

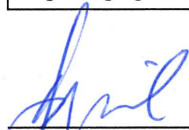
2016 Policy Commitment – ACT Labor

Name of Commitment:	Two new Walk In Centres	Reference Number: LAB003
Request Submitted by:	Andrew Barr MLA, ACT Labor	
Date Request Received:	12-Sep-16	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2016-17	2017-18	2018-19	2019-20	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a) (b)}	0.0	-57.7	-5,636.0	-5,556.4	-11,250.0
- Employee Expenses	0.0	0.0	-4,991.9	-5,114.6	-10,106.5
- Other Expenses	0.0	0.0	-585.0	-381.2	-966.2
- Cost of Financing	0.0	-57.7	-59.1	-60.6	-177.3
Expenses – Depreciation	0.0	0.0	-167.3	-167.3	-334.6
Net Operating Balance	0.0	-57.7	-5,803.3	-5,723.7	-11,584.6
Capital Requirement	0.0	-2,306.2	0.0	0.0	-2,306.2
Cash Surplus/Deficit	0.0	-2,363.9	-5,636.0	-5,556.4	-13,556.2

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

Other Information
Costing Methodology Used:
- Costing Technique:
Treasury has costed this commitment based on the leasing, fitting out and operating costs of existing walk-in-centres in the ACT. Treasury confirms that the costs in the request are consistent with leasing, fitting out and operating costs of the proposed facilities.
- Proposal Parameters:
Facilities are operational from 1 July 2018. Recurrent: <ul style="list-style-type: none"> • Staffing of 29.6 Full Time Equivalents as set out in the costing request. • Operating expenses (medical, surgical and radiology supplies, leasing, security costs, cleaning costs, utilities) based on existing facilities. • One-off relocation and communication costs. • Indexation based on Consumer Price Index outcomes and forecasts as published in the 2016 Pre-Election Budget Update (PEBU). The capital cost reflects an estimate for lease fit-out which is expected to be completed in 2017-18. <ul style="list-style-type: none"> • The costing assumes leasing and fit-out costs for sites of a size consistent with existing walk-in facilities. • Cost of financing has been calculated at 2.5 per cent. • Depreciation has been calculated on a straight line basis over a 14 year period. • Repairs and maintenance expenses consistent with existing walk-in centres.
Caveats or qualifications to the costing:
Capital costs are indicative only and would need to be fully informed by design work. The assumption that the centres would be operational by 1 July 2018 would depend on appropriate accommodation being available and fit-out work being completed in the prior period.
Other Comments:
N/A
- Statistical Data Used:
Agency estimates. Economic forecasts from the 2016 PEBU. Treasury costing parameters. Relevant Enterprise Bargaining Agreements.



David Nicol
Under Treasurer
22 September 2016