

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 1043-1047

Topic: Building Lease Costs (ATO)

Written: 5 March 2014

Senator LUDWIG asked:

1043) What has been the total cost of building leases for the agency / department since September 7, 2013?

1044) 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?
Location of the building (City and state)
- d) Cost of the lease
- e) Why the building is necessary for the operations of the agency / department

1045) Please provide a detailed list of each building that had a lease that was not renewed since September 7, 2013. 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

1046) 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.
- e) Has this cost been allocated into the budget?
- f) Why the building is necessary for the operations of the agency / department

1047) For each building owned or leased by the department:

- g) What is the current occupancy rate for the building?
- h) If the rate is less than 100%, detail what the remaining being used for

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Answer:

1043) The ATO's total cost for building leases for the period 1 September 2013 – 28 February 2014 was \$ 104,706,669.60.

1044) and 1047)

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	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	18,874,391.28	82.8	Subleasing part of building to DVA
26/05/2007	25/05/2022	Decision to be made closer to lease end	Narellan Street, Canberra ACT	10,959,034.80	80.9	Some staff to move from Genge St to Narellan as part of DVA sublease
09/11/2012	07/11/2014	No. looking to co-locate with DHS	Ethos House, 28-36 Ainslie Avenue, Canberra ACT	199,095.00	N/A	N/A
05/05/2013	31/05/2017	Decision to be made closer to lease end	9-11 Huddart Court, Mitchell ACT	211,902.72	N/A	Storage site
02/11/2007	31/10/2022	Decision to be made closer to lease end	Latitude East, 52 Goulburn Street, Sydney NSW	14,855,753.40	89.0	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 Woniora Road, Hurstville NSW	7,785,415.56	71.4	Site is being closed
01/03/2007	28/02/2017	Yes – negotiating renewal currently	2-12 Macquarie Street, Parramatta NSW	14,816,023.92	73.4	Surrendering L18. Vacant space expected to be utilised due to site closure in metro region. Level 18 will be surrendered to landlord reducing available Work Points by 156.
08/12/2011	07/12/2016	Request for proposal	121-123 Henry Street, Penrith NSW	5,726,856.60	82.3	ATO has gone out to market requesting

¹ As per The Australian Government Property Data collection (PRODAC) audit in September 2013, sites less than 500m² are not included in PRODAC

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
		out to market				reduced space requirements.
21/04/2007	20/04/2017	Expression of Interest out to market	266 King Street, Newcastle NSW	6,368,229.12	74.5	ATO has gone out to tender with reduced space requirements.
01/10/2013	30/09/2028	Decision to be made closer to lease end	45-53 Kembla Street, Wollongong NSW	2,448,732.70	N/A Building wasn't included in PRODAC	Vacant space expected to be 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	483,048.36	72.7	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
01/10/2012	30/09/2027	Decision to be made closer to lease end	520 Smollett Street, Albury NSW	4,376,607.12	94.7	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
01/12/2012	30/11/2015	Under review, to allow consultation and decision by ATO Executive	16 King Street, Grafton NSW	82,253.52	N/A	N/A
01/12/2012	30/11/2014	Under review, to allow consultation and decision by ATO Executive	Cnr Kite & Lord Place, Orange NSW	82,966.92	N/A	N/A
01/12/2011	30/06/2014	Under review, to allow consultation and decision by ATO Executive	75-77 Lord Street, Port Macquarie NSW	99,441.00	N/A	N/A

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
23/11/2013	22/11/2014	No – AVO closing as Gov Agency	Unit 4, 38 Boorowa Street, Young NSW	8,750.00	N/A	Site closing
01/08/2012	31/07/2015	No – AVO closing as Gov Agency	Suite 4B 11 Bundaroo Street, Bowral NSW	17,020.08	N/A	Site closing
11/07/2007	30/06/2014	No – AVO closing as Gov Agency	66-70 Coleman Street, Wagga Wagga NSW	7,812.00	N/A	Site closing
01/01/2012	31/12/2014	No – AVO closing as Gov Agency	164 Molesworth Street, Lismore NSW	10,419.36	N/A	Site closing
11/11/2013 – 30/6/2014 Ongoing co-location arrangement with DHS under MOU 11.006 Reviewed annually		Reviewed annually	Cnr Underwood and Collins Sts Corrimal (co-location with DHS)	23,500.00	N/A	N/A
1/7/2013 – 30/6/2014 Ongoing co-location arrangement with DHS under MOU 11.006 Reviewed annually		Reviewed annually	75 Railway Street, Rockdale NSW (co-location with DHS)	50,900.00	N/A	N/A
1/7/2013 – 30/6/2014 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

