

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Office of the Director of Public Prosecutions (DPP) was established under the *Director of Public Prosecutions Act 1983* within the Attorney-General's portfolio. The DPP is headed by a Director appointed for a statutory term of up to seven years.

The role of the DPP is to prosecute offences against Commonwealth law. The DPP is not an investigative agency. It prosecutes cases investigated by other agencies.

The DPP's outcome is to contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the *Prosecution Policy of the Commonwealth*.

Three strategic themes are identified for 2017–18 to 2020–21 to achieve this outcome within allocated resources:

- providing an efficient and effective prosecution service
- engaging with partner agencies and stakeholders
- investing in our people.

1.2 ENTITY RESOURCE STATEMENT

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

Table 1.1 is prepared on a resourcing (that is, appropriations and cash available) basis, while the outcome expenses table in section 2 and the financial statements in section 3 are prepared on an accrual basis.

Table 1.1: Entity resource statement—Budget estimates for 2017–18 as at Budget May 2017

	2016–17 Estimated actual \$'000	2017–18 Estimate \$'000
DEPARTMENTAL		
Annual appropriations—ordinary annual services(a)		
Prior year appropriations available	15,665	14,322
Departmental appropriation(b)	77,283	77,639
s 74 retained revenue receipts(c)	7,392	7,424
Departmental capital budget(d)	1,895	1,878
Total net resourcing for entity	102,235	101,263
	2016–17	2017–18
Average staffing level (number)	410	390

Prepared on a resourcing (that is, appropriations and cash available) basis.

Note: All figures are GST exclusive and may not match figures in the cash flow statement.

(a) Appropriation Bill (No. 1) 2017–18.

(b) Excludes the departmental capital budget.

(c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(d) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. See Table 3.5 for further details. For accounting purposes, this amount is designated as 'contributions by owners'.

1.3 BUDGET MEASURES

Budget measures announced since the 2016–17 Mid-Year Economic and Fiscal Outlook (MYEFO) relating to the DPP are detailed in Budget Paper No. 2 and are summarised in Part 1 of Table 1.2. Other measures not previously reported in a portfolio statement are summarised in Part 2.

Table 1.2: Entity 2017–18 Budget measures**Part 1: Measures announced since the 2016–17 MYEFO**

Program		2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Expense measures						
Public Service Modernisation Fund—agency sustainability(a)	1.1					
Departmental expenses		–	–	–	–	–
Total expense measures		–	–	–	–	–
Capital measures						
Public Service Modernisation Fund—agency sustainability(a)	1.1					
Departmental capital		–	–	–	–	–
Total capital measures		–	–	–	–	–

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds, and figures displayed as a positive represent an increase in funds.

(a) This is a cross-portfolio measure. Funding of \$1.994m will be provided over three years for departmental expenses and funding of \$2.507m will be provided over two years for capital expenses.

Part 2: MYEFO measures and other measures not previously reported in a portfolio statement

	Program	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Expense measures						
Public Sector Transformation and the Efficiency Dividend(a)	1.1					
Departmental expenses		–	(1,208)	(2,012)	(2,355)	(755)
Total expense measures		–	(1,208)	(2,012)	(2,355)	(755)

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative represent a decrease in funds, and figures displayed as a positive represent an increase in funds.

(a) This is a cross-portfolio measure that was published in the 2016–17 Budget. The lead entity is the Department of Finance.

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 that contribute to government outcomes over the budget and forward years.

The DPP's outcome is described below together with its related program.

Note

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria 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 an entity's complete performance story.

The most recent corporate plan for the DPP can be found at <https://www.cdpp.gov.au/about-us/strategic-directions>.

The most recent annual performance statement can be found at <https://www.cdpp.gov.au/about-us/2015-16-annual-report>.

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the *Prosecution Policy of the Commonwealth*

Budgeted expenses for Outcome 1

Table 2.1 shows how much the DPP intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and departmental funding sources.

