2024 Election Commitment – Canberra Liberals

Name of Commitment:	**Veterans – Northside Memorial**
	Reference Number: LIB097
Request Submitted by:	Elizabeth Lee MLA, Canberra Liberals
Date Request Received:	11-Oct-24
Additional Information Requested (details and date)	N/A
Additional Information Received (details and date)	N/A

Financial Implications

Impact On:	**2024-25 $'000**	**2025-26 $'000**	**2026-27 $'000**	**2027-28 $'000**	**TOTAL $'000**
Revenues [(a)]	0.0	0.0	0.0	0.0	**0.0**
Expenses [(a)(b)]	0.0	-2.6	-2.8	-3.9	**-9.3**
- Employee Expenses	0.0	0.0	0.0	0.0	**0.0**
- Other Expenses	0.0	0.0	0.0	-1.0	**-1.0**
- Cost of Financing	0.0	-2.6	-2.8	-2.9	**-8.3**
Depreciation	0.0	0.0	0.0	0.0	**0.0**
Net Operating Balance	**0.0**	**-2.6**	**-2.8**	**-3.9**	**-9.3**
Capital Requirement (provision)	0.0	-50.0	0.0	0.0	**-50.0**
Cash Surplus/Deficit	0.0	-52.6	-2.8	-3.9	**-59.3**

(a) A negative number indicates a decrease in revenue or an increase in expenses.
(b) Excludes depreciation

Other Information

Costing Methodology Used:

- Costing Technique:

The costing is for a fixed dollar amount of $50,000 for capital provision in 2025-26 for the Returned Services League of Australia (RSL) ACT to establish a cenotaph/memorial site in Gungahlin.

- Proposal Parameters:

- The costing assumes that construction would be dependent upon matched funding from the RSL and/or the Commonwealth Government.
- Construction is anticipated to commence in 2025-26 and be completed in 2026-27.
- Administrative expenses associated with the project would be absorbed by the ACT Office for Veterans in the Community Services Directorate (CSD).
- The costing assumes that ACT Government capital funding would be provided to the RSL ACT for project delivery, but that the ACT Government would own the asset.
- Depreciation has not been applied to the costing, consistent with standard practice for memorials.
- Repairs and maintenance expenses are costed at zero per cent of the full capital cost in the first year after construction, one per cent the year after ($1,000 in 2027-28) and two per cent ongoing thereafter ($2,000 from 2028-29 onwards).
- Cost of financing has been calculated at 5.25 per cent.

Caveats or qualifications to the costing:

• The costing assumes design of the proposed asset would be included within the $50,000 in the capital provision.
• The costs and profile are indicative only and would be fully informed by public consultation and design work, and could vary depending on finalisation of scope for the memorial site.
• Financial impacts of a potential land purchase are not included in the costing for the site of the cenotaph/memorial.
• The costing has not included the financial impacts of a potential Commonwealth Government or RSL funding conrtibution for this project, on the basis that this is not a decision that can be assured by the ACT in isolation, and there is no certainty that this funding could be secured.
• Project management costs have not been included; it is assumed that these costs would be met by the RSL.

Other Comments:

Treasury's costing differs from that submitted due to the inclusion of repairs and maintenance costs, and the exclusion of depreciation.

- Statistical Data Used:

Treasury and Transport Canberra and City Services estimates.

Stuart Hocking PSM
Under Treasurer
15 October 2024