

## Election Costing Request Form

| Details of request |  |
|--------------------|--|
| Party:             | Australian Labor Party (NSW Branch)                                  |
| Name of Policy:    | Cutting waste – prudent management of legal expenses (10% reduction) |
| Date of request:   | 29 October 2018  |

| Description of policy   |   |
|---|---|
| Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve): | Reduce NSW Government spending on external legal contracts by 10% |
| Has the policy been publicly released yet?  |   |

| Your estimated costing of the policy <sup>1</sup>                           |                   |                   |                   |                   |   |                 |
|---|-------------------|-------------------|-------------------|-------------------|---|-----------------|
|   | 2018/19<br>\$'000 | 2019/20<br>\$'000 | 2020/21<br>\$'000 | 2021/22<br>\$'000 | 2022/23 and<br>later years <sup>2</sup><br>\$'000 | Total<br>\$'000 |
| Impact on GGS expenses  |                   |                   |                   |                   |   |                 |
| Impact on GGS revenue   |                   |                   |                   |                   |   |                 |
| Impact on General Government Sector (GGS) net operating result <sup>3</sup> |                   |                   |                   |                   |   |                 |
| Impact on GGS capital expenditure <sup>4</sup>                              |                   |                   |                   |                   |   |                 |
| Impact on GGS net lending/borrowing   |                   |                   |                   |                   |   |                 |

**Note:** Has the policy been costed by a third party?  
If yes, can you provide a copy of this costing and its assumptions?

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

<sup>2</sup> Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy or will assist in public understanding of the policy.

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

| <b>Key assumptions made in the policy</b>   |  |
|---|--|
| Does the policy relate to a previous announcement? If yes, which announcement?  |  |
| What assumptions have been made in deriving the financial impacts in your estimated costing?<br><i>(See checklist)</i>            | <p>NSW Labor believes there is scope for more economical management of spending on legal contracts in the general government sector.</p> <p>The policy being costed is to reduce expenses on external legal contracts by ten per cent. Each agency would have its budget allocation reduced by a fixed amount proportionate to its expected legal expenses. It would be the agency's responsibility to manage its operations within the revised resourcing.</p> <p>The executive would maintain discretion to reallocate the impact of the saving across agencies in order to protect essential services and deliver on government priorities.</p> <p>Please include the baseline (current expenses) in the costing explanation.</p> |
| Is there a range for the costing or any sensitivity analysis that you have undertaken?  | No.  |
| Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details. | ..   |

| <b>Administration of policy</b>  |                     |
|--|---------------------|
| Intended date of implementation:   | 1 July 2019         |
| Intended duration of policy:   | Ongoing.            |
| Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?  | Whole-of-government |
| Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)? | No.                 |
| Are there transitional arrangements associated with policy implementation?   | ..                  |

| <b>If the policy is mainly an expenditure<sup>5</sup> commitment</b> |           |
|--|-----------|
| Demand driven or a capped amount:                                    | Uncapped. |
| Eligibility criteria or thresholds:                                  | N/a.      |

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<sup>5</sup> Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.