QUEENSLAND
BUDGET 2019–20

Service Delivery Statements

Department of State Development, Manufacturing, Infrastructure and Planning

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Queensland Government

2019–20 Queensland Budget Papers

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Appropriation Bills

Budget Highlights

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Queensland Government

Department of State Development, Manufacturing, Infrastructure and Planning

Summary of portfolio

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Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for State Development, Manufacturing, Infrastructure and Planning:

Minister for State Development, Manufacturing, Infrastructure and Planning **The Honourable Cameron Dick MP**

Department of State Development, Manufacturing, Infrastructure and Planning **Acting Director-General: Toni Power**
Service area 1: Driving enterprise development, economic growth and job creation
Service area 2: Assessing, approving, developing and delivering projects to generate jobs and economic growth
Service area 3: Economic and infrastructure strategy, policy and planning
Service area 4: Better planning for Queensland

The Minister for State Development, Manufacturing, Infrastructure and Planning is also responsible for:

Building Queensland **Chief Executive Officer: Damian Gould** **Objective**: 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.

Queensland Reconstruction Authority

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: Bill Delves

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.

Economic Development Queensland

Acting General Manager: Jason Camden

Objective: To drive business and economic growth in Queensland.

Additional information about these agencies can be sourced from:

www.dsdmip.qld.gov.au

www.buildingqueensland.qld.gov.au

www.qra.qld.gov.au

www.southbankcorporation.com.au

www.dsdmip.qld.gov.au/edq/economic-development.html

Departmental overview

The Department of State Development, Manufacturing, Infrastructure and Planning’s vision is a thriving and inclusive Queensland, where the economy, industry and communities prosper. The department's purpose is to improve productivity and quality of life in Queensland by leading economic strategy, industry development, infrastructure and planning, for the benefit of all.

The department works in partnership with industry and investors to develop opportunities for investment and growth and to encourage diversity in the State economy. The department's strategies, priorities and programs are informed by economic, demographic and environmental factors as well as macro-trends including increasing demand for renewable energies and technologies to provide reliable supply; slowing global growth; slowing global growth; technological advancements; and mitigation of climate change impacts. The department promotes investment and business confidence in Queensland's economy to support and achieve sustainable, inclusive and environmentally sound economic growth and job creation that benefits all Queenslanders.

The department contributes to the Government's objectives for the community *Our Future State: Advancing Queensland's Priorities:*

- Create jobs in a strong economy by actively attracting investment in key sectors in emerging and priority industries and undertaking statewide coordination of infrastructure planning
- Keep Queenslanders healthy through social infrastructure and urban planning
- Protect the Great Barrier Reef by ensuring the sustainability of communities and industries by balancing economic growth and development with the wellbeing of our environment
- Be a responsive government by helping stakeholders to navigate policy and legislative requirements effectively.

Our departmental objectives are to:

- lead a coordinated and strategic approach to Queensland's medium to long-term economic development
- attract and stimulate investment in Queensland to grow the economy and create secure, long-term jobs
- create a diverse, productive and sustainable economy for a fairer Queensland
- enable the development of public and private infrastructure projects that provide enduring benefits
- create well-planned Queensland communities that are prosperous, resilient and sustainable.

In 2019-20, the department’s key priorities are to:

- enhance key investment attraction, industry development and regional development programs to contribute to the Queensland Government's target of increasing private sector investment in Queensland by 15 per cent by 2020-21
- promote a smart, connected and efficient defence industry that will create jobs for Queenslanders and strengthen its place as Australia’s next generation defence supplier
- implement Round 5 of the Building our Regions program with an increase of $70 million over four years to support infrastructure projects in regional areas that meet specific community needs, with a focus on delivering enduring economic outcomes and job creation
- establish an agenda for renewable hydrogen industry attraction and incentivisation, with a four-year strategy to build a world-class hydrogen industry and a $15 million hydrogen industry development fund to drive job creation, regional growth and new export opportunities, which forms part of a $19 million package
- create long-term jobs and sustainable regional economic development by supporting and accelerating private sector projects through the Jobs and Regional Growth Fund
- actively encourage businesses located outside Queensland to re-shore, relocate, establish or expand contestable projects in Queensland through the Advance Queensland Industry Attraction Fund increasing job growth in the State
- support the manufacturing sector to become more internationally competitive, increase productivity and job growth, and adopt new processes and technologies with the Made in Queensland grants program
- establish a governance framework and implementation plan, with $60 million to support delivery of The Spit Master Plan to enhance the public realm of The Spit, improve connections to the surrounding marine environment and generate job creation through tourism, entertainment and recreation
- enhance job growth by the delivery of supplier capability development workshops throughout Queensland to improve Queensland based firms' access to government and private procurement opportunities
- facilitate and leverage private investment in the State's economy to develop emerging industries, improve the productivity of traditional sectors, and create sustainable long-term employment opportunities.

Performance Statement

Driving enterprise development, economic growth and job creation

Service Area Objective

To boost enterprise development, increase economic growth and stimulate job creation opportunities.

Services

- Industry and investment facilitation
- Regional economic development.

Description

This service area delivers programs and projects that contribute to job creation, stimulate enterprise development and drive the expansion of Queensland's economic growth by:

- leading industry and regional growth programs and regulatory reform
- assisting Queensland-based companies to increase their supply chain participation
- securing and accelerating the delivery of private sector projects and ongoing jobs through the Jobs and Regional Growth Fund and strengthening regional Queensland by enabling investment through the Building our Regions program
- leading and coordinating Queensland Government Rapid Response activities as part of the State's Workers in Transition program
- leading on-ground economic recovery work following natural disasters
- providing a customised investment facilitation service for major investment ideas and business propositions
- providing whole-of-government advice on initiatives to boost economic development and increase investment across Queensland for sustainable job creation.

Sources of revenue

Total cost $'000	State contribution $'000	User charges & fees $'000	C'wth revenue $'000	Other revenue $'000
280,842	279,896	953	..	..

Staffing[1,2,3]

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
268	269	271

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. The department participates in a partnership agreement in the delivery of its services, whereby some corporate FTEs are hosted by the department to work across multiple agencies.

2019-20 service area highlights

In 2019-20 the service area will:

- support the growth of the defence and aerospace industries in Queensland through regular sector engagement including via ministerial council and advisory boards to inform Defence Jobs Queensland and Defence Supply Chains Hubs' design and delivery of programs and services
- commence operations of the defence supply chain hubs in Townsville and Ipswich to assist businesses to access opportunities in a growing industry

- commence operations of the manufacturing hubs in Cairns, Townsville and Rockhampton to support the growth of regional manufacturing and drive the generation of new jobs and increased private sector investment in regional Queensland
- deliver infrastructure in regional communities under the Building our Regions program with a focus on enduring economic outcomes and job creation
- actively encourage businesses located outside Queensland to re-shore, relocate, establish or expand contestable projects in Queensland through the Advance Queensland Industry Attraction Fund
- grow regional economies by supporting and accelerating private sector projects to create ongoing employment and sustainable economic development through the Jobs and Regional Growth Fund
- continue to implement 10-year roadmaps and action plans for priority and emerging sectors with global growth potential as part of the Advance Queensland program. Advanced manufacturing; aerospace; biofutures; biomedical; defence industries; and mining equipment, technology and services (METS) are sectors identified to build upon Queensland's competitive strengths
- develop a Queensland Space Strategy to deliver on the recommendations from the Queensland Parliamentary inquiry into the space industry to support the growth of this emerging sector, and formalise the key relationship with the Australian Space Agency through a memorandum of understanding
- continue to implement the $100 million Resource Recovery Industry Development fund through grants to local councils and industry for projects that will divert waste from landfill and create new jobs
- implement the Resource Recovery Industries Roadmap to develop the industry in Queensland
- continue to grow the biofutures sector to enable further private investment in biorefinery plants to create regional jobs and implement the $5 million Waste to Biofutures Fund
- implement a strategy to build a hydrogen industry with the capability and capacity to produce and supply domestic and international market opportunities, the potential to create regional jobs and to attract private sector investment
- establish a $15 million hydrogen industry development fund to provide financial assistance to private sector investors, such as demonstration projects for remote power and low carbon community development, hydrogen vehicle deployment, installation of renewable hydrogen into existing or new businesses and industry, and the production of renewable hydrogen for export
- develop new business opportunities for METS by creating jobs of the future in small to medium enterprise companies through three cluster groups: robotics and automation; digital operations; and mine water remediation and tailings reprocessing
- deliver a skills development implementation plan for advanced manufacturing to support Queensland manufacturing firms to attract, retain and develop the workforce needed to stay competitive in a rapidly changing global environment
- develop a Rail Manufacturing Strategy to position Queensland companies to secure emerging opportunities in the rail industry and expand the sector's regional workforce
- implement Round 2 of the Biomedical Voucher Program to further enhance the industry and attract investment to Queensland
- drive the long term diversification of the north west Queensland economy through finalisation and implementation of the North West Queensland Economic Diversification Strategy supporting regional jobs through an enhanced investment environment, strengthened supply chains and sustainable regional communities
- continue to work across government and industry to expedite the delivery of private sector projects and capital investment.

