

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 2/2.2

Topic: Government agencies and workplace square metres allocation

Senator: Cormann

Question reference number: F38

Type of question: Hansard F&PA, Page 32, 26 May 2011

Date set by the committee for the return of answer: Friday, 8 July 2011

Number of pages: 2

Question:

On notice, perhaps, can you provide us with a list of all of the government agency offices and list their work place square metres of space allocated per person and the efficiency in dollar amount each agency office has achieved, and maybe provide details of what the work point space was in 2009? You talked about having had a benchmark set.

Answer:

The Commonwealth Property Management Guidelines (the Property Guidelines) were established in October 2009. The Property Guidelines incorporate an occupational density target for office accommodation of 16 square metres (m²) per occupied workplace. The target applies when agencies enter into a new lease, owned building or undertake a major fit out. Appendix A to the Australian Government Office Occupancy Report, on the Finance website: http://www.finance.gov.au/property/docs/australian_government_property_report_2009.pdf provides the percentage of the total Commonwealth office area held by each agency and the regional distribution of office tenancies and their areas.

The report is based on the property data that was collected in September 2009. The data captures the status of government tenancies at a point in time. One of the constraints to this methodology is that reliable analysis of trends cannot occur until several data captures have taken place and any cyclical or anomalous variations have been identified. It is expected that within two to three years, there will be an opportunity to review how the Australian Government's property portfolio has changed since the introduction of the Commonwealth Property Management Framework.

The savings measure is applied to agencies that exceeded the occupational density target where the lease/building contains more than 500m² of usable office area. The savings are realised progressively as existing leases expire. The savings process provides for the Budget to receive two-thirds of any savings in rent for non-Defence agencies, with agencies retaining

one-third of the property savings and any savings from 'other' property related expenses that are dependent on the space rented by the agency.

The Department has not compiled all of the information that you have sought; however, over the period 2010-11 to 2014-15 inclusive, the Commonwealth anticipates realising efficiencies delivering \$145.6 million in savings from improved property management practices with \$48.5 million retained by agencies and \$97.1 million returned to the Budget.

A breakdown of these figures per financial year is below:

Financial Year	2010-11	2011-12	2012-13	2013-14	2014-15	Total Savings 2010-2015
	\$2m	\$13m	\$21.1m	\$27.3m	\$33.7m	\$97.1m