protection, security, water and waste reticulation and energy conservation measures are provided.

Further details on the construction of the building are provided at Appendix B and project drawings are at Appendix E.

30. The proposed building will provide accommodation complying with all relevant codes. Particular attention will be given to the provision of facilities for those who will use the premises including staff, the public and disabled persons.

DESIGN OF THE BUILDING

- 31. In evidence to the Committee a number of groups raised significant concerns about the proposed building design, in particular:
 - integration of the building with the surrounding townscape;

- . mass of the building on the site;
- . retention of heritage elements in the design; and
- . overshadowing of Belmore Park and Eddy Avenue.

Alternative Design Option

32. At the outset it is important to note that before the tower design was finally selected DAS considered a number of alternative design options, in particular a medium-rise building proposal which was discussed with selected planning and heritage groups. That proposal was rejected because it created a greater sense of mass on the site, generated greater overshadowing of Belmore Park and did not integrate as effectively with heritage elements on the site and the surrounding townscape, particularly Hay Street.

Mass of the Building on the Site

- 33. The Committee was advised by DAS that the floor space ratio achieved for the site is 9.6:1. The basic allowance is 6:1 plus bonuses for retail, historic buildings, pedestrian throughways, overpasses, off-site car parking payment and public amenities.
- 34. The Royal Australian Institute of Architects (RAIA) have suggested that the building is too bulky for the site and a lower floor space ratio would be more desirable. Alternatively, it suggests that if the floor space ratio is retained that the sense of mass can be broken down by modifying the flat pattern on the building, the modelling and colour of the building.
- 35. DAS informed the Committee that the designers already have taken steps to reduce the sense of mass by varying the shape of the windows near the top of the tower and at the medium-rise level, further down varying the finish of the building where it steps out, high-rise sections of the building set back from Hay

and Pitt Streets and colour differentiation has been introduced to improve the south and west facades of the building. During the design development phase further consideration will be given to the ways in which the perception of mass can be reduced.

Integration of the Building with the Surrounding Townscape

- 36. The AGL site is of considerable heritage significance and forms part of an area of the city which contains important heritage items including the Capitol Theatre and the Manning Building, the Corporation Building, the Palace Hotel Group (George Street) and Central Railway Station. The site is included in the area covered by the Ideas Competition for Sydney's Southern End conducted by the RAIA and supported by government.
- 37. In recognition of the architectural and historical significance of the area, DAS has attempted to design the building in harmony with the surrounding townscape. For example, the proposed tower is clustered near the McKell and Telecom towers to maintain the dominance of the Central Railway Station tower in the skyline and the facades are being designed to achieve optimum integration with the scale and character of the existing streetscape.
- 38. A pedestrian concourse covered by a glazed atrium and served by escalators from Hay Street will facilitate access to and within the public areas of the complex. From DAS's model of the building the Committee considers that this entrance appears too high and intrusive on the surrounding streetscape.

Committee's Recommendation

39. The Committee recommends that the Department of Administrative Services ensures that the Hay Street entrance to the building is developed in a manner which is in harmony with the heritage character of the area and the scale of the

surrounding streetscape and the Committee suggests that the entrance be reduced to the height of the other buildings in Hay Street.

Heritage Issues

- 40. The major heritage elements on the AGL site are shown in Appendix C. All premises on the site currently are vacant. A substantial part of the site has had a long association (since 1854) with the provision of gas manufacturing, storage and sales for the city and metropolitan areas and the administration of the AGL Company. Other parts of the site have significance for their association with the city's retail, social and other activities.
- 41. The heritage significance of the Haymarket site has been under consideration by DAS and heritage groups since about 1980 when the National Trust of Australia (NSW) considered the site as part of a broader conservation area. The most obviously significant buildings on the site (the Fire Engine House and the AGL Main Hall) were classified by the Trust in 1983 and 1984 respectively. Classification of further buildings was delayed pending a major conservation analysis of the site which DAS commissioned in May 1986 by Peter Freeman and Partners.
- 42. In some cases DAS did not support the statements of significance in the Freeman Conservation Analysis and subsequently prepared a resume and recommendations paper which varied those statements to reflect the DAS (Construction Group) view.
- 43. Based on its conservation resume, the Commonwealth's space requirements and design options, DAS put forward a design proposal that included the retention and incorporation of three buildings the AGL Main Hall, the Manse and Fire Engine House, as well as the larger gasholder base. The AGL Main Hall and Fire Engine House are being included in the Register of the National Estate.

- 44. Heritage groups do not support DAS's assessment of the conservation of the area and have argued for the retention and/or recording of additional heritage elements on the site. The elements that each group would like retained or recorded are outlined in Appendix C. The heritage elements involved are the Austen Building and AGL Engineers Building (particularly their facades), Anthony Hordern Building, smaller gasholder, AGL Main Hall Annex, Wesleyan Site Shops and the AGL Meter Room.
- 45. During the planning of the proposed building DAS undertook extensive discussions on the conservation options with the AHC. It is important to note that many of the issues raised by AHC at that time are the concerns that the other heritage groups are now raising. As a result of those discussions AHC are satisfied that DAS has considered the options for the retention of other heritage items such as the Austen Building and Engineers Building but that no feasible or prudent alternative to the demolition of those buildings exists.
- 46. As AHC considered that DAS had fulfilled its statutory obligations under the AHC Act, the AHC did not make a submission to the Committee but wrote saying that:
 - . consultations between the AHC and DAS has taken place;
 - . the Commission's concerns for the conservation of the places of national estate significance on the site had been taken into account;
 - the proposed building integrates reasonably well with the places of national estate significance on the site and its surrounding townscape; and
 - further consultation will be necessary as conservation work is documented in detail.

