

**Senate Standing Committee on Education and Employment - Education**

**QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2014-2015**

**Cross Portfolio**

**Department of Education Question No. ED0448\_15**

**Senator Ludwig provided in writing.**

**Question**

**Dept & All Agencies: Building Lease Costs**

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: a) Date the lease agreement is active from. b) Date the lease agreement ends. c) Is the lease expected to be renewed? If not, why not? d) Location of the building (City and state). e) Cost of the lease. f) 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: a) Date from which the lease agreement was active. b) Date the lease agreement ended. c) Why was the lease not renewed? d) Location of the building (City and state). e) Cost of the lease. f) 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: a) Date the lease agreement is expected to become active. b) Date the lease agreement is expected to end. c) Expected location of the building (City and state). d) Expected cost of the lease. i. Has this cost been allocated into the budget? e) Why the building is necessary for the operations of the agency / department. 5. For each building owned or leased by the department: a) What is the current occupancy rate for the building? b) If the rate is less than 100%, detail what the remaining being used for.

**Answer**

Department of Education

1. Since June 2014 the total lease costs for the department were \$11,219,571
2. See Attachment A – these buildings are leased to meet current business operations.
3. See Attachment A – these properties are no longer required for business operations.
4. The department does not expect to enter leases for new properties.
5. The occupancy rate varies depending on location and outcomes of the most recent Machinery of Government changes. In addition, the Department has a number of shared buildings and discrete leases. For Education's primary buildings in Canberra, our occupancy rate is 84 per cent. The department is continuing to rationalise space and is subleasing some office space while seeking subleasing opportunities for others.

Australian Curriculum, Assessment and Reporting Authority

1. What has been the total cost of building leases for the agency / department since June 2014?	\$441,920 incl GST
2. Please provide a detailed list of each building that is currently leased:	
<b>Sydney Office</b>	
2a. Date the lease agreement is active from	1 November 2009
2b. Date the lease agreement ends.	31 July 2016
Is the lease expected to be renewed? If not, why not?	ACARA will consider renewing the lease, however, it is too early to assess whether it will be appropriate to renew it. This assessment will consider value for money and the ongoing needs of the organisation.
2d. Location of the building (City and state).	Level 10, 255 Pitt St Sydney
2e. Cost of the lease	\$72,780.00 incl GST/month, from June to Oct 2014 - \$363,900
2f. Why the building is necessary for the operations of the agency / department	This floor is ACARA's main office, and houses staff responsible for curriculum, assessment, reporting and corporate functions.
<b>Melbourne Level 8 440 Collins St</b>	
2a. Date the lease agreement is active from	14 July 2014
2b. Date the lease agreement ends.	Ongoing until terminated by either party
2c. Is the lease expected to be renewed? If not, why not?	NA
2d. Location of the building (City and state).	Level 8 440 Collins St Melbourne
2e. Cost of the lease	\$3850 incl GST/month, from June to Oct 2014 - \$19,250
2f. Why the building is necessary for the operations of the agency / department	This office is used to house Melbourne based ACARA staff.
<b>Perth Office</b>	
2a. Date the lease agreement is active from	17 June 2013
2b. Date the lease agreement ends.	31 July 2016
2c. Is the lease expected to be renewed? If not, why not?	Yes
2d. Location of the building (City and state).	Level 12 68 St Georges Terrace Perth
2e. Cost of the lease	\$11,754 incl GST/month, from June to October 2014 - \$58,770
2f. Why the building is necessary for the operations of the agency / department	This office houses a number of ACARA Assessment and Reporting staff, primarily involved in test development.

3. Please provide a detailed list of each building that had a lease that was not renewed during the specified period.	Nil
4. Please provide a detailed list of each building that is expected to be leased in the next 12 months.	Nil
5. For each building owned or leased by the department:	
5a. What is the current occupancy rate for the building?	
Sydney Office	100% of ACARA's leased space
Melbourne office	100% of ACARA's leased space
Perth Office	100% of ACARA's leased space
5b. If the rate is less than 100%, detail what the remaining is being used for	N/A

### Australian Institute for Teaching and School Leadership

AITSL provides the following response for the period 1 June – 31 October 2014.

