



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition
Date Referred: 10/03/2015

Proposal No: C025
Date Published: 23/03/2015

Proposal Title: **STRENGTHEN THE NSW POLICE FORCE**

Cluster: Justice

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		27,030	29,014	37,326	93,370
Depreciation					-
Less: Offsets					-
Revenue		10,000	15,000	15,000	40,000
Net Operating Result:	-	(17,030)	(14,014)	(22,326)	(53,370)

Capital Expenditure		10,000	15,000	15,000	40,000
Capital Offsets					-
Capital Expenditure:	-	10,000	15,000	15,000	40,000

Net Lending/(Borrowing)	-	(27,030)	(29,014)	(37,326)	(93,370)
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Net Financial Liabilities:	-	27,030	56,044	93,370	
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Total State Sector Impacts

Net Financial Liabilities:	-	27,030	56,044	93,370	
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Notes and costing assumptions

The policy proposes a number of initiatives including:

- equipping police with advanced technologies such as body worn video cameras, tablet computers, mobile finger print scanners and drug testing machines.
- an additional 130 police officers (over and above the 180 additional officers that are provided for at an annual cost of \$24.4 million per annum within the forward estimates).
- upgrading 178 positions to detective.
- employing 15 civilian specialists.
- extending the Police Force Wellbeing Program past 2014-15.

The total cash cost (expenses and capital investment) of the policies over the forward estimates is \$133.3 million. However, \$40 million of these costs will be funded by withdrawals from the Confiscated Proceeds of Crime (CPC) special deposit account. This money is recognised as revenue for the first time when withdrawals are made from this account according to NSW Treasury accounting treatment. Hence, over the forward estimates the budget impact of the policies on net financial liabilities is \$93.3 million.

Costing assumptions continued:

Key assumptions

\$76 million will be provided over three years from 2015-16 to equip police with advanced technologies, with capital spending of \$10 million in 2015-16, and \$15 million in each of 2016-17 and 2017-18. The policy proposes investing \$100 million over four years from 2015-16 on these technologies.

This part of policy is partially funded from cash withdrawals from the CPC of \$10 million in 2015-16, and \$15 million in each of 2016-17 and 2017-18.

The cost of funding 130 additional officers, employing 15 civilian specialists, and extending the Police Force Wellbeing Program past 2014-15, is estimated at \$12 million in 2015-16, \$18.8 million in 2016-17, \$26.8 million in 2017-18.

Depreciation costs have not been estimated in costing this policy because NSW Treasury has advised the PBO that these costs will be absorbed.