- 47. At the Committee's request the AHC provided additional professional advice and comment on the heritage elements on the AGL site.
- 48. In evidence to the Committee heritage groups made a strong case for the retention of the Austen Building facade and the Committee is sympathetic to that viewpoint. However, DAS advised that the Austen facade is a later addition onto another building and that its support does not go to bedrock which is seven metres below ground level. This was later confirmed by DAS via a core sample of the strata. If the facade were to be retained DAS would have to support the facade while it excavated to put the facade's supports down to bedrock. The cost of retaining the Austen Building facade would be of the order of \$2m and the cost of retaining the whole building some \$5m.
- 49. Retention of the facade of the AGL Engineers Building also would be difficult because it is a load-bearing concrete floor building and it would require hand demolition which is not an easy or economical task. The cost of retaining the Engineers Building facade would be about \$10m while the cost of retaining the whole building would be some \$15m \$17m. The Committee also noted that to attempt to incorporate the Parker Street wing of the AGL Engineers Office in a building extending four floors above it would be a compromise which would not retain its integrity or its full significance in the townscape, nor result in an ideal office building.
- 50. Not retaining the Engineers Building meant that the smaller gasholder base which is below it also could not be retained. Further, if the smaller gasholder were retained car parking space would be lost.
- 51. At the public hearing DAS told the Committee that it had employed a consultant to undertake some archaeological work on the site. In addition, following consultation with the AHC, DAS

agreed to record (photograph and document) the Austen Building, Anthony Hordern Building and former AGL Engineers Building before they are demolished.

- 52. In its submission to the Committee the Heritage Council of NSW stressed that apart from photographic and drawing records it is essential that recording include a full account of the previous uses of the items being recorded, and due to the industrial significance of the site an industrial archaeological study of all significant items on the site should be undertaken to record equipment, materials and processes related to the industrial activities of the site.
- 53. Further, both the AHC and Heritage Council of NSW suggest that on the basis of the findings of the Freeman Conservation Analysis that a full recording and archaeological study should be made of the Meter Room behind the Fire Station and the smaller gasholder as well as any other items found on the site to be of archaeological significance.
- 54. While the Committee supports the proposed retention of the three buildings and the larger gasholder base it is concerned about the costs of restoring those heritage elements. At the public hearing DAS provided the following cost estimates on restoration and later supplemented this with a detailed cost breakdown for the Committee. The costs were prepared by an independent consultant:

AGL Main Hall and Larger Gasholder	\$2.2m
The Manse	\$0.2m
Fire Engine House	<u>\$0.1m</u>
	c2 Em

Committee's Conclusion

55. The Committee concludes that the Department of Administrative Services has made a significant effort to assess

the heritage value of the area and sympathetically maintain and restore a number of heritage elements.

Committee's Recommendation

- 56. The Committee recommends that the Department of Administrative Services:
 - . continues consultation on heritage issues with the Australian Heritage Commission as conservation work is documented in detail and where appropriate involve the National Trust of Australia (NSW) and the Heritage Council of NSW in those consultations to take advantage of their particular expertise;
 - . includes in the recording and archaeological study of the site the Meter Room behind the Fire Engine House and the smaller gasholder and any other items found to be of archaeological value:
 - supplements photographic and drawing records of the site with an account of the previous uses of the items being recorded and as part of its archaeological investigation the Department of Administrative Services ensures that an industrial archaeological study of significant items on the site be undertaken; and
 - keeps the Committee informed on the actual costs of restoration of the heritage elements retained.

Overshadowing of Belmore Park and Eddy Avenue

57. Planning and heritage groups are concerned about the overshadowing of Belmore Park by the proposed tower development. As Belmore Park is the second largest park serving the CBD and the only park south of Liverpool Street its continued protection is considered important. Some groups also are concerned about the overshadowing of the bus interchange in Eddy Avenue near Central

Railway Station which is an area being considered for redevelopment and the possible extension of Belmore Park.

- 58. A number of recent high-rise buildings (particularly Central Square and Roden Cutler House) to the north and west of Belmore Park cast shadows on it during winter lunch time periods. As a result an environmental plan jointly prepared by the City Council and the Department of Environment and Planning for the Belmore Park precinct includes guidelines to ensure further overshadowing is minimised. The basic planning requirement is to eliminate shadows cast on the park between the hours of 12 noon and 2.00 pm on 22 June (mid-winter lunch). Development implications of this in terms of allowable building heights are shown at Appendix D.
- 59. Legislation concerning this issue is not in place. Although the Commonwealth would not have to abide by such legislation, in the past it has tended to follow State and Local Government planning quidelines.
- 60. The Council of the City of Sydney, the Department of Environment and Planning and the Public Works Department (PWD) have discussed their concerns about overshadowing with DAS and told DAS that they prefer a medium-rise design solution. In evidence to the Committee the PWD stated that the building form for the site should comprise a medium-rise solution of no more than 17 storeys set back on a podium at Pitt Street, Hay Street and the northern end of Parker Street.
- 61. To evaluate the effects of overshadowing of the tower and the medium-rise design solution DAS contracted the University of Sydney Solarscope to produce a series of photographs projecting likely overshadowing.
- 62. DAS advised the Committee that if the height restriction set out in the environment plan for the Belmore Park precinct were to apply strictly on the Haymarket site development, it would result in a low/medium-rise building of approximately half

the floor space allowable under the current planning controls. This assessment also includes heritage restrictions as adopted on site.

