

DEBTORS

Subject/Issue

The Independent Parliamentary Expenses Authority (IPEA) manages travel-related debts owed by current and former Parliamentarians and MOP(S) staff.

Key points

- IPEA's administered travel related debts totalled \$67,898.57 as at 20 October 2022. This incorporated 67 separate debtors.
- Breakdown of debtors: 7% current politicians (5), 4% former parliamentarians (3); 55% current staff (37); 34% former staff (22).
- A majority of debts relate to changes to arrangements following advance payment of travel costs. Where these changes result in overpayments, they must be recovered.
- Parliamentarians can check PEMS to be aware of and actively manage any debts.
- IPEA is alerted when a MOP(S) staff ceases employment and if they have a debt, the staff member can elect to deduct the debt from any final monies they are due to receive.
- Debtors are managed in accordance with IPEA's debtor's procedures.
 - a. Outstanding over 30 days debtors are sent a first reminder, unless the debtor has chosen to have the debt repaid from future travel.
 - b. After 60 days debtors are sent out a second reminder.
 - c. After 90 days debtors are sent a final reminder letter stating the debt will be referred to a debt collector, **noting there is discretion as to which debtors are referred to a debt collecting agency.**

- As at 20 October 2022, there are five debts that have been referred to our contracted debt collection agency, total \$1,346.02. The five debts are made up of 4 former MOPS staff and 1 former parliamentarian.
- The 1 former parliamentarian debt relates to Mr David Leyonhjelm, former Senator for NSW, for \$252.29 as a result of travel undertaken in September 2018 that was deemed inconsistent with the legislative framework. A ruling provided by the IPEA Members of the Authority in August 2019 confirmed the decision. This debt (currently totalling \$252.29 plus costs and disbursements) is scheduled to be heard at Small Claim Court on 7th November 2022.

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PEMS

Subject/Issue

Parliamentary Expenses Management System (PEMS)

Key points

- The Department of Finance (Finance) is the lead agency for the delivery of PEMS.
- The objective of the PEMS project is to deliver a fully on-line solution that satisfies business' requirements for federal parliamentarians and their employees as well as provide administrative functions for Finance and IPEA.
- The 4 July 2022 Phase 2 Go Live delivered PEMS functionality relating to office expenses, travel allowances and expenses (both domestic and international), budget management and reporting capability (with the exception of the Expenditure Report).
- Phase 2 functionality joined the Phase 1 PEMSHR functionality which went live in July 2021.
- Functionality to satisfy IPEA's report publishing obligations will be met by the project's Expenditure Report functionality which is expected to be released in the first half of 2023.
- IPEA continue to work collaboratively with Finance to deliver both IPEA and clients' expectations of the system.

If asked about the recent Mandarin article (Attachment A)

- IPEA were unaware at the time that Finance received an FOI request until after the article's publication.
- As the FOI request was directed to Finance and not IPEA, questions regarding the article should be directed to Finance.

If pressed:

- IPEA consider that the article does not capture the correct circumstances of the described events however, would reiterate that Finance are responsible for the delivery of PEMS.

If asked about system performance

- IPEA continue to work collaboratively with Finance to report incidents and support the resolution of system issues.

If pressed:

- It is important to IPEA that the performance of the system meets all stakeholder expectations, nevertheless the system and its functionality are the responsibility of Finance and questions should be referred to them.

If prompted about incorrect Electorate Support Budget (ESB) consumption

- IPEA's understanding is the incorrect consumption of the ESB is due to a systems error in PEMS. IPEA have raised the issue as a priority with Finance to resolve the issue and are supporting this effort where we are able.

Previous PEMS questions:

- April 2022 – nil
- October 2021 Estimates
 - Question from Senator Farrell *“Do you still see the full rollout finishing by 30 June next year?”*
 - Response from Ms Godwin *“...I’m positive that there will be a product delivered by 30 June; I’m just a little wary about saying that all of IPEA’s requirements will necessarily be live as of 1 July”.*

Background

- In announcing an independent review into parliamentary entitlements in late 2016, the government established that an overhaul of the entitlements system was required to better support parliamentarians and meet public expectations.
- The Independent Parliamentary Entitlements System Review 2016 (the Review) was undertaken and found that systems used to manage parliamentary and staff expenses are outdated and unable to meet demands.
- The first-pass business case was agreed in April 2017 and the second-pass business case was approved in the 2017-18 MYEFO budget process in December 2017.
- As a result of those business cases, the Parliamentary Expenses Management System (PEMS) project was initiated.
- This includes the provision of a fully supported and stable PEMS solution that satisfies recommendation 30 of 'the Review':
 - *"The Department of Finance should urgently develop for Government consideration a business case for a fit-for-purpose, integrated online work expenses system"*
- The project commenced in January 2018 with completion expected by 1 July 2019. This date was subsequently revised to April 2020 due to the Federal election and then adjusted again due to other factors, specifically the COVID-19 pandemic.
- From July to December 2018, Milestones 1-5 (of 7) were delivered. This was the PEMS portal capability used by parliamentarians and their staff to submit and certify travel and office claims
- In July 2019, Milestone 6 was delivered and provided financial management capability.
- The final components of PEMS Milestone 7 were broken into 2 phases:
 - Phase 1 – MOP(S) Act employees HR and Payroll System (PEMS HR) – released to PEMS production for use on 1 July 2021.
 - Phase 2 – Expense Management for Domestic Travel, International Travel, Office Expenses, and Budget Management – released to PEMS production for use on 4 July 2022.

