

**Service Delivery Statements**

# Department of Infrastructure, Local Government and Planning

# **2016-17 Queensland Budget Papers**

- 1. Budget Speech**
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- 3. Capital Statement**
- 4. Budget Measures**
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**Budget Highlights**

The Budget Papers are available online at

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**Service Delivery Statements**

ISSN 1445-4890 (Print)  
ISSN 1445-4904 (Online)



# Department of Infrastructure, Local Government and Planning

## Summary of portfolio

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# Portfolio overview

## Ministerial and portfolio responsibilities

The table below represents the agencies and services that are the responsibility of the Deputy Premier, Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment, and the Assistant Minister for Local Government.

<p style="text-align: center;"><b>Deputy Premier, Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment</b></p> <p style="text-align: center;">The Honourable Jackie Trad MP</p>
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<p style="text-align: center;"><b>Assistant Minister for Local Government</b></p> <p style="text-align: center;">The Honourable Jennifer Howard MP</p>
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<p style="text-align: center;"><b>Department of Infrastructure, Local Government and Planning</b></p> <p style="text-align: center;">Director-General: Frankie Carroll</p>
<b>Service area 1:</b> Local Government
<b>Service area 2:</b> Funding Programs and Community Initiatives
<b>Service area 3:</b> Infrastructure Policy and Planning
<b>Service area 4:</b> Better Planning for Queensland

The Deputy Premier, Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment is also responsible for:

<p style="text-align: center;"><b>Building Queensland</b></p> <p style="text-align: center;">Chief Executive Officer: David Quinn</p> <p><b>Objective:</b> To provide the Queensland Government with independent, expert advice on major infrastructure by working with departments, government owned corporations and statutory authorities to guide better infrastructure decision making.</p>
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## Queensland Reconstruction Authority

**Acting Chief Executive Officer: Brendan Moon**

**Objective:** To increase the disaster resilience of Queensland communities and demonstrate accountability in the use of natural disaster funding by coordinating the rapid restoration of communities following natural disasters.

## South Bank Corporation

**Chief Executive Officer: Jeffrey Weigh**

**Objective:** To manage and facilitate varied and innovative use of land and other property within the Corporation area for a diverse range of commercial and non-commercial activities and events.

## Trade and Investment Queensland

**Interim Chief Executive Officer: Jack Noye**

**Objective:** Trade and Investment Queensland delivers services to develop sustainable export markets, improve export capabilities for Queensland exporters and promote investment opportunities in Queensland to international investors.

## Economic Development Queensland

**General Manager: Greg Chemello**

**Objective:** To drive business and economic growth in Queensland.

Additional information about these agencies can be sourced from:

[www.dilgp.qld.gov.au](http://www.dilgp.qld.gov.au)

<http://buildingqueensland.qld.gov.au/>

[www.qldreconstruction.org.au](http://www.qldreconstruction.org.au)

[www.southbankcorporation.com.au](http://www.southbankcorporation.com.au)

[www.tiq.qld.gov.au](http://www.tiq.qld.gov.au)

[www.dilgp.qld.gov.au/local-government/about-us/economic-development-queensland.html](http://www.dilgp.qld.gov.au/local-government/about-us/economic-development-queensland.html)

# Departmental overview

The Department of Infrastructure, Local Government and Planning within Queensland is well placed to support and promote the transition of the economy from the resources boom to one focused on a modern service-based economy with diverse industries, sustainable and sound planning and development and opportunities for long-term job creation. The department's priorities are directed towards the liveability, sustainability and prosperity of communities across the State, driving social cohesion and protecting our unique natural environment.

With a vision for building great cities, towns and communities in Queensland with great places to live, work and play, the department delivers integrated and future-shaping advice and solutions through leading expertise and quality partnerships.

The department contributes to the Government's objectives for the community by driving initiatives that promote job creation within a diverse and vibrant economy, endorsing safe and environmentally aware development, delivering quality advice and services, working collaboratively with the local government sector and by promoting caring and connected communities.

The department's strategic objectives are:

- increased economic, social and environmental benefits for Queenslanders
- a growing and prosperous South East Queensland
- greater liveability and connectedness in coastal communities
- resilient, strong and sustainable rural and remote communities
- to maintain a high performing, innovative, diverse and engaged workforce.

In 2016-17 the department's key priorities are to:

- coordinate and monitor delivery of the \$2 billion State Infrastructure Fund, established to support the implementation of the State Infrastructure Plan and focusing on infrastructure projects that enhance productivity and support jobs
- embed the Infrastructure Portfolio Office functions across government to monitor the implementation of the State Infrastructure Plan
- drive the State's infrastructure delivery program, ensuring whole-of-government integration with infrastructure planning and delivery
- drive the transition to the new planning system, including cultural change, in collaboration with local governments
- complete the integrated review of the State Planning Policy, the State Development Assessment Provisions and the Planning Regulation to ensure these instruments are working effectively in the lead up to the commencement of the *State Planning Act 2016*
- deliver the Ageing in Place pilot project in regional Queensland to assist people as they enter their senior years by providing suitable housing options to enable them to stay in their towns, close to friends and family
- further develop Queensland's largest waterfront urban renewal project at Northshore Hamilton, including \$50 million of public infrastructure works for major road upgrades, wharf demolition and new river-walks
- release and administer the 2016-17 Local Government Grants and Subsidies Program and targeted funding programs to support Indigenous councils
- build resilience to natural disasters through the RACQ Get Ready Queensland program
- build the capacity and capability of local governments through the 2016-17 Local Government Capacity Building Program
- undertake a review of the councillor conduct complaints process.

In recognising the State's geographical and social diversity and in pursuing and supporting growth in emerging industries and new markets, the department will take a multi-dimensional approach by designing targeted strategies and programs that take into account the diverse macro-economic drivers that operate in the second largest state in the Commonwealth.

In 2016-17 the department will create policies and drive initiatives, based on an understanding of the varied challenges and possibilities in the south-east of the State, along the vast coastline and in remote and rural areas, to facilitate expansion and investment and to reinvigorate prospects for sustainable growth and economic prosperity across Queensland.

# Service performance

## Performance statement

### Local Government

#### Service area objective

To provide a legislative and regulatory framework for local governments to enhance their capability and decision making processes.

#### Service area description

The service area undertakes the:

- review and maintenance of the Queensland local government regulatory framework and provision of strategic policy coordination for local government related matters across Queensland Government portfolios. It delivers governance and statutory services related to portfolio legislation including the provision of legal advice and policy development and coordination
- Local Government Capacity Building Program - a calendar of workshops, information sessions, targeted training and the development and publication of capacity building tools and resources. The annual program varies according to the demands of the four year local government election cycle with the year preceding the election and the year of the election having more face to face training activities and workshops.

#### Services

- Governance and statutory services
- Local government capacity building

#### 2016-17 service area highlights

The 2016-17 Local Government Capacity Building Program will include:

- financial reporting training for local government finance professionals
- sponsorship of up to 60 local government employees to undertake the Local Government Association of Queensland's Diploma of Local Government Administration
- partnering with Queensland Treasury Corporation to undertake business reviews and provide specialised advisory services for small rural, remote and Indigenous local governments
- delivery of a program of governance training, including councillors' roles, responsibilities and obligations, dealing with councillors' interests, ethics and accountability and meeting procedures
- partnering with the Local Government Association of Queensland to deliver training on fraud management.

Review of the Councillor Conduct Complaints Process:

- A review of the provisions dealing with complaints about the conduct of councillors in the *Local Government Act 2009* and the *City of Brisbane Act 2010* will be undertaken in 2016-17. The purpose of the review is to ensure a fair, transparent and accountable system is in place to effectively manage complaints about councillor conduct.
- The review will examine the statutory provisions relating to complaints, to assess the effectiveness of the current legislative and policy framework and make recommendations about policy, legislative and operational changes required to improve the system of councillor conduct complaints.
- The review will be overseen by a three-person panel chaired by the former Integrity Commissioner, Dr David Solomon, and representatives of the Local Government Association of Queensland and the Local Government Managers Australia Queensland Inc.

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Local Government<sup>1</sup></b>				
<b>Service: Governance and statutory services</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Level of satisfaction of local governments (Mayors and CEOs) that the regulatory framework gives them the authority and capacity to manage their interests, to be financially sustainable and accountable	2, 3, 5	85%	..	85%
Level of satisfaction of local governments (Mayors and CEOs) with the timeliness, effectiveness and consistency of advice and services provided by the department	2, 4, 5	85%	..	85%
<i>Efficiency measure</i>				
Average cost of administering and managing the councillor conduct complaints process per local government	2, 6	\$12,000	\$12,000	\$12,600
<b>Service: Local government capacity building</b>				
<b>Service standards</b>				
<i>Effectiveness measure</i>				
Extent to which participants believe that capacity building programs and initiatives increase their understanding of local government roles and responsibilities	7, 8, 9	75%	92%	75%
<i>Efficiency measure</i>				
Cost of capacity building per local government	7, 10, 11	\$13,800	\$19,000	\$17,750

Notes:

1. This is a new service area for the 2016-17 *Service Delivery Statement (SDS)*. It combines the previous service areas of Local Government capacity building and Governance and statutory services.
2. This service standard was reported in the 2015-16 SDS service area of Governance and Statutory Services.
3. Mayors and CEOs are asked to comment on the overall effectiveness of the regulatory framework in enabling them to perform their fundamental roles.
4. The components of timeliness, effectiveness and consistency together measure local governments' overall satisfaction with departmental advice and services.
5. The annual survey of Mayors and Council Chief Executive Officers, usually undertaken in March, did not occur in the 2015-16 financial year due to the timing of the 2016 Queensland local government quadrennial elections. In future, the annual survey will be undertaken in the second half of the calendar year.
6. The councillor conduct complaint management administration process includes costs associated with the Remuneration and Discipline Tribunal and the Regional Conduct Review Panels averaged across 76 local governments within the statutory requirements of the process over time. Brisbane City Council is excluded as it has a separate councillor conduct complaint management process.
7. This service standard was reported in the 2015-16 SDS service area of Capacity Building.



8. Capacity building programs and initiatives undertaken in 2015-16 were focused on the local government election and training of elected councillors and executive staff including:
  - a. statewide public information So You Want To Be A Councillor sessions attended by 778 prospective candidates for the local government election
  - b. councillor induction training sessions for 63 councils with an estimated 600 participants across the State
  - c. departmental sponsorship of tuition fees for 63 local government staff to undertake the Local Government Association of Queensland's Diploma of Local Government Administration
  - d. financial statements training in six locations for 196 participants from local government and related agencies
  - e. customised training in administrative and governance procedures for councils on various topics for 122 participants.
9. This measure has been amended for the 2016-17 SDS to more accurately reflect the intent of measuring participants' belief regarding their increased understanding of local government roles and responsibilities, as a result of completing capacity building programs and initiatives.
10. Costs include capital and labour costs involved in developing resources or publications and delivering training programs that focus on building the capacity of councils to undertake their roles and responsibilities, averaged across the 77 local governments.
11. The costs of capacity building programs were higher than expected in 2015-16 as the department ran statewide capacity building programs related to the local government quadrennial elections held in March 2016. These were the pre-election Intending Candidates program and post-election Councillor Induction training.

## Funding Programs and Community Initiatives

### Service area objective

The objective of the service area is to:

- administer the department's local government and community funding programs to maximise program objectives, in accordance with budget forecasts and within agreed timeframes
- build community preparedness and resilience for natural disasters and emergency events.

### Service area description

This service area undertakes the assessment and evaluation of submissions for funding and administers the funding and grants for local government projects and community activities. Funding is delivered under the Local Government Grants and Subsidies Program, grants to Indigenous Councils and community based grants. The funding provided enables councils to deliver and maintain resilient community infrastructure and essential services.

The service area promotes natural disaster awareness and preparedness through initiatives such as the RACQ Get Ready Queensland program and supports other community initiatives.

### Services

- Delivery of local government and community funding programs
- Natural disaster preparedness and resilience

### 2016-17 service area highlights

- Release of funding programs to support Indigenous councils.
- Water and Wastewater Capacity Building program phase 2.
- Implementation of a 10 year action plan for Bundaberg Flood Protection Scoping Study.
- Release of the 2016-17 Local Government Grants and Subsidies Program.
- RACQ Get Ready Queensland week in October 2016.
- Get Ready Queensland Resilient Australia Awards 2016.

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Funding Programs and Community Initiatives<sup>1</sup></b>				
<b>Service: Delivery of local government and community funding programs</b>				
<b>Service standards</b>				
<i>Effectiveness measure</i> Percentage of funded projects administered according to agreed timeframes and budget allocation	2, 3	90%	100%	90%
<i>Efficiency measure</i> Administration costs as a percentage of all funding distributed	2, 4	0.75%	<0.65%	<0.65%
<b>Service: Natural disaster preparedness and resilience</b>				

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service standards</b>				
<i>Effectiveness measure</i>				
Level of community resilience as measured by the Queensland Resilience Index	5	New measure	New measure	5%
<i>Efficiency measure</i>				
Cost per Queenslander of the department's Get Ready Queensland Community Resilience program initiatives	6, 7	<\$0.75	<\$0.60	<\$0.60

Notes:

1. This is a new service area for the 2016-17 *Service Delivery Statement* (SDS). It combines the previous service areas of Local Government and Community Funding and Community Recovery and Resilience.
2. This service standard was reported in the 2015-16 SDS service area of Local Government and Community Funding.
3. Funded projects include those approved under the Local government grants and subsidies program, the Community Resilience Fund and the Natural Disaster Resilience Program.
4. Administration costs are total labour costs as a percentage of the total value of local government grants and subsidy funding distributed.
5. This is a new service standard for the 2016-17 SDS. The Queensland Resilience Index (QRI) has been designed to measure changes in the level of resilience shown by Queenslanders over time. The QRI uses a random representative sample of 800 Queenslanders with approximately 50% drawn from the south-east corner and 50% from other regions in line with population distribution. The resilience index was benchmarked at 100 in 2013-14 and results of 104 were recorded in 2015-16. The target is to increase the level of resilience by 5% year on year.
6. This service standard was reported in the 2015-16 SDS service area of Community Recovery and Resilience.
7. The total cost of the department's role in preparing and implementing the Get Ready Queensland Community Resilience program initiatives, expressed as a cost to each Queenslander.

