

2024 Election Commitment – ACT Labor

Name of Commitment:	New playground in McKellar	Reference Number: LAB052
Request Submitted by:	Andrew Barr MLA, ACT Labor	
Date Request Received:	14-Oct-24	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2024-25	2025-26	2026-27	2027-28	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a)(b)}	0.0	0.0	0.0	0.0	0.0
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	-20.0	-20.0
Net Operating Balance	0.0	0.0	0.0	-20.0	-20.0
Capital Requirement	0.0	-200.0	-200.0	0.0	-400.0
Capital – Offset from ARP	0.0	200.0	200.0	0.0	400.0
Net Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	0.0	0.0	0.0	0.0

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

Other Information
Costing Methodology Used:
- Costing Technique:
The funding is for a capped dollar amount of \$400,000 over two years from 2025-26 to 2027-28 to build a new playground in McKellar. As such, the scope of the project would need to be managed within this level of funding.
- Proposal Parameters:
<ul style="list-style-type: none"> • The costing assumes that administrative expenses associated with the project would be absorbed by the Transport Canberra and City Services Directorate (TCCS). • The costing assumes that the proposal would be fully offset from TCCS's Asset Renewal Program (ARP). • Construction is anticipated to commence in early 2026 and be completed by 30 June 2027. • Depreciation has been calculated on a straight line basis over a 20-year period and would be \$20,000 per annum from 2027-28 onwards. • Given the proposal is fully offset through ARP, no additional repairs and maintenance expenses are included.

Caveats or qualifications to the costing:

- The costing assumes the design of the proposed works would be included within the proposed funding.
- The costing assumes the design and construction works would be administered by TCCS as part of its existing infrastructure delivery program.

Other Comments:

- Treasury considers the proposed cap of \$400,000 to be reasonable based on the March 2024 upgrade of a playground in Aranda, which was completed at a cost of \$407,000, and the commitments to: draw on previous community consultations to inform elements of a standard playground design; explore the use of prefabricated playground equipment; and reduce the cost of play equipment.
- Treasury notes that the works included in the ARP are developed on an annual basis to address the areas of highest need/priority within each directorate. Applying the ARP as an offset to the proposed projects would be done in advance of this assessment and would reduce the capacity of TCCS to apply ARP funding to extend the useful life or improve the service delivery capacity of other existing infrastructure assets.

- Statistical Data Used:

Treasury estimates. The costs for the Aranda Playground construction were provided on 14 May 2024, by the Minister for City Services in her response to Question on Notice 1837.



Stuart Hocking PSM
Under Treasurer
17 October 2024