

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Supplementary Budget Hearings November 2014
Communications Portfolio
Telecommunications Universal Service Management Agency

Question No: 239

Program No. TUSMA

Hansard Ref: In Writing

Topic: Building Lease Costs

Senator LUDWIG asked:

Since Budget Estimates in June, 2014:

1. What has been the total cost of building leases for the agency / department?
2. 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.
3. Please provide a detailed list of each building that had a lease that was not renewed during the specified 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.
4. 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.
 1. Has this cost been allocated into the budget?
 5. Why the building is necessary for the operations of the agency / department.
5. 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:

1. Building lease charges (base rent only) from July to end of November 2014 are
 1. Amount paid - \$85,595.66 (GST exclusive)
 2. Actual charges \$23,276 per month - \$116,380 (GST exclusive).

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The difference between paid and charged is due to the rent free period which ended mid-August 2014.

2. Please provide a detailed list of each building that is currently leased. Please detail by:
 1. The Telecommunications Universal Service Management Agency (TUSMA) currently leases within Melbourne Central Tower on 360 Elizabeth Street. The lease was signed on 4 April 2013.
 2. The termination of the lease is 3 April 2019.
 3. Consideration about any renewal of the lease is anticipated closer to its 2019 expiry date.
 4. Location of the premises is in Melbourne CBD, Victoria.
 5. Base rent is \$279,312 per annum (GST exclusive) for the period May 2014 to April 2015 with 1.4 percent indexation to apply from April 2015.
 6. The location of the agency is within close proximity to our key suppliers, stakeholders and other government agencies.
- 3-5. Nil and not applicable.