

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2015 - 2016**

Outcome: Agency: TEQSA

Department of Education and Training Question No. SQ16-000746

Senator Ludwig, Joe provided in writing

TEQSA: Building Lease Costs

Question

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

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

The Tertiary Education Quality and Standards Agency has provided the following response.

1.

Building leased	Cost of lease 14 September 2015-January 2016
	GST-exclusive \$
Suite 1401, 530 Collins St	376,767
Suite 1403, 530 Collins St	35,143
Total	411,910

2.

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

Suite 1403, 530 Collins St	a. Active from	15 May 2013
	b. End date	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.
	d. Location of the building (City and State)	Melbourne, Victoria
	e. Cost of the lease	See Answer 1
	f. Why the building is necessary for the operations of the agency / department	The additional space was deemed necessary in early 2013 when TEQSA was at capacity in Suite 1401, and anticipated the need for extra staff to handle potential new initiatives. The co-location of suite 1403 provided the chance to expand without moving. However, due to funding cuts which resulted in reduced staffing level, this additional space is no longer required and has been subleased to another Commonwealth Govt agency. The sublease commenced on 30 January 2016.

3. Nil

4. Nil

5.

Office Lease	Questions	Answers
Suite 1401, 530 Collins St	a. What is the current occupancy rate for the building?	77%
	b. If the rate is less than 100%, detail what the remaining being used for.	Remaining space is being used for meeting and focus rooms and upcoming additional contractors to assist in the new standards initiatives.
Suite 1403, 530 Collins St	a. What is the current occupancy rate for the building?	100% subleased
	b. If the rate is less than 100%, detail what the remaining being used for.	Not applicable