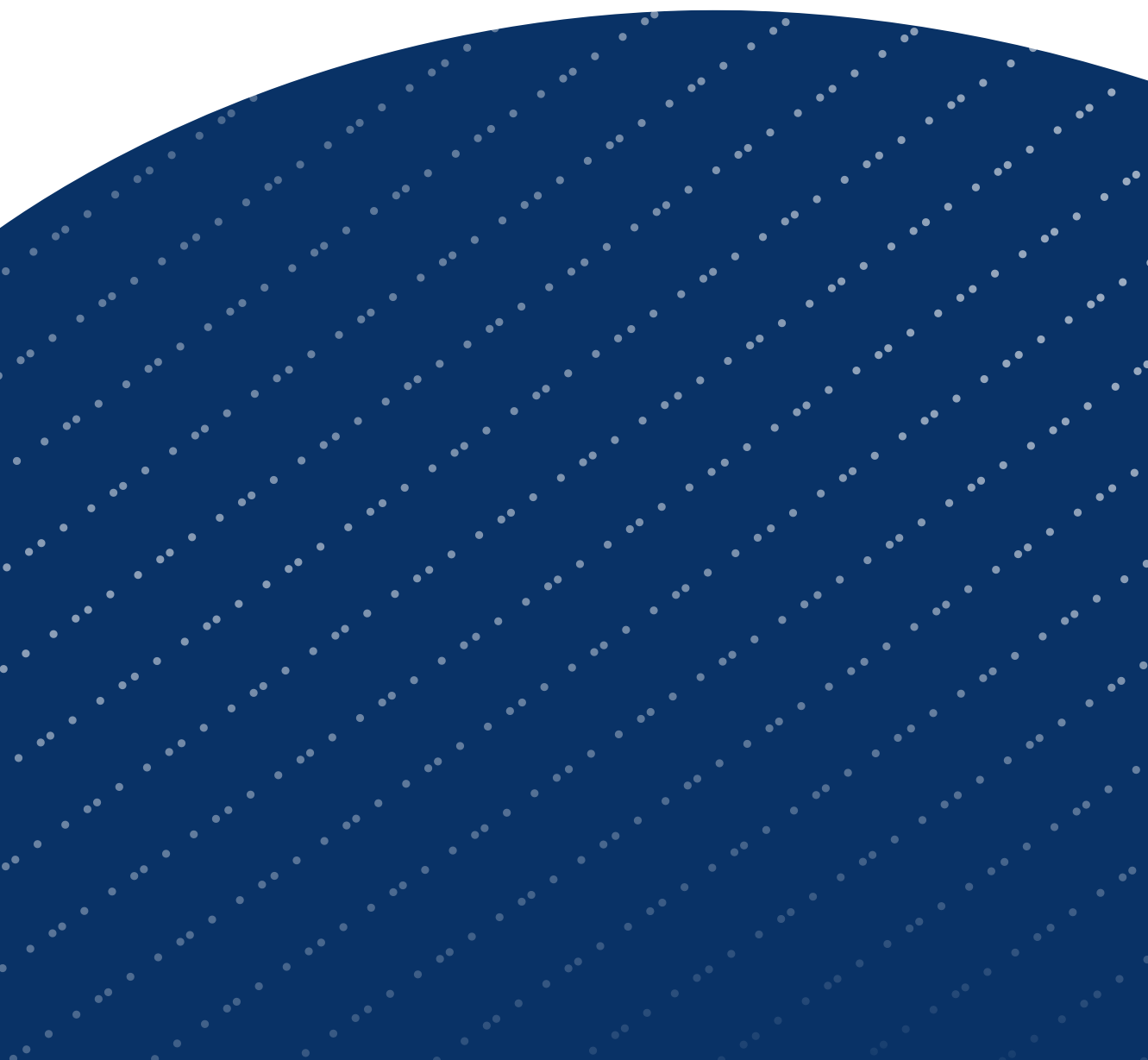




Parliamentary  
Budget Office

PARLIAMENTARY BUDGET OFFICE

# ANNUAL REPORT 2021–22





PARLIAMENTARY BUDGET OFFICE

# **ANNUAL REPORT 2021–22**

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This report and other PBO publications, as well as information on the PBO, are available online at [www.pbo.gov.au](http://www.pbo.gov.au).

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Parliamentary  
Budget Office

Stein Helgeby  
Parliamentary Budget Officer

The Hon Milton Dick MP  
Speaker of the House of Representatives

Senator the Hon Sue Lines  
President of the Senate

Dear Mr Speaker and President

I am pleased to present the Parliamentary Budget Office (PBO) Annual Report 2021–22 in accordance with section 65 of the *Parliamentary Service Act 1999* and section 46 of the *Public Governance, Performance and Accountability Act 2013*.

As required by section 10 of the *Public Governance, Performance and Accountability Rule 2014*, I certify that the PBO has taken all reasonable measures to appropriately deal with fraud relating to the PBO, including by having in place appropriate fraud prevention, detection, investigation and reporting mechanisms that meet its specific needs, and having prepared fraud risk assessments and fraud control plans.

Yours faithfully

Stein Helgeby

14 October 2022

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# Part 1: Overview

## Parliamentary Budget Officer's review



**The 2021-22 year was the last of the 46th Parliament. This culminating point in the electoral cycle drove our preparation, planning and delivery. Our clients and stakeholders sought more from us and challenged us to adapt, to be more timely, and to meet their changing needs.**

The year was effectively in two parts. For the first few months, we continued to produce public information at the same time as we met rising demand for our services and planned for the election and post-election periods. For almost three quarters of the year, we effectively ceased all operations other than those required by our direct service to parliamentarians and election preparations.

The general election occurred in this year, but our work did not reach its full fruition until early in 2022-23. The reception of the Election commitments report (ECR) will be discussed in next year's Annual Report. In this current Report, the focus is on the preparations and the workload. As the Report shows, we responded to a near record number of parliamentarian requests for policy costings and budget analysis. We also maintained an effective and well-received program of self-initiated publications.

Over the past year, we refreshed our approach to service and engagement to respond to feedback we received from our 2021 stakeholder survey. That feedback had clear themes around our people and systems, and our external engagement. As a result, these are now core functions for the Parliamentary Budget Office (PBO).

Responding to the feedback, we worked to improve the timeliness of our responses by transitioning to a more flexible work allocation model providing greater agility in resource management.

We were able to maintain a publication program for our self-initiated work, releasing 13 publications. In keeping both with the electoral cycle and specific feedback, we focused our publications on topics relevant for understanding fiscal developments, particularly over the medium term. We also began changing the format and presentation of our self-initiated work to make it more accessible to a wider audience.

## **The year ahead**

Building on the challenges and achievements of 2021-22, our Corporate Plan 2022–23 published on 1 September 2022 sets out our approach and priorities for the next 4 years (2022–23 to 2025–26).

The commencement of the 47th Parliament presents us with an opportunity to refresh our approach to service delivery and engagement to meet the needs of our clients. We will prioritise activities that meet their evolving needs and continue to address feedback we received during the 46th Parliament.

In the coming year, our key priorities include enhancing our interactions with parliamentarians, their staff, and committees, a refresh of our organisational approach, investment in our people, and modernisation of our tools and systems. This includes multi-year projects focused on enhancing our digital engagement: a website platform refresh, and development of a portal for parliamentarians.

We look forward to engaging with and responding to the needs of all new and continuing parliamentarians.

**Stein Helgeby**

**Parliamentary Budget Officer**

## The year in summary

For the PBO, 2021–22 centred around preparing for the 2022 election and our ECR, which was published within our legislated deadline on 14 July 2022, just after the end of the financial year. The ECR helps Parliament and the public hold parties to account by creating a record of all the promises made during an election and their impact on the budget.

The ECR must cover the commitments of the major parliamentary parties and may cover the commitments of the minor parties and independents if they choose. For the first time, the report included commitments made by the independent member for Indi, Dr Helen Haines MP, who chose to be included.

The PBO's confidential policy costing and budget analysis services level the 'playing field' by giving non-government parties and independents access to costings, supporting further policy debate. We experienced a significant increase in requests during 2021–22 (particularly in the period ahead of the general election) receiving a total of 3,216 requests for the full year. This represented a far greater level of demand in comparison to last year, and is comparable to the level of demand experienced during the previous election year (2018–19).

Although our focus was primarily on the election, we maintained our program of self-initiated work, releasing 13 publications. These included two 'explainers', on bracket creep and the contingency reserve – topics which often appear mysterious or are misunderstood. Our popular *Guide to the Budget* was also updated following the 2022–23 Budget.

Building on our work on fiscal sustainability, we published our seventh update of medium-term fiscal projections, titled *Beyond the Budget*, as well as our first interactive Fiscal sustainability dashboard.

Our regular reports also included summary charts ('snapshots') on the 2021–22 Mid Year Economic and Fiscal Outlook (MYEFO) and the 2022–23 Budget. For the first time, however, both were published on the day of release. A new product for 2021–22 was *Historical fiscal data*, an accessible dataset of budget-related time-series not previously available anywhere in a single location.

All these outputs were supported by a substantial investment in our Information and Communication Technology (ICT) capability during 2021 that has given us a modern, collaborative, and integrated cloud-based environment. Behind the scenes, we leveraged this new capability to streamline and automate key business and quality control processes, for example with the development of a new aggregator tool to support the delivery of the ECR.

The results of our major stakeholder survey for the 46th Parliament (2021 stakeholder survey) indicated high levels of satisfaction with our services, with strong agreement that the PBO remains an important policy costing and budget analysis institution. It also pointed to further improvements we are pursuing.

# Overview of our Role and Governance

## Purpose and outcome

Section 64B of the *Parliamentary Service Act 1999* (PS Act) and our Corporate Plan sets out our purpose and outcome, which is to inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy, and the financial implications of policy proposals.

As we approached the 10th year since our creation, we commenced a program of organisational reform to modernise our operations and our services. With the changing needs of our stakeholders in mind, and in response to feedback from the 2021 stakeholder survey, we updated our vision and strategic priorities (see Figure 1).

Our vision of enriching Australia’s democracy through independent budget and fiscal analysis drives everything we do. We pursue our vision through delivering on our strategic priorities of service excellence, operational effectiveness, providing independent and informative analysis, and investing in our people.

**Figure 1: Our purpose, vision, and strategic priorities**



## Role and core functions

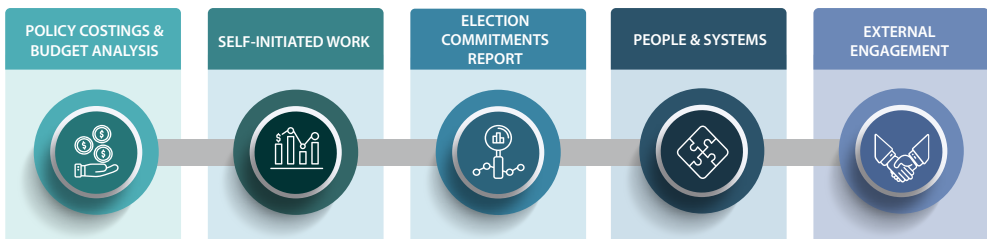
We achieve our mandate of supporting the Parliament through access to independent policy costings and additional support to scrutinise the budget, and to help inform the public debate on budgetary and fiscal policy issues. We do this through our core functions, as defined in our Corporate Plan 2021–22:



The results of the 2021 stakeholder survey indicated high levels of satisfaction with our services, with some areas of improvement identified, including:

- enhancing the awareness that parliamentarians have of our services through more active outreach to parliamentarians and their staff
- enhancing the experience that parliamentarians have of our services through greater recognition of the different needs they have, including the timeliness of information and the way we interact with them
- ensuring our website is more user-focused, by making information easier to find and more interactive.

We have prioritised acting on this feedback, including by establishing two new functions - people and systems, and external engagement:



## Policy costings and budget analysis

We provide all parliamentarians with access to advice on the financial implications of their policy proposals, based on the specifications they provide. Outside of the caretaker period for a general election, parliamentarians may submit requests for policy costings on a confidential basis. This means we are required to keep both the request and our response in confidence.

During the caretaker period for a general election, there is a different process for costings. Parliamentary parties and independent parliamentarians can request costings of their publicly announced election policies. We publish these requests, complete the analysis, and publicly release the costing as soon as possible.

We also provide parliamentarians with access to information relating to the budget. They can request this information on a confidential basis, regardless of when the request is made.

Our policy costing and budget analysis services are available to parliamentary committees on issues that fall within our mandate.

### **Self-initiated work**

We publish self-initiated publications and information papers on the budget and fiscal policy settings. Through our research, we seek to improve budget transparency and promote better public understanding of fiscal policy and budget policy issues.

Our self-initiated publications include reports, chart packs and tools that present key budget information in a more readily accessible format.

### **Election commitments report**

After each general election, we publish a report that shows the budget impacts of the election commitments of each of the major parliamentary parties. This report presents the impacts on a policy-by-policy basis, as well as the aggregate impact of each party's policy platform. Minor parties and independents may choose to opt in to have their election commitments included in this report.

The purpose of this report is to provide transparency around the fiscal impact of election commitments. It serves an important role in encouraging parliamentary parties to announce fully costed election commitments and to publish their policy platforms prior to polling day.

### **People and systems**

Our people and systems functions are responsible for developing and implementing our organisational strategies and policies, as well as managing the delivery of a broad range of corporate services including human resources, financial management and reporting, governance and compliance, performance reporting, risk management, information management and communications.

