



Budget

2017-18

Portfolio Budget Statements 2017-18
Budget Related Paper No. 1.17C

Department of Parliamentary Services

Budget Initiatives and Explanations of
Appropriations Specified by Outcomes
and Programs by Entity

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PARLIAMENT OF AUSTRALIA

DEPARTMENT OF PARLIAMENTARY SERVICES

Senator the Hon Stephen Parry
President of the Senate
Parliament House
CANBERRA ACT 2600

The Hon Tony Smith MP
Speaker of the House of Representatives
Parliament House
CANBERRA ACT 2600

4 May 2017

Dear Mr President and Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2017-18 Budget for the Department of Parliamentary Services.

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

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

Robert Stefanic
Secretary

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nfp	not for publication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 Mr Nicholas Creagh, Chief Finance Officer, Department of Parliamentary Services on (02) 6277 8954.

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.

**USER GUIDE
TO THE
PORTFOLIO BUDGET STATEMENTS**

USER GUIDE

The purpose of the *2017-18 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) 2017-18 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2017-18 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 Enhanced Commonwealth Performance Framework.

The following diagram outlines the key components of the enhanced 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.

Enhanced Commonwealth Performance Framework
- key components of relevant publications

Portfolio Budget Statements (May)
Portfolio 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**.

Corporate Plan (August)
Entity based

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**.

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DEPARTMENTAL OVERVIEW

DEPARTMENTAL OVERVIEW

The Department of Parliamentary Services (DPS) is one of four parliamentary departments supporting the Australian Parliament. DPS reports to the Presiding Officers of the Parliament (the President of the Senate and the Speaker of the House of Representatives).

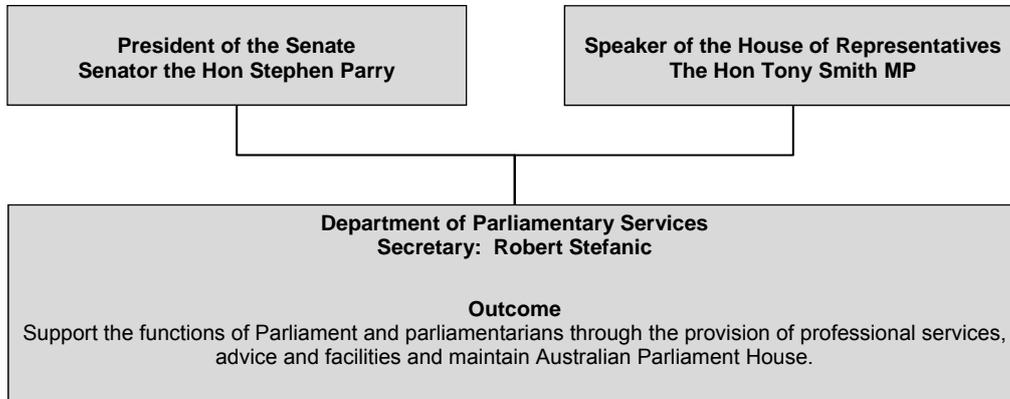
DPS supports Australia's Parliament and parliamentarians through innovative, unified and client focused services. We are proud to be custodians for Australian Parliament House (APH) as the working symbol of Australian democracy and as a significant destination for our citizens and international visitors alike.

DPS provides services and products to support the functioning of the Australian Parliament, and the work of parliamentarians. Working in collaboration with the house departments, DPS provides, or facilitates the following:

- library and research services;
- information and communication technology services;
- security services;
- building, ground and design integrity services;
- audio visual and Hansard services;
- art services;
- visitor services;
- food and beverage services;
- retail, health, banking, and childcare services; and
- corporate, administrative and strategic services for DPS.

Departmental overview

Figure 1: Department of Parliamentary Services reporting structure and outcome



**DEPARTMENT OF PARLIAMENTARY
SERVICES**

**ENTITY RESOURCES AND PLANNED
PERFORMANCE**

DEPARTMENT OF PARLIAMENTARY SERVICES

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

DPS' purpose is to support the functions of the Australian Parliament and the work of parliamentarians through the provision of professional services, advice and facilities, the ongoing maintenance of Australian Parliament House; and makes the building, and the important activity that takes place within it, accessible.