Driving enterprise development, economic growth and job creation	**2018-19 Target/Est**	**2018-19 Est Actual**	**2019-20 Target/Est**
Service: Industry and investment facilitation[1]			
Service standards *Effectiveness measures* Value of capital investment enabled through industry facilitation[2,3]	$450 million	$655 million	$600 million

Driving enterprise development, economic growth and job creation	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Estimated number of jobs enabled through industry facilitation[2,3,4]	1,485	1,876	1,980
Efficiency measure Capital investment enabled per dollar spent on industry facilitation[2,5]	$63.86	$92.92	$64.06
Service: Regional Economic Development			
Service standards *Effectiveness measure* Value of infrastructure investment being developed or delivered through the Building our Regions and Royalties for the Regions programs[6,7,8,9]	$520 million	$776.4 million	$467.8 million
Efficiency measure Value of infrastructure investment being developed or delivered through the Building our Regions and Royalties for the Regions programs enabled per dollar invested in program management[6,7,8,9]	$300.59	$448.76	$270.37

Notes:

1. The service name has been amended from 'Industry Facilitation' published in the 2018–19 *Service Delivery Statements* (SDS) to better reflect the work undertaken by the department and to incorporate work that was previously reported against the Investment Programs service in the 2018–19 SDS. Industry and investment facilitation services include: support services and post approval monitoring of projects that require multiple regulatory approvals; are complex or sensitive in nature; require significant coordination across government; and respond to a recognised regional need or government priority. The capital investment value includes investment from private sector as well as government agencies.
2. The calculation methodology is consistent from previous years with programs escalating and reducing based on funding and project commitments. The programs that form part of the calculation methodology relate to investment facilitation support and include the Advance Queensland Industry Attraction Fund, Jobs and Regional Growth Fund, Made in Queensland Program, the Industry Capability Network contract, Project Facilitation and the Resource Recovery Industry Development Fund.
3. The increase in the 2019–20 Target/Estimate is due to the maturity of program delivery under priority sector roadmaps and the introduction of the Resource Recovery Industry Development Fund. It will also include the projects from the discontinued measures under the Investment Programs service which are 'Percentage of proposal assessment recommendations endorsed upon submission to investment panel' and 'Average cost per proposal assessment (Stage 1)'.
4. The number of jobs reported in this measure refers to the number of jobs expected to be enabled by all in-scope projects over their entire project life, even where these jobs will occur over several financial years. Jobs enabled are reported once in the year the contract is executed.
5. The 2018–19 Estimated Actual is higher than the 2018–19 Target/Estimate due to the realised capital investment being higher than originally anticipated. This factor and restructure changes increased the measures of program efficiency in 2018–19.
6. These programs provide funding for projects which may be co-funded by local governments, other Queensland Government agencies, Australian Government agencies and the private sector. The Building our Regions program is a whole-of-government initiative to enable quicker delivery of critical regional infrastructure and comprises four separate streams. Department of State Development, Manufacturing, Infrastructure and Planning oversees the Regional Capital Fund, Royalties for Resource Producing Communities Fund and the Remote and Aboriginal and Torres Strait Islander Communities Fund, and these are reported in the department's service standards. The Department of Transport and Main Roads oversees the Transport Infrastructure Development Scheme, which is not included in these service standard calculations.
7. The investment amount reported refers to the full investment value over the entire life of the project.
8. The 2019–20 Target/Estimate is lower than the 2018–19 Target/Estimate as several projects are expected to reach completion by 30 June 2019.
9. The 2018–19 Estimated Actual is higher than the 2018–19 Target/Estimate as the value of investment for Building our Regions Round 4 approved projects was higher than originally estimated. This factor and changes to project delivery timeframes for the other projects increased the measures of program effectiveness in 2018–19.

Assessing, approving, developing and delivering projects to generate jobs and economic growth

Service Area Objective

To assess, approve, develop and deliver projects that generate jobs and economic growth.

Services

- Project development and delivery
- Economic development through coordinated projects, state development areas and land acquisition programs

Description

This service area facilitates the timely planning and delivery of projects that drive economic growth and provide job creation opportunities. It provides tailored regulation, advisory, facilitation and delivery services, to support increased economic activity by:

- facilitating and delivering projects that boost the State's economy and create jobs
- enabling growth and jobs and facilitating large scale industrial development, infrastructure delivery and projects through efficient project assessment as well as planning, development and management of state development areas
- delivery of environmental assessment processes
- undertaking appropriate land acquisition programs to deliver economic development and infrastructure initiatives
- conducting early feasibility assessment of public and private projects of State significance for economic development
- generating economic development from improvement opportunities that result in value uplift for the State's property portfolio and deliver increased public benefit
- partnering with all levels of government, industry and community to demonstrate Strategy for Social Infrastructure best practice, place based planning, investment and uses of the State's social infrastructure
- promoting and generating regional economic development
- facilitating timely approvals processes for declared Prescribed Projects and Critical Infrastructure Projects
- evaluating environmental impact assessments for declared coordinated projects and finalising Coordinator-General evaluation reports under the *State Development and Public Works Organisation Act 1971*
- facilitating major projects by providing advice on assessment process options and requirements, and working with coordinated projects that have been approved by the Coordinator-General to help achieve timelier project delivery
- ensuring that residents of communities in the vicinity of large resource projects benefit from construction and operation of these projects including local jobs.

Sources of revenue

Total cost $'000	State contribution $'000	User charges & fees $'000	C'wth revenue $'000	Other revenue $'000
115,382	112,612	2,778	..	..

Staffing[1,2,3]

2018-19 Adjusted Budget	2018-19 Estimated Actual	2019-20 Budget
263	265	266

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.

3. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple agencies.

2019-20 service area highlights

In 2019-20 the service area will:

- progress the Biofutures Acceleration Program as part of the Queensland Biofutures 10-Year Roadmap and Action Plan, providing assistance to selected proponents capable of developing commercial-scale biorefinery projects in Queensland
- project manage the construction of Rheinmetall Defence Australia's (RDA) Military Vehicle Centre of Excellence in Ipswich
- administer development agreements for the construction of the Brisbane International Cruise Terminal and the implementation of the Aurukun Bauxite project
- assist land-owning agencies with the assessment of opportunities and renewal projects to deliver the Advancing Our Cities and Regions strategy
- develop catalytic community hub proposals, optimising the use of State and local government land and resources to support the early delivery of services for children and families and enhance community integration in the four major Priority Development Areas
- update the development scheme and acquire land in the Townsville State Development Area, to further accelerate economic development in the region.

Assessing, approving, developing and delivering projects to generate jobs and economic growth	**2018-19 Target/Est**	**2018-19 Est Actual**	**2019-20 Target/Est**
Service: Project Development and Delivery			
Service standards *Effectiveness measures* Value of capital investment being developed or delivered through projects[1,2]	$1.841 billion	$1.458 billion	$874.5 million
Estimated number of jobs enabled through projects developed or delivered[1,2,3]	4,708	3,527	1,926
Efficiency measure Value of capital investment enabled per dollar spent on project development and delivery[1,4]	$447.55	$624.80	$706.44
Service: Economic Development through Coordinated Projects, State Development Areas and land acquisition programs			
Service standards *Effectiveness measure* Proportion of total Coordinator-General's imposed conditions on coordinated projects under construction or early operation for which there has been full compliance with those conditions, or action has been taken to identify and correct non-compliance[5]	100%	100%	100%
Efficiency measure Potential capital expenditure leveraged per dollar spent on the Coordinator-General annual budgeted staff expenses to assess and facilitate projects to construction[6]	$2,500	$4,456	$2,500

Notes:

1. This is a whole-of-government measure as some projects that are developed or delivered by the department are led by other Queensland Government agencies, or have budget held by other agencies. The capital investment value includes investment from private sector

entities. The amount reported for each financial year indicates the total value over the entire life of the projects under development or delivery at the time of reporting.

2. The variance between the 2018–19 Target/Estimate and the 2019–20 Target/Estimate is due to changes in scope of the included projects/programs with some projects being fully completed in 2018–19 and responsibility for other projects transferring to the Department of Housing and Public Works (DHPW) due to a machinery-of-government change of 16 August 2018. Projects/programs in scope for 2019–20 include the Military Vehicle Centre of Excellence, Government Land for Accommodation and Support Services, Fortitude Valley Police Citizens Youth Club, Aurukun Bauxite, Biofutures Acceleration Program and the Brisbane International Cruise Terminal.
3. The estimated number of jobs is calculated using Queensland Treasury's job estimation methodology, except where a proponent has supplied a job estimate.
4. The increase in the efficiency target in both the 2018–19 Estimated Actual and the 2019–20 Target/Estimate is primarily as a result of a machinery-of-government change of 16 August 2018 where selected projects have transferred to DHPW to continue delivery. The nature of the remaining high value projects and their stage of the project life cycle has resulted in a change to resource commitments. The actual result may fluctuate depending on projects committed during the reporting period and the staff effort associated with project delivery.
5. This service standard covers a key outcome of the project delivery process, which is compliance with the Coordinator-General's imposed conditions. During the environmental assessment process under the *State Development and Public Works Organisation Act 1971* (SDPWO Act), the Coordinator-General may apply conditions to a project to manage project impacts. Compliance with conditions imposed by the Coordinator-General is an indicator that projects are proceeding lawfully and in line with government and community expectations and environmental standards.
6. This service standard captures the potential capital expenditure on Queensland projects being assessed and facilitated by the Coordinator-General under the SDPWO Act for every dollar invested in annual budgeted Coordinator-General staff expenses. Potential capital expenditure on Queensland projects will fluctuate depending on a number of factors, including market conditions, project capital expenditure, size of the project, and resources available to the Coordinator-General. In addition, it is ultimately a commercial decision for each proponent to progress the project, which is outside the control of the Coordinator-General.

Economic and infrastructure strategy, policy and planning

Service Area Objective

Deliver a clear and consistent economic policy direction for the State with the development of economic, infrastructure and regional strategies.

Description

This service area undertakes a key role together with other economic agencies in the Queensland Government's efforts in developing a medium to long-term economic strategy that provides direction for policy, planning and prioritisation to maximise the benefits to Queensland of infrastructure activities, regional economic development and industry roadmaps. The service area includes leadership of the Government's infrastructure agenda, directing and coordinating the Government's infrastructure program and contributing to national infrastructure agendas and whole-of-state infrastructure planning. The service area engages with government and industry to develop economic strategy that is integrated with regional land-use, infrastructure and industry development planning, with the aim to deliver on our vision for a thriving and inclusive Queensland, where the economy, industry and communities prosper. The service area is responsible for ensuring infrastructure is prioritised on the basis that it provides a clear economic or service delivery benefit, will deliver the best possible value for money to Queenslanders on infrastructure investment and contributes to an inclusive economy.

