

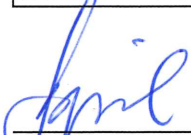
2016 Policy Commitment – ACT Greens

Name of Commitment:	Increasing digitisation of the ACT Government	Reference Number: GRN004
Request Submitted by:	Shane Rattenbury MLA, ACT Greens	
Date Request Received:	14-Sep-16	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2016-17	2017-18	2018-19	2019-20	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a) (b)}	0.0	-11.6	229.4	235.1	452.8
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	241.3	247.3	488.5
- Cost of Financing	0.0	-11.6	-11.9	-12.2	-35.7
Expenses – Depreciation	0.0	0.0	-92.9	-92.9	-185.7
Net Operating Balance	0.0	-11.6	136.5	142.2	267.1
Capital Requirement	0.0	-464.3	0.0	0.0	-464.3
Cash Surplus/Deficit	0.0	-475.9	229.4	235.1	-11.5

(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 the capital amount as a fixed dollar amount. If implemented, the scope of the commitment would need to be managed within this level of funding.
- Proposal Parameters:
The costing assumes that administrative expenses associated with the program would be absorbed by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). Cost of financing has been calculated at 2.5 per cent. Depreciation has been calculated on a straight line basis over a 5-year period. Indexation of 2.5 per cent has been applied to the savings.
Caveats or qualifications to the costing:
Project management costs have not been included; it is assumed that these costs would be met from existing Directorate resources.
Other Comments:
Costing savings for this type of policy requires significant judgement. Treasury considers the assumptions included in the costing request to be reasonable. However, Treasury's costing of savings is more conservative than that included in the costing request - largely due to using a lower number of FTEs to which the policy could apply. Treasury's costing has been applied to 5,000 FTEs only, which is an estimate of core administrative and office related functions, as this cohort is most likely to be travelling to meetings. The costing request used 20,110 FTEs which would include all service delivery roles plus administrative staff. Treasury's approach has resulted in a lower savings estimate.
- Statistical Data Used:
Treasury estimates. Consumer Price Index estimates as published in the 2016 Pre-Election Budget Update.



 David Nicol
 Under Treasurer
 22 September 2016