

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: ATO

Question: SBT 1806-1810

Topic: Building lease costs

Reference: written - 31 October 2014

Senator: Ludwig

Question:

Since Budget Estimates in June, 2014:

1806. What has been the total cost of building leases for the agency / department?
1807. Please provide a detailed list of each building that is currently leased. Please detail by:
- Date the lease agreement is active from.
 - Date the lease agreement ends.
 - Is the lease expected to be renewed? If not, why not?
 - Location of the building (City and state).
 - Cost of the lease.
 - Why the building is necessary for the operations of the agency / department.
1808. Please provide a detailed list of each building that had a lease that was not renewed during the specified period. Please detail by:
- Date from which the lease agreement was active.
 - Date the lease agreement ended.
 - Why was the lease not renewed?
 - Location of the building (City and state).
 - Cost of the lease.
 - Why the building was necessary for the operations of the agency / department.
1809. Please provide a detailed list of each building that is expected to be leased in the next 12 months. Please detail by:
- Date the lease agreement is expected to become active.
 - Date the lease agreement is expected to end.
 - Expected location of the building (City and state).
 - Expected cost of the lease.
 - Has this cost been allocated into the budget?
 - Why the building is necessary for the operations of the agency / department.
1810. For each building owned or leased by the department/agency:
- What is the current occupancy rate for the building?
 - If the rate is less than 100%, detail what the remaining being used for.

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Answer:

1806. The ATO's total cost for building leases for the period 1 June – 31 October 2014 was \$87,083,308 (GST exclusive).

1807. and 1810. Costs provided for period 1 June – 31 October 2014, unless stated otherwise.

1807 a.	1807 b.	1807 c.	1807 d.	1807 e.	1810 a.	1810 b.
Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (GST exclusive) (\$)	Occupancy Rate %¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
26/11/2007	25/11/2022	Decision to be made closer to lease end	Genge Street, Canberra ACT	8,139,206	78.3	Subleasing part of building to Department of Veterans' Affairs (DVA).
26/05/2007	25/05/2022	Decision to be made closer to lease end	Narellan Street, Canberra ACT	4,726,084	75.2	Some staff to move from Genge St to Narellan as part of DVA sublease.
09/11/2014	07/11/2016	Decision to be made closer to lease end	Ethos House, 28-36 Ainslie Avenue, Canberra ACT	85,445	N/A	Possible co-location with Department of Human Services (DHS).
05/05/2013	31/05/2017	Decision to be made closer to lease end	9-11 Huddart Court, Mitchell ACT	91,383	N/A	Storage site.

¹ As per The Australian Government Property Data collection (PRODAC) audit in September 2014, sites less than 500m² are not included in PRODAC

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Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (GST exclusive) (\$)	Occupancy Rate %¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
02/11/2007	31/10/2022	Decision to be made closer to lease end	Latitude East, 52 Goulburn Street, Sydney NSW	7,420,447	83.6	Vacant space expected to be utilised due to site closure in metro region.
01/07/2004	15/02/2015	No - not financially viable or sustainable	12-22 Woniara Road, Hurstville NSW	3,316,866	59.1	Site is being closed.
01/03/2014	30/06/2023	Yes, lease renewed July 2014	2-12 Macquarie Street, Parramatta NSW	5,020,587	72.7	Surrendered level 18 June 2014. New lease holds surrender options upon 24 months' notice for levels 17 and ground. Current vacant space expected to be utilised due to site closure in metro region.
08/12/2011	07/12/2016	Request for proposal out to market	121-123 Henry Street, Penrith NSW	2,435,222	74.9	ATO request with Department of Finance (DoF) for lease endorsement.
21/04/2007	20/04/2017	Expression of Interest out to market	266 King Street, Newcastle NSW	2,829,514	65.0	ATO request with DoF for lease endorsement.
01/10/2013	30/09/2028	Decision to be	45-53 Kembla	1,028,264	87.7	Vacant space expected to be

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Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (GST exclusive) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
		made closer to lease end	Street, Wollongong NSW			utilised due to site closure in metro region. Possibility of other government agency to co-locate.
11/06/2007	10/06/2016	Decision to be made closer to lease end	NAB House, 2 Lang Street, Sydney NSW	265,095	63.6	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/10/2012	30/09/2027	Decision to be made closer to lease end	520 Smollett Street, Albury NSW	1,899,705	100	
01/12/2012	30/11/2015	No – decision made to cease Regional Tax Assistance Program (RTAP) presence.	16 King Street, Grafton NSW	35,457	N/A	Staff vacated office, site closing.
01/12/2012	30/12/2014	No – decision made to cease RTAP presence	Cnr Kite & Lord Place, Orange NSW	46,580	N/A	Staff vacated office, site closing.

