



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition Proposal No: C005
Date Referred: 18/01/2018 Date Published: 18/03/2019

Proposal Title: Fourteen new Service NSW centres

Cluster: Finance, Services and Innovation

General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	3,602	7,661	11,599	22,862
Depreciation	-	289	848	1,586	2,723
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	(3,891)	(8,509)	(13,185)	(25,585)

Capital Expenditure	-	2,890	2,552	4,759	10,201
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	2,890	2,552	4,759	10,201

Net Lending/(Borrowing):	-	(6,492)	(10,213)	(16,358)	(33,063)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	(6,492)	(10,213)	(16,358)	(33,063)
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Notes and costing assumptions

This policy is to open 14 new Service NSW centres comprising four mobile Service NSW buses and ten permanent Service NSW centres across metropolitan Sydney. The total recurrent financial impact of this policy is \$25.6 million over the forward estimates, reflecting rent expenses and staffing costs. The total capital financial impact is \$10.2 million over the forward estimates. The above analysis has been conducted based on information provided by Service NSW and is subject to the following assumptions.

Key assumptions

- The full cost of the four mobile Service NSW buses to be rolled out by June 2020 has already been funded as part of the Half Yearly Review. The table above reflects the cost of establishing ten permanent Service NSW Centres.
- The rollout of the permanent Service NSW centres will be in the following locations over the next three years beginning in 2019-20:

- | | |
|--------------|---------------------------|
| ○ Merrylands | ○ Glenmore Park |
| ○ Randwick | ○ Prestons/Edmondson Park |
| ○ Revesby | ○ Roselands |
| ○ Northmead | ○ North Sydney |
| ○ Engadine | ○ Schofields |

Key assumptions are continued overleaf.

Notes and costing assumptions continued:

- Service NSW has advised that recurrent costs includes appropriate escalation to account for changes in price and demand.
- Service centre spaces will be rented three months prior to opening and fitted as per current service centre standards.
- Fit out of the permanent Service NSW centres will depreciate over five years as a majority of the capital costs will be IT equipment.
- The PBO notes it is possible that as the policy is rolled out, efficiencies could be realised which may reduce the cost of the policy.