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
1/7/2013 – 30/6/2014		Reviewed annually	598 High Street, Penrith NSW (co-location with DHS)	Nil	N/A	N/A
Ongoing co-location arrangement with DHS under MOU 11.006						
Reviewed annually						
1/7/2013 – 30/6/2014		Reviewed annually	430 Wilson Street, Albury NSW (Co-location with DHS)	39,200.00	N/A	N/A
Ongoing co-location arrangement with DHS under MOU 11.006						
Reviewed annually						
01/03/2007	28/02/2014	No, staff relocated to 55 Elizabeth St	Terrica Place, 140 Creek Street, Brisbane QLD	6,473,352.72	100.0	N/A
17/11/2009	16/11/2024	Decision to be made closer to lease end	140 Elizabeth Street, Brisbane QLD	6,092,079.60	86.0	Possibility of other govt agency to co-locate
17/11/2009	16/11/2014	No, DHS - MyGov collocation	140 Elizabeth Street, Brisbane QLD (Access Site)	175,409.16		
21/05/2013	20/05/2028	Decision to be made closer to lease end	55 Elizabeth Street, Brisbane QLD	13,406,904.96	82.6	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
01/03/2005	28/02/2020	Decision to be made closer to lease end	Bldg2 Gympie/Banfield Streets, Chermside QLD	5,236,003.92	80.8	Building 2 undergoing refurbishment, Building 1 housing staff during this time.
01/07/2011	30/06/2014	No, collocating in Bldg2	Bldg1 Banfield Street, Chermside QLD	544,716.00	98.2	
01/01/2006	31/12/2020	Decision to be made closer to lease end	28 Macgregor Street, Upper Mount Gravatt QLD	4,444,067.76 (Actual cost after rent incentive)	80.2	Possibility of other govt agency to co-locate

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
01/03/2007	28/02/2020	Decision to be made closer to lease end	235-259 Stanley Street, Townsville QLD	2,805,752.52	64.4	Surrendering L7 (2015). Possibility of other govt agency to co-locate
16/08/2013	15/08/2014	Lease extended to maximum of 31/12/14 on month to month basis to allow consultation and decision by ATO Executive.	88 Abbott Street, Cairns QLD	102,864.37	N/A	N/A
01/08/2013	31/07/2015	No - not financially viable or sustainable	72 Nerang Street, Southport QLD	349,552.32	96.2	Site is being closed
01/12/2012	31/12/2014	Under review, to allow consultation and decision by ATO Executive	17 Macalister Street, Mackay QLD	98,293.44	N/A	N/A
01/06/2013	31/05/2014	Lease extended to maximum of 31/12/14 on month to month basis to allow consultation and decision by ATO Executive.	34 East Street, Rockhampton QLD	56,960.60	N/A	N/A
01/12/2012	30/11/2014	Under review, to allow consultation and decision by ATO Executive	Bell Street Mall, 10 Russel Street, Toowoomba QLD	62,950.08	N/A	N/A

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
1/7/2013 – 30/6/2014 Ongoing co-location arrangement with DHS under MOU 11.006 Reviewed annually		Reviewed annually	95 Brisbane Road, Biggera Waters QLD (co-location with DHS)	34,200.00	N/A	N/A
01/03/2007	28/02/2017	No - subleased	Casselden Place, Melbourne VIC	5,591,994.60 (Actual cost after rent incentive)	100.0	N/A
05/05/2012	04/05/2027	Decision to be made closer to lease end	747 Collins St, Melbourne VIC	19,604,220.12	82.0	Subleasing L2
01/12/2007	30/06/2015	No, new building being constructed	990 Whitehorse Road, Box Hill VIC	5,381,533.68	87.6	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
06/02/2013	05/02/2020	Decision to be made closer to lease end	6-20 Gladstone Street, Moonee Ponds VIC	8,060,139.00	92.8	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
01/01/2011	31/12/2015	No, new building being constructed	14-16 Mason Street, Dandenong VIC	3,518,474.88	87.7	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
28/06/2011	27/06/2021	Decision to be made closer to lease end	12-14 Little Ryrie Street, Geelong VIC	1,433,386.20	89.6	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
01/12/2012	30/06/2014	Lease extended to maximum of 31/12/14 on month to month basis to allow consultation and decision by ATO Executive.	101 High Street, Bendigo VIC	66,571.44	N/A	N/A
01/12/2011	03/11/2014	Under review, to allow consultation and decision by ATO Executive	66 Foster Street, Sale VIC	66,951.36	N/A	N/A
01/10/2013	30/09/2016	Decision to be made closer to lease end	26 Randor St, Campbellfield, VIC	108,239.34	N/A	Storage Site
1/7/2013 – 30/6/2014 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)	37,200.00	N/A	N/A
1/7/2013 – 30/6/2014 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	12,259,476.96	76.4	Possibility of other govt agency to co-locate