- Phase 2 has an additional component to be delivered - Release 1 (R1) - *Expenditure Report* – TBC release
- For Phase 2, IPEA expected the following to be delivered within PEMS;
 - Expansion of the domestic travel expense system functions that are currently available to Parliamentarians and MOP(S) Act employees and also used by IPEA for the administration of those expenses.
 - Introduction of International Travel expense administration to allow for more visibility of travel plans as they are being finalised and online reimbursement of expenses.
 - Introduction of reporting capability and functions. This capability and functionality will enable monthly expenditure reporting and additional on-line reporting.
 - Introduction of new audit functionality which will allow automated audit processes and assist with quality assurance functions.
 - To date audit functionality has not been scoped for delivery and IPEA has pivoted to using other tools to perform this function.

PEMS governance / IPEA participation

- A PEMS Steering Committee and Project Board were established in early 2018.
- IPEA participates on both bodies at the CEO and senior executive level.
- Both governance bodies are chaired by Finance who also provide the Secretariat services.
- New governance arrangements are set to take place when Phase 2 (Travel, Office and Budget) hyper care ceases. Ongoing hyper care system support has been required to fix issues or defects in the PEMS system.

Financial

- IPEA's predicated savings for PEMS (\$1.3m) were calculated based on reductions in staffing within IPEA assuming the automation of manual activity.
- The costings estimated that IPEA's full time equivalent (FTE) staffing numbers will reduce by 13 in a staged approach commencing on 1 January 2020 through to the 2020-2021 Financial Year.

- IPEA was provided access to both the \$1.3 million in funding and 13 ASL to IPEA for 2021-2022 and 2022-2023 respectively due to the delay in benefits realisation of the PEMS system.
- IPEA continues to work with Finance to track benefits realisation and project schedule to map or raise issues or concerns as required with the project team and executive.
- IPEA has contributed \$5 million to the project to assist in the development of certain travel, budget and reporting specific components for the management of Parliamentary travel expenses.
- IPEA has also engaged additional specialist resources to ensure the development of the PEMS reporting solution will meet IPEA's legislated business requirements.

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The Mandarin 11/10/22 – web article - By Julian Bajkowski

<https://www.themandarin.com.au/202241-parliament-expenses-malfunction-made-politicians-double-dip/>

Parliament expenses-malfunction made politicians' double-dip

A \$38m project to finally to wean travel payments off paper through software proving rather troublesome and expensive. (Drobot Dean/Adobe)

A malfunction of the notoriously clunky Parliamentary Expenses Management System (PEMS) used to keep travel and accommodation perks for politicians in check accidentally paid tens of thousands of dollars into the accounts of elected representatives instead of travel agents and airlines.

The epic \$38 million build of the system, which started back in 2018, is now costing \$4 million a year to run but has had serious problems identifying the correct payees. Department of Finance documents released under Freedom of Information reveal an upgrade to the PEMS system, that went live in June, erroneously sent payments worth \$28,630 to “eight current and one former parliamentarian” instead of suppliers.

While the money was ultimately returned, the documents reveal the wrong payments to politicians were not discovered for a month, with corrective action taken on July 7. “Each affected Parliamentarian was contacted. Funds have been returned and payments correctly reprocessed to the suppliers,” the documents say. Finance is attempting to wean politicians off an archaic system of paper forms to claim generous travel allowances and move them to app-based and online solutions like those used in most corporates.

It's been a long haul, with the online system only officially going live on 4 July 2022. To make sure it gets used, Finance “deployed staff to parliament house to provide customised training and guidance.”

There's also remedial coaching for resistant members and their staff. “Support includes a dedicated help desk, face-to-screen training, digital learning products, and targeted communications.”

“Parliamentarians and their staff can complete office and travel claims online and, depending on their role, access budget reports,” the Finance documents state. “This is a significant step in moving from a paper-based system for parliamentary expenses to a fully digital system.”
That's when it works.

“While all likely processing and business scenarios were simulated in the testing of the system, the operation of the production system has identified unforeseen issues that require remediation,” the Finance documents said. “System issues have delayed travel claim payments to some parliamentarians and their staff,” the Finance documents said, adding “the development and build of PEMS proved to be more complex than expected.”

