

AUSTRALIAN PUBLIC SERVICE COMMISSION

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AUSTRALIAN PUBLIC SERVICE COMMISSION

Section 1: Overview, appropriations and budget measures summary

AGENCY OVERVIEW

The planned outcome for the Australian Public Service Commission is to foster *a confident, high quality, values-based and sustainable Australian Public Service.*

The Commission contributes to the achievement of this outcome through five output groups:

1. Australian Public Service (APS) policy and employment services
2. Leadership, learning and development services
3. Organisational performance, promotion and support
4. Evaluation
5. Merit protection and other services.

The Commission's administrative structure is based on seven groups, four based on the first four output groups above, two regional groups with responsibilities across all five output groups, and a Corporate Strategy and Support Group.

APPROPRIATIONS AND RESOURCING

The total appropriation for the Australian Public Service Commission in the 2004–05 Budget is \$16.525 million. Table 1.1 shows the appropriations for the Commission in 2004–05 by the government outcome and by price of output appropriation.

The total price of outputs is \$29.745 million, of which \$16.525 million (55.6%) is contributed from Appropriation Bill Number 1. The balance of \$13.220 million (44.4%) from other sources is mainly accounted for by:

- sales of goods and services (eg fees from leadership, learning and development programs, employment-related fee-for-service activities and gazette subscriptions)
- resources received free of charge from the Australian National Audit Office.

Australian Public Service Commission — appropriations 2004–05

Table 1.1: Appropriations and other revenue ('000)

| Outcome | Departmental (price of outputs) ('\$000) | | | | | Administered (\$'000) | | | Total appropriations (\$'000) | |
|---|--|-----------------|---|---------------------------------|----------------------------------|------------------------|---|----------|-------------------------------|---------------|
| | Revenue from government (appropriations) | | Revenue from other sources ⁽⁴⁾ | Price of outputs ⁽³⁾ | Annual appropriations (\$'000) | Special appropriations | Total administered appropriations | | | |
| | Bill No. 1 | Special approps | Total | | | Bill No. 1 | Bill No. 2 (SPPs & NAOs) ⁽²⁾ | | | |
| | (A) | (B) | (C = A+B) (C1) ⁽¹⁾ | (D) | (E = C+D) (E1) ⁽¹⁾ | (F) | (G) | (H) | (I = F+G+H) | (J=C+I) |
| Outcome 1 – A confident, high quality, values-based and sustainable Australian Public Service. | 16,525 | - | 16,525 | 13,220 | 29,745 | - | - | - | - | 29,745 |
| | | | 56% | | | | | | | |
| Total | 16,525 | - | 16,525 | 13,220 | 29,745 | - | - | - | - | 29,745 |
| Departmental capital (equity injections and loans) | | | (K1) ⁽¹⁾ | | | | | | (K3) ⁽¹⁾ | - |
| Total appropriations | | | | | | | | | | 29,745 |

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1. Cells C1 and E1 refer to information provided in Total Resources for Outcome Table 2.1. Amount K1 refers to Budgeted Statement of Financial Performance (Table 3.1), and amount K3 to Capital Budget Statement (Table 3.4).
2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), New Agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.
3. Refer to Budgeted Statement of Financial Performance (Table 3.1) for application of agency revenue.
4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services).

Note: Percentage figure indicates the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

MEASURES — AGENCY SUMMARY

The Commission does not have any budget measures for this budget. The cross-portfolio measure, Budget estimates – enforced quality and timeliness was appropriated through the 2003–04 Additional Estimates and is therefore not included in this table.

RECEIPTS FROM INDEPENDENT SOURCES

Table 1.2: Receipts from independent sources

| | Estimated revenue 2003–04 \$'000 | Estimated revenue 2004–05 \$'000 |
|---------------------------------|---|---|
| Sales of goods and services | 12,328 | 13,027 |
| Total estimated receipts | 12,328 | 13,027 |

The Commission earns revenue from leadership, learning and development programs and employment-related services. This revenue is earned in an open market in which agencies have choices about where they source their services and the level of services they acquire.

The Commission’s estimated operating revenues for 2003–04 total \$28.423 million, of which \$11.917 million or 41.9% is to be received from sales of goods and services and other sources. Revenue from the sale of goods and services in 2003–04 is estimated to be largely earned from leadership, learning and development activities (67%), employment-related services (15%) and *Public Service Gazette* subscriptions (11%).

In 2004–05, the Commission’s estimated operating revenues are \$29.745 million, of which \$13.220 million or 44.4% is to be received from sales of goods and services and other sources. Revenue from the sale of goods and services will again be earned mainly from leadership, learning and development activities (70%), employment-related services (13%) and *Public Service Gazette* subscriptions (9%).

All the Commission’s revenue from independent sources is excluded from the definition of ‘cost recovery’ for the purposes of the Commonwealth Cost Recovery Guidelines for Information Agencies.

MOVEMENT OF ADMINISTERED FUNDS FROM 2003–04 TO 2004–05

The Commission has no movement of Administered funds.

SPECIAL ACCOUNTS

Table 1.3: Estimates of special account flows and balances

| | Estimate, 2004–05 – Bold figures | | | | |
|---|--|----------------|----------------|----------------------------|--------------------|
| | <i>Estimated actual, 2003–04 – Light figures</i> | | | | |
| | Opening balance | Receipts | Payments | Adjustments ⁽²⁾ | Closing balance |
| | 2004–05⁽¹⁾ | 2004–05 | 2004–05 | 2004–05 | 2004–05 |
| | <i>2003–04</i> | <i>2003–04</i> | <i>2003–04</i> | <i>2003–04</i> | <i>2003–04</i> |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Other trust moneys | 0 | 5 | 5 | 0 | 0 |
| – s20 FMA Act (D) | <i>0</i> | <i>5</i> | <i>5</i> | <i>0</i> | <i>0</i> |
| Services for other governments and non-agency bodies | 0 | 0 | 0 | 0 | 0 |
| – s20 FMA Act (D) | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> |
| Total special accounts | 0 | 5 | 5 | 0 | 0 |
| | <i>0</i> | <i>5</i> | <i>5</i> | <i>0</i> | <i>0</i> |

D = Departmental

Acts glossary:

FMA Act = *Financial Management and Accountability Act, 1999*

Note 1: The opening balance for 2004–05 is the same as the closing balance for 2003–04

Note 2: Receipts from appropriations and other sources are further specified in
Table 2.1 Total Resources for Outcome 1

The Services for Other Governments and Non-Agency Bodies account is currently not in use. The Commission is awaiting advice from the Department of Finance and Administration on whether this account should be closed.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The Commission has not been appropriated any administered capital, departmental equity injection or loans in 2004–05.

