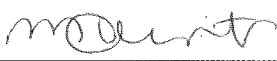


## Request for Costing an Election Commitment

<b>Name of election commitment:</b>	<b>Recycling bins in town centres</b>					
Person and party requesting costing:	Meredith Hunter, ACT Greens Parliamentary Leader					
Date of public release of election commitment, including source:	11/09/12 <a href="http://act.greens.org.au/sites/greens.org.au/files/Waste%20package.pdf">http://act.greens.org.au/sites/greens.org.au/files/Waste%20package.pdf</a>					
Summary of election commitment:	Street level recycling bins in the remaining four town centres; Woden, Gungahlin, Belconnen and Tuggeranong.					
Intention of election commitment:	To reduce the amount of recyclable material going to landfill from public bins.					
Signature of person requesting costing:						
Date of request for costing:	5/10/12					
<b>What are the key assumptions that have been made in the election commitment?</b>						
<p><b>Note:</b> that where the request to cost an election commitment differs from the public announcement, the costing will be on the basis of information provided in the costing request.</p> <p><b>Note:</b> it will be up to the professional judgment of the Director-General as to whether these assumptions are adopted in the costing of the election commitment.</p>						
<b>Where relevant, is the funding for the policy to be demand driven or a capped amount?</b>						
The funding for this policy commitment is a capped amount.						
<b>Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment?</b>						
No						
<b>Will funding/the cost require indexation?</b>						
No.						
<b>What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?</b>						
	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue <sup>(a)</sup>						
Expenses <sup>(a)</sup>		-298	-299	-301	-302	-1,200
Capital		-687				-687
(a) A negative number indicates a decrease in revenue or an increase in expenses.						
<b>What is the likely take up?</b>						
N/A						

**Any other assumptions?**

- The installation of 37 street level recycling bins in Civic cost \$165,000 (refer 2011/12 Budget Paper 3, page 157).
- It is worth noting that in the 2011/12 Budget Papers refer to 33 bins however a subsequent media release refers to 37 bins.<sup>1</sup>
- The costs to install between 33 and 37 bins in the four town centres is therefore assumed to be \$686,400, ie \$165,000 escalated at 4% (reflecting the all groups CPI change to June 2012 and the standard 2.5% escalation to 13-14) and multiplied by four;

A break up of the recurrent expenses is as follows:

	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Depreciation on bins	-69	-69	-69	-69	-276
Cost of capital	29	30	32	33	124
Maintenance costs	200	200	200	200	800

- The maintenance cost for street level recycling bins in Civic is \$50,000 annually (refer 2012-13 Budget Paper 3, page 116).
- Ongoing maintenance costs for the four town centre are therefore assumed to be \$200,000/per annum.
- Maintenance costs have not been indexed on the assumption that with greater additional funding will come economies of scale.
- As per TAMS audited financial statements for 2010-11, note 2(v) plant and equipment is depreciated on a straight line basis and has an estimated useful life of between 2-50 years. Recycling bins are assumed to have a useful life of 10 years, equating to depreciation of \$68,640 per year.

**Administration of the election commitment**

**How will the election commitment be administered?**

N/A

**Who will administer the election commitment?**

Territory and Municipal Services Directorate

**Has an allowance been made for expenses necessary to support the implementation of this election commitment?**

– If no, will the government agency be expected to absorb expenses associated with this election commitment?

<sup>1</sup>[http://www.cmd.act.gov.au/open\\_government/inform/act\\_government\\_media\\_releases/gallagher/2012/16,000\\_reasons\\_why\\_civic\\_recycling\\_trial\\_a\\_success](http://www.cmd.act.gov.au/open_government/inform/act_government_media_releases/gallagher/2012/16,000_reasons_why_civic_recycling_trial_a_success)

– **If yes, please specify the key assumptions.**

Any staffing or administrative costs in addition to the \$200,000 maintenance costs provided for in this commitment are considered immaterial and haven't been included as can be met out of existing Directorate resources.

**What is the intended implementation date of the election commitment?**

From the commencement of the 2013-14 financial year.

**Are there transitional arrangements associated with election commitment implementation?**

No.

**Are there any other assumptions that need to be considered?**

No.

**When is the election commitment expected to be fully operational?**

*Please provide further details i.e. start and end dates, the level of commitment during each period etc?*

From the 2013-14 financial year.

**Will the election commitment cease and if so when?**

N/A.

