

Request for Costing an Election Commitment

Name of policy proposal:	Boost for Indigenous Health Service (26 August 2016)
Person requesting costing:	Alistair Coe MLA, Shadow Treasurer
Date of request:	21 September 2016
Summary of proposal:	The Canberra Liberals will boost funding to the Winnunga Nimmityjah Health Service to fund an additional 10 social health workers.
Issue the proposal will address:	A shortage of resources to provide necessary services.

What are the key assumptions that have been made in the proposal?

Note: The costing will 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.

- Funding for the 10 social health workers has been calculated using an ASO3 rate which is broadly consistent with the salaries of non-government social workers.
- Costs have been indexed at 2.5% over the forwards, consistent with Treasury advice as wages will increase.
- The 10 positions have been phased in with 3 funded in 2017-18, 6 in 2018-19 and 10 in 2019-20.
- Costs should be conservative on the basis that on-costs are calculated using a government rate but are expected to be significantly lower in the non-government sector.

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)?

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)					
Expenses^(a)	0	-275	-565	-965	-1,805
Capital					
Depreciation					

(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?

Funding will be capped.

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 (for example, does an education proposal add to or redirect NERA funding).

Funding will be given to Winnunga Nimmityjah Aboriginal Health Service to deliver the additional social health workers.

Will funding/the cost require indexation?

Yes. Funding has been indexed at 2.5% as per Treasury advice as wage increases will need to be funded.

Who will administer the proposal?

Additional funding to Winnunga Nimmityjah Aboriginal Health Service will be administered by the Health Directorate.

How will the proposal be administered?

The funding will be administered in line with current arrangements for administering funding to Winnunga Nimmityjah Aboriginal Health Service which is currently undertaken by the Health Directorate.

Is the proposal part of a broader package?

No.

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. Administering contracts to service providers is business as usual. Implementation of this policy will be met from within existing resources.

Will the proposal generate savings or offsets?

No.

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?

No.

What are the community impacts associated with the proposal? Who and how many people will be affected?

There will be a positive impact on the Indigenous Community in the ACT by having more resources available.

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 July 2017.

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 delivery of a full 10 additional workers will not be until 2019-20.

Will the proposal cease, and if so, when?
Proposal is ongoing.
Is there any additional information relevant to this proposal?