Western Australian Government Office Accommodation
Master Planning Strategy
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary</td>
<td>4</td>
</tr>
<tr>
<td>Background to Master Planning</td>
<td>5</td>
</tr>
<tr>
<td>Master Planning Objectives</td>
<td>6</td>
</tr>
<tr>
<td>Master Planning Principles</td>
<td>7</td>
</tr>
<tr>
<td>Summary</td>
<td>12</td>
</tr>
</tbody>
</table>
In 2010, Government endorsed the principles and objectives of Master Planning for government office accommodation, and approved the new role for the Department of Finance, in leading the implementation of this approach.

The objectives of Master Planning are to:

• support government service delivery
• support the Western Australian Planning Commission’s Directions 2031 and Beyond
• reduce the overall ongoing cost of government office accommodation
• support future machinery of government reforms.

This is driven by the following principles:

• decentralise government office accommodation from the CBD and CBD fringe
• consolidate remaining Perth CBD and CBD fringe government office accommodation into fewer buildings
• locate new government office accommodation in metropolitan activity centres
• co-locate government agencies in regional towns
• adhere to the policy of 15 square metres of floor space per work point
• standardise office fit-outs and share facilities in major buildings
• enhance environmental sustainability of government office buildings.
Previous government office accommodation processes, in which each agency generally decided where and how to accommodate itself (and requested and obtained funding to do so) were not always delivering the best value outcomes for government.

A more strategic approach to planning and a coordinated whole-of-government approach to implementation (of both accommodation locations and fit-out) has the potential to deliver significant savings.

In June 2009, the Treasurer endorsed a number of key recommendations for government office accommodation, including:

- agencies be required to include a 10-year office accommodation plan as part of their annual capital investment plan
- the Department be given a new leadership role in the development of business cases and office accommodation programs, using a Master Planning approach
- the Department reviews existing government office accommodation policies, and develops a policy suite that aligns with the total portfolio approach.

Government subsequently approved these recommendations and principles of Master Planning.
Support government service delivery through:
- improved community access to government agencies
- enhanced agency collaboration
- the provision of more efficient, effective and sustainable workplaces.

Support the Western Australian Planning Commission’s *Directions 2031 and Beyond*, particularly in regard to:
- the development of metropolitan activity centres on rail routes
- increased utilisation of public transport.

Reduce the overall ongoing cost of government office accommodation, through:
- decentralisation from the CBD
- consolidation into fewer buildings
- new fit-out standards.

Support future machinery of government reforms, through:
- more efficient and cost effective agency restructuring and associated office relocations.
**Master Planning Principles**

**PRINCIPLE 1**  
*Decentralise government office accommodation from the CBD and CBD fringe*

Long term trends show that lease rates in the CBD are consistently higher than rates in the Perth metropolitan area. Hence, only agencies with a demonstrable CBD operational requirement should be located in the CBD.

The lease rates in the CBD fringe (West Perth and East Perth) are generally lower than the CBD, and decentralisation to the CBD fringe would reduce lease costs. However, the decentralisation from the CBD to the CBD fringe does not support the Western Australian Planning Commission’s *Directions 2031 and Beyond*, primarily due to the missed opportunity in transport savings and the activation of metropolitan activity centres.

The decentralisation of some agencies to suburban centres supports *Directions 2031 and Beyond*. It is proposed to relocate over 80,000 square metres of existing CBD and CBD fringe government office accommodation to metropolitan activity centres by 2018.

This will require aligning the termination of existing CBD and CBD fringe office leases with the procurement and fit-out of new office accommodation outside Perth. This may require short-term interim accommodation moves for some business units within agencies, prior to the agency’s longer-term move to new office accommodation.

**PRINCIPLE 2**  
*Consolidate remaining Perth CBD and CBD fringe government office accommodation into fewer buildings*

The previous piecemeal approach and the lack of strategic planning and coordination has resulted in many agencies having business units spread across numerous buildings in the Perth CBD and CBD fringe.

As at June 2012, government office accommodation in the Perth CBD and CBD fringe is spread across some 81 buildings, including 10 government owned buildings and 149 individual leases, largely as a result of incremental agency accommodation growth over many years.

Under the Master Planning approach, it is proposed that the accommodation remaining in the CBD and CBD fringe following decentralisation will be aggregated and consolidated into 15 to 20 leased or government owned buildings.

