

CHIEF MINISTER, TREASURY AND ECONOMIC DEVELOPMENT DIRECTORATE

VACANT PREMISES

ABOUT THE DIRECTORATE

The Chief Minister, Treasury Economic Development Directorate (CMTEDD) leads the public sector and works collaboratively both within government and with the community to achieve positive outcomes. As a central agency, CMTEDD provides strategic advice and support to the Chief Minister, the Directorate's Ministers and the Cabinet on policy, economic and financial matters, service delivery, whole of government issues and intergovernmental relations. The Directorate facilitates the implementation of government priorities, drives initiatives as well as leads the strategic direction for the ACT Public Service (ACTPS), to ensure that it is well positioned to perform its role.

ACT Property Group (ACTPG) vacant premises (within the Treasury stream of CMTEDD) are those parts of government office facilities within the ACT Government's property portfolio which are temporarily vacant. An amount of floor space may be temporarily vacant for a variety of operational reasons, which can include the time taken to facilitate a renovation or fit-out of office space, transitioning occupants out of a building prior to demolition, or where an area may remain vacant for a small time either side of using that for churn space while relocating occupants across buildings. It is common to have vacant office space while undertaking relocations of agencies and business units and is typical of managing a large portfolio of properties and leases. It is always the intent of ACTPG to minimise the amount and duration of any vacant office space.

In 2017-18, temporary vacant premises with material consumption included Macarthur House, 255 Canberra Avenue, Callam Offices. Macarthur House underwent a staged process of relocating staff prior to demolition, 255 Canberra Avenue had a portion vacant to allow for a new fit-out to improve the business service of ACT Property Group, and Callam Offices had a fit-out to improve the building and attract new tenants. Further details on these sites can be found below.

KEY PERFORMANCE INDICATORS

In practice there is minimal energy used in the reported vacant areas, however there is a requirement to continue operating some central building services such as fire systems, security and lifts. Lighting and HVAC (heating, ventilation and air-conditioning) systems are turned off or isolated as far as practical, although typically with large central heating and cooling plant these are still required to serve the occupied areas.

While for the reasons stated above the actual energy use will be minimal, the Enterprise Sustainability Platform (ESP) also allocates energy and emissions on a proportional floor area basis (total building energy use x % floor area). As such the energy use from the central services and occupied areas will be allocated evenly across the entire building, with vacant premises reporting a proportion of that energy.

Due to the increase in temporary vacant premises of the facilities mentioned above, for 2017-18, ACTPG vacant premises is expected to report an allocated 110% increase in electricity and 360% increase in gas compared to the 2016 calendar year baseline period. Whilst these are relatively large increases, the 2016 comparison year provided a low baseline with minimal vacant floor area during this period. The 2017-18 energy target was particularly affected by the timing of the Macarthur House sale and demolition coupled with the requirement to maintain a functional data centre in the building to February 2018. Overall energy use allocated to the ACTPG Vacant Premises reporting group in the Q3 YTD 2017-18 represented only 1.3% and 0.8% of ACT Government electricity and gas use respectively.

COMMENTS ON THIS QUARTER

- > In Q3 2017-18, increased energy use allocated to ACTPG vacant premises against the baseline year aligns to the progress of Strategic Office Accommodation goals as well as facilitating the asset recycling program.
- > Macarthur House – Part of the Federal Government's asset recycling program, the site was fully vacated and handed over to Suburban Land Authority during Q3 for demolition.
- > Callam Offices – Vacant through use as ACT Government churn space and completion of a fit-out to attract new tenants. ACTPG has been actively marketing space to Government agencies during Q3 with no commitments to date and is now considering commercial tenants.
- > 255 Canberra Avenue – ACTPG relocated from its existing office on the Ground Level to the new fitout on Level 1 during Q3. The vacated floor area on Ground Level will be vacant until 30 June 2018 with TCCS agreeing to fully occupy the remaining space from 1 July 2018.
- > The energy use allocated to ACTPG vacant premises in 2017-18 is expected to meet the annual energy targets.

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COMMENTS

STATUS

- > The increased energy use reported against ACTPG vacant premises in Q3 aligns to the progress of Strategic Office Accommodation goals as well as facilitating the asset recycling program.

UNCERTAINTIES/CONSTRAINTS

- > Comparatively colder weather in 2017-18 has contributed to an increase in YTD gas use.
- > Uncertainty around future directorate and external accommodation decisions can affect the accuracy of projections.

