

Election Costing Request Form

Details of request	
Party:	Liberals and Nationals Government
Name of Policy:	Strategic Dredging Program
Date of request:	2 March 2023

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	The policy commences a comprehensive program of dredging to improve economic and community outcomes across NSW.
Has the policy been publicly released yet?	No

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	-	10,970	10,857	11,796	-	33,743
Impact on GGS capital expenditure ³						
If different from above, impact on total State Sector net financial liabilities ⁴						

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

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.

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	Not applicable
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>Funding for this policy consists of five elements:</p> <ol style="list-style-type: none"> 1. Preparation of a comprehensive business case - \$0.3m 2. Improving data collection - \$1.4m 3. Continuing with interim dredging works on high priority areas - \$25.9m 4. Expanding project management capabilities - \$1.7m 5. Contingencies provision - \$4.4m <p>Funding will be spread over three years, commencing in 2023-24.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	Not applicable
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	Not applicable
Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy? ⁵	Not applicable

Administration of policy	
Intended date of implementation:	1 July 2023
Intended duration of policy:	Three years
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)?	Not applicable
Are there transitional arrangements associated with policy implementation?	Not applicable

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.

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	Capped
Eligibility criteria or thresholds:	Not applicable

If the policy is mainly a revenue commitment	
Transaction based or capped:	Not applicable
Thresholds and/or exemptions:	Not applicable
Collection method:	Not applicable
Additional expenditure associated with collection:	

If the policy is mainly a capital costs⁷ commitment	
Nature of Capital Spending	
Type of work, size and capacity:	Not applicable
Proposed start and completion date of work:	Not applicable
Intended construction schedule/cashflow:	Not applicable
Associated asset sell off (if any):	Not applicable
Recurrent Impacts	
Offsetting expenditure savings:	Not applicable
On-going maintenance, depreciation and operational expenses:	Not applicable
Third party funding involvement:	Not applicable
Delivery model ⁸	Not applicable

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.

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.