Portfolio Budget Statements 2022–23

Budget Related Paper No. 1.5

**Finance Portfolio**

Budget Initiatives and Explanations of

Appropriations Specified by Outcomes

and Programs by Entity

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**Senator the Hon Simon Birmingham**

Minister for Finance

Leader of the Government in the Senate

Senator for South Australia

Senator the Hon Slade Brockman

President of the Senate

Australian Senate

Parliament House

CANBERRA ACT 2600

The Hon Andrew Wallace MP

Speaker

House of Representatives

Parliament House

CANBERRA ACT 2600

Dear Mr President and Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2022-23 Budget for the Finance Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

**Simon Birmingham**

 March 2022

Abbreviations and conventions

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

na not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Chief Finance Officer, Department of Finance on (02) 6215 2222.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: [www.budget.gov.au](http://www.budget.gov.au).

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User Guide
to the
Portfolio Budget Statements

# User guide

The purpose of the *2022-23 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2022-23 (or Appropriation (Parliamentary Departments) Bill *(*No. 1) 2022-23 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Commonwealth Performance Framework

The following diagram outlines the key components of the Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and planned performance.

**Commonwealth Performance Framework**Key components of relevant publications

Portfolio Budget Statements (March)
*Portfolio based*

Corporate Plan
(August)
*Entity based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs**
undertaken by other Commonwealth
entities.

Provides high level performance
information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective
performance information for proposed new budget measures that require **a new program** or **significantly change an existing program**.

**Primary planning document** of a
Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion
of **risk**.

Explains how the entity’s **performance** will be **measured** and **assessed**.

Annual Performance Statement (October following year) *Entity based*

Included in the Commonwealth entity’s Annual Report. Focuses on **recent
performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity’s
performance results**.

Portfolio Overview

# Finance Portfolio overview

Minister(s) and portfolio responsibilities

The Minister for Finance has overall responsibility for the Finance portfolio, and particular responsibility for the following:

* Budget policy advice and process, and review of government programs.
* Government financial accountability, governance and financial management frameworks, including grants and procurement policy and services.
* Shareholder advice on Government Business Enterprises (GBEs) and commercial entities treated as GBEs.
* The Lands Acquisition Act review and reforms.
* Policy for, and management of, act of grace requests and waiver of debts owed to the Commonwealth.
* Policy for Comcover, the government’s self-managed insurance fund, and risk policy.
* General policy guidelines for Commonwealth statutory authorities.
* Superannuation arrangements for Australian Government civilian employees and parliamentarians, and retirement benefits for Governors-General, Federal Judges and Federal Court Judges.
* Asset sales.
* Policy advice on the Future Fund and Australian Government Investment Funds, and authorisation of payments from Australian Government Investment Funds to entities.

The Special Minister of State has particular responsibility for the following:

* *Parliamentary Business Resources Act 2017* expenses framework.
* *Members of Parliament (Staff) Act 1984* employment framework (shared with the Prime Minister).
* Electoral policy.
* Electoral matters (supported by the Australian Electoral Commission (AEC)).
* Government campaign advertising.
* Whole-of-Australian-Government (WoAG) property policy and administration, including non-Defence owned property (but excluding Lands Acquisition Act reform).
* Administration and operational matters for Comcover, the government’s self-managed insurance fund.

For information on resourcing across the portfolio, please refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

Figure 1: Finance portfolio structure and outcomes

|  |
| --- |
| **Minister for Finance**Senator the Hon Simon Birmingham |
|  |  |
| **Special Minister of State** The Hon Ben Morton MP |
|  |  |
| **Department of Finance**Portfolio Secretary: Rosemary Huxtable PSMOutcome 1: Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entitiestomaintain effective and efficient use of public resources.Outcome 2: Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice, and service delivery.Outcome 3: Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs. |
|  |  |
| **Australian Electoral Commission**Electoral Commissioner: Tom RogersOutcome 1: Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs. |
|  |  |
| **Commonwealth Superannuation Corporation**Chair: Garry HounsellOutcome 1: Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes. |
|  |  |
| **Future Fund Management Agency**Chair: Hon Peter Costello ACOutcome 1: Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government Investment Funds in line with their Investment Mandates**.** |
|  |  |
| **Independent Parliamentary Expenses Authority**CEO: Annwyn GodwinOutcome 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. |
|  |  |
| **ASC Pty Ltd**Chair: Bruce CarterPurpose: The objectives of the company, as set out in the Government’s Statement of Expectation to ASC are:* to enhance and maintain the Australian Defence Force’s maritime capabilities
* support Australian Government policies in relation to the Australian naval shipbuilding and repair industry
* continue to be Australia’s source of sovereign submarine industrial expertise and a key contributor to the broader naval shipbuilding enterprise.
 |
|  |  |
| **Australian Naval Infrastructure Pty Ltd**Chair: Lucio Di BartolomeoPurpose: The objective of the company, as set out in its constitution, is to support the Commonwealth’s continuous naval shipbuilding program through:* acquiring, holding, managing and developing the infrastructure, and related facilities used in connection with this program
* efficiently and effectively managing this infrastructure (including providing access) in a manner that ensures an integrated and co-ordinated approach to the delivery of all elements of this program.
 |

Entity resources and
planned performance

Department of Finance

Entity resources and planned performance

Department of Finance

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# Department of Finance

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Department of Finance (Finance) assists the Australian Government to achieve its fiscal and policy objectives by advising on expenditure, managing sustainable public sector resourcing, driving public sector transformation and delivering efficient, cost-effective services to, and for, government.

***Outcome 1*** *Support sustainable Australian Government finances through providing high-quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources.*

To achieve Outcome 1, Finance:

* assists the Government to develop and deliver its fiscal and economic policies by producing the Budget and the government’s financial statements
* contributes to the Government’s reform agenda by seeking to improve the effectiveness of government spending.

***Outcome 2*** *Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery.*

To achieve Outcome 2, Finance:

* contributes to, and fosters, leading practice in public sector governance and accountability, encompassing the public resource management framework, procurement and grants policies and the oversight of GBEs and other commercial entities;
* develops and administers key government policies in relation to Commonwealth land, public works and property management and advertising to ensure leading practice and ongoing improvement in the public sector management of government resources;
* delivers professional services in respect of the government’s non-Defence property portfolio within Australia (including major capital works projects), risk management and insurance arrangements (Comcover), WoAG purchasing arrangements (such as travel, office equipment, stationery) to ensure the efficient and effective management of government resources and certain corporate functions delivered by the Service Delivery Office (SDO); and
* advises on the Government’s Investment Funds and administers superannuation arrangements for the Government’s civilian employees, politicians and judges to support the efficient and effective management of government resources.

***Outcome 3*** *Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs.*

To achieve Outcome 3, Finance provides advice and services to Ministers, Office‑holders, Senators, Members, their staff and others as required by the government.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity 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 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: Department of Finance resource statement — Budget estimates for 2022-23 as at Budget March 2022



Table continues on next page

Table 1.1: Department of Finance resource statement — Budget estimates for 2022-23 as at Budget March 2022 (continued)



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

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

1. Appropriation Bill (No. 1) 2022-23.
2. Represents estimated unspent appropriations available from 2020-21.
3. Excludes departmental capital budget (DCB) but includes $15.1 million of Appropriation Bill (No.3) 2021‑22.
4. Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
5. Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
6. Appropriation Bill (No. 2) 2022-23.
7. For further information on special appropriations and special accounts, please refer to *Budget Paper No.4 - Agency Resourcing*. Please also refer to Table 2.1.1, 2.2.1 and 2.3.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
8. Amounts credited to the special account(s) from Finance’s annual and special appropriations.
9. Administered capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.10 for further details. For accounting purposes, this amount is designated as a 'contribution by owner'.

Table 1.1: Department of Finance resource statement — Budget estimates for 2022-23 as at Budget March 2022 (continued)

Third party payments from and on behalf of other entities



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

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

1. Compensation and legal payments.
2. Act of grace payments.

### 1.3 Budget measures

Budget measures in Part 1 relating to Finance are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Finance 2022-23 Budget measures

**Part 1: Measures announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO)**



Prepared on a Government Financial Statistics (Underlying Cash) basis. Figures displayed as a negative (-)

represent a decrease in funds and a positive (+) represent an increase in funds.

1. The lead entity for measure titled *Australian Export and Trade Support* is the Department of Foreign Affairs and Trade. The full measure description and package details appear in Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.
2. The lead entity for measure titled *Digital Economy Strategy* is the Digital Transformation Agency. The full measure description and package details appear in Budget Paper No. 2 under the Prime Minister and Cabinet portfolio.
3. The lead entity for measure titled *Health Delivery Modernisation Program – phase three* is the Services Australia. The full measure description and package details appear in Budget Paper No. 2 under the Social Services portfolio.
4. The lead entity for measure titled *Large Vessel Infrastructure and Submarine Basing* is the Department of Defence. The full measure description and package details appear in Budget Paper No.2 under the Defence portfolio.
5. The lead entity for measure titled *Support for the Australian Space Industry* is the Department of Industry, Science, Energy and Resources. The full measure description and package details appear in Budget Paper No.2 under the Industry, Science, Energy and Resources portfolio. The financials are not for publication due to commercial sensitivities.

