

## 2024 Election Commitment – ACT Labor

<b>Name of Commitment:</b>	<b>Umbagong District Park Upgrades</b>	<b>Reference Number:</b> LAB044
<b>Request Submitted by:</b>	Andrew Barr MLA, ACT Labor	
<b>Date Request Received:</b>	11-Oct-24	
<b>Additional Information Requested (details and date)</b>	N/A	
<b>Additional Information Received (details and date)</b>	N/A	

<b>Financial Implications</b>					
<b>Impact On:</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>TOTAL</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a)(b)</sup>	0.0	0.0	0.0	0.0	0.0
- 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	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	-37.5	-37.5
<b>Net Operating Balance</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-37.5</b>	<b>-37.5</b>
Capital Requirement	0.0	-550.0	-550.0	0.0	-1,100.0
Capital – Offset from ARP	0.0	550.0	550.0	0.0	1,100.0
<b>Net Capital Requirement</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Cash Surplus/Deficit</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<small>(a) A negative number indicates a decrease in revenue or an increase in expenses.</small>					
<small>(b) Excludes depreciation</small>					

<b>Other Information</b>
<b>Costing Methodology Used:</b>
<b>- Costing Technique:</b>
The costing is for a fixed dollar amount of \$1.1 million over two years from 2025-26 to 2026-27, comprising \$400,000 to deliver a new playground and \$700,000 to deliver a new public toilet. As such, the scope of the project would need to be managed within this level of funding.
<b>- Proposal Parameters:</b>
<ul style="list-style-type: none"> <li>• The costing assumes that administrative expenses associated with the upgrade of Umbagong District Park would be absorbed by the Transport Canberra and City Services Directorate (TCCS).</li> <li>• The costing assumes that the proposal would be fully offset from TCCS's Asset Renewal Program (ARP).</li> <li>• As the proposal would be fully offset from TCCS's ARP, the costing assumes no additional funding would be provided for repairs and maintenance expenses.</li> <li>• The project is expected to commence in late-2025 and be completed by 30 June 2027.</li> <li>• Depreciation of \$20,000 per annum for the playground has been calculated on a straight line basis over a 20-year period, commencing in 2027-28.</li> <li>• Depreciation of \$17,500 per annum for the public toilet has been calculated on a straight line basis over a 40-year period, commencing in 2027-28.</li> <li>• Cost of financing has not been applied to the costing, as the project would be fully offset from existing funding (TCCS's ARP).</li> </ul>

**Caveats or qualifications to the costing:**

- The costing assumes design of the proposed works would be included within the \$1.1 million in capital costs.
- The costing assumes the design and construction works would be administered by TCCS as part of its existing infrastructure delivery program.

**Other Comments:**

- Treasury considers the proposed cap of \$400,000 to deliver a new playground to be reasonable based on the March 2024 upgrade of a playground in Aranda, which was completed at a cost of \$407,000, and the commitments to draw on previous community consultations to inform elements of a standard playground design and to explore the use of prefabricated playground equipment.
- Treasury also considers the proposed cap of \$700,000 to deliver new public toilets to be reasonable given public toilet upgrades were undertaken at Farrer in 2023 at a cost of approximately \$507,000 for one accessible toilet. An additional 25 per cent has been added to the toilet costing estimate to allow for design and contingency, in addition to an escalation cost of 4.5 per cent per annum.
- Treasury notes that the works included in the ARP are developed on an annual basis to address the areas of highest need/priority within each Directorate. Applying the ARP as an offset to the proposed projects would be done in advance of this assessment and would reduce the capacity of TCCS to apply ARP funding to extend the useful life or improve the service delivery of other existing infrastructure assets.

**- Statistical Data Used:**

Treasury estimates. The costs of the Aranda playground construction were provided on 14 May 2024, by the Minister for City Services in her response to Question on Notice 1837. The costs for public toilet construction at Farrer were provided on 2 August 2024 by the Minister for City Services in her response to Question on Notice 2083.



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Stuart Hocking PSM  
Under Treasurer  
16 October 2024