Request for Costing an Election Commitment

Name of proposal:	Aboriginal drug and alcohol residential rehabilitation facility
Person requesting costing:	Shane Rattenbury MLA
Date of request:	9 October 2020
Summary of proposal:	Establish a dedicated community-controlled medical drug and alcohol withdrawal and rehabilitation service for First Nations people. Further information is available at: https://greens.org.au/act/reducing-harm-drugs-alcohol.
Issue the proposal will address:	The ACT Greens know that programs that support First Nations people dealing with drug dependency must be culturally grounded and take a holistic approach - drawing on both Western medical traditions as well as traditional Aboriginal Ngangkari medicine. They must move beyond individual approaches and recognise the intergenerational impacts of trauma. The ACT Greens support the aims of the Ngunnawal Bush Healing Farm (NBHF), which is operated and administered by Canberra Health Services within the ACT Government Health Directorate. However, we know that the NBHF is not a drug and alcohol service, despite its original intention to be so, and there are no government considerations to change its current scope. The ACT needs its own dedicated community controlled medical withdrawal and rehabilitation service for First Nations people in the Canberra region, and we are committed to working with local services to understand the needs, scope and resourcing required to make it happen.

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.
This will be an 8-bed facility. This costing is based on the original budget for the construction of Ngunnawal Bush Healing Farm (an 8-bed facility), updated to reflect location and operating model. This proposal does not include costing for the operational or staffing needs of the service. Funding for future operational costs will need to be

negotiated with the service operator, and federal funding could be sought.

Planning will begin in early 2021 and construction will begin in late 2021.

Depreciation assumes a 40 year useful life for the facility.

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)]					
Capital	-2,000	-10,000	-2,000		-14,000
Depreciation			-250	-250	-500

(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?

No

Will funding/the cost require indexation?

No

Who will administer the proposal?

The ACT Health Directorate

How will the proposal be administered?

The ACT Health Directorate will contract an independent provider to undertake an initial scoping of the proposal and will manage subsequent capital works. Staffing to administer the capital works are included in the capital cost.

Is the proposal part of a broader package?

Yes, Reducing harm from alcohol and drugs. Other elements will be costed separately.

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 ACT Health Directorate will absorb the administrative and planning costs associated with this proposal.
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 facility will provide up to 8 dedicated community-controlled medical withdrawal and rehabilitation 'beds' for First Nations people at any one time.
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?
Scoping and design work will commence in early 2021.
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 completion of the construction is expected by 2022. Costs associated with operation of the service will determined in consultation with prospective providers.
Will the proposal cease, and if so, when?
The proposal will be considered complete once the construction of the facility has been completed. Further work and consultation is required to consider the model of care/operation of the service, which is outside the scope of this costing request.
Is there any additional information relevant to this proposal?
No.