

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Retirement Housing Ombudsman
Date of request:	20 November 2018

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Establish a Retirement Housing Ombudsman, which would be funded with a new annual budget allocation of \$1 million per annum, fully offset by a levy on retirement villages and residential parks in NSW. Additional costs will be reallocated from Fair Trading.
Has the policy been publicly released yet?	

	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	Total \$'000
Impact on GGS expenses					
Impact on GGS revenue					
Impact on General Government Sector (GGS) net operating result ¹					
Impact on GGS capital expenditure ²					
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?

¹ Negative for a saving that reduces expenditure

² Negative for a reduction in capital expenditure.

Key assumptions made in the policy	
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? <i>(See checklist)</i>	<p>Adjust funding after 2019-20 by CPI.</p> <p>The levy would be applied to operators, and be proportionate to the total number of residents at the particular retirement village or residential parks in NSW.</p> <p>The levy should be set annually such that its total revenue in a given year is forecast to be equivalent to the \$1 million funding to the Retirement Housing Ombudsman (adjusted for inflation) plus collective expenses.</p> <p>Ombudsman capacity would be scaled to available resources.</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.	The policy will take over certain responsibilities currently with Fair Trading. Resourcing needs in excess of the \$1 million additional budget allocation will be redirected from Fair Trading.
Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy? ³	No.

Administration of policy	
Intended date of implementation:	1 July 2019
Intended duration of policy ⁴ :	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Fair Trading.
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	Legislation may need to be changed.

³ Particularly important for large projects with long lead times, policies with a delayed timetable for implementation, or policies where up-front investment is required to achieve long term savings.

⁴ Where a policy is intended to be ongoing, please indicate "ongoing" in the space to the right

Are there transitional arrangements associated with policy implementation?	No.
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If the policy is mainly an expenditure⁵ commitment	
Demand driven or a capped amount:	Capped.
Eligibility criteria or thresholds:	N/a.

If the policy is mainly a revenue commitment	
Transaction based or capped:	Transaction based.
Thresholds and/or exemptions:	See <u>Assumptions</u>
Collection method:	Lowest cost method. This may be broadly consistent with other industry funded government entities, such as the Energy and Water Ombudsman of NSW.
Additional expenditure associated with collection:	

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