

 <p>Agreement on the Conservation of Albatrosses and Petrels</p>	<p style="text-align: center;">Twelfth Meeting of the Advisory Committee <i>Virtual meeting, 31 August – 2 September 2021 (UTC+10)</i></p> <p style="text-align: center;">Draft Agreement Budget 2023 - 2025</p> <p style="text-align: center;">Secretariat</p>
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SUMMARY

A draft budget for the Agreement for 2023 - 2025 has been prepared by the Secretariat in accordance with Regulation 3.1 of the Financial Regulations. The draft budget includes a statement of the significant financial implications for the 2023 – 2025 triennium in respect of any proposed work programmes.

RECOMMENDATIONS

That the Advisory Committee:

1. Review the draft budget for the 2023-2025 triennium; and
2. Provide advice as appropriate on the proposed 2023-2025 Budget to be adopted by MoP7.

1. INTRODUCTION

The Secretariat has prepared a draft budget for 2023-2025 applying an inflator of 2.6%, in accordance with the average Hobart CPI increase for three pre-COVID years – 2017, 2018 and 2019 (www.abs.gov.au), except where exact cost variations were known (**ANNEX 1**). The draft budget is prepared in accordance with the ACAP Principles agreed at MoP3, which include the following: ‘The overall budget and Parties’ contributions should as a minimum achieve 0% real growth but preferably better whilst avoiding excessive fluctuations for individual Parties’ (MoP3 Report, 7.9.2).

The draft budget comprises estimates of income and expenditure for 2023-2025 together with a statement identifying significant financial implications. For guidance, the budget also contains figures for the 2019 – 2021 and 2022 budgets. As the recent Meeting of the Parties intersessional decision-making process failed to adopt a one-year budget for 2021-2022, the 2022 figures are simply a rollover of the 2021 budget. Given that the 2022 carryover budget

did not take account of inflation, 2023 costs are estimated using a 2 x 2.6% increase except where exact costs are known or can be estimated based on exact expenditure in 2021.

This paper should be read in conjunction with AC12 Doc 08 “ACAP Provisional Financial report, AC 12 Doc 16 ‘Draft Advisory Committee Work Programme 2023-2025’, and AC12 Doc 18 ‘Draft Secretariat Work Programme 2023-2025’.

2. STATEMENT OF SIGNIFICANT FINANCIAL IMPLICATIONS

2.1. INCOME

Contributions from Parties for 2023-2025 and other income are estimated applying an inflator of 2.6% following the average Hobart Consumer Price Index increase in the most recent three pre-COVID years (www.abs.gov.au) with an increase of 5.2% for 2023, as explained above. Some 2023 income has been estimated by applying an inflator to known 2021 amounts, where these differ from 2021 estimates.

2.2. EXPENDITURE

2.2.1. Appropriation 1 - Secretariat

Item 1.1.1 – The Secretariat salaries proposed are taken from the salaries adopted by the Tasmanian Public Service for equivalent level positions for 2023, with estimated increases for the following years. The level of salary to be paid to the Executive Secretary for the 2023–2025 triennium will be determined by the Parties at MoP7. According to the ACAP Staff Regulations (5.1), the Executive Secretary’s salary should ‘approximate SES 2 classification of the Tasmanian Public Service’. The figure used in this budget for the salary of the Executive Secretary in 2023 (\$169,821) is equivalent to Base SES 2 level in the Tasmanian public service, not to the salary of an official in her fourth year at SES Level 2 (such an official would receive \$176,479). The salary for the Science Officer is based on the Professional Officer, Band 2 classification in the Tasmanian Public Service (see Staff Regulations, 5.2).

Items 1.1.2 and 1.1.5 – In accordance with a graduated increase in superannuation payments decided by the Australian federal government, Superannuation is estimated at 10.5% of salary in 2023, 11% in 2024 and 11.5% in 2025.