Table 2.1: Budgeted expenses for Outcome 1

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth					
Departmental expenses					
Departmental appropriation	77,283	77,639	76,282	73,883	74,035
s 74 retained revenue receipts(a)	7,392	7,424	7,460	3,750	3,750
Expenses not requiring appropriation in the budget year(b)	4,839	4,839	5,032	5,253	4,548
Total expenses for Outcome 1	89,514	89,902	88,774	82,886	82,333

	2016–17	2017–18
Average staffing level (number)	410	390

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the *Public Governance, Performance and Accountability Act 2013*.

(b) Expenses not requiring appropriation in the budget year are made up of services received free of charge, depreciation and amortisation expenses and write-down of debt liabilities.

Performance criteria for Outcome 1

Table 2.2 details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered.

Table 2.2: Performance criteria for Outcome 1

Outcome 1: Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the <i>Prosecution Policy of the Commonwealth</i>		
Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth		
Delivery	<p>The DPP delivers a national prosecution service across the following crime types:</p> <ul style="list-style-type: none"> • commercial, financial and corruption • revenue and benefits fraud • international assistance and specialist agencies • organised crime and counter-terrorism • illegal imports and exports • human exploitation and border protection. <p>This involves:</p> <ul style="list-style-type: none"> • being fair, consistent and professional in everything we do • recognising, valuing and developing the knowledge, skills and commitment of our people • working with our partner agencies to assist them in advancing their goals and priorities • treating victims of crime with courtesy, dignity and respect • providing information to the public about Commonwealth criminal law and prosecutions. 	
Performance information		
Year	Performance criteria	Targets
2016–17	<p>Compliance in addressing the terms of the test for prosecution in the Prosecution Policy of the Commonwealth, namely the existence of a prima facie case, reasonable prospects of conviction and that prosecution is required in the public interest, when deciding to commence or continue a prosecution.</p> <p>Partner agency satisfaction with DPP service delivery. Quantitative and qualitative evidence is gathered about partner agency satisfaction with DPP service delivery. Characteristics evaluated include timeliness, relevance to partner agency business, responsiveness and level of communication. The results deliver a comprehensive evidence base to inform continuous improvement.</p> <p>Prosecutions resulting in a conviction. The conviction/finding of guilt rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the DPP discontinued the prosecution against them in its entirety or where a prosecution has commenced and the defendant failed to appear before a court. It does include findings of guilt that do not result in a conviction.</p>	<p>Expect to achieve 100% (target: 100%)</p> <p>Biennial—achieved 83% (target: 90%)</p> <p>Expect to achieve 99% (target: 90%)</p>

Table 2.2: Performance criteria for Outcome 1 (continued)

Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth (continued)		
Performance information		
Year	Performance criteria	Targets
2017–18	<p>Compliance in addressing the terms of the test for prosecution in the Prosecution Policy of the Commonwealth, namely the existence of a prima facie case, reasonable prospects of conviction and that prosecution is required in the public interest, when deciding to commence or continue a prosecution.</p> <p>Partner agency satisfaction with DPP service delivery. Quantitative and qualitative evidence is gathered about partner agency satisfaction with DPP service delivery. Characteristics evaluated include timeliness, relevance to partner agency business, responsiveness and level of communication. The results deliver a comprehensive evidence base to inform continuous improvement.</p> <p>Prosecutions resulting in a conviction. The conviction/finding of guilt rate is calculated by taking the number of defendants convicted as a percentage of defendants convicted or acquitted. The calculation does not include defendants where the DPP discontinued the prosecution against them in its entirety or where a prosecution has commenced and the defendant failed to appear before a court. It does include findings of guilt that do not result in a conviction.</p>	<p>100% compliance with the Prosecution Policy of the Commonwealth</p> <p>90% partner agency satisfaction</p> <p>90% of prosecutions resulting in a conviction</p>
2018–19 and beyond	Same as for 2017–18.	Same as for 2017–18.
Purpose	To provide an independent prosecution service that contributes to the respect and maintenance of Commonwealth criminal law and public respect in the justice system through the prosecution of crimes.	

Section 3: Budgeted financial statements

This section presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2017–18 Budget year, including the impact of budget measures and resourcing.

