



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

| Details of request | |
|--------------------|-----------------------------|
| Party: | Liberals / Nationals |
| Name of Policy: | Victims Compensation Scheme |
| Date of request: | 13 March 2015 |

| Description of policy | |
|--|---|
| Summary of policy (please attach copies of relevant policy documents): | To remove the retrospective application of the Victims Rights and Support Act 2013 and assess all claims arising up until the introduction of the new legislation under the former Victims Compensation scheme. |
| What is the purpose or intention of the policy? | To remove the retrospective application of the Victims Rights and Support Act 2013 and assess all claims arising up until the introduction of the new legislation under the former Victims Compensation scheme. |
| Has the policy been publicly released yet? | |

| Your estimated costing of the policy ¹ | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|----------------------|------------------------------------|
| | 2014/15 \$'000 | 2015/16 \$'000 | 2016/17 \$'000 | 2017/18 \$'000 | 4 Yr Total \$'000 | Other years ² \$'000 |
| Impact on General Government Sector (GGS) net operating result ³ | 4,764 | 7,567 | 7,552 | 8,815 | | |
| Impact on GGS capital expenditure ⁴ | | | | | | |
| If different from above, impact on total | 244,155 | 251,722 | 259,274 | 268,089 | | |

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

| | | | | | | |
|---|--|--|--|--|--|--|
| State Sector net financial liabilities ⁵ | | | | | | |
|---|--|--|--|--|--|--|

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

| 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? (See checklist) | Assume that any additional compensation arising for victims as a result of this policy change is offset by the total compensation already awarded to that claimant under the Victims Rights and Support Act 2013. |
| Is there a range for the costing or any sensitivity analysis that you have undertaken? | |
| Are there associated savings, offsets or expenses? If yes, please provide details. | |

| Administration of policy | |
|---|----------------------------|
| Intended date of implementation: | 1 April 2015 |
| Intended duration of policy: | Over the forward estimates |
| Who will administer the policy (e.g. Government entity, non-government organisation, etc.)? | Department of Justice |
| Are there any specific administrative arrangements for the policy that need to be taken into account? | |
| Are there transitional arrangements associated with policy implementation? | |

| If the policy is mainly an expenditure⁶ commitment | |
|--|--|
| Demand driven or a capped amount: | |
| Eligibility criteria or thresholds: | |

| If the policy is mainly a revenue commitment | |
|---|--|
| Transaction based or capped: | |
| Thresholds and/or exemptions: | |
| Collection method: | |

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

⁶ Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.

| | |
|--|--|
| Additional expenditure associated with collection: | |
|--|--|

| If the policy is mainly a capital costs⁷ commitment | |
|---|--|
| Type of work, size and capacity: | |
| Proposed start and completion date of work: | |
| Intended construction schedule/cashflow: | |
| Offsetting expenditure savings: | |
| Associated asset sell off (if any): | |
| On-going maintenance, depreciation and operational expenses: | |
| Third party funding involvement: | |

Checklist for key assumptions (please be comprehensive and include all relevant assumptions).

Assumptions could include, but are not limited to, questions such as:

- What is the expected community impact?
- How many people will be affected by the policy?
- What is the likely take up or other behavioural response you expect?
- Is there a cap on total spending proposed, a funding formula, resource agreement or other mechanism of this nature associated with the policy?
- Will third parties have a role in funding or delivering the policy (e.g. Commonwealth Government)?
- Will funding/program cost require indexation?
 - If yes, do you have any assumptions about the index that should be applied?
- What assumptions have you made about costs of administering the policy?
 - For example, will additional staff be needed in the agency responsible for the policy?
 - If you have assumptions on this, how many and at what approximate levels?
 - Are there other administrative resources required?
 - Alternatively, are you assuming administrative costs will be absorbed within the agency?

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 requester. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requester in advance of the costing being completed.
- Where the details of the policy costing request differ from the announced policy, the costing will be on the basis of the information provided in the costing request.

⁷ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance. The capital cost of the asset to be acquired will however be included in net financial liabilities.

- These guidelines are intended to facilitate requests for costing election policies. Persons preparing such requests who wish further assistance are invited to contact the staff of the Parliamentary Budget Office.
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Mike Baird's long term plan for NSW

A re-elected Baird Government will support victims of crime



The Baird Government is committed to helping victims of crime receive the support and care they need.

In 2013 the NSW Liberals & Nationals reformed the Victims Compensation Scheme to ensure victims got the support they needed within 30 days, rather than having to wait 31 months under the old scheme.

The 2013 scheme has ensured that all victims have access to far quicker counselling and payment of expenses, including medical bills, than was previously the case under the former Labor government.

The Government's changes have worked well for the majority of victims but there is a group whose expectations under the former scheme were not realised.

We have listened to these concerns raised by victims, and victims' groups, about the transition from the old scheme to the new scheme.

A re-elected Baird Government will make changes so that victims who suffered crimes prior to the 2013 legislative changes and had lodged claims under the old scheme will be able to apply for funds under the provisions of the former scheme as if no changes had been made.

These changes are possible as a result of our strong financial management over the past four years, meaning we have the Budget flexibility to fund those changes.

Back The Baird Plan and keep NSW working.

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