

AUSTRALIAN PUBLIC SERVICE COMMISSION

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AUSTRALIAN PUBLIC SERVICE COMMISSION

Section 1: Agency overview and resources

There has been no change to the planned outcome for the Australian Public Service Commission (the commission), which is to foster a confident, high quality, values-based and sustainable Australian Public Service (APS). The commission is reviewing its outcome and outputs framework for the 2009–10 Budget.

An overview of the commission is available in the Section 1 of the 2008–09 Portfolio Budget Statements (pp. 101 to 102).

1.1 STRATEGIC DIRECTION

The commission will receive ongoing funding for a new function to establish and maintain an Ethics Advisory Service that will assist all APS employees in ethical decision making and report to Parliament on trends and issues.

Funding of \$1.4 million over four years, terminating in 2011–12, is being provided to undertake activities to implement components of the cross-portfolio measure ‘Governmental use of information and communication technology (ICT) – review’. The commission will jointly develop with the Department of Finance and Deregulation a whole-of-government ICT career pathway and a whole-of-government ICT workforce plan.

The commission will undertake a work program for the measure ‘Recruitment advertising policy and website’, with funding of \$0.9 million provided over three years, terminating in 2010–11. To support this measure, the commission will strengthen and enhance the marketing of the APSjobs website to increase its use, position the APS as an employer of choice and support a whole of Australian Public Service employment brand. The commission will also review the impact of the whole of government approach to recruitment advertising through the initial collection of baseline data on the quality and quantity of applicants. Future benchmarking against this data will then occur at regular intervals.

There have been no significant changes to the commission’s role as a result of these new budget measures, with the measures being incorporated within the commission’s existing output structure. The commission’s strategic direction, including challenges and risks, is available in Section 1.1 of the 2008–09 Portfolio Budget Statements (pp. 102 to 104).

The pressures on the commission’s budget in 2008–09, as foreshadowed in the 2008–09 Portfolio Budget Statements, are affecting the commission’s 2008–09 year-to-date financial position. The impacts include the marked reduction in cost-recovery income

resulting from the impact of the tighter budgetary climate on the demand for commission program activities and employment services, expected significant one-off costs in 2009–10 associated with the successor outsourced ICT arrangements and the absorption of rising property costs. It is not expected that these pressures will ease during 2008–09 and it is likely that they will continue in the forward estimates.

The commission is strategically managing these pressures and has put in place mechanisms to mitigate the impact on the 2008–09 financial result, although recognising that there is a time lag in the effect of corrections to the budget in the short term.

1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Australian Public Service Commission at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2008–09 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

Table 1.1: Agency resource statement—Additional estimates for 2008–09 as at Additional Estimates December 2008

	Estimate as at Budget ⁺	Proposed Additional ⁼ Estimates	Total Estimate at Additional Estimates	Total Available Appropriation
	2008–09 \$'000	2008–09 \$'000	2008–09 \$'000	2007–08 \$'000
Ordinary Annual Services				
Departmental outputs				
Departmental outputs	31,660	1,314 ¹	32,974	30,363
s. 31 Relevant agency receipts ²	19,175	-	19,175	21,530
Total	50,835	1,314	52,149	51,893
Total ordinary annual services	A 50,835	1,314	52,149	51,893
Other services				
Departmental non-operating				
Equity injections	-	-	-	315
Previous years' outputs	475	-	475	-
Total	475	-	475	315
Total other services	B 475	-	475	315
Total Available Annual Appropriations	51,310	1,314	52,624	52,208
Special Accounts				
Opening balance	-	-	-	-
Appropriation receipts	-	-	-	-
Non-appropriation receipts to Special Accounts	-	-	-	-
Total Special Accounts	D -	-	-	-
Total resourcing				
A + B + D	51,310	1,314	52,624	52,208
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-	-	-
Total net resourcing for Australian Public Service Commission	51,310	1,314	52,624	52,208

1. Appropriation Bill (No. 3) 2008–09.

2. Total s. 31 relevant agency receipts—estimate.

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new government measures taken since the 2008–09 Budget. The affected output groups are identified.

