

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

ENTITY RESOURCES AND PLANNED PERFORMANCE

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INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Independent Parliamentary Expenses Authority (IPEA) was established by the *Independent Parliamentary Expenses Authority Act 2017* (IPEA Act).

As an organisation, IPEA strives to deliver its primary functions as set out in the IPEA Act. These functions include:

- providing personal advice to members of parliament (parliamentarians) and persons employed under the *Members of Parliament (Staff) Act 1984* (MOP(S) staff) on travel expenses, allowances and related expenses;
- monitoring parliamentarians and MOP(S) staff regarding travel expenses, allowances and related expenses;
- administering travel expenses, allowances and related expenses, including processing of these claims;
- publicly reporting on work expenses under the applicable framework; and
- auditing work expense claims.

Consistent with its primary functions, IPEA's activities seek to provide:

- clear advice to parliamentarians and MOP(S) staff on travel and work related expenses to help support them in their respective roles; and
- independent oversight of the work expenses accessed by current and former parliamentarians and MOP(S) staff through IPEA's reporting and auditing activities.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to IPEA for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special appropriations, please refer to *Budget Paper No. 4 - Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Independent Parliamentary Expenses Authority resource statement — Budget estimates for 2018-19 as at Budget May 2018

	2017-18 <i>Estimated actual</i> \$'000	2018-19 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Departmental appropriation	10,142	9,981
Total departmental annual appropriations	10,142	9,981
Total departmental resourcing	10,142	9,981
Administered		
Annual appropriations - ordinary annual services (a)		
Outcome 1	34,543	35,111
Total administered annual appropriations	34,543	35,111
Total administered special appropriations (b)	30,974	31,728
Total administered resourcing	65,517	66,839
Total resourcing for Independent Parliamentary Expenses Authority	75,659	76,820
	2017-18	2018-19
Average staffing level (number)	66	65

Prepared on a resourcing (i.e. appropriations available) basis.

Note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2018-19.

(b) For further information on special appropriations, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations and special appropriations.

1.3 BUDGET MEASURES

No Budget measures have been announced since the 2017-18 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact IPEA.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports - to provide an entity's complete performance story.

The most recent corporate plan for Independent Parliamentary Expenses Authority can be found at: https://www.ipea.gov.au/corporate_plan/index.html.

The most recent annual performance statement can be found at: <https://www.ipea.gov.au/annual-reports/2016-2017/report>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.

Linked programs

Department of Finance

Programs

- Program 3.1 – Ministerial and Parliamentary Services

Contribution to Outcome 1 made by linked programs

IPEA administers and advises on travel related work expenses and provides independent oversight of the work expenses administered by the Department of Finance for current and former parliamentarians and their staff.

Budgeted expenses for Outcome 1

This table shows how much IPEA intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000
Program 1.1: Independent Parliamentary Expenses Authority – Travel Oversight and Reporting					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)					
Members of Parliamentary Staff Travel Costs	34,543	35,111	35,617	36,201	36,745
Special appropriations					
<i>Parliamentary Business Resources Act 2017</i>	13,979	30,734	35,583	31,985	32,960
<i>Parliamentary Entitlements Act 1990</i>	16,800	500	250	125	50
<i>Parliamentary Retirement Travel Act 2002</i>	195	494	543	593	602
Administered total	65,517	66,839	71,993	68,904	70,357
Departmental expenses					
Departmental appropriation	10,142	9,981	10,065	8,737	8,775
Departmental total	10,142	9,981	10,065	8,737	8,775
Total expenses for program 1.1	75,659	76,820	82,058	77,641	79,132
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	34,543	35,111	35,617	36,201	36,745
Special appropriations	30,974	31,728	36,376	32,703	33,612
Administered total	65,517	66,839	71,993	68,904	70,357
Departmental expenses					
Departmental appropriation	10,142	9,981	10,065	8,737	8,775
Departmental total	10,142	9,981	10,065	8,737	8,775
Total expenses for Outcome 1	75,659	76,820	82,058	77,641	79,132
	2017-18	2018-19			
Average staffing level (number)	66	65			

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Table 2.1.2: Performance Criteria for Outcome 1

Table 2.1.2 below details the current performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2018-19 Budget measures have created new programs or materially changed existing programs.

Outcome 1 - Support for current and former parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources.		
Program 1.1 – Independent Parliamentary Expenses Authority – Travel Oversight and Reporting IPEA provides services to parliamentarians and their staff and publicly reports on their expenditure.		
Delivery	IPEA's objective is to administer and advise on travel related work expenses and provide independent oversight of the work expenses provided to current and former parliamentarians and their staff through its reporting and auditing activities.	
Performance information: Program 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance criteria (a)	Targets
2017-18	Services to Ministers, Office-holders, Senators, Members and their staff meet agreed service standards.	<p>On target -</p> <ul style="list-style-type: none"> • 95% of client contacts acknowledged within 24 hours and responded to within agreed timeframes. • 95% of payments will be made within agreed timeframes. • 100% of Monthly Management Reports are being distributed by the 15th of each month. • 100% of parliamentary expenditure reports will be compiled and published within agreed timeframes. • 100% of audits of individual parliamentarian's expenses are being completed within agreed timeframes.
2018-19	<p><u>Travel and Advice</u></p> <ul style="list-style-type: none"> • Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. • Accurate and timely processing of claims for travel expenses and allowances. <p><u>Reporting</u></p> <ul style="list-style-type: none"> • Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p><u>Audit and Assurance</u></p> <ul style="list-style-type: none"> • Auditing the work resources of parliamentarians and the travel for MOP(S) staff. 	<ul style="list-style-type: none"> • 95% of client contacts acknowledged within 24 hours and responded to within agreed timeframes. • 95% of payments will be made within agreed timeframes. • 100% of reports on parliamentary expenditure are compiled and published within agreed timeframes. • 100% of audits of individual parliamentarian's expenses are being completed within agreed timeframes.

