

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 in 2019 to lead the development of a faster rail network, focussed on achieving faster journey times along corridors between major capital cities and key regional centres.

The NFRA works collaboratively with state and territory governments to develop business cases, secure funding and coordinate project delivery.

The Australian Government committed to establish a High Speed Rail Authority (HSRA). The HSRA will oversee the development of a High Speed Rail (HSR) network and advise on Australia's current and future HSR needs. Once the HSRA is established, the existing scope and functions of the NFRA will be absorbed into the HSRA.

Our focus over the next four years, will be to continue to provide informed advice to the Australian Government on faster rail projects, secure funding for more priority projects, and work with the states on the delivery of jointly funded faster rail construction projects. The business cases undertaken since the NFRA's establishment have provided a clear understanding of the role for faster rail and how best to upgrade corridors to achieve faster rail services. Business cases have also considered opportunities for fast rail and high speed rail.

The delivery of an east coast HSR system between Brisbane and Melbourne is a key election commitment of the Australian Government. This will be initially be supported by a \$500 million investment to begin planning and secure a corridor for a high speed rail corridor between Sydney and Newcastle. Drawing on the capabilities, skills, experience and knowledge built up by NFRA, resources will be transferred to the HSRA to assist the Government to deliver on these commitments.

The NFRA's purpose and strategic goals are available in the NFRA's 2022-23 to 2025-26 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' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: NFRA resource statement - Budget estimates for 2022-23 as at Budget October 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services ^(a)		
Prior year appropriations available	1,623	1,623
Departmental appropriation	3,462	3,486
Total Departmental annual appropriations	5,085	5,109
Total Departmental resourcing	5,085	5,109
<hr/>		
Average staffing level (number) ^(b)	2021-22 9	2022-23 4

Prepared on a resourcing (i.e. appropriations available) basis.

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2022-23, Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.

(b) Reduction in ASL for 2022-23 reflects expected transfer to HSRA upon creation.

1.3 Budget measures

Table 1.2: National Faster Rail Authority October 2022-23 Budget measures

Part 1: Measures announced since the 2022-23 March Budget

Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures					
Building a Better Future through considered Infrastructure Investment					
1.1					
Departmental payment	-	(1,235)	(2,566)	(2,595)	(2,618)
Total	-	(1,235)	(2,566)	(2,595)	(2,618)
Total payment measures					
Departmental	-	(1,235)	(2,566)	(2,595)	(2,618)
Total	-	(1,235)	(2,566)	(2,595)	(2,618)

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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

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 measure 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 and annual performance statement for the NFRA can be found at: <https://www.nfra.gov.au/reports/corporate-information>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1 — Faster rail services between capital cities and key regional centres by providing coordination, strategic advice and the identification of investments that reduce travel times

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: (National Faster Rail Agency)					
Departmental expenses					
Departmental appropriation ^(a)	3,462	3,486	2,566	2,595	2,618
Expenses not requiring appropriation in the Budget year ^(b)	25	-	-	-	-
Departmental total	3,487	3,486	2,566	2,595	2,618
Total expenses for program 1.1	3,487	3,486	2,566	2,595	2,618

	2021-22	2022-23
Average staffing level (number)	9	4

- (a) Funding to be transferred to HSRA upon establishment with the impact of the 2022-23 October Budget measure reflected in the estimates at that time.
- (b) Expenses not requiring appropriation in the Budget year are made up of audit fees received free of charge.

