


## Request for Costing an Election Commitment

Name of proposal:	Expanding Paediatric ED Beds
Person requesting costing:	Andrew Barr MLA 
Date of request:	10 October 2024
Summary of proposal:	Expansion of the Paediatric Emergency Department in the Critical Services Building
Issue the proposal will address:	Demand for healthcare continues to grow, this proposal will expand the Paediatric Emergency Department in the Critical Services Building.
Proposal's public announcement details (media release or policy statement published on a party website) <sup>1</sup> :	Proposal announced 20 September 2024: <a href="https://www.andrewbarr.com.au">Boosting paediatric care in Canberra (andrewbarr.com.au)</a>

### 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.

#### ***Expansion of the Paediatric Emergency Department – Operational***

It is assumed an additional 6 paediatric emergency department beds will become operational from 1 January 2026.

Staffing assumed for a 24/7 paediatric emergency department bed as per the Average Salary Costing Template.

A half-year impact is required in 2025-26.

Assumed staffing requirements as follows – wages have been taken from the applicable enterprise agreement at the level specified below as at 1 July 2025 where applicable and then 2.75% annual indexation applied as per the average salary costing template.

For those under the Medical Practitioners agreement the top of the pay band and final pay point has been applied as per the current enterprise agreement (and then indexed as per the average salary costing template from 2025-26).

<b>Assumed staffing requirements for a 6-bed expansion of Paediatric Emergency Department</b>
ASO6 x 0.5 (As per average salary costing template)
ASO3 x 11.2 (As per average salary costing template)
HP2.4 x 2.6 (Health Professionals - \$102,200)
HP3.3 x 6.6 (Health Professionals - \$115,150)
HP4.2 x 1.3 (Health Professionals - \$129,936)
RN1.8 x 5.7 (Nursing - \$106,712)

<sup>1</sup> As per Part 2, section 5 of the *Election Commitments Costing Act 2012*

RN2.3 x 11.4 (Nursing - \$114,946)
Senior Specialist x 0.3 (Medical Practitioners - \$254,198)
Registrar R4 x 5.7 (Medical Practitioners - \$141,084)
FSO4.3 x 1.5 (Infrastructure Services - \$67,208)

Workers compensation assumption of 1.76 per cent.

This results in the following expense tables using the average staffing level template:

<b>FTE</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
<i>Administrative Staff and Health Professionals</i>	0.0	11.1	22.2	22.2
<i>Nursing</i>	0.0	8.6	17.1	17.1
<i>Medical Practitioners and Infrastructure Services</i>	0.0	3.9	7.5	7.5
<b>Total</b>	<b>0.0</b>	<b>23.6</b>	<b>46.8</b>	<b>46.8</b>

<b>\$ 000</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>
<i>Administrative Staff and Health Professionals</i>	0.0	1,520.1	3,134.1	3,201.2
<i>Nursing</i>	0.0	1,328.2	2,733.3	2,807.5
<i>Medical Practitioners and Infrastructure Services</i>	0.0	690.6	1,368.6	1,405.8
<i>Operating Cost</i>	0.0	500.0	1,025.0	1,050.6
<b>Total</b>	<b>0.0</b>	<b>4,038.9</b>	<b>8,261.0</b>	<b>8,465.1</b>

**Operating costs**

This is an additional funding allocation and includes medical surgical supplies, catering, cleaning, linen services, pharmacy costs and repairs and maintenance.

Operating cost assumptions consider the cost of paediatric inpatient acute bed costs and the cost of an emergency department bed – separate to staffing which has been costed above. This is based on comparable operating cost assumptions.

It is assumed that this would be \$500,000 for the first six months and then annualised and indexed at CPI as per the standard costing parameters.

**Expansion of the Paediatric Emergency Department – Capital**

Warm fit-out of the paediatric emergency department spaces means only furniture, fittings and equipment will be required in the space. To support required beds, monitoring equipment, chairs, computer and medical equipment for each space it is assumed a \$2 million capital investment will be required based on information available on Tender ACT regarding FFE requirements for clinical spaces.

Depreciation is assumed on FFE, straight line with a useful life of 10 years with nil residual value. Useful life is assumed to start on 1 July 2026 (the financial year following purchase and installation).

The cost of finance is calculated at 5.25 per cent consistent with the standard costing parameters – as below.

<b>\$ 000</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>Total</b>
<i>Cost of financing</i>		-105.0	-110.5	-116.3	-331.8

This is included in the expenses line of this costing below.

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)?

	<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>
<b>Revenue<sup>(a)</sup></b>	0	0	0	0	0
<b>Expenses<sup>(a)</sup></b>	0	-4,143.9	-8,371.5	-8,581.4	-20,765.0
<b>Capital<sup>(a)</sup></b>	0	-2,000.0	0	0	-2,000.0
<b>Depreciation<sup>(a)</sup></b>	0	0	-200.0	-200.0	-400.0
<b>Offset - Expenses<sup>(a)</sup></b>	0	0	0	0	0
<b>Offset - Capital<sup>(a)</sup></b>	0	0	0	0	0
<b>Full-time equivalent employees</b>	0	23.6	46.8	46.8	

(a) A negative number indicates a decrease in revenue or an increase in expenses, depreciation or capital outflows. A positive number indicates an increase in revenue or decrease in expenses, depreciation or capital inflows. The expenses row is not to include depreciation costs.

Has any specific information or data been utilised in generating the proposal? Please provide links or attach information/data sources referenced.

ACTPS Administrative and Related Classifications Enterprise Agreement 2023-2026

ACTPS Nursing and Midwifery Enterprise Agreement 2023-2026

ACTPS Medical Practitioners Enterprise Agreement 2021-2022

ACTPS Support Services Enterprise Agreement 2023-2026

[ACT Budget: Further Expanding Health System Capacity - Chief Minister, Treasury and Economic Development Directorate](#)

[Expanding health services for children and young people - Chief Minister, Treasury and Economic Development Directorate \(act.gov.au\)](#)

Tenders ACT: [Find Contracts](#)

Where relevant, is funding for the proposal to be demand driven or a capped amount?
The expansion will be for operational funding of 6-beds. However, it is important to note that paediatric emergency department presentations are demand driven.
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?
Staff (WPI), operational costs (CPI)
Who will administer the proposal?
Canberra Health Services
How will the proposal be administered?
Canberra Health Services will be responsible for the fit-out, staffing and operation of the new spaces in the Paediatric Emergency Department.
Is the proposal part of a broader package? If so, please identify the other elements of the package.
Yes, this is part of Labor's plan to hire an extra 800 health workers.
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 – CHS to absorb any additional administrative costs of implementation.
Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.
No
Has the proposal been previously costed by an external (third) party? If so, 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>Demand continues to grow for emergency care with Canberra's growing population. This proposal will support growth in the Paediatric Emergency Department to support children, young people and their families to access emergency care in a dedicated space that supports specialist care for their age group.</p> <p>Paediatric patients require equipment and consumables appropriate to their age group and spaces setup to provide this ensure care remains cost-effective, high-quality and supports a positive experience where possible.</p>
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 2026
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 these bed spaces would be fully operational from 1 January 2026.
Will the proposal cease, and if so, when?
This proposal is ongoing.
Is there any additional information relevant to this proposal?
No