

IPEA BUDGET

Subject/Issue

IPEA – departmental and administered budget funding.

Key facts and figures

- There have only been indexation updates to funding for IPEA in the October 2022-23 Portfolio Budget Statements (PBS).
- Total **departmental appropriation** in the October 2022-23 PBS for 2022-23 is \$10.123 million.
 - IPEA received funding of \$1.3 million per annum for 2021-22 and 2022-23 to restore funding that had previously been harvested as part of the benefits realisations for the Parliamentary Expense Management System (PEMS). The return of the funding for 2021-22 and 2022-23 reflects the delay in the expected implementation of PEMS, which went live in July 2022.
 - The appropriation reduction in 2023-24 onwards of approximately \$1.3 million per annum reflects the anticipated savings to be delivered following the completion of PEMS.
- IPEA's **departmental budgeted ASL** in the 2022-23 PBS is 65.
- Total **administered appropriation** in the 2022-23 PBS for 2022-23 is \$84.056 million.
 - For 2019-20, 2020-21 and 2021-22 financial years, the amount of travel expenditure for parliamentarians and MOP(S) staff has dropped significantly due to reduced travel as a result of the COVID-19 pandemic.

Background

Departmental Appropriation over the forward estimates is:

	Actual 2021-22 \$m	Budget 2022-23 \$m	FE1 2023-24 \$m	FE2 2024-25 \$m	FE3 2025-26 \$m
Departmental Appropriation	9.488	10.123	9.088	9.193	9.274

Administered Appropriation and Special Appropriations over the forward estimates is:

	Actual 2021-22 \$m	Budget 2022-23 \$m	FE1 2023-24 \$m	FE2 2024-25 \$m	FE3 2025-26 \$m
Administered Appropriation Bill 1	22.465	39.795	41.004	41.782	42.494
Special Approp – <i>Parliamentary Business Resources Act 2017</i>	11.826	33.473	34.510	35.167	35.762
Special Approp – <i>Parliamentary Retirement Travel Act 2002</i>	(0.717)	0.609	0.629	0.640	0.652
Total Administered Appropriation	33.574	73.877	76.143	77.589	78.908

- The Special Appropriation – *Parliamentary Business Resources Act 2017* came in effect on 1 January 2018 to support the *Parliamentary Business Resources Regulations 2017* (PBR Regulations).
- From 1 January 2018, management of travel expenditure relating to the *Parliamentary Retirement Travel Act 2002* transferred to IPEA.

Date: 06 February 2023
Group/Branch: Corporate Governance and Strategy
Cleared by a/g Branch Manager: § 22(1)
Contact Officer: § 22(1)
Telephone No: § 22(1)

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 \$64,601 as at 31 December 2022. This incorporated 74 separate debtors.
- 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.
- 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 31 December 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 2 former MOPS staff and 2 former parliamentarians.
- The 2 former parliamentarian debts relate to § 47F(1) [REDACTED] and § 47F(1) [REDACTED].

Date: 5 February 2023

Group/Branch: Corporate, Governance and Strategy

Cleared by Branch Manager: Michael Frost

Contact Officer: § 22(1) [REDACTED]

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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.
- November 2022 Senate Estimates, and on behalf of Minister Farrell, Minister Ayres announced they:
 - have authorised postponement of parliamentarian quarterly reports until the second half of 2023.
 - will write to the ANAO and suggest that the project be subject of an audit or review.
 - will write to parliamentarians with an update on PEMS.

If asked about current system performance

- IPEA continue to work collaboratively with Finance to report incidents and support the resolution of system issues.
- It is important to IPEA that the performance of the system meets all stakeholder expectations and that IPEA is able to meet its legislated obligations.
- IPEA as a senior user of PEMS engage regularly with the Department of Finance to deliver its outcomes and improvements where identified.

Previous PEMS questions:

- November 2022 Estimates
 - Question from Senator SHELDON: *“Looking at the \$5 million, what has been achieved with the resources IPEA has contributed? What do you feel the \$5 million has achieved?”*
 - IPEA took the question on notice. IPEA’s response is at **Attachment A.**
- 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.

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.

