

Responses to Questions on Notice or further information agreed to be supplied at the hearings

Witness	Nicole RICH
Committee member	Richard RIORDAN
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Question

What amount of money does the Residential Bonds Investment Income Account have access to?

Richard RIORDAN: Thank you, Chair. And good afternoon, Minister. This is the middle of your maiden voyage. Minister, the rental bond scheme has been probably a welcome addition to the rental landscape, I accept, but there seem to be quite a few outstanding questions with it. I refer, Minister, to: where within the 2026–27 budget papers is funding for the portable rental bond scheme reflected?

Paul EDBROOKE: Thank you for the question, Mr Riordan. It is not, because it is funded by one of the seven trusts in the Department of Government Services.

Richard RIORDAN: So what is one of the seven trusts?

Paul EDBROOKE: Just give me one second, I will tell you how much.

Richard RIORDAN: And how much funding does that have access to?

Paul EDBROOKE: Just give me one second, Mr Riordan. I want to give you an accurate answer.

Richard RIORDAN: Does the Secretary have the answer?

Paul EDBROOKE: We can take that on notice and give you the information that we have.

Richard RIORDAN: Take it on notice. Okay. So if we can have it on notice, please – or you have now found it? What is the name of the trust and what amount of money does it have access to?

Paul EDBROOKE: I will get you the name of the trust, Mr Riordan, but the ongoing costs of administering the scheme are estimated to be an average of approximately \$2.9 million per year over the first 10 years of the scheme. And the trust name?

Nicole RICH: Once the legislation takes effect, the relevant trust fund is the residential bonds income investment account, so it is one of the two statutory accounts.

Richard RIORDAN: What level of free cash does that have available? The reason I ask that question is because essentially the guaranteeing of the bond is in fact that it is a guarantee – it is the money. If it is a \$2000 bond, it is passed on to the next tenancy, and for any claims that the landlord may have had against it, this trust covers that, doesn't it?

Lisa GANDOLFO: I can speak to that, Minister, if you like. Recently there was a regulatory impact statement that was circulated about the fees that would apply to the scheme, so it has been tested with the Victorian public. The fees for the scheme make it cost recoverable up to a certain point, and then any further amounts will be covered by the trust account.

Answer:

This information is publicly available in the annual report.