Section 2: Outcomes and outputs information

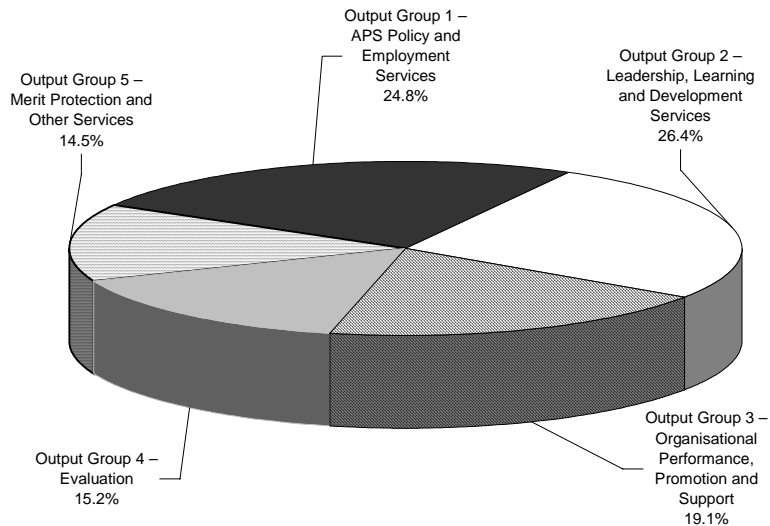
OUTCOMES AND OUTPUT GROUPS

The Australian Public Service Commission works to achieve one outcome specified by government. Chart 1 shows a breakdown of the departmental appropriation across the five output groups. Map 1 shows the relationship between the outcome, output group and contributing outputs for the Commission. Financial details for the outcome by output group and contributing outputs appear in Table 2.1 (Total resources for Outcome 1), while non-financial information for the outcome appears in Table 2.2 (Performance information for Outcome 1).

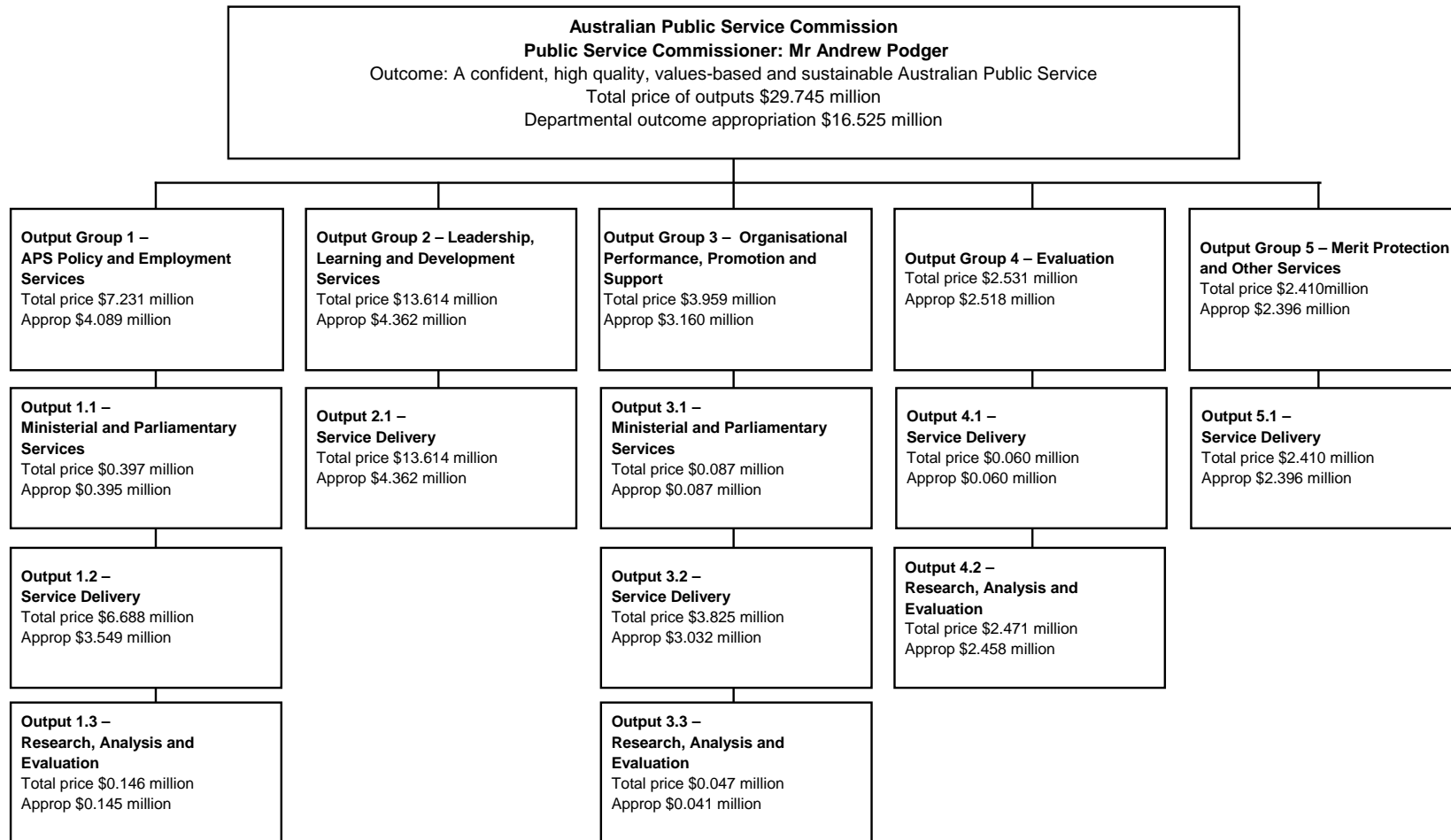
Output cost attribution

The Commission derives its output pricing information via a two-step allocation process. Firstly, direct output pricing components are identified and allocated to outputs. Secondly, the corporate overhead, which includes staff on-costs, information technology and communications, payroll processing, security vetting, office services, property operating expenses and equipment maintenance is distributed to the outputs on a per capita basis.

Chart 1: Departmental appropriations by output group, 2004–05 (%)



Map 1: Outcomes and output groups



CHANGES TO OUTCOMES AND OUTPUTS

The Commission's outcome and outputs remain unchanged from the 2003–04 Portfolio Budget Statements.

Changes have been made to the number and description of the output components detailed within Output Group 5 – Merit protection and other services. The purpose of the changes is to better align the output component pricing contained in the Portfolio Budget Statements with internal Commission management reporting and with the Public Service Commissioner's Annual Report, which discloses review activities. Specifically, reviews conducted on behalf of the Merit Protection Commissioner and Parliamentary Service Merit Protection Commissioner and associated support services provided by the Commission have been consolidated in two separate output components. Whistleblowing reports to the Public Service Commissioner and Merit Protection Commissioner continue to be separately identified.

The table below compares the revised Output Group 5 components with those in last year's Portfolio Budget Statements. Reporting against the revised components will commence in the Commissioner's 2004–05 Annual Report.

| Output Group 5 – Merit protection and other services | |
|---|--|
| Output 5.1 – Service delivery | |
| 2003–04 | 2004–05 |
| 5.1.1 Conduct reviews of promotion decisions | 5.1.1 Conduct reviews on behalf of the Merit Protection Commissioner and Parliamentary Service Merit Protection Commissioner |
| 5.1.3 Primary reviews including breaches of the Code of Conduct | |
| 5.1.4 Secondary reviews of other employment action | |
| 5.1.2 Responding to whistleblowing reports | 5.1.2 Respond to whistleblowing reports |
| 5.1.5 Provide support services to the Parliamentary Merit Protection Commissioner | 5.1.3 Provide support services to the Merit Protection Commissioner and Parliamentary Service Merit Protection Commissioner |

TRENDS IN RESOURCING

The departmental appropriation for 2004–05 is \$16.525 million, which is \$0.019 million more than the appropriation for 2003–04 of \$16.506 million. This net increase reflects the annual increase in the departmental appropriation parameter index. The increase has been partly offset by a reduction in second year funding for the Integrated Leadership Strategy measure approved at 2003–04 Additional Estimates.