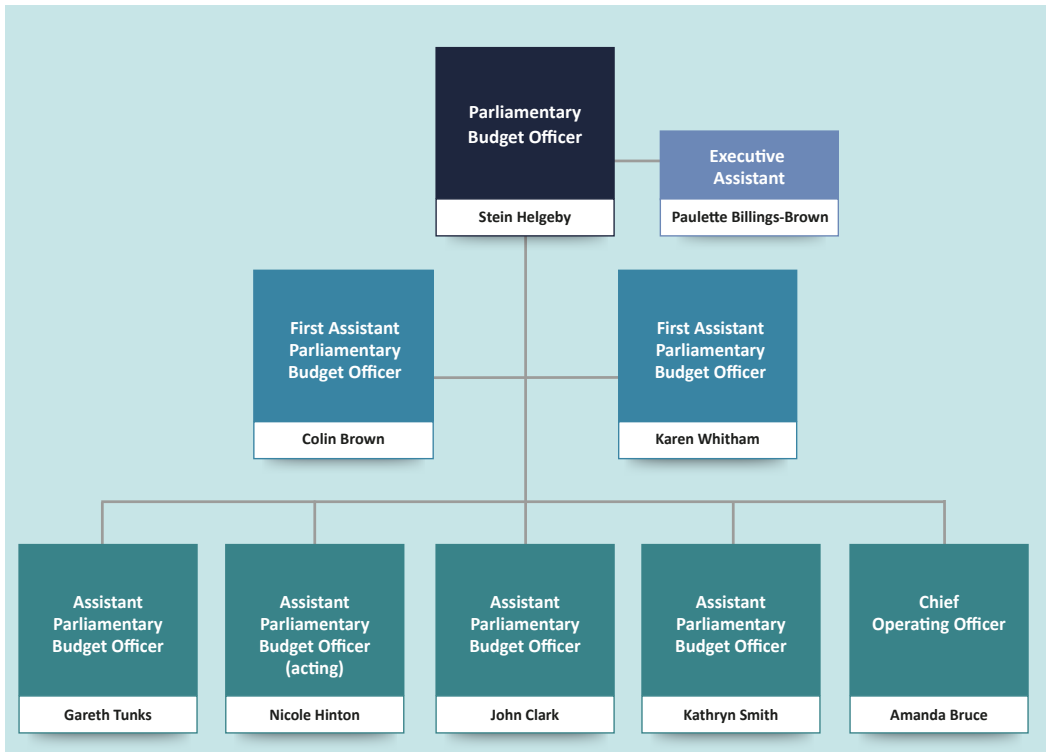
### **External engagement**

We support our vision of enriching Australia's democracy through independent budget and fiscal analysis, by proactively pursuing ways to engage with our stakeholders and seeking to continually improve our services and their accessibility. We conduct a major stakeholder survey once every parliamentary term and are establishing a variety of new avenues to gather regular feedback. Better understanding the needs of parliamentarians and working to make complex information easier to consume supports our role in improving public understanding of budget and fiscal policy issues.

## Organisational structure

We have a small, dedicated workforce of around 45 employees, led by the Parliamentary Budget Officer. The Parliamentary Budget Officer is supported by senior executives who have responsibility for delivering against our core functions (see Figure 2).

Figure 2: PBO Executive structure as at 30 June 2022



We adopt a flexible operating model to maximise efficiency and enable us to meet the demand for our services. Our Assistant Parliamentary Budget Officers oversee delivery of our policy costings and budget analysis, self-initiated work, and ECR functions. Our Chief Operating Officer leads our people and systems, and external engagement functions.





## Part 2: Annual performance

### Annual Performance Statement

This part summarises the performance of the Parliamentary Budget Office (PBO) in 2021–22 against the purpose and performance criteria published in the PBO Corporate Plan 2021–22 and the PBO Portfolio Budget Statements 2021–22.

This includes reporting on our priorities, key activities, and achievements during 2021–22.

#### Statement of Preparation

As required under paragraph 39(1)(a) and (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), I present the 2021–22 Annual Performance Statement for the Parliamentary Budget Office.

As the accountable authority for the Parliamentary Budget Office, in my opinion this Annual Performance Statement is based on properly maintained records, accurately reflects the performance of the Parliamentary Budget Office, and complies with subsection 39(2) of the PGPA Act.

Stein Helgeby  
Parliamentary Budget Officer  
14 October 2022

#### Our purpose

The PBO is an independent and non-partisan institution of the Australian Parliament. The purpose of the PBO is outlined in section 64B of the *Parliamentary Service Act 1999* (PS Act) and communicated in its Corporate Plan.

The PBO's purpose is supported by its single outcome and program as articulated in the PBO Portfolio Budget Statements 2021–22. Outcome statements describe what the Government requires the PBO to achieve using resources allocated through the Commonwealth budget process.

Table 1 provides detail of the alignment between the PBO’s 2021–22 Corporate Plan and its Portfolio Budget Statements.

**Table 1: Alignment between the PBO Portfolio Budget Statements 2021–22 and the PBO Corporate Plan 2021–22**

<b>Portfolio Budget Statements 2021–22</b>	<p><b>Outcome</b></p> <p>Inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy, and the financial implications of proposals.</p>
	<p><b>Program 1.1</b></p> <p>The PBO provides all parliamentarians access to confidential costing and budget analysis services to improve the quality of the public policy debate. The PBO publishes research to improve public understanding of fiscal and budget policy issues and enhances transparency around the financial implications of election commitments.</p>
	<p><b>Purposes</b></p> <ul style="list-style-type: none"> <li>• Provide confidential policy costing and budget analysis services to all parliamentarians to enable fiscal impacts to be considered during policy developments.</li> <li>• Conduct and publish research to improve public understanding of budget and fiscal policy issues.</li> <li>• Publish a report on the budget impacts of the election commitments of parliamentary parties after each general election to enhance transparency around election commitments.</li> </ul>
<b>Corporate Plan purpose</b>	<ul style="list-style-type: none"> <li>• Providing policy costing and budget analysis services to all parliamentarians to enable the fiscal impacts to be considered during policy development.</li> <li>• Conducting and publishing research to improve public understanding of budget and fiscal policy issues.</li> <li>• Publishing a report on the budget impacts of the election commitments of parliamentary parties after each general election to enhance transparency around election commitments.</li> </ul>

## Reporting on our performance

The Annual Performance Statement for 2021–22 provides an assessment of the PBO’s performance in achieving its purpose by reporting on the performance measures and criteria set out in the 2021–22 Corporate Plan and the criteria listed in the Portfolio Budget Statements 2021–22.

The PBO’s performance measures include a mix of effectiveness, output and efficiency, and assess how our key activities support the achievement of our purpose and outcome. Comparative data from previous financial years has been included throughout the Annual Performance Statement where available and applicable.

Consistent with 2020–21, the PBO has assessed actual performance against each criterion using the following three-point scale:

Achieved	Substantially achieved	Not achieved
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‘Achieved’ (the PBO has met all elements of the target; the intended result was achieved as planned), ‘substantially achieved’ (the majority of the criteria have been met; however, the intended result was not fully achieved during the reporting period), ‘not achieved’ (only a minority of the criteria have been met).

Our performance reporting framework incorporates the following elements:

**Table 2: Performance reporting framework**

<b>Our outcome</b>	Inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals.
<b>Our core functions</b>	<ul style="list-style-type: none"> <li>• Policy costings and budget analysis</li> <li>• Research</li> <li>• Election commitments report</li> </ul>
<b>Performance measures</b>	<p>PBO’s outputs are relevant, high quality and timely.</p> <p>PBO’s work is undertaken with independence, transparency and integrity.</p>
<b>Sources</b>	<p>Corporate Plan 2021–22, pages 13–18</p> <p>Portfolio Budget Statements 2021–22, page 9</p>
<b>Performance criteria</b>	<p>A range of indicators inform the assessment of our performance:</p> <ul style="list-style-type: none"> <li>• the extent of the demand for, and efficiency in the provision of, PBO services</li> <li>• the PBO’s contribution to the public policy debate</li> <li>• the transparency of PBO processes and data, and feedback from stakeholders.</li> </ul>
<b>2021–22 result</b>	Substantially achieved

## Performance summary for 2021–22

Table 3 summarises the performance measures included in our 2021–22 Corporate Plan and provides an assessment of our annual performance against our targets.

**Table 3: PBO performance summary 2021–22**

Criteria	2021–22 target	2021–22 result	Page
<b>Output</b>			
Number of policy costing and budget analysis requests completed	Equal to or greater than historical levels in the election cycle	Substantially achieved	16
Number of PBO research publications	7 regular	Achieved	22
	2 non-regular	Achieved	
Percentage of regular reports triggered by a specific event (e.g. budget release) published on time	100%	Achieved	24
Publication of the ECR within the legislative timeframe	Less than 30 days after the end of the caretaker period or 7 days before the first sitting day of parliament	Not applicable <sup>1</sup>	28
<b>Efficiency</b>			
Median time to complete policy costing and budget analysis requests <sup>2</sup>	Fewer than 15 business days (non-caretaker period)	Substantially achieved	18
	Fewer than 5 business days (caretaker period)	None received <sup>3</sup>	
<b>Effectiveness</b>			
Percentage of publicly released costings referenced in the public debate	100%	Achieved	20
Demand for PBO research material <sup>4</sup>	Demand for research reports is equal to or greater than historical trends	Unable to be determined <sup>5</sup>	25
Demand for the ECR <sup>6</sup>	Demand is equal to or greater than the previous report	Not applicable <sup>7</sup>	28
<b>Feedback</b>			
Feedback from stakeholders indicates our outputs are relevant, high quality and timely, and/or our work is undertaken with independence, transparency and integrity	90% of mentions are positive or neutral	Achieved	28

- 
- <sup>1</sup> As the ECR was published in the following financial year, reporting on our performance against this measure will be reflected in the 2022–23 Annual Performance Statement. We note that the 2022 ECR was published on 14 July 2022, in compliance with our legislative obligations.
- <sup>2</sup> This is calculated using the number of business days from when the request is received to when the request is provided, excluding any time where the PBO is waiting for additional information from the requestor to complete the response. Timeliness in relation to the completion of costing and budget analysis requests is the way in which the PBO is best able to measure efficiency.
- <sup>3</sup> No policy costings or budget analysis requests were received during the caretaker period.
- <sup>4</sup> This performance measure has been revised for the purposes of the 2021–22 Annual Performance Statement and differs from what was documented in the 2021–22 Corporate Plan. The term ‘impact’ has been removed as we had not determined how to measure this specifically in a meaningful way.
- <sup>5</sup> A performance result for this measure is unable to be determined due to significant data quality issues with report downloads data, likely related to automatic ‘bots’. We have refined our metrics in our 2022–23 Corporate Plan to address these issues.
- <sup>6</sup> See footnote 5.
- <sup>7</sup> As the 2022 ECR was published in the following financial year, reporting on our performance against this measure will be reflected in the 2022–23 Annual Performance Statement.

## Analysis of performance against purpose

In 2021–22, we substantially achieved our purpose with the following highlights:

- A federal election was held on 21 May 2022, concluding a period of heightened demand for our policy costing and budget analysis services. During this period, we responded to more than double the number of requests delivered in the previous financial year. We responded to requests in a timely manner, with high-quality advice.
- We published our report on the budget impact of election commitments within the timeframes required by legislation. As the 2022 ECR was published in the 2022–23 financial year, we will report on relevant measures in next year’s Annual Performance Statement.
- We continued to maintain a high-quality program of published research to build public understanding of key budget issues.
- The PBO’s output continued to be referenced in the public debate, indicating that our work is relevant.

During 2021–22, the benefits of the PBO’s investment in capability across key areas, including systems and people, began to materialise. Our new Information and Communication Technology (ICT) environment enabled more collaborative ways of working, reducing the operational impacts imposed by COVID-19, allowing the development of tools which enhanced the services provided to our stakeholders and improved the process of producing the 2022 ECR.

In addition, a more flexible approach to managing the costing workload contributed to the improved completion times in the second half of the year. Our ability to manage the additional costing workload and the changing nature of that workload is reflected in the completion times shown in Table 4 and Figure 1.

Active management of the distribution of work across the costing function supported staff wellbeing and avoided localised work pressure for extended periods of time.

The PBO continued to rely on its well-established arrangements with agencies to facilitate the provision of information in a way that maintains the confidentiality of the nature of work we are undertaking. This is fundamental to the work that we do. We acknowledge the valuable support we continued to receive from Commonwealth agencies in 2021–22, who provided us with data and models on a timely basis to support our work.

## Looking ahead

Over the coming year, we will continue work to refine our performance measures and targets to better reflect where we want to focus our efforts as an agency (including on engagement with our stakeholders and better meeting their needs), and to strengthen the quality of the performance information we collect.

We will consider how to better define and measure the ‘impact’ of our outputs, particularly in relation to our self-initiated work. In addition, we will internally trial the use of metrics such as the ‘size’ and ‘complexity’ of parliamentary requests to provide more context around our performance results for 2022–23.

## Detailed performance results and analysis

### Core function 1: Policy costings and budget analysis



We provide all parliamentarians with access to advice on the financial implications of their policy proposals, based on the specifications that they provide. Outside of the caretaker period for an election, parliamentarians may submit requests for policy costings on a confidential basis, in which case we are required to keep both the request and our response in confidence.

We provide parliamentarians with access to information relating to the budget, which they can request on a confidential basis regardless of when the request is made.

We also provide support as requested to parliamentary committees on issues that fall within our mandate.

*Source: Corporate Plan 2021–22*

## Criterion 1: Output

A major focus for the PBO in 2021–22 was supporting clients in the lead up to the general election and the subsequent preparation of the 2022 ECR. The lead up to the election is a period of peak demand for the high quality and confidential policy costing and budget analysis services that the PBO provides to parliamentarians.

