

Request for Costing an Election Commitment

Name of proposal:	Connecting Canberra with a Great Path Network And Streets for People: Making it easier for people to walk and cycle
Person requesting costing:	Shane Rattenbury
Date of request:	8 October 2024
Summary of proposal:	<p>This proposal includes the two separately released Greens commitments, listed above.</p> <p>1) Improve Canberra’s path network by improving maintenance and repairs; building new paths; implementing a new Active Travel Design Guide; giving pedestrians priority at appropriate street crossings; funding new raised pedestrian crossings around ACT schools; providing every public school with a school crossing supervisor; insourcing maintenance work.</p> <p>2) Making a world-class, connected path network across our city that gives everybody the freedom to choose how they move. This includes initiatives to: Deliver a city-wide, off-road bike network by 2030; Invest in safe, separated bike paths - not painted lines; Offer \$500 for Canberrans to take up e-bikes; Fund programs to help more Canberrans learn to ride; Make it easier for people to ride and scoot, with better facilities at our schools, workplaces and town centres.</p>
Issue the proposal will address:	<p>The proposal will improve the quality of paths and fill in more missing connections in the network to make it easier and safer for Canberrans to use active travel.</p> <p>It will also create a world-class, connected path network across the city and encourage more people to use active travel as their transport mode.</p>
Proposal’s public announcement details (media release or policy statement published on a party website) ¹ :	<p>https://greens.org.au/sites/default/files/2024-08/2024%20Initiative%20-%20Paths.pdf</p> <p>And</p> <p>ACT Greens Policy Initiative - Bikes and Streets for People</p>

¹ As per Part 2, section 5 of the *Election Commitments Costing Act 2012*

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

The following assumptions are used for the funded components of this initiative. See the more detailed table below.

1. Paths initiative

- Footpath Maintenance: Capital - \$8m PA; Expenses - \$2m PA.
 - o This funding includes the further insourcing of path maintenance and repair referred to in the initiative
 - o 24/25 funds half (\$4m and \$1m)
- Path expansion and pedestrian improvement budget: Capital - \$16m PA; Expenses - \$4m PA
 - o 24/25 funds half (\$8m and \$2m)
- Path auditing, sweeping and cleaning: Capital - \$1m (year 1); Expenses - \$2m PA
 - o The capital funding is a one off expenditure for additional equipment in 2024/25. Expenses are also halved for 24/25 (\$1m)
- School Crossing supervisors: Expenses - \$2m PA
 - o This cost is calculated based on providing 65 additional supervisors at a cost of \$26,000 per supervisor, based on answers to QON 2005 of 2024 ([Question - Transport ACT Legislative Assembly](#))
 - o 24/25 funds half (\$1m)

2. 'Streets for People' initiative

- A city wide offroad path network consisting of approximately 135km of new separated bike paths by 2030 – based upon the Cycling Network Map included as part of the Government's Active Travel Plan - \$36M PA
 - o The costing of \$36M per year includes \$28.8M capital and \$7.2M expenses. The split between capital and expenses is estimated to be 80/20. This is based on the approximately 80/20 split for a range of infrastructure and programs funding from the 2023-24 ACT Budget (page 190):
https://www.treasury.act.gov.au/data/assets/pdf_file/0007/2244436/2023-24-Budget-Outlook.pdf#page=190
 - o The estimated cost of separated cycleways is ~\$1.6m per KM. This is based on the cost of the Belco Bikeway Stage 2.
 - o 24/25 funds half (\$14.4m and \$3.6m)
- E-bike rebates - \$5.25M (less over the first four years - see below)
 - o The rebate is proposed to be a \$500 rebate to people purchasing an ebike or cargo bike from ACT based retailers, limited to 1 rebate per resident, and paid from a \$5M fund.