## Infrastructure Policy and Planning

### Service area objective

To deliver quality infrastructure policy, planning and prioritisation in Queensland.

### Service area description

This service area leads the Queensland Government's efforts in developing and coordinating policy, planning and prioritisation of infrastructure activities. This includes the coordination of infrastructure policy, contributing to national infrastructure agendas and whole of state infrastructure planning. The service area is responsible for delivering an Infrastructure Program coordination function across government. It delivers reform initiatives that will improve the way infrastructure planning is coordinated, and strengthen integration with regional land-use and economic planning. The service area is responsible for ensuring infrastructure is prioritised on the basis that it provides a clear economic or service delivery benefit and will deliver the best possible value for money to Queenslanders on infrastructure investment.

A range of infrastructure policy, planning and coordination activities are undertaken by the service area including:

- providing strategic policy, coordination, planning and prioritisation of infrastructure activities
- monitoring and updating the State Infrastructure Plan
- delivering a range of implementation initiatives outlined in the State Infrastructure Plan
- administering funding programs under the State Infrastructure Fund
- driving infrastructure innovation and best-practice across government and program coordination including value sharing policy
- providing a cross-government perspective to infrastructure
- coordinating the state's input and advice on infrastructure-related issues to the Australian Government
- implementing the Strategic Asset Management Plan Framework.

### 2016-17 service area highlights

- Coordinate and monitor delivery of the \$2 billion State Infrastructure Fund, established to support the implementation of the State Infrastructure Plan and focusing on infrastructure projects that enhance productivity and support jobs.
- Monitor and report on the delivery of the \$180 million Significant Regional Infrastructure Projects Program, which will fund significant infrastructure projects in key regional centres that respond to a community need or provide increased economic opportunities.
- Develop proposals that were identified through community consultation on the State Infrastructure Plan from a \$20 million fund allocated for Maturing the Infrastructure Pipeline Program.
- Embed the Infrastructure Portfolio Office functions across government to monitor the implementation of the State Infrastructure Plan, and drive infrastructure innovation and best-practice across the Queensland Government.
- Provide support and advice to the Infrastructure Cabinet Committee to drive and oversee the State's infrastructure delivery program, ensuring whole-of-government integration of infrastructure planning and delivery.
- Develop and implement a value capture/sharing policy and alternative funding models that leverage investments more effectively.
- Partner with other levels of government to investigate city deals for Queensland's city regions to drive the sustainable growth of our cities.
- Deliver reform initiatives that target strengthened governance, organisational capability and integration, and ongoing industry and community engagement around infrastructure planning and delivery to improve the way infrastructure planning is coordinated across the Queensland Government.

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service Area: Infrastructure Policy and Planning<sup>1</sup></b>				
<b>Service standards</b> <i>Effectiveness measure</i> Level of satisfaction of key stakeholders with timeliness and effectiveness of consultation undertaken by Infrastructure Policy and Planning	2	New measure	New measure	70%
<i>Efficiency measure</i> Administration costs as a percentage of infrastructure investment coordinated through the service area	3	New measure	New measure	<0.5%

Notes:

1. This is a new service area for the 2016-17 *Service Delivery Statement*. It was previously Infrastructure Policy, Planning and Assessment for Queensland.
2. The components of timeliness and effectiveness together measure key stakeholders' overall satisfaction with consultation undertaken by Infrastructure Policy and Planning.
3. Administration costs comprise the operating expenditure of the infrastructure policy and planning function (i.e. full-time equivalents, supplies and services). The measure is based on the total administration costs as a proportion of infrastructure investment in the State Infrastructure Program.

## Better Planning for Queensland

### Service area objective

Deliver a streamlined planning framework that supports investment, jobs and community participation.

### Service area description

The service area administers the *Sustainable Planning Act 2009*, and on commencement, the *Planning Act 2016*, and:

- works with key stakeholders to provide a streamlined and simplified legislative framework and overarching policy for the land use planning and development assessment system in Queensland
- partners with regional stakeholders to prepare – and then lead delivery of – plans for regions, precincts and release areas that maximise the opportunities presented by each area and that both influence and respond to the State Infrastructure Plan
- delivers practical, effective and regionally-focused land use planning and development assessment services in collaboration with applicants, councils and agencies that attract investment and deliver balanced development outcomes.

### 2016-17 service area highlights

- Drive successful transition to the new planning system, including cultural change, in collaboration with local governments.
- Complete the integrated review of the State Planning Policy, the State Development Assessment Provisions and the Planning Regulation to ensure these instruments are working effectively in the lead up to the commencement of the *Planning Act 2016*.
- Produce a draft South East Queensland Regional Plan.
- Introduce a statewide development assessment framework to facilitate investment in wind farms to contribute to the Government's renewable energy objectives.
- Enhance effectiveness and service levels of, and cross-agency support for, the integrated state assessment system.

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Better Planning for Queensland<sup>1</sup></b>				
<b>Service standards</b> <i>Effectiveness measure</i> Percentage of State Assessment and Referral Agency responses issued within agreed timeframes and budget allocation.	2	New measure	New measure	80%
<i>Efficiency measure</i> Median number of days taken to assess and issue State Assessment and Referral Agency: <ul style="list-style-type: none"> <li>assessment manager decisions</li> <li>concurrency agency responses</li> </ul>		New measure	New measure	<ul style="list-style-type: none"> <li>17 days</li> <li>20 days</li> </ul>

Notes:

- Due to the current legislative review process of the Queensland planning system, the department will trial new measures of effectiveness and efficiency relating to the implementation of the new planning legislation and supporting instruments. These measures will be reported in the 2017-18 *Service Delivery Statement*.
- Responses include assessment manager decisions and concurrency agency responses.

## Discontinued measures

Performance measures included in the 2015-16 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Better Planning for Queensland</b>				
Percentage of total decisions or referral responses where the state is the Assessment Manager or Concurrence Agency are appealed	1	<2%	<1%	Discontinued measure
Percentage of total referral responses or decision notices issued that do not require an additional information request	1	70%	87%	Discontinued measure

Note:

1. This measure has been discontinued and replaced with more exhaustive measures to appropriately reflect the service area.

## Administered items

Administered activities are those undertaken by departments on behalf of the Government.

The Department of Infrastructure, Local Government and Planning administers funds for other State agencies including Building Queensland, the Queensland Reconstruction Authority, and Trade and Investment Queensland.

In addition, the department administers Commonwealth funds on behalf of the State which include:

- Australian Government Financial Assistance Grants - Under the *Local Government (Financial Assistance) Act 1995* the Australian Government provides grant funding to support Queensland councils in delivering services to their communities. In 2015-16, \$225.4 million was made available to local governments as untied funding.
- Australian Government National Insurance Affordability Initiative – Ipswich and Roma – the Australian Government is contributing \$17 million to build the Roma flood levee and to upgrade flood defences in Ipswich.

Further, the department administers funds paid to Brisbane City Council for the maintenance and management of the inner Brisbane City South Bank and Roma Street parklands. In 2015-16, a total of \$23.3 million was paid for operational works and \$4.1 million for capital works funding for both parklands.

Financial statements and variance explanations in relation to administered items appear in the departmental financial statements.



# Departmental budget summary

The table below shows the total resources available in 2016-17 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of Infrastructure, Local Government and Planning	2015-16 Adj. Budget \$'000	2015-16 Est. Actual \$'000	2016-17 Budget \$'000
<b>CONTROLLED</b>			
<b>Income</b>			
Appropriation revenue <sup>1</sup>			
Deferred from previous year/s	83,487	65,423	101,314
Balance of service appropriation	213,187	140,781	238,716
Other revenue	4,740	5,027	4,348
<b>Total income</b>	<b>301,414</b>	<b>211,231</b>	<b>344,378</b>
<b>Expenses</b>			
Local Government	13,192	12,191	12,935
Funding Programs and Community Initiatives	233,264	161,316	253,470
Infrastructure Policy and Planning	5,407	6,508	27,052
Better Planning for Queensland	60,324	37,715	57,615
<b>Total expenses</b>	<b>312,187</b>	<b>217,730</b>	<b>351,072</b>
<b>Operating surplus/deficit</b>	<b>(10,773)</b>	<b>(6,499)</b>	<b>(6,694)</b>
<b>Net assets</b>	<b>79,817</b>	<b>87,788</b>	<b>97,976</b>
<b>ADMINISTERED</b>			
<b>Revenue</b>			
Commonwealth revenue	462,480	237,401	450,094
Appropriation revenue	1,157,877	521,779	877,379
Other administered revenue	10,695	10,695	11,563
<b>Total revenue</b>	<b>1,631,052</b>	<b>769,875</b>	<b>1,339,036</b>
<b>Expenses</b>			
Transfers to government	461,195	236,116	461,657
Administered expenses	1,169,857	533,759	877,379
<b>Total expenses</b>	<b>1,631,052</b>	<b>769,875</b>	<b>1,339,036</b>
<b>Net assets</b>	<b>93</b>	<b>98</b>	<b>98</b>

Note:

1. Appropriation revenue includes State and Commonwealth funding.

## Service area sources of revenue<sup>1</sup>

Sources of revenue 2016-17 Budget					
Department of Infrastructure, Local Government and Planning	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Local Government	12,935	12,474	461	..	..
Funding Programs and Community Initiatives	253,470	236,719	20	9,292	745
Infrastructure Policy and Planning	27,052	27,030	22		
Better Planning for Queensland	57,615	54,515	3,025	..	75
<b>Total</b>	<b>351,072</b>	<b>330,738</b>	<b>3,528</b>	<b>9,292</b>	<b>820</b>

Note:

1. Explanations of variances are provided in the financial statements.

## Budget measures summary

This table shows a summary of budget measures relating to the department since the 2015-16 State Budget. Further details are contained in *Budget Paper 4*.

Department of Infrastructure, Local Government and Planning	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Revenue measures</b>					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
<b>Expense measures</b>					
Administered	..	4,854	5,133	5,266	6,809
Departmental <sup>1</sup>	1,610	44,351	25,744	13,572	13,139
<b>Capital measures</b>					
Administered	..	..	..	..	..
Departmental	..	9,000	5,000	..	..

Note:

- Figures reconcile with *Budget Paper 4*, including the whole-of-government expense measures 'Brisbane CBD government office agency rental impacts' and 'Reprioritisation allocations'. These figures do not include *Budget Paper 4* measures for the Significant Regional Infrastructure Projects Program and the State Infrastructure Fund, for which funding is held centrally.

## Departmental capital program

The department's capital program primarily relates to capital works undertaken for Indigenous local councils. Historically the majority of this work has taken place under the Indigenous State Infrastructure Program (ISIP); however this \$63 million program is expected to end in 2016-17 with forecast expenditure of \$4 million to complete remaining projects including projects in Wujal Wujal, and Palm Island. The goal of ISIP is to improve environmental health conditions for people living in major communities in Indigenous council areas by providing safe and secure drinking water, safe sewerage systems, safe solid waste disposal arrangements, reductions in vector environments (such as mosquitoes) and dust reduction through sealed roads.

In 2016-17 two new capital works projects are to commence, one to replace waste water infrastructure at Cherbourg at a cost of \$15 million over two years (\$10 million in 2016-17 and \$5 million in 2017-18), and the other to replace/improve water infrastructure at Palm Island as part of the Palm Island Water Shortage project at a cost of \$2.5 million.

The balance of the department's capital budget relates to works undertaken to complete the Development Assessment System (MyDAS). MyDAS is an online system introduced in 2013 that enables: online lodgement of development applications, tracking through the Integrated Development Assessment System process, integration with the development assessment mapping system, and electronic payment of fees.

## Capital budget

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Adj. Budget \$'000	2015-16 Est. Actual \$'000	2016-17 Budget \$'000
<b>Capital purchases<sup>1</sup></b>				
Total land, buildings and infrastructure		..	..	..
Total plant and equipment		7,192	3,120	16,598
Total other capital		..	2,543	1,859
<b>Total capital purchases</b>		<b>7,192</b>	<b>5,663</b>	<b>18,457</b>

Note:

1. For more detail on the agency's capital acquisitions please refer to *Budget Paper 3*.

# Staffing<sup>1</sup>

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Adj. Budget	2015-16 Est. Actual	2016-17 Budget
Local Government		76	78	79
Funding Programs and Community Initiatives		53	48	48
Infrastructure Policy and Planning	2	19	28	53
Better Planning for Queensland		230	235	227
<b>TOTAL</b>	<b>3</b>	<b>378</b>	<b>389</b>	<b>407</b>

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The increase in the 2016-17 Budget reflects the establishment of an Infrastructure Portfolio Office to coordinate and integrate State Government infrastructure, land-use and economic planning.
3. The 2015-16 Adjusted Budget has been reduced from 412 FTEs to 378 FTEs to reflect the transfer of 30 FTEs on creation of the Building Queensland statutory body (3 December 2015), the transfer of six FTEs responsible for administering the Natural Disaster Relief Recovery Arrangements to the Queensland Reconstruction Authority (1 January 2016) and the transfer-in of two FTEs from the Department of Housing and Public Works for the Office of the Queensland Government Architect (8 December 2015).

