

Departmental budget summary

The table below shows the total resources available in 2017-18 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Queensland Fire and Emergency Services	2016-17 Adjusted Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	..	..	..
Balance of service appropriation	80,571	79,184	81,068
Other revenue	594,997	555,682	582,734
Total income	675,568	634,866	663,802
Expenses			
Fire and emergency services	675,568	634,866	663,802
Total expenses	675,568	634,866	663,802
Operating surplus/deficit	..	..	..
Net assets	67,105	63,626	61,314

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue¹

Sources of revenue 2017-18 Budget					
Queensland Fire and Emergency Services	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Fire and emergency services	663,802	77,889	51,129	3,902	530,882
Total	663,802	77,889	51,129	3,902	530,882

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 2016-17 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Queensland Fire and Emergency Services	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	..	..	..	..
Departmental	2,336	4,354	4,973	(15)	(16)
Capital measures					
Administered	..	..	..	..	..
Departmental	..	10,691	19,405	(10,691)	(19,405)

Note:

- Figures reconcile with *Budget Measures (Budget Paper 4)*, including the whole-of-government expense measure '2017-18 Budget Reprioritisations'.

Departmental capital program

Most new and ongoing capital initiatives to support QFES' operational capability are delivered by the Public Safety Business Agency. This includes fire and emergency services facilities, urban and rural fire appliances and communications equipment and the implementation of the Accelerated Rural Fire Service Fleet Program. QFES continues to be responsible for delivering operational equipment and information systems development.

In 2017-18, the QFES' capital program provides an investment of \$6.2 million for operational plant and equipment and operational information systems and \$897,000 for capital grants to Rural Fire Brigades and State Emergency Services Groups, to support the delivery of essential frontline public safety services for Queensland's communities.

Capital budget

Queensland Fire and Emergency Services	Notes	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
Capital purchases^{1,2}				
Total plant and equipment		8,075	5,042	6,200
Total other capital		897	897	897
Total capital purchases		8,972	5,939	7,097

Notes:

1. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
2. Capital measures from 2017-18 Budget have been transferred to PSBA and can be viewed in the PSBA *Capital Statement (Budget Paper 3)*.

Staffing¹

Queensland Fire and Emergency Services	Notes	2016-17 Adjusted Budget	2016-17 Est. Actual	2017-18 Budget
Fire and Emergency Services	2,3,4	3,256	3,253	3,280
TOTAL		3,256	3,253	3,280

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The 2016-17 adjusted budget FTE includes an increase of 146 funded FTEs for the Machinery of Government transition of various functions from the Public Safety Business Agency (PSBA) effective 1 July 2016.
3. The 2016-17 Estimated Actual FTE includes a temporary decrease of 3 funded FTEs, transferred to the PSBA for the State Regional Infrastructure Programs Project (SRIPP) until 1 July 2018.
4. The 2017-18 Budget includes an increase of 27 FTE firefighters for the reserve roster.

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.

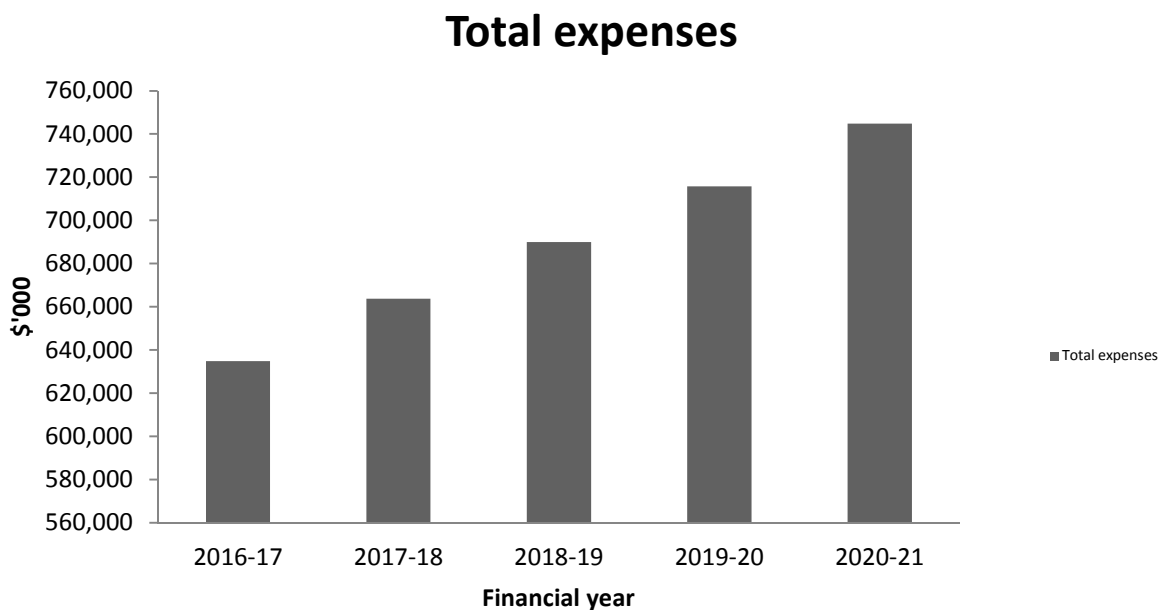
Departmental income statement

Total income is estimated to be \$663.8 million in 2017-18, an increase of \$28.9 million from the 2016-17 Estimated Actual. It is estimated the emergency management levy will contribute \$508.1 million, or 77 per cent, of total operating income in 2017-18.

Total expenses are estimated to be \$663.8 million in 2017-18. This is a \$28.9 million increase from the 2016-17 Estimated Actual. The increase is mainly due to enterprise bargaining arrangements and payments to PSBA to deliver the QFES capital program.

The increase over the remainder of the forward estimates is mostly due to enterprise bargaining arrangements and payments to PSBA to deliver the QFES capital program.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's major assets are in cash and receivables (\$63.6 million) and property, plant and equipment (\$25.2 million). The department's main liabilities relate to payables (\$39.9 million) and accrued employee benefits (\$13.2 million).

