



Triple Bottom Line (TBL) Assessment Summary

The Triple Bottom Line Assessment is required to be published in accordance with Part 4, section 23 (1)(b) of the Freedom of Information Act 2016

20/395 Civic Office Building 2 (COB2) – Provisioned Funding in 2020-21

Summary of impacts: The Whole of Government (WoG) Accommodation Strategy and the Office Subleasing Renewal Strategy provides a long-term strategic approach to the efficient and cost-effective utilisation of office space for the core administrative functions of government.

- The WoG Accommodation Strategy and its principal plank, the development of a WoG building(s) in Civic and Dickson, is designed to achieve the ACT Government’s social, environmental and economic objectives in a balanced manner.
- This project is undertaken to embark on the second phase of Office space for the Civic building.
- The Government Accommodation Strategy (the Strategy) recommends a hub and satellite approach whereby the administrative and policy functions of government should be consolidated in a hub in Civic and support functions dispersed in satellites in the town centres. This will ensure that the benefits associated with the co-location of policy and administrative functions are balanced with the provision of services centrally and at the various townships.
- The Strategy replaces a range of inefficient and ageing office buildings, both owned and leased, with the construction of a major new ‘green’ office buildings in Civic and Dickson. This is consistent with the government’s environmental objectives, particularly in relation to reducing greenhouse gas emissions and its objective of achieving carbon neutrality in its own operations by 2020.
- The refurbishment of the office buildings in Civic (COB2) will support economic growth, provide development opportunities on existing sites and help the ongoing rejuvenation of Civic.
- The co-location of the major functions of business into a new, ‘green’ building complex is consistent with practices in the UK, Europe and the USA, as well as in government and the private sector elsewhere in Australia, and is seen as a major driver of organisational change.
- The subleasing renewal strategy seeks to align the lease expiry dates with the commencement of the new Civic Office Building (COB1) and the Staging building for COB2 tenants at Customs House that is being accessed rent free. Almost all of the existing leased buildings do not meet the government’s standards for office accommodation, for example either with regard to sustainability targets, size of floor plates for efficient use and inefficiencies with directorates scattered across multiple sites etc. These negative impacts on TBL assessments conversely relate to positive TBL impacts for the office “hub” concept.

Level of impact	Positive	Negative	Neutral
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Social		
Level of impact	Impact	Summary
Positive	Gender Equality	<ul style="list-style-type: none"> Upwards of 75 per cent of the 450 staff moving to COB2 are women. Building services upgrades to deliver accessible and gender-neutral toilets. The ACT Human Rights Commission will be a tenant of COB2
Positive	Health (Community and mental health)	<ul style="list-style-type: none"> The refurbished office building will be modelled on new commercial office complexes (e.g. ANZ Docklands) that have brought a new focus on work life balance through the introduction of a workplace environment, breakout and common areas that stimulate staff interaction, improved amenities with access to natural ventilation and daylight.
Positive	Access to services	<ul style="list-style-type: none"> The refurbished office building provides the ACT Government with an opportunity to undertake a WoG approach to its administration and operations, and in particular through co-location delivering a unified approach to service delivery. Members of the Public will have two ground floor entryways. One to the Human Rights Commission and the Restorative Justice Unit from an Allara Street Entrance and another from the Plaza level to the ACT Civil and Administrative Tribunal (ACAT).
Neutral	Human rights	<ul style="list-style-type: none"> The Human Rights Commission will be a tenant of COB2; with design work underway to ensure the precinct reflects the Government's commitment towards a Human Rights compliant jurisdiction.
Positive	Aboriginal and Torres Strait Islander	<ul style="list-style-type: none"> Just as with COB and Dickson Office Buildings the Aboriginal and Torres Strait Islander Elected Body will be engaged as part of a building naming strategy.
Positive	Disability	<ul style="list-style-type: none"> The refurbished office building will incorporate all appropriate design features and meet relevant codes to ensure that visitors and staff can easily access the building.

Economic		
Level of impact	Impact	Summary
Positive	ACT Government Budget	<ul style="list-style-type: none"> A detailed financial analysis of options to meet the ACT Government future office accommodation needs has consistently demonstrated that refurbishment of an existing building in Civic that delivers the best value proposition to the Territory over the life of the building.

