

## Request for Costing an Election Commitment

<b>Name of policy proposal:</b>	Better Parking (13 October 2016)
Person requesting costing:	Alistair Coe MLA, Shadow Treasurer
Date of request:	13 October 2016
Summary of proposal:	The Canberra Liberals will remove late night and weekend parking fees that were implemented as part of the 2015-16 Budget.
Issue the proposal will address:	The Government's increases to the cost of parking in Canberra.

### What are the key assumptions that have been made in the proposal?

**Note:** The costing will 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.

Revenue foregone is calculated assuming the following:

- The 2015-16 budget states that the increased parking revenue from \$15.4 million in 2014-15 to \$17.1 million in 2015-16 is due to the introduction of extended parking hours and a 6% increase in fees.
- Assuming that only a 6% increase in fees would equate to \$16.3 million in revenue in 2015-16, revenue as a result of the extended hours is \$0.776 million.
- This \$0.776 million revenue foregone is then indexed at 2.5% per annum as per Treasury guidance (and consistent with economic growth projections) to calculate revenue foregone for each year 2016-17 to 2019-20.
- 2016-17 is calculated as half year revenue foregone as the policy is intended to start 1 January 2017.
- Costs have been rounded up to the nearest \$5,000.

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)?

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue<sup>(a)</sup></b>	-400	-815	-840	-860	-2,915
<b>Expenses<sup>(a)</sup></b>					
<b>Capital</b>					
<b>Depreciation</b>					

(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?

n/a

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 (for example, does an education proposal add to or redirect NERA funding).

No.

Will funding/the cost require indexation?

Revenue foregone has been indexed by 2.5%, consistent with Treasury advice.

Who will administer the proposal?

The Transport Canberra and City Services Directorate.

How will the proposal be administered?

The Transport Canberra and City Services Directorate will be responsible for changing signs regarding the paid parking times.

Is the proposal part of a broader package?

Yes. This proposal forms part of a broader parking package.

Has an allowance been made for expenses necessary to support the implementation of this proposal?

- If no, will the government agency be expected to absorb expenses associated with this proposal?
- If yes, please specify the key assumptions.

No. Implementation of the policy will be met from within existing resources.

Will the proposal generate savings or offsets?

No.

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?

Community impacts are expected to be positive due to reduced parking fees.

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?

1 January 2017.

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?

1 January 2017.

Will the proposal cease, and if so, when?

This proposal is ongoing.

Is there any additional information relevant to this proposal?

No.