Controlled income statement

Queensland Fire and Emergency Services	Notes	2016-17 Adjusted Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue		80,571	79,184	81,068
Taxes	5,11	486,285	481,868	508,129
User charges and fees		51,170	51,598	51,129
Royalties and land rents		..	..	..
Grants and other contributions	1,6	55,324	20,091	21,257
Interest		1,354	1,421	1,498
Other revenue		864	704	721
Gains on sale/revaluation of assets		..	..	..
Total income		675,568	634,866	663,802
EXPENSES				
Employee expenses	2,7,12	372,975	378,808	385,765
Supplies and services	3,8	129,794	119,090	116,736
Grants and subsidies	9,13	119,933	118,207	144,072
Depreciation and amortisation		4,775	4,902	4,971
Finance/borrowing costs		..	..	..
Other expenses	4,10	47,571	13,339	11,738
Losses on sale/revaluation of assets		520	520	520
Total expenses		675,568	634,866	663,802
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Queensland Fire and Emergency Services	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets	14,22,31	25,799	21,488	17,947
Receivables	15,23	39,017	45,697	45,697
Other financial assets		..	..	..
Inventories		2,630	2,396	2,396
Other	16,24	2,368	8,162	8,162
Non-financial assets held for sale		..	..	..
Total current assets		69,814	77,743	74,202
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	25,32	23,835	23,808	25,176
Intangibles	17,26	12,979	9,038	8,899
Other		..	..	..
Total non-current assets		36,814	32,846	34,075
TOTAL ASSETS		106,628	110,589	108,277
CURRENT LIABILITIES				
Payables	18,27	17,571	39,851	39,851
Accrued employee benefits	19,28	18,658	13,158	13,158
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	20,29	3,294	(6,046)	(6,046)
Total current liabilities		39,523	46,963	46,963
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		39,523	46,963	46,963
NET ASSETS/(LIABILITIES)		67,105	63,626	61,314
EQUITY				
TOTAL EQUITY	21,30	67,105	63,626	61,314

Controlled cash flow statement

Queensland Fire and Emergency Services	Notes	2016-17 Adjusted Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		80,571	79,184	81,068
User charges and fees		50,650	51,078	50,609
Royalties and land rent receipts		..	..	..
Grants and other contributions	36,42	9,045	7,755	10,944
Interest received		1,354	1,421	1,498
Taxes	37,43	486,285	481,868	508,129
Other		864	704	721
Outflows:				
Employee costs	33,38,44	(372,975)	(378,808)	(385,765)
Supplies and services	34,39	(129,794)	(119,090)	(116,736)
Grants and subsidies	40,45	(119,933)	(118,207)	(144,072)
Borrowing costs		..	..	..
Other		(1,292)	(1,003)	(1,425)
Net cash provided by or used in operating activities		4,775	4,902	4,971
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	35,41,46	(8,075)	(5,042)	(6,200)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(8,075)	(5,042)	(6,200)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	(2,312)
Net cash provided by or used in financing activities		..	..	(2,312)
Net increase/(decrease) in cash held		(3,300)	(140)	(3,541)
Cash at the beginning of financial year		29,099	21,628	21,488
Cash transfers from restructure		..	..	..
Cash at the end of financial year		25,799	21,488	17,947

Explanation of variances in the financial statements

Income statement

Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

1. Grants and other contributions decrease is mainly due to a revised methodology for the calculation of goods and services provided below fair value to Queensland Fire and Emergency Services (QFES) by the Public Safety Business Agency (PSBA).
2. Employee expenses increase is mainly due to increased WorkCover premiums and additional presumptive legislation related WorkCover costs.
3. Supplies and services decrease is due to reduced spend as a result of lower than anticipated income and a budget transfer to employee expenses to cover presumptive legislation related WorkCover costs.
4. Other expenses decrease is mainly due to a revised methodology for the calculation of goods and services provided below fair value to QFES by the PSBA.

Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

5. Taxes increase is mainly due to a 3.5% increase in the emergency management levy from 1 July 2017 and an estimated growth in levied properties of 1.95%. This increase has been partly offset by adjustments to the emergency management levy in 2016-17.
6. Grants and other contributions decrease is mainly due to a revised methodology for the calculation of goods and services provided below fair value to QFES by the PSBA.
7. Employee expenses increase is mainly due to enterprise bargaining arrangements, increased WorkCover premiums and additional presumptive legislation related WorkCover costs.
8. Supplies and services decrease is due to a budget transfer to employee expenses to cover presumptive legislation related WorkCover costs.
9. Grants and subsidies increase reflects payments to PSBA to deliver the QFES capital program.
10. Other expenses decrease is mainly due to a revised methodology for the calculation of goods and services provided below fair value to QFES by the PSBA.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

11. Taxes increase is mainly due to a 3.5% increase in the emergency management levy from 1 July 2017 and a forecast growth in levied properties of 1.95%.
12. Employee expenses increase is mainly due to enterprise bargaining arrangements.
13. Grants and subsidies increase reflects payments to PSBA to deliver the QFES capital program.

Balance sheet

Major variations between 2016-17 Budget and 2016-17 Estimated Actual include:

14. Cash assets decrease is due to lower than estimated opening cash at bank balance for 2016-17.
15. Receivables increase reflects the estimated timing of receipts.
16. Other assets increase is due to pre-payments of supplies and services.
17. Intangibles decrease reflects lower than expected capital acquisitions in 2016-17.
18. Payables increase reflects the anticipated timing of payments to trade creditors.
19. Accrued employee benefits increase reflects the timing of payments for salaries and wages and related costs.
20. Other current liabilities decrease reflects the timing of expenditure reimbursements to other agencies within the Public Safety portfolio.
21. Total equity decrease is mainly due to a reduction to the accumulated surplus from 2015-16. This decrease has been partly offset by an increase to the contributed equity.

Major variations between 2016-17 Budget and 2017-18 Budget include:

22. Cash assets decrease is mainly due to timing of payments 2016-17.

23. Receivables increase reflects the estimated timing of receipts.
24. Other assets increase is due to pre-payments of supplies and services.
25. Property, plant and equipment increase mainly due to capital acquisitions planned for 2017-18.
26. Intangibles decrease reflects lower than anticipated capital acquisitions in 2016-17.
27. Payables increase reflects the anticipated timing of payments to trade creditors.
28. Accrued employee benefits increase reflects the timing of payments for salaries and wages and related costs.
29. Other current liabilities decrease reflects the timing of expenditure reimbursements to other agencies within the Public Safety portfolio.
30. Total equity decrease is mainly due to a reduction to the accumulated surplus. This decrease has been partly offset by an increase to the contributed equity.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

31. Cash assets decrease is mainly due to timing of payments 2016-17.
32. Property, plant and equipment increase mainly due to capital acquisitions planned for 2017-18.