A range of activities are undertaken by the service area including:

- undertaking a key role together with other economic development agencies in setting the economic policy framework for Queensland
- developing economic strategy that harnesses the value of the department's economic development functions to support the Government's broader economic plan through regional economic baselines and regional economic strategies
- working with federal, state and local public sector agencies and the private sector on infrastructure planning and investment
- providing strategic policy, coordination, planning and prioritisation of infrastructure activities
- leading and updating the State Infrastructure Plan
- monitoring and reporting on the capital infrastructure program
- delivering a range of implementation initiatives outlined in the State Infrastructure Plan
- driving infrastructure innovation and best-practice across government
- providing a cross-government perspective to infrastructure
- coordinating the State's input and advice on infrastructure-related issues to the Australian Government.

Sources of revenue

Total cost $'000	State contribution $'000	User charges & fees $'000	C'wth revenue $'000	Other revenue $'000
29,857	29,486	374	..	..

Staffing[1,2,3,4]

2018-19 Adjusted Budget	2018-19 Estimated Actual	2019-20 Budget
109	109	106

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.

3. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple agencies.
4. The decrease from 2018-19 Estimated Actual, and 2019-20 Budget relates to a reduction in temporary staff as projects are delivered.

2019-20 service area highlights

In 2019-20 the service area will:

- deliver enhanced regional economic strategies supporting the regional planning framework to demonstrate a collaborative approach to economic development, land use and infrastructure planning, investment and industry development
- inform the development of statewide and regional economic and industry strategies through research and analysis and undertake economic and industry monitoring and reporting
- support the development of a robust project pipeline that enables local and State Government job creating projects to be matured through the continuing $30 million Maturing the Infrastructure Pipeline Program
- report to the Government on agency performance in delivering the whole-of-government capital program for 2019-20
- commence the update to the State Infrastructure Plan (SIP) Part A (Strategy)
- update the SIP Part B (Program) for 2019-20, and deliver infrastructure innovation and best-practice across the Queensland Government
- coordinate the State's input to key Infrastructure Australia strategic documents including Australian Infrastructure Plan
- improve coordination of infrastructure planning across the Queensland Government to provide better opportunities for early industry engagement.

Economic and infrastructure strategy, policy and planning[1]	**2018-19 Target/Est**	**2018-19 Est Actual**	**2019-20 Target/Est**
Service standards *Effectiveness measure* Level of satisfaction of key stakeholders with timeliness and effectiveness of consultation undertaken relating to economic and infrastructure strategy, policy and planning[2]	New measure	New measure	75%
Efficiency measure Administration costs as a percentage of infrastructure investment coordinated through the service area[3]	<0.5%	0.08%	<0.5%

Notes:

1. The service area has been renamed to include the economic strategy function of the department in alignment with the departmental strategic objectives, and was previously called 'Infrastructure Policy and Planning' in the 2018-19 *Service Delivery Statements* (SDS).
2. This is a new service standard for the 2019-20 SDS which includes stakeholder satisfaction with the economic strategy function of the department. The components of timeliness and effectiveness together measure key stakeholders' overall experience with consultation undertaken by the department. The stakeholders surveyed comprise of a cross section of industry experts, and state and local government.
3. Administration costs comprise of the operating expenditure of the infrastructure policy and planning function (i.e. full-time equivalents, supplies and services). The measure is based on estimated actuals as published in the *Capital Statement (Budget Paper 3)* of the total administration costs as a proportion of projected infrastructure investment in the State Infrastructure Program.

Better planning for Queensland

Service Area Objective

Drive effectiveness of Queensland's planning system by ensuring accessible and transparent requirements and efficiency of the State's assessment functions.

Description

The service area administers the *Planning Act 2016* and has responsibility for:

- providing the legislative framework and overarching policy for land use planning and development assessment in Queensland
- delivering a contemporary and effective planning system in collaboration with local government, key industry groups, the planning profession and the broader Queensland community
- improving the State's land use planning and development assessment processes.

Sources of revenue

Total cost $'000	State contribution $'000	User charges & fees $'000	C'wth revenue $'000	Other revenue $'000
53,727	48,712	5,021	..	..

Staffing[1,2,3,4]

2018-19 Adjusted Budget	2018-19 Estimated Actual	2019-20 Budget
267	269	243

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs are allocated across the service to which they relate.
3. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple agencies.
4. The decrease from 2018-19 Estimated Actual and 2019-20 Budget relates to a reduction in temporary staff as projects are delivered.

2019-20 service area highlights

Better Planning for Queensland 2019-20 highlights are to:

- deliver modern and innovative regional plans informed by a comprehensive community and stakeholder engagement program
- as part of the commitment to ShapingSEQ's Growth Monitoring Program, release the 2019 Land Supply and Development Monitoring Report, release the 2019 Measures that Matter and continue engagement and input from the Housing Supply Expert Panel
- deliver the Dunwich (Goompi) master plan, in consultation with Traditional Owners, as part of Minjerribah Futures
- execute the South East Queensland strategic assessment agreement with the Australian Government, to develop a more coordinated and strategic approach to resolving environmental assessments and approvals
- make continual improvements to the planning framework to increase transparency and community confidence including amendments to the infrastructure charging frameworks
- support local governments to deliver healthier and more inclusive communities through the State Planning Policy, guidelines and associated manuals
- provide guidance for local governments about advancing Aboriginal and Torres Strait Islander interests in land use planning

- finalise the template for local planning schemes for the Shires of Etheridge, Blackall-Tambo, Barcaldine, Winton, Boulia, Diamantina and Barcoo
- continue to work with South Bank Corporation regarding their planning needs to ensure South Bank remains an iconic destination for locals and tourists, and meets the needs of an ever-changing, fast growing and diverse local community.

Better planning for Queensland	**2018-19 Target/Est**	**2018-19 Est Actual**	**2019-20 Target/Est**
Service standards *Effectiveness measure* Level of stakeholder satisfaction with accessibility and transparency of the requirements of the planning system[1]	70%	78%	70%
Efficiency measure Average administrative costs per decision made by the State Assessment and Referral Agency[2,3]	$3,320	$3,930	$4,070

Notes:

1. This service standard measures the overall level of stakeholder satisfaction with accessibility and transparency of the requirements of the planning system under the *Planning Act 2016*. The stakeholders surveyed comprise of a cross section of industry experts, state and local government, and community groups.
2. The increase in the 2018-19 Estimated Actual compared to the 2018-19 Target/Estimate is as a result of refinements made to the decision process for State Assessment and Referral Agency approvals. This has enabled simple transactions and duplications to be eliminated thereby reducing the number of decisions to those which are of a more complex nature.
3. The increase in the 2019–20 Target/Estimate considers predicted increases in administrative costs including increased total salary spend and a trend in increasing appeals and legal advice costs. The average administrative cost includes salaries and on-costs, and the legal costs associated with legal advice and appeals, noting the refinements to the decision process as outlined in note 2.

Discontinued measures

Performance measures included in the *2018-19 Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Department of State Development, Manufacturing, Infrastructure and Planning	**2018-19 Target/Est**	**2018-19 Est Actual**	**2019-20 Target/Est**
Service area: Driving enterprise development, economic growth and job creation			
Effectiveness measure Percentage of proposal assessment recommendations endorsed upon submission to investment panel[1]	85%	100%	Discontinued measure
Efficiency measure Average cost per proposal assessment (Stage 1)[1]	$125,000	$81,309	Discontinued measure
Service area: Economic and infrastructure strategy, policy and planning			
Effectiveness measure Level of satisfaction of key stakeholders with timeliness and effectiveness of consultation undertaken by Infrastructure Policy and Planning[2]	70%	83%	Discontinued measure

Notes:

1. These service standards relate to services delivered under the Market Led Proposals Framework, which has been reviewed and replaced by a new industry facilitation model. These measures are subsequently being discontinued as the new industry facilitation model process supersedes the methodology to calculate these measures. To ensure consistency of measurement of the department’s industry investment and facilitation offerings, the outcomes of the new industry facilitation model will now be reported under the effectiveness and efficiency measures in the Industry and investment facilitation service. In addition, the effectiveness measure is being discontinued as it measures activity rather than effectiveness. These service standards were previously presented in the 'Infrastructure Policy and Planning' service area in the 2018-19 *Service Delivery Statements*. These measures will not be reported in any other publication.
2. The components of timeliness and efficiency together measure key stakeholders' overall experience with consultation undertaken relating to the infrastructure policy and planning function. The stakeholders surveyed comprised a cross section of industry and government. The 2018-19 Estimated Actual figure is the percentage of survey respondents that were moderately satisfied to completely satisfied. This service standard has been discontinued as it no longer aligns with the service area. It has been replaced with a new service standard which has been amended to include stakeholder satisfaction with the economic strategy function of the department. The survey scope will be revised to include additional questions and/or additional stakeholders required to reflect the broader service area. This measure will no longer be reported in any other publication.

Administered items

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

The Department of State Development, Manufacturing, Infrastructure and Planning administers funds for other State agencies including Building Queensland, the Queensland Reconstruction Authority and the Gasfields Commission Queensland.

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.