Our purpose is further clarified by separating out the distinct elements it covers into four strategic themes. These strategic themes provide the planning framework against which DPS operates. Further, DPS' activities and their intended results link to the strategic themes, allowing for meaningful measurement of performance.

Our four strategic themes are:

- Respond to the changing needs of the Parliament;
- Enhance the Parliament's engagement with the community;
- Effective stewardship of Australian Parliament House; and
- Effective delivery of the Australian Parliament House Works Program.

DPS operates in an environment with a range of significant challenges. Optimising our service capability and working collaboratively to achieve positive outcomes will be essential in addressing these challenges.

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.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome 1' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: DPS resource statement — Budget estimates for 2017-18 as at Budget May 2017

	2016-17 <i>Estimated actual</i> \$'000	2017-18 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services ^(a)		
Prior year appropriations available	21,812	21,812
Departmental appropriation ^(b)	118,568	122,978
s74 retained revenue receipts ^(c)	11,619	16,239
Departmental capital budget ^(d)	22,516	17,648
<i>Total departmental annual appropriations</i>	<i>174,515</i>	<i>178,677</i>
Total departmental resourcing	174,515	178,677
Administered		
Annual appropriations - ordinary annual services ^(a)	6,993	5,346
Annual appropriations - other services - non-operating ^(e)		
Administered assets and liabilities	40,096	123,901
<i>Total administered annual appropriations</i>	<i>47,089</i>	<i>129,247</i>
Total administered resourcing	47,089	129,247
Total resourcing	221,604	307,924
	2016-17	2017-18
Average staffing level (number)	820	897

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

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

(a) *Appropriation (Parliamentary Departments) Bill (No.1) 2017-18.*

(b) Excludes departmental capital budget (DCB).

(c) Estimated retained revenue receipts under section 74 of the PGPA Act.

(d) Departmental capital budgets are not separately identified in *Appropriation (Parliamentary Departments) 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'.

(e) *Appropriation (Parliamentary Departments) Bill (No.1) 2017-18* (refer to Table 3.10 for further details). For accounting purposes, this amount has been designated as a 'contribution by owner'.

Third party payments from and on behalf of other entities

	<i>2016-17 Estimated actual \$'000</i>	<i>2017-18 Estimate \$'000</i>
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)		
Department of Finance		
<i>Parliamentary Entitlements Act 1990</i>	20,868	19,988
<i>Administered Annual Appropriation Act (No. 1)</i>	351	350
Total Payments made on behalf of other agencies	<u>21,219</u>	<u>20,338</u>

1.3 BUDGET MEASURES

DPS has no budget measures.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan and annual performance statement for DPS can be found at: http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Department_of_Parliamentary_Services/Publications

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Support the functions of Parliament and parliamentarians through the provision of professional services, advice and facilities and maintain Australian Parliament House

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

Outcome 1: Support the functions of Parliament and parliamentarians through the provision of professional services, advice and facilities and maintain Australian Parliament House					
	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
Program 1.1: Parliamentary Services					
Departmental expenses					
Departmental appropriation	118,831	122,700	122,692	123,047	123,854
s74 Retained revenue receipts ^(a)	11,775	15,816	15,858	15,858	15,858
Expenses not requiring appropriation in the Budget year ^(b)	23,140	23,140	23,140	23,140	23,140
Departmental total	153,746	161,656	161,690	162,045	162,852
Total expenses for program 1.1	153,746	161,656	161,690	162,045	162,852
Program 1.2: Parliament House Works Program					
Administered expenses					
Ordinary annual services (Appropriation (Parliamentary Departments) Bill No. 1)	6,993	5,346	5,188	5,281	5,371
Expenses not requiring appropriation in the Budget year ^(b)	33,403	33,813	34,122	34,122	34,122
Administered total	40,396	39,159	39,310	39,403	39,493
Total expenses for program 1.2	40,396	39,159	39,310	39,403	39,493
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation (Parliamentary Departments) Bill No. 1)	6,993	5,346	5,188	5,281	5,371
Expenses not requiring appropriation in the Budget year ^(b)	33,403	33,813	34,122	34,122	34,122
Administered total	40,396	39,159	39,310	39,403	39,493
Departmental expenses					
Departmental appropriation	118,831	122,700	122,692	123,047	123,854
s74 Retained revenue receipts ^(a)	11,775	15,816	15,858	15,858	15,858
Expenses not requiring appropriation in the Budget year ^(b)	23,140	23,140	23,140	23,140	23,140
Departmental total	153,746	161,656	161,690	162,045	162,852
Total expenses for Outcome 1	194,142	200,815	201,000	201,448	202,345

