

## Request for Costing an Election Commitment

Name of proposal:	Gorman House Upgrades
Person requesting costing:	Andrew Barr MLA
Date of request:	12 October 2020
Summary of proposal:	A re-elected ACT Labor Government will invest \$8 million in capital upgrades for Gorman House.
Issue the proposal will address:	<p>Investment in Gorman House will enhance accessibility, safety and energy efficiency and commence major heritage restorations in time for the centre's 100th birthday in 2024.</p> <p>This is part of ACT Labor's plan will help the arts sector and our creative industries recover from the devastating effects of COVID-19 with a focus on creating and sustaining jobs, building resilience and promoting the role of the arts in our community.</p>

### 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.

\$8M for construction across two financial years (2023-23 and 2023-24).

All works will be scoped to the allocated amounts.

Upgrades will be designed to enhance accessibility and safety, energy efficiency and commence heritage restorations.

Depreciation is not included as works would be complete at the end of 2023-24 and it is therefore outside of the forward estimates.

Interest costs are as per the Standard Costing Parameters.

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>			-32.0	-128.5	-160.5
<b>Capital</b>			-2,000.0	-6,000.0	-8,000.0
<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?

Capped – all works will be scoped to the allocated amounts.

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?

N/A

Who will administer the proposal?

artsACT

How will the proposal be administered?

By artsACT in collaboration with Gorman House.

Is the proposal part of a broader package?

No

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>
<p>Project delivery and management costs are to be included in the \$8 million allocated by ACT Labor.</p>
<p>Will the proposal generate savings or offsets?</p>
<p>No</p>
<p>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?</p>
<p>No</p>
<p>What are the community impacts associated with the proposal? Who and how many people will be affected?</p>
<p>Canberra’s arts centres, as hosts of arts professionals, art classes, community arts development, arts performances and other events will play a big part in community recovery as we emerge from the COVID-19 crisis. A re-elected ACT Labor Government is committed supporting the creative, performing arts, and entertainment industries in our region. Investment in Gorman House will enhance accessibility, safety and energy efficiency and commence major heritage restorations in time for the centre’s 100th birthday in 2024.</p>
<p>Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?</p>
<p>No</p>
<p>What is the intended implementation date of the proposal?</p>
<p>1 July 2022</p>
<p>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.</p>
<p>Construction to commence in 2022-23.</p>
<p>Will the proposal cease, and if so, when?</p>
<p>Construction to be completed by the end of 2023-24.</p>
<p>Is there any additional information relevant to this proposal?</p>
<p>No</p>