



## Policy costing request—during the caretaker period for a general election

<b>Name of policy:</b>	National Community Infrastructure Fund
Person requesting costing:	Senator Di Natale
Parliamentary party:	Australian Greens
Date of request to cost the policy:	1 July 2016
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)?	No
Details of the public release of this policy (Date, by whom and a reference to that release):	Thursday 30 <sup>th</sup> June 2016 <a href="http://greens.org.au/news/wa/greens-launch-national-community-infrastructure-fund">http://greens.org.au/news/wa/greens-launch-national-community-infrastructure-fund</a>
<b>Description of policy</b>	
Summary of policy (as applicable, please attach copies of relevant policy documents):	<p>We propose a National Community Infrastructure Fund that commits \$100 million over four years, with grants available for eligible communities that can demonstrate a critical need for community facilities including:</p> <ul style="list-style-type: none"><li>- Placemaking and social spaces</li><li>- Community gardens</li><li>- Hubs for education and training and small business support</li><li>- Recreation and exercise infrastructure including gym and aquatic facilities</li><li>- Spaces that support services to young people</li><li>- Spaces to provide services including childcare and healthcare; and</li><li>- Creative hubs, co-working spaces, and meeting places.</li></ul> <p>The Fund will provide grants through merit-based funding rounds, with 70% dedicated to outer metropolitan growth areas.</p>
What is the purpose or intention of the policy?	<p>The benefits of well-planned and appropriately located community infrastructure are widely recognised and quantified.</p> <p>Enhancing access to cultural, sporting and recreational activity contributes to improved community health and has a number of benefits, including enhanced academic outcomes, increased self-esteem and social confidence, development of life skills such as team work, fair play and strategic thinking, community building and social cohesion, social inclusion of minority and disadvantaged groups; and enhanced mental and physical well-being.</p> <p>There is also an increasing body of evidence that investing in adequate community</p>

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	infrastructure brings real cost savings over time, and the economic benefits of providing community infrastructure far out-weighed the costs of provision and resulted in a net return on investment.
<b>What are the key assumptions that have been made in the policy, including:</b>	
Is the policy part of a package? If yes, list the components and interactions with proposed or existing policies.	No
Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount?	A capped amount worth \$25m a year for four years.
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?	No
Are there associated savings, offsets or expenses? If yes, please provide details.	No
Does the policy relate to a previous budget measure? If yes, which measure?	No

<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?</p>	<p>No</p>			
<p>Will the funding/program cost require indexation? If yes, list factors to be used.</p>	<p>No</p>			
<p><b>Expected impacts of the proposal</b></p>				
<p>If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?</p>				
<p><b>Estimated financial implications (outturn prices)<sup>(a)</sup></b></p>				
	<p>2016–17</p>	<p>2017–18</p>	<p>2018–19</p>	<p>2019–20</p>
<p>Underlying cash balance (\$m)</p>	<p>-25</p>	<p>-25</p>	<p>-25</p>	<p>-25</p>
<p>Fiscal balance (\$m)</p>	<p>-25</p>	<p>-25</p>	<p>-25</p>	<p>-25</p>
<p>(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.</p>				
<p>What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?</p>	<p>N/A</p>			
<p>Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?</p>	<p>No</p>			
<p>What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up?</p>	<p>The opportunity is significant.  Our outer growth suburbs (home to 5 million Australians) rural and regional communities, and remote communities lack community infrastructure, and the concept is not even recognised by the federal government.</p>			

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What is the basis for these impact assessments/assumptions?	
<b>Administration of policy:</b>	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	The Australian government – Dept of Infrastructure
Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies).	
Intended date of implementation:	1 September 2016
Intended duration of policy:	Ongoing
Are there transitional arrangements associated with policy implementation?	
List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	<a href="http://alga.asn.au/site/misc/alga/downloads/publications/ALGA_State_Of_The_Assets_Report_2015.pdf">http://alga.asn.au/site/misc/alga/downloads/publications/ALGA_State_Of_The_Assets_Report_2015.pdf</a> <a href="https://infrastructure.gov.au/infrastructure/pab/files/Our_Cities_National_Urban_Policy_Paper_2011.pdf">https://infrastructure.gov.au/infrastructure/pab/files/Our_Cities_National_Urban_Policy_Paper_2011.pdf</a> Elton Consulting (2012) <i>Tomorrow’s healthy and productive communities – The case for community infrastructure in outer metropolitan growth areas. Prepared for National Growth Areas Alliance</i> , November 2012 Dropping off the Edge Report (2015) <a href="http://k46cs13u1432b9asz49wnhcx.wpengine.netdna-cdn.com/wp-content/uploads/0001_dote_2015.pdf">http://k46cs13u1432b9asz49wnhcx.wpengine.netdna-cdn.com/wp-content/uploads/0001_dote_2015.pdf</a> <a href="http://www.regionalaustralia.org.au/wp-content/uploads/2013/06/RAI-Renewal-of-Local-Infrastructure-in-Regional-Australia.pdf">http://www.regionalaustralia.org.au/wp-content/uploads/2013/06/RAI-Renewal-of-Local-Infrastructure-in-Regional-Australia.pdf</a> <a href="http://www.abc.net.au/news/2016-05-22/">http://www.abc.net.au/news/2016-05-22/</a>
Are there any other assumptions that need to be considered?	

**NOTE:**

*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 requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.*