Item 1.1.3 – An allocation of \$5,780 has been provided in 2025 for a potential recruitment process for a new Executive Secretary. This is an increase by inflation over the earlier (2019) estimate, but it does not address the suggestion by the recruitment panel that a higher amount would be desirable. With ACAP’s staff regulations now amended (see Record of Decisions from the recent Intersessional decision-making process) to allow for interviews by videoconference as required, a higher amount should not be necessary.

Items 1.2.1, 1.2.2 and 1.2.3 – Accommodation, airfares and travel allowances were estimated by applying an inflator of 2.6%, although there is likely to be a significant increase in these costs in the aftermath of the coronavirus pandemic and this will imply a reduction in the amount of travel possible.

Items 1.2.4 and 1.2.8 – Travel and general insurance were estimated with an inflator of 2.6% although the actual amount is likely to be higher, according to advice from our insurance company.

Item 1.2.5 – Approximately \$40,000 per year of the allocation for consultants would be needed to contract a part-time communications adviser to work two days per week to carry out tasks previously undertaken voluntarily by the honorary Information Officer, plus new tasks that might be decided as part of a Communications Strategy. These estimates propose a considerably lower increase in the allocation for consultants, especially in 2023 where only inflation is accounted for. For 2024 and 2025, a supplement of \$15,000 was added to the 2.6% inflator.

Item 1.2.6 – No funds were allocated during the triennium to cover relocation expenses. Given budgetary constraints it is proposed that (as happened at the previous Meeting of the Parties) Parties agree to assign \$45,000 from savings in the General Fund to meet the relocation costs of the Executive Secretary.

Item 1.3.1 - We foresee the need to replace several items of office equipment.

Item 1.3.3 - “Office stationery” embraces office supplies in general. Our overall needs have increased in the COVID-19 era, as we need to purchase hand sanitiser, additional soap and paper towels, wipes, and other products.

Item 1.3.4 - This covers promotional material for World Albatross Day and other communications activities.

Item 1.3.6 - This includes costs related to printing, such as purchase of printer consumables. It also includes printing of materials such as posters and fact sheets.

Item 1.3.8 – Translation costs were estimated by applying a 2% annual inflator (as per our current contract with OnCall) plus an additional \$3,000 starting in 2024 because of an increased translation workload in recent years.

Item 1.3.11 and 1.3.12 - Light & power and “insurance property” have been adjusted following actual expenditure in 2021.

Items 1.3.18 and 1.3.19 – Training and conference attendance for staff were adjusted by applying a 2.6% inflator.

2.2.2. Appropriation 2 - Meeting of the Parties

An underlying assumption in the preparation of this budget is that only one meeting of either the Advisory Committee, or the Meeting of the Parties would be held in any one year. With the adoption at MoP3 of a financial year (FY) running from 1 July to 30 June, there is no longer one meeting per financial year. In the upcoming triennium, there is one meeting held in FY1 (2023), no meetings in FY2 (2024), and two meetings scheduled in FY3 (2025) of the budget cycle. However, the costs associated with holding meetings has been distributed over the three years of the budget cycle, assuming that significant parts of the meeting expenses will be distributed by the Secretariat accordingly.

The cost of operating and supporting meetings varies significantly depending on the location of the meeting, including hire of venue, catering and rent of equipment. The estimates in this budget have been prepared based on the costs of recent ACAP meetings, as the location

of future meetings is not known at the time of preparing the budget. When meetings are to be held in high cost regions, Parties should consider the provision of voluntary contributions to allow the adequate attendance of Delegates.

Items 2.1.1 and 2.1.3 – Interpretation and translation costs were estimated by adding 2% per year (as per the current contract with OnCall) to the costs budgeted for 2021.

Items 2.1.2, 2.2.1, 2.2.2 and 2.2.4. – Meeting costs were adjusted by adding 2.6% per year to the costs budgeted for 2021.

Items 2.2.3 and 2.3.1. – Support staff and expert sponsorship allocations were adjusted by adding 2.6% per year to the figure for 2021. This does not take account of any additional potential increases in travel costs following the coronavirus pandemic. If such increases are significant, then fewer delegates and experts will be able to be sponsored.