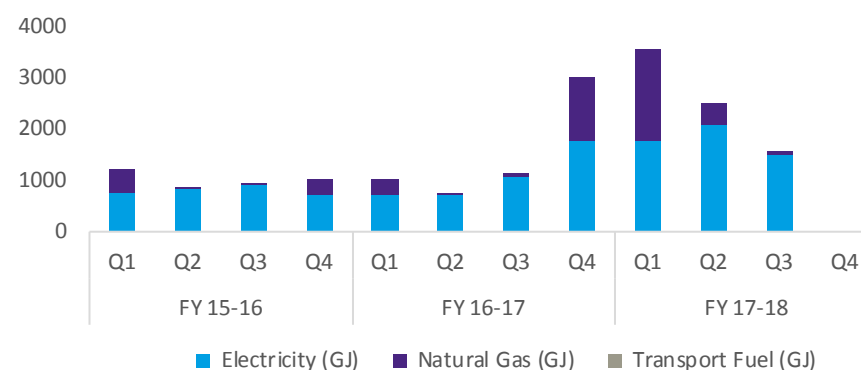
FOCUS AREAS/OPPORTUNITIES

- > Continue to complete office relocations and fit-outs on time and in an efficient manner.
- > Relocation of the ACTPG business unit to the newly renovated L1 fitout will see vacated floor area on Ground Level vacant until 30 June 2018 where Transport Canberra and City Services has agreed to occupy.
- > Continue to actively promote the newly renovated Callam Offices to attract tenants.
- > Effectively manage any new sites that come into the reporting group.

DATA EXTRACTED

12/06/2018

3 YEAR ENERGY CONSUMPTION PROFILE



QUARTERLY ENERGY CONSUMPTION

	Q3 17-18	Difference*	tCO ₂ -e [^]
Electricity (GJ)	1,505	40.5%	180
Gas (GJ)	53	-9.8%	3
Fuel (GJ)	-	-	-
Total energy (GJ)	2,512	37.9%	183

* Compared to the same period previous year

[^] Related to current reporting period

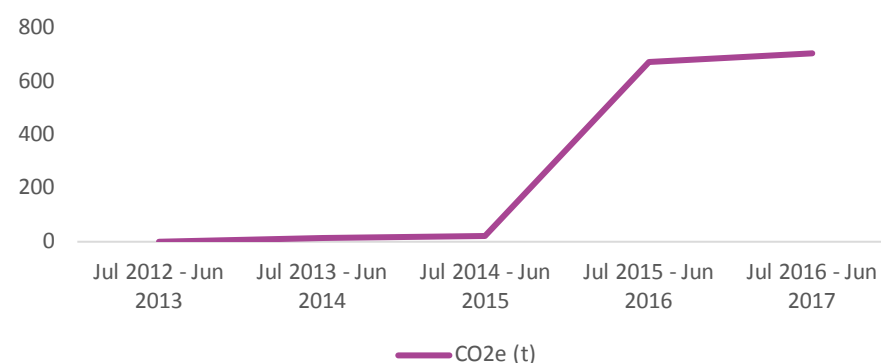
FINANCIAL YEAR TO DATE ENERGY CONSUMPTION

	YTD 17-18	Difference*	tCO ₂ -e [^]
Electricity (GJ)	5,348	115.4%	639
Gas (GJ)	2,292	437.8%	118
Fuel (GJ)	-	-	-
Total energy (GJ)	7,830	162.7%	757

* Compared to the same period previous year

[^] Related to current reporting period

EMISSIONS PROFILE SINCE 2012-13



DG INDICATOR

Q3 2017-18

(January to March 2018)

ACTPG vacant premises is expected to have a 110% increase in electricity and 360% increase in gas use allocated to the reporting group for 2017-18, versus the 2016 calendar year comparison period.

This is due to the progress of Strategic Office Accommodation goals and facilitating the asset recycling program. CMTEDD is ensuring the effective internal governance of energy performance reporting.

ACTPG vacant premises is expected to meet the 2017-18 energy targets.

FINANCIAL YEAR TO DATE ENERGY CONSUMPTION AT FOCUS SITES

Location	Energy (GJ) [#]	Difference*	tCO ₂ -e [^]
Macarthur House	3,633	452.3%	355
Callam Offices	2,235	4.3%	239
255 Canberra Avenue	1,667	100%	150

[#] Electricity and Natural gas only

* Compared to financial year to date 2016-17

[^] Related to current reporting period