# Budgeted financial statements

## Analysis of budgeted financial statements

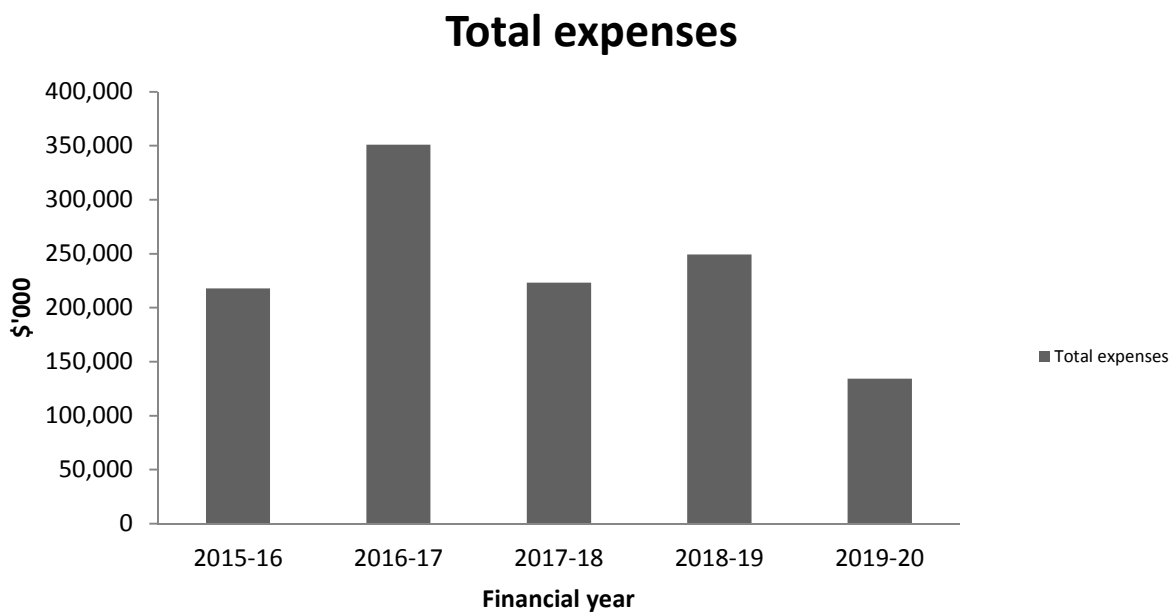
An analysis of the department's financial position, as reflected in the department's financial statements, is provided below.

### Departmental income statement

Total expenses are estimated to be \$351.1 million in 2016-17, an increase of \$133.3 million from the 2015-16 financial year. The increase is mainly due to increased expenditure for the Local Government Grants and Subsidies Program; the Community Resilience Fund; the Gold Coast 2018 Commonwealth Games Athletes Village; the Yeppoon and Rockhampton Revitalisation Projects; the Planning Reform Program; the fast tracking of the early stages of infrastructure projects, and the coordination and integration of infrastructure planning and delivery.

The forecast deficit for the department in 2016-17 is \$6.7 million. This is primarily due to the transfer of infrastructure assets to Indigenous local councils for nil consideration under the Indigenous State Infrastructure Program.

**Chart: Total departmental expenses across the Forward Estimates period**



The decrease in total departmental expenses after 2016-17 is a result of the completion of the Community Resilience Fund, the Yeppoon and Rockhampton Revitalisation Projects, and the Royalties for the Regions Program.

### Departmental balance sheet

The department's major assets are in property, plant and equipment (\$57 million) and intangibles (\$7.4 million). Property, plant and equipment is expected to decrease over the forward estimates period as construction of infrastructure assets are completed and transferred to Indigenous local councils.

# Controlled income statement

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Adjusted Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	1,5,9	296,674	206,204	340,030
Taxes		..	..	..
User charges and fees		3,453	3,567	3,378
Royalties and land rents		..	..	..
Grants and other contributions		833	994	558
Interest		454	466	412
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>301,414</b>	<b>211,231</b>	<b>344,378</b>
<b>EXPENSES</b>				
Employee expenses	2,6,10	42,700	41,474	45,766
Supplies and services	3,7,11	48,379	26,791	67,014
Grants and subsidies	4,8,12	220,365	148,722	237,549
Depreciation and amortisation		472	472	472
Finance/borrowing costs		..	..	..
Other expenses		271	271	271
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>312,187</b>	<b>217,730</b>	<b>351,072</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(10,773)</b>	<b>(6,499)</b>	<b>(6,694)</b>

# Controlled balance sheet

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	13,19	25,340	22,257	22,167
Receivables	14,20	4,707	2,751	2,751
Other financial assets		..	..	..
Inventories		..	..	..
Other		16	..	..
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>30,063</b>	<b>25,008</b>	<b>24,918</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		25,358	25,358	24,667
Other financial assets		..	..	..
Property, plant and equipment	15,21,25	43,909	47,621	57,050
Intangibles	16,22,26	1,686	5,907	7,447
Other		..	..	..
<b>Total non-current assets</b>		<b>70,953</b>	<b>78,886</b>	<b>89,164</b>
<b>TOTAL ASSETS</b>		<b>101,016</b>	<b>103,894</b>	<b>114,082</b>
<b>CURRENT LIABILITIES</b>				
Payables	17,23	19,389	14,474	14,474
Accrued employee benefits		1,810	1,620	1,620
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total current liabilities</b>		<b>21,199</b>	<b>16,094</b>	<b>16,094</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	12	12
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>12</b>	<b>12</b>
<b>TOTAL LIABILITIES</b>		<b>21,199</b>	<b>16,106</b>	<b>16,106</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>79,817</b>	<b>87,788</b>	<b>97,976</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>	18,24,27	<b>79,817</b>	<b>87,788</b>	<b>97,976</b>



# Controlled cash flow statement

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Budget* \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts	28,35,42	296,674	193,050	340,030
User charges and fees		3,453	3,567	3,378
Royalties and land rent receipts		..	..	..
Grants and other contributions		833	994	558
Interest received		..	12	..
Taxes		..	..	..
Other		..	..	..
<b>Outflows:</b>				
Employee costs	29,36,43	(42,700)	(41,474)	(45,766)
Supplies and services	30,37,44	(48,379)	(25,977)	(67,014)
Grants and subsidies	31,38,45	(212,633)	(145,709)	(230,533)
Borrowing costs		..	..	..
Other		(271)	(1,085)	(271)
<b>Net cash provided by or used in operating activities</b>		<b>(3,023)</b>	<b>(16,622)</b>	<b>382</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		1,103	1,103	1,103
<b>Outflows:</b>				
Payments for non-financial assets	32,39,46	(7,284)	(5,755)	(18,457)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(6,181)</b>	<b>(4,652)</b>	<b>(17,354)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections	33,40,47	38,023	15,487	80,487
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	34,41,48	(32,406)	(23,461)	(63,605)
<b>Net cash provided by or used in financing activities</b>		<b>5,617</b>	<b>(7,974)</b>	<b>16,882</b>
<b>Net increase/(decrease) in cash held</b>		<b>(3,587)</b>	<b>(29,248)</b>	<b>(90)</b>
<b>Cash at the beginning of financial year</b>		<b>28,927</b>	<b>51,505</b>	<b>22,257</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>25,340</b>	<b>22,257</b>	<b>22,167</b>

\*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

# Administered income statement

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Adjusted Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
Appropriation revenue	49,53,56	1,157,877	521,779	877,379
Taxes		..	..	..
User charges and fees		444	444	444
Royalties and land rents		..	..	..
Grants and other contributions	50,54,57	462,480	237,401	450,094
Interest		..	..	..
Other revenue		10,251	10,251	11,119
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>1,631,052</b>	<b>769,875</b>	<b>1,339,036</b>
<b>EXPENSES</b>				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	51,55,58	1,169,857	533,759	877,379
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government	52,59	461,195	236,116	461,657
<b>Total expenses</b>		<b>1,631,052</b>	<b>769,875</b>	<b>1,339,036</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>..</b>	<b>..</b>

# Administered balance sheet

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		105	15	15
Receivables		6	..	..
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>111</b>	<b>15</b>	<b>15</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		93	98	98
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>93</b>	<b>98</b>	<b>98</b>
<b>TOTAL ASSETS</b>		<b>204</b>	<b>113</b>	<b>113</b>
<b>CURRENT LIABILITIES</b>				
Payables		111	15	15
Transfers to Government payable		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total current liabilities</b>		<b>111</b>	<b>15</b>	<b>15</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL LIABILITIES</b>		<b>111</b>	<b>15</b>	<b>15</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>93</b>	<b>98</b>	<b>98</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>93</b>	<b>98</b>	<b>98</b>

# Administered cash flow statement

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Budget* \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts	60,63,66	1,157,877	746,592	877,379
User charges and fees		444	532	444
Royalties and land rent receipts		..	..	..
Grants and other contributions	61,64,67	462,480	237,401	450,094
Interest received		..	..	..
Taxes		..	..	..
Other		10,251	10,251	11,119
<b>Outflows:</b>				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies	62,65,68	(1,169,857)	(758,996)	(877,379)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government		(461,195)	(461,353)	(461,657)
<b>Net cash provided by or used in operating activities</b>		..	<b>(225,573)</b>	..
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		..	..	..
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		..	..	..
<b>Net increase/(decrease) in cash held</b>		..	<b>(225,573)</b>	..
<b>Cash at the beginning of financial year</b>		<b>105</b>	<b>225,588</b>	<b>15</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>105</b>	<b>15</b>	<b>15</b>

\*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2015-16 Adjusted Budget and 2015-16 Estimated Actual include:

1. The decrease is primarily due to re-profiling the timing of funding for the Community Resilience Fund, the Royalties for the Regions Program, the Local Government Grants and Subsidies Program and the Planning Reform Program.
2. The decrease is primarily due to re-profiling the timing of expenditure for the Planning Reform Program due to timing changes on commencement of the *Planning Act 2016*.
3. The decrease is primarily due to re-profiling the timing of expenditure for the Planning Reform Program due to timing changes on commencement of the *Planning Act 2016*.
4. The decrease is primarily due to re-profiling the timing of expenditure for the Community Resilience Fund, the Royalties for the Regions Program and the Local Government Grants and Subsidies Program.

### Major variations between 2015-16 Adjusted Budget and 2016-17 Budget include:

5. The increase is primarily due to additional funding for the Yeppoon and Rockhampton Revitalisation Projects; the Gold Coast 2018 Commonwealth Games (GC2018) Athletes Village; the Local Government Grants and Subsidies Program; the fast tracking of the early stages of infrastructure projects, and the coordination and integration of infrastructure planning and delivery. This is partially offset by transition of funding for the Royalties for the Regions Program (replaced by the Building Our Regions program in the Department of State Development), and completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.
6. The increase is primarily due to establishing an Infrastructure Portfolio Office to coordinate and integrate State Government infrastructure, land-use and economic planning.
7. The increase is principally due to additional expenditure to fast track the early stages of infrastructure projects; to coordinate and integrate infrastructure planning and delivery; and to undertake the Palm Island Water Shortage Project.
8. The increase is primarily due to additional expenditure for the Yeppoon and Rockhampton Revitalisation Projects, and the GC2018 Athletes Village. This is partially offset by transition of expenditure for the Royalties for the Regions Program and the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

9. The increase is primarily due to additional funding for the Local Government Grants and Subsidies Program; the Community Resilience Fund; the GC2018 Athletes Village; the Yeppoon and Rockhampton Revitalisation Projects; the Planning Reform Program; the fast tracking of the early stages of infrastructure projects, and the coordination and integration of infrastructure planning and delivery. This is partially offset by the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.
10. The increase is primarily due to establishing an Infrastructure Portfolio Office to coordinate and integrate State Government infrastructure, land-use and economic planning.
11. The increase is principally due to increased expenditure to fast track the early stages of infrastructure projects; to coordinate and integrate infrastructure planning and delivery; to complete the Palm Island Water Shortage Project and to support the Planning Reform Program due to timing changes on commencement of the *Planning Act 2016*.
12. The increase is primarily due to additional expenditure for the Local Government Grants and Subsidies Program; the Community Resilience Fund; the GC2018 Athletes Village and the Yeppoon and Rockhampton Revitalisation Projects. This is partially offset by the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.

## Balance sheet

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

13. The decrease is primarily due to a reduction in funds held at year end as a result of reduced grant commitments.
14. The decrease principally relates to a reduction in invoices owing at year end.
15. The increase is primarily due to a change in value of water infrastructure assets held in the Northern Peninsula Area.

16. The increase principally relates to expenditure on the Development Assessment System (MyDAS).
17. The decrease is primarily due to a reduction in accounts payable at year end.
18. The increase is principally due to a reduction in infrastructure assets transferred to Indigenous local councils at nil value and an increase in the asset revaluation reserve in respect of water infrastructure assets held in the Northern Peninsula Area.

**Major variations between 2015-16 Budget and 2016-17 Budget include:**

19. The decrease is primarily due to a reduction in funds held at year end as a result of reduced grant commitments.
20. The decrease principally relates to a reduction in invoices owing at year end.
21. The increase principally relates to new funding for Cherbourg Wastewater Infrastructure.
22. The increase principally relates to expenditure on MyDAS.
23. The decrease is primarily due to a reduction in accounts payable at year end.
24. The increase principally relates to new funding for Cherbourg Wastewater Infrastructure, Palm Island Water Infrastructure and an increase in the asset revaluation reserve in respect of water infrastructure assets held in the Northern Peninsula Area.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

25. The increase principally relates to new funding for Cherbourg Wastewater Infrastructure.
26. The increase principally relates to expenditure on MyDAS.
27. The increase principally relates to funding for Cherbourg Wastewater Infrastructure; Palm Island Water and Wastewater Infrastructure; and MyDAS. This is partially offset by the forecast deficit for 2016-17.

## Cash flow statement

**Major variations between 2015-16 Budget\* and 2015-16 Estimated Actual include:**

28. The decrease is primarily due to re-profiling the timing of funding for the Community Resilience Fund, the Royalties for the Regions Program, the Local Government Grants and Subsidies Program and the Planning Reform Program.
29. The decrease is primarily due to re-profiling the timing of expenditure for the Planning Reform Program due to timing changes on commencement of the *Planning Act 2016*.
30. The decrease is primarily due to re-profiling the timing of expenditure for the Planning Reform Program due to timing changes on commencement of the *Planning Act 2016*.
31. The decrease is primarily due to re-profiling the timing of expenditure for the Community Resilience Fund, the Royalties for the Regions Program and the Local Government Grants and Subsidies Program.
32. The decrease principally relates to the construction of infrastructure assets on behalf of Indigenous local councils.
33. The decrease principally relates to the deferral of contributions for the GC2018 Athletes Village and the Program Development Co-Investment Program.
34. The decrease principally relates to the deferral of contributions for the Program Development Co-investment Program.