- 63. The proposed development seeks to maximise floor space without affecting Belmore Park to a detrimental degree. Shadows cast from the tower, which is located as far south as possible, cuts the southwest corner of the park (steep section) in mid-winter. In relation to Eddy Avenue the tower will overlay and extend the current overshadowing produced by the McKell Building.
- 64. An alternative solution of medium-rise of some 16-17 floors produces a greater shadow pattern on the park and is therefore more detrimental. During the equinox (August-September) the shadow patterns marginally favour the medium-rise solution and during the summer the shadows cast by the tower are greater.
- 65. DAS stated that overall one of the key reasons for adopting the high-rise/low-rise northern wing solution is to achieve minimum shading impact on Belmore Park.

Committee's Conclusion

66. The Committee concludes that almost any viable building constructed on the site will produce some overshadowing of Belmore Park and Eddy Avenue irrespective of the building design. The Committee agrees that the Department of Administrative Services has demonstrated that it has developed a design which keeps overshadowing to a minimum while providing an economically viable building for the Commonwealth.

DEMOLITION ON THE SITE

67. In early 1988 the National Trust of Australia (NSW) informed the Committee that DAS had let a contract for demolition on the site and demolition work commenced in February 1988. It further suggested that this was in breach of the <u>Public Works</u> Committee Act 1969.

- 68. DAS told the Committee that a demolition contract had been let and work had commenced but it did not believe that it was acting in breach of the Public Works Committee Act and when doubt, arose, that the demolition work had been stopped. This was two days after the contract had been let and therefore demolition work was minor.
- 69. In February 1988 the Public Works Committee referred the matters to the Attorney-General's Department. General advice from the Attorney-General's Department in a letter dated 10 February 1988 was:
 - '... that demolition work on a site in respect of which there is a firm proposal to construct a public work can constitute commencement of a public work within the meaning of the Public Works Committee Act. However, I reiterate that demolition of buildings for a public health or safety purpose, or demolition at a time when it has not been decided to use the site for a particular public work, would not, in my view, be considered part of the construction process of any subsequent public work built on the site.'
- 70. Final advice on the AGL Site from the Attorney-General's Department in a letter dated 25 March was:
 - '... the buildings that were demolished on the AGL site were, by and large, deserted, derelict and in a state of decay, and therefore had to be demolished for safety reasons; and

given their state of repair, there was no prospect of the existing buildings being incorporated or used in any way for the purposes of the project now before the Public Works Committee.

.. in the light of those matters, neither the letting of the contract for the demolition work nor the demolition work which had been carried out at the AGL site constituted

- a commencement of a public work in contravention of section 18(5) of the Public Works Committee Act.
- 71. The Committee accepted the advice of the Attorney-General's Department.

OCCUPANCY OF THE BUILDING

- 72. The Committee was informed by DAS that the preferred principal tenant for the building is the Australian Taxation Office (ATO) and that early indications are that the ATO's space requirements will be in the order of 30 000-35 000 $\rm m^2$ or about 60% of the proposed office space.
- 73. On the other hand in evidence to the Committee the ATO stated that it is going through a major period of change. The future design, size and structure of the ATO, and thereby its office accommodation requirements, will be dictated by the computer re-equipment and redevelopment programs in conjunction with the Office Structures Review and other initiatives currently being considered or implemented. Given the major changes to its operations foreshadowed by these initiatives the ATO advised the Committee that it would be premature at this stage to make any commitment to the proposed new Commonwealth building.
- 74. If the ATO does not occupy the building DAS informed the Committee that there are a number of other departments in high-cost rental accommodation in Sydney that could be relocated. The occupants of the balance of the building are yet to be determined though DAS provided the Committee with a list of the departments being considered for relocation.

AMENITIES AND PACILITIES

Office Accommodation Space Requirements

75. Consistent with current practice for Commonwealth office accommodation a space allocation rate of 15 \rm{m}^2 per person has

been used for design purposes. If the ATO were to occupy the building its estimated space requirement of $19-20 \text{ m}^2$ per person resulting from its ADP re-equipment program would be available and there would be a balancing factor with other tenants in the building.

Shop-front Accommodation

76. The development has been specifically designed to provide shop-front accommodation in the two retail/commercial arcade areas for Commonwealth departments with high public contact requirements.

Security

77. Most of the physical arrangements for security will be planned and installed as part of the fitout of each area. However, the design of public spaces, lifts and stairs allows economical securing of any floor or group of floors. This allows the ATO's security requirements for staff and client information to be fulfilled. In addition, the building will incorporate a sophisticated central management and security centre.

ADP Requirements

78. DAS has made provision for the possible future installation of dedicated computer rooms and facilities for extensive cable reticulation of screen-based equipment in the design of the building. The air-conditioning system has been designed with air handling units on each floor so that the units can be adjusted to meet the heat load requirements of any electronic equipment. These facilities are particularly important to the ATO with regard to its ADP re-equipment program.

Staff Amenities

79. Amenities including toilets, tea rooms and showers will be provided in accordance with the standards applicable to such development proposals. In addition, active and passive recreation facilities will be provided for staff.

- 80. The union groups raised the issue of the provision of work-related child-care facilities. DAS reiterated that it is currently not Commonwealth Government policy to provide child-care facilities in government departments. However, it assured the Committee that if government policy changed child-care facilities could be accommodated within the building or within the area, depending on the restrictions on the location of child-care facilities since in Sydney child-care facilities currently are required to occupy a ground floor location with internal and external space.
- 81. A dedicated union room for delegates' meetings and the provision of a women's room also were raised by the unions. DAS advised the Committee that those facilities relate to the eventual allocation and fitout of usable space within the building and will be considered during a later stage of construction.
- 82. Similar comments were made concerning the provision of a smoking room with separate ventilation. At present the Government has a policy of having its office buildings as smoke-free environments and consequently a smoking room has not been provided. If the policy changes in the next two and a half years DAS said the issue would be looked at in the detailed fitout phase.
- 83. The unions provided evidence to the Committee on the need for the provision of Government subsidised cafeteria facilities and the Taxation Officers Branch of the Federated Clerks Union of Australia told the Committee that cafeteria facilities are provided in many of the buildings occupied by the ATO.
- 84. The provision of food services is governed by the Code of Practice on the Provision of Amenities in Commonwealth Government Employment. Whether or not a food service is provided is

determined in the light of local circumstances with particular regard to:

- . numbers of staff at the establishment;
- whether shifts are worked and the times and duration of meal breaks; and
- . other facilities in the vicinity.
- 85. DAS advised the Committee that some of those issues would only become known closer to occupation and that if then appropriate, the guidelines on the provision of food services would come into operation.

