



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition  
Date Referred: 10/03/2015

Proposal No: C027  
Date Published: 23/03/2015

Proposal Title: **TRIAL CAR SHARING SERVICES IN GOVERNMENT**

Cluster: Treasury

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		(551)	(565)	(579)	(1,695)
Depreciation		(1,564)	(1,564)	(1,564)	(4,692)
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	<b>2,115</b>	<b>2,129</b>	<b>2,143</b>	<b>6,387</b>

Capital Expenditure		(7,454)			(7,454)
Capital Offsets					-
<b>Capital Expenditure:</b>	-	<b>(7,454)</b>	-	-	<b>(7,454)</b>

<b>Net Lending/(Borrowing)</b>	-	<b>8,005</b>	<b>565</b>	<b>579</b>	<b>9,149</b>
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<b>Net Financial Liabilities:</b>	-	<b>(8,005)</b>	<b>(8,570)</b>	<b>(9,149)</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>(8,005)</b>	<b>(8,570)</b>	<b>(9,149)</b>	
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## Notes and costing assumptions

The policy proposes that a trial of car sharing services will be conducted with a view to reduce the size and cost of the Government fleet. The policy requires public servants to use 'cost-effective transport services', including car sharing services.

The costing assumes 415 fewer Government fleet vehicles will be purchased in 2015-16 resulting in reduced capital expenditure of \$7.454 million in 2015-16 and a decrease in associated depreciation expenditure of \$1.564 million per year. Government expenditure will reduce by \$551,000 in 2015-16 as a result of lower vehicle maintenance and operating costs such as servicing and fuel. This has been escalated at 2.5 per cent per annum.

A further reduction in the size and cost of the Government fleet may occur in 2016-17 and 2017-18; however the scope of savings will not be known until the trial of car-sharing services has been completed and evaluated. The evaluation report is due in mid May 2015. Savings in these years have not been included in the costing as the scale cannot be reliably estimated at this stage.

The policy also supports and develops innovative and efficient car sharing businesses. The costing assumes resources for this will be absorbed within agencies' current budget allocations.