

## Request for Costing an Election Commitment

<b>Name of policy proposal:</b>	Two more dental vans
Person requesting costing:	Andrew Barr MLA, ACT Labor Leader
Date of request:	16/09/2016
Summary of proposal:	ACT Labor will provide funding to purchase and operate two more dental vans to assist Canberrans received quality public dental care.
Issue the proposal will address:	The proposal will provide further public capacity for dental care for vulnerable communities and those who cannot otherwise access dental care.

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

**Note:** The costing will 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 funding would be ongoing.
- The vans would be owned and operated by the Health Directorate.
- The vans would be based on existing vans, at \$575K in 2013-14, indexed by 2.5% to obtain a 2018-19 cost of \$650,650 per van. This cost has been used to determine capital costs.
- Depreciation is assumed to be to 10 years, with no residual.
- Cost of finance is included in expenses.

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)?

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue<sup>(a)</sup></b>					
<b>Expenses<sup>(a)</sup></b>			-352.6	-689.2	-1,041.8
<b>Capital</b>			-1,301.2		-1,301.2
<b>Depreciation</b>			-65.1	-130.1	-195.2

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

Relevant salary rates and operating costs.

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

The funding is the necessary amount to operate two dental vans.

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 (for example, does an education proposal add to or redirect NERA funding).

N/A

Will funding/the cost require indexation?	Indexation is included.
Who will administer the proposal?	The Health Directorate will meet any administration costs from internal resources.
How will the proposal be administered?	Through the Health Directorate.
Is the proposal part of a broader package?	Yes – Labor’s community health package.
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.	No. See above regarding Health Directorate internal resources.
Will the proposal generate savings or offsets?	No.
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?	No.
What are the community impacts associated with the proposal? Who and how many people will be affected?	The community will benefit from more dental care options.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?	N/A
What is the intended implementation date of the proposal?	1 July 2018
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?	End of calendar year 2018/start of calendar year 2019, ongoing.
Will the proposal cease, and if so, when?	N/A
Is there any additional information relevant to this proposal?	N/A