<b>Performance measure</b>	Number of policy costing and budget analysis requests completed
<b>2021–22 target</b>	Equal to or greater than historical levels in the election cycle
<b>2021–22 result</b>	Substantially achieved

## Results

The general election in May 2022 had a major influence on our policy costing and budget analysis work during 2021–22. Consistent with historical trends in the election cycle, we experienced a significant increase in requests for our policy costing and budget analysis services during 2021–22 (particularly in the period ahead of the general election) receiving a total of 3,216 requests for the full year. This represents a far greater level of demand compared to the previous financial year (2020–21: 1,253 requests received) and a comparable level of demand to the previous election year (2018–19: 3,014 requests received).

We completed 2,547 request options during 2021–22. The number of requests completed has increased in comparison to the last financial year (2020–21: 813 completed requests) but is less than the number of requests completed in the previous election year (2018–19: 2,970 requests completed). The reduction of total requests between the 2 election years is partly due to fewer costings being required for the ECR and a larger volume of submitted requests being withdrawn.

In 2021–22, we have substantially achieved our target of the number of policy costing and budget analysis requests completed being equal to or greater than historical levels in the election cycle. Table 4 provides further information on the number of policy costing and budget analysis requests we responded to over the course of 2021–22, in the previous financial year (2020–21) and the previous election year (2018–19). This highlights the heightened activity in the fourth quarter of 2021–22 during the lead up to the election.

**Table 4: Costing and budget analysis request performance<sup>8</sup>**

	18–19 total	19–20 total	20–21 total	21-22				21–22 total
				Q1	Q2	Q3	Q4	
Request options outstanding at the start of period	<b>586</b>	<b>20</b>	<b>40</b>	343	483	433	473	<b>343</b>
Request options received in period	<b>3,014<sup>(a)</sup></b>	<b>332</b>	<b>1,253</b>	458	603	819	1,336 <sup>(b)</sup>	<b>3,216</b>
Request options completed in period	<b>2,970<sup>(a)</sup></b>	<b>279</b>	<b>813</b>	299	613	713	922 <sup>(b)</sup>	<b>2,547</b>
Request options withdrawn in period	<b>610</b>	<b>33</b>	<b>137</b>	19	40	66	874 <sup>(c)</sup>	<b>999</b>
Request options outstanding at the end of period	<b>20</b>	<b>40</b>	<b>343</b>	483	433	473	13	<b>13</b>
Average time to completion (business days) <sup>9</sup>	<b>18</b>	<b>27</b>	<b>31</b>	34	34	27	15	<b>29</b>
Median time to completion (business days)	<b>12</b>	<b>25</b>	<b>25</b>	35	34	18	16	<b>18</b>

Note, the table identifies the number of ‘options’ received by the PBO, noting that a single request can contain multiple options. The number of options for a request is assessed as part of confirming the exact specification of the request.

- (a) This includes 429 costings prepared for the 2019 ECR.
- (b) This includes 316 costings prepared for the 2022 ECR. 314 costings were for commitments by parties and 2 additional costings were for interactions between policies.
- (c) Most of these requests were automatically withdrawn due to the expiration of the 46th Parliament in accordance with the PBO’s legislative mandate which does not allow requests to carry over between parliaments.

<sup>8</sup> The data sources are the PBO’s Parliamentarian Request app and SharePoint records which started on 12 July 2021 and replaced the previous system (the Workflow Management System (WMS) and Electronic Document and Records Management System (EDRMS)). The data for each request is verified at the completion of each request. This includes checking that public holidays and periods when costings are placed ‘on hold’ by the client are accurately reflected in the data.

<sup>9</sup> The current year total represents a weighted average.



The demand for costings in the lead up to a general election demonstrates the importance parliamentarians place on having an accurate understanding of the impact on the budget of their potential election commitments. Parliamentarians use our confidential policy costing services during both their policy development phase and when finalising the policy details accompanying a specific policy announcement.

That parties used our costing services is evidence of the trust placed in us by parliamentarians. It also reflects the expectations of the general public that policies will be costed before they are announced.

## Criterion 2: Efficiency

The PBO strives for efficiency in providing our policy costings and budget analysis services to parliamentarians. This measure is a proxy for efficiency and is a timeliness target based on the median time to complete policy costings and budget analysis requests. Results against this measure are interpreted to provide evidence of the PBO's performance in terms of efficiency of outputs as assessed by time to completion against our targets.

<b>Performance measure</b>	Median time to complete policy costing and budget analysis requests
<b>2021–22 target</b>	Fewer than 15 business days (non-caretaker period)
	Fewer than 5 business days (caretaker period)
<b>2021–22 result</b>	Substantially achieved (non-caretaker period)
	None received (caretaker period)

## Results

The target has been substantially achieved for the 2021–22 financial year. For 2021–22, there were a total of 2,547 costing options completed with an average time to completion of 29 business days and a median time to completion of 18 business days.

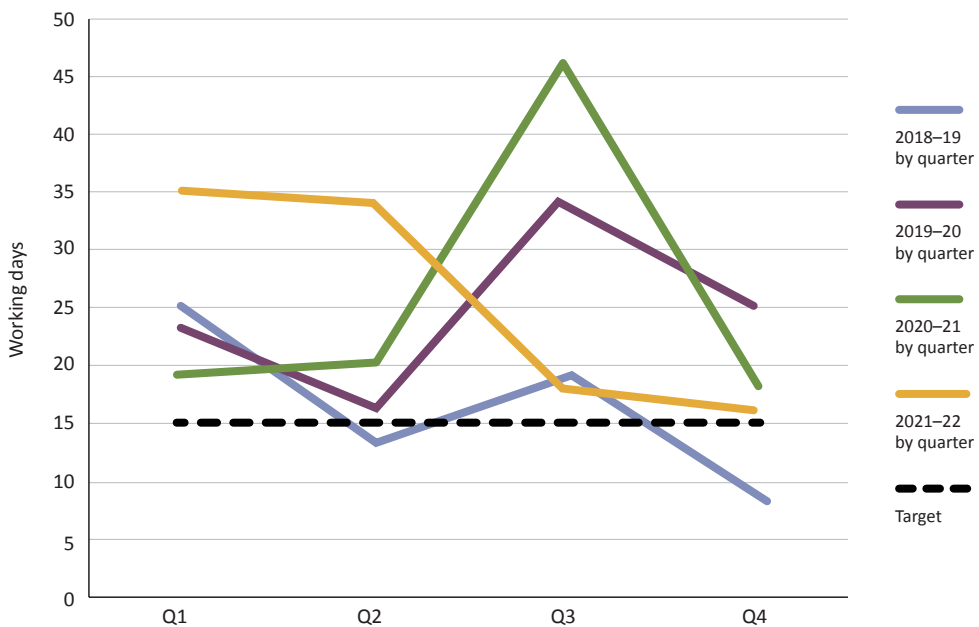
The 2021–22 performance result shows an improvement in the median time to completion from the previous financial year (2020–21: 25 business days), as shown in Table 4. However, median completion timeframes were higher than the previous election year (2018–19: 12 business days).

The lower median completion times for 2018–19 are likely due to a higher proportion of straight-forward costings (including re-costings) in that year, and there being fewer older requests carrying over into 2018–19.

Completion timeframes continued to improve throughout 2021–22 despite the surge in demand for costing services. In quarter 4, we completed 922 requests for policy costings and budget analyses, with a median completion time of 16 business days. Of note, during the first 7 weeks of quarter 4 that came immediately before the date of the general election, 605 costing options were completed with an average completion time of 14 days and a median time to completion of 13 days.

The reported median completion times for quarter 4 have brought the year-to-date figures for 2021–22 closer to the performance results reported in 2020–21 and 2019–20 (see Figure 1).

**Figure 1: Median response time for policy costing and budget analysis requests<sup>10</sup>**



<sup>10</sup> The data sources are the PBO's Workflow Management System (WMS) and Electronic Document and Records Management System (EDRMS).

The improvements in median completion times for 2021–22 were driven by the following factors:

- Requests completed in the lead up to the general election tended to be easier to complete than requests completed earlier in the election cycle when our clients are still formulating what policies they will take to the election.
- More of the PBO’s resources were directed towards the costings function and management changed the ways of managing the costing function.
- We ensured that all outstanding requests were completed prior to the start of the election campaign period (just prior to the start of quarter 4). This meant that those costings carried over from quarter 3 of 2021–22 were only days old, not weeks or months.

### Criterion 3: Effectiveness

PBO costings continued to be an important input to the formulation of policy by parliamentary parties and individual parliamentarians. The PBO endeavours to make it as simple as possible to publish, at a parliamentarian’s request, costings we have prepared for them. This includes making publicly released costings available on the PBO website.

The reference to PBO outputs in the public debate suggests that the PBO’s outputs are relevant. We assess the number and nature of mentions of our costings in the public debate.

<b>Performance measure</b>	Percentage of publicly released costings referenced in the public debate
<b>2021–22 target</b>	100%
<b>2021–22 result</b>	Achieved

### Results

In 2021–22, a total of 7 costings were made publicly available on our website with 100% (target: 100%) of publicly released costings referenced in the public debate. The nature of mentions was a combination of media releases published by the requesting parliamentarian and print or online media articles.

All the mentions referencing our publicly released costings were assessed as either ‘positive’ or ‘neutral’.<sup>11</sup>

The positive mentions referenced the costing output as an ‘independent costing’ or referred to us as ‘independent’. We infer from this that we are perceived to undertake our work with independence, transparency, and integrity. References are considered neutral if they relate to our function or outputs without accompanying descriptive language.

<sup>11</sup> Daily media monitoring undertaken by the PBO captures mentions made by major media news outlets and parliamentarians. Details of the mentions are recorded and assessed to determine their nature against defined assessment criteria.

## Core function 2: Research



We publish research which focusses on the fiscal sustainability of the Australian Government budget, particularly over the medium term. We also seek, through our publications, to improve budget transparency and promote a better public understanding of the budget and fiscal policy settings and mechanisms.

*Source: Corporate Plan 2021–22*

We conduct and publish research to improve public understanding of budget and fiscal policy issues. Our research work is shaped by and strengthened through consultation with a range of external stakeholders:

- In developing our research program for the year, we sought input from our panel of expert advisors (expert panel), and consulted with the Joint Committee of Public Accounts and Audit (JCPAA) and parliamentary committees on our proposed program.
- Individual members of our expert panel reviewed specific publications ahead of release or connected us to key academic or industry experts to provide feedback.
- We consulted with relevant Commonwealth agencies ahead of releasing specific reports to confirm the validity of our approach.
- We continue to review the methods available that facilitate feedback being provided to us on any of our publications.

The PBO's 2021–22 self-initiated work program, as set out in the 2021–22 Corporate Plan, featured a focus on shorter reports aimed at enhancing understanding of budget concepts and transparency, with fewer major reports. We also took the opportunity to adapt the program to new and emerging issues through the year.

Over the year, some of our public information resources were redirected towards costing work in the lead-up to the general election and towards the preparation of the ECR. However, we continued to:

- Publish explainers on key aspects of the budget and fiscal position, such as the government's balance sheet and the contingency reserve, as well as to expand the online budget glossary and to make key historical fiscal data more readily available.
- Build on our guide to understanding the budget papers.
- Develop our website and online interactive tools to facilitate understanding of budget and fiscal policy issues. This work will continue in 2022–23, as we further optimise our website and ICT capabilities.

## Criterion 1: Output

The PBO, through our research publications, seeks to improve budget transparency and promote a better public understanding of the budget and fiscal policy settings. Our research program comprises regular annual publications supplemented with occasional reports on topics of interest, as outlined in our 2021–22 Corporate Plan.

<b>Performance measure</b>	Number of PBO research publications
<b>2021–22 target</b>	7 regular and 2 non-regular publications
<b>2020–21 result</b>	Regular reports: Achieved
	Non-regular reports: Achieved

## Results

During 2021–22, we released 7 regular research publications<sup>12</sup> and 6 non-regular publications (see Table 5) focusing on important issues affecting the budget. We exceeded our annual target for the number of non-regular publications and achieved our target for regular reports.

Our final regular publication for 2021–22, the *2022–23 Budget snapshot*, combined 2 publications into one, meaning that as of quarter 3 of 2021–22 we had met our annual target of 7 regular publications. We did not release any research publications during quarter 4 of 2021–22, as the organisation’s focus was on costing and election-related work.

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<sup>12</sup> The ‘*2022–23 Budget snapshot*’ is treated as 2 regular publications.

**Table 5: List of published research in 2021–22<sup>13</sup>**

Title of publication	Date of publication	Regular or non-regular
<i>Guide to the Budget – update</i>	31 Mar 2022	Non-regular
<i>2022–23 Budget – snapshot<sup>14</sup></i>	29 Mar 2022	Regular
<i>Historical fiscal data</i>	24 Feb 2022	Non-regular
<i>Mid-Year Economic and Fiscal Outlook (MYEFO) – snapshot</i>	16 Dec 2021	Regular
<i>National Fiscal Outlook</i>	2 Dec 2021	Regular
<i>National Fiscal Outlook – snapshot</i>	2 Dec 2021	Regular
<i>The Contingency Reserve (explainer)</i>	9 Dec 2021	Non-regular
<i>Fiscal Sustainability Dashboard and transcript of the Parliamentary Budget Officer’s webinar, “Fiscal Sustainability”</i>	22 Nov 2021	Non-regular
<i>Government Finances – June quarter 2021</i>	21 Oct 2021	Non-regular
<i>Bracket creep and its fiscal impacts</i>	29 Sep 2021	Non-regular
<i>Beyond the budget 2021–22: Fiscal outlook and projections</i>	21 Sep 2021	Regular
<i>Unlegislated measures carried forward in the budget estimates – August 2021</i>	4 Aug 2021	Regular

<sup>13</sup> The data source is the PBO website.