## 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 thePGPA Act. It is anticipated that the performance measure 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 Finance can be found at: https://www.finance.gov.au/publications/corporate-plan/corporate-plan-2021-22.The most recent annual performance statement can be found at: https://www.finance.gov.au/publications/annual-report/annual-report-2020-21 and https://www.transparency.gov.au/annual‑reports/department‑finance/reporting-year/2020-21. |

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Support sustainable Australian Government finances through providing high quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources. |

##### Budgeted expenses for Outcome 1

This table shows how much the entity 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**



1. Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and
estimated receipts retained under section 74 of the PGPA Act.
2. Expenses not requiring appropriation in the Budget year is made up of depreciation expenses and amortisation expenses.

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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome 1 –** Support sustainable Australian Government finances through providing high-quality policy advice and operational support to the Government and Commonwealth entities to maintain effective and efficient use of public resources. |
| --- |
| **Program 1.1 – Budget and Financial Management** This program contributes to the outcome through advising the Finance Minister and Expenditure Review Committee (ERC) on fiscal and economic policies and related matters; supporting the Finance Minister in meeting financial reporting responsibilities; and supporting the delivery of the Budget. |
| **Key Activities** | **Deliver Budget updates, appropriation bills and financial statements**Coordinate, prepare and advise the Minister for Finance and the Expenditure Review Committee of Cabinet on the delivery of the Budget and related economic updates, including appropriations legislation and the Government’s financial statements, to contribute to promoting the Government’s fiscal strategy and policy objectives. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Budget updates and Appropriation Bills**Budget papers, related updates (e.g. the MYEFO) and Appropriation Bills are accurate, consistent with external reporting standards, delivered within required timeframes and meet the Government’s fiscal and policy objectives and legislative obligations. | **On Track**Budget and related papers meet timeframes:* The 2020-21 Final Budget Outcome was released on 30 September 2021.
* The 2021-22 MYEFO was released 16 December 2021.
* The 2022‑23 Budget is on track for delivery in accordance with the requirements of the *Charter of Budget Honesty* (the Charter).
* Detailed planning is on track to support the delivery of a Pre-election Economic and Fiscal Outlook, as specified by the Charter.

Accuracy of Budget Estimates: Through each economic update, Budget and Financial Reporting Group works with entities to ensure expense estimates take into account the best available information at the time of the update. Other activities such as the scrutiny and agreement of costs for expense, capital and non‑taxation revenue policy proposals and the Material Estimates Variations process further support the accuracy of expense estimates. |

Table continues on next page

Table 2.1.2: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Performance information: Program 1.1 – Budget and Financial Management**  |
| Current year 2021-22 (continued) |  | Timeliness of Appropriation Bills:* The 2021-22 Budget Appropriation Bills were introduced in the House of Representatives on 11 May 2021, in line with the timing of the 2021‑22 Budget.
* The Appropriation (Coronavirus Response) 2021‑22 Bills were introduced to Parliament on 9 February 2022.
* The Additional Estimates Bills for 2021-22 were introduced to Parliament on 10 February 2022.
 |
|  | **Financial statements**The Government’s financial statements, including monthly statements, are complete, fairly presented and released publicly on timeframes agreed with the Government.  | **On Track**The 2021-22 monthly financial statements have been provided to the Minister for Finance on average within 21 days of the end of each month since the release of FBO.The Auditor-General issued an unmodified audit report on the 2020-21 Consolidated Financial Statements on 12 November 2021.  |
|  | **Daily disbursement of cash**Commonwealth entities have access to cash, in near real-time, as required. | All payment requests from entities have been met, in requested timeframes. |

Table continues on next page

Table 2.1.2: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Performance information: Program 1.1 – Budget and Financial Management**  |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Budget updates and Appropriation Bills**Budget papers, related updates (e.g. the MYEFO) and Appropriation Bills are accurate, consistent with external reporting standards, delivered within required timeframes and meets the Government’s fiscal and policy objectives and legislative obligations. | Accuracy of Budget Estimates.Variances between estimated expenses and final outcome are within set parameters.* First forward year – difference between estimated expenses and FBO <2%.
* Budget year – difference between Budget estimated expenses and FBO <1.5%.
* Current year – difference between the revised current year estimates at MYEFO and FBO <1%.
* Current year – difference between the current year estimates at budget time and Final Budget Outcome <0.5%.

Significant variances between estimated expenses and final outcome are explained.Timeliness of Budget Estimate Updates and Appropriation Bills.* Budget papers and related updates meet timeframes set out in the *Charter of Budget Honesty Act 1998*.
* Appropriation Bills introduced at times intended by government.

External reporting standards and legislative requirements are met. |
|  | **Financial statements**The Government’s financial statements, including monthly statements, are complete, fairly presented and released publicly on timeframes agreed with the Government.  | Complete and fairly presented Financial Statements.* The Auditor-General issues an unmodified audit report on consolidated financial statements.

Timeliness of Financial Statements.* Monthly statements (prepared within 21 days of the end of month, on average, following release of FBO).

Consolidated financial statements (provided to the Auditor-General by 30 November each year). |
|  | **Daily disbursement of cash**Commonwealth entities have access to cash, in near real-time, as required**.** | All payment requests from entities are met, in requested timeframes. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil |

### 2.2 Budgeted expenses and performance for Outcome 2

|  |
| --- |
| Outcome 2 – Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery. |

#### Linked programs

| **Commonwealth Superannuation Corporation** |
| --- |
| **Program*** Program 1.1 – Superannuation Scheme Governance
 |
| **Future Fund Management Agency** |
| **Programs*** Program 1.1 – Management of the Investment of the Future Fund
* Program 1.2 – Management of the Investment of the Australian Government Investment Funds
 |
| **Contribution to Outcome 2 made by linked programs**Finance works with the Commonwealth Superannuation Corporation to ensure that the management of public sector superannuation is consistent with legislative obligations.Finance works with the Future Fund Management Agency to ensure that the management of the Future Fund and the Australian Government Investment Funds is consistent with legislation and maximises returns to taxpayers. |

#####

##### Budgeted expenses for Outcome 2

This table shows how much the entity 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 2.2.1: Budgeted expenses for Outcome 2**

Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)



Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)



Table continues on next page

Table 2.2.1: Budgeted expenses for Outcome 2 (continued)



1. Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and estimated receipts retained under section 74 of the PGPA Act.
2. ‘Expenses not requiring appropriation in the Budget year’ is made up of depreciation expenses and amortisation expenses.
3. More information on the DisabilityCare Australia Fund can be found in Table 2.2.1.1 on page 28.
4. More information on the Medical Research Future Fund can be found in Table 2.2.1.2 on page 29.
5. More information on the Aboriginal and Torres Strait Islander Land and Sea Future Fund can be found in Table 2.2.1.3 on page 30.
6. More information on the Future Drought Fund can be found in Table 2.2.1.4 on page 31.
7. More information on the Emergency Response Fund can be found in Table 2.2.1.5 on page 32.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of

the budget year as government priorities change.

**Table 2.2.1.1: DisabilityCare Australia Fund** - Estimates of Fund Balances



1. The DCAF consists of the DCAF Special Account and investments of the DCAF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the DCAF, including interest and Medicare levy proceeds received and payments.
2. The Commonwealth agreed to credit the DCAF with money raised from the increase in the Medicare levy for 10 years to fund the additional costs of delivering the National Disability Insurance Scheme (NDIS) (formerly DisabilityCare Australia). This 10 year period concludes in 2023-24.
3. The transfers relate to reimbursing the Commonwealth and the States and Territories for the costs of the operations of the NDIS.

Note: The expenses figure does not include losses made on investments; rather this amount has been applied

against investment earnings and gains.

Table 2.2.1.2: Medical Research Future Fund - Estimates of Fund Balances



1. The MRFF consists of the MRFF Special Account and investments of the MRFF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the MRFF, including interest received and payments.

Note: The expenses figure does not include losses made on investments; rather this amount has been applied

against investment earnings and gains.

Table 2.2.1.3: Aboriginal and Torres Strait Islander Land and Sea Future - Estimates of Fund Balances



1. The ATSILSFF consists of the ATSILSFF Special Account and the investments of the ATSILSFF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the ATSILSFF, including interest and payments.

Note: The expenses figure does not include losses made on investments; rather this amount has been applied

against investment earnings and gains.

Table 2.2.1.4: Future Drought Fund - Estimates of Fund Balances



1. The FDF consists of the FDF Special Account and investments of the FDF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the FDF, including interest and payments.

Note: The expenses figure does not include losses made on investments; rather this amount has been applied against investment earnings and gains.

Table 2.2.1.5: Emergency Response Fund - Estimates of Fund Balances



1. The ERF consists of the ERF Special Account and investments of the ERF. The investments are managed by the Future Fund Board of Guardians. The special account is used to record all transactions relating to the ERF, including interest and payments.

Note: The expenses figure does not include losses made on investments; rather this amount has been applied

against investment earnings and gains.