PARLIAMENTARY RETIREMENT BUDGET 2022-23

Subject/Issue

Recent Mandarin article by Julian Bajkowski on 25 October 2022 suggested that the budget for former politician travel had quadrupled in the 2022-23 Budget.

The article notes that:

‘Former politicians entitled to business class airfares have had funding for their travel quadrupled’

and

‘As for the fourfold increase in former politicians’ travel Budget, Finance confirmed that these were for flights for former prime ministers, cabinet secretaries and senate presidents and speakers of the house of representatives. The increase, we were told, came from an actuarial assessment that took the amount from \$152,000 to \$609,000.

Key points

- The *Parliamentary Retirement Travel Act 2002* only applies to travel by former Prime Ministers no longer in parliament and their surviving spouses/de facto partners. It doesn't apply to Cabinet Secretaries, Senate Presidents and Speakers of the House of Representatives.
- The quoted figures in the article compare the Estimated actual in 2021-22 (\$152,000) and the Budget estimate in 2022-23 (\$609,000). Refer to Special Appropriations table on page 113 of Budget Paper no 4.
- The Budget estimate for 2021-22 was actually \$599,000. The increase in the Budget estimate to \$609,000 in 2022-23 was an increase of 1.7% due to indexation. Refer to Appendix D, page 89 of IPEA 2021-22 annual report.

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Low hanging APS cuts a harder task than they look

By Julian Bajkowski
Tuesday October 25, 2022

The Public Service has come away intact after the first Budget. (Emma Bemrose/Private Media)

Former politicians entitled to business class airfares have had funding for their travel quadrupled, while public servants are yet to learn what new travel restrictions and cutbacks will be meted out to them over coming months.

That's the short, sharp and still rather opaque reality of more than \$22 billion in expenditure reductions booked into the Albanese government's first Budget, as treasurer Jim Chalmers and finance minister Katy Gallagher set about selling a more responsible and sustainable fiscal dream.

While there is plenty of detail from any number of low-hanging boondoggles and assorted pork products to trim, like \$1.7 billion apiece from the Regional Accelerator Program and the National Water Fund's appropriately named Hell's Gate Dam project, a lot of detail is still missing.

Take, for instance, the \$6.5 billion booked against "re-profiling of infrastructure projects to better align the investment with construction market conditions".

Or the \$3.6 billion in reduced spending in external labour, advertising, travel and legal expenses.

What we know is the Australian Public Service travel and credit card account is due back to market imminently and that travel is already well down and revering slowly.

But there's no headline figure for what's getting hacked out or whether public servants will be forced to take the Murray's bus to Sydney if Qantas can't meet a fare maximum threshold.

Similarly, the figure has been inked but the detail is missing on advertising, legal, contractor and consulting expenses, raising the unpalatable prospect that agencies could just be told to find the savings any way they can via some sort of blanket reduction should a voluntary sacrifice be unavailable.

This said, reducing legal expenses is fairly straightforward. Litigate less, cut your losses and don't drag every second social security, immigration and NDIS claim through the Administrative Appeals Tribunal.

Perhaps hire a few more Legislative drafters and put in place some scholarships to attract back talent gone to the coalition of the billing.

External labour reduction will be far harder, especially if private sector wages remain well elevated above the public sector because few contractors will take a pay cut for permanency when the premium is between 30% and 50%, especially if they already have a mortgage.

"The defining characteristic of this Budget is spending restraint," Treasurer Jim Chalmers said during lock-up, saying in his speech that "our fiscal strategy puts a premium on restraint."

The idea that restraint in itself attracts a higher value, as amusing as it is, says plenty about how the way forward for the APS will unfold.

But there is also a restraint on detail that can be scrutinised and might otherwise distract or trip up a government recasting the agenda by spooking various interest groups and stakeholders.

The APS has been firmly dealt back into the policy picture and its advice and counsel will be sought and listened to. The flip side of that bargain is that

agencies will now need to find ways of doing more with less, as the permanent headcount is gradually increased.

If there is a recession in Australia and high employment falls off a cliff, Chalmers and Gallagher will look like prophets. If the economy rebounds strongly, those targets for cuts may be sacrificed to the gods of Budget repair of needing more expenses to generate more revenue.

As for the fourfold increase in former politicians' travel Budget, Finance confirmed that these were for flights for former prime ministers, cabinet secretaries and senate presidents and speakers of the house of representatives.

The increase, we were told, came from an actuarial assessment that took the amount from \$152,000 to \$609,000. Travel was now returning to normal despite appearances over the previous year.

Herein lies Katy Gallagher and Jim Chalmers' challenge.

AUDIT & ASSURANCE

Subject/Issue

IPEA deals with concerns of misuse of parliamentarians' work expenses and their staff's travel related expenses in accordance with its protocol '*Dealing with Allegations of Misuse of Parliamentary Work Expenses*'.