3.1 DIFFERENCES BETWEEN ENTITY RESOURCING AND FINANCIAL STATEMENTS

There is no material difference between the entity resourcing and financial statements.

3.2 ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

The DPP's operating revenue has increased by \$0.388m from 2016–17 to 2017–18. The increase is a combination of funding for the *Public Service Modernisation Fund – agency sustainability* measure, changes in wage and price indices and government savings measures.

The DPP is budgeting for a surplus of \$3.000m in 2016–17, after excluding unfunded depreciation and amortisation expenses. The main reasons for the surplus are a delay in staff pay rise and accounting adjustments for movements in the government bond rate and the subleasing of surplus office space.

3.3 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
EXPENSES					
Employee benefits	46,595	50,675	51,228	45,867	46,262
Suppliers	35,024	34,332	32,458	31,710	31,467
Depreciation and amortisation	4,325	4,325	4,518	4,739	4,034
Other expenses	570	570	570	570	570
Total expenses	86,514	89,902	88,774	82,886	82,333
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	7,392	7,424	7,460	3,750	3,750
Other	284	284	284	284	284
Total own-source revenue	7,676	7,708	7,744	4,034	4,034
Gains					
Other	230	230	230	230	230
Total gains	230	230	230	230	230
Total own-source income	7,906	7,938	7,974	4,264	4,264
Net (cost of)/contribution by services	(78,608)	(81,964)	(80,800)	(78,622)	(78,069)
Revenue from government	77,283	77,639	76,282	73,883	74,035
Surplus/(deficit) attributable to the Australian Government	(1,325)	(4,325)	(4,518)	(4,739)	(4,034)
Total comprehensive income/(loss) attributable to the Australian Government	(1,325)	(4,325)	(4,518)	(4,739)	(4,034)

Note: Impact of net cash appropriation arrangements

	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	3,000	–	–	–	–
Less depreciation/amortisation expenses previously funded through revenue appropriations	4,325	4,325	4,518	4,739	4,034
Total comprehensive income/(loss) as per the statement of comprehensive income	(1,325)	(4,325)	(4,518)	(4,739)	(4,034)

Prepared on Australian Accounting Standards basis.

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

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	360	360	360	360	360
Trade and other receivables	14,982	15,332	12,480	10,036	8,681
Total financial assets	15,342	15,692	12,840	10,396	9,041
Non-financial assets					
Land and buildings	8,326	6,977	7,481	9,670	8,553
Property, plant and equipment	4,476	5,185	5,707	6,009	5,110
Intangibles	688	1,138	1,144	627	485
Other non-financial assets	700	700	800	800	800
Total non-financial assets	14,190	14,000	15,132	17,106	14,948
Total assets	29,532	29,692	27,972	27,502	23,989
LIABILITIES					
Payables					
Suppliers	6,574	5,826	5,690	5,601	5,588
Other payables	6,837	7,389	6,868	7,846	6,612
Total payables	13,411	13,215	12,558	13,447	12,200
Provisions					
Employee provisions	15,025	15,836	16,742	18,300	18,470
Other provisions	2,050	1,785	2,123	2,078	1,800
Total provisions	17,075	17,621	18,865	20,378	20,270
Total liabilities	30,486	30,836	31,423	33,825	32,470
Net assets	(954)	(1,144)	(3,451)	(6,323)	(8,481)
EQUITY					
Parent entity interest					
Contributed equity	9,757	13,892	16,103	17,970	19,846
Reserves	18,479	18,479	18,479	18,479	18,479
Retained surplus/(accumulated deficit)	(29,190)	(33,515)	(38,033)	(42,772)	(46,806)
Total parent entity interest	(954)	(1,144)	(3,451)	(6,323)	(8,481)
Total equity	(954)	(1,144)	(3,451)	(6,323)	(8,481)

Prepared on Australian Accounting Standards basis.