The Commission’s other operating revenue for 2004–05 is \$13.220 million, which is \$1.303 million more than other operating revenue for 2003–04 of \$11.917 million. This increase reflects the expected growth in demand for learning and development programs, which are being refreshed as a result of the implementation of the Integrated Leadership Strategy.

Chart 2: Trends in Departmental revenue (\$'000)

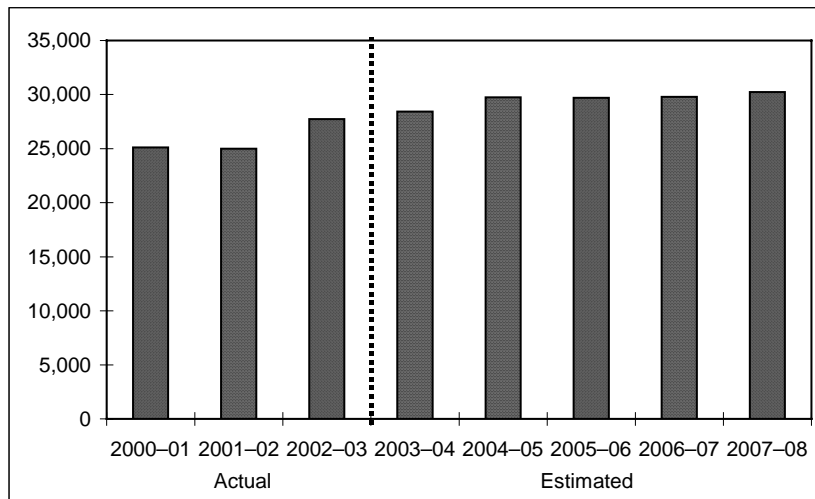


Chart 3: Trends in Departmental expenses (\$'000)

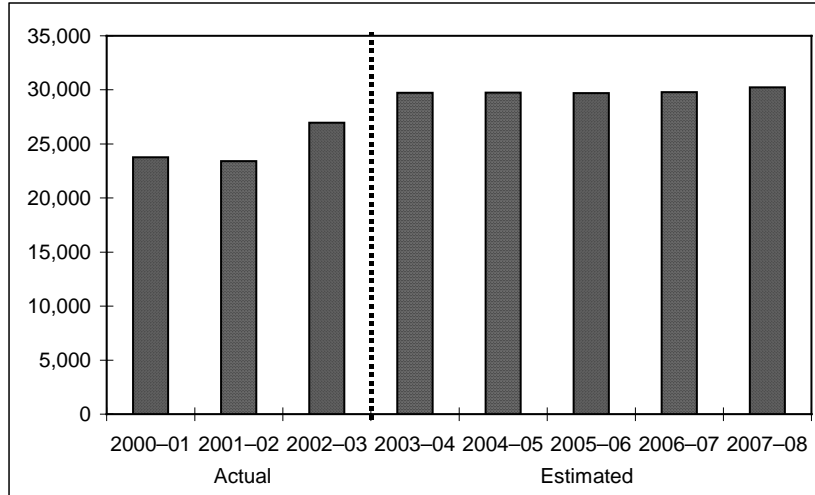
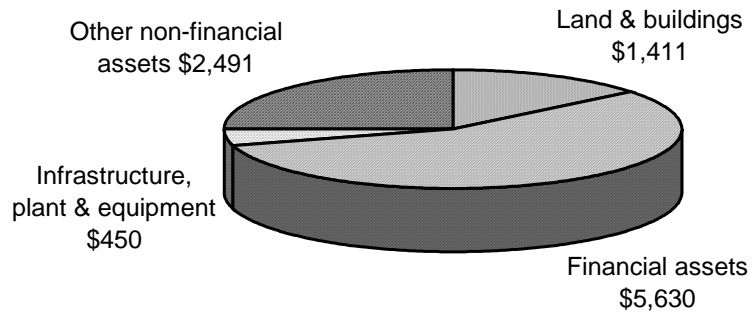


Chart 4: Budgeted assets 2004-05 (\$'000)



OUTCOME 1 — DESCRIPTION

The Australian Public Service Commission's planned outcome is *a confident, high quality, values-based and sustainable Australian Public Service*.

Under the *Public Service Act 1999*, agency heads have the power of an employer, which gives them the flexibility to manage their own workplaces according to their particular business plans. The Act also makes agency heads accountable for the use of those powers. The Commission's role is to promote the public interest aspects of public sector employment, particularly by promoting and upholding the APS Values, merit employment and the Code of Conduct. The Public Service Commissioner also has the role of evaluating agencies' application of the APS Values and Code of Conduct, and presents an annual State of the Service Report to Parliament.

The Commission:

- provides advice to government and agencies on the policy and legislative aspects of a wide range of people management and employment framework issues in the APS
- provides advice on better practice approaches to organisational performance, people management and governance in a values-based environment
- evaluates and provides information on the performance of the APS
- builds the capability of the APS by providing a wide range of leadership, learning and development activities
- provides services to agencies Australia-wide that are designed to support and offer guidance on the management and development of the APS
- undertakes reviews of employment-related actions.

MEASURES AFFECTING OUTCOME 1

The Commission does not have any budget measures for this budget.

OUTCOME 1 — RESOURCING

Table 2.1 shows how the 2004–05 Budget appropriations translate to total resourcing for Outcome 1, including revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1** and **E1** show the links back to Table 1.1 (Appropriations and other revenue).

Part C: Agency Budget Statements — APS Commission

Table 2.1: Total resources for Outcome 1 (\$'000)

| | Estimated actual 2003–04 \$'000 | Budget estimate 2004–05 \$'000 |
|--|--|---|
| Departmental appropriations | | |
| Output Group 1 - APS policy and employment services | | |
| Output 1.1 - Ministerial and Parliamentary Services | 398 | 395 |
| Output 1.2 - Service Delivery | 3,727 | 3,549 |
| Output 1.3 - Research, Analysis and Evaluation | 153 | 145 |
| Subtotal Output Group 1 | 4,278 | 4,089 |
| Departmental appropriations | | |
| Output Group 2 - Leadership, learning and development services | | |
| Output 2.1 - Service Delivery | 4,125 | 4,362 |
| Subtotal Output Group 2 | 4,125 | 4,362 |
| Departmental appropriations | | |
| Output Group 3 - Organisational performance, promotion and support | | |
| Output 3.1 - Ministerial and Parliamentary Services | 26 | 87 |
| Output 3.2 - Service Delivery | 2,531 | 3,032 |
| Output 3.3 - Research, Analysis and Evaluation | 697 | 41 |
| Subtotal Output Group 3 | 3,254 | 3,160 |
| Departmental appropriations | | |
| Output Group 4 - Evaluation | | |
| Output 4.1 - Service Delivery | 62 | 60 |
| Output 4.2 - Research, Analysis and Evaluation | 2,361 | 2,458 |
| Subtotal Output Group 4 | 2,423 | 2,518 |
| Departmental appropriations | | |
| Output Group 5 - Merit Protection and other services | | |
| Output 5.1 - Service Delivery | 2,426 | 2,396 |
| Subtotal Output Group 5 | 2,426 | 2,396 |
| Total revenue from government (appropriations) | 16,506 | 16,525 (C1) ⁽¹⁾ |
| Contributing to price of departmental outputs | 58% | 56% |