Table 2.2.2: Performance measure for Outcome 2

Table 2.2.2 details the performance measures for each program associated with Outcome 2. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |
| --- |
| **Outcome 2** – Support an efficient and high-performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy, advice and service delivery. |
| **Program 2.1 – Public Sector Governance**This program contributes to the outcome through developing and maintaining the public sector resource management framework and improving the standard of governance, performance and accountability of Commonwealth entities. |
| **Key Activities** | **Support the proper use and management of public resources**Support the proper use of public resources by Commonwealth entities and companies under the Commonwealth Resource Management Framework |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Governance and accountability**Finance ensures the resource management framework is maintained as a fit-for-purpose framework for the proper use of public resources, and supports Commonwealth entities and companies to meet high standards of governance, performance and accountability through effective engagement and the provision of guidance. | **On Track**The annual PGPA survey of Commonwealth entities, which will provide feedback on the effectiveness of Finance’s stewardship, policy advice, engagement and guidance is scheduled for Quarter 4 2021-22.Target – 80% satisfaction with the level of support Finance provides to entities on the application of the resource management framework.Performance audit reports tabled by the Auditor-General and reports tabled by the JCPAA are providing commentary on and making recommendations relating to the resource management framework and the application of the performance framework by entities.  |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

|  |
| --- |
| **Performance information: Program 2.1 – Public Sector Governance** |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Governance and accountability**Finance ensures the resource management framework is maintained as a fit-for-purpose framework for the proper use of public resources, and supports Commonwealth entities and companies to meet high standards of governance, performance and accountability through effective engagement and the provision of guidance.  | Annual PGPA Survey resultsTarget 80% satisfaction with the level of support Finance provides to entities on the application of the resource management framework.Performance audit reports tabled by the Auditor-General and reports tabled by the JCPAA provide commentary on and make recommendations relating to the resource management framework and the application of the performance framework by entities.  |
| Forward Estimates 2023-26 | As per 2022-23. | Target 85% satisfaction with the level of support Finance provides to entities on the application of the resource management framework.As per 2022-23. |
| Material changes to Program 2.1 resulting from 2022-23 Budget Measures: Nil |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

|  |
| --- |
| **Program 2.2 – Transforming Government**This program contributes to the outcome by providing leadership in the development and delivery of reforms and initiatives that support the modernisation of government and increase public sector productivity. |
| **Key Activities** | **Modernise the APS through ICT projects**Undertaking ICT development projects to support the modernisation of the APS. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **GovTEAMS improves public sector productivity**Commonwealth entities and companies have access to GovTEAMS, a new generation platform to provide a single environment for both internal and external collaboration across government.  | **On Track**Set performance targets are fully operational (99% of the time) and were achieved.Target exceeded. Current registered users in excess of 145,000 (Target: 90,000 users). |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **GovTEAMS improves public sector productivity**Commonwealth entities and companies have access to GovTEAMS, a new generation platform to provide a single environment for both internal and external collaboration across government.  | GovTEAMS platform is fully operational in accordance with set performance targets (99%).GovTEAMS user adoption rates (>145,000 registered users) exceed set performance targets (90,000 registered users). |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.2 resulting from 2022-23 Budget Measures: Nil |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

|  |
| --- |
| **Program 2.3 – Property and Construction**This program contributes to the outcome by providing policy advice, guidance and support on managing Commonwealth property, land and public works across the Government; and managing specified major capital works projects and the government’s non-Defence property portfolio within Australia. |
| **Key Activities** | **Commonwealth property initiatives are efficient and effective**The management of Commonwealth property demonstrates best practice effectiveness in an evolving environment, and delivers efficiencies in relation to leasing and facilities management for non-corporate Commonwealth entities. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Commonwealth property initiatives are efficient and effective**The management of Commonwealth property demonstrates best practice effectiveness in an evolving environment, and delivers efficiencies in relation to leasing and facilities management for non-corporate Commonwealth entities. | **On Track**The national occupational density has decreased from 15.1 m2 in 2020 to 14.7 m2 in 2021, and the percentage of tenancies meeting the occupational density target has increased from 40.1% in 2020 to 43.6% in 2021. The work-point vacancy rate has reduced, from 8.8% in 2020 to 7.4% in 2021.Despite most leases including an annual escalation, in line with market norms, cost indicators for 2021 only increased marginally, with the national cost per m2 increasing by $15 per m2 in 2021, to $496 per m2. The Whole-of-Australian-Government Property Services Coordinated Procurement Arrangements continue to deliver efficiencies for entities, with Property Service Providers (PSPs) collectively exceeding the Property Operating Expense savings targets over the duration of the Deed. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Commonwealth property initiatives are efficient and effective**The management of Commonwealth property demonstrates best practice effectiveness in an evolving environment, and delivers efficiencies in relation to leasing and facilities management for non-corporate Commonwealth entities. | Property efficiencies are delivered through the WoAG PSCP Arrangements for leasing and facilities management.Finance's stewardship, policy advice, engagement and guidance on Commonwealth property management is effective. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.3 resulting from 2022-23 Budget Measures: Nil |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

| **Program 2.4 – Insurance and Risk Management**This program contributes to the outcome by providing general insurance services and promoting risk management across the Government through the Comcover Special Account. |
| --- |
| **Key Activities** | **Provide insurance and risk management support for Commonwealth entities**Support best practice risk management and protect Commonwealth entities against insurable losses through the Government’s self-managed insurance fund, Comcover. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Treatment of insurable risks and claims management**Comcover is effectively managed to ensure the fund is financially sustainable, there is a consistent, WoAG approach to the management of claims and Comcover supports the improvement of risk maturity in General Government Sector entities over time. | **On Track**The Comcover Fund has adequate reserves to meet at least 3 years of actuarially assessed ordinary claim payments.Comcover's approach to claims management continues to align with the Commonwealth's Legal Services Directions.Attendance at Comcover's education workshops and completion of e-learning modules has increased by 129% and 101% when compared to the same period in 2020-21. Feedback from attendees continues to indicate an increased level of understanding and knowledge of the target learning areas. 156 entities participated in the 2021 Benchmarking Survey – the results indicated an overall improvement in risk maturity across the Commonwealth. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Treatment of insurable risks and claims management**Comcover is effectively managed to ensure the fund is financially sustainable, there is a consistent, WoAG approach to the management of claims and Comcover supports the improvement of risk maturity in General Government Sector entities over time. | Comcover reviews and publishes an annual statement of cover that consistently applies to Fund Members.Actuarial assessments are undertaken (at least four per year), with consideration of claims history and the risk profile of Fund Members, to inform the setting of annual member premiums.The Comcover Fund has adequate reserves to meet at least 3 years of actuarially assessed ordinary claim payments (a).Litigation is undertaken honestly and fairly as a model litigant.Effectiveness of Comcover's stewardship, policy advice, engagement and guidance on risk management. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.4 resulting from 2022-23 Budget Measures: Nil |

1. Planned performance results have been updated since the 2021-22 Corporate Plan to provide a more robust and comprehensive view of performance and will be reflected in the 2022-23 Corporate Plan.

Table 2.2.2: Performance measure for Outcome 2 (continued)

|  |
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| **Program 2.5 – Technology and Procurement**This program contributes to the outcome through providing timely and relevant procurement policy advice; providing advice to the Government on advertising; establishing and maintaining WoAG procurement arrangements for common goods and services; and establishing, developing and maintaining WoAG and cross-entity ICT infrastructure, platforms, systems and services |
| **Key Activities** | **Enable value for money procurements**Leverage experience and support the Australian Government to achieve value for money procurements and support the national interest. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Stewardship over procurement systems and policies**Finance works with external stakeholders to: Provide stewardship over systems and policies to support a fair, efficient, and transparent procurement framework.Implement and maintain WoAG procurement arrangements for non-ICT services (e.g. travel bookings and major office equipment) to generate price savings and operating efficiencies. | **On Track**For the period 1 July to 31 December 2021, Finance:* Held 5 meetings of the Senior Procurement Officials Reference Group.
* Held 18 strategic outreach meetings with entities.
* Received 259 enquiries to the procurement agency advice inbox, with 97% responded to within the three day KPI.

For the period 1 July to 31 December 2021, the AusTender platform and data were available to users in excess of 99.5% of the time, against a target of 99.5%. For the period 1 July to 31 December 2021, Finance participated in: * Negotiations to finalise a trade agreement with the United Kingdom.
* One negotiation round of the ASEAN (Association Southeast Asian Nations)-Australia-New Zealand Free Trade Agreement.
* Two meetings with India regarding possible inclusion of Government Procurement in an Australia-India Comprehensive Economic Cooperation Agreement.
* One meeting of the Organization for Economic Co-operation and Development (OECD) Working Party of the Leading Practitioners on Public Procurement and three meetings of the OECD Garment and Public Procurement Pilot.
* One meeting of the World Trade Organization Committee on Government Procurement.
* A discussion session with the European Union in preparation for the next round of negotiations.
 |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

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| **Performance information: Program 2.5 – Technology and Procurement** |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 (continued) |  | * Meetings and knowledge sharing events held by the Asia‑Pacific Economic Cooperation, the OECD and the Association of Southeast Asian Nations Secretariat.

