

Request for Costing an Election Commitment

Name of proposal:	Safer school zones - Develop new school drop-off and pick-up areas
Person requesting costing:	Alistair Coe MLA
Date of request:	14 October 2020
Summary of proposal:	The Canberra Liberals develop new school drop-off and pick-up areas.
Issue the proposal will address:	The proposal will address safety issues at school drop-off and pick-up areas.

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.

This development of new drop-off and pick-up areas at schools is part of a \$5 million commitment. Total spending on projects be managed within the threshold.

The Education Directorate will liaise with school communities and identify schools that require capital investment to improve safety. Minor and shovel-ready projects will commence as soon as possible as part of stimulus measures.

Costings assume straight line depreciation based on a 50 year life. Cost of financing has been calculated at 1.6 per cent. Repair and maintenance expenses are costed at zero per cent of capital cost in the first year after construction, one per cent in the year after, and two percent ongoing thereafter.

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)	-18.9	-56.8	-88.4	-124.9	-288.9
Capital	-1180	-2350	-1180		-4710
Depreciation		-23.6	-70.6	-94.2	-188.4

(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?

N/A

Where relevant, is funding for the proposal to be demand driven or a capped amount?
Capped 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?
N/A
Will funding/the cost require indexation?
No.
Who will administer the proposal?
The proposal will be administered by the Education Directorate.
How will the proposal be administered?
The Education Directorate will liaise with school communities and identify schools that require capital investment to improve safety. The Education Directorate will be responsible for procurement and management of contracts.
Is the proposal part of a broader package?
This proposal forms part of the Canberra Liberals Policy on Education.
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.
The Education Directorate will absorb the administrative and procurement costs associated with this proposal.
Will the proposal generate savings or offsets?
N/A

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?
N/A
What are the community impacts associated with the proposal? Who and how many people will be affected?
The proposal will address safety issues at school drop-off and pick-up areas. Safety improvements will make school zones safer for children, easier for families to navigate, and encourage active travel. This measure will also create jobs.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
Nil.
What is the intended implementation date of the proposal?
It is expected that minor and shovel-ready works commence late 2020 and early 2021 over the school holiday period.
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.
It is expected that the project will be fully operational by late 2020 or early 2021.
Will the proposal cease, and if so, when?
Capital funding for the proposal will cease in 2022-23.
Is there any additional information relevant to this proposal?
N/A