

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2015 - 2016

Department/Agency: ACCC
Question: AET 3535-3539
Topic: Building Lease Costs
Reference: written - 19 February 2016
Senator: Ludwig, Joe/Wong, Penny

Question:

Since the change of Prime Minister on 14 September, 2015:

3535. What has been the total cost of building leases for the agency / department?

3536. 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.

3537. 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.

3538. 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.
 1. Has this cost been allocated into the budget?
- e) Why the building is necessary for the operations of the agency / department.

3539. 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:

3535. The total cost of building leases from 1 September 2015 to 29 February 2016 is \$5,232,253. This figure includes a credit of \$192,254 relating to the reversal of the onerous lease provision for Nishi and offsite data centre rental costs. Expenditure figures are for rent only and are GST exclusive. Not included in these figures is car parking, electricity, cleaning and other building outgoings.

3536. a) – f) See table below:

Lease Schedule - as at 29 February 2016

Suburb	Street Address	Lease Start	Lease End	Rent per unit (\$)	Comments
Adelaide SA	13 Grenfell Street	01-May-2008	30-Apr-2018	435.65	ACCC is required to have a presence in each State & Territory. Lease renewals will be reviewed close to termination and decisions will be based on staffing and other requirements
Brisbane QLD	400 George Street	01-Jan-2010	31-Dec-2019	776.75	
Canberra ACT	23 Marcus Clarke Street	01-Aug-2007	31-Jul-2022	451.23	
Canberra ACT	Level 7, Nishi Building	19-Dec-2012	30-Sep-2027	599.20	
Darwin NT	9 Cavanagh Street	01-Aug-2015	31-Jul-2020	500.00	
Hobart TAS	Level 2, 70 Collins St	01-Jul-2012	29-Nov-2019	296.26	
Melbourne VIC	Level 35, 36, 37, 38 Melbourne Central 360 Elizabeth Street	01-Jan-2008	31-Dec-2017	485.41	
Melbourne VIC	Level 34 Melbourne Central 360 Elizabeth Street	01-Sep-2009	31-Dec-2017	437.43	
Perth WA	Eastpoint Plaza 233 Adelaide Tce	01-Apr-2008	31-Mar-2018	687.01	
Sydney NSW	175 Pitt Street	01-Apr-2011	31-Mar-2021	755.54	
Townsville QLD	Suncorp Building, Level 9, 63 Sturt St	01-Dec-2012	30-Nov-2017	404.95	

Note: All figures are GST exclusive.

3537. Not applicable.

a) – f) Not applicable.

3538. Not applicable.

a) – e) Not applicable.

3539. a) The occupancy rate for each lease is outlined in the table below and is represented as a percentage of total available workpoints.

Suburb	State/ Territory	Occupancy rate for lease as at 31 January 2016 (%)
Adelaide	SA	73.5
Brisbane	QLD	79.6
Canberra (MCS)	ACT	82.1
Canberra (Nishi)	ACT	0.0
Darwin	NT	72.7
Hobart	TAS	62.5
Melbourne (L35-38)	VIC	77.6
Melbourne (L34)	VIC	69.3
Perth	WA	61.8
Sydney	NSW	86.2
Townsville	QLD	100.00

Note:

Occupancy rate expressed as percentage of total workpoints.

The ACCC completed a sublease of the entire Canberra Nishi office (1885m²), effective 1 July 2015 until to 30 June 2022, with 1 x 5 year option to extend.

- b) The remaining space for each office is fitted out with workpoints that are not currently used.