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Lease start date	Lease end date	Lease renewal		Total Cost per annum (Office, Storage, Car bays) (\$)	Occupancy Rate % ¹	If rate is less than 100%, what remaining is being used for
		Yes/No, why	Location			
01/11/2012	31/10/2027	Decision to be made closer to lease end	12-26 Franklin St, Adelaide SA	16,494,282.00	87.6	Possibility of other govt agency to co-locate
01/07/2013	30/06/2014	No – AVO closing as Gov Agency	91 Liverpool Street, Port Lincoln SA	5,471.04	N/A	N/A
05/09/2007	04/09/2022	Decision to be made closer to lease end	200 Collins Street, Hobart TAS	3,099,750.36	85.9	we seek to reduce lease holdings/have other government agencies collocate 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	287,976.96	95.2	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
01/06/2011	31/05/2014	Lease extended to maximum of 31/12/14 on month to month basis to allow consultation and decision by ATO Executive.	Hamilton House 45-54 Charles Street, Launceston TAS	151,138.20	61.3	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise
29/11/2005	29/11/2014	Under review – Possible co-location with DHS shopfront	16 Hartley Street, Alice Springs NT	96,226.99	N/A	N/A
15/10/2003	14/10/2015	Under review – Possible co-location with DEEWR	24 Mitchell Street, Darwin NT	642,360.00	53.8	we seek to reduce lease holdings/have other government agencies collocate where possible as opportunities arise.

e) All buildings are necessary for the operations of the ATO to enable delivery of our program to the community.

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

1045) Buildings where lease has not been renewed since 7 Sept 13.

(a) Lease start date	(b) Lease end date	(c) Why lease not renewed	(d) Location of building	(e) Total Cost per annum (Office, Storage, Carbays) (\$)
01/03/2007	28/02/2014	Staff relocated to new 55 Elizabeth St site	Terrica Place, 140 Creek Street, Brisbane QLD	6,473,352.72
24/01/2009	23/01/2014	New site built	93-99 Burelli Street, Wollongong, NSW	2,594,787.12
10/01/2012	09/01/2014	Business no longer required site presence	62 Woondooma Street, Bundaberg QLD	6,7023.84
01/10/2007	30/09/2013	Business consolidated national storage requirements	Unit 3, 50 French Street, Eagle Farm, QLD	115,104.96
17/01/2013	16/01/2014	AVO no longer required site presence	46-48 Lemon Avenue, Mildura, VIC	8,400.00
1/7/2013 – 31/01/2014 Ongoing co-location arrangement with DHS under MOU 11.006 Service withdrawn		No – services withdrawn	8 Boland Street, Launceston TAS (co-location with DHS)	Nil

f) All buildings are necessary for the operations of the ATO to enable delivery of our program to the community.

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

1046) Expected leases in next 12 months:

(a) Expected lease start date	(b) Expected lease end date	(c) Expected location of building	(d) Expected Total Cost (rent, car parking, cleaning, electricity, repairs and maintenance and guarding services) - for period of lease extension	(e) Has cost been allocated into the budget?
01/07/14	31/12/14	75-77 Lord Street, Port Macquarie NSW	81,118.54	Yes
16/08/14	31/12/14	88 Abbott Street, Cairns QLD	91,970.00	Yes
01/06/14	31/12/14	34 East Street, Rockhampton QLD	50,954.93	Yes
01/07/14	31/12/14	101 High Street, Bendigo VIC	80,776.11	Yes
01/06/14	31/12/14	Hamilton House 45-54 Charles Street, Launceston TAS	151,245.63	Yes

f) All buildings are necessary for the operations of the ATO to enable delivery of our program to the community.