Key points

- IPEA's powers to audit and report are contained in section 12 of the *Independent Parliamentary Expenses Authority Act 2017* (IPEA Act).
- 'Audit' carries its ordinary meaning of 'an official examination and verification of accounts and records'.
- IPEA's audit function is limited to matters, as defined in the IPEA Act, relating to:
 - 'MP work resources', and
 - 'MOPS travel resources'
- Day to day assurance activities include preliminary assessments, assurance reviews, post payment checks and audits.
- IPEA also has powers to gather information and recover payments.

If asked: Commenting Publicly

- IPEA operates at arms-length to Government and does not report on allegations that may be under consideration.
- To comment publicly on individual cases, including confirming or denying whether IPEA are considering them, could, in some cases, compromise IPEA's conduct of a review.
- In instances of potential fraud or other criminal conduct, IPEA may refer the matter to the Australian Federal Police.

If asked: Audit of Mr Andrew Laming

- The audit and ruling were published on IPEA's website on 29 March 2022.
- An internal review of the ruling was undertaken in July 2022, concluded on 26 July 2022, and all relevant documents are available on the FOI disclosure log, on IPEA's website [www.ipea.gov.au].
- A second internal review was finalised on 27 October 2022.
- There has been no change to the Audit Report or Ruling 01/2022.

If asked: Review of the IPEA Act and PBR Act

- The review of the IPEA Act 2017 and Parliamentary Business Resource Act 2018 is available on the Department of Finance website. IPEA is working closely with the Department of Finance to implement the relevant recommendations

If asked: How does IPEA deal with allegations of misuse?

- IPEA deals with possible misuse of parliamentary business resources independently from Government, and in accordance with its protocol '*Dealing with Allegations of Misuse of Parliamentary Work Expenses*'.
- The protocol (**Attachment A**) has been established by the Members of the Authority and is available on IPEA's website [www.ipea.gov.au]
- IPEA triages its approach – the first tier involves a preliminary assessment to establish if a parliamentary business resources has been used. The second tier, an assurance review, is a more rigorous and intensive examination of the use of parliamentary business resources. The final tier involves undertaking an audit.
- IPEA's approach is summarised in the Statutory Audit Function factsheet (**Attachment B**).
- Members of the Authority decide whether to publish a report of their decision(s) in relation to a matter.

If asked: Does IPEA have information-gathering powers?

- IPEA has information gathering powers contained in section 53 (Part 5) of the IPEA Act.
- IPEA can issue a **notice** requiring a person to produce particular information or documents, in circumstances where it has reason to believe that the information or documents are **relevant to its auditing and reporting functions**.

- However, consistent with s 58 of the IPEA Act, the recipient of the notice is *not* required to produce information or documents that are protected by parliamentary privilege
- IPEA has used its statutory information-gathering powers in eleven (11) instances. Five (5) times in 2018, once in 2019 and five (5) times in 2021.

If asked: Does IPEA access the APH system?

- IPEA will generally work with individual parliamentarians to source the relevant evidence required.
- In some instances this may extend to accessing the APH system – with the parliamentarian’s consent – to locate files or outlook invitations.

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ASSURANCE STATISTICS

Finalised Assurance Activities

Since establishment (1 April 2017 – CURRENT as at 25 October 2022)			
	Parliamentarians	Staff	TOTAL
Preliminary assessments	95	20	115
Assurance reviews	32	8	40
Audits	5	1	6
Total number of assurance activities (since establishment)			161

2022-2023 Financial Year			
	Parliamentarians	Staff	TOTAL
Preliminary assessments	1	0	1
Assurance reviews	4	1	5
Audits	0	0	0
Total number of assurance activities (2022-2023)			6

2021-2022 Financial Year			
	Parliamentarians	Staff	TOTAL
Preliminary assessments	15	2	17
Assurance reviews	12	4	16
Audits	1	0	1
Total number of assurance activities (2021-2022)			34

2020-2021 Financial Year			
	Parliamentarians	Staff	TOTAL
Preliminary assessments	17	6	23
Assurance reviews	7	2	9
Audits	0	0	0
Total number of assurance activities (2019-2020)			32

Post Payment Checks	
Financial Year	TOTAL
2022-2023	1,414
2021-2022	4,198
2020-2021	2,853
2019-2020	830
2018-2019	632
Total number of post payment checks	9,927

"Assurance activities" definition

- The assurance activities above are the different types of activities that may be conducted when a matter is assessed by IPEA.
- Multiple assurance activities may be conducted for one matter.
- An individual matter is an occurrence of work expense(s) use that indicates possible non-compliance with the Framework, and may include multiple parliamentarians/staff.
- Prior to 13 October 2020 a matter may have had a preliminary assessment or assurance review conducted, or both.
- From 13 October 2020 all matters have a preliminary assessment conducted prior to an assurance review being undertaken.

