

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

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10 – 11 February 2010

Question: aet 33

Topic: Relocation of ATO Offices

Hansard Page: Written

Senator EGGLESTON asked:

1. What is the cost of moving into brand new premises that satisfy the green buildings code?
2. How much would it cost to retrofit those buildings instead?
3. Was that considered? If not, why not?

Answer:

1. The ATO is implementing a strategy to improve the environmental sustainability of all its leased premises. All new accommodation will comply with the National Australia Building Energy Rating System (NABERS) and the Energy Efficiency in Government Operations Policy (EEGO) that stipulates that each Commonwealth building must meet at least a NABERS rating of 4.5 stars.

The whole-of-life lease costs associated with the new ATO buildings are:

Site	Term	Whole-of-life lease cost \$m
Melbourne	15 years	\$414.1
Penrith	10 years	\$53.8
Adelaide	15 years	\$350.0
Albury	15 years	\$98.0*
Geelong	10 years	\$18.1

*estimate based on current market parameters as process not yet finalised

2. The ATO component to refurbish the existing fit outs is approximately \$1,200 per m².

Building owners would incur additional costs to upgrade base buildings depending on the age of the building. These costs would be in the vicinity of \$1,000 m² for buildings built in the 1980s, \$1,250 m² for buildings built in the 1970s and \$2,200 - \$2,500 m² for heritage listed buildings.

These cost estimates only address NABERS (building efficiency) costs, not all other mechanical and infrastructure costs that would be incurred.

3. Yes. The ATO component to upgrade its existing fit outs was considered in the value for money deliberations. The base building works and building efficiency and performance

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were also assessed, however these are costs associated with building owner's responsibilities and would be reflected in the proposals at the time when the expressions of interest were conducted.

Expressions of interest were evaluated by an independent external service provider to determine the extent to which submissions met specified criteria and value for money to the Commonwealth prior to a decision being made by the ATO.