**Major variations between 2015-16 Budget\* and 2016-17 Budget include:**

35. The increase is primarily due to additional funding for the Yeppoon and Rockhampton Revitalisation Projects; the GC2018 Athletes Village; the Local Government Grants and Subsidies Program; the fast tracking of the early stages of infrastructure projects, and the coordination and integration of infrastructure planning and delivery. This is partially offset by decreased funding for the Royalties for the Regions Program, and the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.
36. The increase is primarily due to establishing an Infrastructure Portfolio Office to coordinate and integrate State Government infrastructure, land-use and economic planning.
37. The increase is principally due to additional expenditure to fast track the early stages of infrastructure projects; to coordinate and integrate infrastructure planning and delivery; and to undertake the Palm Island Water Shortage Project.

38. The increase is due to additional expenditure for the Yeppoon and Rockhampton Revitalisation Projects, the Commonwealth Games Athletes Village. This is partially offset by decreased expenditure for the Royalties for the Regions Program and the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.
39. The increase principally relates to the construction of infrastructure assets on behalf of Indigenous local councils.
40. The increase principally relates to contributions received for the GC2018 Athletes Village and the Program Development Co-Investment Program and for construction of infrastructure assets on behalf of Indigenous local councils.
41. The increase principally relates to increased contributions for the GC2018 Athletes Village and the Program Development Co-Investment Program.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

42. The increase is primarily due to additional funding for the Local Government Grants and Subsidies Program; the Community Resilience Fund; the GC2018 Athletes Village; the Yeppoon and Rockhampton Revitalisation Projects; the Planning Reform Program; the fast tracking of the early stages of infrastructure projects, and the coordination and integration of infrastructure planning and delivery. This is partially offset by the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.
43. The increase is primarily due to establishing an Infrastructure Portfolio Office to coordinate and integrate State Government infrastructure, land-use and economic planning.
44. The increase is principally due to increased expenditure to fast track the early stages of infrastructure projects; to coordinate and integrate infrastructure planning and delivery; to complete the Palm Island Water Shortage Project and to support the Planning Reform Program due to timing changes on commencement of the *Planning Act 2016*.
45. The increase is primarily due to additional expenditure for the Local Government Grants and Subsidies Program; the Community Resilience Fund; the GC2018 Athletes Village and the Yeppoon and Rockhampton Revitalisation Projects. This is partially offset by the completion of the Torres Strait Major Infrastructure Program (Stage 5) in 2015-16.
46. The increase principally relates to the construction of infrastructure assets on behalf of Indigenous local councils.
47. The increase principally relates to contributions received for the GC2018 Athletes Village, the Program Development Co-Investment Program and for construction of infrastructure assets on behalf of Indigenous Local Councils.
48. The increase principally relates to increased contributions for the GC2018 Athletes Village and the Program Development Co-Investment Program.

## Administered income statement

**Major variations between 2015-16 Adjusted Budget and 2015-16 Estimated Actual include:**

49. The decrease is primarily due to a reduction of funds required by the Queensland Reconstruction Authority (QRA) as a result of utilisation of funding received in advance in prior financial years and by the advance payment for the Financial Assistance Grants (FAG) in June 2015 that applies to 2015-16.
50. The decrease is primarily due to the advance payment in June 2015 for FAG that applies to 2015-16.
51. The decrease is primarily due to a reduction of funds required by the QRA as a result of utilisation of funding received in advance in prior financial years and the advance payment for FAG to local governments that applies to 2015-16.
52. The decrease is primarily due to the advance payment in June 2015 for FAG to local governments that applies to 2015-16.

**Major variations between 2015-16 Adjusted Budget and 2016-17 Budget include:**

53. The decrease is primarily due to a reduction in funding required by the QRA as a result of declining Natural Disaster Relief and Recovery Arrangements (NDRRA) project claims.
54. The decrease is primarily due to decreased funding for the Australian Government National Insurance Affordability Initiative (NIAI).
55. The decrease is primarily due to a reduction in funding required by the QRA as a result of declining NDRRA project claims and decreased funding for NIAI.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

56. The increase is primarily due to advance funding for FAG in June 2015 that applies to 2015-16 and funding to QRA for NDRRA project claims.
57. The increase is primarily due to the advance payment in June 2015 for FAG that applies to 2015-16.
58. The increase is primarily due to increased funding for FAG and also an increase in funding required by the QRA due to the utilisation of all funds received in advance during 2015-16. It does not correlate to increased NDRRA project expenditure by the QRA in 2016-17.
59. The increase is primarily due to the advance payment in June 2015 for FAG to local governments that applies to 2015-16.

## **Administered cash flow statement**

**Major variations between 2015-16 Budget\* and 2015-16 Estimated Actual include:**

60. The decrease is primarily due to a reduction of funds required by the QRA as a result of utilisation of funding received in advance in prior financial years.
61. The decrease is primarily due to the advance payment in June 2015 for FAG that applies to 2015-16.
62. The decrease is due to a reduction of funds required by the QRA as a result of utilisation of funding received in advance in prior financial years.

**Major variations between 2015-16 Budget\* and 2016-17 Budget include:**

63. The decrease is primarily due to a reduction in funding required by the QRA as a result of declining NDRRA project claims.
64. The decrease is primarily due to reduced funding for NIAI.
65. The decrease is due to a reduction in funding required by the QRA as a result of declining NDRRA project claims and decreased funding for NIAI.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

66. The increase is primarily due to the reduction of funds required by the QRA in 2015-16 as a result of utilisation of funding received in advance in prior financial years.
67. The increase is primarily due to the advance payment in June 2015 for FAG that applies to 2015-16.
68. The increase is primarily due to the reduction of funds required by the QRA in 2015-16 as a result of utilisation of funding received in advance in prior financial years.



# Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of Infrastructure, Local Government and Planning (excluding Administered);
- Economic Development Queensland.

Explanations of variances for each entity are included in the individual budget financial statements located in this *Service Delivery Statement*.

## Reporting entity income statement

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Adjusted Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
Appropriation revenue		296,674	206,204	340,030
Taxes		..	..	..
User charges and fees		134,880	124,966	97,201
Royalties and land rents		..	..	..
Grants and other contributions		15,833	2,594	1,958
Interest		4,833	8,073	5,399
Other revenue		17	..	5
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>452,237</b>	<b>341,837</b>	<b>444,593</b>
<b>EXPENSES</b>				
Employee expenses		57,811	55,132	61,087
Supplies and services		168,640	127,880	175,742
Grants and subsidies		202,253	132,165	201,970
Depreciation and amortisation		504	486	477
Finance/borrowing costs		3,969	2,639	2,169
Other expenses		16,384	10,840	8,946
Losses on sale/revaluation of assets		..	18,030	..
<b>Total expenses</b>		<b>449,561</b>	<b>347,172</b>	<b>450,391</b>
Income tax expense/revenue		4,035	(3,553)	269
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(1,359)</b>	<b>(1,782)</b>	<b>(6,067)</b>

# Reporting entity balance sheet

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		139,206	194,755	116,949
Receivables		16,890	24,232	24,606
Other financial assets		..	..	..
Inventories		409,939	307,869	337,667
Other		1,222	111	111
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>567,257</b>	<b>526,967</b>	<b>479,333</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		52,090	20,891	114,018
Other financial assets		..	..	..
Property, plant and equipment		437,579	525,989	564,053
Deferred tax assets		8,217	2,466	2,466
Intangibles		1,686	5,907	7,447
Other		..	..	..
<b>Total non-current assets</b>		<b>499,572</b>	<b>555,253</b>	<b>687,984</b>
<b>TOTAL ASSETS</b>		<b>1,066,829</b>	<b>1,082,220</b>	<b>1,167,317</b>
<b>CURRENT LIABILITIES</b>				
Payables		53,162	29,573	31,314
Current tax liabilities		4,035	(1,553)	269
Accrued employee benefits		1,810	1,620	1,620
Interest bearing liabilities and derivatives		21,136	21,426	61,860
Provisions		..	1,514	1,890
Other		17,895	14,463	14,463
<b>Total current liabilities</b>		<b>98,038</b>	<b>67,043</b>	<b>111,416</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	12	12
Deferred tax liabilities		76,753	102,036	102,036
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		60,388	15,635	16,523
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>137,141</b>	<b>117,683</b>	<b>118,571</b>
<b>TOTAL LIABILITIES</b>		<b>235,179</b>	<b>184,726</b>	<b>229,987</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>831,650</b>	<b>897,494</b>	<b>937,330</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>831,650</b>	<b>897,494</b>	<b>937,330</b>

# Reporting entity cash flow statement

Department of Infrastructure, Local Government and Planning	Notes	2015-16 Budget* \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
Appropriation receipts		296,674	193,050	340,030
User charges and fees		135,019	134,328	96,827
Royalties and land rent receipts		..	..	..
Grants and other contributions		15,833	2,594	1,958
Interest received		4,379	7,700	4,987
Taxes		..	..	..
Other		17	782	5
<b>Outflows:</b>				
Employee costs		(57,811)	(55,261)	(61,087)
Supplies and services		(188,613)	(126,971)	(203,423)
Grants and subsidies		(194,521)	(129,152)	(194,954)
Borrowing costs		(3,969)	(2,639)	(2,169)
Taxation equivalents paid		(15,472)	(21,650)	(1,177)
Other		(14,699)	3,254	(6,216)
<b>Net cash provided by or used in operating activities</b>		<b>(23,163)</b>	<b>6,035</b>	<b>(25,219)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		1,540	5,992	8,202
Investments redeemed		..	..	..
Loans and advances redeemed		1,103	3,182	1,853
<b>Outflows:</b>				
Payments for non-financial assets		(32,987)	(25,888)	(55,299)
Payments for investments		..	..	..
Loans and advances made		(27,756)	(3,436)	(94,568)
<b>Net cash provided by or used in investing activities</b>		<b>(58,100)</b>	<b>(20,150)</b>	<b>(139,812)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		49,117	34,053	61,927
Equity injections		38,023	15,487	80,487
<b>Outflows:</b>				
Borrowing redemptions		(28,059)	(44,007)	(20,605)
Finance lease payments		..	..	..
Equity withdrawals		(21,365)	(21,365)	(34,584)
Dividends paid		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>37,716</b>	<b>(15,832)</b>	<b>87,225</b>
<b>Net increase/(decrease) in cash held</b>		<b>(43,547)</b>	<b>(29,947)</b>	<b>(77,806)</b>
<b>Cash at the beginning of financial year</b>		<b>182,753</b>	<b>224,702</b>	<b>194,755</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>139,206</b>	<b>194,755</b>	<b>116,949</b>

\*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

# Statutory bodies

## Building Queensland

Building Queensland (BQ) was established under the *Building Queensland Act 2015* (the Act) on the 3 December 2015. BQ's role is to provide independent, objective and transparent advice to the Queensland Government to enable better infrastructure decisions.

BQ works closely with all Queensland Government departments, government-owned corporations and statutory authorities and bodies, providing them with strategic advice and assisting with early stage development of projects.

One of the key functions of BQ is to develop rigorous business cases for projects. Using transparent and disciplined frameworks, including cost benefit analysis, and expert advice, BQ assists with business cases on projects where potential government investment is between \$50 million and \$100 million and leads the preparation of business cases where investment exceeds \$100 million. BQ also leads the procurement or delivery of projects if directed to do so.

BQ also recommends infrastructure projects that should be prioritised to meet the State's needs, through a pipeline of priority projects. This pipeline, based on rigorous analysis and assessment of projects, will contribute to future state infrastructure plans.

BQ is committed to sharing expertise to ensure infrastructure decision-making is based on transparent analysis. BQ's work, including project and cost benefit analysis summaries, will be regularly published online.

BQ's commitment to demonstrating transparency includes:

- extensive disclosure obligations that are built into the Act, including requirements to publish project summaries, cost benefit analysis summaries, an infrastructure pipeline document and any ministerial directions received. BQ must provide a summary report and an updated priority pipeline document to the responsible Minister every six months, and publish it 28 days thereafter
- providing the annual budget to the responsible Minister in March of each year for the next financial year for approval. BQ's budget is also subject to scrutiny through the annual Parliamentary Estimates process
- tabling its audited annual report in Parliament within three months of the end of the financial year
- project costs for the development of business cases are passed back to the respective line agencies, which authorise and regularly report on these costs
- providing monthly updates to its Board on operational matters, including budget and expenses
- publishing its frameworks, for Business Cases, Cost Benefit Analysis, Social Impact and a summary of the Prioritisation Guide, to the BQ website and updating them regularly.

## Budget

Building Queensland	2015-16 Adj. Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
Total expenses	8,073	7,152	8,055
Capital	..	18	17

## Staffing<sup>1</sup>

Building Queensland	2015-16 Adj. Budget	2015-16 Est. Act.	2016-17 Budget
Building Queensland	30	29	30

Note:

1. Full-time equivalents (FTEs) as at 30 June.

# Queensland Reconstruction Authority

## Overview

The Queensland Reconstruction Authority (QRA) was established under the *Queensland Reconstruction Authority Act 2011* following the unprecedented natural disasters, which impacted Queensland over the summer months of 2010-11. In 2015-16, a legislative amendment has made the QRA a permanent part of the Queensland Government.

The QRA manages and coordinates the state's restoration of communities and reconstruction of essential public infrastructure in disaster-affected communities. The QRA's role focuses on working with local and state government agencies to deliver value for money and accountable expenditure and acquittal of public reconstruction funds under Natural Disaster Relief and Recovery Arrangements (NDRRA).

