

Election Costing Request Form

Details of request	
Party:	Liberals and Nationals Government
Name of Policy:	Planning funding to complete the Metro in Western Sydney
Date of request:	15 February 2023

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Commitment of \$260m to complete businesses cases for the remaining four Metro links in Western Sydney: <ul style="list-style-type: none"> • Tallawong to St Marys • Westmead to the Aerotropolis • Bankstown to Glenfield, via Liverpool • Aerotropolis to Macarthur
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	Total \$'000
Impact on General Government Sector (GGS) net operating result ²						
Impact on GGS capital expenditure ³	-	43,300	86,700	86,700	43,300	260,000
If different from above, impact on total State Sector net financial liabilities ⁴						

Note: Has the policy been costed by a third party? Yes – cost estimates have been provided by Transport for NSW

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

² Negative for a saving that reduces expenditure

³ Negative for a reduction in capital expenditure.

⁴ 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?	The announcement builds upon existing government Metro projects.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>The following assumptions have been made:</p> <ul style="list-style-type: none"> • Costs for the business case can be capitalised, consistent with previous businesses cases developed for major government infrastructure projects. • Cost estimates per business case are: <ul style="list-style-type: none"> ○ WSA: St Marys to Tallawong \$40m ○ WSA: Westmead to Aerotropolis \$70m ○ Bankstown to Glenfield, via Liverpool \$110m ○ WSA: Aerotropolis to Macarthur \$40m • Businesses cases will take approximately 18 months to finish, with two being able to be undertaken concurrently. • Work can commence when the current Aerotropolis to Glenfield business case is completed, utilising the existing team. This is expected to be at the end of 2023. • Funding is evenly apportioned over 6-month intervals. • Funding will continue into 2026-27 when the final business case will be completed. <p>Any other costs associated with procuring or staffing the businesses cases will be absorbed from within the existing Transport for NSW budget.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	N/A
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	<p>It is anticipated the Commonwealth Government will fund 50% of the business cases, consistent with other Metro lines.</p> <p>However this costing assumes that the NSW Government will fund 100% of costs as there is no current agreement on cost sharing.</p> <p>Once agreement is reached, there will be a positive budget result impact from the Commonwealth Government's contribution coming in as revenue.</p>

Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy? ⁵	Funding is for the business case only. Following completion of business cases, a final investment decision will be required by government.
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Administration of policy	
Intended date of implementation:	1 July 2023
Intended duration of policy:	Approximately three years to complete
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Transport for NSW
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	N/A
Are there transitional arrangements associated with policy implementation?	N/A

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	Funding will be capped.
Eligibility criteria or thresholds:	N/A

If the policy is mainly a revenue commitment	
Transaction based or capped:	N/A
Thresholds and/or exemptions:	N/A
Collection method:	N/A
Additional expenditure associated with collection:	N/A

If the policy is mainly a capital costs⁷ commitment	
Nature of Capital Spending	
Type of work, size and capacity:	N/A
Proposed start and completion date of work:	N/A
Intended construction schedule/cashflow:	N/A
Associated asset sell off (if any):	N/A

⁵ 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.

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

⁷ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance.

Recurrent Impacts	
Offsetting expenditure savings:	N/A
On-going maintenance, depreciation and operational expenses:	N/A
Third party funding involvement:	N/A
Delivery model ⁸	N/A

⁸ 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.