The WoAG Travel and Fleet arrangements are periodically benchmarked against other governments and comparable peers.  Benchmarking confirms these arrangements continue to deliver savings and efficiencies for the Australian Government. With the first phase of the Management Advisory Services Panel, Finance achieved reductions in cost of up to 50% when compared to existing Panel arrangements. |
| **Year** | **Performance measures**  | **Planned Performance Results** |
| Budget Year 2022-23 | **Stewardship over procurement systems and policies**Finance works with external stakeholders to:Provide stewardship over systems and policies to support a fair, efficient, and transparent procurement framework.Implement and maintain WoAG procurement arrangements for non-ICT services (e.g. travel bookings and stationery) to generate price savings and operating efficiencies. | Effectiveness of Finance's stewardship, policy advice, engagement and guidance on procurement systems and policies.AusTender platform and data is available to users 99.5% of the time.Engagement with domestic and international stakeholders supports information exchange on advances in procurement policy.Savings and efficiencies from WoAG arrangements are compared, where possible, against similar arrangements, previous arrangements or markets. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.5 resulting from 2022-23 Budget Measures: Nil |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

| **Program 2.6 – Service Delivery Office**This program contributes to the outcome through providing a range of corporate services to Australian Government entities. |
| --- |
| **Key Activities** | **Transform Commonwealth entities through shared services**Support the transformation of Commonwealth entities through policy development and delivery of shared technologies and standardised processes to increase the effectiveness and efficiency of organisational management. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Shared services hub meets clients’ needs**As a Shared Services hub, the SDO provides quality and efficient services to client entities. | **On Track**As at 31 December 2021:* The SDO was meeting service level outcomes for accounts payable, accounts receivable, payroll administration, credit card management and HUB usage.
* There were 9,165 HUB users, continuing the increasing trend in the number of hub users.
* Over 55,000 tickets were raised and resolved, with an average resolution time of 5.1 days.

Results from the SDO client surveys at the end of the December quarter continued to increase with ‘positive’ or ‘very positive’ response rates of:* Quality – 60%
* Timeliness – 57%
* Interaction – 62%
* Overall Experience – 57%

During 2021-22, the SDO increased its service offer by on-boarding the Office of the Australian Information Commissioner to shared services and uplifting its remaining small and medium client agencies to the e-Invoicing solution.  |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

| **Performance information: Program 2.6 – Service Delivery Office** |
| --- |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Shared services hub meets clients’ needs**As a Shared Services hub, the SDO provides quality and efficient services to client entities. | Service level agreements with client entities, including measurement of efficiency and effectiveness of services, are met, including:* Average resolution time of client request of <10 days.
* 1% increase in client satisfaction surveys.

The benefits of shared, standard and sustainable technologies and processes are realised:* Increased client uptake of shared ERP technology solutions (year-on-year increase).
* Increased client adoption of end-to-end WoAG business processes (year-on-year increase).
 |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.6 resulting from 2022-23 Budget Measures: Nil |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

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| **Program 2.7 – Public Sector Superannuation**This program contributes to the outcome through advising the Government on the stability of the Government’s unfunded superannuation liabilities and its associated administered expense items and superannuation arrangements for government employees. This includes the administration and management of superannuation arrangements for parliamentarians, as well as current and former governors-general, federal judges and Federal Circuit Court Judges. |
| **Key Activities** | **Enable civilian superannuation schemes**Provide a policy, regulatory and legislative framework that enables the civilian superannuation scheme compliance. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Public sector civilian superannuation schemes**The legislative framework for the Commonwealth Government's civilian superannuation schemes enables the schemes to be administered in accordance with the applicable regulatory and legislative requirements.  | **On Track**The legislation establishing the civilian superannuation schemes continues to comply with regulatory and legislative requirements. |
| **Administration of pension schemes for former parliamentarians, judges and governors-general**The pension schemes are administered by Finance effectively, in accordance with the applicable regulatory and legislative requirements. | **On Track**No regulatory or legislative issues have been identified in relation to the operation of the Finance administered schemes, and:* Payments have been made on schedule.
* Statutory reporting requirements have been met.
* No disruptions to the superannuation IT system have significantly affected member services.
 |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

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| **Performance information: Program 2.7 – Public Sector Superannuation** |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Public sector civilian superannuation schemes**The legislative framework for the Commonwealth Government's civilian superannuation schemes enables the schemes to be administered in accordance with the applicable regulatory and legislative requirements.  | The legislation establishing the civilian superannuation schemes is reviewed to ensure it complies with the broader regulatory and legislative requirements. |
|  | **Administration of pension schemes for former parliamentarians, judges and governors-general**The pension schemes are administered by Finance effectively, in accordance with the applicable regulatory and legislative requirements. | The operations of the pension schemes administered by Finance continue to comply with the regulatory and legislative requirements. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.7 resulting from 2022-23 Budget Measures: Nil |

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Table 2.2.2: Performance measure for Outcome 2 (continued)

| **Program 2.8 – Australian Government Investment Funds**This program contributes to the outcome through providing advice on investment mandates and governance arrangements for the Government’s Investment Funds, to maximise the value of the funds to the Government. This includes advice on credit of amounts to the Funds and debits for payments from the Funds. The Funds are:* Future Fund
* DisabilityCare Australia Fund
* Medical Research Future Fund
* Aboriginal and Torres Strait Islander Land and Sea Future Fund
* Future Drought Fund
* Emergency Response Fund.
 |
| --- |
| **Key Activities**  | **Enable investment funds** Provide a policy, regulatory and legislative framework that enables the maximisation of returns on investment funds  |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Investment mandates for each Australian Government Investment Fund** Investment mandates are set for each Australian Government Investment Fund which assist in achieving the financial and risk objectives and are consistent with the policy, regulatory and legislative framework. | **On Track**Returns for each investment fund have met or exceeded the benchmark rate of return over the long term (as at the December 2021 quarter).  |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Investment mandates for each Australian Government Investment Fund** Investment mandates are set for each Australian Government Investment Fund which establish the financial and risk objectives of each fund consistent with the policy, regulatory and legislative framework. | Investment mandates for the Australian Government Investment Funds are set and monitored. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.8 resulting from 2022-23 Budget Measures: Nil |

### 2.3 Budgeted expenses and performance for Outcome 3

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| Outcome 3 – Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs. |

##### Budgeted expenses for Outcome 3

This table shows how much the entity 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 2.3.1: Budgeted expenses for Outcome 3**



Table continues on next page

Table 2.3.1: Budgeted expenses for Outcome 3 (continued)



1. Estimates for this item are subject to the *Ministers of State Regulation 2012*.
2. ‘Expenses not requiring appropriation in the Budget year’ is made up of depreciation expenses, amortisation expenses and resources received free of charge.
3. Departmental appropriation combines ordinary annual services (Appropriation Bill No. 1) and
estimated receipts retained under section 74 of the PGPA Act.

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

**Table 2.3.2: Performance measure for Outcome 3**

Table 2.3.2 details the performance measures for each program associated with Outcome 3. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

|  |
| --- |
| Outcome 3 – Support for parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs. |
| **Program 3.1 – Ministerial and Parliamentary Services** This program contributes to the outcome through the provision of advice on, access to, and payment of Parliamentary and post-Parliamentary, work expenses, allowances and entitlements and targeted programs. |
| **Key Activities** | **Deliver ministerial and parliamentary services**Provide a range of services to parliamentarians, their employees and others as determined by the Australian Government to assist them in undertaking their duties. |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Services meet clients’ needs**Services meet the needs of parliamentarians, their employees and others as required by the Australian Government. | **On Track**For the period 1 July 2021 to 31 December 2021:* Our help desks acknowledged 96.7% of client contacts or queries within 24 hours and responded within agreed timeframes.
* 95.3% of payments (including payroll) were made within agreed timeframes.
* 100% of office establishment and relocation projects have been delivered in accordance with the National Fitout Standards.
* COMCAR completed 99.7% of reservations without service failure.
 |

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**Table 2.3.2: Performance measure for Outcome 3** (**continued)**

|  |
| --- |
| **Performance information: Program 3.1 – Ministerial and Parliamentary Services**  |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 (continued) | **Improve administration of parliamentary work expenses**The timeliness, efficiency, clarity and transparency of the administration of parliamentary work expenses is improved | **On Track**Met – Phase 1 of Milestone 7 (HR functionality) was released on 1 July 2021. The HR functions have been operating successfully since July without major issues.Phase 2 of Milestone 7 will see the release of the work expenses functionality by no later than mid-2022. Iterations of PEMS has been delivered since 2018, allowing parliamentarians and their staff to access PEMS from any computer or mobile device, to lodge, monitor and certify work expense claims. This provides increased efficiencies and reduces the administrative burden on parliamentarians’ offices. Since July 2021 parliamentarians and their staff are able to access HR management functions. Since 1 July 2021, usage of PEMS by parliamentarians and their staff for office expense claims, travel expense claims and to perform HR functions has increased. In the 6 month period to 31 December 2021:* 72% of parliamentarians have personally used PEMS to certify claims (office or travel)
* 96% of parliamentary offices have used PEMS to certify at least one claim (office or travel)
* The proportion of claims processed through PEMS (relating to claims where PEMS functionality is available) is 94% for office expenses

Since July 2021, users accessing the system has increased by 70%(on average 750 users have access the system weekly). |

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**Table 2.3.2: Performance measure for Outcome 3 (continued)**

|  |
| --- |
| **Performance information: Program 3.1 – Ministerial and Parliamentary Services**  |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Services meet clients’ needs**Services meet the needs of parliamentarians, their employees and others as required by the Australian Government. | The following service standards are met or exceeded.* Client contacts acknowledged within 24 hours and responded to within agreed timeframes 95% of the time.
* Payments (including payroll) will be made within agreed timeframes 95% of the time.
* Office establishment and relocation projects will be delivered in accordance with the National Fitout Standards 100% of the time.
* COMCAR reservations will be completed without service failure 99% of the time.
 |
| **Improve administration of parliamentary work expenses**The timeliness, efficiency, clarity and transparency of the administration of parliamentary work expenses is improved. | Increased usage of PEMS by parliamentarians and their staff. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 2.8 resulting from 2022-23 Budget Measures: Nil |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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**

**2022-23**

Finance is forecasting expenses of $660.1 million in 2022-23, an increase from the $558.7 million forecast in the 2021-22 Portfolio Additional Estimates Statements (PAES). This is primarily due to increases in budgeted supplier expenses and depreciation and amortisation.

