

## Request for Costing an Election Commitment

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| <b>Name of policy proposal:</b>         | Aboriginal and Torres Strait Islander older persons housing                                                                                              |
| <b>Person requesting costing:</b>       | Andrew Barr, ACT Labor                                                                                                                                   |
| <b>Date of request:</b>                 | 11/10/2016                                                                                                                                               |
| <b>Summary of proposal:</b>             | This proposal will fund the construction of a five-dwelling development to meet the housing needs of older Aboriginal and Torres Strait Islander people. |
| <b>Issue the proposal will address:</b> | This proposal will improve the housing options for older Aboriginal and Torres Strait Islander people.                                                   |

### What are the key assumptions that have been made in the proposal?

**Note:** The costing will be 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.

This proposal funds the design and construction of a five-dwelling development.

This proposal includes capital funding for the purchase of land of approximately 2,000 square metres, and for design and construction. The development would comprise five two-bedroom units, with landscaping and gardens.

Expense funding is included for the cost of financing and maintenance.

The cost is based on the cost of providing a similar facility that is currently being constructed.

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> |         |         | -99.4    | -130.4  | -229.8   |
| <b>Capital</b>                |         |         | -3,974.0 | -22.0   | -3,996.0 |
| <b>Depreciation</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?

No.

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

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| existing Commonwealth/State or Territory funding arrangements (for example, does an education proposal add to or redirect NERA funding).                                                                   |
| No.                                                                                                                                                                                                        |
| Will funding/the cost require indexation?                                                                                                                                                                  |
| Indexation is included for cost of financing.                                                                                                                                                              |
| Who will administer the proposal?                                                                                                                                                                          |
| Housing ACT.                                                                                                                                                                                               |
| How will the proposal be administered?                                                                                                                                                                     |
| By Housing ACT.                                                                                                                                                                                            |
| 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> |
| The costs specified will be adequate for design and construction. Costs for overseeing the project will be met by Housing ACT.                                                                             |
| 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?                                                                                                     |
| The community will benefit from improved housing options for Aboriginal and Torres Strait Islander people.                                                                                                 |
| 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?                                                                                                                                                  |
| 1 July 2018.                                                                                                                                                                                               |
| 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?                                             |
| During 2019-20.                                                                                                                                                                                            |
| Will the proposal cease, and if so, when?                                                                                                                                                                  |
| The dwellings will be occupied on an ongoing basis.                                                                                                                                                        |
| Is there any additional information relevant to this proposal?                                                                                                                                             |

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| No. |
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