Table 1.2: Agency measures since 2008–09 Budget

	Output group	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000
Expense measures					
Ethics Advisory Service	1	500	250	250	250
Governmental use of information and communication technology – review	3	672	296	299	151
Recruitment advertising policy and website	1 & 3	142	383	328	-
Total expense measures		1,314	929	877	401

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2008–09 Budget in Appropriation Bill No. 3. The commission has no additional estimates and variations to outcomes from other variations since Portfolio Budget Statements 2008–09.

Table 1.3: Additional estimates and variations to outcomes from measures since 2008–09 Budget

	Output group impacted	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000
Outcome 1					
Increase in estimates (departmental)					
Ethics Advisory Service	1	500	250	250	250
Governmental use of information and communication technology – review	3	672	296	299	151
Recruitment advertising policy and website	1 & 3	142	383	328	-
Net impact on estimates for Outcome 1 (departmental)		1,314	929	877	401

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the Additional Estimates sought for the Australian Public Service Commission through Appropriation Bill No. 3.

Table 1.5: Appropriation Bill (No. 3) 2008–09

	2007–08 available \$'000	2008–09 Budget \$'000	2008–09 revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
DEPARTMENTAL OUTPUTS					
Outcome 1					
A confident, high quality, values-based and sustainable Australian Public Service	20,404	21,718	23,032	1,314	-
Total	20,404	21,718	23,032	1,314	-

Note: 2007–08 available appropriation is included as a comparison of this year's appropriation with what was made available in the previous year.

Section 2: Revisions to agency outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Outcome 1

Outcome 1 Strategy

There has been no change to the commission's outcome strategy for 2008-09. The commission's outcome strategy is available in Section 2.1.1 of the 2008-09 Portfolio Budget Statements (pp. 108 to 109).

Table 2.1: Performance information for output groups affected by additional estimates—Outcome 1

Output Group 1: APS policy and employment services	
<p><i>Changes in components:</i></p> <p>The budget measure to provide an Ethics Advisory Service will be incorporated as an additional function within Output 1.1 Advice and support to Minister, Executive and agency heads.</p> <p>For the measure ‘Recruitment advertising policy and website’, the activities to strengthen and enhance the marketing of the APSjobs website will be incorporated within Output 1.2 employment services.</p>	
Key performance indicators	2008–09 target
Ethics Advisory Service.	Establish an Ethics Advisory Service by April 2009.
Strengthen and enhance the marketing of the APSjobs website.	Develop a marketing strategy by March 2009.

Output Group 3: Better practice and evaluation	
<p><i>Changes in components:</i></p> <p>For the measure ‘Governmental use of information and communication technology – review’, the commission will develop jointly with the Department of Finance and Deregulation a whole-of-government ICT career pathway and a whole-of-government ICT workforce plan. These activities will be incorporated within Output 3.2 Promote better practice.</p> <p>As these activities are due to be implemented by March 2010, key performance indicators and targets for this measure will appear in the 2009–10 Portfolio Budget Statements.</p> <p>For the measure ‘Recruitment advertising policy and website’, the activities to review the impact of the whole-of-government approach to recruitment advertising will be incorporated within Output 3.2 Promote better practice.</p>	
Key performance indicators	2008–09 target
Review the impact of the whole-of-government approach to recruitment advertising.	Benchmarks and evaluation framework developed by March 2009. Review against baseline data to be undertaken at regular intervals.

Section 3: Explanatory tables and budgeted financial statements

3.1 EXPLANATORY TABLES

3.1.1 Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Australian Public Service Commission. The corresponding table in the 2008–09 PB Statements is Table 3.1.3.