Date:	1 February 2023
Group/Branch:	Corporate, Governance and Strategy
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Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2022-23

Finance Portfolio
7-8 November 2022

Department/Agency: Independent Parliamentary Expenses Authority
Outcome/Program: Outcome 3/3.1 Ministerial and Parliamentary Services
Topic: Resourcing costs

Senator: Tony Sheldon

Question reference number: F042

Type of question: Hansard Proof, 08 November 2022, F&PA Committee, page 29

Date set by the committee for the return of answer: 16 December 2022

Number of pages: 6

Question:

Senator SHELDON: Looking at the \$5 million, what has been achieved with the resources IPEA has contributed? What do you feel the \$5 million has achieved?

Mr Frost: I think it would be difficult to quantify. We didn't slate it to anything in particular other than a contribution to the overall project itself. A decision was made at the time by the IPEA members and the executive to make that contribution. As I said previously, we are consumers of a significant part of the PEMS system in terms of the travel related expenses reporting and the budgets, so we made that contribution.

Senator SHELDON: What were the additional resources? Are there any additional resources that IPEA have also contributed to this project?

Mr Frost: Over the course of the five years, we've engaged staff to do different roles with PEMS. Some staff do additional testing, some have an ICT level of expertise to help us to navigate in that engagement with the Department of Finance and service delivery office. I'm not an ICT expert myself, so it's nice to have some people that have that level of expertise sitting around us to give us that guidance and work with the Department of Finance. I couldn't put a figure on what we have paid for staff and the additional stuff that we've done, but it's very small in comparison.

Senator SHELDON: There's no estimation of the figure?

Mr Frost: I could take that on notice and try to get one for you.

Answer:

IPEA has engaged additional resources totalling \$2,140,597 for the Parliamentary Expenses Management System (PEMS) Project over the life of the project (up to 17 November 2022).

In the current and previous financial years, IPEA provided funding of \$780,528 (GST inclusive) on a cost recovery basis through MOUs with the Department of Finance and the Service Delivery Office (SDO) to retain and engage specific PEMS reporting resources.

IPEA engaged additional resources to assist the Authority in engaging with the Department of Finance and the SDO in regards to the PEMS project. Over the life of the project (up to 17 November 2022) these additional resources have cost \$1,360,069 (GST inclusive).

Date sent to MO	25/11/2022
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Consultation:	Nil
QoN Reference Number:	F042
PDR Number:	SQ22-000119

Agreed / Please Resubmit

Date / /

AUDIT & ASSURANCE

Subject/Issue

IPEA deals with concerns of misuse of parliamentarians' work expenses and the travel related expenses of their staff, in accordance with IPEA's 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 if IPEA is considering a matter, 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 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 section 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.

Date: 1 February 2023
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ASSURANCE STATISTICS

Finalised Assurance Activities

Since establishment (1 April 2017 – CURRENT as at 31 January 2023)			
	Parliamentarians	Staff	TOTAL
Preliminary assessments	101	21	122
Assurance reviews	36	8	44
Audits	5	1	6
Total number of assurance activities (since establishment)			172

2022-2023 Financial Year			
	Parliamentarians	Staff	TOTAL
Preliminary assessments	7	1	8
Assurance reviews	8	1	9
Audits	0	0	0
Total number of assurance activities (2022-2023)			17

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	1,861
2021-2022	4,198
2020-2021	2,853
2019-2020	830
2018-2019	632
Total number of post payment checks	10,374

"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* confers on IPEA 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 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.



Australian Government
Independent Parliamentary
Expenses Authority

Protocol—Dealing with Allegations of Misuse of Parliamentary Work Expenses

The Independent Parliamentary Expenses Authority (IPEA) was established to provide greater accountability and transparency of the Parliamentary Work Expenses Framework (the Framework). IPEA provides assurance that parliamentarians' work resources and *Members of Parliament (Staff) Act 1984* (MOP(S) Act) employees' travel resources are spent in compliance with the Framework.

IPEA deals with possible misuse of work or travel resources at arm's length from Government. The *Independent Parliamentary Expenses Authority Act 2017* (IPEA Act) provides legislative powers for the auditing and reporting of parliamentarians' work and travel resources and MOP(S) Act travel resources.

When IPEA becomes aware of information that indicates possible non-compliance with the Framework, IPEA may conduct a preliminary assessment. The assessment scrutinises the use of the work or travel resource and determines if a parliamentary business resource has been used.

Possible misuse

In the event of possible misuse, IPEA decides whether to undertake an assurance review or audit of the matter. IPEA does not undertake assurance reviews or audits at the request of parliamentarians or MOP(S) Act employees.