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

Departmental budget summary

The table below shows the total resources available in 2019-20 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of State Development, Manufacturing, Infrastructure and Planning	2018-19 Adjusted Budget $'000	2018-19 Est Actual $'000	2019-20 Budget $'000
CONTROLLED			
Income			
Appropriation revenue[1]			
Deferred from previous year/s	137,319	137,319	170,321
Balance of service appropriation	337,231	241,195	300,386
Other revenue	68,248	29,658	9,125
Total income	**542,798**	**408,172**	**479,832**
Expenses			
Driving enterprise development, economic growth and job creation	254,296	167,084	280,842
Assessing, approving, developing and delivering projects to generate jobs and economic growth	163,130	149,584	115,382
Economic and infrastructure strategy, policy and planning	56,688	34,009	29,857
Better planning for Queensland	58,459	46,639	53,727
Machinery-of-government changes	8,992	10,832	
Total expenses	**541,565**	**408,148**	**479,808**
Operating surplus/deficit	**1,233**	**24**	**24**
Net assets	**101,853**	**157,385**	**237,803**
ADMINISTERED			
Revenue			
Commonwealth revenue	6,003	2,059	4,240
Appropriation revenue	598,237	592,334	687,480
Other administered revenue	17,389	15,970	19,540
Total revenue	**621,629**	**610,363**	**711,260**
Expenses			
Transfers to government	17,389	15,725	19,540
Administered expenses	604,240	594,638	691,720
Total expenses	**621,629**	**610,363**	**711,260**
Net assets	**1,739**	**..**	**..**
CAPITAL			
Capital purchases[2]			
Total land, buildings and infrastructure	26,909	13,085	13,133

Department of State Development, Manufacturing, Infrastructure and Planning	2018-19 Adjusted Budget $'000	2018-19 Est Actual $'000	2019-20 Budget $'000
Total plant and equipment	50	171	365
Total other capital	582	313	230
Total capital purchases	**27,541**	**13,569**	**13,728**

Notes:

1. Includes State and Commonwealth funding.
2. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.

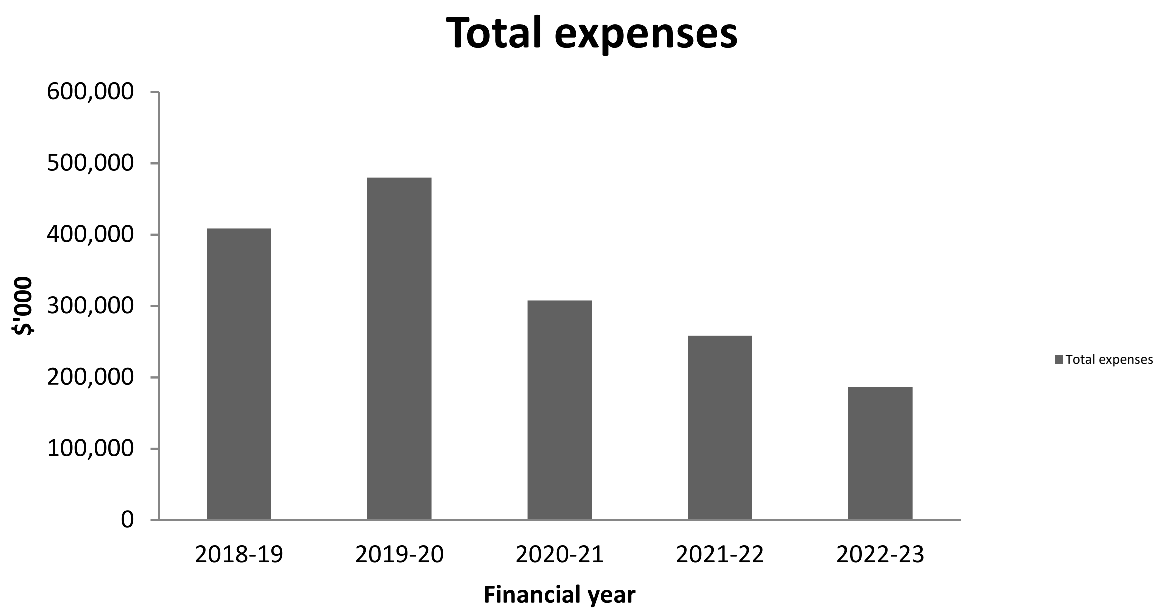
Budgeted financial statements

Departmental income statement

Total expenses are estimated to be $479.8 million in 2019-20, an increase of $71.7 million from 2018-19. The increase primarily relates to increased funding for Building our Regions, Resource Recovery Industry Development, the Jobs and Regional Growth Fund and the Made in Queensland programs.

Total expenses reflect current program funding allocations that are historically funded in increments subject to achieving program objectives. This creates a pattern of higher funding in the short term and less in the out-years, as is currently the case with Building our Regions, Resource Recovery Industry Development, Royalties for the Regions, Advance Queensland Industry Attraction Fund, Jobs and Regional Growth fund and Made in Queensland grant programs.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department anticipates to have $156 million in property, plant and equipment assets. This figure is expected to decrease over the forward estimates period with reduced land acquisitions under the Coordinator-General. The department's main liability relates to deposits held for land acquisitions under the Coordinator-General.

Controlled income statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Adjusted Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
INCOME				
Appropriation revenue	1,5	474,550	378,514	470,707
Taxes		..	..	..
User charges and fees	2,6	68,248	29,194	9,125
Royalties and land rents		..	..	..
Grants and other contributions		..	464	..
Interest and distributions from managed funds		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**542,798**	**408,172**	**479,832**
EXPENSES				
Employee expenses		103,113	102,850	105,050
Supplies and services	3,7	162,346	90,712	97,996
Grants and subsidies	4,8	271,859	211,389	267,977
Depreciation and amortisation		2,281	2,281	2,434
Finance/borrowing costs	9	1,615	565	6,000
Other expenses		351	351	351
Losses on sale/revaluation of assets		..	..	..
Total expenses		**541,565**	**408,148**	**479,808**
OPERATING SURPLUS/(DEFICIT)		**1,233**	**24**	**24**

Controlled balance sheet

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Adjusted Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CURRENT ASSETS				
Cash assets	10,18	8,467	18,270	13,753
Receivables	11,19	12,197	40,768	34,001
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	272	272
Non-financial assets held for sale		..	227	227
Total current assets		**20,664**	**59,537**	**48,253**
NON-CURRENT ASSETS				
Receivables	20	21,869	21,080	83,080
Other financial assets		..	..	..
Property, plant and equipment	21	145,166	141,926	156,017
Intangibles		16,942	16,409	14,764
Other		..	..	..
Total non-current assets		**183,977**	**179,415**	**253,861**
TOTAL ASSETS		**204,641**	**238,952**	**302,114**
CURRENT LIABILITIES				
Payables	22	14,450	17,309	6,442
Accrued employee benefits		6,378	3,866	3,868
Interest bearing liabilities and derivatives	12	20,593	24,868	24,868
Provisions	13	741	14,095	14,095
Other	14,23	5,814	11,220	6,110
Total current liabilities		**47,976**	**71,358**	**55,383**
NON-CURRENT LIABILITIES				
Payables	15	3,028	9,948	8,691
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	16	41,555	..	..
Provisions	17	7,913	..	..
Other		2,316	261	237
Total non-current liabilities		**54,812**	**10,209**	**8,928**
TOTAL LIABILITIES		**102,788**	**81,567**	**64,311**
NET ASSETS/(LIABILITIES)		**101,853**	**157,385**	**237,803**
EQUITY				
TOTAL EQUITY		**101,853**	**157,385**	**237,803**

Controlled cash flow statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Adjusted Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		473,240	413,857	475,791
User charges and fees		77,302	41,416	17,570
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	464	..
Interest and distribution from managed funds received		..	..	..
Taxes		..	..	..
Other		23,205	23,205	23,205
Outflows:				
Employee costs		(103,167)	(102,904)	(105,105)
Supplies and services		(183,397)	(123,338)	(119,493)
Grants and subsidies		(271,859)	(249,368)	(279,651)
Borrowing costs		(1,615)	(425)	..
Other		(9,427)	(28,021)	(14,400)
Net cash provided by or used in operating activities		**4,282**	**(25,114)**	**(2,083)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	2,615	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(27,541)	(13,569)	(13,728)
Payments for investments		..	..	..
Loans and advances made		..	..	(68,000)
Net cash provided by or used in investing activities		**(27,541)**	**(10,954)**	**(81,728)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	13,906	..
Equity injections		35,357	16,552	92,653
Outflows:				
Borrowing redemptions		(54,842)	(1,945)	..
Finance lease payments		..	..	..
Equity withdrawals		(3,440)	1,565	(13,359)
Net cash provided by or used in financing activities		**(22,925)**	**30,078**	**79,294**
Net increase/(decrease) in cash held		**(46,184)**	**(5,990)**	**(4,517)**
Cash at the beginning of financial year		**59,034**	**29,047**	**18,270**
Cash transfers from restructure		(4,383)	(4,787)	..
Cash at the end of financial year		**8,467**	**18,270**	**13,753**

Administered income statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
INCOME				
Appropriation revenue	25	604,240	594,393	691,720
Taxes		..	..	..
User charges and fees		5,314	5,314	5,500
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest and distributions from managed funds		..	..	..
Other revenue	24,26	12,075	10,656	14,040
Gains on sale/revaluation of assets		..	..	..
Total income		**621,629**	**610,363**	**711,260**
EXPENSES				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	27	604,240	594,638	691,720
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government	28	17,389	15,725	19,540
Total expenses		**621,629**	**610,363**	**711,260**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Administered balance sheet

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CURRENT ASSETS				
Cash assets		1,739	1,941	1,941
Receivables		..	..	..
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**1,739**	**1,941**	**1,941**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ASSETS		**1,739**	**1,941**	**1,941**
CURRENT LIABILITIES				
Payables	29	..	1,941	1,941
Transfers to Government payable		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**..**	**1,941**	**1,941**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**..**	**1,941**	**1,941**
NET ASSETS/(LIABILITIES)		**1,739**	**..**	**..**
EQUITY				
TOTAL EQUITY		**1,739**	**..**	**..**

Administered cash flow statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		604,240	594,393	691,720
User charges and fees		5,314	5,314	5,500
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest and distribution from managed funds received		..	..	..
Taxes		..	..	..
Other		12,075	10,656	14,040
Outflows:				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies		(604,240)	(594,638)	(691,720)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government		(17,389)	(15,725)	(19,540)
Net cash provided by or used in operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Cash at the beginning of financial year		**1,739**	**1,941**	**1,941**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**1,739**	**1,941**	**1,941**

Explanation of variances in the financial statements

As a result of Public Service Departmental Arrangements Order (No.2) 2018 on 16 August 2018, the department was part of machinery-of-government (MoG) changes. The Project Delivery and Office of the Queensland Government Architect functions were transferred out of the department to the Department of Housing and Public Works (DHPW), effective 1 September 2018. Consequently, the 2018-19 Adjusted Budget and 2018-19 Estimated Actuals in the Financial Statements reflect the two months of activity relating to the transferring functions.

