

NATIONAL FASTER RAIL AGENCY

ENTITY RESOURCES AND PLANNED PERFORMANCE

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NATIONAL FASTER RAIL AGENCY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The National Faster Rail Agency (NFRA) was established on 1 July 2019 as an Executive Agency under Section 65 of the Public Service Act 1999 to lead the development and implementation of the Australian Government's 20-year Plan for a Faster Rail Network (the Plan).

The NFRA works collaboratively with state and territory governments and private sector proponents to develop business cases and deliver faster rail construction projects. Following on from the three faster rail business cases already completed for Sydney to Newcastle, Melbourne to Greater Shepparton and Brisbane to the Regions of Moreton Bay and the Sunshine Coast in 2019-20, during 2020-21 the NFRA will work with the NSW, Victorian and Queensland governments to progress faster rail business cases for Sydney to Wollongong and Sydney to Parkes, Melbourne to Traralgon and Melbourne to Albury/Wodonga, and Brisbane to the Gold Coast. The NFRA will also continue to investigate new opportunities for faster rail along other corridors, including in other states.

The NFRA will provide policy and project advice to the Government with recommendations on how to best invest in faster rail corridors and projects to achieve the objectives in the Faster Rail Plan.

The NFRA will also work with the Victorian government to progress planning for Geelong Faster Rail in line with the Australian Government's \$2 billion commitment.

The NFRA's purpose and strategic goals are available in the NFRA's 2020-21 to 2023-24 Corporate Plan, available from www.nfra.gov.au.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the NFRA for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by departmental (for the NFRA's operations) classification.

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

Table 1.1: National Faster Rail Agency resource statement — Budget estimates for 2020-21 as at Budget October 2020

	2019-20 Estimated actual \$'000	2020-21 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services ^(a)		
Prior year appropriations available	-	1,047
Departmental appropriation	3,987	3,466
s74 External Revenue ^(b)	14	320
Total departmental annual appropriations	4,001	4,833
Total departmental resourcing	4,001	4,833
	2019-20	2020-21
Average staffing level (number)	11	11

All figures shown above are GST exclusive - these may not match figures in the cash flow statement Prepared on a resourcing (i.e. appropriations available) basis.

(a) Appropriation Bill (No. 1) 2020-21.

(b) Estimated External Revenue receipts under section 74 of the PGPA Act.

1.3 BUDGET MEASURES

There are no Budget measures detailed in Budget Paper No. 2 – Budget Measures.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent Corporate Plan for the NFRA can be found at:

https://www.nfra.gov.au/reports/corporate-information/nfra_2019-20_corporate_plan

The most recent annual performance statement can be found at:

<https://www.nfra.gov.au/reports/corporate-information/annual-report>

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Improved rail infrastructure between our capital cities and their surrounding regional centres by providing coordination, strategic advice and the identification of investments that improve reliability and travel speeds

Budgeted expenses for Outcome 1

This table shows how much the NFRA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.1.1: Budgeted expenses for Outcome 1

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
Program 1.1: National Faster Rail Agency					
Departmental expenses					
Departmental appropriation	3,987	3,466	3,452	3,448	2,473
Expenses not requiring appropriation in the budget year ^(a)	(829)	25	25	25	25
Total expenses for program 1.1	3,158	3,491	3,477	3,473	2,498
Outcome 1 Totals by appropriation type					
Departmental expenses					
Departmental appropriation	3,987	3,466	3,452	3,448	2,473
Expenses not requiring appropriation in the budget year ^(a)	(829)	25	25	25	25
Total expenses for Outcome 1	3,158	3,491	3,477	3,473	2,498
<hr/>					
	2019-20	2020-21			
Average staffing level (number)	11	11			

(a) 2019-20 Expenses not requiring appropriation in the budget year are made up of audit fees received free of charge (\$25,000) offset by actual operating surplus reported for 2019-20 (\$854,000).

Table 2.1.2: Performance criteria for Outcome 1

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2020-21 Budget measures have created new programs or materially changed existing programs.

