

2024 Election Commitment – Canberra Liberals

Name of Commitment:	Housing – Community Housing on Community Land	Reference Number: LIB068
Request Submitted by:	Elizabeth Lee MLA, Canberra Liberals	
Date Request Received:	11-Oct-24	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	TOTAL \$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a)(b)}	0.0	0.0	0.0	0.0	0.0
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	0.0	0.0	0.0	0.0
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	0.0	0.0	0.0	0.0
(a) A negative number indicates a decrease in revenue or an increase in expenses.					
(b) Excludes depreciation					

Other Information
Costing Methodology Used:
- Costing Technique:
The costing is based on cost neutrality. As such, the scope and details of the program would need to be managed to be consistent with this principle.
- Proposal Parameters:
The costing assumes:
- Rezoning and land sales would commence in the second half of 2025 (2025-26) and run for four years. - Any potential increases in land sales revenue due to rezoning would be used to assist Community Housing Providers (CHPs) to purchase sites (through grants or other assistance for the land purchase), and the net cost to the Territory would remain neutral. - Lease Variation Charge (LVC) waivers are cost-neutral as the proposed projects (e.g. including any lease variations and associated fees) would otherwise not occur. - CHPs would be required to pay the site preparation and servicing costs, as well as any costs associated with the design, construction, operations, repairs or maintenance of improvements on the land. - Any administrative expenses associated with the program would be absorbed by the Environment, Planning and Sustainable Development Directorate (EPSDD), the Suburban Land Agency (SLA) and/or the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). - No changes to rates or other government own-source revenue estimates arise as a result of the proposed arrangements.

Caveats or qualifications to the costing:

- There is likely to be a value uplift from Community Facilities Zoned sites being rezoned to a residential or mixed use but this uplift (and potential associated increase in revenue) is not contemplated in the costing request. On this basis, this costing assumes that any potential increases in land sales revenue would be used to assist CHPs to purchase sites (e.g. through grants or other assistance for the land purchase), and the net cost to the Territory would remain neutral. As this model would be cost-neutral, and no information has been provided on the scale of the initiative, for simplicity, no estimates have been included in the revenue or expense lines.
- The costing assumes that LVC waivers are cost-neutral as the proposed projects (including any lease variations and associated fees) would otherwise not occur. As the LVC fees and waivers would be cost-neutral, and no information has been provided on the scale of the initiative, no estimates have been included in the revenue or expense lines.
- Community Facilities Zoned land often requires site preparation and connection costs to make it suitable for residential housing, and these preparation and servicing costs can be substantial. As these costs are not contemplated in the costing request, this costing assumes that CHPs would be required to pay the site preparation and servicing costs, as well as any costs associated with the design, construction, operations, repairs and maintenance, or improvements on the land.
- Treasury considers that EPSDD, SLA and CMTEDD may have to reduce or reprioritise existing services to absorb the associated policy development, site selection and administrative work from within existing directorate resources.
- Treasury has not sought to identify any Community Facilities Zoned sites suitable for this program.

Other Comments:

N/A

- Statistical Data Used:

Treasury estimates.



Stuart Hocking PSM
Under Treasurer
16 October 2024