Income statement

Major variations between 2018-19 Adjusted Budget and 2018-19 Estimated Actual include:

1. The decrease primarily relates to the reprofiling of project and program expenditure to future years including Resource Recovery Industry Development Program; Made in Queensland; Maturing the Infrastructure Pipeline Program; and the Manufacturing and Defence Hubs. The decrease also represents the transfer of the North Stradbroke Island Economic Transition Strategy to the Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID).
2. The decrease primarily relates to management of the redevelopment of the former Commonwealth Games village transferring to Economic Development Queensland.
3. The decrease primarily relates to the transfer from the department to Economic Development Queensland the redevelopment of the former Commonwealth Games village. The decrease also includes reprofiling of high priority project and program expenditure to future years for Planning initiatives and the Manufacturing and Defence Hubs.
4. The decrease primarily relates to the reprofiling of funding for the Resource Recovery Industry Development, Made in Queensland and Maturing the Infrastructure Pipeline Programs; as well as the transfer of funding for the North Stradbroke Island Economic Transition Strategy to DITID.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

5. The increase primarily relates to the reprofiling of project and program expenditure from 2018-19 to 2019-20 for high priority projects including Resource Recovery Industry Development Program and the Jobs and Regional Growth Fund. The increase also relates to new funding for Building our Regions Round 5.
6. The decrease primarily relates to machinery-of-government related functions transferred to DHPW.
7. The increase primarily relates to funding for the Manufacturing and Defence Hubs.
8. The increase primarily relates to increased funding for the Jobs and Regional Growth Fund and new funding for Building our Regions Round 5.
9. The increase primarily relates to costs associated with the implementation of industry attraction obligations.

Balance sheet

Major variations between 2018-19 Adjusted Budget and 2018-19 Estimated Actual include:

10. The increase primarily relates to deposits held for land acquisitions by the Coordinator-General.
11. The increase primarily relates to Appropriation receivable for costs associated with the redevelopment of the former Commonwealth Games village.
12. The increase primarily relates to deposits held for land acquisitions by the Coordinator-General.
13. The increase in provisions relates to compensation payments made by the Coordinator-General, that are anticipated to be settled within 12 months, for other Government agencies.
14. The increase relates to expected increased compensation payments made by the Coordinator-General on behalf of third parties.
15. The increase primarily relates to grants payable to Economic Development Queensland for costs associated with the redevelopment of the former Commonwealth Games village.
16. The decrease is due to the Queensland Treasury now centrally managing Queensland Treasury Corporation loans.
17. The decrease relates to provisions required for compensation payments made by the Coordinator-General which are expected to be settled within 12 months.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

18. The decrease relates to the forecast reduction in compensation payments for land by the Coordinator-General.
19. The decrease primarily relates to Appropriation receivable for costs associated with the redevelopment of the former Commonwealth Games village.
20. The increase primarily relates to the implementation of industry attraction obligations.
21. The increase primarily relates to land purchases by the Coordinator-General.
22. The decrease primarily relates to grants payable to Economic Development Queensland for costs associated with the redevelopment of the former Commonwealth Games village.
23. The decrease relates to expected decreased compensation payments made by the Coordinator-General on behalf of thrid parties.

Administered income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

24. The decrease relates to the reimbursement from South Bank Corporation to the Consolidated Fund, being the funding transfer of management and operation of the parklands from South Bank Corporation to Brisbane City Council.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

25. The increase is primarily relates to the Queensland Reconstruction Authority responding to the impact of the North and Far North Monsoon Trough and other disaster events of 2019 on the Disaster Recovery Fund Arrangements (DRFA) recovery and reconstruction grant program to Local Government Authorities (LGAs) and State Department and Agencies (SDAs). The increase also includes the 2019-20 allocation round for the Queensland Disaster Resilience Fund (QDRF) and progress payments for a suite of recovery projects funded by the Queensland Government following Severe Tropical Cyclone (STC) Debbie.
26. The increase relates to the reimbursement from South Bank Corporation to the Consolidated Fund, being the funding transfer of management and operation of the parklands from South Bank Corporation to Brisbane City Council.
27. The increase primarily relates to funding for the Queensland Reconstruction Authority responding to the impact of the North and Far North Monsoon Trough and other disaster events of 2019 on the DRFA recovery and reconstruction grant program to LGAs and SDAs. The increase also includes the 2019-20 allocation round for the QDRF and progress payments for a suite of recovery projects funded by the Queensland Government following STC Debbie.
28. The increase relates to the reimbursement to the Consolidated Fund for the transfer of funding for the management and operation of the parklands from South Bank Corporation to the Brisbane City Council and an expected increase in the Single Assessment Referral Agency fees collected on behalf of other agencies.

Administered balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

29. The increase represents funding to be transferred to Queensland Reconstruction Authority for the Natural Disaster Resilience Program.

Reporting Entity Financial Statements

Reporting Entity comprises:

- **Department of State Development, Manufacturing, Infrastructure 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 State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Adjusted Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
INCOME				
Appropriation revenue		474,550	378,514	470,707
Taxes		..	..	..
User charges and fees		93,670	88,044	104,006
Royalties and land rents		..	..	..
Grants and other contributions		319	783	319
Interest and distributions from managed funds		12,460	11,649	13,303
Other revenue		251	653	528
Gains on sale/revaluation of assets		..	..	..
Total income		**581,250**	**479,643**	**588,863**
EXPENSES				
Employee expenses		120,180	119,672	121,685
Supplies and services		221,566	146,621	171,068
Grants and subsidies		222,089	201,424	262,209
Depreciation and amortisation		2,328	4,601	4,460
Finance/borrowing costs		8,092	9,235	15,850
Other expenses		24,690	11,826	10,388
Losses on sale/revaluation of assets		..	236	..
Total expenses		**598,945**	**493,615**	**585,660**
Income tax expense/revenue		(5,678)	(4,093)	1,228
OPERATING SURPLUS/(DEFICIT)		**(12,017)**	**(9,879)**	**1,975**

Reporting entity balance sheet

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Adjusted Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CURRENT ASSETS				
Cash assets		80,728	173,687	166,727
Receivables		54,720	66,988	67,475
Other financial assets		..	..	..
Inventories		383,256	356,921	375,158
Other		240	490	490
Non-financial assets held for sale		..	227	227
Total current assets		**518,944**	**598,313**	**610,077**
NON-CURRENT ASSETS				
Receivables		129,188	146,784	209,643
Other financial assets		..	..	..
Property, plant and equipment		538,670	541,990	545,255
Deferred tax assets		20,078	23,094	21,866
Intangibles		16,942	16,409	14,764
Other		..	..	..
Total non-current assets		**704,878**	**728,277**	**791,528**
TOTAL ASSETS		**1,223,822**	**1,326,590**	**1,401,605**
CURRENT LIABILITIES				
Payables		38,852	92,146	93,697
Current tax liabilities		..	(1,841)	(1,841)
Accrued employee benefits		7,003	4,491	4,493
Interest bearing liabilities and derivatives		29,566	38,362	38,362
Provisions		25,578	25,769	16,405
Other		18,532	53,196	48,086
Total current liabilities		**119,531**	**212,123**	**199,202**
NON-CURRENT LIABILITIES				
Payables		3,028	31,910	22,159
Deferred tax liabilities		65,650	74,274	74,274
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		184,922	104,358	130,035
Provisions		7,913	8,660	6,350
Other		2,316	261	237
Total non-current liabilities		**263,829**	**219,463**	**233,055**
TOTAL LIABILITIES		**383,360**	**431,586**	**432,257**
NET ASSETS/(LIABILITIES)		**840,462**	**895,004**	**969,348**
EQUITY				
TOTAL EQUITY		**840,462**	**895,004**	**969,348**

Reporting entity cash flow statement

Department of State Development, Manufacturing, Infrastructure and Planning	Notes	2018-19 Adjusted Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		473,240	413,857	475,791
User charges and fees		104,456	116,491	105,197
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	464	..
Interest and distribution from managed funds received		12,460	8,076	9,634
Taxes		..	..	..
Other		23,456	23,858	23,733
Outflows:				
Employee costs		(120,234)	(119,726)	(121,740)
Supplies and services		(300,572)	(200,082)	(230,763)
Grants and subsidies		(222,089)	(205,610)	(262,209)
Borrowing costs		(8,092)	(5,277)	(9,850)
Taxation equivalents paid		(6,823)	(9,093)	(114)
Other		(14,858)	(16,086)	(19,798)
Net cash provided by or used in operating activities		**(59,056)**	**6,872**	**(30,119)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		7,578	15,715	11,775
Investments redeemed		..	..	..
Loans and advances redeemed		1,955	15,788	4,246
Outflows:				
Payments for non-financial assets		(27,541)	(13,569)	(16,703)
Payments for investments		..	..	..
Loans and advances made		(37,707)	(85,519)	(73,105)
Net cash provided by or used in investing activities		**(55,715)**	**(67,585)**	**(73,787)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		49,928	79,432	41,529
Equity injections		35,357	16,552	84,653
Outflows:				
Borrowing redemptions		(78,558)	(15,295)	(15,852)
Finance lease payments		..	..	..
Equity withdrawals		(7,588)	(38,231)	(13,384)
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**(861)**	**42,458**	**96,946**
Net increase/(decrease) in cash held		**(115,632)**	**(18,255)**	**(6,960)**
Cash at the beginning of financial year		**200,743**	**196,729**	**173,687**
Cash transfers from restructure		(4,383)	(4,787)	..
Cash at the end of financial year		**80,728**	**173,687**	**166,727**

Statutory bodies

Building Queensland

Overview

Building Queensland is a statutory body providing independent, expert advice on major infrastructure. Established under the *Building Queensland Act 2015*, Building Queensland's vision is to enhance infrastructure outcomes for Queensland through robust advice and industry leading expertise. Its core functions are to prepare robust business cases to inform investment decisions and develop a pipeline of proposals considered to be priorities for the State.