Background

The *Independent Parliamentary Expenses Authority Act 2017* (the IPEA Act) provides IPEA with the authority to audit, report and recover payments:

- paragraph 12(1)(i): the audit power
- section 53: a coercive information-gathering power for the purpose of conducting an audits and preparing or publishing reports.
- paragraph 12(1)(g): IPEA can prepare reports about matters relating to MP work resources and MOPS travel resources
- paragraph 12(1)(h): IPEA can publish reports prepared under paragraph (g) on IPEA's website.
- paragraph 12(1)(o): IPEA can recover certain overpayments and repayments on behalf of the Commonwealth

DATA, REPORTING AND CERTIFICATION

Subject/Issue

- The Independent Parliamentary Expenses Authority (IPEA) prepares and publishes current and former parliamentarians' expenditure reports and associated data.
- Parliamentarians are certifying that their expenses were within their legislative purpose. Primarily this means that the resources were used for the dominant purpose of parliamentary business.

Key points

Certification information

- At 21 October 2022, there are 4 current parliamentarians yet to certify their work expenses for the period 1 April to 30 June 2022, see Attachment A.
- At 21 October 2022, there are 8 current parliamentarians yet to certify their work expenses for the period 1 January to 31 March 2022, see Attachment A.

Expenditure Reports

- Expenditure reports include payments made and repayments received within that reporting period.
- On publication, the data in expenditure reports can be between two and six months old as:
 - report production can only begin once the reporting period has concluded
 - it takes between two and three months to compile, distribute, confirm/certify and publish expenditure reports.

Schedule

- IPEA publishes expenditure reports on a quarterly basis.
- The publication schedule for the second half of 2022 will be developed once PEMS reporting functionality is confirmed.

Reporting in PEMS

- PEMS is expected to enable more frequent reporting by:
 - reducing/removing the need for manual work
 - providing parliamentarians with online access to up to date information
 - automating reporting processes
 - reducing the number of IT systems required to produce reports.
- Timeframes for expenditure reporting in PEMS are being worked through with the Department of Finance.

Publication on data.gov.au

- From the reporting period 1 April to 30 June 2017, expenses data is available on data.gov.au in comma separated value (CSV) format.
- From the reporting period 1 January to 31 March 2019, certifications, office costs and adjustments data is available on data.gov.au in CSV format.
- The information published on data.gov.au is the same information publicly available on the IPEA website.

Background

Certification process

- Current and former parliamentarians (including surviving spouses or de facto partners of former prime ministers) with expenditure in the reporting period or a role in the reporting period are provided with preliminary copies of their expenditure reports.
- For current and former parliamentarians with expenditure in the period, the instructions provided with their preliminary report ask that work expenses are checked to ensure they are within the legislated purpose and then certified. Current and former parliamentarians are allocated around two weeks (outside of sitting periods) to review and certify their reports.

- For current and former parliamentarians with a role in the period and no expenditure, the preliminary report is provided for information only and does not require certification.¹
- IPEA contacts current and former parliamentarians who have not certified in the required timeframe at least twice before expenditure reports are published.
- The certification status for each current and former parliamentarian is published on the IPEA website at the same time as the expenditure reports are released.
- Certifications received after publication are updated on the IPEA website and data.gov.au as they are received.

Historical expenditure reporting changes

- Current and former parliamentarians' expenditure was previously reported every six months by the Department of Finance (Finance).
- IPEA worked with Finance to implement an IT system to support quarterly expenditure reporting.
- From the reporting period 1 January to 31 March 2017, current and former parliamentarians' expenditure is reported on a quarterly basis by IPEA.
- Reporting of international travel:
 - For parliamentarians and their accompanying spouses, expenses include commercial transport costs, accommodation, meals, official hospitality, travel and expense allowances, passports, equipment allowances, medical and other related international travel expenses.
 - Certain employee expenses are identified for each international trip. These expenses generally include commercial transport costs, travel and expense allowances, passports, equipment allowances and other related international travel expenses paid to, or on behalf of, the employee.
 - Other international travel expenses relating to employees, such as accommodation, meals (other than a meal allowance if provided), unscheduled commercial transport and related expenses cannot be attributed to individual employees due to limitations with the data

¹ This may occur where:

- a parliamentarian is new and has not yet incurred any expenditure in the period, or
- a post retirement traveller or a former prime minister has not incurred any expenditure in the period, or
- a surviving spouse or de facto partner of a former prime minister has not incurred any expenditure in the period.

provided to IPEA by third party suppliers. These expenses are included with the parliamentarian's international expenses for the trip.

- Reporting of domestic scheduled fares, unscheduled commercial transport, other car costs, family travel costs:
 - Where a trip has multiple legs of travel, the cost of the whole trip may be reported against the first leg of travel.
- From the period 1 April to 30 June 2018, signage costs for mobile electorate offices have been included under office facilities in expenditure reports.
- From the period 1 January to 31 March 2020, expenditure reports for special units of government have been published on the IPEA website.
- From the period 1 July to 30 September 2020, expenditure reports include party political affiliation (as at the compilation of the reports) for each parliamentarian.

