



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: C033
Date Published: 23/03/2015

Proposal Title: **HEALTH CAPITAL - TRANSFORM PATIENT HEALTH CARE**

Cluster: Health

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)					-
Depreciation					-
Less: Offsets				3,733	3,733
Revenue					-
Net Operating Result:	-	-	-	3,733	3,733

Capital Expenditure		1,396,802	1,298,241	1,257,509	3,952,552
Capital Offsets		1,353,815	1,236,070	1,209,512	3,799,397
Capital Expenditure:	-	42,987	62,171	47,997	153,155

Net Lending/(Borrowing)	-	(42,987)	(62,171)	(44,264)	(149,422)
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Net Financial Liabilities:	-	42,987	105,158	149,422	
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Total State Sector Impacts

Net Financial Liabilities:	-	42,987	105,158	149,422	
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Notes and costing assumptions

The policy proposes to provide more than \$5 billion over four years to build and upgrade hospitals across NSW.

Capital funding for most of the election commitments is to be provided from within Health's current approved capital program limit, with the exception of three items. The additional capital funding required for these projects is \$153 million over the forward estimates, or \$238 million over the four years.

1. Four car parks at Westmead Hospital (\$72 million), Tweed Hospital (\$8 million), Shoalhaven Hospital (\$8 million) and Orange Hospital (\$8 million). These projects will be funded through Treasury's Hospital Car Park Portfolio Funding Model, under which Health receives an advance in capital consolidated funding to construct the car park and repays the funding to Treasury over time from car parking fee revenue. The amount and timing of the repayments have yet to be determined, but based on the Westmead Hospital Car Park business case, could be around \$3.7 million in 2017-18.
2. \$50 million in funding from the Restart NSW Fund for Regional Infrastructure to fund projects at Armidale, Lismore, Macksville, Manning, Grafton and Coraki.
3. Construction of a new Forensic Pathology and Coroner's Court facility at a total cost of \$91.5 million. This is a joint project between Health and the Department of Justice, with Health contributing \$59.7 million and Justice contributing \$31.8 million.