- The \$5M allocated to the fund in the initiative is expected to last beyond 4 years. It also includes \$250K for administration of the fund. This is all expense funding.
 - In the table below we have allowed for 2000 purchases per year over the 4 years (with half that number in the first year) and spread the 250K administration funding across the 4 years. (This totals: 2024/25: 536K; then \$1.071M each year following) (0.5/1M for rebates, and 36k then 71k for administration).
 - Subsidy schemes have been proven to increase the purchase of e-bikes and provide significant community and environmental benefits, as well as encourage bike-riding. [Source: https://www.weride.org.au/wp-content/uploads/2022/04/WeRide_e-Bike_Subsidy_Report_FINAL-lores.pdf]
- ACTPS workplace end of trip facilities audit - \$0.25m
 - \$250K of expense funding to conduct an audit of ACTPS workplaces, develop an ACTPS end of trip facilities policy and implementation plan
 - Cycling and Pedestrian education programs - \$1m
 - Funded across 24-25 and 25-26 (\$250K and 750k)

Some elements of the proposal are assumed to have no additional cost and to be absorbed into existing resources:

- Reprioritisation of pedestrian signals to give priority to foot traffic, investigating opportunities for street crossings with large medians, opportunities for pedestrian lights let people cross the street in one cycle.
- Implementation of the active travel design guide
- More secure bike parking at our schools - a target for ACT Public Schools to provide bike parking for one third of all student enrolments. (covered in existing Education asset renewal funding envelope)
- Every local shopping centre, town and city centre to have somewhere for people to park their bike.

The above information is summarised in this table:

	Capital (\$M)				
	2024-25	2025-26	2026-27	2027-28	Total
Footpath Maintenance	4	8	8	8	
Path expansion	8	16	16	16	
Path auditing	1	0	0	0	
Crossing supervisors	0	0	0	0	
city wide offroad path network	14.4	28.8	28.8	28.8	
E-bike rebates	0	0	0	0	
end of trip facilities audit	0	0	0	0	
education programs	0	0	0	0	
TOTAL	27.4	52.8	52.8	52.8	185.8

	Expenses (\$M)				
	2024-25	2025-26	2026-27	2027-28	Total
Footpath Maintenance	1	2	2	2	
Path expansion	2	4	4	4	
Path auditing	1	2	2	2	
Crossing supervisors	1	2	2	2	
city wide offroad path network	3.6	7.2	7.2	7.2	
E-bike rebates	0.54	1.07	1.07	1.07	
end of trip facilities audit	0.125	0.125	0	0	
education programs	0.25	0.75	0	0	
TOTAL	9.515	19.145	18.27	18.27	65.2

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

	2024-25	2025-26	2026-27	2027-28	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)					
Expenses ^(a)	-9,515	-19,145	-18,270	-18,270	-65,200
Capital ^(a)	-27,400	-52,800	-52,800	-52,800	-185,800
Depreciation ^(a)					
Offset - Expenses ^(a)					
Offset - Capital ^(a)					
Full-time equivalent employees					

(a) A negative number indicates a decrease in revenue or an increase in expenses, depreciation or capital outflows. A positive number

indicates an increase in revenue or decrease in expenses, depreciation or capital inflows. The expenses row is not to include depreciation costs.

Has any specific information or data been utilised in generating the proposal? Please provide links or attach information/data sources referenced.

See above

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

See above

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?

No

Will funding/the cost require indexation?

Yes

Who will administer the proposal?

TCCS

How will the proposal be administered?

Explained above

Is the proposal part of a broader package? If so, please identify the other elements of the package.

This costing covers all the elements in the "Connecting Canberra with a great path network" and "Making it easier for people to walk and cycle" initiatives, linked above.

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

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

Yes, expense components are described above.

Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.

No.

Has the proposal been previously costed by an external (third) party? If so, will a copy of this

material, including any assumptions, be made available to Treasury?
NA
What are the community impacts associated with the proposal? Who and how many people will be affected?
The improvements will benefit all Canberrans who use paths – this is likely to be almost the entire population at one point or another. It will benefit people who ride bicycles or who take up riding, by improving their travel options. It will benefit people purchasing an ebike or cargo bike with a financial rebate.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
NA
What is the intended implementation date of the proposal?
Explained above.
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
Explained above.
Will the proposal cease, and if so, when?
Explained above.
Is there any additional information relevant to this proposal?
NA