<sup>14</sup> The *2022–23 Budget – snapshot* combined two publications into one product (the ‘snapshot’ and the ‘detailed charts’), it is treated as two regular publications.

## Criterion 1: Output

The PBO measures whether our regular research reports are published on time, based on the specific triggering event (e.g. budget release).

<b>Performance measure</b>	Percentage of regular reports triggered by a specific event (e.g. a budget release) published on time
<b>2021–22 target</b>	100% <sup>15</sup>
<b>2021–22 result</b>	Achieved

## Results

We have achieved our annual target for 2021–22 of ‘100% of regular reports are published on time’ as shown in Table 6. Notably, the PBO’s Budget and Mid-Year Economic and Fiscal Outlook ‘snapshots’ were published on the same day as the documents were released, much faster than in previous years, enabling engagement at the peak time of interest.

**Table 6: List of regular reports published in 2021–22**

Title of regular publication	Date of publication	Trigger event	Result
<i>2022–23 Budget – snapshot</i>	29 Mar 2022	Publication of the 2022-23 Budget on 29 March 2022	Target met
<i>Mid-Year Economic and Fiscal Outlook – snapshot</i>	16 Dec 2021	Publication of the MYEFO on 16 December 2021	Target met
<i>National Fiscal Outlook</i>	2 Dec 2021	Release of the final State Budget on 6 October 2021	Target met
<i>National Fiscal Outlook – snapshot</i>	2 Dec 2021	Release of the final Budget on 6 October 2021	Target met
<i>Beyond the budget 2021–22: Fiscal outlook and projections</i>	21 Sep 2021	Not applicable	Not applicable

Note: The ‘trigger event’ for *Beyond the Budget* published in quarter 1 is the Government’s annual Budget.

The ‘not applicable’ in this table reflects the fact that the trigger event occurred before this reporting measure was implemented for 2021–22.

The target for the *Mid-Year Economic and Fiscal Outlook - snapshot* was to publish within one day.

The target for the *National Fiscal Outlook* (report and snapshot) was to publish before the release of the Mid-Year Economic and Fiscal Outlook.

<sup>15</sup> Publication dates are specified on the PBO website.

## Criterion 2: Effectiveness

The quality and relevance of our research is measured by the number of downloads for each of our publications since publication, the number and nature of media mentions of each report and views of relevant web pages.

<b>Performance measure</b>	Demand for PBO research material
<b>2021–22 target</b>	Demand for research reports is equal to or greater than historical trends
<b>2021–22 result</b>	Unable to be determined

### Results

In previous years, assessment of demand for PBO research has been based on the number of downloads for each publication.

For 2021–22, a performance result for this measure is unable to be determined due to: the changing nature of our reports, away from a solely downloadable format and towards hybrid web-based format; and quality issues with underlying downloads data.

To improve the accessibility of our publications, our publication strategy in 2021–22 broadened to include both downloadable PDF/Word formats and an entirely HTML format, not requiring a download. Several, but not all, publications were in both formats during 2021–22. Publications in HTML format would have had substantially fewer downloads than those only in a downloadable format.

In addition, following analysis of our report downloads data in 2021–22, we have become aware of limitations with download statistics, likely related to automatic ‘bots’, and likely affecting all past reporting periods. As such, we are unable to determine a true performance result for this measure based on download data alone.

Reflecting these concerns, we have not included the number of downloads as the data source for this measure in our 2022–23 Corporate Plan.

For completeness, Table 7 provides the downloads data for each publication for 2021–22. The various footnotes illustrate the changing nature of our publications.



**Table 7: Number of downloads for 2021–22 published research <sup>16</sup>**

Publication date	Publication title	Regular or non-regular	Number of downloads	
			Target <sup>17</sup>	Result
31 Mar 2022	<i>Guide to the Budget – update</i>	Non-regular	Not applicable <sup>18</sup>	Not applicable
29 Mar 2022	<i>2022–23 Budget – snapshot</i>	Regular	650 <sup>19</sup>	644
24 Feb 2022	Historical fiscal data	<i>Non-regular</i>	Not applicable ( <i>spreadsheet only</i> )	Not applicable
16 Dec 2021	<i>Mid-Year Economic and Fiscal Outlook – snapshot</i>	Regular	500 <sup>20</sup>	184
9 Dec 2021	<i>The Contingency Reserve (explainer)</i>	Non-regular	1600 <sup>21</sup>	1157
2 Dec 2021	<i>National Fiscal Outlook</i>	Regular	1200	907
2 Dec 2021	<i>National Fiscal Outlook – snapshot</i>	Regular	Not applicable (HTML only)	Not applicable
22 Nov 2021	<i>Fiscal Sustainability Dashboard</i>	Non-regular	Not applicable ( <i>spreadsheet only</i> )	Not applicable
22 Nov 2021	Transcript of the Parliamentary Budget Officer’s webinar, “Fiscal Sustainability”	Non-regular	Not applicable	Not applicable <sup>22</sup>
21 Oct 2021	<i>Government Finances – June quarter 2021</i>	Non-regular	2300	607
29 Sep 2021	<i>Bracket Creep and its Fiscal impact</i>	Non-regular	1600 <sup>23</sup>	1248
21 Sep 2021	<i>Beyond the Budget</i> <sup>24</sup>	Regular	1500	3380

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- <sup>16</sup> The PBO’s outsourced ICT provider (Department of Parliamentary Services) provides a report upon request to the PBO on a quarterly basis, outlining the total number of downloads from the PBO website. The report includes details of the title of the publication and the number of downloads.
- <sup>17</sup> Based on historical trends (i.e. the average number of report downloads for the last 3 years or the last editions, if the product is newer – see separate footnotes for explanations).
- <sup>18</sup> This is an update rather than a new product. We do not have historical trends to compare against for this publication.
- <sup>19</sup> The *2021–22 Budget snapshot* was downloaded 652 times by end June 2021. This snapshot was available only in the downloadable format, while the *2022–23 Budget snapshot* was also available in HTML format, not requiring a download.
- <sup>20</sup> The target is based on average downloads for the MYEFO snapshots for the previous three years. These were all published only in downloadable formats, while the 2021–22 edition was also published in in both HTML and downloadable formats, leading to much lower downloads.
- <sup>21</sup> The target is based on the average downloads for PBO’s non-regular publications since 2020. None of these were published in HTML format, while *The Contingency Reserve and Bracket Creep* were published in both HTML and downloadable formats.
- <sup>22</sup> ‘Not applicable’ as the transcript is an alternative to viewing the webinar, ‘*Fiscal Sustainability*’, hosted by the Parliamentary Library.
- <sup>23</sup> The target is based on the average downloads for PBO’s non-regular publications since 2020. None of these were published in HTML format, while *The Contingency Reserve* and *Bracket Creep* were published in both HTML and downloadable formats.
- <sup>24</sup> Formerly titled ‘*Medium-term projections*’.

## Other commentary

We have discontinued ‘*Government Finances – June quarter 2021*’ as a standalone publication for 2022–23. This reflected a judgement about the declining demand for the product and that key relevant data from this publication has been incorporated in other material.

## Core function 3: Election commitments report



### WHAT WE DO: Report on election commitments

After every general election we publish a report that presents the budget impacts of the election commitments of each of the major parliamentary parties, including on a policy by policy basis as well as the aggregate impact of each party’s policy platform on the fiscal position. Minor parties may choose to opt in to have their election commitments included in this report. The publication of this report serves an important role in encouraging parliamentary parties to announce fully costed election commitments and to publish their election platforms prior to polling day

*Source: Corporate Plan 2021–22*

The PBO’s ECR details the budget impacts of the election commitments made by the major political parties. We are required to publish the ECR in less than 30 days from the end of the caretaker period, or within 7 days before the first sitting day of Parliament, whichever is later.

The election was held on 21 May 2022, and the caretaker period ended when the Prime Minister was sworn in on 23 May 2022. The first sitting day of Parliament was scheduled for 26 July 2022. This meant a publication deadline of 19 July 2022, being the later of 30 days from the end of the caretaker period (22 June 2022) or the first sitting day of Parliament.

On 14 July 2022, we published the ECR detailing and aggregating the budget impacts of the election commitments made by political parties. As the ECR was published in the next financial year, we will report on our performance results in the 2022–23 Annual Performance Statement.

### Satisfaction/perception of stakeholders

Feedback from our stakeholders indicates satisfaction levels with the PBO’s work and informs all other measures of performance. Feedback indicates that outputs are relevant, high quality and timely and/or our work is undertaken with independence, transparency and integrity.

<b>Performance measure</b>	Satisfaction and/or perception of stakeholders
<b>2021–22 target</b>	90% of mentions are positive or neutral
<b>2021–22 result</b>	Achieved

### Results

In 2021–22, we received feedback from a variety of stakeholders through multiple mechanisms including by survey, email, parliamentary committee reports, and through the media. In quarter 1, we also received verbal feedback from stakeholders in meetings of the expert panel. The feedback that we have received directly from parliamentarians who use our services and other key stakeholders has been largely positive in nature.<sup>25</sup>

<sup>25</sup> Data sources include the stakeholder survey and direct feedback provided to PBO staff (e.g. emails or letters received from parliamentarians in response to costing requests).

## Stakeholder survey

Each term of parliament, the PBO conducts a stakeholder survey to measure how the agency is performing and to ensure high standards and quality services are maintained. Better understanding the needs of parliamentarians supports our role in improving public understanding of the budget and fiscal policy issues.

In October 2021, the PBO received the results of the survey for the 46th Parliament. The survey was a mixture of qualitative, in-depth, one-on-one interviews and an online survey of parliamentarians, parliamentary staff, journalists, and economists. The number of responses (85) was higher than previous surveys conducted in 2018 (35) and 2015 (63).

The survey results indicated high levels of satisfaction with the services delivered by the PBO. Among the 92% of respondents aware of the PBO, there was strong agreement that the PBO is an important policy costing and budget analysis institution. Most stakeholders were satisfied with their direct contact experiences with the PBO and overall satisfaction in direct contact experiences remained consistently high and stable (91%).<sup>26</sup>

However, some specific areas for improvement were identified from the survey responses, including:

- enhancing the awareness that parliamentarians have of our services through more active outreach to parliamentarians and their staff
- enhancing the experience that parliamentarians have of our services through greater recognition of the different needs they have, including the timeliness of information and the way we interact with them
- ensuring our website is more user-focused, by making information easier to find and more interactive.

The PBO has prioritised acting on this feedback. We took the following actions in response to the results of the survey:

- In 2021–22, significant focus was put on clearing outstanding costing requests and improving the timeliness of responses to requests (see Figure 1). We also boosted our resourcing on external engagement by establishing a dedicated engagement function.
- In 2022, the PBO developed and rolled out a parliamentarian induction program for the 47th Parliament to enhance awareness of our services among new and continuing parliamentarians.
- We have commenced a project to refresh the PBO website so it is more ‘user-focused’ and meets the needs of parliamentarians and the public. This project is expected to be completed in 2022–23.
- Looking forward, the key priorities for the PBO in 2022–23 include proactive engagement with the 47th Parliament and key stakeholders to evolve our service offering and to better meet the needs of our clients.

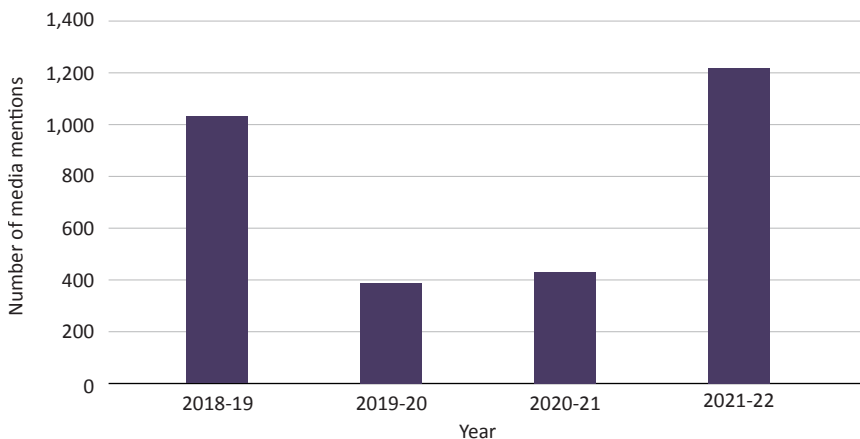
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<sup>26</sup> The summary findings are available at [https://www.apb.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Budget\\_Office/About\\_the\\_PBO/Corporate\\_information/Stakeholder\\_feedback](https://www.apb.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/About_the_PBO/Corporate_information/Stakeholder_feedback)

## Number and nature of media mentions

In 2021–22, we recorded a total of 1,221 media mentions (2020–21: 435) across print, online and social media, television and radio, blogs and other media. These related to policy costings, PBO research and the PBO function more generally. Over 90% of media mentions were assessed as either positive or neutral in nature.<sup>27</sup> In comparison to the prior financial year, the number of media mentions is higher (2020–21: 435 media mentions), and comparable to the last election year, as shown in Figure 2. Most media mentions were published in print or online format by major Australian news outlets.

**Figure 2: Total number of media mentions by year**



Of note, in quarter 4 of 2021–22, we recorded 693 media mentions with 68% (470 mentions) related to the ‘function’ of the PBO and 30% (209 mentions) related to policy costings we had provided.