Cash flow statement

Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

33. Employee costs increase is mainly due to increased WorkCover premiums and additional presumptive legislation related WorkCover costs.
34. Supplies and services decrease is mainly due to a budget transfer to employee expenses for presumptive legislation related WorkCover costs.
35. Payments for non-financial assets decrease is due to a decrease in capital acquisitions in 2016-17.

Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

36. Grants and other contributions increase mainly due to Commonwealth Games grants to be received in 2017-18.
37. Taxes increase is mainly due to a 3.5% increase in the emergency management levy from 1 July 2017 and a estimated growth in levied properties of 1.95%. This increase has been partly offset by adjustments to the emergency management levy in 2016-17.
38. Employee costs increase is mainly due to enterprise bargaining arrangements, increased WorkCover premiums and additional presumptive legislation related WorkCover costs.
39. Supplies and services decrease is mainly due to the impact of adjustments to the emergency management levy and a budget transfer to employee expenses for presumptive legislation related WorkCover costs.
40. Grants and subsidies increase is mainly due to an increase to the contribution to PSBA for services provided.
41. Payments for non-financial assets decrease is due to a decrease in capital acquisitions in 2016-17.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

42. Grants and other contributions increase mainly due to Commonwealth Games grants to be received in 2017-18.
43. Taxes increase is mainly due to a 3.5% increase in the emergency management levy from 1 July 2017 and a forecast growth in levied properties of 1.95%.
44. Employee costs increase is mainly due to enterprise bargaining arrangements.
45. Grants and subsidies increase is mainly due to an increase to the contribution to PSBA for services provided.
46. Payments for non-financial assets increase is due to additional capital acquisitions planned for 2017-18.



Queensland
Government

Public Safety Business Agency

Departmental overview

The Public Safety Business Agency is committed to its vision of being a trusted client-focussed service provider for the public safety portfolio and to enabling its clients to deliver quality community services. The agency supports the Queensland Government's objectives for the community, particularly delivering quality frontline services and building safe, caring and connected communities, by proudly supporting those who keep our community safe.

The role of the agency is to provide:

- information and communications technology (ICT), financial, procurement, asset management, human resources and other corporate services to the Queensland Police Service, Queensland Fire and Emergency Services, and the Office of the Inspector-General Emergency Management
- ICT services to the Queensland Ambulance Service and Queensland Corrective Services
- Queensland Government Air services.

Key objectives of the agency include:

- business - strong client service focus meeting agreed expectations
- clients - effective and respectful partnerships
- people - empowered, inclusive, diverse and capable workforce.

To achieve these objectives, the agency is focusing on the following strategies:

- delivering quality services
- engaging with clients to understand their service needs
- improving business processes in consultation with clients
- building and maintaining a culture of innovation to improve client outcomes
- fostering collaboration and information sharing
- ensuring clarity of service provision and standards
- establishing and maintaining respectful client relationships
- embedding clients in decision making
- committing to the agency's service culture
- investing in its people to achieve performance excellence
- acknowledging, celebrating and rewarding people and teams
- encouraging a diverse and healthy workforce.

Key risks and challenges for the agency in 2017-18 include:

- embedding the agency's business model and sustaining delivery of core business to agreed service targets
- meeting client expectations through effective consultation and engagement
- maintaining a capable workforce through effective workforce design and development.

In 2017-18, the agency will focus on the following key priorities and initiatives:

- delivering services to targets in Service Agreements
- enhancing the agency's risk management systems and practices
- improving methods for measuring client satisfaction and responding to feedback
- developing agency culture and staff capability
- Queensland Government Air transitioning to an Air Operator's Certificate for fixed wing aircraft
- delivering \$244 million of capital initiatives to support the operational capability of the Queensland Police Service, Queensland Fire and Emergency Services, Queensland Ambulance Service and Queensland Government Air
- completing multi-year ICT investment planning with client agencies.

The capital initiatives that PSBA will deliver include new or upgraded police and fire and rescue stations across the State, new and replacement police, fire and emergency service vehicles, and a range of ICT initiatives across the portfolio helping officers work smarter and safer. In 2017-18 this includes a program of accelerated capital works to provide new and refreshed facilities in parts of regional Queensland.

Service performance

Performance statement

Corporate Services

Service area objective

To deliver quality and sustainable corporate and support services to our clients.

Service area description

Services to public safety portfolio agencies include:

- ICT, financial, procurement, asset management, human resources and other corporate services to the Queensland Police Service, Queensland Fire and Emergency Services and the Office of the Inspector-General Emergency Management
- ICT services to the Queensland Ambulance Service and Queensland Corrective Services.

The agency also provides Queensland Government Air services, involving lifesaving, community safety and state support aviation services for the Queensland community.

2017-18 service area highlights

In 2017-18 key highlights include:

- delivering the ongoing capital building improvement programs for frontline services, including replacing and upgrading police and fire stations
- delivering the ongoing vehicle and vessel fleet capital programs for frontline services, including the replacement of police vehicles and fire appliances
- refining the PSBA financial business model with a focus on cost allocation
- commencing delivery of priority projects with client agencies under a multi-year ICT investment plan to support community safety
- completing the Emergency Services Computer Aided Dispatch (ESCAD) upgrade program
- procuring new aircraft to ensure Queensland Government Air meets future service requirements
- Queensland Government Air transitioning to an Air Operator's Certificate for fixed wing aircraft
- implementing the Human Resources Assessment to optimise PSBA human resources
- implementing the Queensland Police Service and Queensland Fire and Emergency Services Enterprise Bargaining Agreement reviews and initiatives
- implementing policy initiatives as a result of Industrial Relations Act changes
- supporting the Queensland Fire and Emergency Services to implement the NEXUS Human Capital Management solution
- supporting the Queensland Police Service in upgrading its payroll solution to Aurion 11
- achieving White Ribbon Accreditation.

