

## 2020 Election Commitment – ACT Greens

<b>Name of Commitment:</b>	<b>A Home for All</b>	<b>Reference Number:</b> GRN013
<b>Request Submitted by:</b>	Shane Rattenbury MLA, ACT Greens	
<b>Date Request Received:</b>	09-Oct-20	
<b>Additional Information Requested (details and date)</b>	Please refer to costings a-d for additional information.	
<b>Additional Information Received (details and date)</b>	Please refer to costings a-d for additional information.	

<b>Financial Implications</b>					
<b>Impact On:</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>TOTAL</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	<b>0.0</b>
Expenses <sup>(a)(b)</sup>	-24,548.7	-75,254.1	-76,330.8	-70,696.6	<b>-246,830.2</b>
- Employee Expenses	0.0	0.0	0.0	0.0	<b>0.0</b>
- Other Expenses	-24,228.7	-74,209.0	-74,261.0	-67,313.6	<b>-240,012.3</b>
- Cost of Financing	-320.0	-1,045.1	-2,069.8	-3,383.0	<b>-6,817.9</b>
Depreciation	0.0	-300.0	-1,025.0	-2,000.0	<b>-3,325.0</b>
<b>Net Operating Balance</b>	<b>-24,548.7</b>	<b>-75,554.1</b>	<b>-77,355.8</b>	<b>-72,696.6</b>	<b>-250,155.2</b>
<b>Capital Requirement</b>	<b>-20,000.0</b>	<b>-45,000.0</b>	<b>-63,000.0</b>	<b>-80,000.0</b>	<b>-208,000.0</b>
<b>Cash Surplus/Deficit</b>	<b>-44,548.7</b>	<b>-120,254.1</b>	<b>-139,330.8</b>	<b>-150,696.6</b>	<b>-454,830.2</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses.  
(b) Excludes depreciation

<b>Other Information</b>
<b>Costing Methodology Used:</b>
<b>- Costing Technique:</b>
Please refer to the following costings for the costing methodology: GRN013a - A Home for All - New Social Housing Stock; GRN013b - A Home for All - Community Housing; GRN013c - A Home for All - Specialist Homelessness Support Services; and GRN013d - A Home for All - Housing for Specific Needs.
<b>- Proposal Parameters:</b>
<ul style="list-style-type: none"> <li>• The costings assume that the proposals will begin implementation in early 2021 and that construction may continue to the end of the 2024 calendar year.</li> <li>• Staffing costs for social housing upgrades are included in the capital costs. Staffing for community housing work is included in the total funding amount for Community Housing.</li> <li>• Staffing for implementing homelessness measures will be absorbed by agencies.</li> </ul>
<b>Caveats or qualifications to the costing:</b>
Please refer to the following costings for the costing methodology: GRN013a - A Home for All - New Social Housing Stock; GRN013b - A Home for All - Community Housing; GRN013c - A Home for All - Specialist Homelessness Support Services; and GRN013d - A Home for all - Housing for Specific Needs.
<b>Other Comments:</b>
N/A
<b>- Statistical Data Used:</b>
Treasury estimates.



David Nicol  
Under Treasurer  
15 October 2020

## 2020 Election Commitment – ACT Greens

<b>Name of Commitment:</b>	<b>A Home for All - New Social Housing Stock</b>	<b>Reference Number:</b> GRN013a
<b>Request Submitted by:</b>	Shane Rattenbury MLA, ACT Greens	
<b>Date Request Received:</b>	09-Oct-20	
<b>Additional Information Requested (details and date)</b>	Clarification was sought on whether the additional 400 new social housing dwellings would be a mix of medium to high density properties (12-Oct-20).	
<b>Additional Information Received (details and date)</b>	Advice was provided that the costing has assumed that these would be mixed between low, medium and high density (12-Oct-20).	

