

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

ENTITY RESOURCES AND PLANNED PERFORMANCE

INDEPENDENT PARLIAMENTARY EXPENSES AUTHORITY

SECTION 1: ENTITY OVERVIEW AND RESOURCES	135
1.1 Strategic direction statement	135
1.2 Entity resource statement	136
1.3 Budget measures.....	137
SECTION 2: OUTCOMES AND PLANNED PERFORMANCE	137
2.1 Budgeted expenses and performance for Outcome 1	138
SECTION 3: BUDGETED FINANCIAL STATEMENTS.....	142
3.1 Budgeted financial statements.....	142
3.2 Budgeted financial statements tables	143

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 established by the IPEA Act, which relate to advice, reporting and audit. 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 IPEA's operations) classification.

For more detailed information on special accounts and 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. 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 2019-20 as at Budget April 2019

	2018-19 (a) Estimated actual \$'000	2019-20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	4,062	4,062
Departmental appropriation (c)	9,981	10,095
Total departmental annual appropriations	14,043	14,157
Total departmental resourcing	14,043	14,157
Administered		
Annual appropriations - ordinary annual services (b)		
Prior year appropriations available	1,911	1,911
Outcome 1	35,111	35,727
Total administered annual appropriations	37,022	37,638
Total administered special appropriations	35,983	32,246
Total administered resourcing	73,005	69,884
Total resourcing for entity Independent Parliamentary Expenses Authority	87,048	84,041
	2018-19	2019-20
Average staffing level (number)	65	59

Prepared on a resourcing (that is, appropriations available) basis.

(a) Annual appropriation amounts appearing for 2018-19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018-2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019-20.

(c) Excludes departmental capital budget (DCB).

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

1.3 BUDGET MEASURES

No Budget measures have been announced since the 2018-19 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 IPEA can be found at:
<https://www.ipea.gov.au/home/publications-fact-sheets>.

The most recent annual performance statement can be found at:
<https://www.ipea.gov.au/home/publications-fact-sheets>.

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 <ul style="list-style-type: none">• Program 3.1 - Ministerial and Parliamentary Services
Contribution to Outcome 1 made by linked programs <p>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.</p>

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.

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
Program 1.1: Independent Parliamentary Expense Authority - Travel Oversight and Reporting					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1) Members of Parliament Staff Travel Costs	35,203	35,727	36,346	36,927	37,519
Special appropriations <i>Parliamentary Business Resources Act 2017 Parliamentary Retirement Travel Act 2002</i>	35,489	31,703	32,208	37,342	33,671
	494	543	593	603	612
Administered total	71,186	67,973	69,147	74,872	71,802
Departmental expenses					
Departmental appropriation	10,021	10,095	8,768	8,815	8,875
Departmental total	10,021	10,095	8,768	8,815	8,875
Total expenses for program 1.1	81,207	78,068	77,915	83,687	80,677
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	35,203	35,727	36,346	36,927	37,519
Special appropriations	35,983	32,246	32,801	37,945	34,283
Administered total	71,186	67,973	69,147	74,872	71,802
Departmental expenses					
Departmental appropriation	10,021	10,095	8,768	8,815	8,875
Departmental total	10,021	10,095	8,768	8,815	8,875
Total expenses for Outcome 1	81,207	78,068	77,915	83,687	80,677
	2018-19	2019-20			
Average staffing level (number)	65	59			

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 performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019-20 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	Targets
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 resources of 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 are 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.
2019-20	<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 are 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.