Committee's Recommendation

86. The Committee accepts the desirability of the provision of cafeteria facilities in the proposed building and requests that the Department of Administrative Services investigates the issue as soon as details of local circumstances are available. However, the Committee considers the issue of subsidisation of cafeteria services is an industrial matter to be negotiated between the unions and management at the appropriate time.

Facilities for Disabled Persons

- 87. The Committee was advised by DAS that all of the requests made by ACROD in its evidence to the Committee on facilities for disabled persons have been complied with, specifically:
 - all levels of the building will be accessible to those in wheelchairs;
 - it is now proposed to provide a lift service between the lower ground and ground levels at the Hay Street entrance to supplement the escalators which are not usable by wheelchair-bound and a special lift control

for one lift that gives disabled persons additional time to get in and out of the lift; and

- three parking spaces will be provided for disabled drivers.
- 88. The only exception is that provision is made for four unisex toilets for disabled persons rather than toilets for the disabled on all levels of the building.

Committee's Recommendation

89. The Committee recommends that fully adequate provision of facilities should be made for disabled persons and supports the Department of Administrative Services' commitment to consider ways of increasing the provision of toilet facilities for the disabled.

Access Roads and Parking

- 90. Two basement levels with access from Parker Street will provide parking for a total of 130 vehicles and temporary storage and vehicular removal of waste from a loading bay area. Additional car spaces cannot be provided on-site due to the constraints imposed by the retention of the larger gasholder base at basement level. A further 120 car spaces will be provided through appropriate leasing arrangements. Three parking spaces will be provided for disabled drivers. Parking facilities for the public using the building will be assessed when requirements are known.
- 91. In evidence to the Committee DAS stated that the parking facilities provided fulfil the Council of the City of Sydney's parking code requirements. The limited parking provision accords with the Council's policy to restrict on-site parking and traffic generation and is of particular significance to the AGL site due to the volume of traffic on adjoining roads. Council noted that the proposed development does not include a set-down bay at

street level to the premises that could be used by taxis, etc. The Committee sees merit in the proposal and suggests DAS investigate.

ENVIRONMENTAL CONSTDERATIONS

- 92. DAS advised the Committee that a Notice of Intent had been submitted to the Department of Arts, Sport, the Environment, Tourism and Territories. The Department advised DAS that an Environmental Impact Statement was not required. However, the Department requested that in proceeding with the design and implementation of the proposal that DAS should:
 - continue to consult with the AHC and ensure any recommendations of AHC are implemented; and
 - continue to liaise with relevant local and state authorities as appropriate.

CONSULTATIONS

- 93. DAS informed the Committee that the following authorities and organisations had been consulted in the development of the proposal, none of which raised any objections:
 - . Department of the Arts, Sports, the Environment, Tourism and Territories
 - . Telecom Australia
 - . Department of Transport (NSW)
 - . Metropolitan Water, Sewerage and Drainage Board
 - . State Rail Authority
 - . Sydney County Council
 - . Board of Fire Commissioners
- 94. However, the following planning and heritage groups did raise concerns about the proposal. Details of the issues raised

have been outlined in previous section of this report:

- . Australian Heritage Commission
- . National Trust of Australia (NSW)
- . Department of Environment and Planning NSW
- . Heritage Council of NSW
- . Public Works Department NSW
- . The Council of the City of Sydney.
- 95. The proposal also was discussed with relevant staff associations, namely:
 - . Administrative and Clerical Officers Association
 - . Australian Public Service Association
 - Federated Clerks Union of Australia, Taxation Officers Branch.
- 96. While the associations supported the construction of the building they identified a number of deficiencies for their members with the proposed design. Details of those concerns have been discussed in earlier sections of the report. ACROD also shared the unions' concerns relating to the provision of facilities for disabled persons.
- 97. Although many of the witnesses who appeared before the Committee had been consulted by DAS in relation to the proposal, a number of those witnesses told the Committee that they were not satisfied with those consultations.

Committee's Recommendation

98. The Committee recommends that the Department of Administrative Services reassess its consultative procedures with a view to making the consultations more effective for all parties.

CONSTRUCTION PROGRAM

99. The anticipated overall construction period for the project is 40 months. Staged occupancy has been allowed to provide progressive handover of the building.

PITORT

- 100. DAS advised the Committee that fitout of the accommodation for the proposed building is considered to be part of the project but is subject to later programming action. During the planning of a major building fitout requirements can change significantly and, for this reason, the detailed design and documentation for fitout provisions is done as late as possible in the project to avoid aborted work.
- 101. DAS recognise that in recent years the Commonwealth has experienced increasing fitout costs especially for leased accommodation and consequently DAS make every effort to keep fitout costs as low as possible.
- 102. DAS informed the Committee that it has developed considerable expertise in estimating fitout requirements and costs and have developed a computer software package to analyse office space requirements and a data base of Commonwealth fitout projects in excess of \$200 000 to assist in estimating costs.
- 103. Using those resources DAS provided the Committee with sample workpoint layouts, space schedules and furniture requirements for similar accommodation for the proposed principal tenant the ATO. DAS also provided a notional fitout budget which can be summarised as:
 - . fitout for three mainframe computers \$3.0m
 - . standard fitout provisions \$11.8m
 - . post and panel provisions \$3.2m

104. The total fitout cost is estimated at some \$18m at April 1987 prices excluding fitout of retail areas by tenants.

Committee's Recommendation

105. The Committee recommends that because of the substantial cost involved and the increasing costs of fitout the Commonwealth has experienced in recent years, that it be kept informed on progress with fitout requirements and costs for the project.

