

THE LEGISLATURE

OVERVIEW

Agency	2008-09 Budget \$m	2009-10 Budget \$m	Variation %
The Legislature			
Total Expenses	122.3	123.5	1.0
Capital Expenditure	6.4	3.8	-40.3

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The Parliament of New South Wales, under the *Constitution Act 1902*, has a number of roles to play in providing a system of representative and responsible government for the people of New South Wales. The Parliament fulfils its representative and legislative role by:

- ◆ making laws for the peace, welfare and good government of New South Wales, with the consent of the Governor
- ◆ providing a forum for supervision and scrutiny of the Executive Government and accountability to the people of New South Wales and
- ◆ providing a forum for debate, discussion and review of issues of public policy and issues of concern to the people of New South Wales.

The support services for the Legislative Council and the Legislative Assembly provide procedural and administrative assistance to Members in the performance of their Parliamentary and constituency duties. In the case of the Legislative Assembly, this assistance includes support to Members in their electorate offices.

The department of Parliamentary Services provides support and ancillary services to Members in the use of their entitlements and for the operation of the two Houses and the Parliament House building. These services are finance and payroll, archives, catering, education, Hansard, information technology, library and research, security, printing and building maintenance.

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RESULTS AND SERVICES

Under the doctrine of the separation of powers, the Parliament of New South Wales, as the Legislature, is a sovereign body that is necessarily distinct from the Executive Government.

The Parliament fulfils its role as a representative and legislative body by working towards the following results:

- ◆ Two Houses of Parliament and their committee systems operate effectively to debate and pass legislation and complete committee inquiries with recommendations to Government.
- ◆ There is increased awareness of the role and functions of the Parliament and community access to Members and Parliament House.

The key services provided by the Legislature to contribute to these results are:

- ◆ Chamber and committee support services such as procedural advice, research, public consultation and Parliamentary reporting services
- ◆ Members' support services such as organisational development, salary and entitlement administration, facilities management and information services and
- ◆ community access programs such as school visits, tours, exhibitions and displays, public events and functions, web streaming and Members' newsletters.

The key services provided by the Legislature and the way in which they are expected to contribute to these results are set out in the following table:

Service Groups	2009-10 Budget Expenses \$m	Results	
		Chambers and committees operate effectively	Community awareness and access
Chamber and Committee Support	15.9	✓	✓
Members' Support	100.9	✓	✓
Community Access	6.6		✓
Total Expenses Excluding Losses	123.5		

RECENT ACHIEVEMENTS

In the last year, the Legislature has undergone considerable structural change, following the creation of the department of Parliamentary Services and the appointment of an Executive Manager to manage the Parliament's joint services operations.

This structural change has allowed each House department to focus on the procedural and committee support services to ensure that both Chambers and their committees are able to function efficiently. Both House departments are responsible for ensuring that Members receive expert procedural advice in relation to the proceedings in the Houses and in committees. These proceedings are recorded and transcribed by the Parliamentary Reporting Service.

In addition, community access programs are well supported with tours, school visits, teacher training and a curriculum support service. Members are involved in many of these activities. Outreach programs include web streaming of proceedings of the Houses and Members' newsletters to the community.

STRATEGIC DIRECTIONS

Priorities include implementing a risk based approach to the management of Members' entitlements, finalising the security upgrade, maintaining the Parliament House building and its heritage features together with enabling information and communication technologies to be utilised by Members in engaging with constituents.

Members' entitlements

The Internal Audit Bureau undertook a review of the management of Members' entitlements in 2008-09. Recommendations made in the report have been approved for adoption by the Presiding Officers with effect from 1 July 2009. To assist Members and their staff with these administrative and management changes an enhanced education and training program is to be provided.

Increased security

In the face of a heightened security environment, the Parliament's security infrastructure is being strengthened to support the continuity of services to both Members and the community. The Government has provided additional funding for a targeted capital program and increased security personnel, which is scheduled for completion by June 2010.

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Building maintenance and meeting heritage and disability access requirements

The Parliament proposes to continue to make a significant investment in building maintenance, heritage and disability access projects. Funding for these purposes was transferred to the Parliament from the Department of Commerce in 2008-09 and is now the Parliament's ongoing responsibility.