2.2.3. Appropriation 3 – Advisory Committee

Items 3.1.1 and 3.1.3 – Interpretation and translation costs were estimated by adding 2% per year (as per the current contract with OnCall) to the costs budgeted for 2020. In order to balance expenditures along the triennium, part of the costs for translation of meeting documents in 2024 has been transferred to 2025.

Item 3.1.2 – an inflator was added to the estimated costs based on actual expenditure in 2020.

Items 3.2.1 – an inflator was added to the 2021 estimates and actual expenditure in 2020.

Items 3.2.3, 3.3.1 and 3.4.1 – The estimates for support staff, sponsorship of experts and support for Advisory Committee Officials were adjusted by adding 2.6% per year to the 2020 figure but do not take account of other likely increases in travel-related costs in the aftermath of the coronavirus pandemic. In order to balance expenditure through the triennium, part of the costs for support of staff in 2024 have been transferred to 2025.

2.2.4. Appropriation 4 – Advisory Committee Work Programme

The amount allocated to Secondments and the Advisory Committee Work Programme was estimated by applying an inflator to the 2020 figure, to the extent that this was possible given the other demands on the budget. Although a call for secondments takes place twice every three years, funds allocated to this budget line were spread over three years to balance expenditure.

ANNEX 1.

2.6% INCREASE SCENARIO FOR 2023-2025

Ref. No	Description	2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget
1. INCOME											
	Contributions from Parties	767,628	573,079	781,195	783,704	795,048	762,903	795,048	836,390	858,137	880,448
	Interest on funds	3,567	6,960	3,642	538	3,718	0	3,718	1,026	1,053	1,080
	Tax refunds	17,498	11,013	17,865	10,763	18,241	11,020	18,241	11,171	11,462	11,760
	MoU - Tasmanian Government	22,821	23,113	23,209	23,737	23,604	23,927	23,604	25,171	25,826	26,497
	Total Income	811,514	614,165	825,911	818,742	840,611	797,850	840,611	873,759	896,477	919,785
2. EXPENDITURE											
APPROPRIATION 1 - SECRETARIAT											
Employee salaries											
1.1.1	Salaries – Executive Secretary	148,869	157,379	151,995	147,741	155,187	148,290	155,187	169,821	171,817	173,835
1.1.2	RBF Superannuation	14,143	14,951	14,440	14,035	14,743	14,088	14,743	17,831	18,900	19,991
1.1.3	Recruitment Costs	5,000	4,355	0	0	0	0	0	0	0	5,780
1.1.4	Salaries - Science Officer	100,800	101,591	102,917	105,583	105,078	107,274	105,078	113,957	115,296	116,651
1.1.5	RBF Superannuation	9,576	9,651	9,777	10,030	9,982	10,191	9,982	11,965	12,277	12,596
1.1.6	Workers Compensation	3,329	3,448	3,399	3,417	3,471	3,780	3,471	4,101	4,208	4,317
	Total Salaries	281,717	291,375	282,528	280,806	288,461	283,623	288,461	317,676	322,497	333,170
Employee expenses											
1.2.1	Accommodation	10,396	5,044	10,614	4,389	10,837	0	10,837	11,401	11,697	12,001
1.2.2	Airfares	25,991	13,753	26,536	8,037	27,094	0	27,094	28,503	29,244	30,004
1.2.3	Travel Allowances	11,082	2,299	11,315	1,901	11,552	0	11,552	12,153	12,469	12,793