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
Movement of administered funds between years ^(c)					
Outcome 1:					
Parliament House Works Program	(62,787)	65,787	9,910	-	-
Total movement of administered funds	(62,787)	65,787	9,910	-	-
Average staffing level (number)	820	897			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, and audit fees.

(c) Figures displayed as a negative represent a decrease in funds and a positive represent an increase in funds.

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

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2017-18 Budget measures have created new programs or materially changed existing programs.

<p>Outcome 1 – Support the functions of Parliament and parliamentarians through the provision of professional services, advice and facilities and maintain Australian Parliament House.</p>	
<p>Program 1.1 – Parliamentary Services</p> <p>Respond to the changing needs of the Parliament</p> <ul style="list-style-type: none"> • Implement efficient and effective infrastructure, systems and services to respond to the changing needs of the Parliament and our parliamentarians. • Explore and develop innovative technology and systems for the delivery of timely information and services to parliamentarians. • Retain the Parliamentary Library's position as our client's preferred and trusted source of high quality information, analysis and advice. <p>Enhance the Parliament's engagement with the community</p> <ul style="list-style-type: none"> • Enhance our visitor experience and community engagement including the use of social media and emerging technologies. • Enhance electronic access to parliamentary information for the community to easily engage with the parliamentary process. • Champion opportunities for parliamentary strengthening. <p>Effective stewardship of Australian Parliament House (APH)</p> <ul style="list-style-type: none"> • Ensure adaptations of the building uses are strategic, appropriate and reference design integrity principles. • Ensure a secure environment while maintaining public accessibility. • Effectively manage all assets within APH including collections. • Maintain APH and the precinct as benefits its status as an iconic building and location of national significance. 	
<p>Delivery</p>	<p>Respond to the changing needs of the Parliament</p> <ul style="list-style-type: none"> • Ensure technology and infrastructure planning reflects the current and future needs of Parliament. • Enhance the flexible and accessible delivery of advice, information and services. • Maintain services that reflect an evidence-based understanding of the current and evolving needs of our clients. • Enhance digital access to information. • Continue to build the Library's reputation for high-quality advice through: <ul style="list-style-type: none"> - ensuring high and consistent quality in services - increasing digital access and services, and - supporting the parliament's engagement with the community and initiatives to help develop parliamentary democracy in our region. <p>Enhance the Parliament's engagement with the community</p> <ul style="list-style-type: none"> • Improve electronic access to parliamentary information. • Improve the accessibility and quality of services for visitors to APH. • Support international parliamentary strengthening initiatives.