Utilisation information and communication technologies

Members and the public alike expect to be able to benefit from the most up to date information and communication technologies available. The State's democratic credentials are improved through better interaction between Members and constituents and enhanced public participation in Parliamentary proceedings.

2009-10 BUDGET INITIATIVES

Total Expenses

Total expenses for 2009-10 are estimated at \$123.5 million, an increase of 1 per cent over budgeted 2008-09 expenses. This increase reflects:

- ◆ provision for staff salary increases is in line with Government wages policy and
- ◆ a reduction in expenditure of \$600,000 to offset a corresponding reduction in catering revenue due to prevailing economic conditions.

Capital Expenditure

Total capital expenditure in 2009-10 is estimated at \$3.8 million. This funding will be used for:

- ◆ fit out of Legislative Assembly Members' electorate offices and other minor works (\$1.1 million)
- ◆ complete upgrade of security infrastructure within Parliament House (\$1.4 million)
- ◆ capital component of Parliament House building maintenance (\$661,000) and
- ◆ the upgrade of Parliament's information technology systems (\$658,000).

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RESULT INDICATORS

Chambers and committees operate effectively

	Units	2006-07 Actual	2007-08 Actual	2008-09 Forecast	2008-09 Revised	2009-10 Forecast
<u>Result Indicators:</u>						
Bills passed by both Houses and received assent ^(a)	no.	71	115	119	120	125
Sitting hours per year ^(b)	no.	540	887	858	909	950
Committee reports	no.	80	75	80	70	75
Committee meetings ^(c)	no.	180	320	280	280	290
Cost of support service/total expenditure ^(d)	%	32.0	32.7	31.4	32.9	32.1

(a) This indicator shows the effectiveness of the Parliament to consider Government Bills.

(b) This indicator is a proxy for the availability of the Parliament to consider legislation.

(c) This indicator is a proxy for the committee inquiry process.

(d) This indicator is a benchmark for cost effectiveness of support services provided to Members of Parliament.

Community awareness and access

	Units	2006-07 Actual	2007-08 Actual	2008-09 Forecast	2008-09 Revised	2009-10 Forecast
<u>Result Indicators:</u>						
Participants in education programs	no.	7,540	7,600	9,702	9,300	9,000
Committee inquiry participants ^(a)	no.	1,058	1,907	1,700	2,055	1,900

(a) This is a measure of the effectiveness of the community access and participation in the Parliamentary process.

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SERVICE GROUP STATEMENTS

1.1 Chamber and Committee Support

Service Description: This service group covers procedural support (specialist advice, information and research services to Members); chamber support (operational support for the chambers to carry out their business); committee support (the provision of a secretariat for each committee, the provision of advice and information on its operation and on its enquiry and the provision of mechanisms to allow for public consultation) and Parliamentary reporting (Hansard services to the Houses and to committees).

Linkage to Results: This service group contributes to the Parliament of New South Wales fulfilling its role as a representative and legislative body by working towards a range of intermediate results that include the effective functioning of the Parliament and its committees.

	2006-07	2007-08	2008-09	2008-09	2009-10	
	Units	Actual	Actual	Forecast	Revised Forecast	
<u>Employees:</u>	FTE	120	118	121	112	96

2008-09		2009-10
Budget	Revised	Budget
\$000	\$000	\$000

Financial Indicators:

Total Expenses Excluding Losses	16,356	16,653	15,930
Total expenses include the following:			
Legislative Council	584	558	570
Legislative Council and Committees	4,022	3,910	3,493
Legislative Assembly	1,168	1,199	1,142
Legislative Assembly and Joint Committees	4,158	4,296	3,750
Hansard	2,102	2,239	2,150
NET COST OF SERVICES	15,530	15,864	15,300
CAPITAL EXPENDITURE	952	726	392

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SERVICE GROUP STATEMENTS (CONT)

1.2 Members' Support

Service Description: This service group covers Members' services (the provision of human resources services to Members and the administration of Members' entitlements); facilities management (maintenance of Members' offices, the Parliament House building and associated services such as security, catering, building services) financial services and information services. With regard to the Legislative Assembly Members, it includes management of electorate offices lease, fitout and maintenance of equipment and amenities.

Linkage to Results: This service group contributes to the Parliament of New South Wales fulfilling its role as a representative and legislative body by working towards a range of intermediate results that include the effective functioning of the Parliament and its committees.