LIMIT OF COST

- 106. The limit of cost for the proposal is \$118m (excluding fitout costs estimated at some \$18m) at April 1987 prices.
- 107. The limit of cost estimate includes the following:
 - . preliminaries
 - . building work (including facade and structural frame)
 - mechanical, electrical and hydraulic services, lifts, fire protection, building maintenance unit and management system
 - . landscape and external services
 - . heritage works
 - . documentation costs (consultants).

Committee's Recommendation

108. The Committee recommends the construction of the new Commonwealth office building, Haymarket, NSW at an estimated cost of \$118m for construction and \$18m for fitout both at April 1987 prices.

CONCLUSIONS AND RECOMMENDATIONS

109. The conclusions and recommendations of the Committee and the paragraph in the report to which each refers are set out below:

Paragraph

1. The Committee concludes that:

- the Commonwealth continues to require office accommodation in the Sydney Central Business District;
- the most cost-effective manner of providing that accommodation is by building new office space rather than leasing equivalent space;
- there is a need for 50 000 m² net of Commonwealth-owned office space to replace existing leased accommodation;
- this is consistent with the Government's policy of increasing its ownership of office accommodation and reducing overall rental costs; and
- the most cost-effective construction method is a civil works arrangement.

2. The Committee recommends that the Department of Administrative Services ensures that the Hay Street entrance to the building is developed in a manner which is in harmony with the heritage character of the area and the scale of the surrounding streetscape and the Committee 23

3. The Committee concludes that the Department of Administrative Services has made a significant effort to assess the heritage value of the area and sympathetically maintain and restore a number of heritage elements.

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- 4. The Committee recommends that the Department of Administrative Services:
 - . continues consultation on heritage issues with the Australian Heritage Commission as conservation work is documented in detail and where appropriate involve the National Trust of Australia (NSW) and the Heritage Council of NSW in those consultations to take advantage of their particular expertise:
 - includes in the recording and archaeological study of the site the Meter Room behind the Fire Engine House and the smaller gasholder and any other items found to be of archaeological value;
 - supplement photographic and drawing records of the site with an account of the previous uses of the items being recorded and as part of its archaeological investigation the Department of Administrative Services ensures that an industrial archaeological study of significant items on the site be undertaken; and
 - keeps the Committee informed on the actual costs of restoration of the heritage elements retained.

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- 5. The Committee concludes that almost any viable building constructed on the site will produce some overshadowing of Belmore Park and Eddy Avenue irrespective of the building design. The Committee agrees that the Department of Administrative Services has demonstrated that it has developed a design which keeps overshadowing to a minimum while providing an economically viable building for the Commonwealth.
- 6. The Committee accepts the desirability of the provision of cafeteria facilities in the proposed building and requests that the Department of Administrative Services investigates the issue as soon as details of local circumstances are available. However, the Committee considers the issue of subsidisation of cafeteria services is an industrial matter to be negotiated between the unions and management at the appropriate time.
- 7. The Committee recommends that fully adequate provision of facilities should be made for disabled persons and supports the Department of Administrative Services' commitment to consider ways of increasing the provision of toilet facilities for the disabled.
- The Committee recommends that the Department of Administrative Services reassess its consultative procedures with a view to making the consultations more effective for all parties.
- 9. The Committee recommends that because of the substantial cost involved and the increasing costs of fitout the Commonwealth has experienced in recent years, that it be kept informed on progress with fitout requirements and costs for the project.

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10. The Committee recommends the construction of the new Commonwealth office building, Haymarket, NSW at an estimated cost of \$118m for construction and \$18m for fitout both at April 1987 prices.

108

Colin Hollis

Chairman

Parliamentary Standing Committee on Public Works

21 April 1988

LIST OF WITNESSES

- ARCHER, Dr Richard John, Occupational Health and Safety Officer, Administrative and Clerical Officers Association, New South Wales Branch, 245 Castlereagh Street, Sydney, NSW 2000
- CANTRILL, Mr Peter John, Architectural Officer, National Trust of Australia (New South Wales), GPO Box 518, Sydney, NSW 2001
- CHARLTON, Mr Kenneth Donald, Conservation Officer, Australian Heritage Commission, Casey House, Rhodes Place, Yarralumla, ACT 2601
- DIVETT, Mr Ross Stephen, General Manager, Australian Property Group, Department of Administrative Services, GPO Box 1920, Canberra, ACT 2600
- GALLERY, Mr Arthur Francis, Chief Property Officer for New South Wales, Australian Property Group, Department of Administrative Services, Commonwealth Government Centre, Chifley Square, Sydney, NSW 2000
- GRAY, Mr Ross Alexander, Director, Management and Development, Australian Property Group, Department of Administrative Services, Commonwealth Government Centre, Chifley Square, Sydney, NSW 2000
- HALCROW, Ms Jean Anne, OAM, Chairman, Access and Mobility Subcommittee, ACROD Ltd, New South Wales Division, 55 Charles Street, Ryde, NSW 2112
- HOWES, Mr Raymond Keith, Associate Director, Projects Division 3, Construction Group, Department of Administrative Services, PO Box H27, Tower Building, Australia Square, Sydney, NSW 2000
- KENT, Mr John Mervyn, First Assistant Secretary, Civil Programs 2, Construction Group, Department of Administrative Services, 470 Northbourne Avenue, Dickson, ACT 2606
- LEWICKI, Mr Michael Nicholas, Project Manager, Construction Group, Department of Administrative Services, PO Box H27, Tower Building, Australia Square, Sydney, NSW 2000
- MITCHELL, Mr Vincent Thomas, Senior Assistant Commissioner, Australian Taxation Office, 3 Constitution Avenue, Canberra, ACT 2500
- PEARSON, Dr Michael, Assistant Director, Historic Environment, Australian Heritage Commission, Casey House, Rhodes Place, Yarralumla, ACT 2601