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	<p>Effective stewardship of Australian Parliament House</p> <ul style="list-style-type: none"> • Effectively manage the assets of APH. • Develop and implement a new moral rights consultation framework to appropriately manage the design integrity of APH. • Develop and implement appropriate strategic and timely proposals for any adaptation to building uses references design integrity principles. • Develop and implement building and landscape maintenance programs to effectively maintain APH and the precinct. • Provide a safe and accessible environment for building occupants and visitors. 	
Year	Performance criteria	Targets
2016-17	<p>Number and types of visitor interactions</p> <ul style="list-style-type: none"> • Number of visitors • Number of virtual visitors • Number of visitors for DPS school tours • Number of participants to DPS organised tours and events <p>Visitor satisfaction with Australian Parliament House Experience</p> <ul style="list-style-type: none"> • % of visitor feedback indicating their visit met or exceeded expectations • % of virtual visitor feedback indicating their visit met or exceeded expectations • % of school visitor feedback indicating their visit met expectations • % of participants attending DPS tours and events indicating their visit met or exceeded expectations <p>Building occupant satisfaction with timeliness and quality of DPS services</p> <ul style="list-style-type: none"> • % of building occupant feedback indicating a satisfied or neutral rating with timeliness and quality of DPS services (by DPS service category) • % of Parliamentary satisfaction with Art Collection Services <p>Parliamentary Library Service KPIs are achieved</p> <ul style="list-style-type: none"> • % of Library Services KPIs set out in the annual Library Resource Agreement that are achieved <p>ICT Service Standards are achieved</p> <ul style="list-style-type: none"> • % of ICT Standards outlined in the ICT SLA that are achieved 	<p>DPS is on track to achieve the 2016-17 targets for visitor interactions. (Equivalent or greater to same period last year)</p> <p>DPS is on track to achieve the 2016-17 targets for visitor satisfaction with Australian Parliament House Experience. (85% satisfaction)</p> <p>DPS is on track to achieve the 2016-17 targets for building occupant satisfaction with timeliness and quality of DPS services. (75% satisfaction)</p> <p>DPS is on track to achieve the 2016-17 targets for Library Service KPIs. (90%)</p> <p>Year to date performance is currently below the target primarily as a result of specific incidents affecting ICT systems in October and November. These incidents have been</p>

	<p>Hansard Service KPIs are achieved</p> <ul style="list-style-type: none"> • % of individual draft speeches delivered within two hours of speech finishing • % of electronic proof Hansard reports delivered within agreed timeframes • % of committee transcripts delivered within agreed timeframes 	<p>thoroughly investigated and there has been no further recurrence. (90%)</p> <p>DPS is on track to achieve the 2016-17 targets for Hansard Service KPIs. (85%) (95%) (95%)</p>
<p>2017-18</p>	<p>Number and types of visitor interactions</p> <ul style="list-style-type: none"> • Number of visitors • Number of virtual visitors • Number of visitors for DPS school tours • Number of participants to DPS organised tours and events <p>Visitor satisfaction with Australian Parliament House Experience</p> <ul style="list-style-type: none"> • % of visitor feedback indicating their visit met or exceeded expectations • % of virtual visitor feedback indicating their visit met or exceeded expectations • % of school visitor feedback indicating their visit met expectations • % of participants attending DPS tours and events indicating their visit met or exceeded expectations <p>Building occupant satisfaction with timeliness and quality of DPS services</p> <ul style="list-style-type: none"> • % of building occupant feedback indicating a satisfied or neutral rating with timeliness and quality of DPS services (by DPS service category) <p>Parliamentary Library Service KPIs are achieved</p> <ul style="list-style-type: none"> • % of Library Services KPIs set out in the annual Library Resource Agreement that are achieved <p>ICT Service Standards are achieved</p> <ul style="list-style-type: none"> • % of ICT Standards outlined in the ICT SLA that are achieved 	<p>Number of visitors and participants equivalent or greater to same period last year</p> <p>85% satisfaction rating achieved</p> <p>75% satisfaction rating achieved</p> <p>90% Library Service KPIs achieved</p> <p>90% ICT Service Standards achieved</p>

