

Request for Costing an Election Commitment

Name of policy proposal:	Centenary Hospital Upgrade				
Person requesting costing:	Andrew Barr MLA, ACT Labor Leader				
Date of request:	13/10/2016				
Summary of proposal:	The Labor Party will upgrade and extend the Centenary Hospital to provide further services and support to Canberra families.				
Issue the proposal will address:	The proposal will provide further support for maternal and children's health.				
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. The capital cost will ultimately be determined by project scoping and design. The operational funding is based on the cost of extending existing services at the Centenary Hospital. The funding will be ongoing. The proposal is for a capital extension to Centenary Hospital sufficient to provide space to provide new maternity suites, 4 maternity day beds, a 12-bed Child/Adolescent Mental Health Unit, and 12 neo-natal intensive care beds. The proposal assumes full operation from 2020-21. The package proposes around 110 staff to deliver new services by the time of full operation, including additional nurses and a mix of allied health professionals and medical staff. The staffing levels would ramp up in line with service levels for existing services at the Centenary Hospital. The funding also provides for \$2 million a year for a Family Assistance Fund, an allocation of \$2.5 million per annum over 4 years to enhance the delivery of health care to homeless youth, and \$10 million over four years to support transition and communications costs to deliver the new package. These funding elements are capped and dollar limited This request for costing only includes funding out to 2019-20 as per the Treasury costing guidelines. Depreciation has not been included.					
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)		-10,973	-20,699	-21,697	-52,839
Capital		-35,000	-35,000		-70,000
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?
N/A
Where relevant, is funding for the proposal to be demand driven or a capped amount?
The capital funding is capped. The operational funding will be 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 (for example, does an education proposal add to or redirect NERA funding).
N/A
Will funding/the cost require indexation?
No. Indexation is already included in the expenses above.
Who will administer the proposal?
Health will meet any administration costs from internal resources.
How will the proposal be administered?
Through 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. See above regarding Health Directorate internal 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?
Women and Children across Canberra will benefit from improved and expanded high-quality health services.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
N/A
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?
Start date 1 July 2017.
Will the proposal cease, and if so, when?
No- the operational funding is ongoing.
Is there any additional information relevant to this proposal?
N/A