- Under the IPEA Act, IPEA may audit any parliamentarian's work or travel resource or MOP(S) Act travel resource as it considers appropriate.
- IPEA may conduct an assurance review where a preliminary assessment indicates that a Commonwealth resource was used for a parliamentarian's work expense or MOP(S) Act employee's travel expense.
- IPEA may conduct an audit where there are allegations of systemic or substantial misuse of work expenses or where there is an educative benefit.
- An audit may also be a systematic and comprehensive examination of the use by all parliamentarians and/or MOP(S) Act employees of a specific category of work expense.
- The Members of the Authority or the Chief Executive Officer may issue a notice requiring a person to provide information that is relevant to an audit by IPEA, as provided for under Part 5 of the IPEA Act. Criminal penalties apply for failure to comply with a notice, or for providing false or misleading information.
- In the event of an audit, the parliamentarian or MOP(S) Act employee is accorded procedural fairness to provide comment on any findings.

Members of the Authority decide whether a matter is referred to the Australian Federal Police (AFP)

- The Minister responsible for the AFP and the Minister responsible for the Framework are notified of a referral to the AFP.

Publication of audits

- Members of the Authority decide whether, or not, to publish their decision(s).

As approved by the Members of the Authority: October 2020

FACT SHEET – STATUTORY AUDIT FUNCTION

October 2020

IPEA audits parliamentarians' work expenses and the travel expenses of their staff under section 12 of the [Independent Parliamentary Expenses Authority Act 2017](#) (IPEA Act). IPEA may make a ruling in relation to travel expenses and allowances under section 37 of the [Parliamentary Business Resources Act 2017](#) (PBR Act).

Preliminary Assessment

A Preliminary Assessment is generally confidential and establishes if further review is necessary.

A Preliminary Assessment is conducted where use of work expense(s) (for example, identified through direct contact, third party reporting or media) indicates a matter requires review.

Preliminary Assessments review information held or accessible by IPEA to determine the threshold question of:

- Has a parliamentary business resource been used?

If the answer is YES, an Assurance Review follows.

Potential pathways:

1. No further action
2. Referral to more appropriate agency
3. Assurance Review

Assurance Review

An Assurance Review determines if there has been a misuse of a parliamentary business resource.

IPEA assesses the use of the parliamentary business resource against the legislative framework to determine:

- Was there misuse?

If the answer is YES, IPEA considers if an Audit, referral or administrative action is appropriate.

An Audit is considered when:

- There is evidence for, or allegations of, systemic or substantial misuse
- IPEA's statutory information-gathering powers may be required to obtain all the required information
- There may be an educative benefit in publishing IPEA's findings.

Referral to the AFP is considered when there is evidence of serious fraud or other criminal conduct.

Potential pathways:

1. No further action
2. Administrative remedial action, including penalty
3. An IPEA initiated Ruling or Audit
4. Referral to the AFP

Audit

An Audit may commence for two main reasons:

1. As the outcome of an Assurance Review
2. As a systematic and comprehensive examination of the use of a specific category of a parliamentary business resource against the legislative framework, potentially by all parliamentarians and/or MOP(S) Act employees.

Where an Audit results from an Assurance Review, the Macquarie Dictionary definitions of these terms are considered:

- Substantial: "of ample or considerable amount, quantity, size etc."
- Systemic: "affecting an organisation, network ... etc as a whole"

Where an educational purpose or benefit is identified, part or all of the Audit may be published. The decision to publish is made on a case-by-case basis.

Potential pathways:

1. No further action
2. Administrative remedial action, including penalty
3. An IPEA initiated Ruling or Audit
4. Referral to the AFP

Post-Payment Checks

Post-Payment Checks are ongoing systematic testing of expense use through regular sampling of transactions. This covers a range of expenses such as:

- business class travel
- short term self-drive hire cars
- accommodation receipts
- desirable destinations
- accompanying family
- travel adjacent to public/school holidays.

Referring to the Australian Federal Police

IPEA may refer a matter to the AFP at any point during the Assessment, Review or Audit process, where compelling prima facie evidence of fraud or other criminal conduct is identified.

Making a Ruling

Rulings are made and finalised by the Members, including where they are, requested by a parliamentarian, recommended by an Assurance Review or Audit.



DATA, REPORTING AND CERTIFICATION

Subject/Issue

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

Key points

Certification information

- At 2 February 2023, there are 4 current parliamentarians yet to certify their work expenses for the period 1 April to 30 June 2022, see [Attachment A](#).
- At 2 February 2023, 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 (pre PEMS)

- 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.

