Request for Costing an Election Commitment

Name of proposal:	Housing – More community housing
Person requesting costing:	Elizabeth Lee MLA
Date of request:	11 October 2024
Summary of proposal:	A Canberra Liberals Government will contribute 400 residential land lots for Community Housing Providers over the next term, on a shared equity basis.
Issue the proposal will address:	Increase the supply of land available for community housing.
Proposal's public announcement details (media release or policy statement published on a party website)[1]:	Media release (23/9/24)

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

Given the 50/50 shared equity arrangement, it is assumed that 50% of the land cost is recorded as a capital expense while the other 50% is a conversion from an asset to an investment. As the capital expense does not require an outlay, no financing cost has been applied.

For the purposes of this costing, it is assumed that 100 transactions will occur each year. The price of the land has been calculated as the average of SLA listings ($660,000) adjusted for CPI.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2024-25	2025-26	2026-27	2027-28	Total
	$'000	$'000	$'000	$'000	$'000
Revenue[(a)]	0	0	0	0	0
Expenses[(a)]	0	0	0	0	0
Capital[(a)]	0	-33,908	-34,840	-35,711	-104,458
Depreciation[(a)]	0	0	0	0	0
Offset - Expenses[(a)]	0	0	0	0	0
Offset - Capital[(a)]	0	0	0	0	0
Full-time equivalent employees	0	0	0	0	0

(a) A negative number indicates a decrease in revenue or an increase in expenses, depreciation or capital outflows. A positive

[1] As per Part 2, section 5 of the *Election Commitments Costing Act 2012*

number indicates an increase in revenue or decrease in expenses, depreciation or capital inflows. The expenses row is not to include depreciation costs.
Has any specific information or data been utilised in generating the proposal? Please provide links or attach information/data sources referenced.
The land price was sourced from public SLA land listings. Inflation was sourced from the Budget Update.
Where relevant, is funding for the proposal to be demand driven or a capped amount?
Demand driven.
Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?
Yes, Community Housing Providers will deliver the housing developments.
Will funding/the cost require indexation?
Yes, the costing has included CPI.
Who will administer the proposal?
CMTEDD and the SLA.
How will the proposal be administered?
The Coordinator-General of Housing will undertake an EOI process to identify Community Housing Provider participants and develop an allocation process. The Coordinator-General will also develop the shared equity contracts to facilitate the program. The SLA will work with CHPs to understand site requirements and to develop a pipeline of properties suitable for use.
Is the proposal part of a broader package? If so, please identify the other elements of the package.
No.
Has an allowance been made for expenses necessary to support the implementation of this proposal? – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
Any administrated expenses will be absorbed by the relevant agency.
Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.
No.
Has the proposal been previously costed by an external (third) party? If so, will a copy of this material, including any assumptions, be made available to Treasury?
No.
What are the community impacts associated with the proposal? Who and how many people will be affected?
The increase in community housing will significantly improve housing affordability and accessibility, benefiting lower-income Canberrans at risk of unaffordable housing or homelessness.
Are there any transitional considerations associated with implementation of the proposal? If so,

how will they be managed?
No.
What is the intended implementation date of the proposal?
Funding will be included in the 2025/26 Budget.
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
It is hoped that the first transfers of land will commence in the second half of 2025.
Will the proposal cease, and if so, when?
The program is intended to run for the next term of government.
Is there any additional information relevant to this proposal?
No.