Table 2.1: Total resources for Outcome 1 (\$'000) (continued)

| | Estimated actual 2003–04 \$'000 | Budget estimate 2004–05 \$'000 |
|--|--|---|
| Revenue from other sources | | |
| Output 1.1 - Ministerial and Parliamentary Services | 2 | 2 |
| Output 1.2 - Service Delivery | 3,235 | 3,139 |
| Output 1.3 - Research, Analysis and Evaluation | 1 | 1 |
| Output 2.1 - Service Delivery | 8,016 | 9,252 |
| Output 3.1 - Ministerial and Parliamentary Services | - | - |
| Output 3.2 - Service Delivery | 628 | 793 |
| Output 3.3 - Research, Analysis and Evaluation | 5 | 6 |
| Output 4.1 - Service Delivery | - | - |
| Output 4.2 - Research, Analysis and Evaluation | 15 | 13 |
| Output 5.1 - Service Delivery | 15 | 14 |
| Total revenue from other sources | 11,917 | 13,220 |
| Total price from departmental outputs (Total revenue from government and from other sources) | 28,423 | 29,745 (E1) ⁽¹⁾ |
| from Special Accounts (estimated payments from Special Account balances)⁽²⁾ | | |
| Other Trust Moneys | 5 | 5 |
| Services for Other Governments and Non-Agency Bodies | - | - |
| Total Departmental Special Account outflows | 5 | 5 |
| Total estimated resourcing for Outcome 1 (Total price of outputs) | 28,423 | 29,745 |
| | 2003–04 | 2004–05 |
| Average staffing level (number) | 186 | 189 |

Note 1. Cells C1 and E1 refer to information provided in Table 1.1 Appropriations and other revenue flows into Special Accounts are shown in the receipts column of the Special Accounts table in Table 1.3.

Note 2. Special Account outflows are shown in the payments column of the Special Account table in Table 1.3. The estimated payments from special account balances are provided by way of note only and do not form part of the total estimated resourcing.

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

The Commission's output framework consists of five output groups:

1. APS policy and employment services
2. Leadership, learning and development services
3. Organisational performance, promotion and support
4. Evaluation
5. Merit protection and other services

Output Group 1 — APS policy and employment services

Provides advice to government and agencies on the policy and legislative aspects of a wide range of people management and employment framework issues in the APS, including Senior Executive Service (SES) employment and related staffing matters. It also undertakes the SES Adviser function, responsibility for international matters and provides support to the Management Advisory Committee.

Output Group 2 — Leadership, learning and development services

Builds the capability of the APS by providing a wide range of leadership, learning and development activities for all levels of APS staff, including senior executives. Activities are based on agency needs as well as the Commission's and APS-wide objectives.

Output Group 3 — Organisational performance, promotion and support

Develops, promotes and provides advice to government and agencies on better practice approaches to organisational performance, people management and governance in a values-based environment. Assists agencies to develop and implement strategies to improve indigenous employment in the APS.

Output Group 4 — Evaluation

Evaluates and provides information on the performance of the APS through the Commissioner's State of the Service Report to Parliament, and through more specific issues-based evaluation projects. It also maintains the database of APS employment as a basis for analysing trends and publishing key workforce statistics, to assist agencies with workforce planning and as a resource for projects.

Output Group 5 — Merit protection and other services

The Merit Protection Commissioner assists agencies to meet the requirements of APS Values and the APS Code of Conduct through the provision of an independent external review of APS actions. The Commission also provides support services to the statutory role of Parliamentary Service Merit Protection Commissioner.

PERFORMANCE INFORMATION FOR OUTCOME 1

Table 2.2 lists the performance information that the Commission will use to assess the level of its contribution to the achievement of its outcome during 2004–05. The Commission will also measure the efficiency of outputs in contributing to the outcome, including targets for performance as applicable and appropriate. Achievement of planned performance will be reported in the Commissioner's 2004–05 Annual Report. The level of information given is by output component for each output.

Table 2.2: Performance information for Outcome 1

| Effectiveness – overall achievement of the Outcome | |
|---|---|
| <p>The Australian Public Service Commission and other central agencies have particular responsibilities in relation to the achievement of the outcome. All APS departments and agencies contribute, in a general sense, to the achievement of the outcome through their individual performance.</p> <p>The Commission contributes to the achievement of the Outcome through its five outputs groups:</p> <ul style="list-style-type: none"> • APS policy and employment services • Leadership, learning and development services • Organisational performance, promotion and support • Evaluation • Merit protection and other services. | |
| Performance information by output component for each output | |
| Output | Performance information |
| Output Group 1: APS policy and employment services | |
| Output 1.1: Ministerial and Parliamentary Services | |
| <p>Output component 1.1.1: Provide advice and support to government on APS policy.</p> | <p><i>Quantity:</i> Number of items to ministers:</p> <ul style="list-style-type: none"> • responses to ministerial correspondence – estimate 36. • question time briefs – estimate 5. • ministerial requests for briefings – estimate 24. <p><i>Quality:</i> Percentage of items rated satisfactory or higher in terms of relevance, quality and timeliness – target is 100%.</p> <p>Output component price: \$0.397 million</p> <hr/> <p>Output 1.1 price: \$0.397 million</p> |
| Output 1.2: Service Delivery | |
| <p>Output component 1.2.1: Provide advice to Agency Heads on APS policy and legislation, and support the Management Advisory Committee.</p> | <p><i>Quantity:</i> Number of reports and responses to requests for information and advice:</p> <ul style="list-style-type: none"> • responses to correspondence – estimate 28. • telephone enquiries – estimate 3,200. • reports, circulars and publications – estimate 29. <p>Secretariat and research support services provided to the Management Advisory Committee (MAC) and operational support to the Commissioner as the Executive Officer of the MAC – estimate 3 MAC meetings and 2 MAC projects to be supported.</p> <p><i>Quality:</i> A high level of satisfaction of the MAC with the relevance, quality and timeliness of advice and support provided.</p> <p>Output component price: \$1.245 million</p> |