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	<p>Hansard Service KPIs are achieved</p> <ul style="list-style-type: none"> • % of individual draft speeches delivered within two hours of speech finishing 85% • % of electronic proof Hansard reports delivered within agreed timeframes 95% • % of committee transcripts delivered within agreed timeframes 95% <p>Design Integrity Performance</p> <ul style="list-style-type: none"> • The level at which the design integrity process is functioning Effective • The extent and effectiveness of consultation with moral rights holders and DPS regarding the process for design integrity and moral rights matters Effective <p>Building Condition Rating</p> <ul style="list-style-type: none"> • % of building areas reviewed that are assessed as being in good or better condition 80% <p>Landscape Condition Rating</p> <ul style="list-style-type: none"> • % of landscaped areas reviewed that are assessed as being in good or better condition 85% <p>Security KPIs are achieved</p> <ul style="list-style-type: none"> • % of security incidents that are handled in accordance with policy and process 100% • % of PSS Officers compliant with mandatory training requirements 100% 	
2018-19 and beyond	<i>As per 2017-18</i>	<i>As per 2017-18</i>
Purposes	The Department of Parliamentary Services supports the functions of the Australian Parliament and the work of parliamentarians through the provision of professional services, advice and facilities, the ongoing maintenance of Australian Parliament House; and makes the building and the important activity that takes place within it, accessible.	

Program 1.2 – Parliament House Works Program		
Effective delivery of the Parliament House Works Program <ul style="list-style-type: none"> Effectively manage a capital works program for Australian Parliament House to function effectively as a safe and accessible workplace. Deliver a security works program that meets the needs of the Parliament. 		
Delivery	Effective stewardship of Australian Parliament House <ul style="list-style-type: none"> Effectively manage the Australian Parliament House capital works plan. Effectively deliver the Security Upgrade Implementation Plan. 	
Performance information		
Year	Performance criteria	Targets
2016-17	<p>Continuity of design integrity</p> <ul style="list-style-type: none"> % of projects that have a material impact on design integrity of the building where design integrity is maintained or improved <p>Building Condition Rating</p> <ul style="list-style-type: none"> % of building areas reviewed that are assessed as being in good or better condition <p>Landscape Condition Rating</p> <ul style="list-style-type: none"> % of landscaped areas reviewed that are assessed as being in good or better condition <p>Engineering Systems Rating</p> <ul style="list-style-type: none"> % of critical engineering systems reviewed that are assessed as being in good or better condition 	<p>DPS does not anticipate the target will be met as a result of the long lead times of many capital projects. Work is being undertaken to refine this measure in the next financial year (90%)</p> <p>DPS is on track to achieve the 2016-17 targets for Building Condition Rating (80%)</p> <p>DPS is on track to achieve the 2016-17 target for the Landscape Condition Rating (85%)</p> <p>DPS will not be continuing with the Engineering Systems Rating in its current form. Following an audit into performance indicators the design of this rating is being reviewed to ensure it provides timely and relevant information (90%)</p>
2017-18 ^{1 2}	<p>Parliament House Works Program KPIs are achieved</p> <ul style="list-style-type: none"> % of Capital Works Branch projects in delivery phase % of Capital Works Branch budget spent in the financial year % of Security Upgrade Implementation Plan projects in delivery phase % of Security Upgrade Implementation Plan budget spent in the financial year 	<p>80%</p> <p>80%</p> <p>80%</p> <p>80%</p>
2018-19 and beyond	<i>As per 2017-18</i>	<i>As per 2017-18</i>

¹ The Continuity of Design Integrity, Building Condition Rating and the Landscape Condition Rating performance criteria have been moved under Program 1 for 2017-18.

² The Engineering Systems Rating for 2017-18 is currently being reviewed.

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Program 1.2 – Parliament House Works Program	
Purposes	The Department of Parliamentary Services supports the functions of the Australian Parliament and the work of parliamentarians through the provision of professional services, advice and facilities, the ongoing maintenance of Australian Parliament House; and makes the building and the important activity that takes place within it, accessible.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2017-18 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

The Resource Statement (Table 1.1) provides a consolidated view of resources available to DPS in 2017-18, appropriated in both the budget year and prior years, where they remain unspent and available. This table is prepared on a cash basis; however, this contrasts to the budgeted financial statements (which are presented in the tables that follow), which are prepared in accordance with Australian Accounting Standards.

3.1.2 Explanatory notes and analysis of budgeted financial statements

Comprehensive Income Statement

When compared with estimates disclosed in the 2016-17 PB Statements, departmental revenue from Government has increased by \$3.9 million in 2017-18, \$2.8 million in 2018-19 and \$2.1 million in 2019-20. This increase is primarily due to a transfer of capital funds to operational funding from 2017-18 onwards to support the changing nature of information technology funding requirements.

