

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Sydney Football Stadium redevelopment project – budgeting for a loan
Date of request:	28 January 2019

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Budget for the provision of a concessional loan to the Sydney Cricket Ground (SCG) Trust to fund the Sydney Football Stadium Redevelopment Project.
Has the policy been publicly released yet?	

	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	Total \$'000
Impact on GGS expenses					
Impact on GGS revenue					
Impact on General Government Sector (GGS) net operating result ¹					
Impact on GGS capital expenditure ²					
Impact on GGS net lending/borrowing					

Note: Has the policy been costed by a third party?
If yes, can you provide a copy of this costing and its assumptions?

¹ Negative for a saving that reduces expenditure

² Negative for a reduction in capital expenditure.

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>Under the eventuality being budgeted for, all financial responsibilities for the Sydney Football Stadium (SFS) Project currently with the general government sector would be transferred to the SCG Trust (under a new management). The SCG Trust may then commission work from general government agencies on a fee-for-service basis.</p> <p>The loan structure would recognise the elimination of the stadium's revenue during project construction, followed by an increase in revenue potential after completion due to improved facilities, with this phasing in as the Trust successfully commercialises its significant capital investment.</p> <p>The loan would be repaid over 35 years. No repayments would be required for the first two years. A repayment of half the year's interest costs would be required in year three. Interest only repayments would be required in the subsequent two years. From year six to year 35, the loan would be paid off through payments of an equal real value per year. That is, the annual payments from year six to year 35 are to be indexed against the consumer price index (Sydney).</p> <p>The costing is to assume that the redevelopment project would remain consistent with existing specifications. However, the SCG Trust would be directed to consider more modest options. In addition, it would be permitted to investigate financial and other arrangements with the private sector to assist with the financial sustainability of the stadium.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	Yes. Recurrent and capital expenditure allocated to the project should be returned to consolidated revenue.

Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy? ³	No.
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Administration of policy	
Intended date of implementation:	Upon formation of government
Intended duration of policy ⁴ :	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	NSW Treasury, SCG Trust.
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	Please advise.
Are there transitional arrangements associated with policy implementation?	See <u>Assumptions</u> .

If the policy is mainly an expenditure⁵ commitment	
Demand driven or a capped amount:	Uncapped.
Eligibility criteria or thresholds:	See <u>Assumptions</u> .

³ Particularly important for large projects with long lead times, policies with a delayed timetable for implementation, or policies where up-front investment is required to achieve long term savings.

⁴ Where a policy is intended to be ongoing, please indicate “ongoing” in the space to the right

⁵ Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.