

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 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, 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 2020-21 as at Budget October 2020

	2019-20 <i>Estimated actual</i> \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	4,221	4,221
Departmental appropriation (b)	10,095	8,746
Total departmental annual appropriations	14,316	12,967
Total departmental resourcing	14,316	12,967
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	588	588
Outcome 1	38,219	38,767
Total administered annual appropriations	38,807	39,355
Total administered special appropriations	32,246	32,736
Total administered resourcing	71,053	72,091
Total resourcing for Independent Parliamentary Expenses Authority	85,369	85,058
	2019-20	2020-21
Average staffing level (number)	53	52

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

(a) Appropriation Bill (No. 1) 2020-21.

(b) Excludes departmental capital budget (DCB).

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 2019-20 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 Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures 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 a complete picture of an entity's planned and actual performance.

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.

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 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	38,219	38,767	39,118	39,561	40,089
Special appropriations					
<i>Parliamentary Business Resources Act 2017</i>	31,703	32,144	37,048	33,275	33,741
<i>Parliamentary Retirement Travel Act 2002</i>	543	592	598	605	614
Administered total	70,465	71,503	76,764	73,441	74,444
Departmental expenses					
Departmental appropriation	10,095	8,746	8,715	8,723	8,756
Departmental total	10,095	8,746	8,715	8,723	8,756
Total expenses for program 1.1	80,560	80,249	85,479	82,164	83,200

	2019-20	2020-21
Average staffing level (number)	53	52

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 measure for Outcome 1

Table 2.1.2 below details the performance measure for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 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: 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance measure	2019-20 Actual Achievement/Targets
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 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.
2020-21	<p><u>Travel – 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. <p><u>Travel – Claims</u></p> <ul style="list-style-type: none"> Accurate and timely processing of claims for travel expenses and allowances relating parliamentarians and MOP(S) staff. <p><u>Data and 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. 	<ul style="list-style-type: none"> Advice is provided in accordance with IPEA's published service level standards, which include measurements for quality and timeliness. Claims for travel expenses and allowances are processed in accordance with IPEA's published service level standards, which include measurements for accuracy and timeliness. Reports relating to work expenses for parliamentarians and their staff are prepared and provided as per IPEA's published service level standards.

Table continues on next page

Table 2.1.2: Performance measure for Outcome 1 (continued)

Performance information: 1.1 – IPEA – Travel Oversight and Reporting		
Year	Performance measure	2019-20 Actual Achievement/Targets
2020-21 (continued)	<p>Audit and Assurance</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"> All parliamentarians' offices are subject to one or more forms of assurance activities during the financial year in accordance with IPEA's published service level standards.
2021-22 and beyond	<p>Travel — Advice</p> <ul style="list-style-type: none"> Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses. <p>Travel — Claims</p> <ul style="list-style-type: none"> Accurate and timely processing of claims for travel expenses and allowances relating parliamentarians and MOP(S) staff. <p>Data and Reporting</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>Audit and Assurance</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"> Advice is provided in accordance with IPEA's published service level standards, which include measurements for quality and timeliness. Claims for travel expenses and allowances are processed in accordance with IPEA's published service level standards, which include measurements for accuracy and timeliness. Reports relating to work expenses for parliamentarians and their staff are prepared and provided as per IPEA's published service level standards. All parliamentarians' offices are subject to one or more forms of assurance activities during the financial year in accordance with IPEA's published 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 entity finances for the 2020-21 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

Departmental

IPEA is budgeting a break-even result for 2020-21 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).

Administered

In the schedule of budgeted income and expenses, the administered supplier expenses reflect estimated work and travel expenses for current and former parliamentarians and MOP(S) staff.