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
- PEMS expenditure reporting functionality is being developed by the Department of Finance (Finance). IPEA is working closely with Finance to ensure PEMS expenditure reports are fit for purpose.
- Expenditure reports have been put on hold until the second half of 2023 pending the delivery of the PEMS reporting functionality.

Schedule

- IPEA publishes expenditure reports on a quarterly basis.
- The latest set of published expenditure reports is for the April to June 2022 period.
- From 1 July 2022 expenditure reports will be prepared using PEMS.
- The publication schedule for expenditure reports from the July to September 2022 period will be developed once the PEMS reporting functionality is confirmed.

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 (pre PEMS)

- 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.

a) Finance, not in the expenditure reports of individual parliamentarians.

Date: 2 February 2023
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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.

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

**IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE IPEA AND PBR
ACTS REVIEW**

Subject/Issue

Review of the Independent Parliamentary Expenses Authority and Parliamentary Business Resources Acts.

Key facts and figures

- The Review of the *Independent Parliamentary Expenses Authority Act 2017* and *Parliamentary Business Resources Act 2017* was tabled on 2 August 2022 and is available on the Department of Finance website.
- The Government supports all the recommendations in principle and will work with relevant entities on implementation.
- IPEA will work closely with the Department of Finance to implement relevant recommendations as details are confirmed.

Background

Section 62 of the *Independent Parliamentary Expenses Authority Act 2017* sets out the requirements for a review of the Act as soon as practicable after the end of 3 years of the act operating.

The former Minister for Finance issued a media release on 9 September 2021 announcing the independent review of the *Parliamentary Business Resources Act 2017* and the *Independent Parliamentary Expenses Authority Act 2017* would be combined into a single review. The review was conducted by former Ministers the Hon Kelly O'Dwyer and the Hon Kate Ellis

While IPEA performs functions defined by the *Independent Parliamentary Expenses Authority Act 2017*, the Department of Finance is the owner of the legislation. Questions about the Independent Parliamentary Expenses Authority legislation are therefore, questions for the Department of Finance.

Supporting information

Questions on Notice

- No QoNS asked

Freedom of Information (FOI) Requests

- No FOIs asked

Recent Ministerial Comments

- Media Release on 2 August 2022 by Senator The Hon Don Farrell, Special Minister of State, Minister for Trade and Tourism, Deputy Leader of the Government in the Senate - Independent Review: Parliamentary Business Resources Act 2017 and Independent Parliamentary Expenses Authority Act 2017.

Relevant Media Reporting

- Nil

Date: 31 January 2023
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Consultation: NIL
PDR Number: SB23-000020
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PEMS GENERAL IMPLEMENTATION OF TRAVEL RELATED FUNCTIONS**Subject/Issue**

The Independent Parliamentary Expenses Authority (IPEA) Parliamentary Expenses Management System (PEMS) experience.

Key facts and figures

- PEMS functionality relating to office expenses, travel allowances and travel expenses, budget management and reporting capability was delivered on 4 July 2022.
- IPEA continues to work with the Department of Finance to resolve ongoing system issues experienced by PEMS users.
- PEMS Expenditure Report functionality will be delivered in the second half of 2023.

Key points

- The Department of Finance (Finance) is the lead agency for the delivery of PEMS.
- User experience is a priority area of IPEA's successful delivery and support of its legislated functions.
- IPEA staffing includes dedicated resources to deliver travel claim support through the advice team and internal escalation pathways for PEMS technical support.
- IPEA continues to deliver PEMS user training and advice nationwide via virtual and face-to face sessions to accommodate the learning needs of users adopting new functionality.

Background

On 4 August 2022, PEMS functionality relating to office expenses, travel allowances and travel expenses (domestic and international), budget management and reporting capability was delivered. The expenditure reporting module was delayed.

Due to the implementation of the new system, there have been significant impacts and challenges to IPEA's ability to deliver services to parliamentarians and staff at the level both expected and required.

To mitigate and minimise impacts to clients, IPEA has recruited and trained additional staff, worked additional hours to meet service level standards and also focussed on providing education and training on the new system.

