

Request for Costing an Election Commitment

Name of proposal:	Belconnen footpath fund
Person requesting costing:	Andrew Barr MLA 
Date of request:	11 October 2024
Summary of proposal:	To support footpath upgrades across Belconnen, a \$5 million fund will be established that supports ongoing works across the term in addition to the current path maintenance budget
Issue the proposal will address:	Footpath upgrades support the community through increased accessibility, active travel opportunities and connection to broader community facilities. This fund will support a rolling program of upgrades to footpaths in the Belconnen region.
Proposal's public announcement details (media release or policy statement published on a party website) ¹ :	https://www.actlabor.org.au/media/pqjgl4xh/regional-plan-belconnen.pdf

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.

- The \$5 million Belconnen Footpath Fund will be administered by TCCS with administrative costs to be absorbed by the directorate.
- The fund will have programmed amounts of \$1.25 million each year to reach a total of \$5 million over 4 years from 2025-26.
- Depreciation is assumed at 40 years with nil residual value. Depreciation is included as all investments are assumed to improve existing assets rather than extend their useful life.
- Cost of finance is applied at 5.25% as per the standard costing template and is included 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)?

	2024-25	2025-26	2026-27	2027-28	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)	0	0	0	0	0
Expenses ^(a)	0	-65.6	-134.7	-207.4	-407.7
Capital ^(a)	0	-1,250	-1,250	-1,250	-3,750
Depreciation ^(a)	0	0	-31.3	-62.5	-93.8

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

Offset - Expenses^(a)	0	0	0	0	0
Offset - Capital^(a)	0	0	0	0	0
Full-time equivalent employees	0	0	0	0	0

(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.

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?

No

Who will administer the proposal?

Transport Canberra and City Services Directorate

How will the proposal be administered?

Administration of the program will be conducted by the Transport Canberra and City Services Directorate and absorbed by City Services as part of broader footpath upgrade programming.

Is the proposal part of a broader package? If so, please identify the other elements of the package.

Yes. This proposal forms part of ACT Labor's Belconnen Region Plan package. The initiative is not dependent on other elements of the package for delivery.

Has an allowance been made for expenses necessary to support the implementation of this proposal?

- If no, will the government agency be expected to absorb expenses associated with this proposal?
- If yes, please specify the key assumptions.

No, the government agency will be expected to absorb expenses associated with this proposal.

Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.
No, however standard maintenance will be offset by the Asset Renewal Program.
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?
This proposal will build new footpaths and improve existing ones to make Belconnen suburbs more accessible and better connected. For maintenance and upgrade projects there is typically higher employment intensity and lower capital costs, which increases the potential job creation. Small scale construction is likely to be more labour intensive than heavy construction. High direct employment in construction and established supply chains also means many more indirect jobs.
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?
From 1 July 2025
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.
The fund will commence from 1 July 2025 to enable construction and upgrades to footpaths over the four-year period.
Will the proposal cease, and if so, when?
All upgrades will be completed by 30 June 2029.
Is there any additional information relevant to this proposal?
No.