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| <p>Output component 1.2.2: Manage Commission responsibilities for SES engagements, promotions and terminations.</p> | <p><i>Quantity:</i> Number SES engagements, promotions and terminations – estimate 200. <i>Quality:</i> 95% of agency SES employment recommendations able to be endorsed within one week of receipt of documents. Output component price: \$0.295 million</p> |
| <p>Output component 1.2.3: Manage Commission responsibilities in international matters.</p> | <p><i>Quantity:</i> Services to support initiatives to improve public administration in the Pacific, including secondment to Papua New Guinea, regular meetings of Pacific Commissioners and five Australian and New Zealand School of Government (ANZSOG) scholarships. Number of overseas delegation visits coordinated and hosted – estimate 35. <i>Quality:</i> High level of satisfaction with the quality and timeliness of reports. High level of satisfaction by AusAid and aid recipients with advice and services provided. A high level of satisfaction of the delegations as advised by the third party organisers. Output component price: \$0.639 million</p> |
| <p>Output component 1.2.4: Produce the Public Service Gazette.</p> | <p><i>Quantity:</i> 50 Gazettes produced in accordance with requirements. <i>Quality:</i> 100% of Gazette entries accurately published in accordance with legislative requirements. Output component price: \$1.178 million</p> |
| <p>Output component 1.2.5: Provide other employment related services.</p> | <p><i>Quantity:</i> Services to support any machinery of government changes, approval of delegations, assessment of draft agency agreements referred by the Department of Employment and Workplace Relations and case management of about 490 individual cases. <i>Quality:</i> 100% of machinery of government changes completed within legislative timeframes. 100% of comments on draft agency agreements provided within agreed timelines. 95% of approval of delegations to outsiders completed within 5 working days. A high level of satisfaction of clients with the accuracy, quality and timeliness of individual cases. Output component price: \$3.331 million</p> |
| <p>Output 1.2 price: \$6.688 million</p> | |

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| Output 1.3: Research, Analysis and Evaluation | |
|--|--|
| Output component 1.3.1: Provide other support services to the Commissioner. | <p><i>Quantity:</i> Undertake research and draft speeches. Secretariat and administrative support for the research component of the Australian and New Zealand School of Government (ANZSOG) agreement.</p> <p><i>Quality:</i> A high level of satisfaction by the APS with the representation of APS interests in ANZSOG research activities. A high level of satisfaction by the Commissioner with the relevance, quality and timeliness of the advice and services provided.</p> <p>Output component price: \$0.146 million</p> <hr/> <p>Output 1.3 price: \$0.146 million</p> <hr/> <p>Output Group 1 price: \$7.231 million</p> |

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| Output Group 2: Leadership, learning and development services | |
|---|---|
| Output 2.1: Service Delivery | |
| Output component 2.1.1: Promote effective leadership in the APS. | <p><i>Quantity:</i> Percentage of APS agencies engaged through at least one scheduled event, activity or network focused on promoting leadership in the APS – target is 75%.</p> <p><i>Quality:</i> 75% of APS agencies in the annual client service survey agree that in promoting effective leadership the Commission provides:</p> <ul style="list-style-type: none"> • clarity of information • accessible means of support • timely responses to queries • current and useful information and • effective transfer of knowledge to others. <p>Output component price: \$1.953 million</p> |
| Output component 2.1.2: Provide service-wide leadership development and other learning development services. | <p><i>Quantity:</i> Number of development activities delivered – estimate 1,300 activities. Percentage of new entrants to the Senior Executive Service (SES) attending an orientation in the first 1–3 years – target is 100%. Number of Career Development Assessment Centres (CDAC) delivered – estimate 8.</p> <p><i>Quality:</i> At least 90% of responding participants, when surveyed, give an average rating above 4.5 (out of 6) for:</p> <ul style="list-style-type: none"> • achieving objectives • program content and • quality of presenter. <p>At least 90% of responding clients to the In-house Panel services, when surveyed, give an average rating above 4.5 (out of 6) for how well the program was:</p> <ul style="list-style-type: none"> • tailored and delivered and • coordinated and administered. <p>At least 90% of responding CDAC participants, when surveyed, believed that attendance at the Centre made them more effective leaders.</p> <p>At least 90% of responding SES orientation participants, when surveyed, give an average rating above 4.5 (out of 6) for:</p> <ul style="list-style-type: none"> • achieving objective • program content and • quality of presenters. <p>Output component price: \$11.661 million</p> |
| Output 2.1 price: \$13.614 million | |
| Output Group 2 price: \$13.614 million | |

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| Output Group 3: Organisational performance, promotion and support | |
|---|--|
| Output 3.1: Ministerial and Parliamentary Services | |
| Output component 3.1.1: Provide advice to Government. | <p><i>Quantity:</i> Reports and responses to requests for information and advice – estimate 37.</p> <p><i>Quality:</i> Percentage of items rated satisfactory or higher in terms of relevance, quality and timeliness – target is 100%.</p> <p>Output component price: \$0.087 million</p> <hr/> <p>Output 3.1 price: \$0.087 million</p> |
| Output 3.2: Service Delivery | |
| Output component 3.2.1: Promote better practice governance, people management, client service, workplace diversity and other management improvement. | <p><i>Quantity:</i> Number of activities including development, networks and special events – estimate 143.</p> <p><i>Quality:</i> 80% of responding participants considered activities were relevant to their needs and useful.</p> <p>Output component price: \$2.375 million</p> |
| Output component 3.2.2: Promote the APS Values and Code of Conduct. | <p><i>Quantity:</i> Number of activities including development, networks and special events – estimate 90. Number of promotional activities delivered – estimate 20.</p> <p><i>Quality:</i> 80% of responding participants considered activities were relevant to their needs and useful. A high level of agency satisfaction with the quality of support, information and assistance provided by the Commission.</p> <p>Output component price: \$0.593 million</p> |
| Output component 3.2.3: Promote Indigenous Employment in the APS. | <p><i>Quantity:</i> Complete Indigenous Employment Project and implement associated initiatives – estimate 20.</p> <p><i>Quality:</i> High levels of satisfaction of Steering Committee members with project and progress of associated initiatives.</p> <p>Output component price: \$0.857 million</p> <hr/> <p>Output 3.2 price: \$3.825 million</p> |
| Output 3.3: Research, Analysis and Evaluation | |
| Output component 3.3.1: Undertake research and analysis on specific issues. | <p><i>Quantity:</i> Number of research projects completed – estimate 3.</p> <p><i>Quality:</i> Projects are of high standard (timely, fulfils terms of reference, methodologically sound) and contribute to better practices.</p> <p>Output component price: \$0.047 million</p> <hr/> <p>Output 3.3 price: \$0.047 million</p> <hr/> <p>Output Group 3 price: \$3.959 million</p> |

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| Output Group 4: Evaluation | |
| Output 4.1: Service Delivery | |
| Output component 4.1.1: Provide data from APS employment database to agencies. | <p><i>Quantity:</i> Internet accessible data reporting tool for APS employment data.</p> <p><i>Quality:</i> Usefulness of reporting tables and reliability of data.</p> <p>Output component price: \$0.060 million</p> <hr/> <p>Output 4.1 price: \$0.060 million</p> |
| Output 4.2: Research, Analysis and Evaluation | |
| Output component 4.2.1: Evaluate and provide information on the performance of the APS through the State of the Service Report (including the Workplace Diversity Report) and Statistical Bulletin and other research publications. | <p><i>Quantity:</i> Annual State of the Service Report (including the Workplace Diversity Report) and Statistical Bulletin.</p> <p><i>Quality:</i> 100% compliance with tabling requirements for Government. Accurate and useful reports to Government and Parliament on the performance of the APS.</p> <p>Output component price: \$0.933 million</p> |
| Output component 4.2.2: Undertake evaluations on specific issues. | <p><i>Quantity:</i> At least one new evaluation and 'good practice' guide aimed at improving the performance of APS departments and agencies.</p> <p><i>Quality:</i> High level of satisfaction of agencies directly involved in the evaluation that the evaluation and 'good practice' guide will assist in improving future performance. More general feedback from other APS agencies that the 'good practice' guide will assist in improving performance.</p> <p>Output component price: \$0.444 million</p> |
| Output component 4.2.3: Maintain the database of APS employment and undertake related research. | <p><i>Quantity:</i> Number of publications produced – estimate 2.</p> <p><i>Quality:</i> Reliable and comprehensive information on the composition of the APS in a useful format.</p> <p>Output component price: \$1.094 million</p> <hr/> <p>Output 4.2 price: \$2.471 million</p> <hr/> <p>Output Group 4 price: \$2.531 million</p> |

