

## Request for Costing an Election Commitment

Name of proposal:	Telopea Park Improvements
Person requesting costing:	Andrew Barr MLA
Date of request:	13 October 2020
Summary of proposal:	ACT Labor will invest \$250,000 in new landscaping, additional lighting and more trees at Telopea Park.
Issue the proposal will address:	ACT Labor knows the value of safe, varied and accessible parks for the Canberra community. 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. Focusing investment in our suburbs helps them to remain hubs where communities can come together to learn, play and socialise and support their local economies.

### 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.

All work to be completed in 2020-21.

All work will be scoped to the allocated amount of \$250,000

Assumed half of the costs are expensed and capitalized the other half of the costs, noting that the final split will be determined following accounting advice and the nature of each of the works.

Interest costs are included as per the Standard Costing Parameters for the capitalized component, with interest costs for 2020-21 assumed for half of the year.

Depreciation is applied to capitalized works – assumed at a useful life of 20 years with nil residual value.

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
<b>Revenue<sup>(a)</sup></b>					
<b>Expenses<sup>(a)</sup></b>	-126.0	-2.0	-2.0	-2.1	-132.1
<b>Capital</b>	-125.0				-250.0
<b>Depreciation</b>		-6.3	-6.3	-6.3	-18.8

(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 amount.

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?

No

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 with potential oversight by the screwdriver ready implementation working group.

Is the proposal part of a broader package?

Yes – this is part of ACT Labor's Suburban Improvement Works across the Territory. This commitment does not rely on any other initiatives.

Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> <li>– If no, will the government agency be expected to absorb expenses associated with this proposal?</li> <li>– If yes, please specify the key assumptions.</li> </ul>
No – Costs will be absorbed by TCCS as part of existing funded infrastructure delivery team.
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?
<p>ACT Labor knows the value of safe, varied and accessible parks for the Canberra community. 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?
N/A
What is the intended implementation date of the proposal?
1 January 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.
2020-21
Will the proposal cease, and if so, when?
All works to be completed in 2020-21.
Is there any additional information relevant to this proposal?
No