QRA's vision is to build a more disaster-resilient Queensland. The QRA's objectives are to:

- deliver value for money and ensure accountable expenditure of disaster recovery funds, providing integrity and accountability
- coordinate and support the rapid recovery of disaster-impacted Queensland communities, creating jobs and a diverse economy, and building safe, caring and connected communities
- build the capacity and capability of local governments and state agencies to recover sooner following natural disaster events, supporting the delivery of quality frontline services
- contribute to the Queensland Government's response to national natural disaster funding reforms, helping to create jobs and a diverse economy
- drive a collaborative approach to the development of evidence-based policy across all levels of government, which contributes to a more resilient Queensland.

In 2015-16:

- following an independent review into the operations of QRA, the Government has implemented some of the 14 recommendations arising and is in the process of implementing others including preserving the QRA's flexibility and scalability and its future roles, such as coordinating and supporting mitigation, recovery and resilience activities across government
- QRA closed out and acquitted a \$1.6 billion claim to the Commonwealth under the NDRRA in March 2016, involving more than 800 submissions from nearly 80 local governments and state agencies. On acceptance from the Commonwealth, the approved claim will return more than \$1.1 billion to Queensland and finalise the significant program of works triggered by the devastating summer disaster events of 2010-11, other disasters in 2012 and Tropical Cyclone Oswald and other events of 2013
- QRA monitored the delivery of 2014 and 2015 disaster event reconstruction works, as well as provided active support for local governments activated for NDRRA in 2016.

## Service summary

Key priorities for 2016-17 include:

- ensuring the ongoing delivery of Queensland's NDRRA reconstruction works arising from the 2015 and 2016 events, including the 2015 \$20 million Betterment Fund, allocated to local government authorities for assistance following Tropical Cyclone Marcia, to build infrastructure back to a more disaster-resilient standard
- managing close-out, acquittal and Commonwealth reimbursement processes related to Queensland's natural disaster events for the relevant financial year/s
- strengthening our statewide regional liaison officer network as the key contacts for local governments and reconstruction delivery agents in affected regions across Queensland
- contributing to the Queensland Government's response to national natural disaster funding reforms following the release of the Productivity Commission report into natural disaster funding, which recommended substantial changes to the way NDRRA funding is distributed and managed. QRA will work with the Commonwealth to minimise the impact of any changes on Queensland communities

- refreshing the Queensland Disaster Resilience Strategy and lead a whole-of-government approach to disaster recovery, resilience and mitigation policy
- leading ongoing development of Queensland's flood risk management policy and work with local governments to implement recommendations of the Queensland Floods Commission of Inquiry and the 2015 Flood Warning Gauge Network Review.

## Service performance

### Performance statement

#### Administration of Natural Disaster Relief and Recovery Arrangements Funding

##### Service area objective

To demonstrate accountability in the use of natural disaster funding by coordinating the rapid restoration of communities following natural disasters.

##### Service area description

With responsibility for the administration of NDRRA funding, the QRA:

- actively manages and resources statewide NDRRA reconstruction works, including works relating to Queensland's natural disaster events of 2014, 2015 and 2016, and publicly reports on their progress
- manages the close-out and acquittal of NDRRA expenditure to obtain an unqualified audit opinion from the Queensland Audit Office in relation to claims for Australian Government reimbursement of eligible NDRRA expenditure.

In relation to future natural disaster events, the service area will assist with disaster recovery operations and support local governments and state agencies in their recovery processes, and capture critical damage impact data that informs funding requirements and strengthens disaster risk mapping and monitoring.

Queensland Reconstruction Authority	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Administration of Natural Disaster Relief and Recovery Arrangements Funding</b>				
<b>Service standards</b>				
<i>Effectiveness measures</i>				
Percentage of NDRRA reconstruction works completed within timeframes required by the Commonwealth Government within budget	1	100%	100%	100%
Prepare and submit NDRRA claims for the relevant financial year supported by unqualified independent audit opinion in order to maximise reimbursement for the Queensland Government	2	March 2016	March 2016	March 2017
<i>Efficiency measure</i>				
Immediate disaster recovery operating costs per dollar of new disaster event damage	3	0.25%	0.10%	0.25%

Notes:

1. Deadlines for completion of works eligible for reimbursement under NDRRA are set by the Australian Government.
2. An unqualified audit opinion is required in order for works to be eligible for reimbursement from the Australian Government.
3. This aims to measure the efficiency of resource allocation in immediate disaster response and recovery operations. Maintaining or reducing this measure will indicate efficient resource allocation.

# Staffing<sup>1</sup>

Queensland Reconstruction Authority	Notes	2015-16 Adj. Budget	2015-16 Est. Actual	2016-17 Budget
Administration of Natural Disaster Relief and Recovery Arrangements funding	2	104	94	104

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The 2015-16 Adjusted Budget reflects the addition of six FTE positions responsible for administering the Natural Disaster Relief and Recovery Arrangements transferred from the Department of Infrastructure, Local Government and Planning to the QRA on 1 January 2016.

# Income statement

Queensland Reconstruction Authority	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees		..	..	..
Grants and other contributions	1,4,7	644,426	232,224	356,054
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>644,426</b>	<b>232,224</b>	<b>356,054</b>
<b>EXPENSES</b>				
Employee expenses	2,5,8	12,597	9,700	13,553
Supplies and services		16,523	16,408	16,921
Grants and subsidies	3,6,9	614,426	513,724	324,699
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		880	392	881
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>644,426</b>	<b>540,224</b>	<b>356,054</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>(308,000)</b>	<b>..</b>



# Balance sheet

Queensland Reconstruction Authority	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	10,15	169,766	18,550	18,550
Receivables	11,16	12,627	1,694	1,694
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	5	5
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>182,393</b>	<b>20,249</b>	<b>20,249</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL ASSETS</b>		<b>182,393</b>	<b>20,249</b>	<b>20,249</b>
<b>CURRENT LIABILITIES</b>				
Payables	12,17	2,400	2,718	2,718
Accrued employee benefits	13,18	1,064	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	24	24
<b>Total current liabilities</b>		<b>3,464</b>	<b>2,742</b>	<b>2,742</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>TOTAL LIABILITIES</b>		<b>3,464</b>	<b>2,742</b>	<b>2,742</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>178,929</b>	<b>17,507</b>	<b>17,507</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>	14,19,20	<b>178,929</b>	<b>17,507</b>	<b>17,507</b>

# Cash flow statement

Queensland Reconstruction Authority	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		..	..	..
Grants and other contributions	21,26,31	644,426	232,224	356,054
Interest received		..	..	..
Taxes		..	..	..
Other	22,27,32	68,008	71,013	34,162
<b>Outflows:</b>				
Employee costs	23,28,33	(12,597)	(10,695)	(13,553)
Supplies and services	24,29	(84,531)	(69,071)	(51,083)
Grants and subsidies	25,30,34	(614,426)	(513,724)	(324,699)
Borrowing costs		..	..	..
Other		(880)	(392)	(881)
<b>Net cash provided by or used in operating activities</b>		..	<b>(290,645)</b>	..
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		..	..	..
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		..	..	..
<b>Net increase/(decrease) in cash held</b>		..	<b>(290,645)</b>	..
<b>Cash at the beginning of financial year</b>		<b>169,766</b>	<b>309,195</b>	<b>18,550</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>169,766</b>	<b>18,550</b>	<b>18,550</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. Grants and other contributions income 2015-16 Estimated Actual is below 2015-16 Budget due to the utilisation of funding received in advance (cash held by Queensland Reconstruction Authority) in prior financial years to fund expenditure in 2015-16 resulting in an operating deficit for 2015-16.
2. Employee expenses 2015-16 Estimated Actual is below 2015-16 Budget due to less staff required than was originally budgeted.
3. Grants and subsidies expenses 2015-16 Estimated Actual is below 2015-16 Budget due to a reduction in the final cost of eligible reconstruction works claimed and completed by State Departments and Agencies (SDAs) and Local Government Authorities (LGAs).

### Major variations between 2015-16 Budget and 2016-17 Budget include:

4. Grants and other contributions income 2016-17 Budget is below 2015-16 Budget due to a reduction in funding required to reimburse agencies for completed National Disaster Relief and Recovery Arrangements (NDRRA) works (see note 6).
5. Employee expenses 2016-17 Budget is greater than 2015-16 Budget due to an increase in salary costs and the transfer of six full time equivalent positions from the Department of Infrastructure, Local Government and Planning.
6. Grants and subsidies expenses 2016-17 Budget is below 2015-16 Budget due to reduced NDRRA works by SDAs and LGAs as part of the forecast NDRRA program.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

7. Grants and other contributions income 2016-17 Budget is greater than 2015-16 Estimated Actual due to the utilisation of funding received in advance (cash held by QRA) in prior financial years to fund expenditure in 2015-16. Funding in 2016-17 will be required to match expenditure.
8. Employee expenses 2016-17 Budget is greater than 2015-16 Estimated Actual due to vacant positions in 2015-16 expected to be filled in 2016-17.
9. Grants and subsidies expenses 2016-17 Budget is below 2015-16 Estimated Actual due to reduced NDRRA works by SDAs and LGAs as part of the forecast NDRRA program.

## Balance sheet

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

10. Cash assets 2015-16 Estimated Actual is below 2015-16 Budget due to the utilisation in 2015-16 of advance funding not spent in prior years.
11. Receivables 2015-16 Estimated Actual is below 2015-16 Budget due to a forecast reduction in goods and services tax (GST) receivable at the end of the financial year.
12. Payables 2015-16 Estimated Actual is greater than 2015-16 Budget due to forecast employee benefits payable to the whole-of-government central scheme at the end of the financial year.
13. The accrued employee benefits balance originally budgeted at 30 June 2016 (2015-16) has been transferred to the central whole-of-government central scheme during 2015-16 and the 2015-16 Estimated Actual is nil.
14. Accumulated surplus 2015-16 Estimated Actual is below 2015-16 Budget due to the utilisation in 2015-16 of advance funding not spent in prior years.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

15. Cash assets 2016-17 Budget is below 2015-16 Budget due to the utilisation in 2015-16 of advance funding not spent in prior years.
16. Receivables 2016-17 Budget is below 2015-16 Budget due to a forecast reduction in GST receivable at the end of the 2016-17 financial year.
17. Payables 2016-17 Budget is greater than 2015-16 Budget due to forecast employee benefits payable to the Queensland Central Scheme at the end of the 2016-17 financial year.

18. The accrued employee benefits balance originally budgeted at 30 June 2016 (2015-16) has been transferred to the whole-of-government central scheme during 2015-16 and the 2016-17 Budget is nil.
19. Accumulated surplus 2016-17 Budget is below 2015-16 Budget due to the utilisation in 2015-16 of advance funding not spent in prior years.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

20. There are no variations forecast between the 2015-16 Estimated Actual and the 2016-17 Budget.

## Cash flow statement

**Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:**

21. Grants and other contributions inflows 2015-16 Estimated Actual is below 2015-16 Budget due to the utilisation of funding received in advance (cash held by QRA) in prior financial years to fund expenditure in 2015-16 resulting in a net decrease in cash held in 2015-16.
22. Other inflows 2015-16 Estimated Actual is greater than 2015-16 Budget due to the timing of GST receipts from the Australian Taxation Office in prior years.
23. Employee costs outflows 2015-16 Estimated Actual is below 2015-16 Budget due to less staff required than was originally budgeted.
24. Supplies and services outflows 2015-16 Estimated Actual is below 2015-16 Budget predominately due to a reduction in the payment of GST on Grants and subsidies during 2015-16.
25. Grants and subsidies outflows 2015-16 Estimated Actual is below 2015-16 budget due to a reduction in the final cost of eligible reconstruction works claimed and completed by SDAs and LGAs.

**Major variations between 2015-16 Budget and 2016-17 Budget include:**

26. Grants and other contributions inflows 2016-17 Budget is below 2015-16 Budget due to a reduction in funding required to reimburse agencies for completed NDRRA works.
27. Other inflows 2016-17 Budget is below 2015-16 Budget due to forecast reduced overall GST outflows on Grants and subsidies during 2016-17.
28. Employee costs outflows 2016-17 Budget is greater than 2015-16 budget due to an increase in salary costs and the transfer of six full-time equivalent positions from the Department of Infrastructure, Local Government and Planning.
29. Supplies and services 2016-17 Budget is below 2015-16 Budget due to forecast reduced overall GST outflows on Grants and subsidies during 2016-17.
30. Grants and subsidies outflows 2016-17 Budget is below 2015-16 Budget due to reduced NDRRA works by SDAs and LGAs as part of the forecast NDRRA program.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

31. Grants and other contributions inflows 2016-17 Budget is greater than 2015-16 Estimated Actual due to the utilisation of funding received in advance (cash held by QRA) in prior financial years to fund expenditure in 2015-2016. Funding in 2016-17 will be required to match expenditure.
32. Other inflows 2016-17 Budget is below 2015-16 Estimated Actual due to forecast reduced overall GST outflows on Grants and subsidies during 2016-17.
33. Employee costs outflows 2016-17 Budget is greater than 2015-16 Estimated Actual due to vacant positions in 2015-16 expected to be filled in 2016-17.
34. Grants and subsidies outflows 2016-17 Budget is below 2015-16 Estimated Actual due to reduced NDRRA works by SDAs and LGAs as part of the forecast NDRRA program.

# South Bank Corporation

## Overview

The objectives of the South Bank Corporation (the Corporation), as outlined in the *South Bank Corporation Act 1989*, are to:

- promote, facilitate, carry out and control the development, disposal and management of land and other property within the Corporation area
- achieve an appropriate balance between the Corporation's commercial and non-commercial functions
- ensure the Corporation area complements, rather than duplicates, other public use sites in the inner-city Brisbane area
- provide for a diverse range of recreational, cultural and educational pursuits for local, regional and international visitors
- accommodate public events and entertainment that benefit the general community
- achieve excellence and innovation in the management of open space and park areas.

