

Request for Costing an Election Commitment

Name of policy proposal:	Key Parking Facilities in Tuggeranong (7 August 2016)
Person requesting costing:	Alistair Coe MLA, Shadow Treasurer
Date of request:	5 October 2016
Summary of proposal:	The Canberra Liberals will commit \$300,000 to upgrade carparking facilities at the Mpowerdome.
Issue the proposal will address:	The lack of suitable parking in the area.

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 cost of \$300,000 is based on a 2014 report 'Mpowerdome – Car Parking Upgrade' Option 1 cost.
- Depreciation has been calculated using the straight line depreciation method for infrastructure, assuming a 25 year life with no resale value.
- The cost of capital has been calculated at 2.5% as per Treasury advice.

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
Revenue^(a)					
Expenses^(a)	0	-8	-8	-8	-24
Capital	0	-300	0	0	-300
Depreciation	0	0	-11	-11	-22

(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 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?

No.

Who will administer the proposal?
TAMS.
How will the proposal be administered?
The upgrades will be administered by TAMS in accordance with standard practice.
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"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
No. Any implementation costs beyond the capital funding will be absorbed by TAMS.
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 as a commitment to upgrading the carpark will positively impact surrounding businesses decisions to remain in the area.
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 2017.
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?
Construction is expected to take under 12 months, starting 1 July 2017.
Will the proposal cease, and if so, when?
The proposal will cease upon completion of construction.
Is there any additional information relevant to this proposal?
No.