Table continues on next page

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Performance information: Program 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance criteria	Targets
2020-21 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 are 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.
Purposes	<p>Provide independent monitoring, auditing and reporting of the work resources accessed by current and former parliamentarians and MOP(S) staff.</p> <p>Deliver services relating to the administration of travel expenses, allowances, and related expenses including advice on, and processing of, these claims.</p>	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of IPEA's finances for the 2019-20 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

IPEA is budgeting a break even result for 2019-20 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 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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Employee benefits	7,071	7,146	5,802	5,949	6,097
Suppliers	2,950	2,949	2,966	2,866	2,778
Total expenses	10,021	10,095	8,768	8,815	8,875
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Total own-source income	-	-	-	-	-
Net (cost of)/contribution by services	(10,021)	(10,095)	(8,768)	(8,815)	(8,875)
Revenue from Government	10,021	10,095	8,768	8,815	8,875
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)

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50	50	50	50	50
Trade and other receivables	4,073	4,073	4,073	4,073	4,073
Total financial assets	4,123	4,123	4,123	4,123	4,123
Non-financial assets					
Other non-financial assets	28	28	28	28	28
Total non-financial assets	28	28	28	28	28
Total assets	4,151	4,151	4,151	4,151	4,151
LIABILITIES					
Payables					
Suppliers	198	198	198	198	198
Other payables	60	60	60	60	60
Total payables	258	258	258	258	258
Provisions					
Employee provisions	2,009	2,009	2,009	2,009	2,009
Total provisions	2,009	2,009	2,009	2,009	2,009
Total liabilities	2,267	2,267	2,267	2,267	2,267
Net assets	1,884	1,884	1,884	1,884	1,884
EQUITY*					
Contributed equity	557	557	557	557	557
Retained surplus (accumulated deficit)	1,327	1,327	1,327	1,327	1,327
Total equity	1,884	1,884	1,884	1,884	1,884

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 2019-20)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019					
Balance carried forward from previous period	1,327	-	-	557	1,884
Adjusted opening balance	1,327	-	-	557	1,884
Comprehensive income					
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Closing balance attributable to the Australian Government	1,327	-	-	557	1,884

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	10,021	10,095	8,768	8,815	8,875
Total cash received	10,021	10,095	8,768	8,815	8,875
Cash used					
Employees	7,071	7,146	5,802	5,949	6,097
Suppliers	2,950	2,949	2,966	2,866	2,778
Total cash used	10,021	10,095	8,768	8,815	8,875
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	50	50	50	50	50
Cash and cash equivalents at the end of the reporting period	50	50	50	50	50

Prepared on Australian Accounting Standards basis.

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

The IPEA does not have any budgeted capital expenditure.

Table 3.6: Statement of asset movements (Budget year 2019-20)

The IPEA does not have any budgeted non-financial assets.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
EXPENSES					
Suppliers	71,186	67,973	69,147	74,872	71,802
Total expenses administered on behalf of Government	71,186	67,973	69,147	74,872	71,802
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net (cost of)/contribution by services	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)
Total comprehensive income/(loss)	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	1,021	1,021	1,021	1,021	1,021
Total financial assets	1,021	1,021	1,021	1,021	1,021
Total assets administered on behalf of Government	1,021	1,021	1,021	1,021	1,021
LIABILITIES					
Payables					
Suppliers	5,682	5,682	5,682	5,682	5,682
Other payables	292	292	292	292	292
Total payables	5,974	5,974	5,974	5,974	5,974
Provisions					
Other provisions	3,317	3,317	3,317	3,317	3,317
Total provisions	3,317	3,317	3,317	3,317	3,317
Total liabilities administered on behalf of Government	9,291	9,291	9,291	9,291	9,291
Net assets/(liabilities)	(8,270)	(8,270)	(8,270)	(8,270)	(8,270)

Prepared on Australian Accounting Standards basis.

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

	2018-19 Estimated actual \$'000	2019-20 Budget \$'000	2020-21 Forw ard estimate \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Suppliers	71,186	67,973	69,147	74,872	71,802
Total cash used	71,186	67,973	69,147	74,872	71,802
Net cash from/(used by) operating activities	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)
Net increase/(decrease) in cash held	(71,186)	(67,973)	(69,147)	(74,872)	(71,802)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	71,186	67,973	69,147	74,872	71,802
Total cash from Official Public Account	71,186	67,973	69,147	74,872	71,802
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)

The IPEA has no budgeted capital administered on behalf of Government.

Table 3.11: Statement of administered asset movements (Budget year 2019-20)

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