Public Safety Business Agency	Notes	2016-17 Adjusted Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Corporate Services				
Service standards				
<i>Effectiveness measure</i>				
Customer satisfaction	1	>50%	..	..
<i>Efficiency measure</i>				
PSBA corporate services staff as a percentage of Public Safety Portfolio staff	2	New measure	New measure	<6.5%

Notes:

1. The Review of the Public Safety Business Agency (PSBA) tabled in Parliament in February 2016 made eight recommendations including that the agency narrow its focus to corporate support. The Queensland Government accepted the Review's recommendations, with the exception of Recommendation 6 to transfer Police Air Wing to the Queensland Police Service. At 31 October 2016 all Government-endorsed recommendations were closed and work continues on resolving outstanding PSBA review recommendation 6, which may have implications for the future strategic direction of QGAir. PSBA introduced client satisfaction as an effectiveness measure in 2013-14 and has reported on it in subsequent *Service Delivery Statements*. Due to the major structural changes to PSBA following the Review, a client satisfaction survey was not conducted in 2016-17 and therefore results are unavailable. PSBA is committed to supporting public safety agencies in the delivery of frontline services and to measuring the satisfaction of its clients. The agency's client satisfaction measurement methodologies and targets are under review to ensure alignment with the new PSBA structure and current better practice. A survey will be conducted in 2017-18 to measure overall client satisfaction and targets will be published in future *Service Delivery Statements*.
2. This service standard replaces the former standard measuring the cost of delivering agency services on a per capita Queensland basis. The new standard is calculated by dividing the total number of full time equivalent staff in PSBA by the total number of full time equivalent staff in PSBA, the Queensland Police Service, Queensland Fire and Emergency Services and the Office of the Inspector-General Emergency Management. The 2017-18 Target/Estimate is based on the current full time equivalent percentage.

Discontinued measures

Performance measures included in the 2016-17 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Public Safety Business Agency	Notes	2016-17 Adjusted Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Corporate Services				
Cost of Public Safety Business Agency services per person	1	\$109	\$94	Discontinued measure

Note:

1. This service standard measures the cost of delivering agency services on a per capita Queensland basis. The measure is calculated by dividing annual PSBA expenditure by Queensland population data extracted from the Australian Bureau of Statistics Catalogue No. 3101.0. The 2016-17 Target/Estimate published in the 2016-17 *Service Delivery Statement* was \$142 per person. This figure has been revised to \$109 to reflect budget adjustments resulting from Machinery of Government changes since the 2016-17 *Service Delivery Statement*. The measure is not considered to be an appropriate efficiency measure for this service area. It has been replaced with the new efficiency measure 'PSBA corporate services staff as a percentage of Public Safety Portfolio staff'.

Departmental budget summary

The table below shows the total resources available in 2017-18 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Public Safety Business Agency	2016-17 Adjusted Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	34,780	7,366	3,277
Balance of service appropriation	302,915	317,932	314,473
Other revenue	212,946	145,211	168,239
Total income	550,641	470,509	485,989
Expenses			
Corporate services	536,763	463,344	458,996
Total expenses	536,763	463,344	458,996
Operating surplus/deficit	13,878	7,165	26,993
Net assets	2,662,664	2,683,614	2,854,629

Note:

1. Includes State funding only.

Service area sources of revenue¹

Sources of revenue 2017-18 Budget					
Public Safety Business Agency	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Corporate services	458,996	317,750	25,360	..	142,879
Total	458,996	317,750	25,360	..	142,879

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 2016-17 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Public Safety Business Agency	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	..	..	..	..
Departmental ¹	800	5,245	(805)	(766)	(764)
Capital measures					
Administered	..	..	..	..	..
Departmental	6,010	6,087	..	..	..

Note:

- Figures reconcile with *Budget Measures (Budget Paper 4)*, including the whole-of-government expense measure '2017-18 Budget Reprioritisations'. This measure has been combined with Inspector-General Emergency Management's reprioritisation in *Budget Measures (Budget Paper 4)*.

Departmental capital program

In 2017-18, the Public Safety Business Agency's capital program provides an investment of \$244 million for capital purchases to support the delivery of essential frontline public safety services for Queensland communities. This is a 41% increase on the 2016-17 capital program and reflects the Government's focus on increased infrastructure investment across regional Queensland. \$108 million will be invested on behalf of Queensland Fire and Emergency Services, \$121.7 million on behalf of the Queensland Police Service, \$6.1 million for other departmental aircraft maintenance and \$8.3 million to support the Queensland Ambulance Service information and communication technology.

Queensland Fire and Emergency Services related program highlights:

- \$19.2 million to replace auxiliary-staffed fire and rescue stations in smaller towns and communities across the state
- \$17 million to replace or upgrade, permanently-staffed fire and rescue stations, operational, communications, specialised and air operations response facilities in major regional centres and the greater-Brisbane area
- \$47.1 million for replacement, upgraded and additional fire and rescue (urban) and rural appliances and specialised vehicles across the state.

Queensland Police Service related program highlights:

Investments to replace or upgrade stations, specialised policing facilities, vehicles, vessels, equipment and information and communications systems in major regional centres and towns to enhance coordination and delivery of policing, community safety and emergency incident response services and improve community accessibility, including:

- \$23.9 million to replace or upgrade police stations, watch houses and associated facilities in regional centres, smaller towns and communities across the state
- \$13.2 million to replace or upgrade, specialised policing response and operational facilities in a regional centre and the greater-Brisbane area
- \$36.8 million for replacement, upgraded and additional police vehicles, vessels and specialised response vehicles across the state.

Other Departmental:

- \$6.1 million for aircraft maintenance
- \$8.3 million to support the Queensland Ambulance Service information and communication technology.

Capital budget

Public Safety Business Agency	Notes	2016-17 Adjusted Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
Capital purchases¹				
Total land, buildings and infrastructure		69,789	76,712	118,603
Total plant and equipment		110,365	96,966	125,424
Total other capital	
Total capital purchases		180,154	173,678	244,027

Note:

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

Staffing¹

Public Safety Business Agency	Notes	2016-17 Adjusted Budget	2016-17 Est. Actual	2017-18 Budget
Corporate Services	2, 3	1,117	1,144	1,144
TOTAL		1,117	1,144	1,144

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. 2016-17 Budget has been adjusted from 2,057 down to 1,117 due to Machinery of Government changes as a result of the PSBA Review.
3. 2016-17 Estimated Actual includes an increase in FTE for transfer of FTE from Queensland Fire and Emergency Services and the Queensland Police Service for the Queensland Government's Significant Regional Infrastructure Projects Program and for Queensland Government Air's Air Operator's Certificate, as well as a decrease of FTEs resulting from the transfer of the Human Resources Information System Program to the Department of Science, Information Technology and Innovation.