Supporting information

Questions on Notice

- F041 Finance Advice to IPEA (SQ22-000118)
- F042 Resourcing Costs (SQ22-000119)
- F043 Briefing previous SMOS (SQ22-000120)

Freedom of Information (FOI) Requests

- NIL

Recent Ministerial Comments

On Tuesday 8 November 2022 Senate Estimates, Assistant Minister Ayres, on behalf of the SMOS, Minister Farrell announced they:

- have authorised postponement of parliamentarian quarterly reports until the second half of 2023.
- will write to the ANAO and suggest that the project be subject of an audit or review.
- will write to parliamentarians with an update on PEMS.

Relevant Media Reporting

- The Mandarin 11/10/22 – web article - By Julian Bajkowski
<https://www.themandarin.com.au/202241-parliament-expenses-malfunction-made-politicians-double-dip/>
- The Mandarin 08/11/22 – web article - By Julian Bajkowski
<https://www.themandarin.com.au/204833-from-choppergate-to-disastergate-troubled-pems-expenses-system-blowout-doubles-to-69-million/>

Date: 31 January 2023
Cleared by (SES): Annwyn Godwin
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Group/Branch: IPEA – Corporate, Governance and Strategy Branch
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Consultation: Nil
PDR Number: SB23-000021
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PEMS EXPENDITURE REPORT STATUS**Subject/Issue**

The Parliamentary Expenses Management System (PEMS) expenditure report functionality is still being built.

Key facts and figures

- At the November 2022 Senate Estimates, a postponement of public reporting until the second half of 2023 was announced.
- The last published reports cover the period April to June 2022 and were published by IPEA on 6 October 2022.

Key points

- Department of Finance (Finance) is responsible for delivery of the PEMS project including the PEMS expenditure report functionality.
- IPEA is working closely with Finance on the PEMS expenditure report functionality.
- Expenditure reports from July 2022 rely on data from the PEMS system and therefore the reports will not be able to be created until the PEMS expenditure report functionality is available.
- Once the PEMS expenditure report functionality is available, parliamentarians will be asked to review and certify their reports on a rolling schedule.
- It is anticipated Parliamentarians will be given around 2 weeks to review each expenditure report with approximately one week in between.
- IPEA expects the rolling schedule for expenditure reporting to be completed by the middle of 2024.

Background

The *Independent Parliamentary Expenses Authority Act 2017* provides IPEA with the authority to prepare and publish reports:

- paragraph 12(1)(e)(f)(g)(h): IPEA can prepare and publish reports about matters relating to MP work resources and MOPS travel resources.

At the November 2022 Senate Estimates, Senator the Hon. Tim Ayres, in his opening statement, advised of delays with the PEMS system that prevented expenditure reports being created and populated. Senator Ayres also advised that the Special Minister of State had authorised a postponement of expenditure reports until the second half of 2023.

Supporting information

Questions on Notice

No QoNs asked

Freedom of Information (FOI) Requests

No FOIs asked

Recent Ministerial Comments

Nil

Relevant Media Reporting

- <https://www.theguardian.com/australia-news/2023/jan/13/public-left-in-the-dark-on-federal-mps-use-of-taxpayer-funded-vip-jets> (13 January 2023)
- <https://www.canberratimes.com.au/story/7972394/controversial-politicians-expense-system-suspended-after-blowout/> (8 November 2022)
- <https://www.themandarin.com.au/204833-from-choppergate-to-disastergate-troubled-pems-expenses-system-blowout-doubles-to-69-million/> (8 November 2022)
- <https://www.themandarin.com.au/202241-parliament-expenses-malfunction-made-politicians-double-dip/> (11 October 2022)
- <https://www.itnews.com.au/news/delayed-mp-expenses-it-system-25-percent-over-budget-562801> (31 March 2021)

Date: 19 January 2023
Cleared by (SES): Nicole Pearson
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Group/Branch: IPEA - Transparency, Assurance and Legal Branch
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Consultation: Nil
PDR Number: SB23-000023
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FUNCTIONS OVERVIEW – TRAVEL ADMINISTRATION, ASSURANCE AND EDUCATION

Subject/Issue

The Independent Parliamentary Expenses Authority (IPEA) is a statutory authority responsible for administering travel for parliamentarians and their staff, and advisory, reporting and auditing responsibilities for their work expenses.

Key facts and figures

- IPEA was established under the *Independent Parliamentary Expenses Authority Act 2017* (IPEA Act) and undertakes its activities at arms-length from government. IPEA undertakes its functions in accordance with the requirements of the *Parliamentary Business Resources Act 2017* (PBR Act), the *Commonwealth Members of Parliament and Staff Enterprise Agreement 2020-2023* (MOPS EA) and associated Regulations and Determinations.

