

Request for Costing an Election Commitment

Name of policy proposal:	Molonglo P-10 School
Person requesting costing:	Andrew Barr, Chief Minister
Date of request:	07/10/2016
Summary of proposal:	This proposal funds a new pre-school to Year 10 school in Molonglo.
Issue the proposal will address:	This proposal will ensure school facilities in Molonglo cater for the region's growing population.

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 ACT Labor policy funds a new P-10 school in Molonglo, with the P-6 school to be ready for the 2020 school year, and the 7-10 school to be ready for the 2022 school year.

The ACT Labor policy funds this policy over four years, from 2018-19 to 2021-22. This request for costing only includes funding out to 2019-20 as per the Treasury costing guidelines.

This proposal includes capital costs for design and construction, and expenses for the cost of financing.

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
Revenue ^(a)					
Expenses ^(a)			-375.0	-759.4	-1,134.4
Capital			-15,000.0	-15,000.0	-30,000.0
Depreciation					

(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?

No.

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

Capped.

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).

No.

Will funding/the cost require indexation?
Indexation is included for the cost of capital.
Who will administer the proposal?
Education Directorate.
How will the proposal be administered?
The Education Directorate will administer the design and construction of the school.
Is the proposal part of a broader package?
Yes – part of ACT Labor’s package for new and expanded schools.
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.
The funding will be sufficient for design and construction costs; the Education Directorate will oversee the project through existing internal resources provided for the construction of new/upgraded schools.
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?
This proposal will ensure school facilities in Molonglo cater for the growing population of the region.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
No.
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?
The school is expected to be operational for the 2020 school year.
Will the proposal cease, and if so, when?
This proposal provides funding for the first stage of the P-10 school, to be delivered in 2018-19 and 2019-20. Funding will be provided for the 7-10 school in later years.
Is there any additional information relevant to this proposal?
No.