Table 3.1.1: Estimates of special account flows

		Opening balance 2008–09 2007–08	Receipts 2008–09 2007–08	Payments 2008–09 2007–08	Adjustments 2008–09 2007–08	Closing balance 2008–09 2007–08
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Other Trust Moneys	1	-	-	-	-	-
– FMA Act (D)		-	41	(41)	-	-
Services for Other Governments and Non-Agency Bodies	1	-	-	-	-	-
– FMA Act (D)		-	-	-	-	-
Total special accounts						
2008–09 revised estimate		-	-	-	-	-
<i>Total special accounts</i>						
<i>2007–08 actual cashflow</i>		-	41	(41)	-	-

D = departmental

FMA Act = *Financial Management and Accountability Act 1997*

3.1.2 Estimates of variations to average staffing level

Changes in average staffing level (ASL) are presented in the Portfolio Additional Estimates Statements at the whole-of-agency level to demonstrate any movements since Budget. The ASL figures for Budget were reported in the PB Statements in the Outcome Resourcing Table page 110.

Table 3.1.2: Average staffing level

	2008–09 Budget	2008–09 revised	Variation
Outcome 1			
A confident, high quality, values-based and sustainable Australian Public Service.	216	224	8
Total	216	224	8

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

The commission's budgeted financial statements have been updated to include the actual outcome for 2007–08 and changes since the 2008–09 Portfolio Budget Statements to reflect resourcing for new measures.

3.2.2 Budgeted financial statements

Income statement

The commission is budgeting for a loss, as approved by the Minister for Finance and Deregulation, in each financial year. This budgeted loss is due to the impact of straight-lining minimum operating lease payments for office rental.

Appropriation income will increase by \$2.2 million from \$20.8 million in 2007–08 to \$23.0 million in 2008–09 due to funding of new measures of \$1.3 million and full year funding for the Career Transition and Support Centre (an additional \$1.0 million in 2008–09).

Appropriation income will reduce in 2009–10 to \$19.3 million as funding for the continuation of the APS Indigenous Employment Strategy concludes (funding is \$2.6 million in 2008–09), initial implementation funding ceases for new measures (a reduction of \$0.4 million) and funding for the Career Transition and Support Centre tails off (a reduction of \$0.8 million).

Goods and services income is expected to decrease in 2008–09 due to an expected decrease in agency demand for the commission's services owing to the tighter budgetary climate.

Balance sheet

Balances have been updated to reflect the actual outcome for 2007–08.

Statement of cash flows

The \$0.5 million contributed equity received in 2008–09 is for prior years' funding for expenditure incurred in 2007–08 for the Career Transition and Support Centre. This prior year funding was recognised as a receivable for 2007–08 in the balance sheet.

Table 3.2.1: Budgeted departmental income statement (for the period ended 30 June)

	Actual 2007–08 \$'000	Revised budget 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
INCOME					
Revenue					
Revenues from government	20,804	23,032	19,256	18,598	18,203
Goods and services	19,390	19,192	18,338	18,812	19,479
Total revenue	40,194	42,224	37,594	37,410	37,682
Gains					
Net gains from sale of assets	-	-	-	-	-
Other	37	41	41	41	41
Total gains	37	41	41	41	41
Total income	40,231	42,265	37,635	37,451	37,723
EXPENSE					
Employees	21,272	22,333	20,242	20,200	20,384
Suppliers	17,343	18,511	15,812	15,478	15,445
Depreciation and amortisation	1,478	1,764	1,853	1,974	2,020
Finance costs	36	39	41	42	44
Write-down of assets and impairment of assets	2 3	- -	- -	- -	- -
Net losses from sale of assets	3	-	-	-	-
Total expenses	40,137	42,647	37,948	37,694	37,893
Net operating result	94	(382)	(313)	(243)	(170)

