2024 Election Commitment – Canberra Liberals

Name of Commitment:	**Making our city safer – Law and justice**
	Reference Number: LIB078
Request Submitted by:	Elizabeth Lee MLA, Canberra Liberals
Date Request Received:	11-Oct-24
Additional Information Requested (details and date)	N/A
Additional Information Received (details and date)	N/A

Financial Implications					
Impact On:	**2024-25 $'000**	**2025-26 $'000**	**2026-27 $'000**	**2027-28 $'000**	**TOTAL $'000**
Revenues [(a)]	0.0	0.0	0.0	0.0	**0.0**
Expenses [(a)(b)]	0.0	-1,358.8	-3,900.9	-3,643.6	**-8,903.3**
- Employee Expenses	0.0	-484.7	-2,284.0	-1,986.2	**-4,754.9**
- Other Expenses	0.0	-874.1	-1,616.9	-1,657.4	**-4,148.4**
- Cost of Financing	0.0	0.0	0.0	0.0	**0.0**
Depreciation	0.0	0.0	0.0	0.0	**0.0**
Net Operating Balance	**0.0**	**-1,358.8**	**-3,900.9**	**-3,643.6**	**-8,903.3**
Capital Requirement	0.0	0.0	0.0	0.0	**0.0**
Cash Surplus/Deficit	0.0	-1,358.8	-3,900.9	-3,643.6	**-8,903.3**

(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 costing is for $8.661 million over three years from 2025-26 to 2027-28 inclusive for the component related to the electronic monitoring of serious offenders on bail, and is based on advice provided by the Justice and Safety Directorate (JACS), and reflects preliminary market research and internal estimations of resourcing required for ACT Policing, ACT Corrective Services (ACTCS) and other areas of JACS. The costs consist of:

- $4.513 million for staffing costs in ACTCS, ACT Police and other areas of JACS, calculated using the 2024-25 Average Salary Costing Template;
- $3.681 million for the intensive monitoring of serious offenders on bail by an outsourced monitoring firm;
- $229,000 for the lease of 15 x Smart Tag fitted location devices;
- $153,000 for monthly software hosting and maintenance; and
- $85,000 for one off implementation costs.

The legislative reforms in the proposal have been costed at zero, as it is assumed that the cost of implementing the reforms would be absorbed by JACS.

- Proposal Parameters:

• The costing assumes the program would commence mid-2025-26.
• The costing assumes the program would be provided through a hybrid model with the electronic monitoring component of the program provided through a third party.
• The fixed costs of monitoring have been provided at 100 offenders. This is considered to be a minimum spend which is assumed in these costings as the minimal requirements of the monitoring contractor.
• The staffing costs have been estimated based on advice from JACS on minimum staffing requirements for each agency to run this program, with staff in ACTCS and ACT Policing working across a 24/7 roster, scaled to a program covering 15 offenders.
• The costing assumes staffing requirements of: three full-time equivalent (FTE) positions for JACS, comprising one FTE at the SOG C level and two FTE at the ASO 6 level, commencing on 1 January 2025, to implement the program in the 2025-26 and 2026-27, and one FTE at the ASO 6 level only in 2027-28; five ongoing FTE positions for ACTCS at the ASO 6 level commencing in 2026-27; and five ongoing FTE positions for ACT Policing at the Band 4.5 Constable level commencing in 2026-27. Treasury notes, however, that the FTE requirements would depend on the final scope of the program and implementation arrangements.
• Indexation of 2.5 per cent per annum has been applied to the non-staffing costs consistent with Consumer Price Indexation (CPI).
• The costing assumes that the legislative changes associated with the introduction of electronic monitoring would not result in increased resourcing requirements for ACT Policing or ACTCS.

Caveats or qualifications to the costing:

• The costing assumptions are significantly different from party estimates due to the inclusion of implementation, monitoring and internal staffing costs.
• Treasury's costings is based on indicative cost estimates from a single external provider which has not been subject to a competitive tender process. A competitive tender process may result in different, and potentially lower, actual costs.
• There may be variability in the number of participants in the program which in turn may impact the costing estimates as: (i) there are no precise parameters or definitions around 'serious offender' and ACTCS has advised that they supervise an average of 250 persons on bail at any given time, with an average of fifty being considered as 'serious' offenders; and (ii) the prevalence and evolution of crime rates in the ACT may also impact the number of participants.
• The final service delivery model adopted for program implementation may have a downward or upward impact on these estimates. Regardless of the adopted model of service delivery, this initiative would require resourcing coordination between ACTCS, JACS Legislation Policy and Programs, ACT Courts and ACT Police and/or any external service provider.
• Requirements for accommodation infrastructure have not been considered.
• Treasury notes that there is insufficient detail on the intended policy settings to provide costings regarding the crack down on dangerous driving component.
• Changes in bail laws may result in increased resourcing requirements for ACTCS.

Other Comments:

The costing request is based on the average daily cost per home detainee and unit lease price from New South Wales (NSW) and Western Australia (WA) respectively. Advice from JACS is that those costs are not comparable to the likely costs to establish electronic monitoring in the ACT, due to the significant difference in the scale of the initiatives in NSW and WA relative to the ACT, as they would likely be able to achieve greater economies of scale.

- Statistical Data Used:
Treasury estimates based on advice from the Justice and Community Safety Directorate.
CPI estimates are as per the 2024 Pre-Election Budget Update.

Stuart Hocking PSM
Under Treasurer
17 October 2024