Compared with estimates disclosed in the 2016-17 PB Statements, departmental own-source revenue has increased by \$8.2 million through to 2019-20. This increase is due to revenue generated from DPS insourcing the provision of catering at APH.

DPS is forecasting a balanced income statement result in 2017-18 and across the Forward Estimates (excluding depreciation and amortisation, for which the department is not appropriated).

Balance Sheet

The 2017-18 net asset position is anticipated to decrease from the 2016-17 PB Statements by \$1.6 million as a result of the transfer of departmental capital funding to departmental operating, as well as the 2015-16 balance varying to the estimated actual.

The administered net asset position has changed since the 2016-17 PB Statements as a result of the final outcome of 2015-16 varying to the estimated actual, and the movement of funds outlined in Table 2.1.1.

Capital Budget

DPS has moved \$75.7 million of administered capital expenditure from 2015-16 and 2016-17 to 2017-18 (\$65.8 million) and 2018-19 (\$9.9 million).

3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
EXPENSES					
Employee benefits	85,618	86,842	86,299	87,247	87,857
Suppliers	45,128	51,814	52,391	51,798	51,995
Depreciation and amortisation	23,000	23,000	23,000	23,000	23,000
Total expenses	153,746	161,656	161,690	162,045	162,852
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,351	13,351	13,351	13,351	13,351
Rental income	2,050	2,091	2,133	2,133	2,133
Other	374	374	374	374	374
Total own-source revenue	11,775	15,816	15,858	15,858	15,858
Gains					
Other	140	140	140	140	140
Total gains	140	140	140	140	140
Total own-source income	11,915	15,956	15,998	15,998	15,998
Net cost of services	(141,831)	(145,700)	(145,692)	(146,047)	(146,854)
Revenue from Government	118,831	122,700	122,692	123,047	123,854
Deficit attributable to the Australian Government	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
Total comprehensive loss	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
Total comprehensive loss attributable to the Australian Government	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)

Note: Impact of net cash appropriation arrangements

	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Total comprehensive loss excluding depreciation/ amortisation expenses previously funded through revenue appropriations	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ^(a)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
Total comprehensive loss - as per the statement of comprehensive income	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)

(a) 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.

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	574	574	574	574	574
Trade and other receivables	25,177	24,899	24,899	24,899	24,899
Total financial assets	25,751	25,473	25,473	25,473	25,473
Non-financial assets					
Property, plant and equipment	67,501	61,139	55,672	49,693	43,864
Intangibles	28,398	29,408	28,989	29,142	29,295
Inventories	242	242	242	242	242
Other non-financial assets	6,703	6,703	6,703	6,703	6,703
Total non-financial assets	102,844	97,492	91,606	85,780	80,104
Total assets	128,595	122,965	117,079	111,253	105,577
LIABILITIES					
Payables					
Suppliers	5,381	5,381	5,381	5,381	5,381
Other payables	507	229	229	229	229
Total payables	5,888	5,610	5,610	5,610	5,610
Provisions					
Employee provisions	22,524	22,524	22,524	22,524	22,524
Total provisions	22,524	22,524	22,524	22,524	22,524
Total liabilities	28,412	28,134	28,134	28,134	28,134
Net assets	100,183	94,831	88,945	83,119	77,443
EQUITY*					
Parent entity interest					
Contributed equity	244,538	262,186	279,300	296,474	313,798
Reserves	20,331	20,331	20,331	20,331	20,331
Accumulated deficit	(164,686)	(187,686)	(210,686)	(233,686)	(256,686)
Total parent entity interest	100,183	94,831	88,945	83,119	77,443
Total equity	100,183	94,831	88,945	83,119	77,443