Working closely with Queensland Government agencies, including departments, government-owned corporations, and nominated statutory authorities, Building Queensland leads the development of detailed business cases for projects with an estimated capital cost of delivery of $100 million or more and assists with those between $50 and $100 million. This threshold is higher for road transport projects with Building Queensland leading detailed business cases for projects over $500 million that are not toll roads. Working across all asset classes, Building Queensland also provides advice in the early stages of proposal development.

All infrastructure proposals led by Building Queensland are developed under the organisation's Business Case Development Framework. The framework ensures a consistent and rigorous approach to proposal development. Working collaboratively with agencies, Building Queensland is committed to enhancing expertise across government in the development of rigorous business cases and raise awareness of issues relevant to the infrastructure sector.

To assist the Queensland Government in determining the projects that will best address the State's infrastructure priorities, Building Queensland develops the Infrastructure Pipeline Report. The Infrastructure Pipeline Report provides transparency of key government proposals under development. To further enhance transparency of analysis and advice, Building Queensland publishes business case and cost benefit analysis summaries for business cases it leads, and releases full business cases where appropriate. In delivering independent advice to government, Building Queensland is providing industry and the community confidence that the Government's infrastructure decisions are supported by robust analysis.

Building Queensland's strategic direction supports the Queensland Government's objectives for the community *Our Future State: Advancing Queensland's Priorities* to Create jobs in a strong economy and Be a responsive government by ensuring that infrastructure investments contribute to economic development.

Service Summary

Budget

Building Queensland	2018-19 Budget $'000	2018-19 Est. Actual $'000	2019-20 Budget $'000
Total operating expenses	7,513	7,513	7,564
Capital	16	16	16

Staffing[1]

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
30	30	30

Note:

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

Queensland Reconstruction Authority

The Queensland Reconstruction Authority's (QRA) vision is to make Queensland the most disaster resilient state in Australia.

QRA is charged with managing and coordinating the Government's program of recovery and reconstruction works within disaster-affected communities, with a focus on working with our state and local government partners to deliver best practice administration of public reconstruction and resilience funds.

QRA is also the State's lead agency responsible for disaster recovery and resilience policy, working collaboratively with stakeholders to improve risk reduction and disaster preparedness.

QRA contributes to the Government's objectives under *Our Future State: Advancing Queensland's Priorities* to:

- Keep communities safe through developing effective disaster recovery and resilience policy and supporting local governments to build resilience into their disaster preparedness and reconstruction programs
- Be a responsive government through coordinating activities that help communities recover and build resilience
- Create jobs in a strong economy through assisting local communities to recover sooner from disasters.

QRA's strategic objectives are to:

- enable rapid recovery of disaster impacted communities through the delivery of responsive disaster recovery services for communities in partnership with local government and state agencies
- deliver best practice administration of public reconstruction and resilience funds by leading Queensland's program of recovery and reconstruction and delivering State-wide disaster resilience building programs including Get Ready Queensland (GRQ), and Queensland Disaster Resilience Fund (QDRF)
- lead coordination of resilience activities and policy in Queensland by coordinating programs that support and build disaster relief and recovery readiness, capability and resilience at the local level
- engage and empower our workforce to deliver on QRA's vision by actively promoting and supporting our culture and values, valuing our people's contributions, supporting our people's career development and technical capability, and keeping our people safe and well.

QRA's key priorities for 2019-20 include:

- ensuring best practice expenditure and acquittal of Natural Disaster Relief and Recovery Arrangements (NDRRA) and Disaster Recovery Funding Arrangements (DRFA) funded activities
- improving community awareness of disaster preparedness and managing $2 million in council grants through the GRQ program and administration of the $38 million QDRF program over four years
- overseeing community recovery for 10 events in 2018-19 with estimated damage of $1.*3* billion, including the North and Far North Queensland Monsoon Trough and the Central Queensland Bushfires
- implementation of recovery plans to assist communities impacted by the North and Far North Queensland Monsoon Trough and the Central Queensland Bushfires
- managing delivery of key projects including reconstruction of the Whitsunday Regional Council administration centre, Proserpine Entertainment Centre, Mackay Regional Council's Bluewater Trail, and Queen's Park redevelopment*.*

Service summary

QRA has progressed initiatives from 2018-19 which are ongoing in 2019-20***.*** These include:

- assisting with activation, damage assessment and coordinating Queensland's ongoing recovery efforts from natural disaster events, along with managing the disaster reconstruction programs worth approximately $2.399 billion, comprising of works from 23 events from 2017 to 2019 that are to be delivered through to 30 June 2021
- acquittal of a $314 million claim to the Australian Government under the NDRRA, involving more than 340 submissions from 75 local governments and state agencies. On accepting the claim the Australian Government will pay their contribution to the State of more than $130 million
- co-delivery of the Brisbane River Strategic Floodplain Management Plan for implementation with agencies
- delivery of three regional resilience strategies across 17 local government areas as pilot projects of the newly implemented Resilient Queensland, which delivers on the Queensland Strategy for Disaster Resilience
- coordinating statewide resilience programs including managing GRQ, Resilient Australia Awards and the QDRF.

Service performance

Coordination of natural disaster recovery and resilience activities

Service Area Objective

To demonstrate accountability in the use of natural disaster and resilience funding and support the Queensland economy and job growth by coordinating the rapid restoration of communities following natural disasters and building their resilience to future events.

Description

QRA is actively managing and coordinating Queensland's program of recovery and reconstruction works within disaster impacted communities to ensure timely reconstruction, value for money is achieved and expenditure claimed is eligible for Australian Government reimbursement under Natural Disaster Relief and Recovery Arrangements (NDRRA) and Disaster Recovery Funding Arrangements (DRFA) through:

- managing the close-out and acquittal of NDRRA and DRFA expenditure to obtain an unqualified audit opinion from the Queensland Audit Office in relation to claims for Australian Government reimbursement of eligible expenditure
- as natural disasters occur, assisting with disaster recovery operations and supporting local governments in their recovery processes, and undertaking rapid damage assessments of commercial, residential (in conjunction with Queensland Fire and Emergency Services) and council infrastructure in the worst hit areas.

QRA is also leading the coordination of disaster resilience activities and policy in Queensland, including increasing public awareness to ensure communities are prepared for future disaster events and coordinating the delivery of disaster resilience building programs through Queensland Disaster Resilience Fund and Get Ready Queensland.

Staffing[1]

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
104	98	104

Note:

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

Coordination of natural disaster recovery and resilience activities[1]	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
Effectiveness measure			
Percentage of reconstruction projects completed within required timeframes[2]	100%	100%	100%
Efficiency measures			
Immediate disaster recovery operating costs per dollar of new disaster event damage[3]	0.25%	0.11%	0.25%
Get Ready Queensland operating costs to administer/manage community activities as a percentage of the total Get Ready Queensland grant program[4]	New measure	New measure	15%

Notes:

1. This service area has been renamed and was previously called 'Administration of Natural Disaster Relief and Recovery Arrangements' in the 2018–19 *Service Delivery Statement* (SDS). This change reflects the reforms to natural disaster funding to include Disaster Recovery Funding Arrangements (DRFA) from 1 November 2018; changes to the *Queensland Reconstruction Authority Act 2011*; and to align with Queensland Reconstruction Authority's (QRA) 2019–23 Strategic Plan.

2. This service standard assesses the effectiveness of QRA's administration of reconstruction programs and management of delivery agent risk. Projects delivered under NDRRA, DRFA and other grants programs associated with recovery must be completed within set timeframes to be eligible for funding. Works not completed within timeframes expose disaster-impacted communities to the financial risk that expenditure incurred will not be reimbursed.
3. This service standard reflects organisational efficiency in the delivery of services in the immediate disaster response and recovery operations. The objective of this measure is to ensure that QRA continues to deliver services consistent from one event to the next. The calculation methodology is based on a benchmark percentage from previous disaster events.
4. This new service standard has been developed to reflect that QRA has assumed responsibility for the administration of a suite of resilience programs. This service standard assesses the efficiency of QRA's administration of the *Get Ready Queensland* (GRQ) program's community led activities by measuring the costs associated with delivering these activities as an overall percentage of the total GRQ program.