Finance is forecasting total own source income of $336.4 million, an increase from the $332.8 million forecast in the 2021-22 PAES. This is mainly due to an increase in insurance premiums.

Finance is budgeting for a deficit of $51.2 million, a decrease from the forecast surplus of $44.5 million in the 2021-22 PAES. This is mainly due to an increase of $69.5 million in depreciation and amortisation expenses and a decrease of $22.8 million in gains from asset sales.

**Balance sheet – Departmental**

The budgeted net asset position as at 30 June 2023 of $3,382.2 million represents a decrease from the $3,461.8 million forecast in the 2021-22 PAES. This is primarily due to revised estimates for non-financial asset balances.

**Schedule of budgeted income and expenses – Administered**

**2022-23**

Total Administered income is $2,453.8 million in 2022-23, a decrease from $2,751.4 million reported in the 2021-22 PAES. This is primarily due to revised estimates for interest, dividends and gain on sale of investment for the Australian Government Investments Funds

Finance is budgeting for Administered expenses of $11,666.8 million, an increase from the $11,445.4 million budgeted for in the 2021-22 PAES. This is primarily due to revisions in estimates for superannuation.

**Schedule of budgeted assets and liabilities – Administered**

Administered assets are budgeted to total $51,845.5 million by 30 June 2023, a decrease from the $52,813.0 million estimated in the 2021-22 PAES. This is primarily due to investments for the Australian Government Investment Funds.

Administered liabilities are estimated to total $149,123.6 million by 30 June 2023, an increase from the $148,627.0 million estimated in the 2021-22 PAES. This is mainly due to superannuation liabilities.3.2. Budgeted financial statements tables

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



Table continues on next page

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

Note: Impact of net cash appropriation arrangements



Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 1) revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the DCB) provided through Appropriation Bill (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
2. Represents the net gain/loss from the government’s non-Defence Property Divestment Program within Australia.
3. Other gains includes resources received free of charge for financial statement audit services from the Australian National Audit Office.
4. Applies to Right-of-Use (ROU) assets under AASB 16 Leases.

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



Prepared on Australian Accounting Standards basis.

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

1. Primarily represents appropriation receivable (including capital appropriation) and the special accounts.
2. Primarily represents properties in the government’s non-Defence property portfolio.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)



Prepared on Australian Accounting Standards basis.

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



Table continues on next page

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

1. Does not include annual finance lease costs.
2. Includes the following sources of funding:
* Current and prior year annual appropriation.
* Funds held in special accounts.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)



Prepared on Australian Accounting Standards basis:

1. ‘Appropriation equity’ refers to equity injection appropriations provided through Appropriation Bill (No. 2) 2022-23.
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2022-23 for depreciation/amortisation expenses, DCBs or other operational expenses.
3. Net proceeds may be returned to the Official Public Account.

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



Prepared on Australian Accounting Standards basis.

1. Estimates of distributions to be transferred from the Australian Government Investment Funds. This item does not include equity payments. For more detail on each fund, refer to Tables 2.2.1.1 to 2.2.1.5.
2. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Administered Capital Budget, or ACB) provided through Bill 1 equity appropriations. For information regarding ACBs, please refer to Table 3.10 Administered Capital Budget Statement.
3. Includes earnings for the Australian Government Investment Funds and corporate Commonwealth entities.
4. Principally Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) notional employer superannuation contributions.

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



Prepared on Australian Accounting Standards basis.

1. Represents balance held in the DHA Borrowings Special Account 2020.
2. Represents investments in the Australian Government Investment Funds. Also represented are investments in other Commonwealth entities that are 100% owned by the Commonwealth.
3. Represents Life Gold Pass Holders liabilities and employee provisions for staff employed under the *Members of Parliament (Staff) Act 1984.*

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



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



Prepared on Australian Accounting Standards basis.

1. Estimates include interest earnings for the Australian Government Investment Funds. For more detail on the interest estimates for each fund, refer to Tables 2.2.1.1 to 2.2.1.5.
2. Primarily represents the CSS and PSS notional employer contributions.
3. Primarily represents offsets from the CSS and PSS funds and return of overpaid benefits.
4. Represents expenditure on staff employed under the *Members of Parliament (Staff) Act 1984*.
5. Distributions from the Investment Funds represents estimates of cash payments from the Funds to other entities and the Consolidated Revenue Fund.
6. Expenditure associated with unfunded liabilities for the government’s civilian superannuation schemes.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)



Prepared on Australian Accounting Standards basis.

1. ACB is used to fund the replacement of assets purchased through administered annual appropriations.
2. Administered Assets and Liabilities includes a capital injection for acts of grace and liabilities, and an injection for capital works on the Intra-government Communications Network which is offset through entity contributions that are returned to the Budget.

Table 3.11: Statement of administered asset movements (2022-23 Budget year)



Prepared on Australian Accounting Standards basis.

Australian Electoral Commission

Entity resources and planned performance

Australian Electoral Commission

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# Australian Electoral Commission

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Electoral Commission (AEC) administers the *Commonwealth Electoral Act 1918* (the Electoral Act), making it responsible for:

* conducting electoral events, including federal elections, by-elections and referendums, and industrial elections and ballots
* ensuring confidence in the Commonwealth Electoral Roll
* regulating political party registrations and financial disclosure
* supporting electoral redistributions
* undertaking public awareness activities.

The AEC also provides a range of electoral information and education programs both in Australia and in support of Australia’s international interests.

The AEC’s actions impact on the Australian community as stated in its outcome:

*Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs.*

###

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the AEC 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 AEC’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 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Australian Electoral Commission resource statement — Budget estimates for 2022-23 as at Budget March 2022



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

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

1. Appropriation Bill (No. 1) 2022-23.
2. 2021-22 Departmental appropriation excludes $29.9m subject to administrative quarantine by Finance.
3. Estimated External Revenue receipts under section 74 of the PGPA Act.
4. Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
5. Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM).

### 1.3 Budget measures

No Budget measures have been announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact AEC.

## 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 PGPA Act*.* It is anticipated that the performance measure 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 the Australian Electoral Commission can be found at: [AEC Corporate Plan 2021-22](https://www.transparency.gov.au/sites/default/files/reports/2021-22_corporate_plan_australian_electoral_commission.pdf).The most recent annual performance statement can be found at: [2020-21 Annual Performance Statements](https://www.transparency.gov.au/annual-reports/australian-electoral-commission/reporting-year/2020-21-27). |

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs. |

##### Budgeted expenses for Outcome 1

This table shows how much the entity 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**



1. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.
2. Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make good expenses and audit fees.

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 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs is provided.

|  |
| --- |
| **Outcome 1** – Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs. |
| **Program 1.1 – Deliver Electoral Events** |
| **Key Activities** | * Maintain the integrity of electoral and regulatory processes.
* Prepare for and deliver electoral events.
* Engage with our stakeholders through education and public awareness activities.
* Maintain a capable and agile organisation and continue to professionalise our workforce.
 |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | **Electoral Roll Management** * Percentage of eligible voters enrolled (enrolment rate).
 | **Target:** ≥ 95% reported annually and at close of rolls for a federal election or referendum.**Performance:** On track to be met. The enrolment rate at 31 December 2021 was 96.3% and is expected to remain above 95%. |
|  | * Redistributions determined when planned in accordance with timeframes identified in the *Commonwealth Electoral Act 1918*.
 | **Target:** All redistributions in the period determined and affected electors informed. **Performance:** On track to be met. The Victorian redistribution was determined on 26 July 2021 and the Western Australian redistribution was determined on 2 August 2021. Electors who were transferred between electoral rolls as a result of the two redistributions were informed by notices published in state-wide newspapers and newspapers targeted to Indigenous and rural audiences. Letters were also sent to households affected by these transfers.  |

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Table 2.1.2: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Performance information: Program 1.1 – Deliver Electoral Events** |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22(continued) | **Elections, By-elections and Referendums*** The writs for a federal election event are issued and returned in accordance with legislation and timeframes.
 | **Target:** Date on the returned election writs falls within the timeframe specified.**Performance:** On track to be met. The AEC anticipates returning the writs for the federal election within specified timeframes.  |
|  | * For industrial elections and ballots, results are delivered with integrity and withstand scrutiny.
 | **Target**: No targets. The AEC will report on the number of events where the AEC’s conduct is challenged before a court and whether the court dismissed the challenge or upheld in favour of the AEC. **Performance:** On track to be met. There were no findings of fault of the AEC’s conduct of the industrial elections and ballots to date. |
|  | **Public Awareness*** Deliver public awareness and education products that target all Australian citizens aged 18 years and over.
 | **Target:** Campaign is delivered in accordance with objectives outlined in the campaign strategy.**Performance:** On track to be met. The AEC has developed an integrated multi-channel communication campaign to be run during the 2022 federal election. This campaign is to provide to voters (all Australian citizens ager 18 and over) the information they need to effectively participate in the election, including to specialist audiences of culturally and linguistically diverse voters, Indigenous voters and voters who are blind or have low vision. |
|  | **Party Registration and Financial Disclosure*** The AEC maintains an up-to-date public register of political parties.
 | **Target:** Compliance with Part XI of the *Commonwealth Electoral Act 1918*.**Performance:** On track to be met. The AEC has continued to maintain an up-to-date public register of political parties.  |

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Table 2.1.2: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Performance information: Program 1.1 – Deliver Electoral Events** |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22(continued) | * Disclosure returns are published and regulated in accordance with timeframes in the *Commonwealth Electoral Act 1918*.
 | **Target:** Annual returns published on the first working day in February. **Performance:** On track to be met. 2020–21 annual disclosure returns received by the AEC were published, as planned, on the first working day in February 2022. The annual disclosure returns related to *the Electoral Legislation Amendment (Annual Disclosure Equality) Act 2021* were published on 1 March 2022 in line with the recent legislative amendment to the aforementioned Bill. **Target**: Election returns published 24 weeks after polling day for each electoral event.**Performance:** On track to be met. Note that there have been no electoral events within the reportable timeframe. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | **Electoral Roll Management** * Percentage of eligible voters enrolled (enrolment rate).
* Redistributions determined in accordance with *the Commonwealth Electoral Act 1918*.

