


Request for Costing an Election Commitment

Name of election commitment:	<i>Walking and Cycling Infrastructure</i>
Person and party requesting costing:	Meredith Hunter, ACT Greens Parliamentary Leader
Date of public release of election commitment, including source:	20 August 2012 http://act.greens.org.au/system/files/private/Active Transport 0.pdf (page 3)
Summary of election commitment:	<p>The ACT Greens are committed to making it easier, safer and more attractive to walk and cycle around Canberra. A commitment of \$13.25M funding for walking and cycling works is provided in addition to current budgeted funds. This includes:</p> <ul style="list-style-type: none"> • \$6million over four years in capital works, in addition to current budget allocations • \$7 million to maintain the quality of existing walking and cycling paths
Intention of election commitment:	To deliver a better walking and cycling network.
Signature of person requesting costing:	
Date of request for costing:	2/10/12

What are the key assumptions that have been made in the election commitment?

Note: that where the request to cost an election commitment differs from the public announcement, the costing will be on the basis of information provided in the costing request.

Note: it will be up to the professional judgment of the Director-General as to whether these assumptions are adopted in the costing of the election commitment.

Where relevant, is the funding for the policy to be demand driven or a capped amount?

The funding for this policy commitment is dollar limited.

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment?

No.

Will funding/the cost require indexation?

Yes, recurrent expenditure is indexed by CPI of 2.5% per annum, in accordance with the ACT Government Standard Costing Parameters 2012, page 6.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?

	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)						
Expenses ^(a)		-1,750	-1,794	-1,838	-1,885	-7,267
Capital		-1,500	-1,500	-1,500	-1,500	-6,000

(a) A negative number indicates a decrease in revenue or an increase in expenses.

These expenses are broken down as follows:

	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Costs of borrowing capital (recurrent)		-64	-128	-191	-255	-638
Depreciation (recurrent)		0	-60	-120	-180	-360
Maintenance of existing paths (recurrent)		-1,686	-1,606	-1,527	-1,450	-6,269

What is the likely take up?

N/A

Any other assumptions?

- Both recurrent and capital expenditure are dollar limited.
- Recurrent expenditure includes all operational costs.
- We have assumed a 25 year life cycle for the infrastructure and depreciated it on this basis. This is based on the TAMS Audited Financial Statements for 2010-11, Accounting Policy Note, 2(v), which states infrastructure assets are depreciated between 5 and 100 years. The costs of depreciation are included within recurrent funding.

Administration of the election commitment

How will the election commitment be administered?

The commitment will be administered by the Territory and Municipal Services Directorate.

Who will administer the election commitment?

The commitment will be administered by the Territory and Municipal Services Directorate.

Has an allowance been made for expenses necessary to support the implementation of this election commitment?

- If no, will the government agency be expected to absorb expenses associated with this election commitment?
- If yes, please specify the key assumptions.

Yes, see above assumptions.

What is the intended implementation date of the election commitment?

From the commencement of the 2013-14 financial year.

Are there transitional arrangements associated with election commitment implementation?

No

Are there any other assumptions that need to be considered?

No

When is the election commitment expected to be fully operational?

Please provide further details i.e. start and end dates, the level of commitment during each period etc?

From the 2013-14 financial year.

Will the election commitment cease and if so when?

N/A