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

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2017-18)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	(164,686)	20,331	244,538	100,183
Adjusted opening balance	(164,686)	20,331	244,538	100,183
Comprehensive income				
Deficit for the period	(23,000)	-	-	(23,000)
Total comprehensive income	(23,000)	-	-	(23,000)
of which:				
Attributable to the Australian Government	(23,000)	-	-	(23,000)
Transactions with owners				
Contributions by owners				
Departmental capital budget (DCB)	-	-	17,648	17,648
Sub-total transactions with owners	-	-	17,648	17,648
Estimated closing balance as at 30 June 2018	(187,686)	20,331	262,186	94,831
Closing balance attributable to the Australian Government	(187,686)	20,331	262,186	94,831

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	118,553	122,978	122,690	123,047	123,854
Sale of goods and rendering of services	11,820	15,865	15,911	15,858	15,484
Net GST received	5,774	5,667	5,745	5,731	5,810
Other	374	374	374	374	374
Total cash received	136,521	144,884	144,720	145,010	145,522
Cash used					
Employees	85,340	87,120	86,299	87,247	87,857
Suppliers	51,181	57,764	58,421	57,763	57,665
Total cash used	136,521	144,884	144,720	145,010	145,522
Net cash from operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	22,516	17,648	17,114	17,174	17,324
Total cash used	22,516	17,648	17,114	17,174	17,324
Net cash from investing activities	(22,516)	(17,648)	(17,114)	(17,174)	(17,324)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	22,516	17,648	17,114	17,174	17,324
Total cash received	22,516	17,648	17,114	17,174	17,324
Net cash from financing activities	22,516	17,648	17,114	17,174	17,324
Net increase in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	574	574	574	574	574
Cash and cash equivalents at the end of the reporting period	574	574	574	574	574

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	22,516	17,648	17,114	17,174	17,324
Total new capital appropriations	22,516	17,648	17,114	17,174	17,324
<i>Provided for:</i>					
Purchase of non-financial assets	22,516	17,648	17,114	17,174	17,324
Total items	22,516	17,648	17,114	17,174	17,324
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ^(a)	22,516	17,648	17,114	17,174	17,324
TOTAL	22,516	17,648	17,114	17,174	17,324
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total cash used to acquire assets	22,516	17,648	17,114	17,174	17,324

(a) Includes purchases from current and previous years' DCBs.
Prepared on Australian Accounting Standards basis.

Table 3.6: Statement of asset movements (Budget year 2017-18)

	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2017			
Gross book value	116,190	92,022	208,212
Accumulated depreciation/ amortisation and impairment	(48,689)	(63,624)	(112,313)
Opening net book balance	67,501	28,398	95,899
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - appropriation ordinary annual services ^(a)	8,575	9,073	17,648
Total additions	8,575	9,073	17,648
Other movements			
Depreciation/amortisation expense	(14,937)	(8,063)	(23,000)
Disposals ^(b)			
Gross book value	(13,000)	(7,000)	(20,000)
Accumulated depreciation	13,000	7,000	20,000
Total other movements	(14,937)	(8,063)	(23,000)
As at 30 June 2018			
Gross book value	111,765	94,095	205,860
Accumulated depreciation/ amortisation and impairment	(50,626)	(64,687)	(115,313)
Closing net book balance	61,139	29,408	90,547

(a) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation (Parliamentary Departments) Bill (No.1)* 2017-18 for depreciation/amortisation expenses, DCBs or other operational expenses.

(b) Net proceeds may be returned to the OPA.

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)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
EXPENSES					
Employee benefits	818	834	850	867	884
Suppliers	6,175	4,512	4,338	4,414	4,487
Depreciation and amortisation	33,403	33,813	34,122	34,122	34,122
Total expenses administered on behalf of Government	40,396	39,159	39,310	39,403	39,493
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Other revenue	156	156	156	156	156
Total non-taxation revenue	156	156	156	156	156
Total own-sourced income administered on behalf of Government	156	156	156	156	156
Net cost of services	40,240	39,003	39,154	39,247	39,337
Total comprehensive loss	40,240	39,003	39,154	39,247	39,337