**Elections, By-elections and** **Referendums*** The election result – for each event – is delivered in accordance with the *Commonwealth Electoral Act 1918*.
* Industrial election and ballot results are delivered with integrity and withstand scrutiny.
 | * ≥ 95% reported annually and at close of rolls for a federal election or referendum.
* All redistributions are determined in accordance with the planned determination date and impacted electors are notified prior to the relevant federal election.
* The writs for a federal election event are issued and returned in accordance with legislative requirements and timeframes.
* The AEC will report on the outcomes and number of events in which the AEC's conduct is challenged before a court.
 |

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Table 2.1.2: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Performance information: Program 1.1 – Deliver Electoral Events** |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget year 2022-23(continued) | **Public Awareness*** Deliver public awareness and education products that target all Australian citizens aged 18 years and over.

**Party Registration and Financial Disclosure*** The AEC maintains an up-to-date public register of political parties.
* Disclosure returns are published and regulated in accordance with timeframes in the *Commonwealth Electoral Act 1918*.
 | * The AEC's public awareness campaign is delivered in accordance with key objectives outlined in the campaign strategy.
* Compliance with s125(1) of Part XI of the *Commonwealth Electoral Act 1918*.
* Annual returns published on the first working day in February.
* Election returns published 24 weeks after polling day for each electoral event.
 |
| Forward Estimates 2023-26  | As per 2022-23. | As per 2022-23. |
| Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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

The budgeted financial statements have not changed materially from the amounts published in the Portfolio Additional Estimates Statements 2021-22 (PAES). The changes reflect the effect of economic parameter adjustments.

3.2. Budgeted financial statements tables

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



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|  |
| --- |
| Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)Note: Impact of net cash appropriation arrangements |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.
2. Applies to leases under AASB 16 Leases.

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



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 2022-23)

Prepared on Australian Accounting Standards basis

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)



Prepared on Australian Accounting Standards basis.

* 1. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) Departmental Capital Budget 2022-23.

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

Prepared on Australian Accounting Standards basis.

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

The AEC has no budgeted assets and liabilities administered on behalf of the Government.

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



Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

The AEC has no budgeted capital administered on behalf of the Government.

Table 3.11: Statement of administered asset movements (Budget year 2022-23)

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

Commonwealth Superannuation Corporation

Entity resources and planned performance

Commonwealth Superannuation Corporation

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[2.1 Budgeted expenses and performance for Outcome 1 100](#_Toc99120445)

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# Commonwealth Superannuation Corporation

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

Commonwealth Superannuation Corporation (CSC) is responsible for the investment of funds and administration of the Public Superannuation Scheme Accumulation Plan (PSSap); the Public Sector Superannuation Scheme (PSS); the Commonwealth Superannuation Scheme (CSS); the Military Superannuation and Benefits Scheme (MSBS); and the Australian Defence Force Superannuation Scheme (ADF Super). In addition, CSC administers six ‘unfunded’ superannuation schemes: the Defence Forces Retirement Benefits Scheme (DFRB), the Defence Force Retirement and Death Benefits Scheme (DFRDB), the Defence Force (Superannuation) (Productivity Benefit) Scheme (DFSPB), the 1922 Scheme, the Papua New Guinea Scheme (PNG), and the Australian Defence Force Cover Scheme (ADF Cover).

CSC seeks to achieve its outcome agreed with the government by delivering consistently competitive and risk-managed investment performance, efficient scheme administration for contributors and beneficiaries, and effective interaction with its other stakeholders.

CSC aspires to maintain its leadership position as a superannuation provider of choice in the Commonwealth sector. CSC will work with the government to improve or modernise scheme design and will work to improve service to members.

As a holder of licences from both Australian Prudential Regulation Authority (APRA) and Australian Securities and Investments Commission (ASIC), CSC will continue to ensure the highest standards are maintained and will seek to meet all compliance obligations.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to CSC 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 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 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Commonwealth Superannuation Corporation resource statement - Budget estimates for 2022-23 as at Budget March 2022**



1. Average staffing levels reflect all staff involved in the investment and administration of the schemes.

All employee expenses are paid by CSC and CSC on-charges the scheme for the portion of expenses that are referable to the investment of the scheme funds.

Table 1.1: Commonwealth Superannuation Corporation resource statement — Budget estimates for 2022-23 as at Budget March 2022 (continued)

**Third party payments from and on behalf of other entities**



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

1. Compensation and Legal Payments
2. Act of Grace Payments

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 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact CSC.

## 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 PGPA Act. 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 a complete picture of an entity’s planned and actual performance.The most recent corporate plan for CSC can be found at: https://www.csc.gov.au/Members/About-CSC/Corporate-governance/.The most recent annual performance statement is included inside CSC’s 2020-21 Annual Report to Parliament, which can be found at: https://www.csc.gov.au/Members/About-CSC/Corporate-governance/. |

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes. |

#### Budgeted expenses for Outcome 1

This table shows how much the entity 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**



1. Expenses reflect only the cost paid by CSC and do not reflect the total cost involved in the investment of funds and administration of the schemes.
2. Average staffing levels reflect all staff involved in the investment and administration of the schemes. All employee expenses are paid by CSC and CSC on-charges the schemes for the portion of expenses that are referable to the investment of the scheme funds.

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **Outcome** 1 – Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes. |
| --- |
| Program 1.1 – Superannuation Scheme Governance Build, support and protect better retirement outcomes for all our customers (being current and former Australian Government employees and members of the Australian Defence Force) and their families. |
| **Key Activities** | * Risk managed investment of member’s superannuation balances.
* Meeting license obligations set out by APRA and ASIC.
* Development and implementation of industry standard administration services.
* Provision of information for scheme members including responding to member enquiries and publications, websites and seminars.
 |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | * CSC’s investment performance for its default accumulation options over a rolling three-year period.
* CSC’s investment portfolio is maintained within Board approved risk parameters, such that negative returns are expected in no more than four out of every 20 years for the default accumulation options.
* Achievement of operational objectives for contributions processing and benefits/pension payments.
* Adequate satisfaction levels of customers and employers with the service provided.
 | * Should market conditions as at March 2022 continue to worsen until the end of the financial year, it is estimated that the annual real return target of 3.5% over a rolling three-year period may not be met. Should market conditions stabilise or improve then CSC’s default accumulation option is estimated to meet its return target.
* It is estimated that the target of achieving negative returns in no more than 4 out of every 20 years for the default accumulation options will be met.
* It is estimated that the target of achieving 90% of each operational objective will be met.
* It is estimated that the target of increasing the Net Promoter Score (industry standard satisfaction measure) survey result of +10 for employers will be met.
 |

Table 2.1.2: Performance measure for Outcome 1 (continued)

| **Performance information: Program 1.1 – Superannuation Scheme Governance** |
| --- |
| Current year 2021-22(continued) |  | * It is estimated that the target of increasing the Net Promoter Score survey result for Australian Defence Force customers by 2 points per annum is likely to be met.
* It is estimated that the target of increasing the Net Promoter Score survey result for other customers by 2 points per annum is unlikely to be met.
 |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | * CSC’s investment performance for its default accumulation options over a rolling three-year period.
* CSC’s investment portfolio is maintained within Board approved risk parameters, such that negative returns are expected in no more than five out of every 20 years for the default accumulation options.
* Achievement of operational objectives for contributions processing and benefits/pension payments.
* Adequate satisfaction levels of customers and employers with the service provided.
 | * Default accumulation options annual real return of 3.5% over a rolling three-year period.
* Negative returns in no more than five out of every 20 years for the default accumulation options.
* 90% of each operational objective achieved.
* Net Promoter Score (industry standard satisfaction measure) survey result of +10 for employers.
* Annual increases in Net Promoter Score survey results for both ADF customers and other customers of two points each.
 |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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

CSC is the trustee for the PSSap, PSS, CSS, MSBS and ADF Super regulated superannuation schemes and six ‘unfunded’ superannuation schemes. The governance arrangements of these schemes are set out in the Governance of Australian Government Superannuation Schemes Act 2011 and various scheme specific Acts, Trust Deeds, legislation, rules and determinations. These requirements prescribe which costs are to be paid from scheme funds, and which costs are to be borne by the fees levied upon Commonwealth entities.