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		Yes/No, why	Location			
01/12/2011	30/12/2014	No – decision made to cease RTAP presence	75-77 Lord Street, Port Macquarie NSW	41,434	N/A	Staff vacated office, site closing.
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under Memorandum of Understanding (MOU) 11.006 reviewed annually		Reviewed annually	Corner Underwood and Collins Streets Corrimal (co-location with DHS)	23,500	N/A	N/A
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 reviewed annually		Reviewed annually	75 Railway Street, Rockdale NSW (co-location with DHS)	72,000 ²	N/A	N/A
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 reviewed annually		Reviewed annually	56-64 Archer Street, Chatswood NSW (co-location with DHS)	Nil	N/A	N/A

² The cost of \$50,900 provided in June response (BET 1999-2003) was an estimate only.

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		Yes/No, why	Location			
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 reviewed annually		Reviewed annually	598 High Street, Penrith NSW (co-location with DHS)	Nil	N/A	N/A
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 reviewed annually		Reviewed annually	430 Wilson Street, Albury NSW (Co-location with DHS)	73,000 ³	N/A	N/A
17/11/2009	16/11/2024	Decision to be made closer to lease end	140 Elizabeth Street, Brisbane QLD	2,796,023	76.1	Possibility of other government agency to co-locate.
17/11/2009	16/11/2014	No, DHS - MyGov co-location	140 Elizabeth Street, Brisbane QLD (Access Site)	184,180	N/A	Vacated to Brisbane MyGov.

³ The cost of \$39,200 provided in June response (BET 1999-2003) was an estimate only.

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		Yes/No, why	Location			
21/05/2013	20/05/2028	Decision to be made closer to lease end	55 Elizabeth Street, Brisbane QLD	5,752,270	76.5	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/03/2014	28/02/2020	Decision to be made closer to lease end	Bldg2 Gympie/Banfield Streets, Chermside QLD	2,884,069	69.9	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/01/2012	31/12/2020	Decision to be made closer to lease end	28 Macgregor Street, Upper Mount Gravatt QLD	1,911,312	78.9	AusTrac agency co-located staff within ATO office
01/03/2015	28/02/2020	Decision to be made closer to lease end	235-259 Stanley Street, Townsville QLD	1,209,981	61.2	Surrendering level 7 (2015). Possibility of other government agency to co-locate.
16/08/2014	31/12/2014	No – decision made to cease RTAP presence	88 Abbott Street, Cairns QLD	42,965	N/A	Staff vacated, site closing.

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		Yes/No, why	Location			
01/08/2013	31/07/2015	No –not financially viable or sustainable	72 Nerang Street, Southport QLD	89,480	88.5	Site closing.
01/12/2012	31/12/2014	No – decision made to cease RTAP presence	17 Macalister Street, Mackay QLD	40,956	N/A	Staff vacated, site closing.
01/06/2013	31/12/2014	No – decision made to cease RTAP presence	34 East Street, Rockhampton QLD	28,253	N/A	Staff vacated, site closing.
01/12/2012	31/12/2014	No –decision made to cease RTAP presence	Bell Street Mall, 10 Russel Street, Toowoomba QLD	27,304	N/A	Staff vacated, site closing.
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 Reviewed annually		Reviewed annually	95 Brisbane Road, Biggera Waters QLD (co-location with DHS)	34,200	N/A	N/A
01/03/2007	28/02/2017	No - subleased	Casselden Place, Melbourne VIC	2,440,835	100.0	N/A

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Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (GST exclusive) (\$)	Occupancy Rate %¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
05/05/2012	04/05/2027	Decision to be made closer to lease end	747 Collins St, Melbourne VIC	8,899,833	80.7	Subleasing level 2 to Department of Foreign Affairs and Trade (DFAT).
01/12/2007	30/06/2015	No, new building being constructed	990 Whitehorse Road, Box Hill VIC	2,752,540	77.5	Replacement building under construction.
06/02/2013	05/02/2020	Decision to be made closer to lease end	6-20 Gladstone Street, Moonee Ponds VIC	3,426,327	83.3	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/01/2011	31/12/2015	No, new building being constructed	14-16 Mason Street, Dandenong VIC	1,804,213	75.7	Replacement building under construction.
28/06/2011	27/06/2021	Decision to be made closer to lease end	12-14 Little Ryrie Street, Geelong VIC	614,385	76.7	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/12/2012	30/12/2014	No – decision made to cease RTAP presence	101 High Street, Bendigo VIC	27,738	N/A	Staff vacated office, site closing.