Table 2.1.2: Performance measures for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022-23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 — Faster rail services between capital cities and key regional centres by providing national coordination, strategic advice and the identification of project investments that reduce travel times.		
Program 1 - Advice supports the Australian Government's objectives for faster rail.		
Key Activities ^(a)	<p>The following activities will contribute to the National Faster Rail Agency achieving this:</p> <ul style="list-style-type: none"> • Lead development and implementation of faster rail investment projects • Oversee the development of faster rail business cases and corridor investigations • Identify any further rail corridors that would benefit from faster rail services • Consider opportunities for fast rail and high speed rail, particularly where sections of new corridor can become available • Deliver faster rail construction projects (with states and territories) • Work in partnership with other Commonwealth agencies to explore alternative funding and financing options. • Consider options to future-proof corridors for high speed rail. 	
Year	Performance measures	Expected Performance Results
Prior year 2021-22	Continued coordination and development of the Faster Rail Plan. Progress projects to improve rail reliability and travel speeds on selected routes	Actual: Completed two additional faster rail business cases (building on the five already completed) and continue governance arrangements to ensure delivery of a further eight investigations. Policy and technical advice provided to the Government to support the delivery of the Faster Rail Plan including advice on faster rail projects, further potential corridor investigations and future investment opportunities. Target met.
Year	Performance measures	Planned Performance Results
Budget Year 2022-23	Oversee the state government's delivery of jointly funded faster rail construction projects. Progress projects to improve rail reliability and travel speeds on selected routes.	Develop business cases for selected corridors. Management of funding and oversight of project delivery for corridors selected for investment.
Forward Estimates 2023-26	As per 2022-23	As per 2022-23

(a) Refers to updated key activities that will be reflected in the 2021-22 Corporate Plan.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NFRA's finances for the 2022-23 Budget year. Once established, financial statements will be transferred and reflected against the HSRA agency.

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 NFRA.

Total budgeted expenses for the NFRA in 2022-23 are \$3.5 million, including \$2.0 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 (\$2.5 million).

The NFRA's major liabilities (\$0.5 million) include supplier payables, employee payables and employee provisions.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	1,643	1,967	1,447	1,455	1,470
Suppliers	943	1,519	1,119	1,140	1,148
Total expenses	2,586	3,486	2,566	2,595	2,618
LESS:					
Gains					
Other	25	-	-	-	-
Total gains	25	-	-	-	-
Total own-source income	25	-	-	-	-
Net (cost of)/contribution by services	(2,561)	(3,486)	(2,566)	(2,595)	(2,618)
Revenue from Government	3,462	3,486	2,566	2,595	2,618
Surplus/(deficit) attributable to the Australian Government	901	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	901	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	20	20	20	20	20
Trade and other receivables	2,510	2,510	2,510	2,510	2,510
Total financial assets	2,530	2,530	2,530	2,530	2,530
Non-financial assets					
Prepayment	2	2	2	2	2
Total non-financial assets	2	2	2	2	2
Total assets	2,532	2,532	2,532	2,532	2,532
LIABILITIES					
Payables					
Suppliers	59	59	59	59	59
Other payables	36	36	36	36	36
Total payables	95	95	95	95	95
Provisions					
Employee provisions	424	424	424	424	424
Total provisions	424	424	424	424	424
Total liabilities	519	519	519	519	519
Net assets	2,013	2,013	2,013	2,013	2,013
EQUITY					
Parent entity interest					
Retained surplus (accumulated deficit)	2,013	2,013	2,013	2,013	2,013
Total parent entity interest	2,013	2,013	2,013	2,013	2,013
Total equity	2,013	2,013	2,013	2,013	2,013

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2022-23)

	Retained earnings \$'000	Total equity \$'000
Opening balance as at 1 July 2022		
Balance carried forward from previous period	2,013	2,013
Adjusted opening balance	2,013	2,013
Comprehensive income		
Surplus/(deficit) for the period	-	-
Total comprehensive income	-	-
Estimated closing balance as at 30 June 2023	2,013	2,013
Closing balance attributable to the Australian Government	2,013	2,013

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	2,584	3,486	2,566	2,595	2,618
Other	184	-	-	-	-
Total cash received	2,768	3,486	2,566	2,595	2,618
Cash used					
Employees	1,811	1,967	1,447	1,455	1,470
Suppliers	957	1,519	1,119	1,140	1,148
Total cash used	2,768	3,486	2,566	2,595	2,618
Net cash from/(used by) operating activities	-	-	-	-	-
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	20	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 departmental asset movements (Budget year 2022-23)

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