

## Senate Community Affairs Legislation Committee

### SUPPLEMENTARY BUDGET ESTIMATES – 23-24 OCTOBER 2014 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Building Lease Costs

**Question reference number:** HS 67

**Senator:** Ludwig

**Type of question:** Written

**Date set by the committee for the return of answer:** 12 December 2014

**Number of pages:** 2

#### **Question:**

Since Budget Estimates in June 2014:

- a) What has been the total cost of building leases for the agency / department?
- b) Please provide a detailed list of each building that is currently leased. Please detail by:
  - 1) Date the lease agreement is active from.
  - 2) Date the lease agreement ends.
  - 3) Is the lease expected to be renewed? If not, why not?
  - 4) Location of the building (City and state).
  - 5) Cost of the lease.
  - 6) Why the building is necessary for the operations of the agency / department.
- c) Please provide a detailed list of each building that had a lease that was not renewed during the specific period. Please detail by:
  - 1) Date from which the lease agreement was active.
  - 2) Date the lease agreement ended.
  - 3) Why was the lease not renewed?
  - 4) Location of the building (City and state).
  - 5) Cost of the lease.
  - 6) Why the building was necessary for the operations of the agency / department.
- d) Please provide a detailed list of each building that is expected to be leased in the next 12 months. Please detail by:
  - 1) Date the lease agreement is expected to become active.
  - 2) Date the lease agreement is expected to end.
  - 3) Expected location of the building (City and state).
  - 4) Expected cost of the lease.
    - i) Has this cost been allocated into the budget?
  - 5) Why the building is necessary for the operations of the agency / department.

- e) For each building owned or leased by the department:
- 1) What is the current occupancy rate for the building?
  - 2) If the rate is less than 100%, detail what the remaining being used for.

**Answer:**

- a) - b) The department has an extensive and geographically diverse property portfolio that requires ongoing maintenance to ensure that service delivery obligations are met. Attachment A provides a broad overview of the department's property portfolio for premises from which business activities are undertaken including details of the State/Territory, location (town or suburb), street address, lease expiry date, size (in square metres), rent paid per square metre, and the type and function of work undertaken at each site as at 7 November 2014. It should be noted that the rental rates quoted for each tenancy may either be gross, net or face rental levels depending on the agreed lease conditions.
- To provide any further details raised in this question would require extensive research and would be an unreasonable diversion of resources.
- c) Refer to Attachment B for a list of buildings where the lease has not been renewed since Budget Estimates in June 2014.
- d) - e) To provide a detailed answer to all the issues raised in the questions asked would require extensive research and would be an unreasonable diversion of resources.