

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Rural and regional roads – additional funding
Date of request:	7 March 2019

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Allocate an additional \$900 million from 2019-20 to 2023-24 to support upgrades to rural and regional roads. This funding is on top of the government's existing budget.
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>The funding is allocated as follows: \$115 million in 2019-20, \$265 million in 2020-21, \$165 million in 2021-22, \$180 million in 2022-23 and \$175 million in 2023-24.</p> <p>The funding would be split 80% capital, 20% recurrent.</p> <p>The government would consider reclassifying roads to effect capitalisation where appropriate.</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.	..
Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy? ³	..

Administration of policy	
Intended date of implementation:	1 July 2019
Intended duration of policy ⁴ :	30 June 2024.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Roads and Maritime Services.
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	No.
Are there transitional arrangements associated with policy implementation?	..

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

If the policy is mainly a capital costs⁵ commitment	
Nature of Capital Spending	
Type of work, size and capacity:	See <u>Summary</u> and <u>Assumptions</u> .
Proposed start and completion date of work:	..
Intended construction schedule/cashflow:	..
Associated asset sell off (if any):	N/a.
Recurrent Impacts	
Offsetting expenditure savings:	Nil.
On-going maintenance, depreciation and operational expenses:	Standard assumptions.
Third party funding involvement:	Consistent with standard arrangements.
Delivery model ⁶	..

⁵ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance.

⁶ There is a range of possible delivery models, e.g. built, owned and operated by a NSW government agency; built and transferred to a private operator; privately built for public operation; privately built and operated with government assuming risk or providing a guarantee in relation to future income (often applicable to public/private partnership arrangements), and so on. The policy should provide assumptions about the proposed delivery model.