Budgeted financial statements

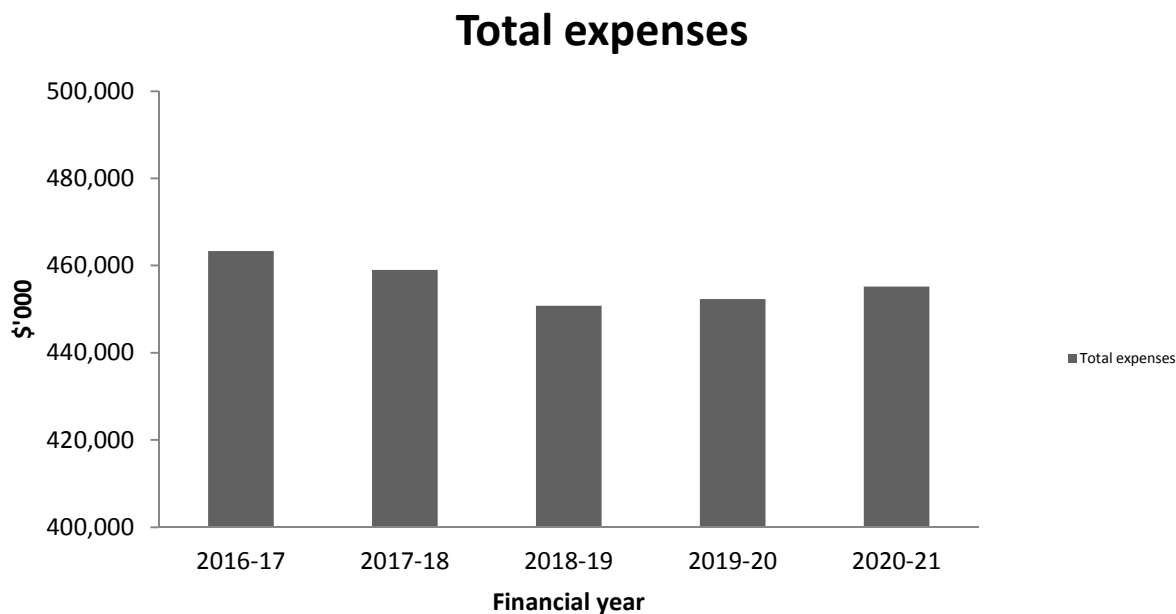
Analysis of budgeted financial statements

Departmental income statement

Total expenses are estimated to be \$459 million in 2017-18, a decrease of \$4.3 million from the 2016-17 Estimated Actual. The decrease is mainly due to the machinery-of-Government (MOG) transfer of the Blue Card Services to the Department of Justice and Attorney-General (DJAG) effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to the Department of Science, Information Technology and Innovation (DSITI) effective 1 November 2016.

The expenditure reduction in 2018-19 reflects the additional funding in 2017-18 only for the QGAir Fixed Wing and Rotary Wing and the Emergency Helicopter Network, and the expected completion in 2017-18 of various projects. The increased expenditure in 2019-20 and 2020-21 is mainly due to enterprise bargaining arrangements.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's major assets are property, plant and equipment and intangibles (\$2.772 billion) and cash (\$119 million). Non-current assets are expected to increase by 10.1% over the next three years, principally due to anticipated acquisition levels and revaluations over the period. The department's main liabilities relate to payables (\$81.8 million) with the value of payables estimated to remain at current levels through to 2020-21.

Controlled income statement

Public Safety Business Agency	Notes	2016-17 Adjusted Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue	1,5,10	337,695	325,298	317,750
Taxes		..	..	..
User charges and fees	6,11	27,579	27,579	25,360
Royalties and land rents		..	..	..
Grants and other contributions	2,7,12	181,597	113,862	139,103
Interest		..	..	..
Other revenue		1,770	1,770	1,776
Gains on sale/revaluation of assets		2,000	2,000	2,000
Total income		550,641	470,509	485,989
EXPENSES				
Employee expenses	13	127,725	124,251	128,298
Supplies and services	3,8,14	173,568	165,548	155,606
Grants and subsidies		30,975	31,568	34,014
Depreciation and amortisation		134,448	134,448	135,002
Finance/borrowing costs		471	471	471
Other expenses	4,9	67,576	5,058	3,605
Losses on sale/revaluation of assets		2,000	2,000	2,000
Total expenses		536,763	463,344	458,996
OPERATING SURPLUS/(DEFICIT)		13,878	7,165	26,993

Controlled balance sheet

Public Safety Business Agency	Notes	2016-17 Adjusted Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CURRENT ASSETS				
Cash assets	15,21	101,418	120,196	118,998
Receivables	16,22	28,920	34,822	34,822
Other financial assets		..	..	..
Inventories		843	1,071	1,071
Other		22,462	22,601	22,601
Non-financial assets held for sale		5,084	4,904	4,904
Total current assets		158,727	183,594	182,396
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	23,29	2,554,058	2,582,436	2,757,935
Intangibles	17,24	26,041	17,025	13,589
Other		..	..	..
Total non-current assets		2,580,099	2,599,461	2,771,524
TOTAL ASSETS		2,738,826	2,783,055	2,953,920
CURRENT LIABILITIES				
Payables	18,25	55,384	81,791	81,791
Accrued employee benefits		9,393	9,338	9,338
Interest bearing liabilities and derivatives	19,26	9,619	1,751	1,601
Provisions		..	..	..
Other		1,766	45	45
Total current liabilities		76,162	92,925	92,775
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	20,27	..	6,516	6,516
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	6,516	6,516
TOTAL LIABILITIES		76,162	99,441	99,291
NET ASSETS/(LIABILITIES)		2,662,664	2,683,614	2,854,629
EQUITY				
TOTAL EQUITY	28,30	2,662,664	2,683,614	2,854,629