This will provide increased flexibility to accommodate individual agency growth and restructuring at minimal cost, as well as provide improved opportunity to leverage government’s buying power.
Wherever possible, this consolidation will establish precincts of similar agencies in the one location. This includes:

- Perth Central Precinct - agencies with a strong community interface in the city centre, including Gordon Stephenson House at 140 William Street, Albert Facey House and the three heritage buildings on Wellington Street
- Justice Precinct - agencies with a justice focus near the Supreme Court and Central Law Courts, including the Old Treasury Building
- Executive and Central Government Precinct - agencies with an executive and central focus will be located near Parliament House, including Dumas House and Office of the Premier and Cabinet Room.

**PRINCIPLE 3**

*Locate new government office accommodation in metropolitan activity centres*

The Western Australian Planning Commission's *Directions 2031 and Beyond* identifies a number of activity centres for higher density, mixed use, and transport oriented development.

There are ten Strategic Metropolitan Centres and five Specialised Centres as shown below.

**Strategic Metropolitan Centres:**
- Armadale
- Cannington
- Fremantle
- Joondalup
- Mandurah
- Midland
- Morley
- Rockingham
- Stirling
- Yanchep

**Specialised Centres:**
- Bentley/Curtin
- Murdoch
- UWA/QEII
- Perth Airport
- Jandakot Airport

Government already has significant office buildings in two of these centres – Midland and Cannington – and has established a presence in Osborne Park.
Under the Master Planning approach, new government office accommodation will be established in several more metropolitan activity centres. Each new building will generally require, as an anchor tenant, the relocation of one or two major government agencies from the CBD and CBD fringe.
PRINCIPLE 4

*Co-locate government agencies in regional towns*

In many regional towns, a piecemeal approach to government office accommodation has also occurred. Just like in Perth, the co-location of government agencies in regional towns throughout Western Australia has the potential to improve community access to government service delivery, enhance agency collaboration and rationalise resource use through shared common facilities.

PRINCIPLE 5

*Adhere to the policy of 15 square metres of floor space per work point*

Industry trends show that efficient and effective work environments can be established within the current government office accommodation standard of 15 square metres of floor space per work point.

The application of this policy over recent years has seen the average occupancy density of the Government’s office accommodation portfolio reduced from 21.5 square metres per work point in 2004, to a current level averaging around 18 square metres per work point.

As existing fragmented tenancy arrangements are rationalised and consolidated, continued adherence to the 15 square metres per work point target will see the average occupancy density continue to fall, with resultant cost savings for agencies.

PRINCIPLE 6

*Standardise office fit-outs and share facilities in major buildings*

The fit-out of new office space will be undertaken to new modern standardised designs.

The new open-plan standard will provide a quality work environment and staff amenity that meets the business needs of the large majority of government agencies.

The new standard will provide the flexibility to accommodate individual agency growth, restructuring and relocation, without the need for costly fit-out changes and refurbishment. Due to individual agency needs, the new fit-out standard also provides for flexibility and adaptation to meet agencies’ operational requirements.

The standard includes a new approach to facilities management in larger multi-agency office buildings, with a wide range of common facilities (such as reception, security, mail, meeting rooms and staff amenities), as well as some commonly used information technology and telecommunications services, coordinated by a facilities management contractor for all agencies in the building.
This new standard has been applied to the multi-agency office buildings located in the Perth Central Precinct which includes Gordon Stephenson House at 140 William Street and the adjacent heritage buildings and Albert Facey House. It has also been applied to Dumas House in West Perth and the Optima Centre in Osborne Park.

**PRINCIPLE 7**  
*Enhance environmental sustainability of government office buildings*

A key principle of Master Planning will be to use government's purchasing power to enhance working environments and drive reductions in the environmental impact of government office accommodation, through the procurement of environmentally efficient premises.

The Australian Sustainable Built Environment Council found that the building sector is responsible for 23 per cent of Australia's total greenhouse gas emissions, and energy use in buildings is rapidly growing.

The Green Building Council of Australia’s ‘Green Star’ rating system for office accommodation uses benchmarks in eight different environmental categories, including energy efficiency and reduced emissions.

Existing or new buildings can be analysed or procured at specified performance levels, and green leasing agreements can be used to ensure buildings are managed to achieve environmental benefits and reduced operational costs.
For most organisations, opportunities to review the way they work and the environment in which they work in come along infrequently.

Master Planning presents a significant opportunity for major government agencies to do just that.

It is an ideal catalyst that allows agencies to maximise opportunities to improve organisational effectiveness through:

- identifying business improvements arising from the move to new accommodation
- active involvement in developing a design to improve their service delivery
- the appropriate utilisation of the design of their new accommodation
- the process of relocation itself.

It paves the way for unprecedented movement of public service office space and significant cost savings.