

## Request for Costing an Election Commitment

<b>Name of policy proposal:</b>	William Slim Drive Duplication (30 September 2016)
Person requesting costing:	Alistair Coe MLA, Shadow Treasurer
Date of request:	7 October 2016
Summary of proposal:	The Canberra Liberals will duplicate a 3.5km stretch of William Slim Drive.
Issue the proposal will address:	To ease traffic congestion for motorists in Belconnen and Gungahlin.

### 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 construction cost has been estimated at \$39 million.
- This is informed by a former TAMS document on Major Capital Works in Gungahlin which identified both Stage 1 and Stage 2 of the William Slim Duplication to cost \$36 million (Stage 1 \$20 million and stage 2 \$16 million).
- The design work for this duplication has already been conducted by the ACT Government therefore no provision has been included.
- The cost of capital has been calculated at 2.5% as per Treasury advice.
- Depreciation has been calculated using the straight line method for a road with a 50 year useful life and no resale value.

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
<b>Revenue<sup>(a)</sup></b>					
<b>Expenses<sup>(a)</sup></b>	0	-500	-975	-975	-2,450
<b>Capital</b>	0	-20,000	-19,000	0	-39,000
<b>Depreciation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-780</b>	<b>-780</b>

(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?

Yes. An ACT Government presentation on Major Capital Works in the Gungahlin Ares.

Where relevant, is funding for the proposal to be demand driven or a capped amount?

Capped.

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).

Yes. Third parties will be engaged to deliver this project.
Will funding/the cost require indexation?
No.
Who will administer the proposal?
The Transport Canberra and City Services Directorate.
How will the proposal be administered?
The Transport Canberra and City Services Directorate will be responsible for engaging contractors to construct the duplication.
Is the proposal part of a broader package?
No.
Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> <li>– If no, will the government agency be expected to absorb expenses associated with this proposal?</li> <li>– If yes, please specify the key assumptions.</li> </ul>
No. Implementation will be met from within existing resources. The delivery of major road projects is considered business as usual for the TCCSD.
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?
Community impacts are expected to be positive from an easing of traffic congestion.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
No.
What is the intended implementation date of the proposal?
Construction is due to begin in 2017-18.
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?
It is expected that construction will take two years, however funding may be re-profiled.
Will the proposal cease, and if so, when?
Capital funding will cease when construction is finalised.
Is there any additional information relevant to this proposal?
No.