Controlled cash flow statement

Public Safety Business Agency	Notes	2016-17 Adjusted Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	31,33,37	337,695	325,415	317,750
User charges and fees	34,38	27,579	27,579	25,360
Royalties and land rent receipts		..	..	..
Grants and other contributions	35,39	115,568	111,862	137,053
Interest received		..	..	..
Taxes		..	..	..
Other		1,770	1,770	1,776
Outflows:				
Employee costs	40	(127,725)	(124,251)	(128,298)
Supplies and services	32,36,41	(173,568)	(165,548)	(155,606)
Grants and subsidies		(30,975)	(31,568)	(34,014)
Borrowing costs		(471)	(471)	(471)
Other		(1,547)	(3,058)	(1,555)
Net cash provided by or used in operating activities		148,326	141,730	161,995
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		18,400	18,904	14,800
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(180,154)	(173,678)	(244,027)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(161,754)	(154,774)	(229,227)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		55,185	46,630	126,694
Outflows:				
Borrowing redemptions		(81)	(81)	(150)
Finance lease payments		..	..	..
Equity withdrawals		(60,510)	(60,510)	(60,510)
Net cash provided by or used in financing activities		(5,406)	(13,961)	66,034
Net increase/(decrease) in cash held		(18,834)	(27,005)	(1,198)
Cash at the beginning of financial year		125,829	152,778	120,196
Cash transfers from restructure		(5,577)	(5,577)	..
Cash at the end of financial year		101,418	120,196	118,998

Explanation of variances in the financial statements

Income statement

Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

1. Appropriation revenue decrease is mainly due to the transfer of the human resource and payroll systems replacement project to the Department of Science, Information Technology and Innovation (DSITI) effective 1 November 2016. This decrease has been partly offset by budget transfers from the Queensland Police Service (QPS) and equity to operating budget transfers for various ICT projects in 2016-17.
2. Grants and other contributions decrease is mainly due to a reduction in goods and services received below fair value as a result of the MOG transfer of functions from the Public Safety Business Agency (PSBA) to QPS and the Queensland Fire and Emergency Services (QFES), and a reduction in the contribution from QFES for the QFES capital program.
3. Supplies and services decrease is mainly due the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016. This decrease has been partly offset by budget transfers from QPS and equity to operating budget transfers for various ICT projects in 2016-17.
4. Other expenses decrease is mainly due to a reduction in goods and services received below fair value as a result of the MOG transfer of functions from PSBA to QPS and QFES.

Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

5. Appropriation revenue decrease is mainly due the transfer of the human resource and payroll systems replacement project to DSITI from 1 November 2016. This decrease has been partly offset by funding for enterprise bargaining arrangements and additional funding to progress a new Cairns rotary wing facility for QGAir.
6. User charges and fees decrease is mainly due to the MOG transfer of Blue Card Services to the Department of Justice and Attorney-General (DJAG) effective 1 October 2016.
7. Grants and other contributions decrease is mainly due to a reduction in goods and services received below fair value as a result of the MOG transfer of functions from PSBA to QPS and QFES. The decrease is partly offset by an increase to the contribution from QFES to deliver the QFES capital program.
8. Supplies and services decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to the DSITI from 1 November 2016. The decrease is partly offset by budget transfers from QPS and equity to operating budget transfers for various ICT projects in 2016-17.
9. Other expenses decrease is mainly due to a reduction in goods and services received below fair value as a result of the MOG transfer of functions from PSBA to QPS and QFES.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

10. Appropriation revenue decrease is mainly due to the transfer of Blue Card Services to the DJAG effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016.
11. User charges and fees decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016.
12. Grants and other contributions increase is mainly to due payments to deliver the QFES capital program.
13. Employee expenses increase is mainly due to enterprise bargaining arrangements.
14. Supplies and services decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016.

Balance sheet

Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

15. Cash assets increase is mainly due to lower than estimated payments for property, plant and equipment and intangibles, and timing of payments.
16. Receivables increase is due to timing of receipts.
17. Intangibles decrease reflects equity to operating budget transfers for various ICT projects in 2016-17.
18. Payables increase reflects anticipated timing of payments to trade creditors.
19. Current interest-bearing liabilities and derivatives decrease reflects the reclassification of loan debt to non-current liabilities.
20. Non-current interest-bearing liabilities and derivatives increase reflects the reclassification of loan debt from current liabilities.

Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

21. Cash assets increase is mainly due to lower than estimated payments for property, plant and equipment and intangibles, and timing of payments in 2016-17.
22. Receivables increase is mainly due to estimated timing of receipts in 2016-17.
23. Property, plant and equipment increase is mainly due to revaluation increments and capital acquisitions planned for 2017-18.
24. Intangibles decrease reflects equity to operating budget transfers for various ICT projects in 2016-17.
25. Payables increase reflects anticipated timing of payments to trade creditors.
26. Current interest-bearing liabilities and derivatives decrease reflects the reclassification of loan debt to non-current liabilities.
27. Non-current interest-bearing liabilities and derivatives increase reflects the reclassification of loan debt from current liabilities.
28. Total equity increase is mainly due to estimated revaluation increments, an increase to the operating surplus from the QFES and QAS grant revenue for ICT capital purchases, and increased equity funding for the capital acquisitions program.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

29. Property, plant and equipment increase is mainly due to revaluation increments and capital acquisitions planned for 2017-18.
30. Total equity increase is mainly due to estimated revaluation increments, an increase to the operating surplus from the QFES and QAS grant revenue for ICT capital purchases, and increased equity funding for the capital acquisitions program.

Cash flow statement

Major variations between 2016-17 Adjusted Budget and 2016-17 Estimated Actual include:

31. Appropriation receipts decrease is mainly due to the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016. This decrease has been partly offset by budget transfers from QPS and equity to operating budget transfers for various ICT projects in 2016-17.
32. Supplies and services decrease is mainly due the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016. This decrease has been partly offset by budget transfers from QPS and equity to operating budget transfers for various ICT projects in 2016-17.

Major variations between 2016-17 Adjusted Budget and 2017-18 Budget include:

33. Appropriation receipts decrease is mainly due the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016. This decrease has been partly offset by funding for enterprise bargaining arrangements and additional funding to progress a new Cairns rotary wing facility for QGAir.

34. User charges and fees decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016.
35. Grants and other contributions increase is mainly due to payments to deliver the QFES capital program.
36. Supplies and services decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016. The decrease is partly offset by budget transfers from QPS and equity to operating budget transfers for various ICT projects in 2016-17.