1. \$228,864.93 (inc GST)

	<b>Current leases start dates</b>	<b>Current lease end dates</b>	<b>Is the lease expected to be renewed?</b>	<b>Current lease locations</b>	<b>Current lease costs</b>	<b>Reason for current leases</b>
Melbourne	15 April 2013	14 April 2018	Yes	Level 8 440 Collins Street, Melbourne VIC 3000	\$594,994.40 per annum with CPI increments	This is AITSL's corporate premises
Canberra	28 August 2013	27 August 2015	Yes	Lyons Education Centre North Block, Ground Floor 67 Launceston Street, Lyons ACT 2606	\$7,656.79 per annum in 2013/14  Note: Reviewed 1 July annually.	AITSL's Assessment for Migration function is performed

2. No additional buildings will be leased by AITSL in the next 12 months

3-4. See above table

5.a) Occupancy:

- Melbourne: 86%
- AITSL negotiated an advantageous lease for the whole floor. 21 desks are sublet and AITSL is actively seeking to sublet a further 6 workstations. The remaining 6 desks are used for short term positions within the project teams.
- Canberra: 100%

- b) If the rate is less than 100%, detail what the remaining is being used for?
- Melbourne: of 87 desks (78 workstations and 9 offices):
    - AITSL subleased 8 workstations to the Australian Curriculum, Assessment and Reporting Authority
    - AITSL subleased 13 workstations to the National Schools Interoperability Program
    - 6 workstations are used by short term project staff and allow for fluctuations in staff numbers
    - AITSL is actively seeking to sublet the remaining 6 spare workstations
  - Canberra: Not Applicable

Australian Institute of Aboriginal and Torres Strait Islander Studies

1. \$13,000
2. Limestone cottage
  - a) 14/11/2013
  - b) 14/11/2014
  - c) No. Staff reduction allows all staff to be housed in main AIATSIS building (owned)
  - d) Canberra, ACT
  - e) \$39,000 per annum
  - f) Previously there was insufficient space for all staff in the main (owned) AIATSIS building.
- 3.-4. Nil
5. AIATSIS (main building) = 100%. Limestone Cottage= 0%
  - c) N/A - lease now expiring and not to be renewed.

Australian Research Council

1. \$582,759.92
2.
  - a) 24/09/2010
  - b) 23/09/2025
  - c) not determined yet
  - d) Canberra, ACT
  - e) \$32,407,626
  - f) To deliver Policy and Programs
- 3-4. Nil
5.
  - a) 82%
  - b) Contingency plan

The Tertiary Education Quality and Standards Agency (TEQSA)

1. TEQSA's total building lease costs is as follows:

Building leased	Cost of lease	
	1 June to 30 September 2014	
	GST-exclusive	GST-inclusive
Suite 1401, 530 Collins St	321,251	353,376
Suite 1403, 530 Collins St	29,965	32,961
	<b>351,216</b>	<b>386,337</b>

2.

	Suite 1401, 530 Collins St	Suite 1403, 530 Collins St
a. Active from	1 May 2012	15 May 2013
b. End date	30 April 2022	14 May 2017
c. Is the lease expected to be renewed? If not, why not?	No, due to budget constraints and reduced number of staff, the lease will not be required beyond end of lease date.	No, due to budget constraints and reduced number of staff, the lease will not be required beyond end of lease date
d. Location of the building (City and State)	Melbourne, Victoria	Melbourne, Victoria
e. Cost of the lease	See Q1	See Q1
f. Why the building is necessary for the operations of the agency / department	Office use	Office use

3-4. Nil

5.

	Suite 1401, 530 Collins St	Suite 1403, 530 Collins St
a. What is the current occupancy rate for the building?	62.9%	52.6%
b. If the rate is less than 100%, detail what the remaining being used for.	Available space is vacant and subleasing options are being pursued	Available space is vacant and subleasing options are being pursued