


Request for Costing an Election Commitment

Name of election commitment:	Waste Education and home composting
Person and party requesting costing:	Meredith Hunter, ACT Greens Parliamentary Leader
Date of public release of election commitment, including source:	11/09/12 http://act.greens.org.au/sites/greens.org.au/files/Waste%20package.pdf
Summary of election commitment:	A commitment of \$2 Million over four years to a comprehensive waste education program, including providing free composting equipment for up to 21,000 households.
Intention of election commitment:	To educate Canberrans about the importance of source separation and recycling in order reduce the amount of waste to landfill, in particular organic kitchen waste, and to promote highest value end-use of recovered waste materials.
Signature of person requesting costing:	
Date of request for costing:	5/10/12

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?

No. Elements of the expenditure are indexed (see below) however the total amount remains constant over the life of the initiative.

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)						
Recurrent Expenses ^(a)		-500	-500	-500	-500	-2,000
Capital						

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

What is the likely take up?

The maximum take up of the free giveaways items provided for under this commitment is 21,000. This would amount to 5,250 items given away each year, or around 100 each calendar week. This is seen as an ambitious likely take up rate.

Any other assumptions?

- The initiative assumes that the education campaign will be coordinated by 1 full time staff member over the four years. This initiative provides for 1 SOG C position.
- The initiative also provides significant funding for program costs to undertake advertising and other targeted initiatives to assist in the education campaign.
- The initiative also provides funding to purchase:
 - 8,000 kitchen tidy bins over 4 years for giveaway to households
 - A year's supply of biodegradable liner bags for 8,000 households, over four years
 - 2,500 home compost bins and auger; and
 - 2,500 worm farms.
- The purchase price for the kitchen tidy bins, the liner bags and the compost bins are taken from pages 50-51 of the ACT Government's commissioned study 'Assessment of waste infrastructure and service options for the ACT: Final Report' (the Hyder Report):
http://www.environment.act.gov.au/_data/assets/pdf_file/0018/239031/AA004437_R03-02_ACT_Waste_Scenarios_Analysis_FINAL_REPORT.pdf
- The cost of the worm farms is taken from the Bunnings website.
- Funding for the education campaign (advertising and other initiatives) is adjusted to accommodate the fixed funding amount.

Given this, the breakdown of the cost is as follows:

	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Purchase 2,000 kitchen tidy bins per year for each of the four years, ie 8,000 in total (based on a cost of \$6 each indexed at 2.5%)		-12	-12	-13	-13	-50
Purchase of a years supply of biodegradable liner bags for 2,000 households, each year, ie 8,000 in total (based on \$12/household/year indexed at 2.5%)		-24	-25	-26	-27	-102
Purchase of 625 compost bins per year for each of the four years, ie 2,500 in total (based on \$70 each and indexed at 2.5%)		-44	-45	-46	-47	-182
Purchase of 625 worm		-44	-45	-46	-47	-182

farms per year for each of the four years, ie 2,500 in total (based on \$70 each and indexed at 2.5%)						
1 X staff member at SOG C		-128	-132	-136	-140	-536
Program costs for staff member to utilise in education campaign, indexed at 2.5%		-248	-241	-237	-226	-948
		-500	-500	-500	-500	-2,000

<p>Administration of the election commitment</p> <p>How will the election commitment be administered? The election commitment will be administered by the Territory and Municipal Services Directorate.</p> <p>Who will administer the election commitment? The Territory and Municipal Services Directorate will be responsible for administering this election commitment.</p> <p>Has an allowance been made for expenses necessary to support the implementation of this election commitment? <ul style="list-style-type: none"> - If no, will the government agency be expected to absorb expenses associated with this election commitment? - If yes, please specify the key assumptions. Yes significant funding has been provided to support the education campaign. Management and oversight of the new staff is expected to be absorbed by the TAMS Directorate.</p> <p>What is the intended implementation date of the election commitment? From the commencement of the 2013-14 financial year.</p> <p>Are there transitional arrangements associated with election commitment implementation? No.</p> <p>Are there any other assumptions that need to be considered? No.</p> <p>When is the election commitment expected to be fully operational? <i>Please provide further details i.e. start and end dates, the level of commitment during each period etc?</i> From the 2013-14 financial year.</p> <p>Will the election commitment cease and if so when? N/A.</p>