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

37. Appropriation receipts decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016.
38. User charges and fees decrease is mainly due to the part-year effect of the Blue Card Services MOG to DJAG from 1 October 2016.
39. Grants and other contributions increase is mainly due to payments to deliver the QFES capital program.
40. Employee costs increase is mainly due to enterprise bargaining arrangements.
41. Supplies and services decrease is mainly due to the MOG transfer of Blue Card Services to the DJAG effective 1 October 2016 and the transfer of the human resource and payroll systems replacement project to DSITI effective 1 November 2016. The decrease is partly offset by budget transfers from QPS and equity to operating budget transfers for various ICT projects in 2016-17.



Queensland
Government

**Office of the Inspector-General Emergency
Management**

Departmental overview

The Office of the Inspector-General Emergency Management (IGEM) was established on 1 July 2014 to enable confidence in Queensland's emergency management arrangements.

The Office of the IGEM's vision is to be a catalyst for excellence in emergency management. To support this, the strategic objectives of the Office of the IGEM are to:

- provide independent assurance and advice to Government, stakeholders and the community to enhance strategic direction, accountability and outcomes in Queensland's emergency management arrangements
- maintain a culture of excellence and innovation that challenges the emergency management sector to adapt to and explore emerging opportunities
- ensure our workforce is diverse, forward looking, agile and engaged.

The Office of the IGEM is committed to delivering on the Queensland Government's objectives for the community of building safe, caring and connected communities and delivering quality frontline services. The Office of the IGEM does this by reviewing and assessing the effectiveness of disaster management in Queensland and recommending improvements. It also identifies opportunities for cooperative partnerships to support improved community outcomes.

Emergency management operates in a changing strategic context in Queensland. In this context, the Office of the IGEM has identified the following key risks for the Office in 2017-18 and into the future:

- environmental factors and digital disruption may impact the extent to which barriers to responsive and integrated disaster management are effectively reduced for local governments, state agencies and key partners
- shifting customer expectations may impact the Office's ability to provide valued and contemporary services to key stakeholders and partners in the emergency management sector, and to ensure state agency participation in arrangements at all levels
- the changing hazard environment and disaster events may limit the opportunity to engage with key stakeholders, and ensure appropriate action is being taken to contribute to resilient communities.

To address these risks in 2017-18, the Office of the IGEM will progress a range of key strategies and initiatives including:

- promoting a coordinated strategic direction for emergency management in Queensland
- undertaking targeted reviews and system analysis that identify risks and prioritise improvements on the basis of community outcomes
- designing, applying and embedding contemporary assurance frameworks, activities and tools that are valued by stakeholders and enable improved performance, evaluation and reporting
- providing system oversight and assurance that enables key stakeholders to deliver their responsibilities and achieve performance outcomes across emergency management
- seeking and harnessing trusted partnerships that promote collaboration, community-centric engagement, leadership and resilience
- connecting and engaging with key stakeholders and partners through flexible and transparent platforms, systems and processes that enable interoperability, open communication and good governance
- leveraging contemporary research and analysis to inform evidence-based policy, practice and advice across all phases of emergency management
- providing clear and timely information and advice that builds capability and empowers key stakeholders to effectively meet their emergency management accountabilities.

Service performance

Performance statement

Independent Assurance and Advice to Improve Emergency Management

Service area objective

To provide independent assurance and advice that enables confidence in Queensland's emergency management arrangements.

Service area description

The Office of the IGEM provides independent assurance and advice about Queensland's emergency management arrangements and authoritative reporting to enhance accountability and improve outcomes for the community.

The Office undertakes a range of assurance activities and system analysis to identify risks to emergency management planning, preparedness, response and recovery arrangements and recommends evidence-based improvements. The most robust assurance activity is a tier three review that has significant depth and rigour and provides a higher level of confidence in the disaster management matter being assessed.

2017-18 service area highlights

In 2017-18, the Office of the IGEM will continue to review and assess disaster management arrangements in Queensland through a risk based approach, including undertaking reviews that may arise from future disaster events.

Further highlights include:

- completing the review of the effectiveness of Queensland's disaster management system in response to Tropical Cyclone Debbie
- sharing lessons from the review of evacuation management arrangements
- conducting a Capability Review of a disaster district, including the district and local disaster management groups
- progressing research and collaborative opportunities between local disaster management practitioners and universities
- facilitating knowledge sharing, skills development, consultation and collaboration across the sector through a statewide network of disaster management officers.

Office of the Inspector-General Emergency Management	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Independent Assurance and Advice to Improve Emergency Management				
Service standards				
<i>Effectiveness measure</i> Customer satisfaction	1, 2, 3	80%	87%	80%
<i>Efficiency measure</i> Average cost per tier three review (\$'000)	4, 5	New measure	New measure	200

Notes:

1. This service standard is measured as part of an annual customer survey. Customers include the Minister, state and local government stakeholders with a role in disaster and emergency management.
2. This service standard measures overall satisfaction with the Office of the IGEM. Overall satisfaction is measured in terms of satisfaction with aspects of staff performance, timeliness, accessibility, quality, advice given and services provided.

3. This service standard measures the number of respondents who indicated they were either 'very satisfied' or 'satisfied' (on a 5 point scale ranging from very dissatisfied to very satisfied) with the services and advice provided by the Office of the IGEM represented as a percentage of the total number of responses received.
4. The Office of the IGEM leads a broad range of assurance activities to ensure Queenslanders benefit from the best possible disaster management arrangements. Assurance activities include a program of strategic reviews that are identified in consultation with disaster management stakeholders and broad environmental scanning activities conducted by the Office. Reviews enable the IGEM to identify risks and gaps and prioritise areas for improvement in Queensland's disaster management arrangements. Tier one and two activities have a broader scope, varied levels of evaluation and reduced independence compared to a tier three activity. Both tier one and two activities rely on data from self-assessment, third parties and stakeholders. At the highest level, a tier three activity is likely to have a well-defined scope, form an independent enquiry, and have significant depth and rigour. Tier three activities aim to assess the effectiveness of a defined aspect of disaster management in Queensland, providing a higher level of confidence in the matter being assessed. Greater levels of assurance come at an increased time and resource cost.
5. This service standard measures the average cost to complete a tier three review. The service standard measures costs incurred by the Office of the IGEM in undertaking tier three reviews. Costs of completing reviews such as contractors, venue and equipment hire, legal advice, staff salary, travel, accommodation and overheads are included in this measure. The 2017-18 target/estimate has been informed by the average cost of tier three reviews completed in 2015-16. The cost of all tier three reviews completed during the financial year will be used for the measure.

