



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition
Date Referred: 22/01/2019

Proposal No: C015
Date Published: 18/03/2019

Proposal Title: Partnering with Landcare communities in NSW to conserve our natural environment and resources
Cluster: Industry

General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	5,413	5,538	5,671	16,622
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	(5,413)	(5,538)	(5,671)	(16,622)

Capital Expenditure	-	-	-	-	-
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	(5,413)	(5,538)	(5,671)	(16,622)
---------------------------------	---	----------------	----------------	----------------	-----------------

Total State Sector Impacts

Net Lending/(Borrowing):	-	(5,413)	(5,538)	(5,671)	(16,622)
---------------------------------	---	----------------	----------------	----------------	-----------------

Notes and costing assumptions

This policy proposes that NSW Local Land Services (LLS) partner with Landcare communities in NSW to conserve natural environment and resources. The policy's duration is four years, from 2019-20 to 2022-23.

The policy's scope includes:

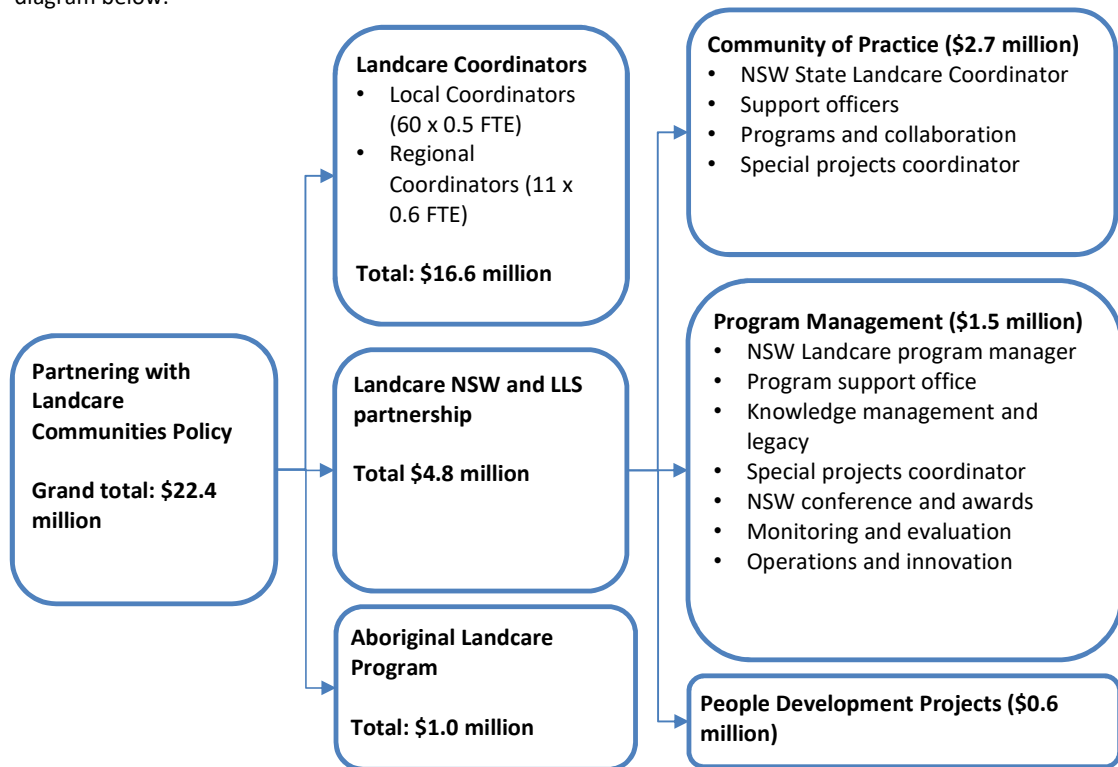
- Funding eleven new regional Landcare coordinators and 60 local Landcare coordinators
- Funding a new Aboriginal Landcare Program, for one full time equivalent staff and projects, at a capped cost of \$1 million, and
- Committing to an ongoing partnership between Landcare NSW and Local Land Service and invest close to \$5 million to support Landcare's ongoing success and long term sustainability.

The PBO estimates that the total cost of the policy over the forward estimates is \$16.6 million. At its completion in 2022-23, the total cost of the policy is \$22.4 million. Most of the costs are driven by employee-related costs for the local and regional Landcare coordinators.

In preparing the costing, the PBO has relied on estimates prepared by Treasury, which are based on a business case prepared by NSW Local Land Services for the NSW Landcare Program.

Notes and costing assumptions continued:

A summary of the policy's structure and the PBO's cost estimates over its whole duration are illustrated in the diagram below:



Landcare coordinators

The PBO estimates that the total cost of funding Landcare coordinators is \$16.6 million from 2019-20 to 2022-23, inclusive of salary and on-costs, comprising:

- \$13.1 million for 60 part-time (0.5 FTE) Local Coordinators, at a rate of \$52,000 per 0.5 FTE
- \$3.6 million for eleven part-time (0.6 FTE) Regional Coordinators, at a rate of \$78,000 per 0.6 FTE.

The above estimates are based on Treasury's cost estimates, which are based on the NSW Landcare Program business case. In addition, the PBO has escalated the employee-related costs by 2.5% per annum, consistent with the forecast growth of employee related costs in the NSW public sector.

Landcare NSW and Local Land Services Partnership

The total cost of supporting Landcare NSW and Local Land Services Partnerships is estimated to be \$4.8 million from 2019-20 to 2022-23, comprising:

- \$2.7 million for Community of Practice, which focuses on connecting all the various Landcare partnership subprograms, to promote consistency and best practice
- \$1.5 million for Program Management, which focuses on the administration of program funding, the development and maintenance of relationships between stakeholders, and the implementation of an evaluation program, and
- \$0.6 million for People Development, which focuses on training and capacity development.

The above estimates are based on Treasury's cost estimates, from its review of the NSW Landcare Program business case.

Notes and costing assumptions continued:

Aboriginal Landcare Program

The total cost of the Aboriginal Landcare Program is specified in the policy as \$1 million from 2019-20 to 2022-23. This program is for funding projects that promote greater engagement with Aboriginal Australians on land management issues and includes provision for 1 FTE staff to coordinate.

This estimate is based on Treasury's cost estimates, from its review of the NSW Landcare Program business case. The PBO has assumed the funding will be spread evenly across the forward estimates.

Breakdown of costs by year and partnership

The table below sets out the breakdown of the costs for each program and sub-program by year over the four year duration of the policy.

Program / sub-program	2019-20	2020-21	2021-22	2022-23	Fwd Est. total (2019-20 to 2021-22)	Program total (2019-20 to 2022-23)
	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)	(\$000s)
Local Landcare Coordinators	3,150	3,229	3,309	3,392	9,688	13,080
Regional Landcare Coordinators	858	879	901	924	2,639	3,563
Community of Practice						
NSW State Landcare Coordinator	185	185	185	185	555	740
Support Officers	163	163	163	163	488	650
Programs and Collaboration	198	198	198	198	593	790
Special Projects Coordinator	125	125	125	125	375	500
Program management						
NSW Landcare program Manager	173	173	173	173	518	690
Program Support Office	83	83	83	83	248	330
Knowledge Management and Legacy	20	20	20	20	60	80
NSW Conference and Awards	-	25	55	80	80	160
Monitoring and Evaluation	35	35	35	35	105	140
Operations and Innovation	30	30	30	30	90	120
Aboriginal Engagement Office and Delivery Projects						
	250	250	250	250	750	1,000
People Development Projects						
	145	145	145	145	435	580
Grand Total	5,413	5,538	5,671	5,801	16,622	22,423