Income statement

Queensland Reconstruction Authority	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees		..	..	..
Grants and other contributions	4	563,426	553,919	645,692
Interest and distributions from managed funds		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**563,426**	**553,919**	**645,692**
EXPENSES				
Employee expenses	1,5	14,220	13,540	14,742
Supplies and services	6	18,631	17,825	19,602
Grants and subsidies	7	529,563	521,607	609,808
Depreciation and amortisation	2,8	..	335	928
Finance/borrowing costs		..	..	..
Other expenses	3	1,012	612	612
Losses on sale/revaluation of assets		..	..	..
Total expenses		**563,426**	**553,919**	**645,692**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Queensland Reconstruction Authority	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CURRENT ASSETS				
Cash assets		43,339	42,683	42,345
Receivables	9	5,472	5,961	5,961
Other financial assets		..	..	..
Inventories		..	..	..
Other	10	12	196	196
Non-financial assets held for sale		..	..	..
Total current assets		**48,823**	**48,840**	**48,502**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		4	15	15
Intangibles	11,13	1,400	3,105	3,443
Other		..	..	..
Total non-current assets		**1,404**	**3,120**	**3,458**
TOTAL ASSETS		**50,227**	**51,960**	**51,960**
CURRENT LIABILITIES				
Payables		2,136	2,214	2,214
Accrued employee benefits	12	429	555	555
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**2,565**	**2,769**	**2,769**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**2,565**	**2,769**	**2,769**
NET ASSETS/(LIABILITIES)		**47,662**	**49,191**	**49,191**
EQUITY				
TOTAL EQUITY		**47,662**	**49,191**	**49,191**

Cash flow statement

Queensland Reconstruction Authority	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		..	..	..
Grants and other contributions		563,426	553,919	645,692
Interest and distribution from managed funds received		..	..	..
Taxes		..	..	..
Other		53,217	49,524	56,692
Outflows:				
Employee costs		(14,220)	(13,540)	(14,742)
Supplies and services		(71,755)	(67,256)	(76,201)
Grants and subsidies		(529,563)	(521,607)	(609,808)
Borrowing costs		..	..	..
Other		(1,105)	(8,960)	(705)
Net cash provided by or used in operating activities		**..**	**(7,920)**	**928**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	(1,991)	(1,266)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**..**	**(1,991)**	**(1,266)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	1,739	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**1,739**	**..**
Net increase/(decrease) in cash held		**..**	**(8,172)**	**(338)**
Cash at the beginning of financial year		**43,339**	**50,855**	**42,683**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**43,339**	**42,683**	**42,345**

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. The decrease is due to QRA holding vacant positions in order to upscale operations as required during disaster recovery activities. 2018-19 Budget was for 104 FTEs versus 2018-19 Estimated Actual for 98 FTEs.
2. The increase is due to amortisation associated with the development and deployment of a grants management and reporting system.
3. The decrease is due to the transfer of funding for disaster recovery services (GIVIT) to the Department of Communities, Disability Services and Seniors during 2018-19.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

4. The increase is due to estimates now including the impact of the North and Far North Monsoon Trough and other disaster events of 2019 on the Disaster Recovery Fund Arrangements (DRFA) recovery and reconstruction grant program to Local Government Authorities (LGAs) and State Department and Agencies (SDAs), the 2019-20 allocation round for the Queensland Disaster Resilience Fund (QDRF) and progress payments for a suite of recovery projects funded by the Queensland Government following Severe Tropical Cyclone (STC) Debbie.
5. The increase relates to the Enterprise Bargaining Agreement (EBA) and filling vacancies to undertake recovery activities following disaster events.
6. The increase relates to expenditure for the delivery of the Brisbane River Strategic Floodplain Management Plan (SFMP) and Get Ready Queensland (GRQ).
7. The increase is due to estimates now including the impact of the North and Far North Monsoon Trough and other disaster events of 2019 on the DRFA recovery and reconstruction grant program to LGAs and SDAs, the 2019-20 allocation round for the QDRF and progress payments for a suite of recovery projects funded by the Queensland Government following STC Debbie.
8. The increase is due to amortisation associated with the development and deployment of a grants management and reporting system.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

9. The increase is a result of timing for GST refundable.
10. The increase relates to prepaid expenditure.
11. The increase is due to QRA undertaking development works to add additional functionality to its grants management and reporting system, the first stages of which were deployed in 2018-19.
12. The increase relates to the timing of Annual Leave and Long Service Leave Central Scheme levies due.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

13. The increase is due to QRA undertaking development works to add additional functionality to its grants management and reporting system, the first stages of which were deployed in 2018-19.

South Bank Corporation

Overview

South Bank Corporation's (the Corporation) vision is to continue to innovate, manage and maintain South Bank's reputation as the most vibrant urban and cultural precinct in the world.

The objects of 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 and master planning for the corporation area.

The South Bank Parklands are owned by the Corporation and managed on its behalf by Brisbane City Council and its wholly owned subsidiary, City Parklands Services Pty Ltd.

The Corporation is increasingly impacted by the expansion, densification and increasing sophistication of Brisbane which puts South Bank at the centre of the public realm and retail mix offering for local, interstate and international visitors.

Service summary

New initiatives for 2019-20 include:

- progressing the preparation of a new master plan for the South Bank corporation area which will create a blueprint for future revitalisation, inform potential opportunities for future development and redevelopment and provide a strategic framework for the future maintenance and replacement of aging infrastructure assets over the next 30 years
- redevelopment of the riverside open space on the site previously occupied by the disused Riverside Restaurants building
- continuing the Parklands, Little Stanley Street and Grey Street retail activation through investment in capital works, retail innovation and marketing
- continuing to manage and enhance, with Brisbane City Council, the distinct elements of the parklands precinct that make South Bank Brisbane's favourite place to live, work and play
- continuing to work with Brisbane City Council regarding numerous projects that impact South Bank's land and operations (including Brisbane Metro, ferry terminals and bikeways)
- continuing to work with the State Government to assist in facilitating the delivery of the Neville Bonner Bridge as part of the Queen's Wharf Brisbane development and the new Performing Arts Venue on the Playhouse Green at the Queensland Performing Arts Centre.

Staffing[1]

2018-19 Budget	2018-19 Estimated Actual	2019-20 Budget
35	35	35

Note:

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

Income statement

South Bank Corporation	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees	1,4	93,780	99,099	97,044
Grants and other contributions		..	..	..
Interest and distributions from managed funds		525	641	528
Other revenue		..	..	..
Gains on sale/revaluation of assets	2	6,500	3,000	2,000
Total income		**100,805**	**102,740**	**99,572**
EXPENSES				
Employee expenses	3,5	5,140	4,800	5,212
Supplies and services		71,898	72,234	73,820
Grants and subsidies		..	..	..
Depreciation and amortisation		21,000	22,000	22,500
Finance/borrowing costs		..	..	..
Other expenses	6	8,808	8,780	7,211
Losses on sale/revaluation of assets		..	..	..
Total expenses		**106,846**	**107,814**	**108,743**
OPERATING SURPLUS/(DEFICIT)		**(6,041)**	**(5,074)**	**(9,171)**

Balance sheet

South Bank Corporation	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CURRENT ASSETS				
Cash assets	7,9	18,598	49,687	31,273
Receivables		1,218	1,504	1,504
Other financial assets		..	..	..
Inventories		404	422	422
Other		455	159	159
Non-financial assets held for sale		..	..	..
Total current assets		**20,675**	**51,772**	**33,358**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	8,10	778,553	750,579	775,322
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**778,553**	**750,579**	**775,322**
TOTAL ASSETS		**799,228**	**802,351**	**808,680**
CURRENT LIABILITIES				
Payables		10,894	10,837	10,837
Accrued employee benefits		600	452	452
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		7,492	10,188	10,188
Total current liabilities		**18,986**	**21,477**	**21,477**
NON-CURRENT LIABILITIES				
Payables		855	819	819
Accrued employee benefits		73	121	121
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**928**	**940**	**940**
TOTAL LIABILITIES		**19,914**	**22,417**	**22,417**
NET ASSETS/(LIABILITIES)		**779,314**	**779,934**	**786,263**
EQUITY				
TOTAL EQUITY		**779,314**	**779,934**	**786,263**

Cash flow statement

South Bank Corporation	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		97,780	103,099	101,044
Grants and other contributions		..	..	..
Interest and distribution from managed funds received		525	641	528
Taxes		..	..	..
Other		4,000	4,000	4,000
Outflows:				
Employee costs		(5,140)	(4,800)	(5,212)
Supplies and services		(75,898)	(76,234)	(77,820)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(12,808)	(12,780)	(11,211)
Net cash provided by or used in operating activities		**8,459**	**13,926**	**11,329**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(24,131)	(10,726)	(29,743)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(24,131)**	**(10,726)**	**(29,743)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(15,672)**	**3,200**	**(18,414)**
Cash at the beginning of financial year		**34,270**	**46,487**	**49,687**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**18,598**	**49,687**	**31,273**

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. The increase is due to increased activity at the Brisbane Convention and Exhibition Centre.
2. The decrease in revaluation of assets is due to a general slowdown in the overall retail investment properties market.
3. The decrease is due to the completion in December 2018 of project work for the programming of the Flowstate performance and event space.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

4. The decrease is due to a forecast decrease in activity at the Brisbane Convention and Exhibition Centre following a record year in 2018-19.
5. The increase is due to the need for project staff as a result of additional projects, including the South Bank master plan.
6. The decrease is due to a decrease in contributions for South Bank Parklands operating costs.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

7. The increase is due to lower expenditure on capital works with the deferral of some projects.
8. The decrease is due to lower expenditure on capital works with the deferral of some projects.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

9. The decrease is due to expenditure on major capital works and projects, such as the Riverside Open Space.
10. The increase is due to expenditure on major capital works, such as the Riverside Open Space.

Commercialised business units

Economic Development Queensland

Overview

Economic Development Queensland (EDQ) is the Queensland Government's specialist land use planning and property development agency. Working with State agencies, local governments, the development industry and communities, EDQ identifies, plans, facilitates and delivers Priority Development Areas and development projects. EDQ supports the department's vision of a thriving and inclusive Queensland, where the economy, industry and communities prosper.

Projects include large complex urban sites that facilitate renewal, regional projects that provide community and economic benefit, industrial activities that generate on-going employment opportunities and infrastructure projects that drive further development. EDQ's key objectives include:

- renewing and repurposing surplus and underutilised *S*tate property to create jobs, drive economic growth and deliver community outcomes
- fast tracking planning, development and delivery of property and infrastructure projects
- engaging with communities, councils and industry on projects to ensure they meet local needs and aspirations
- demonstrating innovation in planning, building and infrastructure projects.

Market conditions in some regions have continued to strengthen over the past year, although some residential and industrial property markets remain subdued. In areas of Queensland, recent extreme weather events have also impacted on EDQ's operations.