Discontinued measures

Performance measures included in the 2016-17 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results.

Office of the Inspector-General Emergency Management	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Independent Assurance and Advice to Improve Emergency Management				
Proportion of recommendations agreed to by entities to which the recommendations apply	1	80%	85%	Discontinued measure

Note:

1. This measure is being discontinued as it is not considered a robust measure of effectiveness, as agreement to recommendations by entities to which they apply does not reflect implementation or impact.

Departmental budget summary

The table below shows the total resources available in 2017-18 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Office of the Inspector-General Emergency Management	2016-17 Budget \$'000	2016-17 Est. Actual \$'000	2017-18 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	..	..	75
Balance of service appropriation	3,911	3,937	4,232
Other revenue	742	645	661
Total income	4,653	4,582	4,968
Expenses			
Independent Assurance and Advice to Improve Emergency Management	4,653	4,582	4,968
Total expenses	4,653	4,582	4,968
Operating surplus/deficit	..	..	..
Net assets	839	1,112	1,112

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue¹

Sources of revenue 2017-18 Budget					
Office of the Inspector-General Emergency Management	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Independent Assurance and Advice to Improve Emergency Management	4,968	4,307	..	..	661
Total	4,968	4,307	..	..	661

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 2016-17 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Office of the Inspector-General Emergency Management	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Revenue measures					
Administered
Departmental
Expense measures¹					
Administered
Departmental	..	(5)	(11)	(11)	(11)
Capital measures					
Administered
Departmental

Note:

- Figures reconcile with *Budget Measures (Budget Paper 4)*, including the whole-of-government expense measure '2017-18 Budget Reprioritisations'. This measure has been combined with Public Safety Business Agency's reprioritisation in *Budget Measures (Budget Paper 4)*.

Staffing¹

Office of the Inspector-General Emergency Management	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
Independent Assurance and Advice to Improve Emergency Management		21	21	22
TOTAL		21	21	22

Note:

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

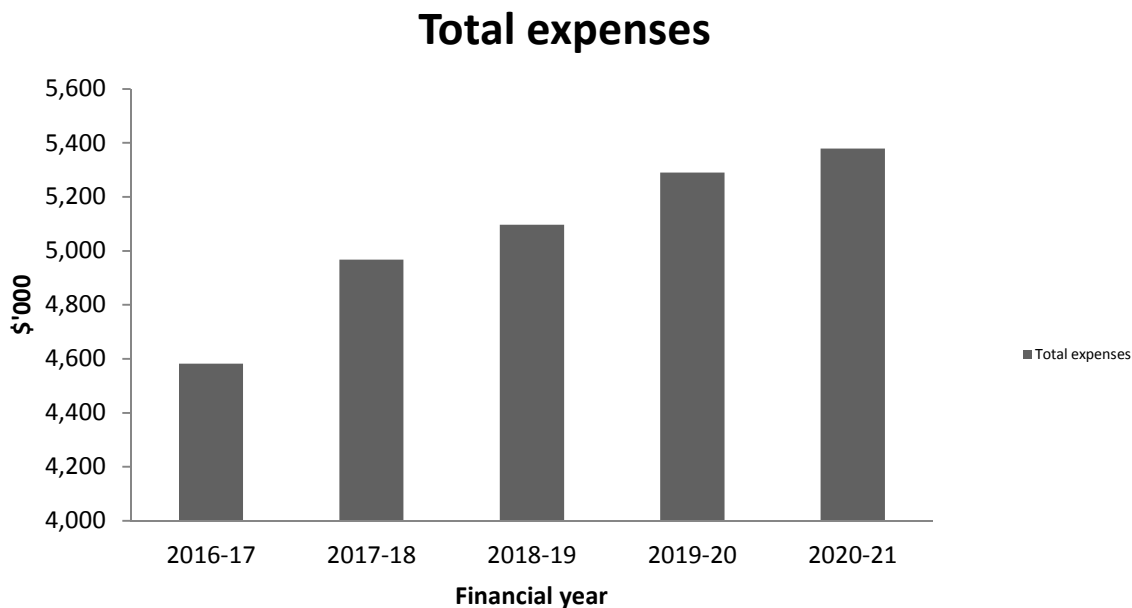
Budgeted financial statements

Analysis of budgeted financial statements

Departmental income statement

Total expenses are estimated to be \$5 million in 2017-18, an increase of \$386,000 from the 2016-17 Estimated Actual. The increase is mainly due to enterprise bargaining arrangements, expenditure relating to a new office lease agreement and the rescheduling of expenditure to 2017-18. Increases in 2018-19, 2019-20 and 2020-21 are mainly due to enterprise bargaining arrangements and the office lease agreement.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Office of the IGEM's major asset is cash. The main liabilities relate to payables, payments for salaries, wages and other employee entitlements, and expenditure reimbursements to other agencies within the Public Safety Portfolio.

Controlled income statement

The Office of the Inspector-General Emergency Management	Notes	2016-17 Budget \$'000	2016-17 Est. Act. \$'000	2017-18 Budget \$'000
INCOME				
Appropriation revenue	3,8	3,911	3,937	4,307
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions	1,4	742	645	661
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		4,653	4,582	4,968
EXPENSES				
Employee expenses	5,9	2,807	2,807	2,872
Supplies and services	6,10	1,079	1,105	1,410
Grants and subsidies		..	..	..
Depreciation and amortisation		3	3	3
Finance/borrowing costs		..	..	..
Other expenses	2,7	764	667	683
Losses on sale/revaluation of assets		..	..	..
Total expenses		4,653	4,582	4,968
OPERATING SURPLUS/(DEFICIT)		..	..	..

Major variations between 2016-17 Estimated Actual and the 2017-18 Budget include:

20. Appropriation receipts increase is due to additional funding for enterprise bargaining arrangements, a new office lease agreement and the rescheduling of 2016-17 expenditure to 2017-18.
21. Employee costs increase is mainly due to enterprise bargaining arrangements.
22. Supplies and services increase is mainly due to a new office lease agreement and the rescheduling of 2016-17 expenditure to 2017-18.

Glossary of terms

Accrual accounting	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.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
Agency/entity	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.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> • delivery of agreed services • administered items • adjustment of the Government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	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.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	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.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	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.
Equity injection	An increase in the investment of the Government in a public sector agency.
Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.

Income statement	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.
Outcomes	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.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of Government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	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