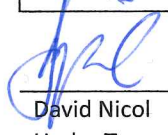


2016 Policy Commitment – ACT Labor

Name of Commitment:	Design Costings – SPIRE Centre at the Canberra Hospital
	Reference Number: LAB052
Request Submitted by:	Andrew Barr MLA, ACT Labor
Date Request Received:	12-Oct-16
Additional Information Requested (details and date)	N/A
Additional Information Received (details and date)	N/A

Financial Implications					
Impact On:	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	TOTAL \$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a) (b)}	0.0	0.0	-75.0	-251.9	-326.9
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	0.0	-75.0	-251.9	-326.9
Expenses - Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	0.0	-75.0	-251.9	-326.9
Capital Requirement	0.0	0.0	-3,000.0	-7,000.0	-10,000.0
Cash Surplus/Deficit	0.0	0.0	-3,075.0	-7,251.9	-10,326.9
(a) A negative number indicates a decrease in revenue or an increase in expenses.					
(b) Excludes depreciation expenses.					

Other Information
Costing Methodology Used: - Costing Technique: Treasury has costed this commitment as a fixed amount of \$10 million in capital funding over two years exclusively for design work associated with the proposed Surgical Procedures, Interventional Radiology and Emergency (SPIRE) Centre.
- Proposal Parameters: The costing assumes capped initial design funding. The cost of financing has been calculated at 2.5 per cent.
Caveats or qualifications to the costing: The proposed delivery timeframe may necessitate quicker completion of design than outlined in the commitment resulting in a bring forward of funding from 2019-20 into 2018-19. The above costing is for design only. No feasibility funding has been costed in this proposal. Capital construction costs of \$500 million outlined in the request would occur after 2019-20 and are indicative only. These costs would need to be fully informed by scoping and design work. The costing does not include the write-off of the net book value should any existing structures need to be demolished. It also does not include any operating costs (including staffing, maintenance and depreciation) associated with a new facility.
Other Comments: The ACT Labor Party has committed to build the SPIRE Centre at an estimated cost of \$500 million.
- Statistical Data Used: Treasury estimates.


David Nicol

Under Treasurer

13 October 2016