



STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

JEREMY HANSON MLA (CHAIR), MICHAEL PETERSSON MLA (DEPUTY CHAIR), MARK PARTON MLA,
SUZANNE ORR MLA

**Inquiry into referred 2016–17 Annual and Financial Reports
ANSWER TO QUESTION ON NOTICE**



Asked by MR COE MLA:

Chief Minister, Treasury and Economic Development Directorate 2016/17 Annual Report, Property Services, Output 9.7

In relation to Staff Movement and Office Accommodation Strategy:

1. The AR states on page 85 that the directorate “finalised the move of over 1,100 staff into over 16,000 square metres of new office accommodation” in accordance with the “Government Accommodation Strategy”
 - a. How much did this relocation cost?
 - b. How long will these staff be accommodated at these new locations?
 - c. Does the government have any other staff relocation plans?
 - d. Please outline the aims of the Government Accommodation Strategy?
2. The AR states on page 85 that the directorate “finalised the move of over 1,100 staff into over 16,000 square metres of new office accommodation” in accordance with the “Government Accommodation Strategy”.
 - a. What are the key changes with the implementation of the new strategy?
 - b. Have any financial savings been realised under this new strategy?
 - c. Does the strategy place greater emphasis on active or flexible office spaces?
 - d. What more can the government do to minimise office related costs and ensure modern occupancy agreements?

Mr BARR MLA: The answer to the Member’s question is as follows:—

1. The moves referred to on page 85 of the AR relate to accommodation moves that either met the ACT Government’s commitment to increase ACT Government office accommodation in the Woden Town Centre, or to relocate staff from office buildings identified for sale under the Asset Recycling Initiative (ARI) agreement between ACT Government and the Commonwealth.



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The 1,100 plus staff moved were a result of Directorate moves actioned in 2016-17, including Transport Canberra and City Services (TCCS), Access Canberra and ACT Health.

- a. Costs for relocation to the Cosmopolitan building in Woden, and 496 Northbourne Avenue in Dickson were \$211,155.67 including GST. The Health Directorate advised the total fitout and relocation costs for relocation to Penrhyn House in Woden is \$10,822,858.
- b.
 - 496 Northbourne Avenue Dickson, accommodating TCCS staff: Lease expires in August 2020.
 - Cosmopolitan Building Woden, accommodating Access Canberra staff: Lease expires in February 2027.
 - Penrhyn House Woden, accommodating ACT Health staff: Lease expires in April 2031.
- c. The Government is proposing to move up to 3,100 staff into the new Government Office Buildings at Civic and Dickson when the buildings are completed construction and come on stream in 2020.

Additional moves arising from decommissioning office buildings included in the Asset Recycling Initiative were actioned in 2017-18. Some interim moves are expected within existing owned and leased accommodation in the interim.

- d. The Government endorsed the Whole of Government Accommodation Strategy in 2014. The Strategy provides for the development of a Civic Hub to accommodate the administrative functions of Government and the establishment of a range of regional satellite offices to accommodate support agencies and service delivery functions.

2.

- a. The agreed strategy aims to move Directorates into a smaller number of sites while facilitating interaction of staff undertaking similar functions.
- b. Indicative savings derived from Interim Accommodation moves in preparation for occupying the new Government buildings in 2020 equate to rental savings of \$1.3M per financial year.
- c. The Government has endorsed a commitment to implementing Activity Based Work (ABW) in new fitouts, where appropriate to the work environment. Access Canberra have moved to a full ABW environment at Cosmopolitan building Woden. ACT Health fitout at Penrhyn House Woden has been built to meet ABW standards. The new Civic and Dickson Government Office Buildings, for example, will be fully flexible, Activity Based Work fitouts when completed in 2020.



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- d. ABW environments are better prepared to adapt for organisational changes such as those necessitated through Administrative Arrangements and Machinery of Government changes as they are designed around best possible use of space, and maximum flexibility. Once established, there is very little need to reconfigure an environment to accommodate more people – the surge capacity is in built through the 8:10 ratio. This eliminates the need to expend resources on building works, or on relocating large furnishings (desks) and ICT equipment. Moving people and their belongings (files and team resources) as is typical through Machinery of Government changes becomes much more efficient as a result.

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature: *Andrew Barr*

Date: 5-12-17

By the Treasurer, Andrew Barr MLA

