



19 OCT 2015

Mr Andrew Crow
fyi-request-3023-9289f633@requests.fyi.org.nz

Dear Mr Crow

On 6 August 2015 you emailed the Ministry requesting, under the Official Information Act 1982, information regarding the Ministry's relocation to 56 the Terrace. Your request specified the following documentation:

1. A copy of the business case including costings
2. A copy of requirements documents for the design or selection of the new building. (Size, number of desks to be needed, kitchens, bike storage, location)
3. A copy of the Minutes/memos or other documents from the project that give a progress update.
4. Any documents showing issues or problems the project is dealing with.
5. Any other documents you feel might be relevant.

The Ministry's lease at the Bowen Campus is expiring. There is no possibility of extending the lease as the buildings are at the end of their commercial life and the landlord needs them to be vacated to undertake redevelopment work. As such, the Ministry will vacate the campus and relocate the National Office to its new premises at 56 the Terrace. The procurement of the building was led by the Property Management Centre of Expertise (PMCoE) and the preferred location was approved by Cabinet in November 2012.

In November 2013, the Minister of Finance and the former Minister for Social Development approved the final commercial terms, and delegated authority to the Chief Executive to approve the Development Agreement and the Deeds of Lease negotiated for 56 The Terrace.

The building selected for the Ministry will provide space for 1,907 workstations at a density of 12.8m² per workstation. The PMCoE space density goal is 12-16m². There is provision for approximately 152m² of bike and general storage.

The building needed to undergo significant refurbishment by its owner including the connection of the adjacent rebuilt Aurora Chambers to Unisys House. A Development Agreement was negotiated over a 12 month period with detailed building performance specifications which includes requirements for base building works such as: façade treatment, structural upgrade to a minimum of 90 per cent of the new building standard and lift refurbishments.

The Ministry's approved and allocated budget for the refurbishment of 56 The Terrace, which includes budget amounts for construction work, furniture and relocations, is \$39.29 million.

The Ministry is responsible for the sub-divisional hard fit-out which includes features such as kitchens, meeting rooms and structured cabling. The fit out will provide the Ministry with a modern working environment that is consistent with the PMCoE Workplace Standards and Guidelines for office space in that it will be open-plan, consistent design, shared collaborative and quiet spaces and the utilisation of technology.

The project is on track to meet its objectives including budget. Procurement of associated items and services to support the relocation will be carried out during 2015 and in the first half of 2016. The Ministry is planning to commence relocation in August 2016.

Please find enclosed the following two documents:

- *'PMCoE Single Stage Business Case - Wellington Office Accommodation Strategy'* dated 7 November 2012.
- *'Head Office Accommodation Final Commercial Terms Report'* dated 31 October 2013.

The business case sought approval for the National Office accommodation and directed the Chief Executive to negotiate the development agreements and Deeds of Lease. Note that certain information is withheld under section 9(2)(b)(ii) of the Official Information Act 1982 for commercial reasons. The greater public interest is in ensuring that the commercial position can be maintained. Some information is also withheld as being out of scope of your request.

The document titled *'Head Office Accommodation Final Commercial Terms Report'* outlines the final commercial terms negotiated for the Ministry's relocation to 56 the Terrace and seeks the authority of the Chief Executive to execute the Development Agreement. Note that certain information is also withheld under section 9(2)(b)(ii) of the Act for commercial reasons.

Your request for meeting minutes, design requirements, and any other documents that might be relevant is refused under section 18(f) of the Act as substantial manual collation would be required to locate and prepare all documents within scope of your request. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

I hope you find this information on the Ministry's relocation to 56 the Terrace helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman
Office of the Ombudsman
PO Box 10-152
Wellington 6143

Yours sincerely

A handwritten signature in black ink, appearing to read 'Merv Dacre', written over a horizontal line.

Merv Dacre
Associate Deputy Chief Executive, Organisational Solutions