- POWELL, Mr Ronald Frederick, Acting Principal Architect, Public Works Department, State Office Block, Phillip and Bent Streets, Sydney, NSW 2000
- PRATTEN, Mr Christopher Hugh, Environment Director, National Trust of Australia (New South Wales) GPO Box 518, Sydney, NSW 2001
- REID, Professor Paul Stanhope, Vice-President, Environment, Royal Australian Institute of Architects, New South Wales Chapter, School of Architecture, University of New South Wales, Kensington, NSW 2033
- SHEPPARD, Ms Viola Katharine, New South Wales Organiser, Federated Clerks Union, Taxation Officers Branch, Suite 303, Third Floor, 147-149 Castlereagh Street, Sydney, NSW 2000
- WESTON, Ms Helen Margaret, Member, Heritage Council of New South Wales, Sydney, NSW 2000

CONSTRUCTION DETAILS

Foundations and Structure

The site has good load bearing foundation material of medium to hard sandstone with an overburden of clay/soil.

The structure is proposed to be of reinforced concrete with the core and perimeter frame of downturned beams and columns providing the main load bearing elements.

The floors will carry normal office loads of 5kPa with selected areas on each floor capable of supporting heavier storage loads.

Building Materials

External walls will consist of precast concrete panels with blockwork backing. Windows will be double glazed to provide sound attenuation and sun/glare control. External paving will consist of a high quality durable material. Roofs will be metal deck and protected membrane.

In general office areas, internal perimeter walls will be rendered and painted. Ceilings will be suspended acoustic tiles and floors will be prepared for carpets. Entrance foyers and pedestrian concourses will incorporate selected paving.

Mechanical Services

Air-conditioning will be provided to all office areas throughout the building with individual air handling plant on each floor. All central plant will be located at basement level, with the exception of the cooling towers which will be located on the top of the medium-rise building.

Other services will include ventilation to toilets, car park exhaust systems, smoke lobby and stairwell pressurisation systems, domestic hot water and chilled drinking water units.

Energy conservation measures will be incorporated in the design of the mechanical services, including use of an outside air cycle whenever outside ambient conditions are suitable. An integrated energy management and digital control system will be provided to ensure that all plant runs under optimum operating conditions. Functions will include air-conditioning monitoring and control, fire alarms, smoke control and energy management.

Electrical Services

Mains power will be supplied from the Sydney County Council. Electric supply will be connected to switchboards on each floor, reticulated from the two main substations and switchboards in the basement. In the event of mains power failure, emergency generators located in the basement will provide power for fire systems, security, essential lighting, essential power and limited lift operation.

Lighting throughout the building will be in accordance with the requirements of Australian Standard 1680 - Interior Lighting and the Visual Environment.

The following power and communication systems will be provided:

- . general purpose power outlets
- . special purpose facilities
- . telephone telex facsimile cabling system
- building monitoring system
- emergency warning and intercommunication system.

Duct and riser space will be allowed for computer, data transmission, television, paging and security services.

Lifts

Passenger lifts will be provided at both core zones in the development. The tower core will contain two separate banks serving medium and high-rise floors. Lifts will serve the basement in both cores.

A goods/passenger lift will serve all floors and a dumb waiter will operate between the service area and the former AGL Main Hall. Escalators will be provided serving the pedestrian throughout from Hay Street. The arrangement of the vertical transportation system provides a completely separate lift lobby for each group of lifts which in turn will enable optimum traffic movement and operation.

Fire Protection

The building will be fully protected by a sprinkler system provided in accordance with Australian Standard AS 2118, SAA code for Automatic Fire Sprinkler Systems and current codes of practice. A fire control room will be provided at the ground floor. The building structure and functional subdivision will be fire rated in accordance with NSW Building Regulations and any other relevant regulations. All materials will be selected to

ensure full compliance. Fire isolated stairways will serve each floor level. Manual break-glass alarms, hose reels, fire hydrants, an emergency warning and intercommunications system, a battery powered emergency lighting system and hand-held fire extinguishers will be provided throughout the building.

Civil Works, Landscaping and Hydraulics

Access and egress for vehicles has been designed in consultation with the relevant authorities.

Extensive landscaping of podium areas will be provided. This will includes hard paving so that the occupants of the building can use the areas as passive recreation space and small shrubs and trees will be included.

Hydraulic services will comprise water for domestic and fire-fighting requirements and sanitary drainage, all of which will comply with relevant codes and regulations.

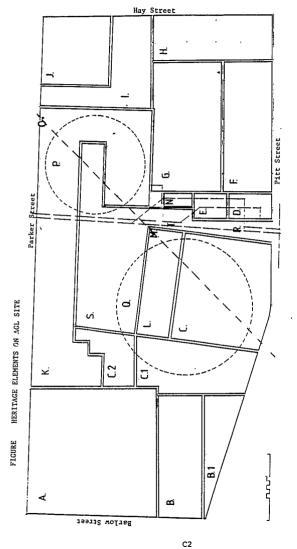
Subsoil drainage by means of a gravity drain to the nearest stormwater main will be provided under the basement to reduce the water table to prevent ingress of water into the basement areas.