Financial Implications					
Impact On:	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	TOTAL \$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a)(b)</sup>	-320.0	-965.1	-1,940.6	-3,251.6	-6,477.3
- 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	-320.0	-965.1	-1,940.6	-3,251.6	-6,477.3
Depreciation	0.0	-300.0	-900.0	-1,800.0	-3,000.0
<b>Net Operating Balance</b>	<b>-320.0</b>	<b>-1,265.1</b>	<b>-2,840.6</b>	<b>-5,051.6</b>	<b>-9,477.3</b>
<b>Capital Requirement</b>	<b>-20,000.0</b>	<b>-40,000.0</b>	<b>-60,000.0</b>	<b>-80,000.0</b>	<b>-200,000.0</b>
<b>Cash Surplus/Deficit</b>	<b>-20,320.0</b>	<b>-40,965.1</b>	<b>-61,940.6</b>	<b>-83,251.6</b>	<b>-206,477.3</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses.  
(b) Excludes depreciation

Other Information
<p><b>Costing Methodology Used:</b></p> <p><b>- Costing Technique:</b></p> <p>The costing has been completed using a price by quantity methodology, based on similar works undertaken by the ACT Government. The cost of delivering 400 new social housing dwellings is based on an average cost of \$500,000 per dwelling.</p>
<p><b>- Proposal Parameters:</b></p> <ul style="list-style-type: none"> <li>The costing assumes that the proposal will begin implementation early in 2021 and that construction may continue to the end of the 2024 calendar year. The costing request assumes that any additional staffing costs are included in the capital costs.</li> <li>Depreciation is calculated over a 40-year period based on a 60/40 split between buildings and land and the cost of financing has been applied at 1.6 per cent.</li> </ul>
<p><b>Caveats or qualifications to the costing:</b></p> <ul style="list-style-type: none"> <li>The cost of this program will depend on the mix and location of dwellings.</li> <li>Given the current size and scope of the ACT Government's Growth and Renewal Program, the delivery of 400 additional dwellings over four years will be contingent on readily available land and housing, and the capacity of Housing ACT to deliver on the expanded program.</li> <li>The policy commitment includes a 7 star average energy efficiency rating across all social and affordable rental housing that is purchased or constructed. Treasury is unable to quantify the costs in relation to this requirement but notes that this commitment may have financial and operational impacts on the management of the public and community housing portfolios.</li> <li>Treasury considers, however, that the average price per dwelling of \$500,000 with a 7 star rating can be achieved (by, for example, using a higher density mix of housing and building smaller dwellings to offset the higher capital costs of delivering a 7 star property).</li> </ul>
<p><b>Other Comments:</b></p> <p>The costing only includes the "\$200 million investment into new social housing stock" element from the ACT Greens' election announcement <i>A Home for All</i>.</p> <p>Treasury's costing differs from that submitted due to the inclusion of financing costs.</p>
<p><b>- Statistical Data Used:</b></p> <p>Treasury estimates.</p>



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15 October 2020

**2020 Election Commitment – ACT Greens**

<b>Name of Commitment:</b>	<b>A Home for All - Community Housing</b>	<b>Reference Number:</b> GRN013b
<b>Request Submitted by:</b>	Shane Rattenbury MLA, ACT Greens	
<b>Date Request Received:</b>	09-Oct-20	
<b>Additional Information Requested (details and date)</b>	Clarification was sought on whether it is expected that the community sector would co-contribute to funding the increase in community housing dwellings; and whether the transferral of public housing stock would be included as part of the increase (12-Oct-20).	
<b>Additional Information Received (details and date)</b>	Advice was provided that: the community sector would make a co-contribution towards the increase in community housing dwellings and that not all of these measures are used in full. These supports would be developed in consultation with the community housing sector (12-Oct-20).	

<b>Financial Implications</b>					
<b>Impact On:</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>TOTAL</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	<b>0.0</b>
Expenses <sup>(a)(b)</sup>	-20,000.0	-60,000.0	-60,000.0	-60,000.0	<b>-200,000.0</b>
- Employee Expenses	0.0	0.0	0.0	0.0	<b>0.0</b>
- Other Expenses	-20,000.0	-60,000.0	-60,000.0	-60,000.0	<b>-200,000.0</b>
- Cost of Financing	0.0	0.0	0.0	0.0	<b>0.0</b>
Depreciation	0.0	0.0	0.0	0.0	<b>0.0</b>
<b>Net Operating Balance</b>	<b>-20,000.0</b>	<b>-60,000.0</b>	<b>-60,000.0</b>	<b>-60,000.0</b>	<b>-200,000.0</b>
<b>Capital Requirement</b>	0.0	0.0	0.0	0.0	<b>0.0</b>
<b>Cash Surplus/Deficit</b>	<b>-20,000.0</b>	<b>-60,000.0</b>	<b>-60,000.0</b>	<b>-60,000.0</b>	<b>-200,000.0</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses.  
(b) Excludes depreciation