Key points

Travel Administration

- Travel administration is a legislated function of IPEA. In the 2022-2023 Financial Year, as at 31 December 2022, IPEA processed 53,372 transactions, with a value of \$24,064,001.07.

Personal Advice

- IPEA provides personal advice to parliamentarians and their staff on travel related expenses and allowances. 7817 client contacts were logged with IPEA between 1 July 2022 and 31 December 2022.

Education

- 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.
- On 18 January 2023 IPEA opened registrations to parliamentarians and their staff for upcoming face-to-face education sessions which will be held in Australian capital cities. These sessions are scheduled for delivery between 17 February and 15 March 2023.

Reporting

- On advice of relevant agencies, I authorised a postponement of Parliamentarian Quarterly Reports until the second half of 2023.

Assurance

- IPEA deals with assurance related matters using a published protocol established by the Members of the Authority and available on the website.
- IPEA acts in accordance with its published protocol and does not report to me on matters under consideration. IPEA is an independent agency and makes independent decisions about assurance reviews and audits.

If asked about Special Purpose Aircraft (SPA)

- Special Purpose Aircraft (SPA) are administered through the Department of Defence. Use of a SPA is a work expense detailed in the Parliamentary Business Resources (Commonwealth Transport) Determination 2017 but it is not administered by IPEA.

Background

Parliamentary Travel

IPEA gives advice to parliamentarians and MOP(S) Act staff about travel expenses and travel allowances; processes claims relating to travel expenses and travel allowances of parliamentarians and their staff and monitors the travel expenses and travel allowances of parliamentarian and MOP(S) Act staff. IPEA provides regular education sessions and publishes explanatory material on its website.

Reporting

IPEA prepares regular reports relating to work expenses, travel expenses and travel allowances claimed by parliamentarians and travel expenses and travel allowances claimed by MOP(S) Act staff.

Audit and assurance

IPEA conducts audits relating to all work expenses, travel expenses and travel allowances claimed by parliamentarians, as well as, travel expenses and travel allowances claimed by MOP(S) Act staff.

IPEA's oversight provides assurance to the public, parliamentarians and their staff that parliamentary work expenses are being used in accordance with the Parliamentary Business Resources Framework under which these expenses are prescribed. IPEA does this at arm's length from government.

IPEA has powers to gather information and recover payments. Further information on IPEA's approach to assurance and audit is available on the IPEA website: <https://www.ipea.gov.au/assurance-audit>

Supporting information

Questions on Notice

- SQ22-000116 Claims During Election Period
- SQ22-000117 Assurance Process
- SQ22-000118 Finance Advice to IPEA
- SQ22-000119 Resourcing Costs
- SQ22-000120 Briefing Previous SMOS

Freedom of Information (FOI) Requests

- No FOI's asked

Recent Ministerial Comments

- Nil

Relevant Media Reporting

- Nil

Date: 30 January 2023
Cleared by (SES): Annwyn Godwin
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Consultation: NIL
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Senate Estimates—February 2023			
01	Committee Information		
02	CEO Statement		
No	CEO Briefs (IPEA Executive only)	Type	Branch
03	Travel Advice and Administration (including CTM & SLS)	CEO	TEA Branch
04	International Travel Expenses (all 2022 international trips)	CEO	TEA Branch
05	Special Purpose Aircraft	CEO	TEA Branch
06	Parliamentarians travel allowance in Canberra	CEO	TEA Branch
07	Electorate Support Budget	CEO	TEA Branch
08	IPEA Education	CEO	TEA Branch
09	IPEA Members	CEO	CSG Branch
10	IPEA Website	CEO	CSG Branch
11	Media	CEO	CSG Branch
12	IPEA Budget	CEO	CSG Branch
13	Debtors	CEO	CSG Branch
14	PEMS	CEO	CSG Branch
15	Audit and Assurance	CEO	TAL Branch
16	Data, reporting and certification	CEO	TAL Branch
No	Hot Issues (for the Minister)	Type	Branch
17	Implementation of the Recommendations from the IPEA and PBR Acts Review	HIB	TAL (Nicole)
18	PEMS General Implementation of Travel related Functions	HIB	CSG s 22(1)
19	PEMS Expenditure Report Status	HIB	TAL s 22(1)
20	Functions Overview – Travel Administration, Assurance and Education	HIB	TEA & TAL s 22(1) + Nicole)