Independent Parliamentary Expenses Review recommendations 25 and 28

- Recommendation 25 of the Independent Parliamentary Expenses Review February 2016 (the Review) states that:

The Government should publish:

- a) *Details of work expenses of parliamentarians and their staff; and*
- b) *A parliamentary expenses dataset on data.gov.au.*

The Government should do so quarterly, pending implementation by the Department of Finance of an integrated digital system proposed in recommendation 30, and from then on monthly.

- Recommendation 28 of the Review states that:

The Government should:

- a) *Amend the reporting regime so that required expenditure on the establishment, relocation and refurbishment of offices appears as Commonwealth expenditure administered by the Department of Finance, not in the expenditure reports of individual parliamentarians.*

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Attachment A – Current parliamentarians yet to certify

1 April to 30 June 2022

Parliamentarian	Party
Ms Zaneta Mascarenhas MP	Australian Labor Party
Hon Emma McBride MP	Australian Labor Party
Ms Joanne Ryan MP	Australian Labor Party
Hon Bob Katter MP	Independent

1 January to 31 March 2022

Parliamentarian	Party
Hon Ed Husic MP	Australian Labor Party
Hon Catherine King MP	Australian Labor Party
Hon Bob Katter MP	Independent
Hon Alex Hawke MP	Liberal Party of Australia
Senator the Hon Sarah Henderson	Liberal Party of Australia
Mrs Melissa McIntosh MP	Liberal Party of Australia
Mr Phillip Thompson OAM, MP	Liberal Party of Australia
Hon Mark Coulton MP	The Nationals

IPEA TRAVEL ADMINISTRATION

Subject/Issue

The Independent Parliamentary Expenses Authority (IPEA) administers travel and provides travel related advice to support parliamentarians and their staff in the conduct of parliamentary duties.

Key facts and figures

Travel Claim Administration

- In the 2022-23 Financial Year, as at 30 September 2022, IPEA processed 20,021 transactions, with a value of \$10,264,947, comprising:
 - 1,551 TA claims for parliamentarians at a value of \$1,536,789
 - 3,874 TA claims for staff at a value of \$2,929,991
 - 230 claims for international travel expenses at a value of \$628,678
 - 8,027 fare tickets at a value of \$4,725,641
 - 6,290 taxi and car transport claims at a value of \$335,497
 - 49 Unscheduled Commercial Transport claims at a value of \$108,350.
- IPEA may not meet its Travel Administration Service Level Standards (SLS) for processing travel allowance and expense claims for some of the July 2022 to September 2022 period due to system issues following release of the new Parliamentary Expenses Management System (PEMS).

Travel Advice

- 4,755 incoming client contacts¹ were logged to IPEA between 1 July 2022 and 30 September 2022, comprising:
 - staff travel equated to 41% (47% of these for travel allowance)
 - parliamentarian travel equated to 19% (20% of these for travel allowance)
 - PEMS enquiries equated to 26% of contacts
 - other enquiries equated to 14% of contacts.
- Between 1 July 2022 and 30 September 2022:
 - Client contacts logged averaged of 72 per day
 - Client contacts closure rate was 94% (at end of call)

¹ a single client contact may relate to multiple calls and emails

- Logged phone calls received by IPEA's Advice desk was 2,628 (an average of 40 per day).
- Between 1 July 2022 and 30 September 2022, IPEA met its Travel Advice SLS:
 - 98% of advice calls acknowledged within 1 working day against our 95% SLS
 - 98% of advice requests resolved within 2 working days against our 95% SLS
 - 94% of client survey respondents were satisfied or very-satisfied with IPEA advice (IPEA Customer Satisfaction Survey 2021).

Family Reunion Travel

- Parliamentarians are provided with capped Family Reunion Travel to reunite with their family members when separated due to the parliamentarians' conduct of their parliamentary business. The caps are based on the location of the parliamentarian and family composition.
- Between 1 July 2022 and 30 September 2022 there have been 517 family reunion tickets at a value of \$325,856.

International Travel

- Between 1 July 2022 and 30 September 2022, IPEA has assisted with forty two (42) international trips.

Key points

- Travel administration is a legislated function of IPEA.
- IPEA provides personal advice to parliamentarians and their staff on travel related expenses and allowances.
- IPEA responds to phone and email enquiries within published Service Level Standards. Responses are provided during standard business hours – Monday to Friday, 9am to 5pm, Canberra Time.

Background

Travel Administration data for the 2021-2022 financial year is as per below:

- In the 2021-22 financial year, IPEA processed 68,928 transactions, with a value of \$31,275,603 comprising:
 - 5,161 TA claims for parliamentarians at a value of \$5,114,725
 - 16,181 TA claims for staff at a value of \$12,166,996
 - 1,075 claims for international travel expenses at a value of \$1,375,060
 - 21,872 fare tickets at a value of \$10,328,116
 - 23,586 taxi and car transport claims at a value of \$1,219,184
 - 1,053 Unscheduled Commercial Transport claims at a value of \$1,071,521.
- IPEA met its Travel Administration Service Level Standards (SLS) processing travel allowance and expense claims throughout the 2021-2022 financial year:
 - 97% (on average) processing travel claims against the SLS of 95% in seven business days.
 - 97% (on average) travel claims processed against the SLS of 90% degree of accuracy.
 - 3 days (on average) to request additional travel claim information against the SLS of 4 days.