The Corporation's responsibilities include ownership and management of:

- the Brisbane Convention and Exhibition Centre
- the Parklands car park
- retail and short term commercial leasing and retail marketing
- road and footpath ownership and management
- statutory planning for the Corporation area and planning assessment for the Southpoint development.

Key factors impacting the Corporation include:

- in 2012 the Corporation was directed to refrain from capital expenditure and to exercise financial prudence to ensure that any cash reserves were able to be applied to its long term debt obligations. These debt obligations have since been fully repaid
- on 1 July 2013 the Corporation's management responsibilities for the South Bank Parklands transferred to the Brisbane City Council. In addition, the Corporation's planning assessment powers, excluding the Southpoint development, were transferred to the Brisbane City Council from 1 February 2013
- from 1 March 2016 a new Board was appointed by the Government to bring a fresh approach to the precinct and its future development and management.

## Service summary

New initiatives for 2016-17 include:

- completion by the Anthony John Group of Stage B of the Southpoint development in the Corporation area, being a commercial tower and retail precinct on Grey Street South Bank, which includes the restoration and refurbishment of the heritage listed Collins Place
- increasing the profile and involvement of retailers across the precinct
- securing a retail tenant for the heritage listed Allgas Building in the centre of the South Bank Parklands
- continuing to manage and enhance, with Brisbane City Council, the distinct elements of the precinct that make South Bank Brisbane's favourite place to live, work and play
- reviewing the role and powers of the Corporation and identifying future opportunities for the management of land and other property within the Corporation area.

# Staffing<sup>1</sup>

<b>South Bank Corporation</b>	<b>Notes</b>	<b>2015-16 Budget</b>	<b>2015-16 Est. Actual</b>	<b>2016-17 Budget</b>
South Bank Corporation	2	24	24	25

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The increase in staffing in 2016-17 is for planning and project management of capital works.

# Income statement

South Bank Corporation	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees	1,4,6	82,071	80,548	91,871
Grants and other contributions		..	..	..
Interest		550	690	650
Other revenue		..	..	..
Gains on sale/revaluation of assets	7	5,000	4,738	2,340
<b>Total income</b>		<b>87,621</b>	<b>85,976</b>	<b>94,861</b>
<b>EXPENSES</b>				
Employee expenses	2,8	2,815	2,626	2,955
Supplies and services	3,5,9	61,338	57,696	64,065
Grants and subsidies		..	..	..
Depreciation and amortisation		25,000	23,000	23,000
Finance/borrowing costs		..	..	..
Other expenses		7,156	7,276	7,633
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>96,309</b>	<b>90,598</b>	<b>97,653</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(8,688)</b>	<b>(4,622)</b>	<b>(2,792)</b>

# Balance sheet

South Bank Corporation	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets		35,145	38,623	33,691
Receivables		1,834	1,569	1,569
Other financial assets		..	..	..
Inventories		313	338	338
Other	10,14,18	430	5,314	1,264
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>37,722</b>	<b>45,844</b>	<b>36,862</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		698,361	717,039	722,857
Intangibles		..	..	..
Other	11,15	6,167	2,654	3,076
<b>Total non-current assets</b>		<b>704,528</b>	<b>719,693</b>	<b>725,933</b>
<b>TOTAL ASSETS</b>		<b>742,250</b>	<b>765,537</b>	<b>762,795</b>
<b>CURRENT LIABILITIES</b>				
Payables		9,452	8,234	8,234
Accrued employee benefits		..	423	423
Interest bearing liabilities and derivatives		..	..	..
Provisions		239	..	..
Other	12,16,19	29,335	16,259	6,309
<b>Total current liabilities</b>		<b>39,026</b>	<b>24,916</b>	<b>14,966</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		645	764	764
Accrued employee benefits		..	131	131
Interest bearing liabilities and derivatives		..	..	..
Provisions		89	..	..
Other	13,17	..	10,423	10,423
<b>Total non-current liabilities</b>		<b>734</b>	<b>11,318</b>	<b>11,318</b>
<b>TOTAL LIABILITIES</b>		<b>39,760</b>	<b>36,234</b>	<b>26,284</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>702,490</b>	<b>729,303</b>	<b>736,511</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>702,490</b>	<b>729,303</b>	<b>736,511</b>



# Cash flow statement

South Bank Corporation	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees	21,22	92,496	91,393	85,921
Grants and other contributions		..	..	..
Interest received		550	690	650
Taxes		..	..	..
Other		4,000	4,000	4,000
<b>Outflows:</b>				
Employee costs		(2,815)	(2,626)	(2,955)
Supplies and services		(65,338)	(62,488)	(64,437)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(11,156)	(11,276)	(11,633)
<b>Net cash provided by or used in operating activities</b>		<b>17,737</b>	<b>19,693</b>	<b>11,546</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets	20	(14,773)	(8,757)	(16,478)
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>(14,773)</b>	<b>(8,757)</b>	<b>(16,478)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>2,964</b>	<b>10,936</b>	<b>(4,932)</b>
<b>Cash at the beginning of financial year</b>		<b>32,181</b>	<b>27,687</b>	<b>38,623</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>35,145</b>	<b>38,623</b>	<b>33,691</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. The decrease is due to lower turnover by the Brisbane Convention and Exhibition Centre.
2. The decrease is due to the reduced need for project staff as a result of reduced capital works.
3. The decrease is due to lower turnover by the Brisbane Convention and Exhibition Centre.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

4. The increase is due to the sale of development land in the 2016-17 year.
5. The increase is due to the cost of a development land sale in the 2016-17 year.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

6. The increase is mainly due to the sale of development land in the 2016-17 year.
7. The reduction is due to anticipated maturing of the asset following strong growth and investment in prior years.
8. The increase is due to provision in the 2016-17 Budget for project staff with increased capital works.
9. The increase is mainly due to the cost of a development land sale in the 2016-17 year.

## Balance sheet

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

10. The increase is due to the transfer of development land from non-current assets to current assets.
11. The decrease is due to the transfer of development land from non-current assets to current assets.
12. The decrease is due to the transfer of an unearned income liability from current to non-current liabilities.
13. The increase is due to the transfer of an unearned income liability from current to non-current liabilities.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

14. The increase is due to annual insurance fees expected to be recognised as a prepayment asset.
15. The decrease is due to the transfer of development land from non-current assets to current assets.
16. The decrease is due to the recognition of unearned income as revenue in the 2016-17 year on sale of development land, plus the transfer of some unearned income from current to non-current liabilities.
17. The decrease is due to the transfer of some unearned income from current to non-current liabilities.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

18. The decrease follows the sale of development land.
19. The decrease is due to the transfer of some unearned income from current to non-current liabilities.

## Cash flow statement

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

20. The decrease is due to the deferral of planned capital works.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

21. The decrease is due to the receipt in the 2015-16 Budget year of land sales premiums.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

22. The decrease is due to the receipt in the 2015-16 year of land sales premiums.

# Trade and Investment Queensland

## Overview

Trade and Investment Queensland (TIQ) is the Queensland Government's dedicated agency for business trade and investment.

TIQ utilises its global and regional networks to identify international export opportunities, promote Queensland exporters to potential customers, identify international investors for foreign direct investment and endorse Queensland as an ideal destination offering diverse sectoral and investment solutions.

TIQ's vision is to be the best trade and investment organisation in Australasia by taking Queensland business to the world and bringing the world to Queensland. TIQ contributes to the Queensland Government's objective for the community of creating jobs and a diverse economy by:

- identifying, promoting and facilitating high quality trade and investment opportunities for Queensland business by developing global connections, and promoting investment opportunities to international investors
- highlighting Queensland's strengths overseas and positioning the state as an attractive investment destination, a hub for innovation and a hotspot for leading international companies in the Asia Pacific region.

TIQ's activities align with Queensland Government policies where there is a significant role for international trade and investment including Advance Queensland and the development of Northern Queensland.

The Queensland economy is expected to have one of the highest rates of economic growth of any Australian state in 2016-17 driven by a surge in liquefied natural gas exports and the recently concluded free trade agreements with key North Asia trade and investment partners.

## Service summary

In 2015-16, TIQ coordinated nine Ministerial-led missions and two Governor's visits, managed over 130 inbound delegations of overseas buyers to meet Queensland exporters and organised over 60 site visits for potential investors.

TIQ also had a key role in the Asia Pacific Cities Summit in July, the North Queensland Economic Summit held in November 2015 and the 2015 Queensland International Business Series in October, (including the 2015 Premier of Queensland's Export Awards and the Queensland Trade and Investment Luncheon), as well as supporting the Advance Queensland Innovation and Investment Summit held in April 2016.

In 2015-16, TIQ also implemented its new customer relationship management system, to ensure clients are dealt with efficiently and to streamline business functions, from export facilitation to event planning.

During 2016-17, TIQ's key priorities and initiatives are to:

- develop and implement key Queensland Government strategies for trade and investment and international education
- implement the forward plan for ministerial trade missions
- collaborate with other state government agencies in attracting foreign investment in Queensland
- encourage Queensland businesses to link with emerging global opportunities by working closely with key trading partners, (particularly in Asia); utilise trade agreements or partner agreements; and capitalise on Queensland's supply chain connectivity and superior track-record in doing business
- work with other government agencies to position Queensland globally as a leader in a number of industries, with a particular focus on international education, biofuels, agriculture, mining technology, energy and resources, life sciences, medical technology and creative industries
- promote Queensland as a preferred destination in Australia for business and skilled migrants
- deliver the annual Premier of Queensland's Export Awards.

# Service performance

## Performance statement

### Trade and Investment Missions

#### Service area objective

To coordinate ministerial trade and investment missions to promote Queensland internationally.

#### Service area description

Missions led by a Queensland Government Minister highlight the State as a world-class destination to invest, source world-class products and services and promote Queensland as a whole. These missions are key tools to assist Queensland businesses enter markets, and identify business opportunities to which they may otherwise not have had access to.

Similarly, for investment, missions led by ministers provide Queensland-based investment projects with increased visibility and access to high-quality international investors. These missions specifically target potential investors and highlight the benefits of investing in our state.

TIQ's mission program team develops an annual forward plan for ministerial trade and investment missions and official visits including those for the Governor and the Leader of the Opposition. Programs are developed based on government priorities, market opportunities and business capability.

Through consultation with stakeholders, programs including in-market meetings, events and receptions are designed to provide an opportunity to develop stronger government to government relationships and increase trade and investment outcomes for Queensland businesses.

Trade and Investment Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Trade and Investment Missions<sup>1</sup></b>				
<b>Service standards</b> <i>Effectiveness measure</i> Level of satisfaction of Ministerial mission participants with the timeliness, effectiveness and consistency of advice and services provided by TIQ.	2	New measure	New measure	75%
<i>Efficiency measure<sup>3</sup></i>				

Notes:

1. In 2016, the Government reinforced that the delivery of successful missions is a priority for TIQ. Missions led by a minister are an important tool in delivering TIQ's objectives and require significant resources both onshore and offshore.
2. This new service standard for effectiveness measures the level of satisfaction, timeliness and consistency of advice and services to produce an overall satisfaction result. Ministerial mission participants include Queensland Ministers, Directors-General and Queensland business delegates.
3. An efficiency measure is being developed and will be included in a future *Service Delivery Statement*.

## Policy Advice and Coordination

### Service area objective

To support the development and coordination of trade and investment policy advice for the Deputy Premier and Minister for Trade and Investment and the Government.

### Service area description

This service area promotes Queensland through supporting the appropriate development and coordination of policy advice for the Government. The service area provides:

- detailed briefings to the Deputy Premier and Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment on policy, from development through to coordination and implementation
- policy and operational advice and support to the Deputy Premier in relation to trade and investment matters.

In 2016 TIQ will lead the development of the whole-of-government Trade and Investment Strategy. This Strategy will provide a framework for the delivery, coordination and measurement of government initiatives designed to promote trade and investment for Queensland.

Trade and Investment Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Policy Advice and Coordination<sup>1</sup></b>				
<b>Service standards</b> <i>Effectiveness measure</i> Customer satisfaction with advice and support to intergovernmental issues on trade and investment promotion.	2	New measure	New measure	75%
<i>Efficiency measure<sup>3</sup></i>				

Notes:

1. In 2016, the Government, through the TIQ Board, communicated that providing timely and accurate policy advice on trade and investment matters will be a key ongoing function of TIQ.
2. This service standard informs on overall satisfaction levels with the quality, timeliness and support provided by TIQ and is derived from an annual client survey. Clients are Queensland Ministers, Directors-General and their agencies and other senior officers.
3. An efficiency measure is being developed and will be included in a future *Service Delivery Statement*.

## Trade

### Service area objective

To facilitate Queensland companies to win export business.

### Service area description

To achieve its objective, the Trade service area:

- creates awareness within the Queensland business community of export opportunities
- identifies Queensland companies with an internationally competitive export offering
- promotes Queensland exporters to potential customers through TIQ's global network
- identifies international export opportunities through TIQ's global network
- works with Australian branches of multinationals to nominate existing Queensland-based suppliers for projects offshore.

### Services

- Export leads
- Export deals

Trade and Investment Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Trade</b>				
<b>Service: Export leads</b>				
<b>Service standards</b> <i>Effectiveness measure</i> Client satisfaction with advice and/or support provided to a Queensland organisation seeking to export a good or service.	1	New measure	New measure	75%
<i>Efficiency measure</i> Cost per export lead	2	\$5,500	\$4,700	\$5,500
<b>Service: Export deals</b>				
<b>Service standards</b> <i>Effectiveness measures</i> Client satisfaction with advice and support which led to the successful export of a Queensland good or service	1	New measure	New measure	75%
<i>Efficiency measures</i> Cost per export deal	3	\$42,000	\$37,800	\$42,000

Notes:

1. This service standard informs on overall satisfaction levels with the quality, timeliness and support provided by TIQ and is derived from an annual client survey. Clients are Queensland exporters and international buyers involved in the export/purchase of Queensland goods and services.
2. Cost of an export lead includes the full-time equivalent (FTE) costs of Queensland and internationally-based FTE staff involved in servicing business clients plus their discretionary budgets divided by the number of leads.
3. Cost of an export deal includes the FTE costs of Queensland and internationally-based FTE staff involved in servicing business clients plus their discretionary budgets divided by the number of deals.