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| Output Group 5: Merit protection and other services | |
|--|--|
| Output 5.1 Service Delivery | |
| Output component 5.1.1: Conduct reviews on behalf of the Merit Protection Commissioner and Parliamentary Service Merit Protection Commissioner. | <p><i>Quantity:</i> Number of review applications received – estimate 348.</p> <p><i>Quality:</i> 90% of reviews are completed within the timeframe set by the Merit Protection Commissioner and published in the Service Charter.</p> <p>Output component price: \$1.810 million</p> |
| Output component 5.1.2: Respond to whistleblowing reports. | <p><i>Quantity:</i> Responses to whistleblowing reports depend on demand – estimate 22.</p> <p><i>Quality:</i> 100% of reports receive an initial response within 6 weeks. Further investigations are conducted in a timely and objective manner.</p> <p>Output component price: \$0.169 million</p> |
| Output component 5.1.3: Provide support services to the Merit Protection Commissioner and Parliamentary Service Merit Protection Commissioner. | <p><i>Quantity:</i> Policy and advice services provided to the Merit Protection Commissioner, Parliamentary Service Merit Protection Commissioner and Parliamentary Departments – estimate 96 activities. Support for the Parliamentary Service Merit Protection Commissioner casework – estimate 4 activities.</p> <p><i>Quality:</i> A high level of satisfaction of the Merit Protection Commissioner and Parliamentary Service Merit Protection Commissioner with the relevance, quality and timeliness of advice and support provided.</p> <p>Output component price: \$0.431 million</p> |
| Output 5.1 price: \$2.410 million | |
| Output Group 5 price: \$2.410 million | |

EVALUATIONS

During 2004–05 the Commission will produce the State of the Service Report 2003–04, incorporating the Workplace Diversity Report, and two associated publications, the Australian Public Service Statistical Bulletin 2003–04 and the State of the Service Employees Survey Results 2003–04. These reports will monitor developments across the APS. At least one specific evaluation on the application of the APS Values or Code of Conduct will be completed.

The Commission will also undertake a series of research projects, the outcomes of which will be available to agencies as information papers and good practice guides.

In 2002–03, the Commission began a ‘Foundations for Organisational Performance’ project to help agencies improve their organisational performance, and the following year documented the formal arrangements governing organisational management within the APS. In 2004–05, the Commission plans to make available, on the internet and in a booklet, information outlining the statutory and policy obligations of agency heads for human resource and financial management under a range of legislation.

Other projects scheduled for 2004–05 include support for the APS Research Group that is advising on research priorities that might be pursued in collaboration with the Australian and New Zealand School of Government, and the continued provision of secretariat and research support to the Management Advisory Committee to progress its 2004–2005 work plan.

In addition, there will be ongoing monitoring and review of the Commission’s work via the Commission’s internal audit program. The program is overseen by an audit committee chaired by the Deputy Public Service Commissioner. Conduct of internal audits is currently contracted to Ernst & Young Australia.

Section 3: Budgeted financial statements

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

A brief analysis of the Commission's budgeted financial statements is provided below.

Departmental

Statement of Financial Performance

The Commission expects to incur an operating loss of \$1.300 million in 2003–04. This loss is primarily related to a shortfall in revenue earned from the Commission's leadership, learning and development programs because of reduced market demand.

The Commission was granted approval at 2003–04 Additional Estimates to access its accumulated reserves to fund work during 2003–04, 2004–05 and 2005–06 to develop Indigenous Employment and Integrated Leadership Strategies. The Integrated Leadership Strategy will refresh the Commission's learning and development programs, ensuring that they meet the contemporary and emerging needs of agencies. This will result in increased operating revenue from 2004–05, with the Commission budgeting for a balanced operating outcome for 2004–05 and following years.

Total revenue is estimated to be \$29.745 million in 2004–05, an increase of \$1.322 million from 2003–04.

Appropriation funding will decline from 2005–06 onwards as funding approved at 2003–04 Additional Estimates for the Indigenous Employment and Integrated Leadership Strategies concludes. This decrease in appropriations will be offset by increased training revenue, so that the level of total operating revenue will be maintained.

Statement of Financial Position

Planned investment in intangible assets (intellectual property) related to Strategic Priorities results in a net increase of \$0.851 million in 2004–05. The net value of land and buildings will increase by \$1.064 million during the year after office fit-outs.

The decrease in receivables in 2004–05 represents the investment of funds in non-financial assets. The gradual increase in receivables from 2005–06 reflects the increased appropriation receivable from government for the building of reserves for future asset reinvestment.

The increase to the leases is associated with the outsourced IT infrastructure finance lease. A program to refresh IT infrastructure is expected to begin in 2004–05.

Statement of Cash Flows

Investing cash outflows of \$0.878 million in 2003–04 and \$2.799 million in 2004–05 reflect investment associated with Strategic Priorities and other intellectual property in 2003–04 and 2004–05 and office fit-outs in 2004–05. Investment will be at lower levels from 2005–06 onwards.

The other financing outflow of \$3.025 million in 2003–04 represents the return of funds to government to fund the Commission's Strategic Priorities approved at 2003–04 Additional Estimates – the Australian Public Service Indigenous Employment Strategy and the Integrated Leadership Strategy.

Capital Budget Statement

Purchase of non-current assets includes investment associated with the Strategic Priorities during 2003–04 and 2004–05. The balance of expenditure in 2004–05 includes expected reinvestment in intellectual property and office fit-outs.

Non-financial Assets — Summary of Movement

Additions to building assets during 2004–05 are for office fit-outs. Intangible asset additions include investment in Strategic Priorities. Additions to other infrastructure, plant and equipment mainly comprise the refresh of leased IT assets.

DEPARTMENTAL FINANCIAL STATEMENTS

Budgeted Departmental Statement of Financial Performance

This statement provides a picture of the expected operating result for the Commission by identifying full accrual expenses and revenues

Budgeted Departmental Statement of Financial Position

This statement shows the financial position of the Commission. It enables decision-makers to track the management of the Commission's assets and liabilities.

Budgeted Departmental Statement of Cash Flows

Budgeted cash flows provide important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Part C: Agency Budget Statements — APS Commission

Departmental Capital Budget Statement

This statement shows all planned capital expenditure on non-financial assets, whether funded through capital appropriations for additional equity or borrowings, or from internal sources.

