



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C1636
Date Referred: 13/03/2023 **Date Published:** 20/03/2023
Proposal Title: Housing Fund
Cluster: Stronger Communities

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	3,330	3,330	3,340	10,000
Depreciation					-
Less: Offsets					-
Revenue					-
Net Operating Balance:	-	(3,330)	(3,330)	(3,340)	(10,000)

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

Net Lending/(Borrowing):	-	(3,330)	(3,330)	(3,340)	(10,000)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	(3,330)	(3,330)	(3,340)	(10,000)
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Notes and costing assumptions:

The policy proposes to create a \$10 million fund for various housing and rental related measures over the forward estimates from 2023-24 to 2025-26.

Key assumptions

- The Parliamentary Budget Office (PBO) assumes that the policy would have a spending profile of \$3.3 million per annum for various housing and rental related measures.
- Creation of a fund of itself has no financial impact. These only arise when spending occurs. The profile of spending is the key factor in the estimation of costs.
- The policy specifies that the funding will come from within the Stronger Communities Cluster's existing resources. The funding could be adequately covered by the Stronger Communities budget (\$21.1 billion in the [2022-23 Budget](#)). However, the Department of Communities and Justice has advised that this can only be achieved by re-prioritising funding away from existing service delivery. Hence, the PBO notes that absorbing the costs of the policy could be difficult in practice and may affect the delivery of some services.

Notes and costing assumptions continued:

- It is assumed that the fund would be capped at \$10 million, it is also assumed that the fund is enough to provide various housing and rental related measures.
- The PBO has not estimated capital component nor depreciation. This is because the type, mix and construction timeframe for any building capital works is not yet known. As such, it is not feasible to estimate any assets or depreciation expenses.