## Investment

### Service area objective

To facilitate investment in a Queensland company or project.

### Service area description

To achieve its objective the Investment service area:

- develops value propositions for investment at a state and sector level
- works with local governments, economic development agencies and private sector service providers to identify Queensland investment ready projects for promotion internationally
- pursues opportunities for reinvestment from current international investors in Queensland
- promotes Queensland investment propositions
- identifies international investors through TIQ's global network.

### Services

- Investment leads
- Investment deals

Trade and Investment Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Investment</b>				
<b>Service: Investment leads</b>				
<b>Service standards</b> <i>Effectiveness measure</i> Client satisfaction with advice and/or support provided to a Queensland organisation seeking investment in to a Queensland investment opportunity.	1	New measure	New measure	75%
<i>Efficiency measure</i> Cost per investment lead	2	\$19,000	\$17,600	\$19,000
<b>Service: Investment deals</b>				
<b>Service standards</b> <i>Effectiveness measures</i> Client satisfaction with advice and/or support which led to a successful investment in Queensland.	1	New measure	New measure	75%
<i>Efficiency measures</i> Cost per investment deal	3	\$150,000	\$141,000	\$150,000

Notes:

1. This service standard informs on overall satisfaction levels with the quality, timeliness and support provided by TIQ and is derived from an annual client survey. Clients are owners of Queensland investment ready projects and international investors involved in a Queensland company or project.
2. Cost of an investment lead includes the full-time equivalent (FTE) costs of Queensland and internationally-based FTE staff involved in servicing business clients plus their discretionary budgets divided by the number of leads.
3. Cost of an investment deal includes the FTE costs of Queensland and internationally-based FTE staff involved in servicing business clients plus their discretionary budgets divided by the number of deals.

## Discontinued measures

Performance measures included in the 2015-16 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Trade and Investment Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Business and Skilled Migration Queensland</b>				
Cost to process a business and skilled migration nomination.	1, 2	\$1,300	\$1,100	Discontinued measure

Notes:

1. This measure is discontinued as it is not material to Trade and Investment Queensland (TIQ). From a State perspective, overall responsibility of business and skilled migration policy and its implementation now rests with Queensland Treasury.
2. TIQ will continue to report on Business and Skilled Migration nomination activities through its Annual Report.



# Staffing<sup>1</sup>

<b>Trade and Investment Queensland</b>	<b>Notes</b>	<b>2015-16 Budget</b>	<b>2015-16 Est. Actual</b>	<b>2016-17 Budget</b>
Trade and Investment Queensland		125	115	128

Note:

1. Trade and Investment Queensland (TIQ) employs 125 full-time equivalents (FTEs) in Queensland as at 30 June and in accordance with the Queensland Government reporting on whole-of-government workforce data known as Minimum Obligatory Human Resource Information (MOHRI). TIQ also employs a further 65 FTEs across its international network in 13 offices across 11 countries under Locally Engaged Staff (LES) conditions. These LES are not accounted for in the MOHRI data reported by government.

# Income statement

Trade and Investment Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
Taxes		..	..	..
User charges and fees		648	480	674
Grants and other contributions	1,2,5	29,871	31,236	34,039
Interest		75	100	75
Other revenue		300	760	371
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>30,894</b>	<b>32,576</b>	<b>35,159</b>
<b>EXPENSES</b>				
Employee expenses	3,6	20,245	20,773	21,863
Supplies and services	4,7	10,306	10,449	13,847
Grants and subsidies		..	..	..
Depreciation and amortisation		196	196	200
Finance/borrowing costs		..	..	..
Other expenses		147	142	139
Losses on sale/revaluation of assets		..	..	..
<b>Total expenses</b>		<b>30,894</b>	<b>31,560</b>	<b>36,049</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>..</b>	<b>1,016</b>	<b>(890)</b>

# Balance sheet

Trade and Investment Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	8,9	2,161	2,848	2,158
Receivables		1,055	1,043	1,043
Other financial assets		..	..	..
Inventories		..	..	..
Other		554	775	775
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>3,770</b>	<b>4,666</b>	<b>3,976</b>
<b>NON-CURRENT ASSETS</b>				
Receivables		313	456	456
Other financial assets		..	..	..
Property, plant and equipment		352	332	212
Intangibles		241	374	294
Other		..	..	..
<b>Total non-current assets</b>		<b>906</b>	<b>1,162</b>	<b>962</b>
<b>TOTAL ASSETS</b>		<b>4,676</b>	<b>5,828</b>	<b>4,938</b>
<b>CURRENT LIABILITIES</b>				
Payables		828	1,094	1,094
Accrued employee benefits		657	754	754
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		541	352	352
<b>Total current liabilities</b>		<b>2,026</b>	<b>2,200</b>	<b>2,200</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		..	..	..
Accrued employee benefits		464	549	549
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>464</b>	<b>549</b>	<b>549</b>
<b>TOTAL LIABILITIES</b>		<b>2,490</b>	<b>2,749</b>	<b>2,749</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>2,186</b>	<b>3,079</b>	<b>2,189</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>2,186</b>	<b>3,079</b>	<b>2,189</b>

# Cash flow statement

Trade and Investment Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees		648	480	674
Grants and other contributions	10,11,14	29,871	31,236	34,039
Interest received		75	100	75
Taxes		..	..	..
Other		300	760	371
<b>Outflows:</b>				
Employee costs	12,15	(20,245)	(20,773)	(21,863)
Supplies and services	13,16	(10,306)	(10,449)	(13,847)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(147)	(142)	(139)
<b>Net cash provided by or used in operating activities</b>		<b>196</b>	<b>1,212</b>	<b>(690)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
<b>Outflows:</b>				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
<b>Net cash provided by or used in investing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings		..	..	..
Equity injections		..	..	..
<b>Outflows:</b>				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>..</b>	<b>..</b>	<b>..</b>
<b>Net increase/(decrease) in cash held</b>		<b>196</b>	<b>1,212</b>	<b>(690)</b>
<b>Cash at the beginning of financial year</b>		<b>1,965</b>	<b>1,636</b>	<b>2,848</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>2,161</b>	<b>2,848</b>	<b>2,158</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. The increase in 2015-16 relates to additional funding received to cover foreign exchange movements on international office expenditure and the new enterprise bargaining (EB) arrangements.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

2. The increase in 2016-17 is due to extension of International Education and Training initiatives, adjustments for foreign exchange movements, the relocation to 1 William Street and new EB arrangements.
3. The increase in 2015-16 is due to an increase as a result of new EB arrangements and the impact of fluctuations of the foreign exchange rates on international salaries.
4. The increase relates to the impact of the extension with the International Education and Training Initiatives and cost increases due to the foreign exchange rate movements compared with assumptions used for the Budget Process in 2015-16.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

5. The increase in 2016-17 is due to extension of International Education and Training Initiatives, the new EB arrangements and offset by deferred funding in 2015-16.
6. The increase in 2016-17 is due to the extension of the International Education and Training Initiatives and the new EB arrangements.
7. The increase in 2016-17 is due to the continuation and extension of International Education and Training Initiatives, the foreign exchange movements and offset by deferred funding from 2014-15 to 2015-16.

## Balance sheet

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

8. The increase relates to cash from grant contributions received in 2015-16 that are committed for the 2016-17 financial year for finalisation of the whole-of-government Trade and Investment Strategy.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

9. The decrease relates to cash from grant contributions received in 2015-16 that will be incurred in 2016-17 for finalisation of the whole-of-government Trade and Investment Strategy.

## Cash flow statement

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

10. The increase in 2015-16 relates to additional funding received to cover foreign exchange movements on international offices expenditure and the new EB arrangements.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

11. The increase in 2016-17 is due to the extension of International Education and Training initiatives, adjustments for foreign exchange rate movements and the relocation to 1 William Street.
12. The increase in 2015-16 is due to increase in employee expenses as per the new EB arrangements and the impact of fluctuations of the foreign exchange rates on international salaries.
13. The increase relates to the impact of the extension of International Education and Training Initiatives and cost increases due to the foreign exchange rate movements compared with assumptions used for the Budget process in 2015-16.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

14. The increase in the 2016-17 is due to extension of International Education and Training Initiatives, the new EB arrangements and the deferred funding received in 2015-16.

15. The increase in 2016-17 is due to the extension of International Education and Training Initiatives and the new EB arrangements.
16. The increase in 2016-17 is due to the extension of International Education and Training Initiatives, the foreign exchange movements and offset by deferred funding from 2014-15 to 2015-16.

# Commercialised business unit

## Economic Development Queensland

### Overview

Economic Development Queensland (EDQ) supports the department's vision to drive the creation of cities, towns and communities in Queensland that are great places to live, work and play. EDQ works collaboratively with state and local governments, industry and the public to identify, plan, facilitate and deliver property development and infrastructure projects across Queensland to create prosperous, liveable and connected communities.

EDQ is a specialist land use planning and property development unit which facilitates economic development and development for community purposes by:

- unlocking for development key government sites and under-utilised urban land with fragmented ownership
- enabling or undertaking land development activities and infrastructure provision
- demonstrating innovation in planning, building and infrastructure projects
- improving housing choice, diversity and delivering quality urban design
- identifying retail, commercial and industrial opportunities across the State with a particular focus on regional areas including joint venture projects with local governments.

EDQ continues to support jobs growth and investment through the Accelerated Works Program and the Catalyst Infrastructure Program despite the softening of the residential and industrial markets across Queensland.

### Service summary

In 2016-17 EDQ will deliver or facilitate delivery of a range of urban renewal, industrial and residential projects across Queensland. EDQ will achieve this by:

- undertaking a major review of a number of development schemes within existing Priority Development Areas (PDAs), starting with the Bowen Hills and Northshore Hamilton PDAs
- delivering and measuring the performance of the Ageing in Place pilot project in four regional Queensland towns to assist people as they enter their senior years by providing suitable housing options to enable people to stay in their communities, close to friends and family
- leading the delivery of superior economic and community outcomes through a portfolio of Economic and Community Development zones
- in conjunction with local government, further investigating potential new PDAs throughout Queensland
- progressing development in EDQ's eight current residential projects including settling up to 150 lots earning up to \$28 million in revenue
- completing construction and releasing the 10-lot final stage of the Crestmead Industrial Estate to help generate investment and support jobs in the Crestmead, Browns Plains and Marsden areas
- further developing Queensland's largest waterfront urban renewal project at Northshore Hamilton, including the opening of a new public park and commencement of over \$50 million of public infrastructure works including major road upgrades, wharf demolition and new river-walks
- commencing over \$30 million of public infrastructure works at Yeerongpilly Green in Brisbane, including major road upgrades and new public parks
- following the release of the master plan for the Gold Coast Health and Knowledge Precinct, commencing marketing of nine hectares of developable land within the 200 hectare site to facilitate the creation of a world-renowned, knowledge-based and mixed use community
- executing the Infrastructure Agreement with Unity Water to further enable development within the Caloundra South PDA and resolving infrastructure funding options for the Yarrabilba and Greater Flagstone PDAs.

# Performance statement

## Business and Economic Growth

### Service area objective

To drive business and economic growth in Queensland.

### Service area description

This service area delivers policies and programs that drive business and economic growth consistent with the Government's economic development agenda. This service area will drive the expansion of Queensland's economic growth as benchmarked against the global economy and comparable jurisdictions by:

- driving economic, business and community growth through innovative property and infrastructure partnerships to increase the resilience and sustainability of Queensland communities
- supporting and enabling new growth in Queensland communities through fast tracking opportunities for urban, residential, industrial and community development across Queensland
- facilitating the provision of priority development infrastructure that will unlock development opportunities and economic growth for local governments, key industry sectors, the community and the State.

### Services

- Priority development planning and catalyst infrastructure delivery
- Regional, urban and industrial development and investment

Economic Development Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Business and Economic Growth<sup>1</sup></b>				
<b>Service: Priority development planning and catalyst infrastructure delivery</b>				
<b>Service standards</b> <i>Effectiveness measure</i> Value of investment enabled through the Priority Development Infrastructure co-investment and Catalyst Infrastructure programs	2	New measure	New measure	\$61.2 million
<i>Efficiency measure</i> Value of investment enabled per dollar invested in the management of the Priority Development Infrastructure co-investment and Catalyst Infrastructure programs	2	New measure	New measure	\$1.60
<b>Service: Regional, urban and industrial development and investment</b>				
<b>Service standards</b> <i>Effectiveness measures</i> Value of private sector investment generated through land sales	3	\$622 million	\$472.6 million	\$582.7 million



Economic Development Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
Percentage of development projects managed, facilitated or delivered within committed timeframes and approved budget	4	92%	92%	92%
<i>Efficiency measure</i> Value of private sector investment generated through land sales per dollar spent on sales management	3	\$9.85	\$6.53	\$6.99

Notes:

1. This service area was previously called Driving Business and Economic Growth, and has been renamed for the 2016-17 *Service Delivery Statement*.
2. This measure combines reporting on projects being delivered under the discontinued Priority Development Infrastructure co-investment program and projects being delivered through the Catalyst Infrastructure Program which began in September 2015.
3. Private sector investment has fallen across the industrial and residential sectors due to softening market conditions which has impacted on the value of private sector investment generated. This decrease has also impacted on the value of private sector investment per dollar spent on land sales management.
4. This service standard has been amended for the 2016-17 *Service Delivery Statement* by adding the word 'development' to clarify what is referred to as a project. The methodology for calculating the measure has not changed.