Table continues on next page

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 - Independent Parliamentary Expenses Authority – Travel Oversight and Reporting		
Year	Performance Criteria	Targets
2019-20 and beyond	<p><u>Travel and Advice</u></p> <ul style="list-style-type: none"> • Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. • Accurate and timely processing of claims for travel expenses and allowances. <p><u>Reporting</u></p> <ul style="list-style-type: none"> • Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff. <p><u>Audit and Assurance</u></p> <ul style="list-style-type: none"> • Auditing the work resources of parliamentarians and the travel resources of MOP(S) staff. 	<ul style="list-style-type: none"> • 95% of client contacts acknowledged within 24 hours and responded to within agreed service level standards. • 95% of payments will be made within agreed service level standards. • 100% of reports on parliamentary expenditure are compiled and published within agreed service level standards. • 100% of audits of individual Parliamentarian's expenses are being completed within agreed service level standards.
Purpose	Provide independent monitoring, auditing and reporting of the work resources accessed by current and former parliamentarians and MOP(S) staff. Deliver services relating to the administration of travel expenses, allowances and related expenses including advice on and processing of, these claims.	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

No material differences exist between entity resourcing and the financial statements.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Comprehensive Income Statement - Departmental

IPEA is budgeting a break even result for 2018-19 and across the forward estimates. The decrease in revenue from government and expenses in 2020-21 and beyond primarily reflects the effect of the Parliamentary Expenses Management System (PEMS) measure that was published in the Portfolio Additional Estimates Statements 2017-18 (PAES).

Schedule of budgeted income and expenses - Administered

The administered supplier expenses reflect estimated work and travel expenses for current and former parliamentarians and MOP(S) staff. There has been no significant changes to administered expenses from the amounts published in the PAES.

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000
EXPENSES					
Employee benefits	7,196	7,071	7,156	5,811	5,949
Suppliers	2,946	2,910	2,909	2,926	2,826
Total expenses	10,142	9,981	10,065	8,737	8,775
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Total own-source income	-	-	-	-	-
Net (cost of)/contribution by services	(10,142)	(9,981)	(10,065)	(8,737)	(8,775)
Revenue from Government	10,142	9,981	10,065	8,737	8,775
Surplus/(deficit) attributable to the Australian Government	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	1,123	1,123	1,123	1,123	1,123
Total financial assets	1,123	1,123	1,123	1,123	1,123
Total assets	1,123	1,123	1,123	1,123	1,123
LIABILITIES					
Provisions					
Employee provisions	1,123	1,123	1,123	1,123	1,123
Total provisions	1,123	1,123	1,123	1,123	1,123
Total liabilities	1,123	1,123	1,123	1,123	1,123
Net assets	-	-	-	-	-
EQUITY*					
Retained surplus (accumulated deficit)	-	-	-	-	-
Total equity	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

*Equity is the residual interest in assets after deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2018-19)

IPEA does not have any changes in equity.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	10,142	9,981	10,065	8,737	8,775
Total cash received	10,142	9,981	10,065	8,737	8,775
Cash used					
Employees	7,196	7,071	7,156	5,811	5,949
Suppliers	2,946	2,910	2,909	2,926	2,826
Total cash used	10,142	9,981	10,065	8,737	8,775
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

IPEA does not have any budgeted capital expenditure on behalf of the Government.

Table 3.6: Statement of asset movements (Budget year 2018-19)

IPEA does not have any budgeted non-financial assets on behalf of the Government.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Suppliers	65,517	66,839	71,993	68,904	70,357
Total expenses administered on behalf of Government	65,517	66,839	71,993	68,904	70,357
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Total own-source revenue administered on behalf of Government	-	-	-	-	-
Net (cost of)/contribution by services	(65,517)	(66,839)	(71,993)	(68,904)	(70,357)
Total comprehensive income/(loss)	(65,517)	(66,839)	(71,993)	(68,904)	(70,357)

Prepared on Australian Accounting Standards basis.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	108	108	108	108	108
Total financial assets	108	108	108	108	108
Total assets administered on behalf of Government	108	108	108	108	108
LIABILITIES					
Payables					
Suppliers	3,945	3,945	3,945	3,945	3,945
Total payables	3,945	3,945	3,945	3,945	3,945
Provisions					
Other provisions	3,619	3,619	3,619	3,619	3,619
Total provisions	3,619	3,619	3,619	3,619	3,619
Total liabilities administered on behalf of Government	7,564	7,564	7,564	7,564	7,564
Net assets/(liabilities)	(7,456)	(7,456)	(7,456)	(7,456)	(7,456)

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
<i>Total cash received</i>	-	-	-	-	-
Cash used					
Suppliers	65,517	66,839	71,993	68,904	70,357
<i>Total cash used</i>	65,517	66,839	71,993	68,904	70,357
Net cash from/(used by) operating activities	(65,517)	(66,839)	(71,993)	(68,904)	(70,357)
Net increase/(decrease) in cash held	(65,517)	(66,839)	(71,993)	(68,904)	(70,357)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	65,517	66,839	71,993	68,904	70,357
<i>Total cash from Official Public Account</i>	65,517	66,839	71,993	68,904	70,357
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.10: Administered capital budget statement (for the period ended 30 June)

IPEA has no budgeted capital administered on behalf of Government.

Table 3.11: Statement of administered asset movements (Budget year 2018-19)

IPEA has no budgeted non-financial assets administered on behalf of the Government.