Departmental Non-financial Assets — Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

**Table 3.1: Budgeted departmental statement of financial performance
for the period ended 30 June**

| | Estimated actual 2003–04 \$'000 | Budget estimate 2004–05 \$'000 | Forward estimate 2005–06 \$'000 | Forward estimate 2006–07 \$'000 | Forward estimate 2007–08 \$'000 |
|--|--|---|--|--|--|
| REVENUE | | | | | |
| Revenues from ordinary activities | | | | | |
| Revenues from government | 16,506 | 16,525 K1 ⁽¹⁾ | 16,198 | 15,959 | 16,115 |
| Goods and services | 11,879 | 13,182 | 13,473 | 13,799 | 14,087 |
| Interest | - | - | - | - | - |
| Dividends | - | - | - | - | - |
| Revenue from sales of assets | - | - | - | - | - |
| Reversals of previous asset write-downs | - | - | - | - | - |
| Rents | - | - | - | - | - |
| Royalties | - | - | - | - | - |
| Net foreign exchange gains | - | - | - | - | - |
| Correction of fundamental error | - | - | - | - | - |
| Other | 38 | 38 | 38 | 38 | 38 |
| Revenues from ordinary activities | 28,423 | 29,745 | 29,709 | 29,796 | 30,240 |
| EXPENSE | | | | | |
| Expenses from ordinary activities (excluding borrowing costs expense) | | | | | |
| Employees | 15,194 | 15,075 | 14,955 | 15,003 | 15,144 |
| Suppliers | 13,168 | 13,139 | 13,188 | 13,193 | 13,560 |
| Grants | - | - | - | - | - |
| Subsidies | - | - | - | - | - |
| Depreciation and amortisation | 1,333 | 1,486 | 1,519 | 1,553 | 1,489 |
| Write-down of assets | 15 | 15 | 15 | 15 | 15 |
| Value of assets sold | - | - | - | - | - |
| Net foreign exchange losses | - | - | - | - | - |
| Correction of fundamental error | - | - | - | - | - |
| Other | - | - | - | - | - |
| Expenses from ordinary activities (excluding borrowing costs expense) | 29,710 | 29,715 | 29,677 | 29,764 | 30,208 |
| Borrowing costs expense | 13 | 30 | 32 | 32 | 32 |
| Share of net profits or (losses) of associates and joint ventures accounted for using the equity method | - | - | - | - | - |
| Correction of fundamental error | - | - | - | - | - |
| Operating surplus or (deficit) from ordinary activities | (1,300) | - | - | - | - |
| Gain or (loss) on extraordinary items | - | - | - | - | - |
| Correction of fundamental error | - | - | - | - | - |
| Net surplus or (deficit) | (1,300) | - | - | - | - |

(1) This links to K1 in Table 1.1 Appropriations and other revenue.

Part C: Agency Budget Statements — APS Commission

**Table 3.2: Budgeted departmental statement of financial position
as at 30 June**

| | Estimated actual 2003–04 \$'000 | Budget estimate 2004–05 \$'000 | Forward estimate 2005–06 \$'000 | Forward estimate 2006–07 \$'000 | Forward estimate 2007–08 \$'000 |
|---|--|---|--|--|--|
| ASSETS | | | | | |
| Financial assets | | | | | |
| Cash | 450 | 450 | 450 | 450 | 450 |
| Receivables | 6,129 | 4,610 | 5,507 | 6,121 | 6,815 |
| Investments accounted for under the equity method | - | - | - | - | - |
| Investments (s.39 FMA Act; s.18 CAC Act; s.19 CAC Act) | - | - | - | - | - |
| Other investments | - | - | - | - | - |
| Accrued revenues | 495 | 550 | 562 | 575 | 587 |
| Other financial assets | 20 | 20 | 20 | 20 | 20 |
| Total financial assets | 7,094 | 5,630 | 6,539 | 7,166 | 7,872 |
| Non-financial assets | | | | | |
| Land and buildings | 347 | 1,411 | 1,253 | 1,024 | 843 |
| Infrastructure, plant and equipment | 358 | 450 | 199 | 123 | 312 |
| Heritage and cultural assets | - | - | - | - | - |
| Inventories | 101 | 101 | 101 | 101 | 101 |
| Intangibles | 1,099 | 1,950 | 1,563 | 1,114 | 1,031 |
| Other non-financial assets | 438 | 440 | 440 | 452 | 466 |
| Total non-financial assets | 2,343 | 4,352 | 3,556 | 2,814 | 2,753 |
| Total assets | 9,437 | 9,982 | 10,095 | 9,980 | 10,625 |
| LIABILITIES | | | | | |
| Interest bearing liabilities | | | | | |
| Loans | - | - | - | - | - |
| Leases | 69 | 482 | 423 | 142 | 555 |
| Deposits | - | - | - | - | - |
| Overdraft | - | - | - | - | - |
| Other interest bearing liabilities | 42 | 14 | 8 | 2 | - |
| Total interest bearing liabilities | 111 | 496 | 431 | 144 | 555 |
| Provisions | | | | | |
| Employees | 4,670 | 4,810 | 4,954 | 5,102 | 5,255 |
| Capital use charge | - | - | - | - | - |
| Other provisions | - | - | - | - | - |
| Total provisions | 4,670 | 4,810 | 4,954 | 5,102 | 5,255 |
| Payables | | | | | |
| Suppliers | 1,646 | 1,642 | 1,649 | 1,649 | 1,695 |
| Grants | - | - | - | - | - |
| Dividends | - | - | - | - | - |
| Borrowing costs | - | - | - | - | - |
| Other payables | 1,099 | 1,123 | 1,150 | 1,174 | 1,209 |
| Total payables | 2,745 | 2,765 | 2,799 | 2,823 | 2,904 |
| Total liabilities | 7,526 | 8,071 | 8,184 | 8,069 | 8,714 |

**Table 3.2: Budgeted departmental statement of financial position
as at 30 June (continued)**

| | Estimated actual 2003–04 \$'000 | Budget estimate 2004–05 \$'000 | Forward estimate 2005–06 \$'000 | Forward estimate 2006–07 \$'000 | Forward estimate 2007–08 \$'000 |
|--|--|---|--|--|--|
| EQUITY* | | | | | |
| Parent entity interest | | | | | |
| Contributed equity | (1,868) | (1,868) | (1,868) | (1,868) | (1,868) |
| Reserves | 1,090 | 1,090 | 1,090 | 1,090 | 1,090 |
| Statutory funds | - | - | - | - | - |
| Retained surpluses or accumulated deficits | 2,689 | 2,689 | 2,689 | 2,689 | 2,689 |
| Total parent entity interest | 1,911 | 1,911 | 1,911 | 1,911 | 1,911 |
| Outside equity interest | | | | | |
| Contributed equity | - | - | - | - | - |
| Reserves | - | - | - | - | - |
| Retained surpluses or accumulated deficits | - | - | - | - | - |
| Total outside equity interest | - | - | - | - | - |
| Total equity | 1,911 | 1,911 | 1,911 | 1,911 | 1,911 |
| Total assets and liabilities by maturity: | | | | | |
| Current assets | 7,633 | 6,171 | 7,080 | 7,719 | 8,439 |
| Non-current assets | 1,804 | 3,811 | 3,015 | 2,261 | 2,186 |
| Current liabilities | 3,887 | 3,941 | 4,010 | 4,070 | 4,188 |
| Non-current liabilities | 3,639 | 4,130 | 4,174 | 3,999 | 4,526 |