Outcome 1 – Improved rail infrastructure between our capital cities and their surrounding regional centres by providing coordination, strategic advice and the identification of investments that improve reliability and travel speeds		
Program 1 – Development and implementation of the Australian Government’s 20-year Plan for a Faster Rail Network.		
Delivery	<p>The following activities will contribute to the National Faster Rail Agency achieving this:</p> <ul style="list-style-type: none"> • Provide advice to the Government on faster rail policy matters and investment opportunities • Engaging with states, territories and project proponents to scope and develop potential faster rail opportunities • Support the Minister to promote faster rail opportunities • Develop a rolling Faster Rail Investment program • Develop strategic business cases for selected corridors • Manage funding for corridors selected for investment. 	
Performance information		
Year	Performance criteria	2019-20 Actual Achievement/Targets
2019-20	<p>Agency administrative, governance and planning arrangements are complete.</p> <p>Begin coordination and development of the Faster Rail Investment program.</p>	<p>Targets met</p> <ul style="list-style-type: none"> • CEO appointed • NFRA established and fully staffed • Corporate Plan developed • Annual Report delivered • Effective governance systems in place <p>Target met</p> <ul style="list-style-type: none"> • Established frameworks for planning and government engagement to support the 20-year plan
2020-21	<p>Continued coordination and development of the Faster Rail Investment Program.</p> <p>Progress projects to improve rail reliability and travel speeds on selected routes.</p>	<p>Review established frameworks for planning and continued engagement with government to support the 20-year plan and provide advice on faster rail projects and investments.</p> <p>Business cases progressed.</p>
2021-22 and beyond	As per 2020-21	<p>Develop detailed business cases for selected corridors.</p> <p>Management of funding for corridors selected for investment.</p>
Purposes	<p>To advise the Australian Government on faster rail opportunities between our capital cities and regional centres to enable more people to access employment, housing and social opportunities. It will also administer funding to support the delivery of agreed projects.</p>	

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the NFRA's finances for the 2020-21 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Explanatory notes and analysis of budgeted financial statements

The income statement shows the estimated net cost of services for the NFRA.

Total budgeted expenses for the NFRA in 2020-21 are \$3.5 million, including \$1.9 million in employee benefit expenses and \$1.5 million in supplier expenses. Supplier expenses include contracted services, consultancy, travel and other administration costs.

The NFRA's major assets include cash and receivables (\$1.3 million).

The NFRA's major liabilities include supplier payables, employee payables and employee provisions (\$0.4 million).

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
EXPENSES					
Employee benefits	1,923	1,943	1,955	1,967	1,447
Suppliers	1,235	1,548	1,522	1,506	1,051
Total expenses	3,158	3,491	3,477	3,473	2,498
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	25	25	25	25	25
Total own-source revenue	25	25	25	25	25
Total own-source income	25	25	25	25	25
Net (cost of)/contribution by services	(3,133)	(3,466)	(3,452)	(3,448)	(2,473)
Revenue from Government	3,987	3,466	3,452	3,448	2,473
Surplus/(deficit) attributable to the Australian Government	854	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	854	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	20	20	20	20	20
Trade and other receivables	1,256	1,256	1,256	1,256	1,256
Total financial assets	1,276	1,276	1,276	1,276	1,276
Total assets	1,276	1,276	1,276	1,276	1,276
LIABILITIES					
Payables					
Suppliers	81	81	81	81	81
Other payables	22	22	22	22	22
Total payables	103	103	103	103	103
Provisions					
Employee provisions	319	319	319	319	319
Total provisions	319	319	319	319	319
Total liabilities	422	422	422	422	422
Net assets	854	854	854	854	854
EQUITY					
Parent entity interest					
Retained surplus (accumulated deficit)	854	854	854	854	854
Total parent entity interest	854	854	854	854	854
Total equity	854	854	854	854	854

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2020-21)

	Retained earnings	Total equity
	\$'000	\$'000
Opening balance as at 1 July 2020		
Balance carried forward from previous period	854	854
Adjusted opening balance	854	854
Comprehensive income		
Total comprehensive income	-	-
Estimated closing balance as at 30 June 2021	854	854
Closing balance attributable to the Australian Government	854	854

Prepared on Australian Accounting Standards basis

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

	2019-20 Estimated actual \$'000	2020-21 Budget \$'000	2021-22 Forward estimate \$'000	2022-23 Forward estimate \$'000	2023-24 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations	2,940	3,466	3,452	3,448	2,473
Other	13	320	120	120	70
Total cash received	2,953	3,786	3,572	3,568	2,543
Cash used					
Employees	1,778	1,943	1,955	1,967	1,447
Suppliers	1,155	1,843	1,617	1,601	1,096
Total cash used	2,933	3,786	3,572	3,568	2,543
Net cash from/(used by) financing activities	20	-	-	-	-
Net increase/(decrease) in cash held	20	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	-	20	20	20	20
Cash and cash equivalents at the end of the reporting period	20	20	20	20	20

Prepared on Australian Accounting Standards basis.

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

This table is not provided as the NFRA does not receive capital funds.

Table 3.6: Statement of asset movements (Budget year 2020-21)

This table is not provided as the NFRA does not hold non-financial assets.