



## PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

### Election Costing Request Form

Details of request	
Party:	Liberals/ Nationals
Name of Policy:	\$20 million Before and After School Care Fund
Date of request:	16 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Refer to Attachment A
What is the purpose or intention of the policy?	To facilitate increased before and after school care
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-	20,000	-	-	20,000	
Impact on GGS capital expenditure <sup>4</sup>						
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>						

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

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

<sup>2</sup> Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

<sup>5</sup> Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	N/A
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	See Attachment A
Is there a range for the costing or any sensitivity analysis that you have undertaken?	N/A
Are there associated savings, offsets or expenses? If yes, please provide details.	See Attachment A

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2015
Intended duration of policy:	Over the forward estimates
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Education
Are there any specific administrative arrangements for the policy that need to be taken into account?	N/A
Are there transitional arrangements associated with policy implementation?	N/A

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	See Attachment A
Eligibility criteria or thresholds:	See Attachment A

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

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

<b>If the policy is mainly a capital costs<sup>7</sup> commitment</b>	
Type of work, size and capacity:	
Proposed start and completion date of work:	
Intended construction schedule/cashflow:	
Offsetting expenditure savings:	
Associated asset sell off (if any):	
On-going maintenance, depreciation and operational expenses:	
Third party funding involvement:	

**Checklist for key assumptions** (please be comprehensive and include all relevant assumptions). Assumptions could include, but are not limited to, questions such as:

- What is the expected community impact?
- How many people will be affected by the policy?
- What is the likely take up or other behavioural response you expect?
- Is there a cap on total spending proposed, a funding formula, resource agreement or other mechanism of this nature associated with the policy?
- Will third parties have a role in funding or delivering the policy (e.g. Commonwealth Government)?
- Will funding/program cost require indexation?
  - If yes, do you have any assumptions about the index that should be applied?
- What assumptions have you made about costs of administering the policy?
  - For example, will additional staff be needed in the agency responsible for the policy?
  - If you have assumptions on this, how many and at what approximate levels?
  - Are there other administrative resources required?
  - Alternatively, are you assuming administrative costs will be absorbed within the agency?

**Please note that:**

- The costing will be on the basis of information provided in this costing request.
- The PBO is not bound to accept the assumptions provided by the requester. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requester in advance of the costing being completed.
- Where the details of the policy costing request differ from the announced policy, the costing will be on the basis of the information provided in the costing request.
- These guidelines are intended to facilitate requests for costing election policies. Persons preparing such requests who wish further assistance are invited to contact the staff of the Parliamentary Budget Office.

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<sup>7</sup> Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance. The capital cost of the asset to be acquired will however be included in net financial liabilities.

## 2015 Election Policy Costing

**Proposal Title:** \$20 million Before and After School care Fund

**Lead Agency:** Department of Education and Communities

### General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. Depreciation)	0	20,000			20,000
Depreciation	0	0	0	0	0
Less: Agency Offsets	0				
Agency Revenue	0	0	0	0	0
<b>Net Operating Result:</b>	0	20,000	0	0	20,000
Capital Expenditure	0	0	0	0	0
Capital Offsets	0	0	0	0	0
Less Depreciation	0	0	0	0	0
<b>Net Capital Expenditure:</b>	0	0	0	0	0
<b>Net Lending/Borrowing:</b>	0	20,000	0	0	20,000
<b>Net Financial Liabilities:</b>	0	20,000	20,000	20,000	
<b>Total State Sector Impact</b>					
<b>Net Financial Liabilities:</b>	0	0	0	0	0

### Notes and costing assumptions used:

This fully capped program provides for up to 1,000 grants (every primary school in NSW) to be eligible to receive a \$20,000 grant to facilitate better before and after school care outcomes.

The proposal would facilitate those primary schools with existing capacity that do not currently offer an OSHC service to conduct an expression of interest process (subject to agreement by the school principal) for the operation of OSHC at their schools.

In the instance that there is insufficient take up - other community groups will then be able to apply.

### Interagency Transactions

n/a

**DEC CFO Approved Yes**

*For escalated items, rate is 2.5% starting 2015-16 budget year*

*\*Includes Transfers of Rail Assets*

## A re-elected Baird Government will provide more and better after school care



### The Baird Government is committed to supporting parents balance the difficult challenges of work and family.

The extra flexibility that good out of school hours care (OSHC) provides can take stress out of the daily lives of families, as well as facilitating greater workforce participation.

However, parents have reported that particularly in metropolitan areas, OSHC services can be difficult to access. The Government is already integrating OSHC facilities and long day care facilities into plans for new and redeveloped public schools, where there is the space available to do so. The new Victoria Avenue Public School in Concord West is a great example - with long day care and OSHC on site.

There are already 670 OSHC services in the Department of Education and Communities (DEC) primary schools, 310 services in non-government primary schools and 386 additional services not located on primary school grounds. These services are currently approved to offer 78,622 OSHC places in NSW.

The Baird Government recognises that while these services are popular and necessary, there are often practical and logistical challenges to establishing new services. Greater support and innovative approaches are required to meet demand in areas of high need across the primary schools of NSW.

The Baird Government will establish a \$20 million Before and After School Care Fund, to help with the practical costs of establishing new OSHC services in 1000 Government and

#### A re-elected Baird Government will:

- ✓ Establish a \$20 million Before and After School Care Fund
- ✓ Conduct a Primary School-Preschool partnerships pilot

non-government primary school communities that do not presently have a service.

This represents the potential for 45,000 additional OSHC places to be made available to support hardworking NSW families.

Grants of up to \$20,000 will be available to assist primary school principals with the costs of bringing on board a new service, either run by the school P&C, not for profit providers or the commercial sector. This could include fit-out costs for rooms, tendering or establishment costs, or to pay for necessary equipment to support the new service.

All public primary schools that do not presently have a service will assess, jointly with their local P&Cs, whether they have the need for and then the capacity to provide an on-site OSHC service. This assessment will be supported by more resources and guidance for principals on options to accommodate OSHC. Where it is determined there is not the need or capacity to host an OSHC service on site, Principals will be required to provide an outline of the situation, which will be published on the DEC website.

# Back The Baird Plan and keep NSW working.

# Mike Baird's long term plan for NSW

In school communities where an OSHC service is deemed desirable, but is unable to be provided on-site, grants will then be available for local preschools, Local Councils, or other non-government organisations that are able to host an OSHC service. The Government will work with not-for-profit and local government sectors on these innovative OSHC options, leveraging community infrastructure to accommodate services.

The Baird Government will also support schools to partner with community preschools to co-locate community preschools and other early childhood education and care services, like OSHC, vacation care in or nearby public school facilities. Two demonstration sites will be established in this primary school-preschool partnerships pilot (Tamworth and the Inner West of Sydney) to map existing early childhood education and care providers to local schools, to identify demand for out of school hours care and capacity for local services to increase access for families.



MIKE BAIRD

*Premier of NSW*



**For more on our plans please go to [www.BackBaird.org.au](http://www.BackBaird.org.au)**