



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Liberals / Nationals
Name of Policy:	Social Housing Community Improvement Fund
Date of request:	12/2/2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Refer to Attachment A
What is the purpose or intention of the policy?	To improve the liveability and amenity of social housing communities
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years ² \$'000
Impact on General Government Sector (GGS) net operating result ³	-	6,000	6,150	8,405	20,555	
Impact on GGS capital expenditure ⁴						
If different from above, impact on total State Sector net financial liabilities ⁵						

Note: Has the policy been costed by a third party?

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

If yes, can you provide a copy of this costing and its assumptions?

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	No
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	Refer to Attachment B
Is there a range for the costing or any sensitivity analysis that you have undertaken?	Refer to Attachment B
Are there associated savings, offsets or expenses? If yes, please provide details.	Refer to Attachment B

Administration of policy	
Intended date of implementation:	July 2015
Intended duration of policy:	Forward estimates
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Department of Family and Community Services
Are there any specific administrative arrangements for the policy that need to be taken into account?	Refer to Attachment B
Are there transitional arrangements associated with policy implementation?	Refer to Attachment B

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	Capped amount
Eligibility criteria or thresholds:	<p>Project proposals will be assessed through an expression of interest process open to local councils, incorporated community-based not-for-profit groups or private sector organisations (or combinations of these groups).</p> <p>Applicants must demonstrate their collaboration, planning and implementation with local social housing residents to ensure projects benefit local tenants. Projects must take place either on or adjacent to social housing properties.</p> <p>Priority will be given to projects that:</p> <ul style="list-style-type: none"> • Bring additional resources to leverage the

⁶ Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.

	<p>NSW government funding</p> <ul style="list-style-type: none"> • Attract clubs, sporting and other organisations to deliver additional services and programs • Maximise the benefit of asset improvement by linking to work being undertaken by local councils, NGOs or the private sector • Enhance existing projects to deliver the identified objectives of the funding <p>Notwithstanding the eligibility criteria, the policy is strictly capped per Attachment B</p>
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If the policy is mainly a revenue commitment	
Transaction based or capped:	-
Thresholds and/or exemptions:	-
Collection method:	-
Additional expenditure associated with collection:	-

If the policy is mainly a capital costs ⁷ commitment	
Type of work, size and capacity:	-
Proposed start and completion date of work:	-
Intended construction schedule/cashflow:	-
Offsetting expenditure savings:	-
Associated asset sell off (if any):	-
On-going maintenance, depreciation and operational expenses:	-
Third party funding involvement:	-

Checklist for key assumptions (please be comprehensive and include all relevant assumptions).

Assumptions could include, but are not limited to, questions such as:

- What is the expected community impact?
- How many people will be affected by the policy?
- What is the likely take up or other behavioural response you expect?
- Is there a cap on total spending proposed, a funding formula, resource agreement or other mechanism of this nature associated with the policy?

⁷ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance. The capital cost of the asset to be acquired will however be included in net financial liabilities.

- Will third parties have a role in funding or delivering the policy (e.g. Commonwealth Government)?
- Will funding/program cost require indexation?
 - If yes, do you have any assumptions about the index that should be applied?
- What assumptions have you made about costs of administering the policy?
 - For example, will additional staff be needed in the agency responsible for the policy?
 - If you have assumptions on this, how many and at what approximate levels?
 - Are there other administrative resources required?
 - Alternatively, are you assuming administrative costs will be absorbed within the agency?

Please note that:

- The costing will be on the basis of information provided in this costing request.
- The PBO is not bound to accept the assumptions provided by the requester. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requester in advance of the costing being completed.
- Where the details of the policy costing request differ from the announced policy, the costing will be on the basis of the information provided in the costing request.
- These guidelines are intended to facilitate requests for costing election policies. Persons preparing such requests who wish further assistance are invited to contact the staff of the Parliamentary Budget Office.

A re-elected Baird Government will deliver a \$20 million social housing community improvement fund



The Baird Government is committed to helping build better and stronger social housing communities.

The Baird Government is committed to making the social housing system better and stronger. This includes ensuring that the physical facilities and community environments in and around social housing are positive places for residents and neighbours.

Since the Baird Government took office, we have taken important steps to improve the social housing system including making the waiting list transparent so people can make better decisions, cracking down on rosters, and introducing measures so more people can access housing. We have also made smart decisions like Millers Point so more money can be reinvested into the social housing system, and we have released Social Housing in NSW: A discussion paper for input and comment, to guide future reforms.

A re-elected Baird Government will do even more to improve the amenity of the social housing system by creating a Social Housing Community Improvement Fund.

A re-elected Baird Government will:

- ✓ Deliver a \$20 million Social Housing Community Improvement Fund to improve the liveability and amenity of social housing communities

Local Councils, community non-profit groups and private sector organisations will be eligible to apply for funding of up to \$50,000 per project.

Funding will be granted to projects which improve community infrastructure or facilities, enhance open spaces, improve safety, increase accessibility for older people or people with disability, or facilitate integration between the social housing and broader community.

The Social Housing Community Improvement Fund will make an important contribution to the amenity of social housing communities.

Back the Baird Plan and Keep NSW Working.

2015 Election Policy Costing

Proposal Title: Social Housing Community Improvement Fund

Lead Agency: Department of Family and Community Services

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. Depreciation)	0	6,000	6,150	8,405	20,555
Depreciation	0	0	0	0	0
Less: Agency Offsets	0	0	0	0	0
Agency Revenue	0	0	0	0	0
Net Operating Result:	0	-6,000	-6,150	-8,405	-20,555
Capital Expenditure	0	0	0	0	0
Capital Offsets	0	0	0	0	0
Net Capital Expenditure:	0	0	0	0	0
Net Lending/Borrowing:	0	-6,000	-6,150	-8,405	-20,555
Net Financial Liabilities:	0	6,000	12,150	20,555	

Total State Sector Impacts

Net Financial Liabilities:	0	6,000	12,150	20,555
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Notes and costing assumptions used:

FaCS would administer a Social Housing Community Improvement Fund (SHCIF) to fund physical improvements on or adjacent to social housing properties to: improve community infrastructure and recreation areas; increase accessibility for older people/people with a disability; improve safety; or increase integration between social housing and the surrounding community. Local councils, NGOs and private sector bodies would be eligible to apply for a grant of up to \$50,000. Priority would be given to projects that leverage the SHCIF funding with additional resources or services from bodies outside the NSW Government, or enhance existing projects so that they also deliver the objectives of the SHCIF.

Potential to absorb the costs of the proposal within the cluster is limited. Staff costs of administering the program are assumed to be met from the allocation of \$20m from the Consolidated Fund. Based on similar infrastructure grants programs in other agencies, staffing requirements are estimated to be a minimum of 5 FTE. Any administration required after the 3-year program timeframe is assumed to be met from existing FACS resources. Ongoing maintenance costs of capital works funded by the program are assumed to be met from existing resources of Land and Housing Corporation or other bodies responsible for the infrastructure. The costing assumes the policy work required to align these grants with social housing policy objectives and with community needs will be met by agencies.