3.2. Budgeted financial statements tables

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Employee benefits	7,146	5,802	5,949	6,106	6,255
Suppliers	2,949	2,944	2,766	2,617	2,501
Total expenses	10,095	8,746	8,715	8,723	8,756
LESS:					
OWN-SOURCE INCOME					
Own-source revenue	-	-	-	-	-
Total own-source income	-	-	-	-	-
Net (cost of)/contribution by services	(10,095)	(8,746)	(8,715)	(8,723)	(8,756)
Revenue from Government	10,095	8,746	8,715	8,723	8,756
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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50	50	50	50	50
Trade and other receivables	4,388	4,388	4,388	4,388	4,388
Total financial assets	4,438	4,438	4,438	4,438	4,438
Non-financial assets					
Other non-financial assets	8	8	8	8	8
Total non-financial assets	8	8	8	8	8
Total assets	4,446	4,446	4,446	4,446	4,446
LIABILITIES					
Payables					
Suppliers	229	229	229	229	229
Other payables	48	48	48	48	48
Total payables	277	277	277	277	277
Provisions					
Employee provisions	2,254	2,254	2,254	2,254	2,254
Total provisions	2,254	2,254	2,254	2,254	2,254
Total liabilities	2,531	2,531	2,531	2,531	2,531
Net assets	1,915	1,915	1,915	1,915	1,915
EQUITY*					
Contributed equity	539	539	539	539	539
Reserves	-	-	-	-	-
Retained surplus (accumulated deficit)	1,376	1,376	1,376	1,376	1,376
Total equity	1,915	1,915	1,915	1,915	1,915

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 2020-21)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2020					
Balance carried forward from previous period	1,376	-	-	539	1,915
Adjusted opening balance	1,376	-	-	539	1,915
Comprehensive income					
Surplus/(deficit) for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Closing balance attributable to the Australian Government	1,376	-	-	539	1,915

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	10,095	8,746	8,715	8,723	8,756
Total cash received	10,095	8,746	8,715	8,723	8,756
Cash used					
Employees	7,146	5,802	5,949	6,106	6,255
Suppliers	2,949	2,944	2,766	2,617	2,501
Total cash used	10,095	8,746	8,715	8,723	8,756
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)

IPEA does not have any budgeted capital expenditure.

Table 3.6: Statement of asset movements (Budget year 2020-21)

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)

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
EXPENSES					
Suppliers	70,465	71,503	76,764	73,441	74,444
Total expenses administered on behalf of Government	70,465	71,503	76,764	73,441	74,444
LESS:					
OWN-SOURCE INCOME					
Own-source revenue	-	-	-	-	-
Total own-sourced income administered on behalf of Government	-	-	-	-	-
Net (cost of)/contribution by services	(70,465)	(71,503)	(76,764)	(73,441)	(74,444)
Total comprehensive income/(loss)	(70,465)	(71,503)	(76,764)	(73,441)	(74,444)

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	10	10	10	10	10
Taxation receivables	260	260	260	260	260
Total financial assets	270	270	270	270	270
Total assets administered on behalf of Government	270	270	270	270	270
LIABILITIES					
Payables					
Suppliers	1,413	1,413	1,413	1,413	1,413
Other payables	449	449	449	449	449
Total payables	1,862	1,862	1,862	1,862	1,862
Provisions					
Other provisions	4,090	4,090	4,090	4,090	4,090
Total provisions	4,090	4,090	4,090	4,090	4,090
Total liabilities administered on behalf of Government	5,952	5,952	5,952	5,952	5,952
Net assets/(liabilities)	(5,682)	(5,682)	(5,682)	(5,682)	(5,682)

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forw ard estimate \$'000	2022-23 Forw ard estimate \$'000	2023-24 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Suppliers	70,465	71,503	76,764	73,441	74,444
Total cash used	70,465	71,503	76,764	73,441	74,444
Net cash from/(used by) operating activities	(70,465)	(71,503)	(76,764)	(73,441)	(74,444)
Net increase/(decrease) in cash held	(70,465)	(71,503)	(76,764)	(73,441)	(74,444)
Cash and cash equivalents at beginning of reporting period	10	10	10	10	10
Cash from Official Public Account for:					
- Appropriations	70,465	71,503	76,764	73,441	74,444
Total cash from Official Public Account	70,465	71,503	76,764	73,441	74,444
Cash and cash equivalents at end of reporting period	10	10	10	10	10

Prepared on Australian Accounting Standards basis.

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

IPEA has no budgeted capital expenditure on behalf of Government.

Table 3.11: Statement of administered asset movements (Budget year 2020-21)

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