

2024 Election Commitment – Canberra Liberals

Name of Commitment:	Housing – Strata and Building Quality Commissioner	Reference Number: LIB077
Request Submitted by:	Elizabeth Lee MLA, Canberra Liberals	
Date Request Received:	11-Oct-24	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	TOTAL \$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a)(b)}	0.0	-330.8	-339.5	-347.8	-1,018.1
- Employee Expenses	0.0	-330.8	-339.5	-347.8	-1,018.1
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	-330.8	-339.5	-347.8	-1,018.1
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	-330.8	-339.5	-347.8	-1,018.1
(a) A negative number indicates a decrease in revenue or an increase in expenses.					
(b) Excludes depreciation					

Other Information
Costing Methodology Used: - Costing Technique: This costing is to establish a Strata and Building Quality Commissioner to create a single point of contact for issues relating to strata living and building quality, with one full-time equivalent position at the Senior Executive Service 2.1 classification. The role is based on the Commissioner for Sustainability and the Environment, and salary costs have been calculated using the 2024-25 Average Salary Costing Template.
- Proposal Parameters: - The costing has used a workers' compensation rate of 1.77 per cent. - The costing assumes that any staff required to support the Commissioner would be seconded from the Environment, Planning and Sustainable Development Directorate (EPSDD). - The costing also assumes that any other administrative expenses would be absorbed by EPSDD.

Caveats or qualifications to the costing:

- Treasury notes the expense profile would be subject to the recruitment of suitably qualified staff and their start date.
- Treasury notes the scope of the role, its policy remit and responsibilities are unclear, and further information would be required to assess the staffing requirements across EPSDD and Access Canberra, including potential changes to Administrative Arrangements.
- Treasury notes Access Canberra currently has regulatory responsibility for building and construction regulation with 114 full-time equivalents.
- Subject to clarification of the role's scope and responsibilities, Treasury considers it is likely that EPSDD and Access Canberra would have to reduce or cease existing services to support associated administrative and staffing costs.

Other Comments:

Treasury notes the NSW Government allocated \$24 million to set up the NSW Building Commission in 2019, which is its regulator for residential buildings. Should the proposal be similar to, or based on, the NSW model, the resourcing implications will need to be carefully considered for EPSDD and Access Canberra.

- Statistical Data Used:

Treasury estimates.



Stuart Hocking PSM
Under Treasurer
16 October 2024