Ref. No	Description	2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget
1.2.4	Travel Insurance	1,014	312	1,035	0	1,057	0	1,057	1,112	1,141	1,171
1.2.5	Consultants	32,546	21,409	52,928	5,112	57,093	4,267	57,093	60,062	76,623	78,616
1.2.6	Relocation expense (staff)	30,000	46,563	0	0	0	0	0	0	0	0
1.2.8	General insurance	1,467	1,000	1,498	1,401	1,529	847	1,529	1,609	1,650	1,693
1.2.9	Representation expenses	1,600	1,081	1,634	464	1,668	654	1,668	1,755	1,800	1,847
1.2.10	Other travel costs - visas	859	64	877	780	895	0	895	942	966	991
	Total Employee expenses	114,955	91,525	106,437	22,084	111,725	5,768	111,725	117,535	135,591	139,116
Operational costs											
1.3.1	Office equipment /furniture	6,497	4,194	6,633	5,166	6,772	0	6,772	7,124	7,309	7,499
1.3.2	Office equipment maintenance	800	359	817	143	834	0	834	877	900	924
1.3.3	Office requisites - stationery	1,609	1,692	1,643	1,588	1,677	645	1,677	1,764	1,810	1,857
1.3.4	Publications /books	148	0	238	0	243	272	243	256	262	269
1.3.6	Printing and copying (PR material)	1,964	780	2,006	870	2,048	1,994	2,048	2,154	2,211	2,268
1.3.7	Telephones - telecommunications	2,500	2,934	2,553	2,574	2,606	3,405	2,606	2,742	2,813	2,886
1.3.8	Translations - correspondence	6,497	0	6,633	2,090	6,772	12,551	6,772	7,124	10,000	10,260
1.3.9	Postage	233	112	238	96	243	246	243	256	262	269
1.3.10	Freight/couriers	233	0	238	160	243	0	243	256	262	269
1.3.11	Light and power	2,683	2,645	2,740	3,117	2,797	2,850	2,797	2,942	3,019	3,097
1.3.12	Insurance property	1,500	1,023	1,531	849	1,564	1,274	1,564	1,645	1,688	1,732
1.3.14	Vehicle running costs	3,500	2,485	3,574	1,153	3,649	-2,904	3,649	3,839	3,939	4,041
1.3.15	Cab charge - taxis	520	273	531	68	542	72	542	570	585	600
1.3.16	Parking	6,861	6,373	7,005	7,104	7,152	6,512	7,152	7,524	7,720	7,920
1.3.18	Staff training	2,333	2,115	2,382	2,496	2,432	920	2,432	2,558	2,625	2,693
1.3.19	Staff conferences / seminars	1,300	0	1,327	0	1,355	0	1,355	1,425	1,463	1,501
1.3.20	Bank charges	291	371	297	0	303	0	303	319	327	336
1.3.21	Bad and doubtful debts	318	0	325	0	331	0	331	348	357	367

Ref. No	Description	2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget
1.3.22	Software purchase	2,599	1,317	2,654	323	2,710	1,462	2,710	2,851	2,925	3,001
1.3.23	Server lease	643	385	657	385	671	420	671	706	724	743
1.3.24	Outsourced IT services	2,018	1,675	2,061	1,584	2,104	2,000	2,104	2,213	2,271	2,330
1.3.25	Modifications to database	7,757	6,016	11,418	3,865	11,658	3,110	11,658	12,264	12,583	12,910
1.3.26	WAN Wireless network	1,180	360	1,205	720	1,230	1,465	1,230	1,294	1,328	1,362
1.3.27	Rent - ACAP office	32,800	33,091	33,489	34,041	34,192	31,783	34,192	35,970	36,905	37,865
1.3.28	Rates and water	0	0	0	0	0	0	0	0	0	0
1.3.29	Preventative maintenance	0	0	0	0	0	0	0	0	0	0
1.3.30	Office cleaning	500	0	511	0	521	177	521	548	562	577
	Total Office operational costs	87,284	68,200	92,706	68,392	94,649	68,254	94,649	92,447	94,850	97,316
	Internal Transfer						8,788				
TOTAL APPROPRIATION 1 - SECRETARIAT		483,956	467,943	481,671	371,283	494,835	366,433	494,835	527,657	552,938	569,602
APPROPRIATION 2 - MEETINGS OF THE PARTIES											
Interpretation / Translation Costs											
2.1.1	Simultaneous interpretation	0	3,960	0	0	41,279	0	41,279	0	0	44,581
2.1.2	Hire of interpretation equipment	0	544	0	0	16,370	0	16,370	0	0	18,072
2.1.3	Translation of documents	0	0	0	0	34,016	5,098	34,016	0	0	36,737
	Total Interpretation/Translation	0	4,504	0	0	91,665	5,098	91,665	0	0	99,391
Meeting support costs											
2.2.1	Hire of venue (including catering)	0	0	0	0	15,011	500	15,011	0	0	16,572
2.2.2	Hire/purchase of equipment	0	0	0	0	10,007	0	10,007	0	0	11,048
2.2.3	Support staff	0	0	0	0	20,639	0	20,639	0	0	22,785
2.2.4	Printing of documents/report	0	0	0	0	6,880	0	6,880	0	0	7,596
	Total Meeting support costs	0	0	0	0	52,537	500	52,537	0	0	58,001