The large number of ‘function’ related media mentions during quarter 4 is the result of increased media coverage of the PBO in the context of the federal election campaign. This demonstrates the relevance of the PBO’s contributions in the lead-up to the May election. In addition, media mentions of our costing work indicate that costing estimates were regarded as reliable and that the PBO is perceived as impartial and independent.

<sup>27</sup> Daily media monitoring undertaken by the PBO captures mentions made by major media news outlets and parliamentarians. Details of the mentions are recorded and assessed to determine their nature.

## Independent expert panel meetings

The PBO expert panel is a panel of independent expert advisors, comprising individuals with diverse experience as professionals in related fields or as readers of our work. The function of the expert panel is to provide expert advice, on an as-needs basis, on matters related to policy costings and fiscal policy analysis. Consultation with the expert panel ensures that our work is of the highest analytical quality, is well considered and draws upon expertise from a range of sources.

The PBO's expert panel met on 15 and 28 September 2021 to discuss our self-initiated publication program. During the meetings, the panel commended the PBO for being an independent and trusted source of analysis and data, and for making report data available in a downloadable spreadsheet format.

The panel reflected positively on the impact of several PBO pieces of work. These included the analysis completed on the impact of COVID-19 on parameters, JobKeeper, debt dynamics, unlegislated measures and fiscal sustainability.

It was noted that while some of this work was done confidentially, it still helped shape public debate and it is important for the PBO to think about maximising our influence and value by leveraging our confidential work.

Similar to the themes emerging from the stakeholder survey regarding the structure of our website, panel members generally considered that the PBO website is not easy to navigate, reducing its useability, in comparison to other comparable websites (e.g. the Reserve Bank of Australia and the US Congressional Budget Office). As highlighted above, the PBO is currently uplifting its website to address such issues.

## Direct feedback

We received feedback on our research publications throughout 2021–22, indicating that our work is valuable and helps to improve understanding of budget and fiscal policy issues. For example, some parliamentary staffers reported that the *'Beyond the Budget 2021–22: Fiscal outlook projections'* (21 September 2021) was a helpful and valuable document, useful for their own work.

Positive feedback on our costings suggests that our outputs are relevant, useful and of high-quality. For example, our expert panel members particularly noted the way that public discussions of JobKeeper had been informed by our work. However, feedback received also suggests that our stakeholders want responses to their requests delivered in a more timely way. We will continue to refine our processes in 2022–23 to ensure that our outputs meet the needs of our clients and are delivered in a timely manner.

## Part 3: Management and accountability

### Corporate governance

Our operations are primarily governed by the *Parliamentary Service Act 1999* (PS Act) and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Other relevant legislation and policies also govern our work, including workplace relations legislation and a suite of Australian Government policies.

Under the PS Act and the PGPA Act, the Parliamentary Budget Officer is accountable for our performance and compliance with legislative requirements.

The key components of our governance framework are the Parliamentary Budget Office (PBO) Executive, the Audit and Risk Committee (ARC) and a risk management framework. We also participate in Parliament House-wide governance arrangements.

We continued to strengthen our governance framework and internal policies and procedures during the year. In 2021–22, our key focus areas included human resources and risk management.

In 2021–22, we continued to review our performance information and systems for appropriateness and uplifted our framework documentation to better capture methodologies for data collection, analysis, and quality assurance. We assessed the quality and accuracy of our third-party performance data and identified some data limitations, as outlined in our 2021–22 Annual performance statement.

We have refined our performance measures for 2022–23 to address the data quality issues identified, as reflected in our corporate plan. As part of ongoing work, we will look to track performance data ourselves, to better ensure the accuracy and reliability of the data.

### PBO Executive

The PBO Executive—consisting of the Parliamentary Budget Officer, all Senior Executive Service (SES) officers, and an additional senior officer on a rotating basis—meets weekly to consider organisational wide issues, risk, and to monitor performance against our objectives.

The Executive considered key performance information on a regular basis, including the status of outstanding requests for policy costings and budget analyses, the timeliness of our responses, the status of requests for information made to Commonwealth agencies, progress of self-initiated work, and citations in the media.

In response to the continued COVID-19 pandemic, the Executive closely monitored remote working and business continuity arrangements, along with a staged transition back to office based work, considering relevant health advice. Staff wellbeing is considered weekly by the Executive.

The Executive also considered risks on a rolling basis, to monitor any changes in the risk environment and update risk ratings and treatments accordingly. In 2021–22, work, health, and safety risks (including those arising from COVID-19) were closely monitored, particularly in the context of workforce preparedness ahead of the general election period.

In accordance with our Information Governance Framework, the Executive serves as the Information Governance Committee, ensuring that information governance is managed and driven by key personnel within the organisation.

### **PBO ICT Steering Group**

The PBO's ICT Steering group (ICT SG) comprises the Chief Operating Officer (Chair) and two other Executives. The ICT SG meets monthly. It considers matters relating to ongoing monitoring and continuous improvement of the PBO's Standard Operating Environment (SOE) and applications, including workflow and records management. It also governs key multi-year digital enhancement projects, including the website and parliamentary portal.

## **Audit and Risk Committee (ARC)**

The ARC provides independent advice and assurance to the Parliamentary Budget Officer about our governance arrangements. Issues covered include financial reporting, performance reporting and risk management. In 2021–22, the ARC comprised 3 independent members and met 4 times during the financial year, in September, November, March and May. Table 8 provides information on the independent members of the ARC.

The Chief Operating Officer, Chief Financial Officer, representatives from the Australian National Audit Office, and our internal auditors also attended these meetings, as observers.

Our Audit and Risk Committee charter is available online at [https://www.apb.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Budget\\_Office/About\\_the\\_PBO/Corporate\\_information/Audit\\_and\\_Risk\\_Committee\\_charter](https://www.apb.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/About_the_PBO/Corporate_information/Audit_and_Risk_Committee_charter).



**Table 8 – Qualifications and remuneration of the PBO Audit and Risk Committee**

<b>Member</b>	<b>No. of meetings attended / total no. of meetings</b>	<b>Total annual remuneration \$ (GST incl.)</b>
<b>Chair</b> Ian McPhee AO PSM	4 / 4	\$16,119
<p>Mr McPhee was the fourteenth Auditor-General for Australia from 2005 to 2015. He brings extensive public sector and industry knowledge and experience from a range of roles including company director, audit committee chair/member, chair of various governance reviews, and other senior positions in the Commonwealth. Mr McPhee’s qualifications include a Bachelor of Business (Accountancy), Bachelor of Arts (Computing Studies), Fellow of the Institute of Chartered Accountants (FCA), Fellow of the Certified Practising Accountants (FCPA), Fellow of the Institute of Public Administration Australia (FIPAA), and Graduate of the Australian Institute of Company Directors (GAICD).</p>		
<b>Member</b> Carol Lilley	4 / 4	\$14,960
<p>Ms Lilley is currently serving on a range of other Australian Government audit committees. A former partner of PricewaterhouseCoopers (2004–2011), Ms Lilley’s background is in financial statements, internal audit, and risk management. She is now an independent director and audit committee member. Ms Lilley has a Bachelor of Commerce, is a GAICD, FCA and is a certified internal auditor.</p>		
<b>Member</b> Jeremy Chandler	4 / 4	\$12,000
<p>Mr Chandler had an extensive career in the public sector including as Chief Operating Officer for two Commonwealth agencies and Chief Financial Officer for three. He serves on a range of audit committees for the Australian, New South Wales and Australian Capital Territory governments and leads major Gateway program reviews for the Australian Government. Mr Chandler’s qualifications include a Bachelor of Arts (Accountancy) and he is a FCPA Australia and of the Institute of Managers and Leaders.</p>		

## Risk management

Risk management is a fundamental responsibility of all our employees. Our risk management framework consists of a collection of policies, processes and plans that are embedded into business as usual practices at all levels.

Individual risk management plans are developed to operationalise our risk policy and strategy. This includes for strategic risks, operational risks, specialist risks (such as protective security and fraud), and project-specific risks.

In 2021–22, we updated our fraud and protective security risk management plans and initiated a review of our risk management framework and policy.

## Internal audit

A key part of the PBO's governance and assurance framework is the internal audit function. In consultation with the Parliamentary Budget Officer, the ARC and the PBO Executive, BellchambersBarrett (the PBO's internal auditor) developed an internal audit plan for 2021–22 which covered the following topics:

- 2020–21 Annual Performance Statements and Performance Framework
- Update of the PBO's Information and Communication Technology (ICT) operating environment and key applications
- Memorandum of Understanding between the PBO and the Heads of Commonwealth Bodies
- Response to COVID-19

We maintain a register of outstanding audit recommendations, which is worked through according to agreed implementation timelines.

## Fraud prevention and control

In 2021–22, we took all reasonable measures to minimise the incidence of fraud. We continued to monitor the fraud risks identified in our most recent fraud risk assessment. No incidences of fraud were detected.

## Provision of corporate services to the PBO

We have shared services arrangements with other parliamentary departments for the delivery of certain corporate services.

During 2021–22, the Department of the Senate provided our financial transaction processing and payroll services. Our ICT services were provided by the Department of Parliamentary Services (DPS).

## Interdepartmental committees

The PBO is one of 4 parliamentary departments, along with the Department of Senate, the Department of the House of Representatives and the Department of Parliamentary Services. The 4 parliamentary department heads meet on a regular basis to discuss matters relating to governance, policy, and operational matters of significance to the departments.

We also participate in a range of interdepartmental committees through which the parliamentary departments coordinate common and joint activities, particularly in relation to human resources, ICT, business continuity and other corporate matters.

In 2021–22, we continued to participate in the Australian Parliament House COVID-19 working group to discuss parliamentary department responses to the pandemic and its effects on business continuity.

## External scrutiny

In November 2021, Comcare undertook a verification inspection in relation to a review of our incident management system. The inspection confirmed that we had considered previous advice and implemented better practice measures, where appropriate.

There were no other external reports, reviews or judicial decisions involving us.

## Joint Committee of Public Accounts and Audit

The Joint Committee of Public Account and Audit (JCPAA) plays an important oversight role in relation to our resourcing and operations. This includes considering our draft budget estimates and receiving regular activity reports on our operations ahead of each of our appearances at Senate Estimates hearings.

Consistent with previous years, we consulted with the JCPAA on our Corporate Plan 2022–23.

## Senate Finance and Public Administration Legislation Committee

We appeared before the Senate Finance and Public Administration Legislation Committee throughout the year. In advance of each hearing, we provided the Committee with our detailed activity report on our operations.

## Legal services and expenditure

The *Legal Services Directions 2017*, issued by the Attorney-General under the *Judiciary Act 1903*, requires non-corporate Commonwealth entities to ensure that legal services expenditure is appropriately recorded and monitored. Our total expenditure on external legal services in 2021–22 was \$7,140 (GST exclusive).

## Human resource management

The skills, experience and commitment of our employees are critical to us achieving our purpose. Developing our existing workforce continued to be a high priority for us in 2021–22, as well as maintaining our ongoing recruitment, secondment, and graduate programs in preparation for the election surge period.

Details of the classification level, employment status and gender of our employees are presented in Appendix A.

### Director’s leadership group

Our Director’s leadership group (consisting of the Parliamentary Budget Officer, Chief Operating Officer and all Directors (Parliamentary Executive Level 2 (PEL2s)) meets fortnightly to consider staff wellbeing, ensure efficient and effective information sharing, and provide opportunities for skills sharing with a particular focus on leadership development.

### Capability development

During the year we focused on leadership development for employees at all levels to enhance the skills and capabilities across the PBO. Our key people leaders (SES and Directors) undertook targeted training and coaching sessions focused on enhancing leadership and other core skills.

The continued development of technical capability was a priority during the year. This was provided through a mixture of on the job learning and coaching, attendance at courses and seminars, and job rotations through different functional teams. A key component of the development of technical skills was the continuation of an internal seminar series aimed at analytical staff. Presenters for these sessions included key internal subject matter experts and external speakers.

We provided training for all staff focused on resilience, with consideration to the continued impact of COVID-19 on wellbeing, and to equip our staff with tools and strategies for sustainable and safe working patterns and practices ahead of the peak period associated with the general election.

We delivered mandatory corporate training to all staff through our online learning management system, in areas including risk management, security and fraud awareness. We also continued delivery of a rolling program of regular training including communication training.

## Secondments

We have an ongoing secondment program with Commonwealth agencies, involving secondments both to and from the PBO. This is aimed at enhancing our capacity through the development of employees' skills in specific policy areas and developing relationships with Commonwealth agencies. This program provides participants from other agencies with an increased understanding of our role and exposure to a broad range of policy areas and budgetary issues.

During 2021–22, we participated in the Parliament of Australia graduate program. The program allows participants from Australian Public Service (APS) graduate programs to undertake a secondment of up to 6 months with us to learn about our role and functions, as well as that of the Parliament generally. In 2021–22, we welcomed 8 graduates on temporary placements across the year.

To meet the anticipated increased demand associated with elections, we also seconded 7 staff from other parliamentary departments and public service agencies into the PBO to assist with costings and the tracking of election commitments. These secondments were timed to coincide with our peak election period.

## Employment arrangements

Our SES employees are engaged under individual determinations under subsection 24(1) of the *Parliamentary Service Act 1999*, with their remuneration and superannuation salary set under common law agreements.

All non-SES employees are engaged under common law agreements.

The Parliamentary Budget Officer is engaged as a full-time public office holder under section 64X of the PS Act. The Parliamentary Budget Officer's remuneration is determined by the Remuneration Tribunal.

In 2021–22, we transitioned from percentage-based salary increases to fixed salary increments for non-SES classifications, to better align with the APS and reduce the costs of administering the previous arrangement.

We did not make any performance payments (for example, bonuses) to employees during 2021–22. Under our Performance Management Framework, increments through salary ranges are based on performance achievements.