<b>Other Information</b>
<b>Costing Methodology Used:</b>
<b>- Costing Technique:</b>
The costing is for a fixed dollar amount capped at \$200 million over 4 years and provides funding for a range of measures including debt forgiveness, stock transfers, direct funding and rates exemptions. As such, the level of spending for each of these measures would need to be managed within the total level of funding.
<b>- Proposal Parameters:</b>
The costing assumes that the proposal will be implemented from early 2021 and that staffing costs for delivering the measures are included in the \$200 million.
<b>Caveats or qualifications to the costing:</b>
In preparing this costing, the following assumptions have been made:
<ul style="list-style-type: none"> <li>• the overall funding for new community housing, together with landlord incentives, debt forgiveness, stock transfers and rates exemptions, is capped at \$200 million.</li> <li>• the ACT Government would make an investment contribution towards, rather than purchase, the delivery of 600 new community housing dwellings by community housing providers. The size of the co-contribution required to be made by the community sector would vary depending on what proportion of the \$200 million commitment is contributed towards other aspects of the proposal, such as forgiveness of existing debts and rates exemptions.</li> <li>• the cost of associated ongoing maintenance would be met by community housing providers.</li> <li>• the policy commitment includes a seven-star average energy efficiency rating across all social and affordable rental housing that is purchased or constructed. Treasury is unable to quantify the costs in relation to this requirement but notes that this commitment may have operational impacts on the management of the public and community housing portfolios. Treasury considers that an increase of 600 community housing properties could be achieved for an investment of this size but notes that further detail would need to be developed in program design.</li> </ul>
<b>Other Comments:</b>
The costing includes the \$200 million investment into new community housing element from the ACT Greens' election announcement <i>A Home for All</i> .
<b>- Statistical Data Used:</b>
Treasury estimates.



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2020 Election Commitment – ACT Greens

<b>Name of Commitment:</b>	<b>A Home for All - Specialist Homelessness Support Services</b>	<b>Reference Number:</b> GRN013c
<b>Request Submitted by:</b>	Shane Rattenbury MLA, ACT Greens	
<b>Date Request Received:</b>	09-Oct-20	
<b>Additional Information Requested (details and date)</b>	Clarification was sought on: whether the costs for the expansion of Common Ground in Gungahlin include land costs; the proposed new operating hours of the Early Morning Centre; the nature of the costs to fund new beds in specialist homelessness services; and the yearly costing profile for funding specialist workers (12-Oct-20).	
<b>Additional Information Received (details and date)</b>	Advice was provided that: the costs to fund new beds in specialist homelessness services are to fund the building or upgrade of current homelessness facilities; and that it is intended that a total of \$4 million be spent over four years on embedding specialist workers in existing homelessness services (12-Oct-20). Further advice was provided that: the costs for the Common Ground Gungahlin expansion do not include land costs as the land required is already part of the existing site; the Early Morning Centre operating hours will only be extended on the weekend (13-Oct-20).	

Financial Implications					
Impact On:	2020-21	2021-22	2022-23	2023-24	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a)(b)</sup>	-3,428.7	-9,989.0	-9,590.3	-7,144.9	-30,152.9
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	-3,428.7	-9,909.0	-9,461.0	-7,013.6	-29,812.3
- Cost of Financing	0.0	-80.0	-129.3	-131.3	-340.6
Depreciation	0.0	0.0	-125.0	-200.0	-325.0
<b>Net Operating Balance</b>	<b>-3,428.7</b>	<b>-9,989.0</b>	<b>-9,715.3</b>	<b>-7,344.9</b>	<b>-30,477.9</b>
<b>Capital Requirement</b>	<b>0.0</b>	<b>-5,000.0</b>	<b>-3,000.0</b>	<b>0.0</b>	<b>-8,000.0</b>
<b>Cash Surplus/Deficit</b>	<b>-3,428.7</b>	<b>-14,989.0</b>	<b>-12,590.3</b>	<b>-7,144.9</b>	<b>-38,152.9</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses.