Ref. No	Description	2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Sponsorship											
2.3.1	Sponsorship - experts	0	-859	0	0	22,895	0	22,895	0	0	25,276
	Total Sponsorship costs	0	-859	0	0	22,895	0	22,895	0	0	25,276
TOTAL APPROPRIATION 2 - MOP		0	3,645	0	0	167,097	5,598	167,097	0	0	182,668
APPROPRIATION 3 - ADVISORY COMMITTEE											
Interpretation											
3.1.1	Simultaneous interpretation	49,980	33,496	51,030	14,408	0	6,036	0	50,000	55,112	0
3.1.2	Hire of interpretation equipment	14,043	16,231	14,337	0	0	0	0	15,455	15,857	0
3.1.3	Translation of meeting documents	38,721	0	28,535	20,670	11,000	0	11,000	30,247	21,034	10,000
	Total Interpretation	102,744	49,727	93,902	35,078	11,000	6,036	11,000	95,702	92,003	10,000
Venue and meeting support costs											
3.2.1	Hire of venue (including catering)	26,454	29,143	27,010	8,319	0	10,380	0	29,117	29,874	0
3.2.2	Hire/purchase of equipment	2,403	0	2,454	0	0	0	0	2,645	2,714	
3.2.3	Support staff	26,039	28,653	26,585	0	0	0	0	28,659	23,404	6,000
	Total Venue and meeting costs	54,896	57,796	56,049	8,319	0	10,380	0	60,421	55,992	6,000
Sponsorship											
3.3.1	Sponsorship of experts	18,744	19,000	19,137	0	0	0	0	20,630	21,166	0
	Sponsorship non-Party Range States	0	0	0	0	0	0	0	0	0	0
	Total sponsorship	18,744	19,000	19,137	0	0	0	0	20,630	21,166	0

Ref. No	Description	2019 Budget	2019 Actual	2020 Budget	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Support for Advisory Committee Officials											
3.4.1	Support for AC Officials	25,435	26,800	25,969	16,801	0	0	0	27,995	28,722	0
	Total support	25,435	26,800	25,969	16,801	0	0	0	27,995	28,722	0
TOTAL APPROPRIATION 3 - AC		201,819	153,323	195,057	60,198	11,000	16,416	11,000	204,747	197,883	16,000
APPROPRIATION 4 - AC WORK PROGRAMME											
	Support for secondments	0	0	20,807	4,621	36,101	0	36,101	22,430	23,917	15,000
	Advisory Committee Work Programme	125,740	141,038	128,381	170,057	131,577	78,520	131,577	118,924	121,738	136,515
TOTAL APPROPRIATION 4 - AC WP		125,740	141,038	149,188	174,678	167,678	78,520	167,678	141,354	145,655	151,515
TOTAL AGREEMENT BUDGET		811,515	765,949	825,916	606,159	840,610	466,967	840,610	873,759	896,476	919,785