National Faster Rail Agency

Entity resources and planned performance

National Faster Rail Agency

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# National Faster Rail Agency

Section 1: Entity overview and resources

1.1 Strategic direction statement

The National Faster Rail Agency (NFRA) was established in 2019 to lead the development of a faster rail network, focussed on achieving faster journey times along corridors between major capital cities and key regional centres.

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

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

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

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

The NFRA’s purpose and strategic goals are available in the NFRA’s 2022-23 to 2025-26 Corporate Plan, available from www.nfra.gov.au.

1.2 Entity resource statement

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

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

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

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

|  |  |  |
| --- | --- | --- |
|  | 2021-22 Estimated actual $'000 | 2022-23 Estimate  $'000 |
| **Departmental** |  |  |
| Annual appropriations - ordinary annual services (a) |  |  |
| Prior year appropriations available | 1,623 | 1,623 |
| Departmental appropriation | 3,462 | 3,486 |
| Total Departmental annual appropriations | 5,085 | 5,109 |
| **Total Departmental resourcing** | **5,085** | **5,109** |

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

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

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

1. Appropriation Bill (No. 1) 2022-23,Supply Bill (No. 3) 2022-23 and Supply Act (No. 1) 2022-23.
2. Reduction in ASL for 2022-23 reflects expected transfer to HSRA upon creation.

1.3 Budget measures

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

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

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

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

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

Section 2: Outcomes and planned performance

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

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

|  |
| --- |
| **Note:**  Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure described in Portfolio Budget Statements will be read with broader information provided in an entity’s corporate plans and annual performance statements – included in Annual Reports - to provide a complete picture of an entity’s planned and actual performance.  The most recent corporate plan and annual performance statement for the NFRA can be found at: https://www.nfra.gov.au/reports/corporate-information |

2.1 Budgeted expenses and performance for Outcome 1

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

##### **Budgeted expenses for Outcome 1**

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

Table 2.1.1: Budgeted expenses for Outcome 1

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

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

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

Table 2.1.2: Performance measures for Outcome 1

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

| Outcome 1 — Faster rail services between capital cities and key regional centres by providing national coordination, strategic advice and the identification of project investments that reduce travel times. | | |
| --- | --- | --- |
| **Program 1-** Advice supports the Australian Government’s objectives for faster rail. | | |
| **Key Activities** (a) | The following activities will contribute to the National Faster Rail Agency achieving this:   * Lead development and implementation of faster rail investment projects * Oversee the development of faster rail business cases and corridor investigations * Identify any further rail corridors that would benefit from faster rail services * Consider opportunities for fast rail and high speed rail, particularly where sections of new corridor can become available * Deliver faster rail construction projects (with states and territories) * Work in partnership with other Commonwealth agencies to explore alternative funding and financing options. * Consider options to future-proof corridors for high speed rail. | |
| **Year** | **Performance measures** | **Expected Performance Results** |
| Prior year 2021-22 | Continued coordination and development of the Faster Rail Plan.  Progress projects to improve rail reliability and travel speeds on selected routes | Actual: Completed two additional faster rail business cases (building on the five already completed) and continue governance arrangements to ensure delivery of a further eight investigations.  Policy and technical advice provided to the Government to support the delivery of the Faster Rail Plan including advice on faster rail projects, further potential corridor investigations and future investment opportunities.  Target met. |
| **Year** | **Performance measures** | **Planned Performance Results** |
| Budget Year 2022-23 | Oversee the state government’s delivery of jointly funded faster rail construction projects.  Progress projects to improve rail reliability and travel speeds on selected routes. | Develop business cases for selected corridors.  Management of funding and oversight of project delivery for corridors selected for investment. |
| Forward Estimates 2023-26 | As per 2022-23 | As per 2022-23 |

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

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

#### 3.1.1 Explanatory notes and analysis of budgeted financial statements

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

Total budgeted expenses for the NFRA in 2022-23 are $3.5 million, including $2.0 million in employee benefit expenses and $1.5 million in supplier expenses. Supplier expenses include contracted services, consultancy, travel and other administration costs.

The NFRA’s major assets include cash and receivables ($2.5 million).

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

**3.2 Budgeted financial statements tables**

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

Prepared on Australian Accounting Standards basis.

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

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

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

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