Employees have access to non-salary benefits such as studies assistance. In 2021-22, 14% of our employees utilised studies assistance. We provide SES employees with a mobile phone and tablet. Employees may also access the Capital Hill Early Childhood Centre in Parliament House, on-site gym facilities and free car parking.

## Work health and safety

The following information for the 2021–22 reporting period is provided in accordance with Schedule 2, Part 4 of the *Work Health and Safety Act 2011* (WHS Act).

All new employees undertook an induction program, which included information on work health and safety issues, an outline of the legislative and policy framework, and information on their obligations as employees. The induction program also covers our policies and procedures related to appropriate workplace behaviour and information about support available for staff.

We have appointed Health and Safety Representatives. A Health and Safety Committee, chaired by Ms Kathryn Smith, Assistant Parliamentary Budget Officer, met on at least a quarterly basis. In response to COVID-19, the Health and Safety Committee met more frequently to ensure employee views on health and safety were considered, particularly during and after the 2021 ACT lockdown.

We provide sit-to-stand workstations to encourage healthy work practices. Support is provided to employees to ensure correct workstation setup and, where appropriate, professional expertise is sought to complement existing practices.

We have an Employee Assistance Program to provide access to free confidential professional counselling services to assist staff and their families with any personal or work-related matters, and offer guidance and advice to managers on staff management. PBO employees are also able to access the newly established Parliamentary Workplace Support Service.

During 2021–22, no incidents were reported to Comcare in accordance with section 35 of the WHS Act.

## Independent Review into Commonwealth Parliamentary Workplaces

In 2021, the *Independent Review into Commonwealth Parliamentary Workplaces* (Jenkins review) was established to inquire into Commonwealth parliamentary workplaces. Specifically, the Jenkins review provided recommendations to ensure workplaces are safe and respectful, including in response to bullying, sexual harassment, and sexual assault. The final report was tabled on 30 November 2021 and contained 28 recommendations.

We have worked closely with the other Parliamentary departments to effectively coordinate responding to the Jenkins review and associated matters, including the Foster review (published in July 2021) and recommendations from Comcare.

This work is being delivered by the Parliamentary Leadership Taskforce (with the PBO represented by the Parliamentary Budget Officer) and supported by an Implementation Group with membership from each parliamentary department, and other Commonwealth agencies.

## **Reconciliation Action Plan**

In 2021–22, we continued to support reconciliation with Aboriginal and Torres Strait Islander peoples through our work with the other parliamentary departments in implementing the Reconciliation Action Plan (RAP) 2019–2022.

Together, parliamentary departments seek to achieve significant outcomes and momentum for reconciliation. This includes the strengthening of relationships with Aboriginal and Torres Strait Islander peoples and communities, promoting equity and building a work environment that is culturally safe.

The RAP Champions of each parliamentary department together comprise the Parliamentary Service RAP Champions Group, who meet periodically to review and monitor progress against the RAP. At as 30 June 2022, our RAP Champion was a senior officer (Director level).

## **Parliamentary Service Indigenous Employee Network**

During 2021–22, we continued to support the Parliamentary Service Indigenous Employee Network (PSIEN). The PSIEN is a culturally rich and diverse group of First Australians, providing a supportive environment for employees to meet, offer support and express their views, experiences and concerns pertaining to Indigenous matters both professionally and personally.

In 2021–22 the PSIEN supported several initiatives, which included:

- NAIDOC Week 2021 and National Reconciliation Week 2022
- Acknowledgement of Country Ngunnawal language training.

## **Jawun Indigenous Community Australian Public Service Secondment Program**

Jawun is a not-for-profit organisation managing secondments from corporate and government partners to Jawun Indigenous partner organisations. The placements aim to increase both the employee's and the PBO's cultural awareness and broader awareness of Indigenous matters and provide positive outcomes for the Indigenous communities.

In previous years, employees have participated in the Jawun Indigenous Community APS Secondment Program. We did not participate in 2021–22 due to the proposed timing of the program and our operational needs ahead of and during the election period. We will continue to consider staff with relevant skills for participation in the program.

## Other information

In response to the 2016–17 independent review of the PBO, we agreed to conduct a stakeholder survey once in each term of Parliament. The responses collected from these surveys provide a measure of how the PBO is performing to ensure high standards and quality services are maintained. The results feed into the annual corporate reporting and the recommendations will shape how we will work over the coming years. The key takeaways from our most recent survey, in 2021, can be found in Part 2 of this report.

## Information publication scheme

The Parliamentary Budget Officer and the Parliamentary Budget Office are defined as exempt agencies in subsection 7(1) and Division 1 of Part I of Schedule 2 of the *Freedom of Information Act 1982* (FOI Act). Section 45A of the FOI Act also protects the confidentiality of documents related to PBO requests that may be held by other agencies.

## Employee census

We participated in the Australian Public Service Employee Census for the first time in 2021 and achieved a response rate of 98%. Our 2021 Census highlights report is publicly available on our website. In summary, our results were generally positive and ranked highly compared to the APS overall. A few highlights of the report included:

- Employee engagement - ranked 7th of 101 responding agencies
- Wellbeing policies and support - ranked 6th of 101 responding agencies
- Enabling innovation - ranked 3rd of 101 responding agencies

The results also showed strong results in areas such as inclusion, with the percentage of positive responses above 90%.



## **Disability reporting mechanism**

The National Disability Strategy is Australia's overarching framework for disability reform. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia's policies and programs that affect people with disability, their families, and carers.

All levels of government will continue to be held accountable for the implementation of the strategy through progress reporting to Australian, state, territory, and local governments (progress reports can be found at [dss.gov.au](http://dss.gov.au)). Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin (available at [www.apsc.gov.au](http://www.apsc.gov.au)).

## **Ecologically sustainable development and environmental performance**

We are located within the Australian Parliament House. All facilities and environmental management activities are undertaken by DPS and included in its annual report.



## Part 4: Financial statements

### Financial management

Our operations are funded through annual departmental appropriations with supplementation from a special appropriation made under section 64D of the *Parliamentary Service Act 1999* (PS Act).

#### Overview of financial performance

We recorded an operating surplus of **\$0.077m** for the year ended 30 June 2022, against a budgeted operating loss of \$0.078m<sup>28</sup>. Excluding depreciation and amortisation, the operating result attributable to the Parliamentary Budget Office (PBO) was a surplus of **\$0.168m**.

We managed our financial performance and position appropriately throughout the year. Variances to budget are outlined further in Note 3 of the financial statements.

In addition to ongoing departmental appropriation, the PBO has a special appropriation that can be used at the discretion of the Parliamentary Budget Officer to respond flexibly to changes in demand for our services. At 30 June 2022, the balance of the special appropriation was **\$1.851m**.

We continue to consult with the Joint Committee of Public Accounts and Audit (JCPAA) on our resourcing.

#### Expense impacts

Excluding depreciation, total operating expenses increased to **\$9.453m** (2020–21: \$8.031m). This increase was a result of our workforce increasing to manage elevated demand in services associated with the general election. Funding augmentation of \$0.500m is provided for this surge activity. A breakdown of expenses is available in Note 1.4 of the financial statements.

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<sup>28</sup> The budgeted operating loss of \$0.078m is entirely attributable to depreciation.

## Revenue impacts

In 2021–22, revenue from annual departmental appropriation increased to **\$9.269m** (2020–21: \$8.537m). This directly related to the \$0.500m funding we receive every third year to support the increased work associated with a general election. Other revenue, relating to resources received free of charge, remained constant. Further information is available in Note 1.5 of the financial statements.

## Financial position

As at 30 June 2022, we were in a sound net worth position, reporting net assets of **\$2.904m** (2020–21: \$2.827m). This is made up of assets of **\$6.030m** (2020–21: \$6.130m) and liabilities of **\$3.127m** (2020-21: \$3.303m).

The improvement in the net worth position was primarily due to lower accrued expenses (trade creditors) at year end compared to those accrued for the year ended 30 June 2021.

## Entity resource and outcome statements

Table 9 summarises the total resources available by funding type and the total payments made in cash terms. The balance remaining for ordinary annual services is held for liabilities, predominantly employee leave entitlements. The special appropriation balance can be used to support our operational expenses.

**Table 9: Entity resource statement**

	Actual available appropriation for 2021–22	Payments made 2021–22	Balance remaining 2021–22
	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Ordinary annual services <sup>1</sup>	14,502	9,848	4,654
Special appropriation <sup>2</sup>	1,851	–	1,851
<b>Total resourcing and payments</b>	<b>16,353</b>	<b>9,848</b>	<b>6,505</b>

(1) *Appropriation (Parliamentary Departments) Act (No.1) 2021–22*. This includes prior year departmental appropriation and retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(2) Special appropriation limited by amount (section 64D of the *Parliamentary Service Act 1999*).

Table 10 shows the total budgeted and actual expenses for our outcome. The Budget amounts correspond to the information contained in the 'Budgeted expenses for its Outcome' table in our 2021–22 Portfolio Budget Statements. The actual expenses reconcile to the statement of comprehensive income in the financial statements.

**Table 10: Outcome expense statement**

	Budget* 2021–22	Actual expenses 2021–22	Variation 2021–22
Outcome 1	\$'000 (a)	\$'000 (b)	\$'000 (a)–(b)
Departmental expenses			
Departmental appropriation <sup>1</sup>	9,269	9,101	168
Special appropriation	–	–	–
Expenses not requiring appropriation in the budget year <sup>2</sup>	450	443	7
<b>Total expenses for Outcome 1</b>	<b>9,719</b>	<b>9,544</b>	<b>175</b>

	2021–22	2020–21
Average staffing level (number)	51	41

\* Full year budget including any subsequent adjustments made to the 2021–22 Budget.

- (1) Ordinary annual services (*Appropriation (Parliamentary Departments) Act (No.1) 2021–22*) and retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.
- (2) Expenses not requiring appropriation in the budget year are made up of depreciation expenses and resources received free of charge (audit fees and accommodation).

## Compliance with finance law

We had no significant issues relating to non-compliance with the finance law.

## Asset management

Our asset management framework includes an asset register that records all assets held by the PBO. An annual stocktake keeps records up to date and the assets are assessed each year for impairment and change in value. Our assets comprise office fit-out and equipment.

## Purchasing

Purchasing was managed in accordance with our Accountable Authority Instructions and financial procedures, which are consistent with the Commonwealth Procurement Rules. Our purchasing processes focus on the core principle of value for money.

## Consultancy and non-consultancy contracts

The PBO engages consultants where specialist skills are required that are not available in-house or when independent research, review or assessment is required.

Typical reasons for engaging consultancy services include a requirement for specialist or professional skills and independent research and/or assessment. Consultants were engaged in accordance with the PGPA Act, Commonwealth Procurement Rules and internal policies. Selection processes involve an open tender (including the use of an existing Australian Government panel arrangement), or limited tender.

### Expenditure on reportable consultancy contracts

During 2021–22, **no** new reportable consultancy contracts were entered into. **One** ongoing reportable consultancy contract was active during the period. There was no expenditure on new or ongoing consultancy contracts in 2021–22.

**Table 11: Reportable consultancy contracts**

Reportable consultancy contracts 2021-22	Number	Expenditure \$*
New contracts entered into during the reporting period	–	–
Ongoing contracts entered into during a previous reporting period	1 <sup>a</sup>	–
<b>Total</b>	<b>1</b>	<b>–</b>

Top 5 organisations receiving a share of reportable consultancy contract expenditure 2021–22	Service provided	ABN	Expenditure \$*
–	–	–	–

(a) This is a continuation of a contract entered into for Information and Communication Technology (ICT) assurance services from the previous financial year, where no expenses were incurred in 2021-22.

\* GST inclusive.

### Expenditure on reportable non-consultancy contracts

During 2021–22, **8** new reportable non-consultancy contracts were entered into involving total actual expenditure of **\$0.099m**. In addition, **9** ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of **\$0.232m**.

**Table 12: Reportable non-consultancy contracts**

Reportable non-consultancy contracts 2021-22	Number	Expenditure \$*
New contracts entered into during the reporting period	8	\$99,547
Ongoing contracts entered into during a previous reporting period	9	\$232,951
<b>Total</b>	<b>17</b>	<b>\$332,498</b>

Top 5 organisations receiving a share of reportable non-consultancy contract expenditure 2021-22	Service provided	ABN	Expenditure \$*
BellchambersBarrett	Internal audit	14 942 509 138	\$106,722
Capability Wise Pty Ltd	ICT services	57 612 303 241	\$52,910
RPV Consultants Pty Ltd	ICT project management	97 117 432 354	\$49,196
People Measures Pty Ltd	Professional development	28 119 083 224	\$27,706
Gillian Beaumont Recruitment Pty Ltd	Recruitment/ executive search	58 107 780 683	\$27,500

\* GST inclusive.

Annual reports contain information about actual expenditure on reportable consultancy and non-consultancy contracts. Information on the value of reportable consultancy and non-consultancy contracts is available on the AusTender website.

## Procurement initiatives to support small business

Our procurement practices support small and medium enterprises (SME) through the use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000 and electronic systems to facilitate on-time payment. SME and small enterprise participation statistics are available on the Department of Finance's website. Significant contracts entered into are also outlined above.

## Advertising and market research

We did not undertake any advertising campaigns or market research in 2021–22.

