

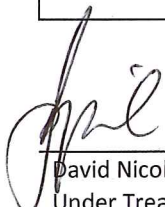
2016 Policy Commitment – ACT Greens

Name of Commitment:	Active Travel Upgrades	Reference Number: GRN023
Request Submitted by:	Shane Rattenbury MLA, ACT Greens	
Date Request Received:	30-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	-474.2	-960.3	-1,648.3	-3,082.8
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	-189.7	-189.7
- Cost of Financing	0.0	-474.2	-960.3	-1,458.6	-2,893.1
Expenses - Depreciation	0.0	0.0	-379.4	-758.8	-1,138.2
Net Operating Balance	0.0	-474.2	-1,339.7	-2,407.0	-4,221.0
Capital Requirement	0.0	-18,969.3	-18,969.3	-18,969.3	-56,907.9
Cash Surplus/Deficit	0.0	-19,443.5	-19,929.6	-20,617.6	-59,990.7

(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 level of \$19.0 million per annum over three years for capital investment in active travel infrastructure.
- Proposal Parameters:
Construction is assumed to commence in 2017-18 and take three years to complete. The cost of financing has been calculated at 2.5 per cent. Depreciation has been calculated on a straight-line basis over a 50-year period. No indexation has been applied. Repairs and maintenance expenses are costed at zero per cent of the capital cost in the first year after construction, one per cent the year after, and two per cent ongoing thereafter. The costing assumes that administrative expenses associated with the program would be absorbed by the Transport Canberra and City Services Directorate.
Caveats or qualifications to the costing:
N/A
Other Comments:
The costing figures differ to those in the costing request due to the cost of financing being applied in the year that the capital requirement arises.
- Statistical Data Used:
Treasury estimates.



David Nicol
Under Treasurer
6 October 2016