



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Australian Labor Party
Name of Policy:	Housing Solutions Fund
Date of request:	25 February 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Provide \$100 million worth of no-interest loans to providers of community and affordable housing.
What is the purpose or intention of the policy?	Enable community housing providers and affordable housing providers to invest in the construction of new housing.
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	Other years ² \$'000	Total \$'000
Impact on General Government Sector (GGS) net operating result ³						
Impact on GGS capital expenditure ⁴						
If different from above, impact on total State Sector net financial liabilities ⁵						

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.

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>	<p>This policy assumes that the NSW Government will provide \$100 million worth of no-interest loans to the community and affordable housing sector in 2015-16. It is assumed that this will be repaid in ten annual instalments commencing from 2016-17.</p> <p>Community and affordable housing providers will use the funds to build new housing to be used as either social housing or affordable rental accommodation.</p> <p>The intention of the policy is that community and affordable housing providers will repay the no-interest loans they have received from the NSW Government with the rental income received from these properties.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No .
Are there associated savings, offsets or expenses? If yes, please provide details.	..

Administration of policy	
Intended date of implementation:	<p>Please provide a costing for three options:</p> <ol style="list-style-type: none"> 1) Loan made on 1 July 2015, repayments commencing from 1 July 2016; 2) Loan made on 1 January 2016, repayments commencing from 1 January 2017; and 3) Loan made on 30 June 2016, repayments commencing from 30 June 2017.
Intended duration of policy:	This will be a one-off program with funding to be provided in the 2015-16 financial year.

Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Housing NSW will assess applications for funding from the Housing Solutions Fund, and award them to community housing providers and affordable housing providers on the basis of which projects best address a Labor government's affordable housing objectives.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	Capped amount.
Eligibility criteria or thresholds:	Funding from the Housing Solutions Fund will be made available to community housing providers and affordable housing providers.

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