# Financial statements



## INDEPENDENT AUDITOR'S REPORT

### To the President of the Senate and Speaker of the House

#### Opinion

In my opinion, the financial statements of the Parliamentary Budget Office (the Entity) for the year ended 30 June 2022:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2022 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2022 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising a Summary of material accounting policy information and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Parliamentary Budget Officer is responsible under the *Public Governance, Performance, and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Parliamentary Budget Officer is also responsible for such internal control as the Parliamentary Budget Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Parliamentary Budget Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Parliamentary Budget Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

GPO Box 707, Canberra ACT 2601  
38 Sydney Avenue, Forrest ACT 2603  
Phone (02) 6203 7300



### **Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Colin Bienke  
Audit Principal

Delegate of the Auditor-General

Canberra  
15 September 2022

# 2021-22 FINANCIAL STATEMENTS

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PARLIAMENTARY BUDGET OFFICE

## Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2022 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Parliamentary Budget Office will be able to pay its debts as and when they fall due.



Stein Helgeby  
Parliamentary Budget Officer

13 September 2022



Anupam Sharma  
Chief Financial Officer

13 September 2022

## Statement of Comprehensive Income

for the period ended 30 June 2022

	Notes	2022 \$	2021 \$	Original Budget 2022 \$
<b>EXPENSES</b>				
Employee benefits	1.3	7,362,093	5,965,851	7,261,000
Suppliers	1.4	2,090,731	2,065,585	2,380,000
Depreciation	1.7	91,045	79,272	78,000
<b>Total expenses</b>		<b>9,543,869</b>	<b>8,110,708</b>	<b>9,719,000</b>
<b>REVENUE</b>				
<b>Other revenue</b>				
Resources received free of charge	1.5A	351,808	325,830	372,000
<b>Total other revenue</b>		<b>351,808</b>	<b>325,830</b>	<b>372,000</b>
<b>NET COST OF SERVICES</b>				
		<b>9,192,061</b>	<b>7,784,878</b>	<b>9,347,000</b>
<b>Revenue from Government</b>				
Departmental Appropriation	1.5B	9,269,000	8,537,000	9,269,000
<b>Total revenue from Government</b>		<b>9,269,000</b>	<b>8,537,000</b>	<b>9,269,000</b>
<b>Surplus / (Deficit)</b>		<b>76,939</b>	<b>752,122</b>	<b>(78,000)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
Changes in asset revaluation reserve		-	(27,254)	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>(27,254)</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>		<b>76,939</b>	<b>724,868</b>	<b>(78,000)</b>

The above statement should be read in conjunction with the accompanying notes.

## Statement of Financial Position

as at 30 June 2022

	Notes	2022 \$	2021 \$	Original Budget 2022 \$
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash		26,527	30,546	26,000
Receivables	1.6	4,627,662	4,665,074	3,758,000
<b>Total financial assets</b>		<b>4,654,189</b>	<b>4,695,620</b>	<b>3,784,000</b>
<b>Non-financial assets</b>				
Property, plant and equipment	1.7	1,330,772	1,421,817	1,375,000
Prepayments		45,546	12,303	46,000
<b>Total non-financial assets</b>		<b>1,376,318</b>	<b>1,434,120</b>	<b>1,421,000</b>
<b>TOTAL ASSETS</b>		<b>6,030,507</b>	<b>6,129,740</b>	<b>5,205,000</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Trade creditors		415,670	611,987	213,000
Employee payables		182,837	161,311	113,000
Other payables		5,527	9,550	-
<b>Total payables</b>		<b>604,034</b>	<b>782,848</b>	<b>326,000</b>
<b>Provisions</b>				
Employee leave provisions	1.2	2,522,718	2,520,076	2,931,000
<b>TOTAL LIABILITIES</b>		<b>3,126,752</b>	<b>3,302,924</b>	<b>3,257,000</b>
<b>NET ASSETS</b>		<b>2,903,755</b>	<b>2,826,816</b>	<b>1,948,000</b>
<b>EQUITY</b>				
Asset revaluation reserve		3,009	3,009	30,000
Retained earnings		2,900,746	2,823,807	1,918,000
<b>Total equity</b>		<b>2,903,755</b>	<b>2,826,816</b>	<b>1,948,000</b>

The above statement should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

for the period ended 30 June 2022

	2022	2021	Original Budget 2022
	\$	\$	\$
<b>RETAINED EARNINGS</b>			
Opening balance	2,823,807	2,071,685	1,996,000
Surplus/(deficit) for the period	76,939	752,122	(78,000)
<b>Closing balance as at 30 June</b>	<b>2,900,746</b>	<b>2,823,807</b>	<b>1,918,000</b>
<b>ASSET REVALUATION RESERVE</b>			
Opening balance	3,009	30,263	30,000
Revaluation increment/(decrement)	-	(27,254)	-
<b>Closing balance as at 30 June</b>	<b>3,009</b>	<b>3,009</b>	<b>30,000</b>
<b>TOTAL EQUITY</b>	<b>2,903,755</b>	<b>2,826,816</b>	<b>1,948,000</b>

The above statement should be read in conjunction with the accompanying notes.

## Cash Flow Statement

for the period ended 30 June 2022

	2022	2021	Original Budget 2022
	\$	\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations	9,843,615	8,109,542	9,269,000
Net GST received	102,944	30,897	-
<b>Total cash received</b>	<b>9,946,559</b>	<b>8,140,439</b>	<b>9,269,000</b>
<b>Cash used</b>			
Employees	7,325,946	6,286,727	7,261,000
Suppliers	1,879,057	1,326,813	2,008,000
Section 74 receipts transferred to the OPA	745,575	522,075	-
<b>Total cash used</b>	<b>9,950,578</b>	<b>8,135,615</b>	<b>9,269,000</b>
<b>Net cash from / (used by) operating activities</b>	<b>(4,019)</b>	<b>4,824</b>	<b>-</b>
<b>Net (decrease) / increase in cash held</b>	<b>(4,019)</b>	<b>4,824</b>	<b>-</b>
Cash at the beginning of the reporting period	30,546	25,722	26,000
<b>Cash at the end of the reporting period</b>	<b>26,527</b>	<b>30,546</b>	<b>26,000</b>

The above statement should be read in conjunction with the accompanying notes.

## Notes to and forming part of the financial statements

### Overview

The Parliamentary Budget Office (PBO) is a non-corporate Commonwealth entity, and a Parliamentary Department as defined in the *Parliamentary Service Act 1999* (Parliamentary Service Act).

The purpose and outcome of the PBO (below) is articulated in section 64B of the Parliamentary Service Act:

Outcome 1: Inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of policy proposals.

The PBO's registered address is at Parliament House, Barton, Canberra ACT 2600.

### Note 1: Summary of material accounting policy information

#### Note 1.1: Basis of preparation

The financial statements are general purpose, not-for-profit financial statements and are prepared in accordance with section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), which in turn requires the statements to comply with the:

- a *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) and
- b Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention. No allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### ***New Accounting Standards***

No new/revised/amended accounting standards or interpretations issued prior to the sign-off date and applicable to the current reporting period had a material effect on the PBO's financial statements.

Standard/ Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities	AASB 1060 applies to annual reporting periods beginning on or after 1 July 2021 and replaces the reduced disclosure requirements (RDR) framework. The application of AASB 1060 involves some reduction in disclosure compared to the RDR with no impact on the reported financial position, financial performance and cash flows of the entity.

#### ***Taxation***

The PBO is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

### Note 1.2: Material accounting policy information

In the process of applying the accounting policies, the PBO has made the following judgements that have a significant impact on the amounts recorded in the financial statements.

#### *Employee leave provisions*

Employee leave provisions are estimated using several key inputs and parameters. The annual leave provision is calculated using current employee leave balances discounted by the 2-year government bond rate. The long service leave provision is estimated using the Department of Finance shorthand method, which discounts employee leave balances by the 10-year government bond rate. The Department of Finance probability factor (based on length of service) is also applied to long service leave balances.

Additional costs, informed by historical data, are applied to the estimates for both provisions for superannuation and leave accrued while on leave (based on the percentage of leave taken while in service).

### Note 1.3: Employee benefits

	2022	2021
Employee benefits	\$	\$
Wages and salaries	5,645,967	4,700,058
Superannuation		
Defined benefit plans	416,389	390,803
Defined contribution plans	589,014	447,942
Leave and other entitlements	604,652	414,841
Separations and redundancies	106,071	12,207
<b>Total employee benefits</b>	<b>7,362,093</b>	<b>5,965,851</b>

#### *Key management personnel*

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the PBO, either directly or indirectly. The PBO has determined its key management personnel as the Parliamentary Budget Officer and the three senior executives reporting directly to this position. Key management personnel remuneration is reported in the table below.

	2022	2021
Key management personnel remuneration	\$	\$
Short-term employee benefits	1,152,834	1,218,750
Post-employment benefits	188,403	198,208
Other long-term employee benefits	28,116	30,290
<b>Total key management personnel remuneration</b>	<b>1,369,353</b>	<b>1,447,248</b>
Number of KMP positions	4	4
Number of officers in KMP positions	6	8

#### *Related party transactions*

Related parties to the PBO are defined as key management personnel and close family members of key management personnel. A related party transaction is a transfer of resources, services or obligations between the PBO and a related party, regardless of whether a price is charged. During 2021–22, there were no related party transactions.



#### Note 1.4: Suppliers

	2022	2021
	\$	\$
<b>Goods and services supplied or rendered</b>		
Professional services	303,426	512,362
Enhanced capability <sup>(a)</sup>	749,352	401,512
Corporate services outsourced	364,389	373,863
Employee related	160,625	132,442
Accommodation expenses	301,808	275,830
Travel	1,144	3,967
Software licences	146,574	288,185
Other	63,413	77,424
<b>Total goods and services supplied or rendered</b>	<b>2,090,731</b>	<b>2,065,585</b>

(a) Enhanced capability expenses include secondments and temporary contract labour to manage increased workloads associated with the election.

#### Note 1.5: Revenue

##### Note 1.5A: Resources received free of charge

	2022	2021
	\$	\$
Accommodation	301,808	275,830
Auditor remuneration	50,000	50,000
<b>Total resources received free of charge</b>	<b>351,808</b>	<b>325,830</b>

Resources received free of charge are recognised as other revenue when fair value can be reliably determined and the services would have been purchased if they had not been donated. These revenues are measured at their fair value and the use is recognised as an expense.

##### Note 1.5B: Revenue from Government

	2022	2021
	\$	\$
Annual appropriation	9,269,000	8,537,000
Section 74 receipts	745,575	522,075
<b>Total appropriation</b>	<b>10,014,575</b>	<b>9,059,075</b>
Less Appropriation applied (current and prior years)	(9,950,578)	(8,135,615)
<b>Variance</b>	<b>63,997</b>	<b>923,460</b>

Amounts appropriated for the year are recognised at their nominal amount as Revenue from Government when the PBO gains control of the appropriation.

The PBO may draw upon the following appropriations:

- 1 Annual appropriations providing for the ordinary course of business are noted below. The amount of unspent appropriations is equal to the sum of the cash and appropriation receivable balances, as at 30 June.
  - a *Appropriation (Parliamentary Departments) Act (No.1) 2020–21*  
Unspent balance as at 30 June 2021: \$4,487,249
  - b *Appropriation (Parliamentary Departments) Act (No.1) 2021–22*  
Unspent balance as at 30 June 2022: \$4,654,189
- 2 A Special appropriation, of a limited amount, to provide for payments in relation to the Parliamentary Budget Officer or the Parliamentary Budget Office. Special appropriation revenue is recognised for the year when amounts are expended or to meet obligations incurred during the reporting period.

- a *Parliamentary Service Act 1999*  
Limited to \$6,000,000, unspent balance as at 30 June 2022: \$1,850,947

	2022	2021
<b>Special appropriation balance</b>	\$	\$
As at 1 July	1,850,947	1,850,947
Special appropriation applied	-	-
<b>Balance as at 30 June 2022</b>	<b>1,850,947</b>	<b>1,850,947</b>

**Note 1.6: Receivables**

	2022	2021
<b>Receivables</b>	\$	\$
Appropriation receivable	4,627,662	4,456,702
GST receivable	-	15,577
Other receivables	-	192,795
<b>Total receivables</b>	<b>4,627,662</b>	<b>4,665,074</b>

**Note 1.7: Reconciliation of the opening and closing balances of Property, plant and equipment**

	2022
<b>Property, plant and equipment</b>	\$
<b>As at 1 July 2021</b>	
Gross book value	1,429,300
Accumulated depreciation	(7,483)
<b>Total as at 1 July 2021</b>	<b>1,421,817</b>
Depreciation expense	(91,045)
<b>Total as at 30 June 2022</b>	<b>1,330,772</b>
<b>Total as at 30 June 2022 represented by:</b>	
Gross book value	1,429,300
Accumulated depreciation	(98,528)
<b>Total as at 30 June 2022</b>	<b>1,330,772</b>

**Revaluations and impairment**

Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through the operating result. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class. Upon revaluation, any accumulated depreciation is eliminated against the gross carrying amount of the asset.

The PBO engaged an independent valuer (Pickles Valuations) to undertake a revaluation of property, plant and equipment as at 31 May 2021.

As at 30 June 2022, there were no indicators of impairment.

### **Fair value measurement**

All property, plant and equipment non-financial assets are measured at fair value in the statement of financial position. When estimating fair value, market prices (with adjustments) are used where available. Where market prices are not available, depreciated replacement cost is used.

The inputs used to determine fair value include historical actual cost information and costing guides to estimate the current replacement cost. Appropriate useful life profiles have been adopted to depreciate the replacement cost to reflect the expended life.

### **Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates for property plant and equipment are based on their useful lives, which range from 10 to 30 years.