CSC receives revenue through fees paid by Commonwealth entities and some entities with residual membership in the schemes, such as the Northern Territory and Australian Capital Territory governments. All CSC fee revenue from Commonwealth entities is managed through a Special Account.

CSC’s budgeted departmental expenses shown in this document reflect only the costs paid, and income received, by CSC into its Special Account and does not reflect the total cost involved in the investment of funds and administration of the schemes.

The projected operating losses reflect the estimated accounting losses associated with the cost of replacing CSC’s scheme administration systems for its defined benefit schemes. CSC has sufficient cash reserves to fund the operating losses without impacting on the financial viability of CSC in the future.

3.2. Budgeted financial statements tables

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

 

Prepared on Australian Accounting Standards basis.

(a) Expenses reflect only the cost paid by CSC and do not reflect the total cost involved in the investment of

 funds and administration of the schemes.

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

Note: Impact of net cash appropriation arrangements

 

Prepared on Australian Accounting Standards basis.

1. Applies to leases under AASB 16 Leases.

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



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 2022-23)



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)



Prepared on Australian Accounting Standards basis.

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

CSC has no budgeted income and expenses administered on behalf of the Government.

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

CSC has no budgeted assets and liabilities administered on behalf of the Government.

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

CSC has no budgeted cash flows administered on behalf of the Government.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

CSC has no budgeted capital administered on behalf of the Government.

Table 3.11: Statement of administered asset movements (Budget year 2022-23)

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

Future Fund Management Agency

Entity resources and planned performance

Future Fund Management Agency

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[1.1 Strategic direction statement 117](#_Toc98181368)

[1.2 Entity resource statement 119](#_Toc98181369)

[1.3 Budget measures 119](#_Toc98181370)

[Section 2: Outcomes and planned performance 120](#_Toc98181371)

[2.1 Budgeted expenses and performance for Outcome 1 121](#_Toc98181372)

[Section 3: Budgeted financial statements 127](#_Toc98181373)

[3.1 Budgeted financial statements 127](#_Toc98181374)

# Future Fund Management Agency

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Future Fund Management Agency (FFMA) was established by the Future Fund Act 2006 to support and advise the Future Fund Board of Guardians (the Board) in its task of investing the assets of the Future Fund.

The scope of the FFMA and the Board was extended by the DisabilityCare Australia Fund Act 2013, the Medical Research Future Fund Act 2015, the Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018, the Future Drought Fund Act 2019 and the Emergency Response Fund Act 2019 to include the management of investments to grow other Australian Government Investment Funds as a means to provide financing sources for substantial future investments in the Australian economy. As a result the FFMA supports the Board in managing investments of the Future Fund, DisabilityCare Australia Fund (DCAF), Medical Research Future Fund (MRFF), Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF), Future Drought Fund (FDF) and the Emergency Response Fund (ERF).

The FFMA focuses on supporting and advising the Board of Guardians in developing and implementing appropriate investment strategies for the funds. Investing in global markets is a highly specialised and competitive commercial activity. Accordingly the Board and FFMA intend to continue to develop and invest in the Agency’s skills, capabilities, resources and systems in order to keep up with the fast-evolving industry and to maintain the Agency’s competitiveness within that industry in terms of finding good investments.

The Future Fund’s portfolio will continue to evolve as the Board manages the portfolio in line with its mandate and strategy. The government revised the Future Fund mandate return in May 2017 and announced its intention to delay the drawdowns from the Future Fund until at least 2027. The approach to managing the portfolio is detailed in the 2020‑21 Future Fund Annual Report. Recognising the potential for continued volatility in investment markets, an important emphasis for the FFMA and the Board is maintaining a long-term investment perspective and strategy that balances risk with expected return as required.

The FFMA provides support and advice to the Board in relation to the DCAF, MRFF, ATSILSFF, FDF and ERF and is focused on developing and implementing investment strategies consistent with the legislation and mandates. The investment strategies and approach for the DisabilityCare Australia Fund, the Medical Research Future Fund, the Aboriginal and Torres Strait Islander Land and Sea Future Fund, the Future Drought Fund and the Emergency Response Fund are detailed in the 2020-21 Future Fund Annual Report.

Investment policies for the funds managed by the Board are available at www.futurefund.gov.au/investment/how-we-invest/investment-policies.

### 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the entity 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 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 1’ tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Future Fund Management Agency resource statement — Budget estimates for 2022-23 as at Budget March 2022

|  |  |  |
| --- | --- | --- |
|   | *2021-22 Estimated actual$'000* | 2022-23 Estimate$'000 |
| **Administered** |  |   |
| Special accounts |  |   |
|  Opening balance | *-*  | -  |
|  Non-appropriation receipts | *497,509*  | 626,347  |
| Total special account receipts | *497,509*  | 626,347  |
| **Total administered resourcing** | ***497,509***  | **626,347**  |
| **Total resourcing for entity Future Fund Management Agency** | ***497,509***  | **626,347**  |
|   | *2021-22* | 2022-23 |
| **Average staffing level (number)** | *214*  | 285  |

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

Future Fund Management Agency does not receive any annual appropriations. Its outputs are funded as payments from the Future Fund Special Account.

### 1.3 Budget measures

No budget measures have been announced since the 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO) that impact FFMA.

## 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 PGPA Act*.* It is anticipated that the performance measure 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 FFMA can be found at: <https://www.futurefund.gov.au/about-us/access-to-information/parliamentary-and-statutory-reporting>.The most recent annual performance statement can be found at: <https://www.futurefund.gov.au/about-us/publications>. |

### 2.1 Budgeted expenses and performance for Outcome 1

|  |
| --- |
| Outcome 1: Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates. |

#### Linked programs

| **Department of Finance** |
| --- |
| **Programs*** Program 2.7 – Public Sector Superannuation Program
 |
| **Contribution to Outcome 1 made by linked programs**The Future Fund Management Agency works with the Department of Finance to ensure that the management of the Australian Government Investment Funds is consistent with the relevant legislation and investment mandates. |

##### Budgeted expenses for Outcome 1

This table shows how much FFMA 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



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

Table 2.1.3: Performance measure for Outcome 1

Table 2.1.3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| Outcome 1 – Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates. |
| --- |
| **Program 1.1 – Management of the Investment of the Future Fund**The FFMA supports the Board in investing to accumulate assets for the purpose of offsetting the unfunded superannuation liabilities of the Australian Government which will fall due on future generations. |
| **Key Activities** | * Ensure all decisions of the Board of Guardians are given effect as directed by the Board within timeframes and quality levels agreed with the Board.
* Ensure all investments are made in accordance with relevant legislation, Investment Mandate and ministerial directions.
* Provide administrative services to the Board.
* Provide information and recommendations to the Board.
* Advise the Board about the performance of the Board’s functions.
* Make resources and facilities available to the Board.
 |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target return over the long term (interpreted as rolling 10 year periods) with acceptable but not excessive risk. | As at 31 December 2021 the actual return was 10.8% pa over the last 10 years against a target benchmark return of 6.2% pa, delivered within the mandate’s risk parameters. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target return over the long term (interpreted as rolling 10 year periods) with acceptable but not excessive risk. | To achieve a return in line with the long-term target return with acceptable but not excessive risk. |
| ForwardEstimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil |

Table 2.1.3: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Outcome 1 –** Strengthen the Commonwealth’s financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates. |
| Program 1.2 – Management of the Investment of the Australian Government Investment Funds The DisabilityCare Australia Fund Act 2013 established the DisabilityCare Australia Fund (DCAF) on 1 July 2014. The Medical Research Future Fund Act 2015 established the Medical Research Future Fund (MRFF) on 27 August 2015. The Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018 established the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) on 1 February 2019. The Future Drought Fund Act 2019 established the Future Drought Fund on 1 September 2019. The Emergency Response Fund Act 2019 established the Emergency Response Fund on 12 December 2019. The role of the FFMA was extended to include supporting the Board in the investment of the assets of these funds. |
| **Key Activities** | * Ensure all decisions of the Board of Guardians are given effect as directed by the Board within timeframes and quality levels agreed with the Board.
* Ensure all investments are made in accordance with relevant legislation, Investment Mandate and ministerial directions.
* Provide administrative services to the Board.
* Provide information and recommendations to the Board.
* Advise the Board about the performance of the Board’s functions.
* Make resources and facilities available to the Board.
 |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22 | Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target returns as follows:* For the DCAF the Australian three month bank bill swap rate plus 0.3% per annum, calculated on a rolling 12 month basis while minimising the probability of capital loss over a 12 month horizon; and
* For the MRFF the Reserve Bank of Australia Cash Rate target +1.5% to 2.0% per annum, net of investment fees, over a rolling 10 year term with acceptable but not excessive risk; and
 | As at 31 December 2021 the actual return was 0.1% compared to the target benchmark return of 0.3%, delivered within the mandate’s risk parameters.As at 31 December 2021 the actual return was 4.7% pa compared to the target return of 2.5% pa since 22 September 2015, delivered within the mandate’s risk parameters. |