		<ul style="list-style-type: none"> • The co-location of staff into a new 'green' building provides lower operating, churn and upgrading costs compared with the costs associated with 10 leased and owned buildings. • The net impact upon the ACT Government Budget will ultimately depend upon the number of staff in the Civic building and in the new buildings in the 'satellite' areas; the energy ratings agreed upon for the new building(s); the rental streams provided by the market for A-Grade Space; and the asset sales from surplus buildings. • The 33.5 per cent rent reduction across 13,500sqm coupled with as rent-free staging building of 10,500sqm for 15 months will return monies to Government.
Positive	Productivity	<ul style="list-style-type: none"> • The hub and satellite approach will provide an appropriate balance between the co-location of government activities in Civic and the provision of employment and services in the townships. • The refurbished office building is an important investment in the ACT Government workforce: <ul style="list-style-type: none"> – ensuring that accommodation standards for ACT Public Servants are similar to that provided to Commonwealth Public Servants, hence helping to retain and attract staff; – improving inter-agency coordination; – removing administrative duplication; and – improving services to the ACT community. • This building will allow the possibility of moving to a higher workplace density of 12m² (from a current 15-20m²) per person, consistent with emerging industry and state government standards. This would involve higher quality work environments, higher amenity and a trade-off for increased shared spaces. • A workplace of 12m² will allow for the accommodation of a greater number of personnel with a consequent saving in rental accommodation and increased workplace efficiency and productivity outcomes.
Positive	Innovation	<ul style="list-style-type: none"> • Sustainable environmental technologies will be included in the refurbished building, consistent with the payment of commercial rents and their payback over the life of the relevant building.
Positive	Employment and labour force	<ul style="list-style-type: none"> • The strategy looks at the allocation of existing Public Service staff across geographic areas in Canberra and hence will not have an impact upon Government staffing levels. • However, the refurbishment of the office building and other areas as agreed by Government will have a strong impact upon private sector employment. This stimulus to the construction industry would be welcome given the slowdown in the sector and the economy generally given COVID-19.

Positive	Investment and Economic Growth	<ul style="list-style-type: none"> The refurbishment of the office building and other areas as agreed by Government will have a strong impact upon private sector employment. This stimulus to the construction and retail industry would be beneficial and provide economic growth for the ACT.
Positive	Procurement	<ul style="list-style-type: none"> The competitive tender process for the refurbishment will result in high quality and innovative designs within commercial parameters, similar to the process followed for the Government Office Accommodation Projects in Civic and Dickson.

Environmental		
Level of impact	Impact	Summary
Positive	Landscape changes	<ul style="list-style-type: none"> The refurbished office building in Civic will add substantially to the ongoing rejuvenation and vibrant aspect of the City to Lake Strategy. The Plaza between Nara and Allara House will be completely refurbished to enable a vibrant outdoor hub to be developed. A reconnection between the ACT Legislative Assembly, the newly constructed COB and COB2 will be a feature of the development.
Positive	Environmental Quality	<ul style="list-style-type: none"> The current portfolio of owned and leased buildings is poor in terms of the level of amenity offered to staff as well as environmental performance. Whilst considerable effort and cost is being directed to improving the environmental performance of these buildings there are severe limitations in what can be achieved with the current portfolio in the longer term, within an acceptable financial framework. The refurbished office building provides an opportunity for the ACT Government to demonstrate its commitment to meeting climate change, energy and water usage objectives.
Positive	Climate Change adaptation	<ul style="list-style-type: none"> Electric Vehicle charging station along with e-bike chargers will be installed within the basement levels of each building. Upgraded HVAC systems coupled with upgraded window treatments will reduce energy use and enable 5 Star NABERS to be achieved. Upgraded lighting systems will further reduce energy consumption.
Positive	Water	<ul style="list-style-type: none"> There is the potential to incorporate higher levels of sustainability into new buildings and it would be anticipated that 5 Star NABERS Energy, Water and Waste standards would be incorporated into the base building and tenancy requirements.
Positive	Visual quality	<ul style="list-style-type: none"> The ACT Government has recently spent considerable funds on improving the look and feel as well as the functionality of Civic. A refurbished building in Civic

		<p>will add substantially to the ongoing rejuvenation of Civic.</p> <ul style="list-style-type: none"> • The Plaza level of the Findlay Crisp Precinct will undergo an extensive upgrade including a café and bespoke spaces for pop-up's encompassing outdoor dining and various vendors.
Positive	Waste	<ul style="list-style-type: none"> • There is the potential to incorporate higher levels of sustainability into the building and it would be anticipated that 5 Star NABERS Energy, Water and Waste standards would be incorporated into the base building and tenancy requirements.