Table 3.3: Departmental statement of changes in equity—summary of movement (budget year 2017–18)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	(29,190)	18,479	9,757	(954)
Adjustment for changes in accounting policies	–	–	–	–
Adjusted opening balance	(29,190)	18,479	9,757	(954)
Comprehensive income				
Surplus/(deficit) for the period	(4,325)	–	–	(4,325)
Total comprehensive income	(4,325)	–	–	(4,325)
Transactions with owners				
Contributions by owners				
Departmental capital budget	–	–	4,135	4,135
Sub-total transactions with owners	–	–	4,135	4,135
Estimated closing balance as at 30 June 2018	(33,515)	18,479	13,892	(1,144)
Closing balance attributable to the Australian Government	(33,515)	18,479	13,892	(1,144)

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	85,577	83,713	86,669	80,150	79,213
Sale of goods and rendering of services	7,439	7,424	7,460	3,750	3,750
Net GST received	2,900	2,900	2,900	2,900	2,900
Other	230	230	230	230	230
Total cash received	96,146	94,267	97,259	87,030	86,093
Cash used					
Employees	51,322	49,950	50,355	45,426	46,114
Suppliers	36,576	36,323	38,874	37,284	35,659
s 74 retained revenue receipts transferred to Official Public Account	7,392	7,424	7,460	3,750	3,750
Other	570	570	570	570	570
Total cash used	95,860	94,267	97,259	87,030	86,093
Net cash from/(used by) operating activities	286	–	–	–	–
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,911	4,135	2,116	1,867	1,876
Total cash used	2,911	4,135	2,116	1,867	1,876
Net cash from/(used by) investing activities	(2,911)	(4,135)	(2,116)	(1,867)	(1,876)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	2,911	4,135	2,116	1,867	1,876
Total cash received	2,911	4,135	2,116	1,867	1,876
Net cash from/(used by) financing activities	2,911	4,135	2,116	1,867	1,876
Net increase/(decrease) in cash held	286	–	–	–	–
Cash and cash equivalents at the beginning of the reporting period	74	360	360	360	360
Cash and cash equivalents at the end of the reporting period	360	360	360	360	360

Prepared on Australian Accounting Standards basis.

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

	2016–17 Estimated actual \$'000	2017–18 Budget \$'000	2018–19 Forward estimate \$'000	2019–20 Forward estimate \$'000	2020–21 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget—Bill 1 (DCB)	1,895	4,135	2,116	1,867	1,876
Total new capital appropriations	1,895	4,135	2,116	1,867	1,876
Provided for:					
Purchase of non-financial assets	1,895	4,135	2,116	1,867	1,876
Total items	1,895	4,135	2,116	1,867	1,876
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation—DCB(a)	2,911	4,135	2,116	1,867	1,876
Total purchases of non-financial assets	2,911	4,135	2,116	1,867	1,876
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,911	4,135	2,116	1,867	1,876
Total cash used to acquire assets	2,911	4,135	2,116	1,867	1,876

Prepared on Australian Accounting Standards basis.

DCB = departmental capital budget.

(a) Does not include annual finance lease costs. Includes purchases from current and previous years' DCBs.

Table 3.6: Statement of asset movements (budget year 2017–18)

	Buildings \$'000	Other property, plant & equipment \$'000	Computer software & intangibles \$'000	Total \$'000
As at 1 July 2017				
Gross book value	16,612	8,242	3,621	28,475
Accumulated depreciation/amortisation and impairment	(8,286)	(3,766)	(2,933)	(14,985)
Opening net book balance	8,326	4,476	688	13,490
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase—appropriation ordinary annual services(a)	1,375	1,968	792	4,135
Total additions	1,375	1,968	792	4,135
Other movements				
Depreciation/amortisation expense	(2,724)	(1,259)	(342)	(4,325)
Total other movements	(2,724)	(1,259)	(342)	(4,325)
As at 30 June 2018				
Gross book value	17,987	10,210	4,413	32,610
Accumulated depreciation/amortisation and impairment	(11,010)	(5,025)	(3,275)	(19,310)
Closing net book balance	6,977	5,185	1,138	13,300

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2017–18 for depreciation and amortisation expenses, departmental capital budgets or other operational expenses.