APPENDIX C

HERITAGE ELEMENTS

Figure Heritage Elements on the Site

Heritage Groups' Assessment of Heritage Elements for Retention Table



KEY DRAWING AGL GASHOLDER Nº 4. AGL GASHOLDER Nº 5. AGL GAS HAINS N GOVERNOR PLIS
O DRAIN
P AGE GASHOLDER N
O. AGE GASHOLDER P
R AGE GAS HAINS
S AGE COURTYRD
T LANEWAY

E WESLEYAN SITE SHOPS
G. STABLES/GARAGE
H PRESBYTERIAN HANSE SHOPS
I AUSTEN BUILDING WESIETAN CHAPTE SITE SHOPS AGL ENGINEERS' OFFICE AGL CHAUFFERS' AREA AGL PUMP TO DRAIN CT AGI HAIN HALL ANNEX C2 AGI MAIN HALL LINK D VOLUNTEER FIRE STATION E AGI METER ROOM SHOWROOM ANNEX 호호

ANTHONY HORDEN BULDING

Table: Heritage Group's Assessment of Heritage Elements for Retention

Heritage Element		Organization's View on Retention				
		Freeman Partners	DAS	AHC	National Trust	Heritage Council
c	AGL Main Hall	consid	×	x	×	×
D	Fire Engine House	consid	x	x	x	x
H	Manse	consid	x	x	x	x
Q	Larger Gasholder (Base):	some	x	x	x	x
I	Austen Building	some	record	ж3.	x (facade)	x
ĸ	AGL Engineers Building	consid (facade)	record	ж3.	x (westwing)	x (further assess- ment)
A	Anthony Hordern's			record		record
P	Building Smaller Gasholder	some	recora -	archaeol.	x	record
C1	AGL Main Hall Annex	some	-		x (facade)	-
F	Wesleyan Site Shops	slight	-	-	x (facade)	-
E	AGL Meter Room	some	-	archaeol. study	-	record

Note

- x indicates desire for retention
 indicates not recommended for retention
- 2. Freeman and Partners used the following scale of significance:

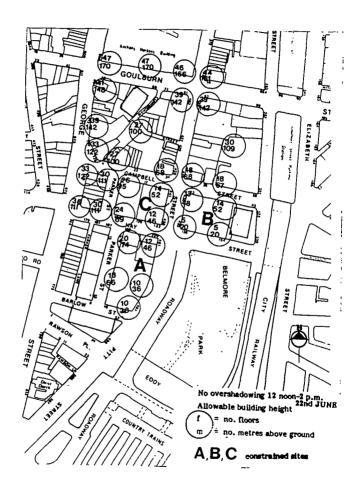
considerable significance some significance slight significance

Retention previously discussed with DAS and AHC accept DAS's conclusion that there is no feasible or prudent alternative to demolition.

APPENDIX D

DEVELOPMENT IMPLICATIONS OF GUIDELINES ON OVERSHADOWING OF BELMORE PARK

DEVELOPMENT IMPLICATIONS OF GUIDELINES ON OVERSHADOWING OF BELMORE PARK



Source: Jackson, Teece, Chesterman, Willis and Partners Pty Ltd June 1984 Belmore Park Civic Design Study for the Department of Environment and Planning NSW. Figure 13, page 29

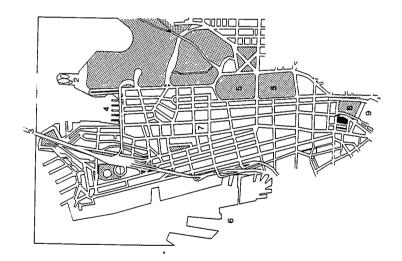
APPENDIX E

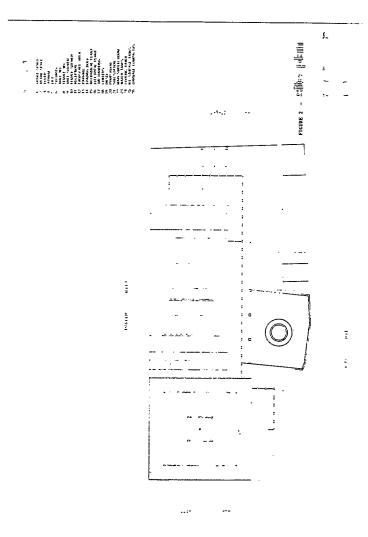
PROJECT DRAWINGS

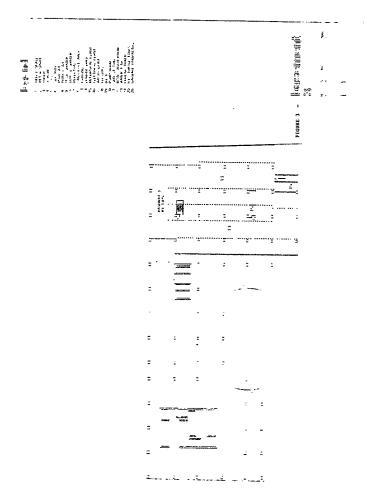
Figure

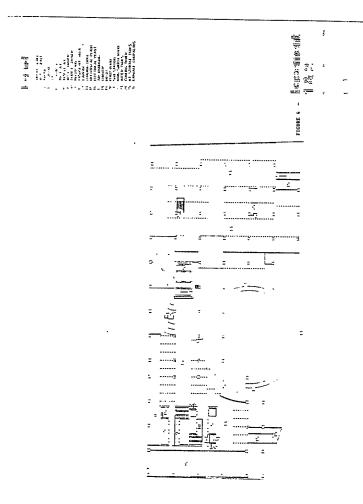
1	Location Plan
2	Site Plan as Proposed
3	Basement 3
4	Basement 1 & 2
5	Lower Ground Floor
2 3 4 5 6 7	Ground Floor
7	Level 1
8	Level 2
9	Low Rise Roof
10	Low Rise Tower
11	High Rise Tower
12	Cross-section
13	Longitudinal Section
14	East Elevation (Pitt Street)
15	North Elevation (Hay Street)
16	Photograph of Model