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		Yes/No, why	Location			
01/12/2011	31/12/2014	No – decision made to cease RTAP presence	66 Foster Street, Sale VIC	28,555	N/A	Staff vacated office, site closing.
01/10/2013	30/09/2016	Decision to be made closer to lease end	26 Randor St, Campbellfield, VIC	64,235	N/A	Storage site.
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 reviewed annually		Reviewed annually	12-14 Little Ryrie Street, Geelong VIC (co-location with DHS)	40,900	N/A	N/A
01/07/2013 – 30/06/2014 Ongoing co-location arrangement with DHS under MOU 11.006 reviewed annually		Reviewed annually	68 Reid Promenade, Joondalup WA (co-location with DHS)	Nil	N/A	N/A
16/05/2007	15/05/2017	Yes – negotiating renewal currently	Cnr William/45 Francis Street, Northbridge WA	5,201,788	69.9	Possibility of other government agencies to co-locate pending lease renegotiations.

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		Yes/No, why	Location			
01/11/2012	31/10/2027	Decision to be made closer to lease end	12-26 Franklin St, Adelaide SA	7,130,341	82.0	Department of Industry expressing intent to co-locate in vacant ATO space.
05/09/2007	04/09/2022	Decision to be made closer to lease end	200 Collins Street, Hobart TAS	1,554,475	76.9	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/04/2013	31/03/2017	Decision to be made closer to lease end	49-51 Cattley Street, Burnie TAS	124,790	85.5	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.
01/06/2011	31/12/2014	No – decision made to cease RTAP presence	Hamilton House 45-54 Charles Street, Launceston TAS	65,385	64.5	Staff vacated office, site closing.
29/11/2005	29/11/2014	Under review – Possible co-location with DHS shopfront	16 Hartley Street, Alice Springs NT	50,152	N/A	Staff vacated office, site closing.

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		Yes/No, why	Location			
15/10/2003	14/10/2015	Under review – Possible co-location with Department of Education, Employment and Workplace Relations.	24 Mitchell Street, Darwin NT	306,035	38.5	We seek to reduce lease holdings/have other government agencies co-locate where possible as opportunities arise.

f. All buildings are necessary for the operations of the ATO to enable delivery of our taxation and superannuation programs to the community.

1808. Buildings where lease has not been renewed since 1 June 2014.

a. Lease start date	b. Lease end date	c. Why lease not renewed	d. Location of building	e. Total Cost per annum (Office, Storage, Car bays) (GST exclusive) (\$)
23/11/2013	30/06/2014	Australian Valuation Office (AVO) closed as Government Agency on 30 June 2014	Unit 4, 38 Boorowa Street, Young NSW	8,750

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01/08/2012	30/06/2014	AVO closed as Government Agency on 30 June 2014	Suite 4B 11 Bundaroo Street, Bowral NSW	17,020
01/01/2012	30/06/2014	AVO closed as Government Agency on 30 June 2014	164 Molesworth Street, Lismore, NSW	11,000
11/07/2007	30/06/2014	AVO closed as Government Agency on 30 June 2014	66-70 Coleman Street, Wagga Wagga NSW	7,812
01/07/2011	30/06/2014	AVO closed as Government Agency on 30 June 2014	Bldg1 Banfield Street, Chermside QLD	561,057
01/07/2013	30/06/2014	AVO closed as Government Agency on 30 June 2014	91 Liverpool Street, Port Lincoln SA	5,471

f) All buildings are necessary for the operations of the ATO to enable delivery of our taxation and superannuation programs to the community.

1809. Expected leases in next 12 months

a. Expected lease start date	b. Expected lease end date	c. Expected location of building	c. Expected Total Cost (rent, car parking, cleaning, electricity, repairs and maintenance and guarding services) - for period of lease extension (GST exclusive) (\$)	e. Has cost been allocated into the budget?
01/04/2015	31/03/2029	913 Whitehorse Road, Box Hill, VIC	251,668,778	Yes
01/10/2015	30/09/2030	Corner of Walker St and Robinson St, Dandenong, VIC	124,034,013	Yes

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08/11/2014	07/11/2016	Ethos House, 28-36 Ainslie Avenue, Canberra	457,394	Yes
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f. Building necessary for the operations of the ATO to enable delivery of our taxation and superannuation programs to the community.

1810.

- a. Refer to table in response to SBT 1807.
- b. Refer to table in response to SBT 1807.