Travel Advice

- 7,274 incoming client contacts² were logged between 1 July 2021 and 30 June 2022, comprising:
 - staff travel – 51% (59% of these for travel allowance)
 - parliamentarian travel – 21% (42% of these for travel allowance)
 - PEMS enquiries equated to 3%
 - other enquiries equated to 25%.
- Between 1 July 2021 and 30 June 2022:
 - Client contacts logged – average of 28 per day
 - Client contacts closure rate – 99%
 - Logged phone calls received by IPEA's Advice desk – 4,045 (average 23 per day).
- IPEA met its Travel Advice SLS throughout the 2021-2022 financial year:
 - 99% of advice calls acknowledged within 1 working day against our 95% SLS
 - 99% of advice requests resolved within 2 working days against our 95% SLS
 - 94% of client survey respondents were at satisfied or highly satisfied with IPEA advice—IPEA Customer Satisfaction Survey 2021.

² a single client contact may relate to multiple calls and emails

Family Reunion Travel

- Between 1 July 2021 and 30 June 2022 there have been 785 family reunion tickets at a value of \$372,815.

International Travel

- Between 1 July 2021 and 30 June 2022, IPEA assisted with the forty eight (48) international trips.

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Consultation: Nil
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IPEA EDUCATION

Subject/Issue

IPEA conducts a range of education activities to inform and support parliamentarians and their staff in their use of travel resources related to their parliamentary business.

Key facts and figures

Between 12 March 2022 and 14 October 2022, IPEA have:

- delivered 37 education sessions
- delivered 47 new parliamentarian education sessions
- educated 157 clients within 125 parliamentarian's offices
- received an average satisfaction rating of 4.75 out of 5 (95%) for the face to face education sessions.

Key points

- Since last Estimates, IPEA has provided education to staff in the offices of 125 parliamentarians and conducted 84 education sessions including:
 - 1 Office Manager training sessions
 - 1 Election travel discussions
 - 47 New parliamentarian education sessions
 - 29 General education sessions
 - 1 Electorate office visit
 - 5 PEMS training sessions.
- Parliamentarians and their staff have noted their appreciation for the continuation of education sessions both virtually and in person.
- IPEA released a suite of Step-by-Step PEMS Guides in October 2022 to assist users with claiming travel expenses and viewing budgets. The new guides are available on the IPEA website and are provided in both video and PDF formats.
- IPEA opened registrations to parliamentarians and their staff for virtual and face-to-face education sessions in the week ending 14 October 2022.

These sessions are scheduled for delivery between 20 October 2022 and 17 November 2022 including:

- 4 Virtual education sessions
- Face-to-face education sessions in all capital cities across Australia
- Electorate office visits as requested by registration.

Background

IPEA delivered education sessions to a range of clients, including Office Managers, Advisers and Office staff as well as to new and retiring parliamentarians.

The education sessions cover the Parliamentary Business Resources framework, staff travel, travel advice and administration, assurance, audit and reporting, and PEMS.

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HIGH LEVEL TRAVEL COSTS DURING CARETAKER AND ELECTION PERIOD INCLUDING LOCATIONS AND MOVEMENTS

Subject/Issue

IPEA supported parliamentarians and their staff with their travel during the election period.

Key facts and figures

- There is no specific reference to ‘election travel’ under the Parliamentary Business Resources (PBR) framework or the Staff Travel Determination.
- Under the PBR framework, travel is claimable by a parliamentarian if it is undertaken for the dominant purpose of conducting their parliamentary business.
- Travel by parliamentarians to meet constituents or prepare and discuss election policies, along with numerous other duties during an election period would meet the definition of parliamentary business.
- An overview of travel costs paid by IPEA during the period 3 April 2022 to 23 May 2022, including a breakdown of the top ten destinations travelled to, is provided below.

Parliamentarian travel

	Apr-22		May-22		Grand Total	
	Count	\$ 000	Count	\$ 000	Count	\$ 000
Domestic fares	480	295,493	499	268,782	979	564,274
Travel Allowance	358	262,408	468	245,117	826	507,525
Travel Expenses	121	5,156	60	4,464	181	9,620
Unscheduled Commercial Transport	62	15,223	136	107,162	198	122,385
	1,021	578,280	1,163	625,525	2,184	1,203,804

Staff travel

Staff	Apr-22		May-22		Grand Total	
	Count	\$ 000	Count	\$ 000	Count	\$ 000
Domestic fares	1,523	734,323	1,490	618,732	3,013	1,353,055
Travel Allowance	2,125	1,214,849	4,012	2,297,438	6,137	3,512,287
Car Transport	3,421	141,532	1,299	123,738	4,720	265,270
	7,069	2,090,704	6,801	3,039,908	13,870	5,130,612

Top ten locations travelled to by parliamentarians during election period

Destination*	Count
Canberra	160
Sydney	76
Brisbane	69
Melbourne	54
Perth	54
Launceston	26
Cairns	18
Darwin	18
Hobart	17
Adelaide	15
	507

*based on the arrival location listed in Travel Allowance claims processed by IPEA during the election period.

