

2020 Election Commitment – ACT Greens

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| Name of Commitment: | Repairing the Land | Reference Number: GRN004 |
| Request Submitted by: | Shane Rattenbury MLA, ACT Greens | |
| Date Request Received: | 01-Oct-20 | |
| Additional Information Requested (details and date) | Clarification was sought about the nature of capital projects and/or upgrades to be undertaken from the proposed capital funding pool (02-Oct-20). | |
| Additional Information Received (details and date) | Advice was provided that the \$8 million for works in Canberra Nature Park and Namadgi National Park would predominantly relate to land management activities (02-Oct-20). | |

| Financial Implications | | | | | |
|-------------------------------|-----------------|-----------------|------------------|-----------------|------------------|
| Impact On: | 2020-21 | 2021-22 | 2022-23 | 2023-24 | TOTAL |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenues ^(a) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Expenses ^{(a)(b)} | -4,799.3 | -9,069.7 | -11,047.4 | -9,077.1 | -33,993.5 |
| - Employee Expenses | -885.0 | -1,544.0 | -1,574.0 | -1,606.0 | -5,609.0 |
| - Other Expenses | -3,914.3 | -7,525.7 | -9,473.4 | -7,471.1 | -28,384.5 |
| - Cost of Financing | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Depreciation | -39.9 | -68.4 | -68.4 | -68.4 | -245.0 |
| Net Operating Balance | -4,839.2 | -9,138.0 | -11,115.8 | -9,145.5 | -34,238.5 |
| Capital Requirement | -43.7 | -74.3 | -76.6 | -78.9 | -273.5 |
| Cash Surplus/Deficit | -4,843.0 | -9,144.0 | -11,124.0 | -9,156.0 | -34,267.0 |

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

| Other Information |
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| Costing Methodology Used: |
| - Costing Technique: |
| The costing for this commitment includes salary costs, vehicle costs and fixed funding amounts. The salary cost component has been costed based on the standard salaries and on-costs for the staffing levels included in the costing request. The vehicle component has been costed on the basis of similar arrangements in place. The fixed funding component relates to \$8 million over four years for land management activities in the Canberra Nature Park and Namadgi National Park as well as the grants to community organisations. As the funding for this component is fixed, the proposed works would need to be managed within the identified level of funding. |
| - Proposal Parameters: |
| <ul style="list-style-type: none"> The \$8 million over four years for land management activities in the Canberra Nature Park and Namadgi National Park is reflected as an expense in the Treasury costing rather than capital as reflected in the costing request because the work relates to land assets which are not capitalised. The costing request includes four staff at the ASO6 level and 12 rangers at the Ranger 2 level for three years and seven months, noting it is assumed these staffing costs would continue. A capital requirement of \$273,500 has also been included in this costing for the principal lease repayments for vehicles (right-of-use asset). The interest rate on vehicle lease repayments is assumed to be three per cent and is included in 'other expenses', and depreciation is calculated on a straight-line basis over an assumed average lease term of 48 months commencing from 2020-21. |
| Caveats or qualifications to the costing: |
| The costing request states that the salary on-costs for the 12 ranger positions would be absorbed from within EPSDD's existing resources. Salary oncosts cover things like information technology, communications, finance and human resources support, accommodation, injury management, insurance and training. Accordingly, these have been excluded from the costing but are estimated at approximately \$910,000 over the four years shown. Treasury considers that the agency may have to reduce or cease existing services to cover these costs. |
| Other Comments: |
| The costing includes increased operating funding for EPSDD to manage Canberra Nature Park, Namadgi National Park across four years (including a part year impact in 2020-21). It is assumed the funding requirement would be ongoing. |
| - Statistical Data Used: |
| Treasury estimates. Salary costs have been calculated using the 2020-21 Average Salary Costing Template. |



David Nicol
Under Treasurer
14 October 2020