

National Transport Commission

**Entity resources and planned
performance**

National Transport Commission

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National Transport Commission

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Transport Commission (NTC) is a national land transport reform agency that supports Australian governments to improve safety, productivity and environmental outcomes, provide for future technologies and improve regulatory efficiency. Our vision is to advance social and economic outcomes for all Australians through an efficient, integrated and national land transport system.

The *National Transport Commission Act 2003* (the NTC Act) and the Inter-Governmental Agreement for Regulatory and Operational Reform in Road, Rail and Intermodal Transport (IGA) establish the NTC and define our role. This is reflected in the NTC's outcome statement: Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport.

As a key contributor to the national reform agenda, the NTC is accountable to the Infrastructure and Transport Ministers' Meeting (ITMM), and works closely with the ITMM's advisory body, the Infrastructure and Transport Senior Officials' Committee (ITSOC). ITMM approves the NTC's program of work (through our Corporate Plan) and reform proposals.

The NTC operates in a complex and changing national environment that faces rapid transformation through technology and innovation. To meet the challenges that this environment poses and deliver on our intended outcomes, the NTC's focus for 2022-23 is:

- delivering work across five focus areas that are aligned with ITMM's reform priorities and offer the highest value for Australia:
 - Future technologies
 - Safety
 - Productivity
 - Sustainability
 - Advisory and partnerships.
- effective engagement, collaboration and partnerships to deliver reform, while taking a more active role as a facilitator and coordinator to support national transport reform.
- developing our policy, economic and evaluation capabilities to ensure we have the expertise to deliver high-quality work and advice.
- continuing to embed a more flexible, responsive, and national operating model including capitalising on the agile and hybrid work practices adopted for COVID-19.

The NTC's Corporate Plan provides more detail on our program of work and how we will deliver on our outcomes.

1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the NTC 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 NTC'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: National Transport Commission resource statement — Budget estimates for 2022-23 as at Budget October 2022

	2021-22 Estimated actual \$'000	2022-23 Estimate \$'000
Opening balance/cash reserves at 1 July	3,318	4,161
Funds from Government		
Annual appropriations - ordinary annual services ^(a)		
Outcome 1	4,684	4,427
Total annual appropriations	4,684	4,427
Total funds from Government	4,684	4,427
Funds from other sources		
Sale of goods and services	8,365	8,018
Total funds from other sources	8,365	8,018
Total net resourcing for the NTC	13,049	12,445
	2021-22	2022-23
Average staffing level (number)	42	43

Prepared on a resourcing (that is, 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.

The NTC is not directly appropriated as it is a corporate Commonwealth entity. Appropriations are made to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (a Non-Corporate Commonwealth entity), which are then paid to the NTC and are considered 'departmental' for all purposes.

1.3 Budget measures

There are no new measures for the NTC for the 2022-23 October Budget.

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 measures 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 NTC can be found at:

https://www.transparency.gov.au/sites/default/files/reports/2021-22_corporate_plan_national_transport_commission.pdf

The most recent annual performance statement can be found at:

<https://www.ntc.gov.au/about-ntc/corporate-reporting/annual-report>

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport

Budgeted expenses for Outcome 1

This table shows how much the NTC 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 Transport Commission					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	4,684	4,427	4,566	4,130	4,237
Revenues from other independent sources	8,365	8,018	8,480	7,670	7,869
Total expenses for Program 1.1	13,049	12,445	13,046	11,800	12,106
Outcome 1 totals by resource type					
Revenue from Government					
Ordinary annual services (Appropriation Bill No. 1)	4,684	4,427	4,566	4,130	4,237
Revenues from other independent sources	8,365	8,018	8,480	7,670	7,869
Total expenses for Outcome 1	13,049	12,445	13,046	11,800	12,106
	2021-22	2022-23			
Average staffing level (number)	42	43			

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 – Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport		
Program 1.1 – Improve safety, productivity and environmental outcomes, provide for future technologies and improve regulatory efficiency by developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport.		
Key Activities	Delivery of the NTC's ministerially approved program of work (as detailed in the NTC's Corporate Plan) in partnership with Australian governments, safety regulators, standards boards, industry, the private sector and the broader community.	
Year	Performance measures	Expected Performance Results
Prior year 2021-22	The NTC develops policy reform proposals that are demonstrated to offer high value.	Actual: Clear evidence is provided of the expected benefits for all policy reform proposals. Target met
	The NTC's recommendations are relevant and valuable enough to the ITMM to be agreed.	Actual: At least 90 per cent of NTC recommendations presented to the ITMM are agreed. Target met
	The NTC delivers its ITMM-agreed projects on time and within budget.	Actual: At least 90 per cent of projects are completed on time and within budget. Target met
	The NTC delivers a comprehensive program of legislative reviews and amendments.	Actual: At least five legislative amendment packages are submitted to the ITMM each year. Target not met
	The NTC consistently monitors and promotes the successful implementation of land transport reforms.	Actual: The National Transport Reform Implementation Monitoring Report is provided annually and includes: <ul style="list-style-type: none"> the status for each jurisdiction for all land transport reforms being implemented recommendations to address any barriers to successful implementation. Target met

