

Request for Costing an Election Commitment

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| Name of proposal: | Suburban Improvements – Foreshore Improvements (Tuggeranong and Gungahlin) |
| Person requesting costing: | Andrew Barr MLA |
| Date of request: | 9 October 2020 |
| Summary of proposal: | <p>A re-elected ACT Labor Government will invest \$5.05 million into foreshore improvements in Tuggeranong and Gungahlin, including:</p> <ul style="list-style-type: none"> • the planning, design and construction of significant improvements to the Tuggeranong Foreshore precinct (from Reed Street South to Tuggeranong Town Park); and • the design and construction of additional parking spaces along Phyllis Ashton Circuit to support the local businesses and visitors to Yerrabi Pond. |
| Issue the proposal will address: | <p>ACT Labor knows that local parks and public spaces create local hubs where the community can come together.</p> <p>In addition, these projects are all small but labour-intensive so will keep Canberrans working in our local industries as our economy recovers from the greatest challenge our city has ever faced. Focussing investment in our suburbs helps them to remain hubs where communities can come together to learn, play and socialise and support their local economies.</p> |

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.

- Tuggeranong:
 - \$750,000 for design and planning
 - \$4 million for construction over two financial years -
 - Upgrades will include a new playground, recreation facilities, better green spaces and accessibility improvements.
 - All works will be scoped to the allocated amount.

- Gungahlin:
 - \$300,000 for design and construction of improvements at Yerrabi Pond including additional carparking on Phyllis Ashton Circuit - all work will be scoped to the allocated amount.

The capital costs will be offset from the Better Infrastructure Fund (BIF).

The Gungahlin improvements will start and be completed in 2022-23. Useful life is assumed to commence from 1 July in the year following financial completion. Depreciation is assumed at 20 years with nil residual value.

Tuggeranong lake improvements will be completed in 2023-24 and therefore no depreciation is included.

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 | | -750.0 | -1,700.0 | -2,600.0 | -5,050.0 |
| Depreciation | | | | -15.0 | -15.0 |

(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 – all works will be scoped to the allocated amounts.

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?

N/A

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| Who will administer the proposal? |
| Transport Canberra and City Services |
| How will the proposal be administered? |
| The design and construction works will be administered by TCCS as part of its existing infrastructure delivery program. |
| Is the proposal part of a broader package? |
| Yes. The proposal is part of the ACT Labor's Suburban Infrastructure Improvements package. The initiative is not dependent on other elements of the package for delivery. |
| 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. |
| No – Costs will be absorbed by TCCS as part of existing funded infrastructure delivery team. |
| Will the proposal generate savings or offsets? |
| The foreshore improvements will be offset against the Better Infrastructure Fund. |
| 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? |
| <p>These projects are all small but labour-intensive so will keep Canberrans working in our local industries like construction and landscaping. For maintenance and upgrade projects there is typically higher employment intensity and lower capital costs, which maximises the potential job creation.</p> <p>Small scale construction is likely to be more labour intensive than heavy construction. High direct employment in construction and strong supply chains also means many indirect jobs.</p> |
| 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? |
| From 1 July 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. |
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Tuggeranong - The planning and design will commence from 1 July 2021, construction will commence from 1 July 2022.

Gungahlin – The construction of additional parking spaces will commence from 1 July 2022 and will be completed over 12 months.

Will the proposal cease, and if so, when?

N/A

Is there any additional information relevant to this proposal?

No