## Discontinued measures

Performance measures included in the 2015-16 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Economic Development Queensland	Notes	2015-16 Target/Est.	2015-16 Est. Actual	2016-17 Target/Est.
<b>Service area: Business and Economic Growth</b>				
Value of investment enabled through the Priority Development Infrastructure co-investment program	1, 2	\$32.8 million	\$3.5 million	Discontinued measure
Value of investment enabled per dollar invested in the management of the Priority Development Infrastructure co-investment program	1, 3	\$2.20	\$2.80	Discontinued measure

Notes:

1. This measure has been discontinued as the Priority Development Infrastructure co-investment program (PDI) has been replaced by the Catalyst Infrastructure Program. Reporting on the performance of existing PDI projects has been included in the new measures under Business and Economic Growth.
2. The difference in the 2015-16 Target/Estimate and Estimated Actual is due to longer than anticipated predevelopment stages which have delayed the start of construction for some of the PDI projects, which in turn has delayed the investment enabled. The value of investment forecast for 2015-16, enabled by the PDI co-investment program, is anticipated to be delivered in 2016-17.
3. The difference in the 2015-16 Target/Estimate and Estimated Actual is due to expected management costs not being spent in 2015-16 because of the delay in the start of construction for some PDI projects.

# Staffing<sup>1</sup>

<b>Economic Development Queensland</b>	<b>Notes</b>	<b>2015-16 Budget</b>	<b>2015-16 Est. Actual</b>	<b>2016-17 Budget</b>
Economic Development Queensland		109	109	109

Note:

1. Full-time equivalents (FTEs) as at 30 June.

# Income statement

Economic Development Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>INCOME</b>				
User charges and fees	1,8,12	131,427	121,513	93,990
Grants and other contributions	2,9,13	33,112	18,476	36,979
Interest	3,14	4,379	7,607	4,987
Other revenue		17	..	5
Gains on sale/revaluation of assets		..	..	..
<b>Total income</b>		<b>168,935</b>	<b>147,596</b>	<b>135,961</b>
<b>EXPENSES</b>				
Employee expenses	4,15	15,111	13,658	15,321
Supplies and services	5,10,16	120,261	101,203	108,895
Grants and subsidies		..	319	..
Depreciation and amortisation		32	14	5
Finance/borrowing costs		3,969	2,639	2,169
Other expenses	6,11,17	16,113	10,569	8,675
Losses on sale/revaluation of assets	7,18	..	18,030	..
<b>Total expenses</b>		<b>155,486</b>	<b>146,432</b>	<b>135,065</b>
Income tax expense/revenue		4,035	(3,553)	269
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>9,414</b>	<b>4,717</b>	<b>627</b>

# Balance sheet

Economic Development Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash assets	19,27,36	113,866	172,498	94,782
Receivables	20,28	12,183	21,481	21,855
Other financial assets		..	..	..
Inventories	21,29,37	409,939	307,869	337,667
Other		1,206	111	111
Non-financial assets held for sale		..	..	..
<b>Total current assets</b>		<b>537,194</b>	<b>501,959</b>	<b>454,415</b>
<b>NON-CURRENT ASSETS</b>				
Receivables	22,30,38	45,466	15,057	108,875
Other financial assets		..	..	..
Property, plant and equipment	23,31,39	393,670	478,368	507,003
Deferred tax assets		8,217	2,466	2,466
Intangibles		..	..	..
Other		..	..	..
<b>Total non-current assets</b>		<b>447,353</b>	<b>495,891</b>	<b>618,344</b>
<b>TOTAL ASSETS</b>		<b>984,547</b>	<b>997,850</b>	<b>1,072,759</b>
<b>CURRENT LIABILITIES</b>				
Payables	24,32	33,773	15,099	16,840
Current tax liabilities		4,035	(1,553)	269
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	33,40	21,136	21,426	61,860
Provisions		..	1,514	1,890
Other		17,895	14,463	14,463
<b>Total current liabilities</b>		<b>76,839</b>	<b>50,949</b>	<b>95,322</b>
<b>NON-CURRENT LIABILITIES</b>				
Payables		18,734	19,524	19,524
Deferred tax liabilities	25,34	76,753	102,036	102,036
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	26,35	60,388	15,635	16,523
Provisions		..	..	..
Other		..	..	..
<b>Total non-current liabilities</b>		<b>155,875</b>	<b>137,195</b>	<b>138,083</b>
<b>TOTAL LIABILITIES</b>		<b>232,714</b>	<b>188,144</b>	<b>233,405</b>
<b>NET ASSETS/(LIABILITIES)</b>		<b>751,833</b>	<b>809,706</b>	<b>839,354</b>
<b>EQUITY</b>				
<b>TOTAL EQUITY</b>		<b>751,833</b>	<b>809,706</b>	<b>839,354</b>

# Cash flow statement

Economic Development Queensland	Notes	2015-16 Budget \$'000	2015-16 Est. Act. \$'000	2016-17 Budget \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows:</b>				
User charges and fees	41,52,63	131,566	111,351	93,616
Grants and other contributions	42,64	33,112	18,476	36,979
Interest received		4,379	7,688	4,987
Other		17	782	5
<b>Outflows:</b>				
Employee costs		(15,111)	(13,787)	(15,321)
Supplies and services	43,53,65	(140,234)	(81,584)	(136,576)
Grants and subsidies		..	(319)	..
Borrowing costs		(3,969)	(2,639)	(2,169)
Taxation equivalents paid	44,54,66	(15,472)	(21,650)	(1,177)
Other	45,55,67	(14,428)	4,339	(5,945)
<b>Net cash provided by or used in operating activities</b>		<b>(20,140)</b>	<b>22,657</b>	<b>(25,601)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Inflows:</b>				
Sales of non-financial assets	46,56,68	1,540	5,992	8,202
Investments redeemed		..	..	..
Loans and advances redeemed		..	2,079	750
<b>Outflows:</b>				
Payments for non-financial assets	47,57,69	(25,703)	(20,133)	(36,842)
Payments for investments		..	..	..
Loans and advances made	48,58,70	(27,756)	(3,436)	(94,568)
<b>Net cash provided by or used in investing activities</b>		<b>(51,919)</b>	<b>(15,498)</b>	<b>(122,458)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Inflows:</b>				
Borrowings	49,59,71	49,117	34,053	61,927
Equity injections	50,60,72	30,933	21,988	62,132
<b>Outflows:</b>				
Borrowing redemptions	51,61,73	(28,059)	(44,007)	(20,605)
Finance lease payments		..	..	..
Equity withdrawals	62,74	(19,892)	(19,892)	(33,111)
Dividends paid		..	..	..
<b>Net cash provided by or used in financing activities</b>		<b>32,099</b>	<b>(7,858)</b>	<b>70,343</b>
<b>Net increase/(decrease) in cash held</b>		<b>(39,960)</b>	<b>(699)</b>	<b>(77,716)</b>
<b>Cash at the beginning of financial year</b>		<b>153,826</b>	<b>173,197</b>	<b>172,498</b>
Cash transfers from restructure		..	..	..
<b>Cash at the end of financial year</b>		<b>113,866</b>	<b>172,498</b>	<b>94,782</b>

# Explanation of variances in the financial statements

## Income statement

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

1. The decrease is mainly due to lower than budgeted land sales as a result of changing market conditions.
2. The decrease is due to the Department of State Development (DSD) retaining the funding for construction of the Bundaberg Gas Pipeline.
3. The increase is due to interest earned on higher than budgeted cash balances.
4. The decrease is due to delays in filling vacant positions.
5. The decrease is due to the transfer of Bundaberg Gas Pipeline construction from Economic Development Queensland (EDQ) to DSD and lower than budgeted cost of sales due to lower sales.
6. The decrease is due to a reduction in the forecast tax equivalents.
7. The increase is due to a write down in land inventory as a result of changing market conditions.

### Major variations between 2015-16 Budget and 2016-17 Budget include:

8. The decrease is mainly due to lower than budgeted land sales as a result of changing market conditions.
9. The increase is due to a higher forecast spend on the Gold Coast 2018 Commonwealth Games (GC2018) Village, in accordance with the construction program.
10. The decrease is due to lower cost of sales as a result of reduced land sales forecast.
11. The decrease is due to a reduction in forecast tax equivalents.

### Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:

12. The decrease is mainly due to lower land sales forecast as a result of changing market conditions.
13. The increase is due to a higher forecast spend on the GC2018 Village, in accordance with the construction program.
14. The decrease is due to lower cash balances forecast at 30 June 2017.
15. The increase is due to enterprise bargaining agreement increases and full year impact of staff changes.
16. The increase is due to higher forecast spend on the GC2018 Village in accordance with the construction program.
17. The decrease is due to a reduction in forecast tax equivalents.
18. The decrease is due to a reduction in the value of forecast land inventory write downs.

## Balance sheet

### Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:

19. The increase reflects a delay in development activity due to revised scheduling of costs and the funding for the Catalyst Infrastructure Program to 2016-17.
20. The increase is due to funding for catalyst infrastructure loans being recorded as a current receivable and budgeted as a non-current receivable.
21. The decrease is due to a devaluation of land inventory due to current market conditions and decreased development activity.
22. The decrease is due to catalyst infrastructure loan funding being budgeted as a non-current receivable and actuals recorded as a current receivable.
23. The increase is due to revaluation increments for investment property at 30 June 2015.
24. The decrease reflects timing and amount of operating payments.
25. The increase is due to land revaluations at 30 June 2015.
26. The decrease is due to catalyst infrastructure loan funding being treated as current liability.

**Major variations between 2015-16 Budget and 2016-17 Budget include:**

27. The decrease reflects the commencement of funding for the Catalyst Infrastructure Program in 2016-17.
28. The increase is due to funding for catalyst infrastructure loans being recorded as a current receivable and budgeted as non-current.
29. The decrease is due to a devaluation of land inventory due to current market conditions and decreased development activity.
30. The increase is due to catalyst infrastructure loan funding in accordance with the construction program.
31. The increase is due to revaluation increments for investment property at 30 June 2015 and forecast spend on the GC2018 Village.
32. The decrease reflects timing and amount of operating payments.
33. The increase is due to funding catalyst infrastructure.
34. The increase is due to land revaluations at 30 June 2015.
35. The decrease is due to catalyst infrastructure loan funding being treated as current liability.

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

36. The decrease reflects the commencement of funding for the Catalyst Infrastructure Program and revised schedule of development activity.
37. The increase is due to additional construction in accordance with the expected schedule of development programs.
38. The increase is due to catalyst loan funding in accordance with the construction program.
39. The increase is due to forecast spend on the GC2018 Village.
40. The increase is due to funding catalyst infrastructure.

## Cash flow statement

**Major variations between 2015-16 Budget and 2015-16 Estimated Actual include:**

41. The decrease is due to lower than budgeted land sales as a result of changing market conditions.
42. The decrease is due to the transfer of funding for Bundaberg Gas Pipeline from EDQ to DSD.
43. The decrease is due to the transfer of the Bundaberg Gas Pipeline construction from EDQ to DSD and lower than budgeted development costs.
44. The increase is due to the timing of the payment of tax equivalents.
45. The decrease is due to the receipt of security deposits.
46. The increase is due to land leases being paid out earlier than budgeted.
47. The decrease is due to delayed spend on industrial development projects.
48. The decrease is due to delayed catalyst infrastructure loan funding.
49. The decrease is due to delayed construction spending in accordance with the expected schedule of development programs.
50. The decrease is due to delayed Priority Development Infrastructure (PDI) expenditure.
51. The increase is due to a partial repayment made as part of an overall debt reduction strategy.

**Major variations between 2015-16 Budget and 2016-17 Budget include:**

52. The decrease is due to lower than budgeted land sales as a result of changing market conditions.
53. The decrease is due to lower development costs as a result of reduced land sales.
54. The decrease is due to the timing of the payment of tax equivalents.
55. The decrease is due to the receipt of security deposits.
56. The increase is due to timing of expected conversion to freehold leases.
57. The increase is due to higher forecast spend on the GC2018 Village in accordance with the construction program.



58. The increase is due to forecast spend on catalyst infrastructure loan funding.
59. The increase is due to forecast construction spend in accordance with development program.
60. The increase is due to PDI expenditure forecast to commence during 2016-17.
61. The decrease is due to lower forecast sales as a result of current market conditions.
62. The increase is mainly due to forecast PDI funding to the Department of Transport and Main Roads (DTMR).

**Major variations between 2015-16 Estimated Actual and the 2016-17 Budget include:**

63. The decrease is due to lower land sales as a result of changing market conditions.
64. The increase is due to a higher forecast spend on the GC2018 Village, in accordance with the construction program.
65. The increase is due to higher forecast spend on the GC2018 Village in accordance with the construction program.
66. The decrease is due to the timing of the payment of tax equivalents.
67. The increase is due to a reduction in security deposits received.
68. The increase is due to timing of expected conversion to freehold leases.
69. The increase is due to higher forecast spend on the GC2018 Village, in accordance with the construction program.
70. The increase is due to forecast spend on catalyst infrastructure loan funding.
71. The increase is due to forecast construction spend in accordance with the development program.
72. The increase is due to forecast PDI expenditure.
73. The decrease is due to a partial debt repayment made in 2015-16 as part of an overall debt reduction strategy.
74. The increase is mainly due to forecast PDI funding to DTMR.

# Glossary of terms

<b>Accrual accounting</b>	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
<b>Administered items</b>	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
<b>Agency/entity</b>	Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
<b>Appropriation</b>	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> <li>• delivery of agreed services</li> <li>• administered items</li> <li>• adjustment of the Government's equity in agencies, including acquiring of capital.</li> </ul>
<b>Balance sheet</b>	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
<b>Capital</b>	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
<b>Cash Flow Statement</b>	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
<b>Controlled Items</b>	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
<b>Depreciation</b>	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
<b>Equity</b>	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
<b>Equity injection</b>	An increase in the investment of the Government in a public sector agency.
<b>Financial statements</b>	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.

<b>Income statement</b>	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
<b>Outcomes</b>	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
<b>Own-source revenue</b>	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
<b>Priorities</b>	Key policy areas that will be the focus of Government activity.
<b>Services</b>	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
<b>Service area</b>	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
<b>Service standard</b>	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at [www.budget.qld.gov.au](http://www.budget.qld.gov.au)