Year	Performance measures	Expected Performance Results
Prior year 2021-22 cont.	All NTC reforms are proposed with a clear implementation pathway.	Actual: 100 per cent of NTC regulatory amendments presented to the ITMM have an implementation plan that includes outputs, timeframes and accountabilities. Target met
	The NTC receives positive feedback in its stakeholder survey on how the organisation engages.	Actual: Demonstrated improvements on the previous stakeholder survey. Not applicable for 2021-22 - survey rescheduled to 2022-23.
	The NTC's staff engagement survey results are positive.	Actual: An increase from the previous survey in overall staff engagement. Target met
Year	Performance measures	Planned Performance Results
Budget year 2022-23	Evaluations of the impact of the NTC's reforms (once implemented) show clear evidence of value provided.	All NTC reforms evaluated are shown to have been beneficial.
	The NTC develops policy reform proposals that are demonstrated to offer high value.	Clear evidence is provided of the expected benefits for all policy reform proposals.
	The NTC's recommendations are relevant and valuable enough to the ITMM to be agreed.	At least 90 per cent of NTC recommendations presented to the ITMM are agreed.
	The NTC delivers its ITMM-agreed projects on time and within budget.	At least 90 per cent of projects are completed on time and within budget.
	The NTC delivers a comprehensive program of legislative reviews and amendments.	At least three legislative amendment packages are submitted to the ITMM each year.
	The NTC consistently monitors and promotes the successful implementation of land transport reforms.	The National Transport Reform Implementation Monitoring Report is provided annually and includes: <ul style="list-style-type: none"> the status for each jurisdiction for all land transport reforms being implemented recommendations to address any barriers to successful implementation.

Year	Performance measures	Planned Performance Results
Budget year 2022-23 cont.	All NTC reforms are proposed with a clear implementation pathway.	100 per cent of NTC regulatory amendments presented to the ITMM have an implementation plan that includes outputs, timeframes and accountabilities.
	The NTC receives positive feedback in its stakeholder survey on how the organisation engages.	Demonstrated improvements on the previous stakeholder survey.
	The NTC's staff engagement survey results are positive.	An increase from the previous survey in overall staff engagement.
Forward Estimates 2023-26	The statutory review of the NTC confirms that the organisation delivers on the objectives specified in the IGA.	The review recognises the NTC as highly valuable and recommends for it to continue operation.
	All others as per 2022-23	As per 2022-23

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of NTC's finances for the 2022-23 Budget year, including the impact of budget measures and resourcing on financial statements.

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The NTC is funded by Commonwealth, states and territories on an annual basis, apportioned by an agreed percentage allocation as outlined within the NTC's IGA.

Under its Act, funding for the NTC is to be applied only in payment or discharge of the costs, expenses and other obligations incurred by the NTC in the performance of its functions and the exercise of its powers.

Each year, the NTC must prepare estimates, in accordance with ITMM directions, of its receipts and expenditure for each financial year and for any other period specified by ITMM. The NTC must submit estimates so prepared to ITMM no later than such a date as ITMM directs. Except with the consent of ITMM, the funding of the NTC must not be spent otherwise than in accordance with the Corporate Plan and work program provided annually. On this basis, the NTC's forward estimates may change yearly based on directions from ITMM.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The NTC's balance sheet is simple in structure and classification. Assets are largely comprised of cash and office plant and equipment, while liabilities are payables (to suppliers) and employee provisions (staff entitlements).

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	6,871	7,804	8,178	8,320	8,495
Suppliers	4,907	3,778	4,014	2,635	2,776
Depreciation and amortisation	828	816	816	816	816
Finance costs	55	47	38	29	19
Total expenses	12,661	12,445	13,046	11,800	12,106
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other ^(a)	8,365	8,018	8,480	7,670	7,869
Total own-source revenue	8,365	8,018	8,480	7,670	7,869
Total own-source income	8,365	8,018	8,480	7,670	7,869
Net (cost of)/contribution by services	(4,296)	(4,427)	(4,566)	(4,130)	(4,237)
Revenue from Government	4,684	4,427	4,556	4,130	4,237
Surplus/(deficit) attributable to the Australian Government	388	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	388	-	-	-	-

Prepared on Australian Accounting Standards basis.

