

Request for Costing an Election Commitment

Name of proposal:	Reducing cost of living pressures on families – Active and Creative Kids Vouchers
Person requesting costing:	Alistair Coe MLA
Date of request:	30 September 2020
Summary of proposal:	The Canberra Liberals will reduce the cost of living for families by providing <i>Active and Creative Kids</i> vouchers.
Issue the proposal will address:	These vouchers will support families and provide children with opportunities to get active, learn new skills and develop new relationships.

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.

Every child in years 7-9, regardless of their school, will receive two \$100 vouchers that can be redeemed for sport and creative extracurricular activities. The scheme will operate similar to the Active Kids program in place in New South Wales.

The Active Kids program has had a voucher creation rate upwards of 60% in 2019 and 2020 to date, however the redemption rate fluctuates. Calculations have assumed a 60% redemption rate.

The costing assumes that only one voucher is provided in 2020-21 (first semester of 2021).

	2020-21	2021-22	2022-23	2023-24	Total
Students	17038	17251	17510	17816	69,615
60% take up	10223	10351	10506	10690	41,769

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)?

	2020-21	2021-22	2022-23	2023-24	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)					

Expenses^(a)	-1,022.3	-2,070.2	-2,101.2	-2,138.0	-7,331.7
Capital					
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?					
<p>The number of students has been taken from the ACT Schools Census - February 2020 and subsequently escalated in line with population growth per the Standard Costing Parameters.</p> <p>Information on the Active Kids program in New South Wales has also been used.</p>					
Where relevant, is funding for the proposal to be demand driven or a capped amount?					
N/A					
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?					
N/A					
Will funding/the cost require indexation?					
No.					
Who will administer the proposal?					
The proposal will be administered by the Education Directorate and Chief Minister, Treasury and Economic Development.					
How will the proposal be administered?					
The Education Directorate and Chief Minister, Treasury and Economic Development will work together to implement the scheme. Active Kids voucher arrangements in place in New South Wales will be similarly replicated in the ACT.					
Is the proposal part of a broader package?					
This proposal forms part of the Canberra Liberals Policy on Education.					
Has an allowance been made for expenses necessary to support the implementation of this proposal?					
<ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions. 					

The Education Directorate and Chief Minister, Treasury and Economic Development will absorb the administrative costs associated with this proposal.
Will the proposal generate savings or offsets?
N/A
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?
N/A
What are the community impacts associated with the proposal? Who and how many people will be affected?
These vouchers will support families and provide children with opportunities to get active, learn new skills and develop new relationships. The vouchers will help to alleviate cost of living pressures and will provide greatest support to those on lower incomes.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
Nil.
What is the intended implementation date of the proposal?
Start of the 2021 school year.
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.
It is expected that vouchers will be able to be redeemed during Term 1 2021 and throughout the school year.
Will the proposal cease, and if so, when?
The proposal is ongoing.
Is there any additional information relevant to this proposal?
N/A