

## Election Costing Request Form

Details of request	
Party:	Liberals & Nationals Government
Name of Policy:	NSW Motor Sport Strategy
Date of request:	21 February 2019

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	<ul style="list-style-type: none"><li>- The Liberals and Nationals will commit \$6.4m for the first Confederation of Australia Motor Sport Centre of Excellence, which will provide an educational facility for motor sport mechanics and engineers linked to tertiary institutions, a venue for regional events and training and an international training centre for officials, administrators and drivers. allow for greater driver training programs.</li><li>- The Government will spend \$16m to install permanent lighting at Sydney Motorsport park.</li><li>- The Government will invest \$11m into Stage 1 of the dragway upgrade.</li><li>- The Government will also identify a new site for Motorcycling NSW within the Eastern Creek precinct as they are being displaced from their current facility within the Western Sydney Parklands.</li></ul>
Has the policy been publicly released yet?	No

	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	Total \$'000
Impact on GGS expenses					
Impact on GGS revenue					
Impact on General Government Sector (GGS) net operating result <sup>1</sup>					
Impact on GGS capital expenditure <sup>2</sup>					
Impact on GGS net lending/borrowing					

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

<b>Key assumptions made in the policy</b>	
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>	Identification of the site for Motorcycling NSW does not have a cost.
Is there a range for the costing or any sensitivity analysis that you have undertaken?	
Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.	No
Are there significant costs or savings <b>outside</b> the forward estimates period which should be considered in costing this policy? <sup>3</sup>	No

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2019

<sup>1</sup> Negative for a saving that reduces expenditure

<sup>2</sup> Negative for a reduction in capital expenditure.

<sup>3</sup> Particularly important for large projects with long lead times, policies with a delayed timetable for implementation, or policies where up-front investment is required to achieve long term savings.

Intended duration of policy <sup>4</sup> :	
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Western Sydney Parklands Trusts
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	
Are there transitional arrangements associated with policy implementation?	

<b>If the policy is mainly an expenditure<sup>5</sup> commitment</b>	
Demand driven or a capped amount:	
Eligibility criteria or thresholds:	

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

<b>If the policy is mainly a capital costs<sup>6</sup> commitment</b>	
<b>Nature of Capital Spending</b>	
Type of work, size and capacity:	This proposal includes: <ul style="list-style-type: none"> <li>- New Motor Sport Centre of Excellence</li> <li>- Install permanent lighting at Sydney Motorsport park</li> <li>- Upgrade dragway at Sydney International Dragway</li> </ul>
Proposed start and completion date of work:	Works will commence/conclude in 2019/20, pending detailed design and planning
Intended construction schedule/cashflow:	
Associated asset sell off (if any):	
<b>Recurrent Impacts</b>	
Offsetting expenditure savings:	

<sup>4</sup> Where a policy is intended to be ongoing, please indicate "ongoing" in the space to the right

<sup>5</sup> Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.

<sup>6</sup> Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance.

On-going maintenance, depreciation and operational expenses:	
Third party funding involvement:	
Delivery model <sup>7</sup>	

**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?
- Will additional staff be needed in the agency responsible for the policy?
  - How many and at what approximate levels?
- Are there other resources required?
- 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> There is a range of possible delivery models, e.g. built, owned and operated by a NSW government agency; built and transferred to a private operator; privately built for public operation; privately built and operated with government assuming risk or providing a guarantee in relation to future income (often applicable to public/private partnership arrangements), and so on. The policy should provide assumptions about the proposed delivery model.