### **Note 1.8: Distinction of current/non-current assets and liabilities**

	2022	2021
	\$	\$
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash	26,527	30,546
Receivables	4,619,247	4,665,074
Prepayments	45,546	12,303
<b>Total no more than 12 months</b>	<b>4,691,320</b>	<b>4,707,923</b>
<b>More than 12 months</b>		
Property, plant and equipment	1,330,772	1,421,817
<b>Total more than 12 months</b>	<b>1,330,772</b>	<b>1,421,817</b>
<b>Total assets</b>	<b>6,022,092</b>	<b>6,129,740</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	407,255	611,987
Employee payables	182,837	161,311
Other payables	5,527	9,550
Employee provisions	599,334	467,954
<b>Total no more than 12 months</b>	<b>1,194,953</b>	<b>1,250,802</b>
<b>More than 12 months</b>		
Employee provisions	1,923,384	2,052,122
<b>Total more than 12 months</b>	<b>1,923,384</b>	<b>2,052,122</b>
<b>Total liabilities</b>	<b>3,118,337</b>	<b>3,302,924</b>

## **Note 2: Events after the reporting period**

There were no significant events following the reporting period that impact on the PBO's financial statements for the year ended 30 June 2022.

## **Note 3: Explanation of major budget variances**

The comparison of the unaudited original budget as presented in the 2021–22 Portfolio Budget Statements to the 2021–22 final outcome as presented in accordance with Australian Accounting Standards is included in the Statement of Comprehensive Income, the Statement of Financial Position and the Cash Flow Statement. The major variances detailed below are in relation to the management of resources to ensure the performance of the PBO in achieving its mandate during the year.

### ***Major variances***

In the Statement of Comprehensive Income, supplier expenses were lower than budgeted (variance to budget -\$0.289m) primarily due to the rephasing of ICT project activity to after the peak period associated with the election.

In the Statement of Financial Position, the appropriation receivable and employee leave provision items resulted in variances to the budget of +\$0.862m and -\$0.408m, respectively. These variances relate to carried forward balances from the previous financial year, which occurred after the original budget was set.





# Appendices

## Appendix A – Staffing statistics

The Parliamentary Budget Officer is a statutory appointment and is not an ongoing employee of the Parliamentary Budget Office. All employees are engaged under the *Parliamentary Service Act 1999* (PS Act).

All employees are located at the Australian Parliament House, Canberra.

**Table A1: Salary ranges for non-SES employees by classification (\$)**

Classification	As at 30 June 2021	As at 30 June 2022
Parliamentary Executive Level 2 (PEL 2)	136,053 – 162,078	138,775 – 165,320
Parliamentary Executive Level 1 (PEL 1)	114,759 – 132,504	117,055 – 135,155
Parliamentary Service Level 6 (PSL 6)	91,098 – 102,336	92,920 – 104,383
Parliamentary Service Level 5 (PSL 5)	79,267 – 86,957	80,853 – 88,697
Parliamentary Service Level 4 (PSL 4)	70,985 – 76,901	72,405 – 78,440

Note: Amounts exclude superannuation.

**Table A2: Employee numbers (headcount) <sup>(a)</sup>**

Classification	30 June 2021		30 June 2022	
	Ongoing	Non-ongoing	Ongoing	Non-ongoing
Parliamentary Budget Officer	–	1	–	1
SES Band 2	2 <sup>(b)</sup>	–	2	–
SES Band 1	5	–	4	1
PEL 2	9	–	8	1
PEL 1	12	1	10	1
PSL 6	8	1	12	–
PSL 5	6	–	5	–
PSL 4	1	–	–	–
Secondees <sup>(c)</sup>	–	7	–	7
<b>Total</b>	<b>43</b>	<b>10</b>	<b>41</b>	<b>11</b>

Full-time or part-time	30 June 2021		30 June 2022	
Full-time	41	9	37	11
Part-time	2	1	4	–
<b>Total</b>	<b>43</b>	<b>10</b>	<b>41</b>	<b>11</b>

Gender <sup>(d)</sup>	30 June 2021		30 June 2022	
Female	24	5	24	5
Male	19	5	17	6
Non-binary	–	–	–	–
<b>Total</b>	<b>43</b>	<b>10</b>	<b>41</b>	<b>11</b>

(a) Figures include employees on long-term paid leave and/or secondment and exclude employees on leave without pay.

(b) Number inclusive of staff on secondment to another Commonwealth agency.

(c) Secondees represent staff seconded to the PBO from APS agencies (including graduates under the Parliament of Australia graduate program).

(d) Based on data provided by employees on commencement.



**Table A3: Executive remuneration - Key management personnel**

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the PBO, directly or indirectly. The PBO has determined its KMP to be the Parliamentary Budget Officer and their three direct reports.

Position title	Name	Term as KMP	Short-term benefits \$		Post-employment benefits \$	Other long-term benefits \$	Total remuneration <sup>c</sup> \$
			Base salary <sup>a</sup>	Other benefits & allowances <sup>b</sup>			
Parliamentary Budget Officer (Accountable Authority)	S Helgeby	Full year	387,109	1,558	77,103	9,565	475,335
First Assistant Parliamentary Budget Officer	C Brown <sup>d</sup>	Full year	302,138	1,558	52,846	7,300	363,842
	K Whitham	Part year <sup>e</sup>	27,732	–	4,497	644	32,873
First Assistant Parliamentary Budget Officer	J Clark	Part year <sup>f</sup>	90,292	608	13,666	2,282	106,848
	K Smith	Part year <sup>g</sup>	117,775	810	17,696	2,930	139,211
Chief Operating Officer	A Bruce	Full year	221,695	1,558	22,596	5,395	251,244
<b>Total (may not sum due to rounding)</b>			<b>1,146,741</b>	<b>6,092</b>	<b>188,403</b>	<b>28,116</b>	<b>1,369,353</b>

(a) Base salary includes salary paid and accrued, salary paid while on annual and personal leave, and higher duties allowances. Base salary may be higher than the maximum salary range for the band due to the inclusion of annual leave paid and the net movement in annual leave balances in the reporting period.

(b) Other benefits and allowances relate to fringe benefits tax on the provision of car parking spots.

(c) Total remuneration is calculated on an accrual basis. This means there is a difference between the remuneration determined by the Remuneration Tribunal and the remuneration disclosed in this table and note 1.3 in the annual financial statements.

(d) Amounts include higher duties while acting as Parliamentary Budget Officer during the reporting period.

(e) Commenced 31 May 2022.

(f) Acting KMP during Aug, Oct and Dec 2021 and Feb and Apr 2022.

(g) Acting KMP during Jul, Sep and Nov 2021 and Jan, Mar and May 2022.

**Table A4: Executive remuneration - Senior executives and other highly paid staff\***

Total remuneration bands	Number of senior executives	Short-term benefits \$		Post-employment benefits \$	Other long-term benefits \$		Average total remuneration \$
		Average base salary	Average other benefits and allowances		Average long service leave	Average superannuation contributions	
\$0 – \$220,000	4	113,430	556	18,809	2,760	135,555	
\$220,001 – \$245,000	–	–	–	–	–	–	
\$245,001 – \$270,000	1	245,983	1,558	41,521	5,953	295,015	

\* The PBO had no 'other highly paid staff' above the remuneration threshold amount of \$235,000.

## Appendix B – List of requirements

Paragraph 17AJ(d) of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) requires the following list of requirements to be included in the annual report as an aid of access.

**Table B1: List of requirements**

PGPA Rule Reference	Page no	Description	Requirement
<b>17AD(g) Letter of transmittal</b>			
17AI	iii	A copy of the letter of transmittal signed and dated by accountable authority on the date final text approved, with a statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
<b>17AD(h) Aids to access</b>			
17AJ(a)	v	Table of contents.	Mandatory
17AJ(b)	76	Alphabetical index.	Mandatory
17AJ(c)	74	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	67	List of requirements.	Mandatory
17AJ(e)	ii	Details of contact officer.	Mandatory
17AJ(f)	ii	Entity's website address.	Mandatory
17AJ(g)	ii	Electronic address of report.	Mandatory
<b>17AD(a) Review by accountable authority</b>			
17AD(a)	1	A review by the accountable authority of the entity.	Mandatory
<b>17AD(b) Overview of the entity</b>			
17AE(1)(a)(i)	4	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	7	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	4	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	4	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	65	Name of the accountable authority or each member of the accountable authority.	Mandatory

PGPA Rule Reference	Page no	Description	Requirement
17AE(1)(aa)(ii)	65	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	65	Period as the accountable authority or member of the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	n/a	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory
17AE(2)	n/a	Where the outcomes and programmes administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
<b>17AD(c) Report on the performance of the entity</b>			
<i>Annual performance Statements</i>			
17AD(c)(i); 16F	9	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
<b>17AD(c)(ii) Report on financial performance</b>			
17AF(1)(a)	43	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	44	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	n/a	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
<b>17AD(d) Management and accountability</b>			
<i>Corporate governance</i>			
17AG(2)(a)	iii, 34	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	iii, 34	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory

PGPA Rule Reference	Page no	Description	Requirement
17AG(2)(b)(ii)	iii	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	iii, 34	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	31	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	n/a	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance.	If applicable, Mandatory

#### *Audit Committee*

17AG(2A)(a)	32	A direct electronic address of the charter determining the functions of the audit committee for the entity.	Mandatory
17AG(2A)(b)	33	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	33	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	33	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	33	The remuneration of each member of the entity's audit committee.	Mandatory

#### *External scrutiny*

17AG(3)	35	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	n/a	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	35	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	n/a	Information on any capability reviews on the entity that was released during the period.	If applicable, Mandatory

PGPA Rule Reference	Page no	Description	Requirement
<i>Management of human resources</i>			
17AG(4)(a)	36	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	64	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> <li>• Statistics on full time employees</li> <li>• Statistics on part time employees</li> <li>• Statistics on gender</li> <li>• Statistics on staff location</li> </ul>	Mandatory
17AG(4)(b)	n/a	Statistics on the entity's APS employees on an ongoing and non ongoing basis; including the following: <ul style="list-style-type: none"> <li>• Statistics on staffing classification level</li> <li>• Statistics on full time employees</li> <li>• Statistics on part time employees</li> <li>• Statistics on gender</li> <li>• Statistics on staff location</li> <li>• Statistics on employees who identify as Indigenous.</li> </ul>	Mandatory
17AG(4)(c)	37	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Parliamentary Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	37	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	63	The salary ranges available for parliamentary service employees by classification level.	Mandatory
17AG(4)(c)(iii)	37	A description of non salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	n/a	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	n/a	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	n/a	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	n/a	Information on aggregate amount of performance payments.	If applicable, Mandatory

PGPA Rule Reference	Page no	Description	Requirement
<b>Assets management</b>			
17AG(5)	45	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, mandatory
<b>Purchasing</b>			
17AG(6)	45	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory
<b>Reportable consultancy contracts</b>			
17AG(7)(a)	46	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	46	A statement that <i>"During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]"</i> .	Mandatory
17AG(7)(c)	46	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	47	A statement that <i>"Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."</i>	Mandatory
<b>Reportable non-consultancy contracts</b>			
17AG(7A)(a)	47	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory

PGPA Rule Reference	Page no	Description	Requirement
17AG(7A)(b)	47	A statement that <i>“Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.”</i>	Mandatory
<b>17AD(daa) Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts</b>			
17AGA	46, 47	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
<b>Australian National Audit Office access clauses</b>			
17AG(8)	n/a	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
<b>Exempt contracts</b>			
17AG(9)	n/a	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
<b>Small business</b>			
17AG(10)(a)	47	A statement that <i>“[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”</i>	Mandatory
17AG(10)(b)	47	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory



PGPA Rule Reference	Page no	Description	Requirement
17AG(10)(c)	n/a	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
<b>Financial statements</b>			
17AD(e)	48	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
<b>Executive remuneration</b>			
17AD(da)	65, 66	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the Rule.	Mandatory
<b>17AD(f) Other Mandatory Information</b>			
17AH(1)(a)(i)	n/a	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	47	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	n/a	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory
17AH(1)(c)	41	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	40	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	n/a	Correction of material errors in previous annual report.	If applicable, Mandatory
17AH(2)	38, 41	Information required by other legislation.	Mandatory

## Glossary

budget analysis	Budget analysis is analysis that the PBO can be asked to provide about the budget. This may include: information about the amount of money allocated to particular programs; details of the profile of spending on particular programs; or details of the different sub-components of expenditure or revenue associated with a particular program.
election commitment	In relation to a general election, this means a policy that a parliamentary party has publicly announced and intends to seek to have implemented after the election, as defined in section 7 of the <i>Parliamentary Service Act 1999</i> .
fiscal policy	Fiscal policy refers to the government's financial operations and management, including how much the government spends and on what, how much income the government has and from what sources, and how much the government borrows. 'Fiscal' means relating to government money.
policy costing	Policy costings are the PBO's estimate of the financial impact on the Commonwealth Budget of a policy proposal.

## Abbreviations and acronyms

APS	Australian Public Service
DPS	Department of Parliamentary Services
ICT	Information and Communication Technology
FCA	Fellow of the Institute of Chartered Accountants
FCPA	Fellow of the Certified Practising Accountants
FIPPA	Fellow of the Institute of Public Administration Australia
GAICD	Graduate of the Australian Institute of Company Directors
JCPAA	Joint Committee of Public Accounts and Audit
KMP	Key Management Personnel
MYEFO	Mid Year Economic and Fiscal Outlook
PBO	Parliamentary Budget Office
PEL	Parliamentary Executive Level
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
PS Act	<i>Parliamentary Service Act 1999</i>
PSIEN	Parliamentary Service Indigenous Employee Network
PSL	Parliamentary Service Level
RAP	Reconciliation Action Plan
SES	Senior Executive Service
SME	Small and medium enterprises
WHS Act	<i>Work Health and Safety Act 2011</i>

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