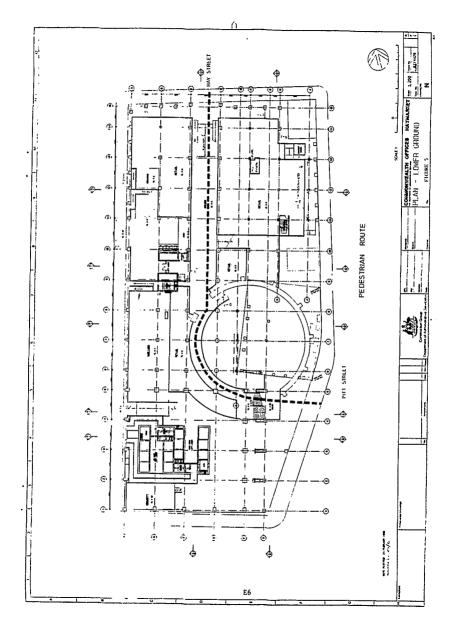
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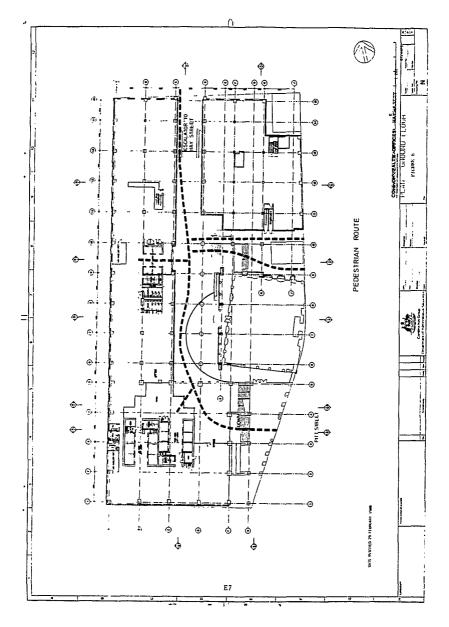


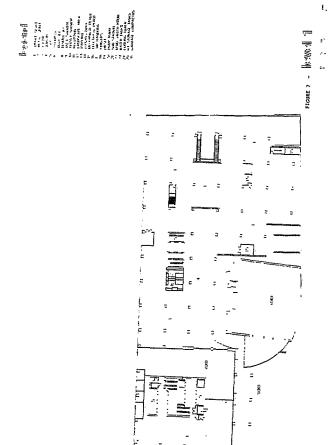


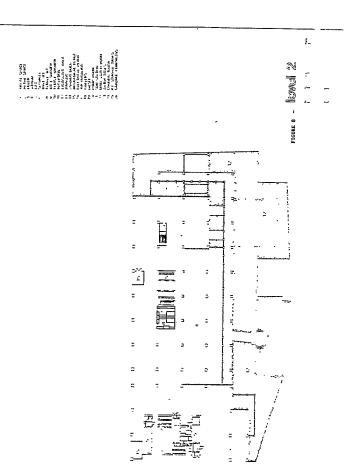


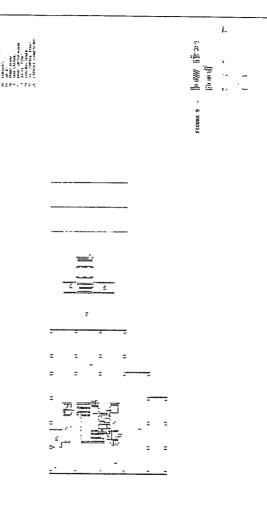


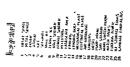




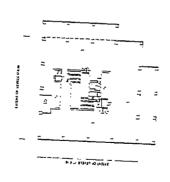








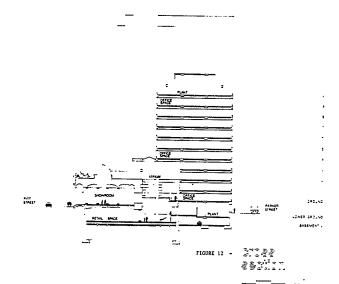












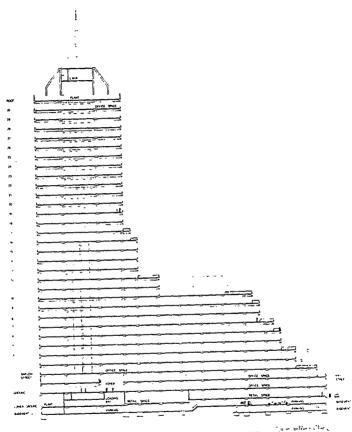
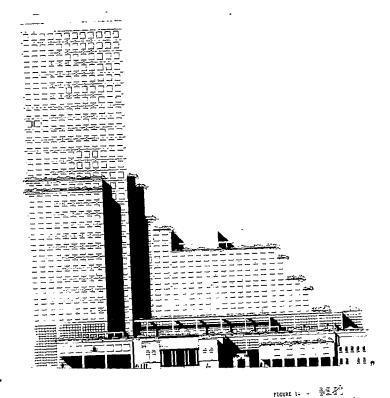


FIGURE 13 - Service State of the service of the ser

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FIGURE 15 - The state of the st