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
ASSETS					
Financial assets					
Trade and other receivables	333	333	333	333	333
Total financial assets	333	333	333	333	333
Non-financial assets					
Land and buildings	2,147,735	2,239,314	2,249,864	2,250,875	2,252,572
Property, plant and equipment	92,341	93,237	93,991	95,013	95,963
Intangibles	29	29	29	29	29
Total non-financial assets	2,240,105	2,332,580	2,343,884	2,345,917	2,348,564
Total assets administered on behalf of Government	2,240,438	2,332,913	2,344,217	2,346,250	2,348,897
LIABILITIES					
Payables					
Suppliers	254	254	254	254	254
Other payables	367	367	367	367	367
Total payables	621	621	621	621	621
Total liabilities administered on behalf of Government	621	621	621	621	621
Net assets	2,239,817	2,332,292	2,343,596	2,345,629	2,348,276

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Rendering of services	156	156	156	156	156
Net GST received	4,281	13,064	4,960	4,041	4,110
Total cash received	4,437	13,220	5,116	4,197	4,266
Cash used					
Suppliers	10,472	17,592	9,314	8,471	8,613
Employees	818	834	850	867	884
Total cash used	11,290	18,426	10,164	9,338	9,497
Net cash used by operating activities	(6,853)	(5,206)	(5,048)	(5,141)	(5,231)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	49,709	126,288	45,426	36,155	36,769
Total cash used	49,709	126,288	45,426	36,155	36,769
Net cash used by investing activities	(49,709)	(126,288)	(45,426)	(36,155)	(36,769)
Net decrease in cash held	(56,562)	(131,494)	(50,474)	(41,296)	(42,000)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	60,999	144,714	55,590	45,493	46,266
Total cash from Official Public	60,999	144,714	55,590	45,493	46,266
Cash to Official Public Account for:					
- Appropriations	(4,437)	(13,220)	(5,116)	(4,197)	(4,266)
Total cash to Official Public Account	(4,437)	(13,220)	(5,116)	(4,197)	(4,266)
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forw ard estimate \$'000	2019-20 Forw ard estimate \$'000	2020-21 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities	40,096	123,901	45,426	36,155	36,769
Total new capital appropriations	40,096	123,901	45,426	36,155	36,769
Provided for:					
Purchase of non-financial assets	40,096	123,901	45,426	36,155	36,769
Total items	40,096	123,901	45,426	36,155	36,769
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	36,799	126,288	45,426	36,155	36,769
TOTAL	36,799	126,288	45,426	36,155	36,769
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total accrual purchases	36,799	126,288	45,426	36,155	36,769
Total cash used to acquire assets	36,799	126,288	45,426	36,155	36,769

(a) Funded by Administered Assets and Liabilities Appropriation.
Prepared on Australian Accounting Standards basis.

Table 3.11: Statement of administered asset movements (Budget year 2017-18)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Heritage and cultural \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2017						
Gross book value	80,000	2,128,460	10,589	86,082	29	2,305,160
Accumulated depreciation/amortisation and impairment	-	(60,725)	(4,330)	-	-	(65,055)
Opening net book balance	80,000	2,067,735	6,259	86,082	29	2,240,105
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ^(a)	-	121,124	4,516	648	-	126,288
Total additions	-	121,124	4,516	648	-	126,288
Other movements						
Depreciation/amortisation expense	-	(29,545)	(4,268)	-	-	(33,813)
Disposals ^(b)						
Gross book value	-	-	(1,000)	-	-	(1,000)
Accumulated depreciation	-	-	1,000	-	-	1,000
Total other movements	-	(29,545)	(4,268)	-	-	(33,813)
As at 30 June 2018						
Gross book value	80,000	2,249,584	14,105	86,730	29	2,430,448
Accumulated depreciation/amortisation and impairment	-	(90,270)	(7,598)	-	-	(97,868)
Closing net book balance	80,000	2,159,314	6,507	86,730	29	2,332,580

(a) 'Appropriation equity' refers to Administered Assets and Liabilities provided through *Appropriation Bill (Parliamentary Departments) (No. 1) 2017-18*.

(b) Net proceeds may be returned to the OPA.

Prepared on Australian Accounting Standards basis.