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	Actual 2007–08 \$'000	Revised budget 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	542	450	450	450	450
Receivables	13,654	14,206	14,091	15,271	16,570
Total financial assets	14,196	14,656	14,541	15,721	17,020
Non-financial assets					
Land and buildings	3,485	3,121	3,361	2,959	2,529
Infrastructure, plant and equipment	2,061	2,707	2,520	2,036	1,958
Intangibles	1,067	789	584	279	99
Inventories	187	187	187	187	187
Prepayments paid	544	461	451	456	476
Total non-financial assets	7,344	7,265	7,103	5,917	5,249
Total assets	21,540	21,921	21,644	21,638	22,269
LIABILITIES					
Payables					
Suppliers	3,763	4,087	4,087	4,295	4,481
Prepayments received	2,491	2,420	2,460	2,515	2,580
Total payables	6,254	6,507	6,547	6,810	7,061
Interest bearing liabilities					
Leases	345	821	744	632	1,087
Lease incentives	1,963	1,765	1,597	1,432	1,266
Total interest bearing liabilities	2,308	2,586	2,341	2,064	2,353
Provisions					
Employees	6,004	6,227	6,458	6,699	6,949
Make good	141	150	160	170	181
Total provisions	6,145	6,377	6,618	6,869	7,130
Total liabilities	14,707	15,470	15,506	15,743	16,544
EQUITY¹					
Parent entity interest					
Contributed equity	(1,004)	(1,004)	(1,004)	(1,004)	(1,004)
Reserves	1,013	1,013	1,013	1,013	1,013
Retained surpluses or accumulated deficits	6,824	6,442	6,129	5,886	5,716
Total parent entity interest	6,833	6,451	6,138	5,895	5,725
Total equity	6,833	6,451	6,138	5,895	5,725
Current assets	14,927	15,304	15,179	16,364	17,683
Non-current assets	6,613	6,617	6,465	5,274	4,586
Current liabilities	12,202	12,513	12,613	12,939	13,255
Non-current liabilities	2,505	2,957	2,893	2,804	3,289

1. 'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.2.3: Budgeted departmental statement of cash flows (for the period ended 30 June)

	Actual 2007–08 \$'000	Revised budget 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	22,615	21,094	20,319	20,688	21,409
Appropriations	20,404	23,032	19,256	18,598	18,203
Other cash received	993	-	8	-	-
Total cash received	44,012	44,126	39,583	39,286	39,612
Cash used					
Employees	21,430	22,110	20,011	19,959	20,134
Suppliers	19,558	20,527	18,000	17,361	17,384
Other cash used	1,196	1,007	136	1,420	1,573
Total cash used	42,184	43,644	38,147	38,740	39,091
Net cash from or (used by) operating activities	1,828	482	1,436	546	521
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	3	-	-	-	-
Other cash received	-	-	-	-	-
Total cash received	3	-	-	-	-
Cash used					
Purchase of property, plant and equipment	1,438	762	1,191	401	376
Purchase of intangibles	725	287	245	145	145
Total cash used	2,163	1,049	1,436	546	521
Net cash from or (used by) investing activities	(2,160)	(1,049)	(1,436)	(546)	(521)
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	315	475	-	-	-
Total cash received	315	475	-	-	-
Cash used					
Other cash used	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from or (used by) financing activities	315	475	-	-	-
Net increase or (decrease) in cash held	(17)	(92)	-	-	-
Cash at the beginning of the reporting period	559	542	450	450	450
Cash at the end of the reporting period	542	450	450	450	450

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget 2008–09)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2008				
Balance carried forward from previous period	6,824	1,013	(1,004)	6,833
Adjustment for changes in accounting policies	-	-	-	-
Adjusted opening balance	6,824	1,013	(1,004)	6,833
Income and expense				
Income and expenses recognised directly in equity:				
Gain/loss on revaluation of property	-	-	-	-
Sub-total income and expense recognised directly in equity	-	-	-	-
Net operating result	(382)	-	-	(382)
Total income and expenses	(382)	-	-	(382)
Transactions with owners				
<i>Distributions to owners</i>				
Returns on capital				
Dividends	-	-	-	-
Returns of capital				
Restructuring	-	-	-	-
<i>Contribution by owners</i>				
Appropriation (equity injection)	-	-	-	-
Other				
Sub-total transactions with owners	-	-	-	-
Transfers between equity components	-	-	-	-
Estimated closing balance as at 30 June 2009	6,442	1,013	(1,004)	6,451

Prepared on Australian Accounting Standards basis.

3.2.3 Notes to the financial statements

Departmental income

In 2007–08, \$0.4 million of appropriation income was accrued for funding for the Career Transition and Support Centre that was appropriated in 2008–09 as a prior year output.