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

Part C: Agency Budget Statements — APS Commission

**Table 3.3: Budgeted departmental statement of cash flows
for the period ended 30 June**

| | Estimated actual 2003-04 \$'000 | Budget estimate 2004-05 \$'000 | Forward estimate 2005-06 \$'000 | Forward estimate 2006-07 \$'000 | Forward estimate 2007-08 \$'000 |
|--|--|---|--|--|--|
| OPERATING ACTIVITIES | | | | | |
| Cash received | | | | | |
| Goods and services | 13,514 | 14,344 | 14,795 | 15,146 | 15,478 |
| Appropriations | 16,506 | 16,525 | 16,198 | 15,959 | 16,115 |
| Other | 4,005 | 1,908 | 26 | 24 | 24 |
| Total cash received | 34,025 | 32,777 | 31,019 | 31,129 | 31,617 |
| Cash used | | | | | |
| Employees | 14,937 | 14,935 | 14,811 | 14,855 | 14,991 |
| Suppliers | 15,573 | 15,013 | 14,803 | 14,856 | 15,204 |
| Borrowing costs | 13 | 30 | 32 | 32 | 32 |
| Other | - | - | 873 | 587 | 670 |
| Total cash used | 30,523 | 29,978 | 30,519 | 30,330 | 30,897 |
| Net cash from or (used by) operating activities | 3,502 | 2,799 | 500 | 799 | 720 |
| INVESTING ACTIVITIES | | | | | |
| Cash received | | | | | |
| Total cash received | - | - | - | - | - |
| Cash used | | | | | |
| Purchase of property, plant and equipment | 254 | 1,481 | 182 | 499 | 69 |
| Other | 624 | 1,318 | 318 | 300 | 651 |
| Total cash used | 878 | 2,799 | 500 | 799 | 720 |
| Net cash from or (used by) investing activities | (878) | (2,799) | (500) | (799) | (720) |
| FINANCING ACTIVITIES | | | | | |
| Cash received | | | | | |
| Total cash received | - | - | - | - | - |
| Cash used | | | | | |
| Other | 3,025 | - | - | - | - |
| Total cash used | 3,025 | - | - | - | - |
| Net cash from/(used by) financing activities | (3,025) | - | - | - | - |
| Net increase or (decrease) in cash held | (401) | - | - | - | - |
| Cash at the beginning of the reporting period | 851 | 450 | 450 | 450 | 450 |
| Effect of exchange rate movements on cash at the beginning of reporting period | - | - | - | - | - |
| Cash at the end of the reporting period | 450 | 450 | 450 | 450 | 450 |

Table 3.4: Departmental capital budget statement

| | Estimated actual 2003–04 \$'000 | Budget estimate 2004–05 \$'000 | Forward estimate 2005–06 \$'000 | Forward estimate 2006–07 \$'000 | Forward estimate 2007–08 \$'000 |
|---|--|---|--|--|--|
| CAPITAL APPROPRIATIONS | | | | | |
| Total equity injections | - | - | - | - | - |
| Total loans | - | - | - | - | - |
| Total capital appropriations | - | - | K3 ⁽¹⁾ | - | - |
| Represented by: | | | | | |
| Purchase of non-financial assets | - | - | - | - | - |
| Other | - | - | - | - | - |
| Total represented by | - | - | - | - | - |
| PURCHASE OF NON-FINANCIAL ASSETS | | | | | |
| Funded by capital appropriation | - | - | - | - | - |
| Funded internally by departmental resources | 878 | 2,799 | 500 | 799 | 720 |
| Total | 878 | 2,799 | 500 | 799 | 720 |

(1) This links to K3 in Table 1.1 Appropriations and other revenue.

Table 3.5: Departmental non-financial assets — summary of movement (Budget year 2004–05)

| | Land | Buildings | Specialist military equipment | Other infrastructure plant and equipment | Heritage and cultural assets | Computer software | Other intangibles | Total |
|---------------------------------------|--------|-----------|-------------------------------------|---|------------------------------------|----------------------|----------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying amount at the start of year | - | 347 | - | 358 | - | 599 | 500 | 1,804 |
| Additions ⁽¹⁾ | - | 1,220 | - | 955 | - | 178 | 1,140 | 3,493 |
| Disposals | - | - | - | - | - | - | - | - |
| Net revaluation increments/decrements | - | - | - | - | - | - | - | - |
| Recoverable amount write-downs | - | - | - | - | - | - | - | - |
| Depreciation/amortisation expense | - | - | - | - | - | - | - | - |
| Recoverable amount write-downs | - | (156) | - | (863) | - | (191) | (276) | (1,486) |
| Other movements (give details below) | - | - | - | - | - | - | - | - |
| Carrying amount at the end of year | - | 1,411 | - | 450 | - | 586 | 1,364 | 3,811 |
| Total additions | - | 1,220 | - | 955 | - | 178 | 1,140 | 3,493 |
| Represented by: | | | | | | | | |
| Self-funded | - | 1,220 | - | 955 | - | 178 | 1,140 | 3,493 |
| Appropriations | - | - | - | - | - | - | - | - |
| Total represented by: | - | 1,220 | - | 955 | - | 178 | 1,140 | 3,493 |

(1) Additions do not match Purchase of Non-Financial Assets in Table 3.4 Departmental Capital Budget Statement as \$0.694 m of additions to Other infrastructure plant and equipment are by finance lease, which is a non-cash addition.

NOTES TO THE FINANCIAL STATEMENTS

Departmental Financial Statements and Schedule of Administered Activity

Under the Australian Government's accrual-based budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (Departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.
- Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the government according to set government directions. Administered expenses include subsidies, grants and personal benefit payments, and Administered revenues include taxes, fees, fines and excises.

Appropriations in the accrual budgeting framework

Under the Australian Government's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the government's funding for outputs from agencies
- Departmental capital appropriations: for investments by the government for either additional equity or loans in agencies
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to state governments).

Administered investments in controlled entities

Each Australian Government department is required to show an Administered investment in each *Commonwealth Authorities and Companies (CAC) Act 1997* entity within its portfolio. These Administered investments should be valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

Asset valuation

From 1 July 2002, Australian Government agencies and authorities are required to use either the cost basis or the fair value basis to measure property, plant and equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset.

Section 4: Purchaser–provider and cost recovery arrangements

PURCHASER–PROVIDER ARRANGEMENTS

CROSS AGENCY OVERVIEW

The Australian Public Service Commission is not involved in any cross-agency arrangements. However, the APS reform agenda is undertaken in conjunction with the departments of the Prime Minister and Cabinet, Employment and Workplace Relations, and Finance and Administration.

COST RECOVERY ARRANGEMENTS

The Commission does not presently have any cost recovery arrangements. All receipts from independent sources are excluded for the purposes of the Commonwealth Cost Recovery Guidelines for Information Agencies, as they are related to intergovernmental charging or comply with competitive neutrality principles. The Commission is currently reviewing its pricing policy to ensure that it is consistent with the Department of Finance and Administration's February 2004 publication, *Australian Government Competitive Neutrality Guidelines for Managers*.