(b) Excludes depreciation

Other Information
<p><b>Costing Methodology Used:</b></p> <p><b>- Costing Technique:</b></p> <p><b>Funding increase for existing specialist homelessness services:</b> The costing has been calculated based on a 20 per cent increase of the currently budgeted forward estimates for Housing ACT's expenditure on specialist homelessness services, commencing 1 January 2021.</p> <p><b>Expansion of Common Ground in Gungahlin:</b> The costing has been based on similar works undertaken by the ACT Government, namely Common Ground Gungahlin, and does not include land costs or tenancy management and wrap around service costs.</p> <p><b>Early Morning Centre 7 days a week service:</b> The funding is for \$1.4 million over 4 years to expand the Early Morning Centre service hours to include weekends. Treasury considers this is sufficient to increase the service from 5 to 7 days a week.</p> <p><b>Funding of new beds in specialist homelessness services:</b> The costing is for a capital grants program for a fixed amount of \$3 million in 2021-22 and \$2 million in 2022-23 to fund the building or upgrade of current homelessness facilities. The costing is for a fixed dollar amount. As such, the scope of the proposal would need to be managed within this level of funding.</p> <p><b>Embedding Specialist Workers in Homelessness Services:</b> The costing is for a grants program for an arbitrary \$4 million over four years to embed specialist workers in existing homelessness services. The costing assumes that the annual funding profile is \$500,000 in 2020-21, \$1 million in 2021-22, \$1.5 million in 2022-23 and \$1 million in 2023-24.</p> <p><b>Emergency Accommodation Brokerage Fund:</b> The funding is for a fixed level of \$150,000 in 2020-21 and \$300,000 per annum from 2021-22 to 2023-24 which will be paid to OneLink to increase its capacity to manage emergency accommodation. The costing is for a fixed dollar amount.</p>
<p><b>- Proposal Parameters:</b></p> <p>The costing assumes that the proposals will begin implementation in early 2021 and that construction may continue to the end of the 2024 calendar year.</p> <p>The costing also assumes that any staffing costs for implementing homelessness initiatives will be absorbed by agencies.</p>
<p><b>Caveats or qualifications to the costing:</b></p> <p>The costing of the expansion of Common Ground in Gungahlin only relates to the capital cost of constructing 20 additional dwellings and does not include the land costs or ongoing tenancy management and support costs required to expand this homelessness service. The cost of the additional management and support could be up to \$500,000 a year which is assumed would be covered by the proposed 20 per cent increase in funding for specialist homelessness services.</p> <p>Treasury notes that the administrative costs associated with this commitment are likely to be significant and would involve reprioritisation of agency resources to absorb.</p>
<p><b>Other Comments:</b></p> <p>The costing only includes the following element from the ACT Greens' election announcement <i>A Home for All</i>:</p> <ul style="list-style-type: none"> <li>• an immediate funding boost of 20 per cent to all existing specialist homelessness services;</li> <li>• delivery of expanded Common Ground in Gungahlin;</li> <li>• a 7 day service at the Early Morning Centre;</li> <li>• new beds in specialist homelessness services;</li> <li>• funding to embed specialist workers in existing homelessness services; and</li> <li>• a dedicated emergency accommodation brokerage fund.</li> </ul> <p>Treasury's costing differs from that submitted due to the use of budgeted forward estimates to determine future spending on specialist homeless services and the addition of financing costs for Common Ground Gungahlin.</p>
<p><b>-Statistical Data Used:</b></p> <p>Treasury estimates.</p> <p>The Early Morning Centre is based on costings provided by the Early Morning Centre.</p>



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Under Treasurer  
15 October 2020

2020 Election Commitment – ACT Greens

<b>Name of Commitment:</b>	<b>A Home for All - Housing for Specific Needs</b>	<b>Reference Number:</b> GRN013d
<b>Request Submitted by:</b>	Shane Rattenbury MLA, ACT Greens	
<b>Date Request Received:</b>	09-Oct-20	
<b>Additional Information Requested (details and date)</b>	Clarification was sought on: the scope of the model development for the Aboriginal controlled housing organisation and the youth-specific housing service; whether the cost of delivering MyHome in Curtin would include the cost of land and wrap around support services; and the nature of the tenancy advocacy services (12-Oct-20).	
<b>Additional Information Received (details and date)</b>	Advice was provided that: the costs only relate to the development of the models for the Aboriginal controlled housing organisation and the youth-specific housing service; the cost of delivering MyHome does not include land or any tenancy support services; and the funding for tenancy advocacy services is a flat funding increase to the existing providers (12-Oct-20). Further advice was provided that the construction of MyHome will be over two years and that the cost profile should be amended to reflect this (13-Oct-20).	