Table 2.1.3: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Program 1.2 – Management of the Investment of the Australian Government Investment Funds**  |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Current year 2021-22(continued) | * For the ATSILSFF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over a three-year period
* For the FDF and ERF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over a three-year period.
 | As at 31 December 2021 the actual return was 6.4% pa compared to the target return of 4.2% pa since 1 October 2019, delivered within the mandate’s risk parameters.As at 31 December 2021 the actual return for FDF was 11.3% pa compared to the target return of 4.3% pa since 1 April 2020, delivered within the mandate’s risk parameters.As at 31 December 2021 the actual return for ERF was 11.3% pa compared to the target return of 4.3% pa since 1 April 2020, delivered within the mandate’s risk parameters. |

Table 2.1.3: Performance measure for Outcome 1 (continued)

|  |
| --- |
| **Program 1.2 – Management of the Investment of the Australian Government Investment Funds**  |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year2022-23 | *As per 2021-22* Provide assistance and advice to the Board in pursuit of achieving the Investment Mandate target returns as follows:* For the DCAF the Australian three month bank bill swap rate plus 0.3% per annum, calculated on a rolling 12 month basis while minimising the probability of capital loss over a 12 month horizon; and
* For the MRFF the Reserve Bank of Australia Cash Rate target +1.5% to 2.0% per annum, net of investment fees, over a rolling 10 year term with acceptable but not excessive risk; and
* For the ATSILSFF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over a three-year period
* For the FDF and ERF an average return over the long term of at least the consumer price index +2.0% to 3.0% per annum, net of costs with an acceptable but not excessive level of risk including having regard to the plausible capital loss from investment returns over a three-year period.
 | To achieve a return in line with the target return and with regard to the risk parameters of the mandate for the DCAF, MRFF, ATSILSFF, FDF & ERF. |
| Forward Estimates 2023-26 | As per 2022-23. | As per 2022-23. |
| Material changes to Program 1.2 resulting from 2022-23 Budget Measures: Nil |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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 expenditure will increase over the 2022-23 estimate year in line with maintaining and developing the Agency’s ability to support the Board in managing the Future Fund and other Australian Government Investment Funds.

Administered expenditure will increase over the 2022-23 estimate year as a result of the expected growth of the portfolio and the evolution of the asset allocation in line with the Board’s investment strategy.

3.2. Budgeted financial statements tables

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

The FFMA does not have any changes in equity.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of administered capital budget statement (for the period ended 30 June)

The FFMA has no budgeted capital administered on behalf of the Government.

Table 3.11: Statement of administered asset movements (Budget year 2022-23)

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

Independent Parliamentary Expenses Authority

Entity resources and planned performance

Independent Parliamentary Expenses Authority

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[1.1 Strategic direction statement 141](#_Toc98182104)

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[3.1 Budgeted financial statements 149](#_Toc98182110)

# 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
* 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
* 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 the entity 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 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 2022-23 as at Budget March 2022



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

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

1. Appropriation Bill (No. 1) 2022-23.
2. Excludes $1.3m in 2021-22 subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
3. Excludes departmental capital budget (DCB).

### 1.3 Budget measures

No Budget measures have been announced since the 2021-22 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 PGPA Act. 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 Independent Parliamentary Expenses Authority 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*** 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**



(a) Expenses not requiring appropriation in the Budget year are made up of audit fees.

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 measures for Outcome 1

Table 2.1.2 below details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

| **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. |
| **Key activities** | 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. |
| **Year** | **Performance measure** | **Expected Performance Results** |
| Current year2021-22 | **Travel — Advice** * Provide clear and timely advice to parliamentarians and MOP(S) staff on travel and related expenses.

**Travel — Claims** * Accurate and timely processing of claims for travel expenses and allowances relating to parliamentarians and MOP(S) staff.

**Data and Reporting** * Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff.
 | * Advice is provided in accordance with IPEA’s published service level standards, which include measurements for quality and timeliness.

**On track*** Claims for travel expenses and allowances are processed in accordance with IPEA’s published service level standards, which include measurements for accuracy and timeliness.

**On track*** Reports relating to work expenses for parliamentarians and their staff are prepared and provided as per IPEA’s published service level standards.

**On track** |

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

|  |
| --- |
| **Program 1.1 – Independent Parliamentary Expenses Authority – Travel Oversight and Reporting** |
| **Year** | **Performance measure**  | **Expected Performance Results** |
| Current year 2021-22 (continued) | **Audit and Assurance** * Conducting assurance activities on the work resources of parliamentarians and the travel resources of MOP(S) staff.
 | * 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 and procedures (protocols and factsheets).

**On track** |
| **Year** | **Performance measure**  | **Planned Performance Results** |
| Budget Year 2022-23 | **Travel — Advice** * Provide accurate and timely advice to parliamentarians and MOP(S) staff on travel and related expenses.

**Travel — Claims** * Accurate and timely processing of claims for travel expenses and allowances relating to parliamentarians and MOP(S) staff.

**Data and Reporting** * Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff.

**Audit and Assurance** * Conducting assurance activities on the work resources of parliamentarians and the travel resources of MOP(S) staff.
 | * 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 and procedures (protocols and factsheets).
 |

Table continues on next page

Table 2.1.2: Performance measures for Outcome 1 (continued)

|  |
| --- |
| **Program 1.1 – Independent Parliamentary Expenses Authority – Travel Oversight and Reporting.** |
| **Year** | **Performance measure**  | **Planned Performance Results** |
| Forward Estimates2023-26  | **Travel — Advice** * Provide accurate and timely advice to parliamentarians and MOP(S) staff on travel and related expenses.

**Travel — Claims** * Accurate and timely processing of claims for travel expenses and allowances relating to parliamentarians and MOP(S) staff.

**Data and Reporting** * Increasing transparency through the compilation of reports detailing the work resources of current and former parliamentarians and the travel resources of MOP(S) staff.

**Audit and Assurance** * Conducting assurance activities on the work resources of parliamentarians and the travel resources of MOP(S) staff.
 | * 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 and procedures (protocols and factsheets).
 |
| Material changes to Program 1.1 resulting from 2022-23 Budget Measures: Nil |

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2022-23 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 for a break-even result for 2022-23 and across the forward estimates. Expenses and revenue from government increase in 2021-22 and 2022-23 due to additional funding being provided due to the delay of the implementation of the Parliamentary Expenses Management System.

**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

 

Prepared on Australian Accounting Standards basis.

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



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 2022-23)



Prepared on Australian Accounting Standards basis.

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



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 departmental asset movements (Budget year 2022-23)

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)



Prepared on Australian Accounting Standards basis.

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

Prepared on Australian Accounting Standards basis.

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



Prepared on Australian Accounting Standards basis.

Table 3.10: Schedule of 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 2022-23)

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

# Portfolio glossary

| Term | Meaning |
| --- | --- |
| Accumulated Depreciation | The aggregate depreciation recorded for a particular depreciating asset. |
| Administered Items | Expenses, revenues, assets or liabilities managed by entities on behalf of the Commonwealth. Entities do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs. |
| Additional Estimates | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.  |
| Additional Estimates Bills or Acts | These are Appropriation Bills (No. 3) and (No .4) and a separate Bill for the Parliamentary Departments ((Parliamentary Departments) Bill (No.2)). These Bills are introduced into Parliament after the Budget Bills. |
| Appropriation | A law of the Australian Parliament that provides authority for Commonwealth entities to spend money from the Consolidated Revenue Fund for a particular purpose. Entities may not spend money without an appropriation authorising that expenditure and, where necessary, other legislation authorising the specified purpose.  |
| Annual Appropriation | Two appropriation Bills are introduced into Parliament in May and comprise the Budget. Further Bills are introduced later in the financial year as part of the Additional Estimates. Parliamentary departments have their own appropriations. |
| Capital Expenditure | Expenditure by an entity on capital projects, for example purchasing a building. |
| Charter of Budget Honesty Act | The *Charter of Budget Honesty Act 1998* provides a legislative framework for the conduct and reporting of fiscal policy.  |
| Departmental Items | Assets, liabilities, revenues and expenses that are controlled by the entity in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.  |
| Depreciation and Amortisation | Apportionment of an asset’s capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time. |
| Equity or Net Assets | Residual interest in the assets of an entity after deduction of its liabilities. |
| Expense  | Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.  |
| Fair Value | Valuation methodology: The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm’s length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder. |
| Measure | A new policy or savings decision of the government with financial impacts.  |
| Operating Result | Equals income less expense. |
| Outcomes | The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community influenced by the actions of the Australian Government. Actual outcomes are the results or impacts actually achieved. |
| Portfolio | A Minister’s area of responsibility as a member of Cabinet. A portfolio consists of one or more Departments of State and a number of entities with similar general objectives and outcomes. |
| PGPA Act  | *Public Governance, Performance and Accountability Act 2013* (PGPA Act). |
| Revenue | Total value of resources earned or received to cover the production of goods and services or increases in future economic benefits in the form of increases in assets or reductions in liabilities of an entity. |
| Special Accounts | A type of [special appropriation](http://www.finance.gov.au/resource-management/introduction/glossary/#special_appropriation), limited by amount, criteria or time, which may be established under sections 78 and 80 of the PGPA Act. |
| Special Appropriations  | Authority within an Act (other than an [annual Appropriation](http://www.finance.gov.au/resource-management/introduction/glossary/#annual_appropriations) Act) to spend money from the [Consolidated Revenue Fund](http://www.finance.gov.au/resource-management/introduction/glossary/#crf) for particular purposes. *The Social Security (Administration) Act 1999*, for example, contains several special appropriations to make social security payments. Special appropriations support around 80% of all government expenditure each year. |