	Units	2006-07 Actual	2007-08 Actual	2008-09 Forecast	2008-09 Revised	2009-10 Forecast
<u>Service Measures:</u>						
FTE Members' staff supported	no.	261	276	280	286	286
IT helpdesk calls from Members and staff	no.	7,535	7,263	9,000	7,989	9,586
<u>Employees:</u>	FTE	409	415	411	403	396

2008-09		2009-10
Budget	Revised	Budget
\$000	\$000	\$000

Financial Indicators:

Total Expenses Excluding Losses	99,502	98,999	100,939
Total expenses include the following:			
Legislative Council	19,189	17,936	20,360
Legislative Assembly	60,044	60,031	60,341
Building and support services	20,269	21,032	20,238
NET COST OF SERVICES	94,473	94,319	96,941
CAPITAL EXPENDITURE	4,314	4,996	2,881

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	2008-09		2009-10
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses Excluding Losses			
Operating expenses -			
Employee related	60,729	60,638	60,850
Other operating expenses	25,441	24,874	25,200
Depreciation and amortisation	4,009	5,161	4,541
Grants and subsidies	...	171	...
Other expenses	32,099	31,411	32,901
Total Expenses Excluding Losses	122,278	122,255	123,492
Less:			
Retained Revenue			
Sales of goods and services	4,855	4,354	4,515
Investment income	115	235	120
Grants and contributions	865	865	...
Other revenue	350	328	255
Total Retained Revenue	6,185	5,782	4,890
NET COST OF SERVICES	116,093	116,473	118,602
RECURRENT FUNDING STATEMENT			
Net Cost of Services	116,093	116,473	118,602
Recurrent Services Appropriation	102,443	102,398	104,322
CAPITAL EXPENDITURE STATEMENT			
Capital Expenditure	6,422	6,422	3,836
Capital Works and Services Appropriation	5,557	5,557	3,836

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	2008-09		2009-10
	Budget \$000	Revised \$000	Budget \$000
BALANCE SHEET			
ASSETS			
Current Assets			
Cash assets	3,667	3,484	4,222
Receivables	1,831	1,828	1,652
Inventories	152	199	199
Total Current Assets	5,650	5,511	6,073
Non Current Assets			
Property, plant and equipment -			
Land and building	132,905	140,031	139,202
Plant and equipment	50,528	52,842	53,028
Intangibles	78	85	23
Total Non Current Assets	183,511	192,958	192,253
Total Assets	189,161	198,469	198,326
LIABILITIES			
Current Liabilities			
Payables	3,859	4,139	4,239
Provisions	5,350	4,730	4,950
Total Current Liabilities	9,209	8,869	9,189
Non Current Liabilities			
Provisions	37	35	35
Total Non Current Liabilities	37	35	35
Total Liabilities	9,246	8,904	9,224
NET ASSETS	179,915	189,565	189,102
EQUITY			
Reserves	32,294	41,826	41,826
Accumulated funds	147,621	147,739	147,276
TOTAL EQUITY	179,915	189,565	189,102

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	2008-09		2009-10 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee related	50,003	50,840	50,549
Grants and subsidies	...	171	...
Other	60,140	59,631	60,607
Total Payments	110,143	110,642	111,156
Receipts			
Sale of goods and services	4,855	4,614	4,797
Interest	115	235	120
Other	3,615	3,593	2,655
Total Receipts	8,585	8,442	7,572
NET CASH FLOWS FROM OPERATING ACTIVITIES	(101,558)	(102,200)	(103,584)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(6,422)	(6,197)	(3,836)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(6,422)	(6,197)	(3,836)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	102,443	102,398	104,322
Capital appropriation	5,557	5,557	3,836
NET CASH FLOWS FROM GOVERNMENT	108,000	107,955	108,158
NET INCREASE/(DECREASE) IN CASH	20	(442)	738
Opening Cash and Cash Equivalents	3,647	3,926	3,484
CLOSING CASH AND CASH EQUIVALENTS	3,667	3,484	4,222
CASH FLOW RECONCILIATION			
Net cost of services	(116,093)	(116,473)	(118,602)
Non cash items added back	14,515	15,291	14,522
Change in operating assets and liabilities	20	(1,018)	496
Net cash flow from operating activities	(101,558)	(102,200)	(103,584)