Top ten locations travelled to by staff during election period

Destination*	Count
Brisbane	599
Canberra	505
Sydney	496
Melbourne	293
Perth	289
Adelaide	109
Launceston	103
Gold Coast	84
Darwin	80
Hobart	68
	2626

*based on the arrival location listed in Travel Allowance claims processed by IPEA during the election period.

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Consultation: Nil
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OVERVIEW OF TRAVEL COSTS FOR LAST 5 YEARS BY CATEGORY FOR WHOLE OF PARLIAMENT (HIGH LEVEL: FLIGHTS, TA, ACCOMMODATION ETC)

Subject/Issue

The Independent Parliamentary Expenses Authority (IPEA) administers travel claims and expenses for parliamentarians and their staff.

Key facts and figures

- Administration of travel for parliamentarians and their staff is a legislated function of IPEA.
- Travel allowances and expenses over the last five years (September 2017 to September 2022) are listed in the tables below.

Parliamentarian travel costs (\$ millions)

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Grand total
Domestic fares	\$9.063	\$10.945	\$6.699	\$3.961	\$4.101	\$2.109	\$36.878
Travel Allowance*	\$5.259	\$6.100	\$6.347	\$6.509	\$5.115	\$1.545	\$30.875
Car Transport**	\$0.084	\$0.052	\$0.027	\$0.019	\$0.021	\$0.020	\$0.222
Unscheduled Commercial Transport	\$0.839	\$2.262	\$1.015	\$1.195	\$1.116	\$0.203	\$6.630
International travel***	\$3.690	\$2.886	\$2.360	\$0.052	\$1.048	\$0.253	\$10.288

*includes motor vehicle allowance

**includes car parking

***includes airfares, accommodation and meals, ground transport, medical costs, official hospitality, passports, international travel allowance and other related international expenses.

Staff travel costs (\$ millions)

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Grand total
Domestic fares	\$11.881	\$14.974	\$8.701	\$5.016	\$5.822	\$2.711	\$49.107
Travel allowance*	\$11.469	\$16.314	\$13.005	\$12.911	\$12.126	\$2.941	\$68.766
Car Transport**	\$1.838	\$2.782	\$1.796	\$1.020	\$1.139	\$0.371	\$8.945
International travel	\$2.273	\$1.788	\$1.267	\$0.038	\$0.354	\$0.113	\$5.834

*includes motor vehicle allowance

**includes car parking

***includes airfares, accommodation and meals, ground transport, medical costs, official hospitality, passports, international travel allowance and other related international expenses.

Family travel costs (\$ millions)

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Grand total
Domestic travel*	\$0.569	\$1.089	\$0.697	\$0.238	\$0.393	\$0.348	\$3.334
International travel**	\$0.043	\$0.020	\$0.008	\$0	\$0	\$0	\$0.071

*includes airfares, car transport and private vehicle allowance

**includes airfares, medical costs (where applicable) and passports

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 Consultation: Nil
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IPEA ASSURANCE MEASURES FOR WORK EXPENSES

Subject/Issue

IPEA's Audit & Assurance section has responsibility for the following functions:

- Monitoring the travel expenses and travel allowances of parliamentarians and MOP(S) Act staff
- Conducting audits relating to:
 - all work expenses, travel expenses and travel allowances claimed by parliamentarians
 - travel expenses and travel allowances claimed by MOP(S) Act staff.

Key points

- IPEA's multi-layered approach to assurance takes into account the different types of parliamentary business resources being accessed, and the need for public accountability.
- This multi-layered approaches to assurance is outlined in IPEA's Statutory Audit Function Factsheet, which is publicly available on our website (www.ipea.gov.au)
- Under this multi-layered approach IPEA regularly conducts Preliminary Assessments and Assurance Reviews of parliamentary business resources (resources), including parliamentarians' work expenses and the travel expenses of their staff.
- IPEA undertakes the following key assurance functions:
 - the post-payment check function
 - the assurance activities function, including an annual assurance plan
 - the fulfilment of the 3 year rolling IPEA Assurance Plan for 2021-2024

Background

- IPEA's assurance activities and post-payment checks cover a range of expenses such as:
 - business class travel
 - short term self-drive hire cars
 - accommodation receipts
 - travel to desirable destinations
 - accompanying family
 - travel adjacent to public/school holidays.

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