(a) Relates to funding provided by states and territories.

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	4,161	4,279	4,370	4,433	4,467
Trade and other receivables	140	140	140	140	140
Total financial assets	4,301	4,419	4,510	4,573	4,607
Non-financial assets					
Land and buildings	2,485	2,059	1,633	1,207	781
Property, plant and equipment	923	833	743	653	563
Other non-financial assets	70	70	70	70	70
Total non-financial assets	3,478	2,962	2,446	1,930	1,414
Total assets	7,779	7,381	6,956	6,503	6,021
LIABILITIES					
Payables					
Suppliers	770	770	770	770	770
Other payables	22	22	22	22	22
Total payables	792	792	792	792	792
Interest bearing liabilities					
Leases	2,719	2,321	1,896	1,443	961
Total interest bearing liabilities	2,719	2,321	1,896	1,443	961
Provisions					
Employee provisions	1,200	1,200	1,200	1,200	1,200
Total provisions	1,200	1,200	1,200	1,200	1,200
Total liabilities	4,711	4,313	3,888	3,435	2,953
Net assets	3,068	3,068	3,068	3,068	3,068
EQUITY					
Parent entity interest					
Retained surplus (accumulated deficit)	3,068	3,068	3,068	3,068	3,068
Total parent entity interest	3,068	3,068	3,068	3,068	3,068
Total equity	3,068	3,068	3,068	3,068	3,068

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	3,068	3,068
Adjusted opening balance	3,068	3,068
Comprehensive income		
Surplus/(deficit) for the period	-	-
Total comprehensive income	-	-
Estimated closing balance as at 30 June 2023	3,068	3,068
Closing balance attributable to the Australian Government	3,068	3,068

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					
Receipts from Government	13,089	12,445	13,046	11,800	12,106
Total cash received	13,089	12,445	13,046	11,800	12,106
Cash used					
Net GST paid	63	-	-	-	-
Employees	6,920	7,804	8,178	8,320	8,495
Suppliers	4,656	3,778	4,014	2,635	2,776
Interest payments on lease liability	55	47	38	29	19
Total cash used	11,694	11,629	12,230	10,984	11,290
Net cash from/(used by) operating activities	1,395	816	816	816	816
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	180	300	300	300	300
Total cash used	180	300	300	300	300
Net cash from/(used by) investing activities	(180)	(300)	(300)	(300)	(300)
FINANCING ACTIVITIES					
Cash used					
Principal payments on lease liability	372	398	425	453	482
Total cash used	372	398	425	453	482
Net cash from/(used by) financing activities	(372)	(398)	(425)	(453)	(482)
Net increase/(decrease) in cash held	843	118	91	63	34
Cash and cash equivalents at the beginning of the reporting period	3,318	4,161	4,279	4,370	4,433
Cash and cash equivalents at the end of the reporting period	4,161	4,279	4,370	4,433	4,467

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (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
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from Departmental resources ^(a)	180	300	300	300	300
TOTAL	180	300	300	300	300
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	180	300	300	300	300
Total cash used to acquire assets	180	300	300	300	300

Prepared on Australian Accounting Standards basis.

(a) Includes funding from entity receipts, and proceeds from sale of assets.

Table 3.6: Statement of departmental asset movements (Budget year 2022-23)

	Asset Category		Total
	Buildings	Other property, plant and equipment	
	\$'000	\$'000	\$'000
As at 1 July 2022			
Gross book value	-	2,312	2,312
Gross book value - ROU assets	3,763	-	3,763
Accumulated depreciation/amortisation and impairment	-	(1,389)	(1,389)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,278)	-	(1,278)
Opening net book balance	2,485	923	3,408
Capital asset additions			
Estimated expenditure on new or replacement assets			
By purchase - other	-	300	300
Total additions	-	300	300
Other movements			
Depreciation/amortisation expense	-	(390)	(390)
Depreciation/amortisation on ROU assets	(426)	-	(426)
Total other movements	(426)	(390)	(816)
As at 30 June 2023			
Gross book value	-	2,612	2,612
Gross book value - ROU assets	3,763	-	3,763
Accumulated depreciation/amortisation and impairment	-	(1,779)	(1,779)
Accumulated depreciation/amortisation and impairment - ROU assets	(1,704)	-	(1,704)
Closing net book balance	2,059	833	2,892

Prepared on Australian Accounting Standards basis.