Financial Implications					
Impact On:	2020-21	2021-22	2022-23	2023-24	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a)(b)</sup>	-800.0	-4,300.0	-4,800.0	-300.0	-10,200.0
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	-800.0	-4,300.0	-4,800.0	-300.0	-10,200.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	0.0	0.0
<b>Net Operating Balance</b>	<b>-800.0</b>	<b>-4,300.0</b>	<b>-4,800.0</b>	<b>-300.0</b>	<b>-10,200.0</b>
<b>Capital Requirement</b>	0.0	0.0	0.0	0.0	0.0
<b>Cash Surplus/Deficit</b>	<b>-800.0</b>	<b>-4,300.0</b>	<b>-4,800.0</b>	<b>-300.0</b>	<b>-10,200.0</b>

(a) A negative number indicates a decrease in revenue or an increase in expenses.  
(b) Excludes depreciation

Other Information
<p><b>Costing Methodology Used:</b>  - <b>Costing Technique:</b>  <b>Developing a model for a new Aboriginal controlled housing organisation:</b> This cost has been capped at a fixed dollar amount of \$300,000 in 2020-21. As such, the scope of the proposal would need to be managed within this level of funding. Treasury considers that this should be sufficient to deliver this outcome.  <b>Delivery of MyHome in Curtin:</b> The total cost of delivering 20 dwellings is based on an estimate of capital costs used in previous budget proposals. The costs do not include land costs or the costs associated with tenancy management and support as these costs will be met by the third party provider. No depreciation has been applied as the funding would be in the form of capital grants over a two year period.  <b>Developing a model for a youth-specific social housing service:</b> This cost has been capped at a fixed amount of \$300,000 in 2020-21. As such, the scope of the proposal would need to be managed within this level of funding. Treasury considers that this should be sufficient to deliver this outcome.  <b>Tenancy Advocacy Services:</b> The costing is for a grants program for a fixed amount of \$100,000 per annum over four years to increase the capacity of existing service providers.  <b>Funding for ACT Shelter:</b> The costing is based on a fixed level of funding of \$200,000 per year over four years with six months of funding in 2020-21.</p>
<p><b>- Proposal Parameters:</b></p> <ul style="list-style-type: none"> <li>The costing request assumes that the proposals will begin implementation early 2021 and that construction may continue to the end of the 2024 calendar year.</li> <li>The costing request assumes that staffing for implementing homelessness initiatives will be absorbed by the Community Services Directorate.</li> </ul>
<p><b>Caveats or qualifications to the costing:</b></p> <p>The costing for developing a model for a new Aboriginal controlled housing organisation only includes the initial phase to determine the housing needs of Indigenous Canberrans. The amount of additional cost required to establish a new Aboriginal controlled housing organisation will be dependent on the model that is developed.  The commitment to deliver MyHome in Curtin relates only to the capital cost of constructing the facility and does not include funding for the land or the wrap around services required to house 20 people with enduring mental health issues.  Funding for ACT Shelter has been treated as a capped cost which will be in addition to the Government funding they currently receive.</p>
<p><b>Other Comments:</b></p> <p>The costing only includes the following elements from the ACT Greens' election announcement <i>A Home for All</i>:</p> <ul style="list-style-type: none"> <li>developing a model for a new Aboriginal controlled housing organisation;</li> <li>the delivery of dwellings for MyHome in Curtin;</li> <li>developing a model for a youth-specific social housing service;</li> <li>tenancy advocacy services; and</li> <li>funding for ACT Shelter.</li> </ul> <p>Treasury's costing differs from that submitted due to a different funding profile for the MyHome building (over two years instead of four) and the associated funding being expensed (not capitalised).</p>
<p><b>- Statistical Data Used:</b></p> <p>Treasury estimates.</p>



David Nicol  
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15 October 2020