Service summary

In 2019-20 EDQ will:

- lead the repurposing and renewal of surplus and underutilised State land. This includes finalising the development schemes and commencing development of the Yeronga and Oxley Priority Development Areas (PDAs); and continuing development of the Carseldine Urban Village, the Yeppoon Station Quarter Precinct and student nurse accommodation at Roma
- continue to deliver the Gold Coast Health and Knowledge Precinct with the start of the development of Griffith University's Advanced Design and Prototyping Technologies Institute and completion of land sales agreements for two sites within the precinct
- utilise planning expertise to further facilitate major developments through the development assessment of projects including Queen's Wharf Brisbane, Herston Quarter and three future cities at Caloundra South, Greater Flagstone and Yarrabilba
- work with the Cross River Rail Delivery Authority to assist with the declaration of further Cross River Rail PDAs to facilitate the delivery of this project
- further develop Queensland's largest waterfront urban renewal project at Northshore Hamilton, including the delivery of Hercules Park and further road infrastructure projects as well as finalising a major review of the PDA development scheme to ensure this key planning document remains current
- market land in 22 industrial estates to meet the needs of existing industry and attract new business investment with $39 million land sales forecast to be settled
- develop key future industrial precincts including Gladstone and Mackay and progress land acquisition to support long-term industrial development in the Cairns region
- implement and administer the $1.280 billion Sub-regional Infrastructure Agreements to support the orderly development of the Yarrabilba and Greater Flagstone PDAs and work with key stakeholders to ensure the timely delivery of critical infrastructure and services.

Service performance

Business and economic growth

Service Area Objective

To drive business and economic growth in Queensland.

Description

This service area delivers policies and programs that drive business and economic growth consistent with the government's economic development agenda. It 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 by delivering the Advancing Our Cities and Regions strategy to renew and repurpose surplus and underutilised State property
- supporting and enabling new growth in Queensland communities through fast tracking opportunities for urban, residential, industrial and community development across Queensland.

Staffing[1,2]

2018-19 Budget	2018-19 Estimated Actual[2]	2019-20 Budget[2]
109	104	104

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Variance has occurred within EDQ's FTEs due to an organisational restructure. Six FTEs were transferred to the department's legal and communications functions, while a position was transferred to EDQ to assist with project delivery.

Business and economic growth	2018-19 Target/Est	2018-19 Est Actual	2019-20 Target/Est
Service standards			
Effectiveness measure			
Value of private sector investment generated through the facilitation of economic and community development projects[1]	$296.1 million	$277.0 million	$273.0 million
Efficiency measure			
Administrative costs as a percentage of private sector investment generated through the facilitation of economic and community development projects[2]	5.4%	5.3%	5.4%

Notes:

1. This measure is the value of private sector investment generated through the facilitation of economic and community development projects in Economic Development Queensland (EDQ), including the value of land sales for which EDQ is responsible. The variance between 2018-19 Target/Estimate and 2018-19 Estimated Actual is mainly due to lower than expected private sector investment for current projects as a result of the subdued residential property market. The variance between 2018-19 Target/Estimate and the 2019-20 Target/Estimate is due to anticipated private sector investment in 2019-20 being slightly lower than private sector investment in 2018-19.
2. This measure calculates expenses including employee expenses, sales and marketing costs, and an allocation for operating expenses which relate to the delivery of development projects as a percentage of the value of private sector investment generated. The variance between the 2018-19 Target/Estimate and the 2018-19 Estimated Actual is due to the lower than expected value of private sector investment as referenced in Note 1.

Income statement

Economic Development Queensland	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
INCOME				
User charges and fees	1,8	76,020	69,658	97,135
Grants and other contributions	2,9	50,089	10,284	6,087
Interest and distributions from managed funds	10	12,460	11,649	13,303
Other revenue		251	653	528
Gains on sale/revaluation of assets		..	..	..
Total income		**138,820**	**92,244**	**117,053**
EXPENSES				
Employee expenses		17,067	16,822	16,635
Supplies and services	3,11	109,818	66,717	75,326
Grants and subsidies		..	..	..
Depreciation and amortisation	4	47	2,320	2,026
Finance/borrowing costs	5,12	6,477	8,670	9,850
Other expenses	6,13	24,339	11,475	10,037
Losses on sale/revaluation of assets		..	236	..
Total expenses		**157,748**	**106,240**	**113,874**
Income tax expense/revenue	7,14	(5,678)	(4,093)	1,228
OPERATING SURPLUS/(DEFICIT)		**(13,250)**	**(9,903)**	**1,951**

Balance sheet

Economic Development Queensland	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CURRENT ASSETS				
Cash assets	15	72,261	155,417	152,974
Receivables	16	42,523	37,894	35,784
Other financial assets		..	..	..
Inventories	17,28	383,256	356,921	375,158
Other		240	218	218
Non-financial assets held for sale		..	..	..
Total current assets		**498,280**	**550,450**	**564,134**
NON-CURRENT ASSETS				
Receivables	18	126,843	153,888	152,437
Other financial assets		..	..	..
Property, plant and equipment	29	393,504	400,064	389,238
Deferred tax assets	19	20,078	23,094	21,866
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**540,425**	**577,046**	**563,541**
TOTAL ASSETS		**1,038,705**	**1,127,496**	**1,127,675**
CURRENT LIABILITIES				
Payables	20	24,402	86,511	89,565
Current tax liabilities		..	(1,841)	(1,841)
Accrued employee benefits		625	625	625
Interest bearing liabilities and derivatives	21	8,973	13,494	13,494
Provisions	22,30	24,837	11,674	2,310
Other	23	12,718	41,976	41,976
Total current liabilities		**71,555**	**152,439**	**146,129**
NON-CURRENT LIABILITIES				
Payables	24,31	19,524	50,146	39,342
Deferred tax liabilities	25	65,650	74,274	74,274
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	26,32	143,367	104,358	130,035
Provisions	27	..	8,660	6,350
Other		..	..	..
Total non-current liabilities		**228,541**	**237,438**	**250,001**
TOTAL LIABILITIES		**300,096**	**389,877**	**396,130**
NET ASSETS/(LIABILITIES)		**738,609**	**737,619**	**731,545**
EQUITY				
TOTAL EQUITY		**738,609**	**737,619**	**731,545**

Cash flow statement

Economic Development Queensland	Notes	2018-19 Budget $'000	2018-19 Est. Act. $'000	2019-20 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		77,752	77,223	92,191
Grants and other contributions		49,770	52,418	15,132
Interest and distribution from managed funds received		12,460	8,076	9,634
Other		251	653	528
Outflows:				
Employee costs		(17,067)	(16,822)	(16,635)
Supplies and services		(167,773)	(87,552)	(113,524)
Grants and subsidies		..	..	..
Borrowing costs		(6,477)	(4,852)	(9,850)
Taxation equivalents paid		(6,823)	(9,093)	(114)
Other		(5,431)	11,935	(5,398)
Net cash provided by or used in operating activities		**(63,338)**	**31,986**	**(28,036)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		7,578	13,100	11,775
Investments redeemed		..	..	..
Loans and advances redeemed		1,955	15,788	4,246
Outflows:				
Payments for non-financial assets		..	..	(2,975)
Payments for investments		..	..	..
Loans and advances made		(37,707)	(85,519)	(5,105)
Net cash provided by or used in investing activities		**(28,174)**	**(56,631)**	**7,941**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		49,928	65,526	41,529
Equity injections		..	..	2,975
Outflows:				
Borrowing redemptions		(23,716)	(13,350)	(15,852)
Finance lease payments		..	..	..
Equity withdrawals		(4,148)	(39,796)	(11,000)
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**22,064**	**12,380**	**17,652**
Net increase/(decrease) in cash held		**(69,448)**	**(12,265)**	**(2,443)**
Cash at the beginning of financial year		**141,709**	**167,682**	**155,417**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**72,261**	**155,417**	**152,974**

Explanation of variances in the financial statements

Income statement

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

1. The decrease is primarily due to lower than budgeted land sales for residential projects as a result of the softening of the residential market in regional Queensland and updated timings of new projects from longer than expected project timeframes.
2. The decrease is mainly due to the treatment of budgeted contractual obligations related to the redevelopment of the former Commonwealth Games village now recognised in the Balance Sheet.
3. The decrease is mainly due to the treatment of budgeted contractual obligations related to the redevelopment of the former Commonwealth Games village now recognised in the Balance Sheet.
4. The increase is due to the reclassification of property, plant and equipment assets.
5. The increase is due to the reclassification of concessional loan expenses under the Catalyst Infrastructure Program from Other expenses.
6. The decrease is primarily due to lower concessional loan expense.
7. The variance is due to the lower than budgeted operating result.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

8. The increase is due to land sales from new and existing projects.
9. The decrease is due to lower budgeted contractual obligations related to the redevelopment of the former Commonwealth Games village.
10. The increase is due to interest recognised on catalyst loans.
11. The increase is due to higher cost of sales as a result of higher land sales.
12. The increase is due to higher loan interest on project and catalyst loans.
13. The decrease is due to a reduction in development related expenses.
14. The variance is due to the higher operating result.

Balance sheet

Major variations between 2018-19 Budget and 2018-19 Estimated Actual include:

15. The increase is due to lower development expenditure as a result of revised scheduling of development activity and transfers of land at book value.
16. The decrease is due to revised forecast for the Catalyst Infrastructure Program.
17. The decrease is due to revised development activity in accordance with the development programs.
18. The increase is mainly due to revised infrastructure delivery requirements under the catalyst loans program.
19. The increase is due to tax effect of concessional loans under the Catalyst Infrastructure Program.
20. The increase is due to the treatment of budgeted contractual obligations related to the redevelopment of the former Commonwealth Games village and the reclassification of infrastructure charges provision to current payables.
21. The increase reflects the forecasted financial borrowings related to development projects and Catalyst loans.
22. The decrease is mainly due to infrastructure charges held being reclassified to current payables.
23. The increase is mainly due to deposits received from proponents for future land sales.
24. The increase is due to additional infrastructure charges held, originally budgeted against Current Provisions.
25. The increase is due to reclassification of income tax loss.
26. The decrease is due to delays in development activity in accordance with the development programs and alignment to infrastructure delivery requirements for catalyst loan funding.
27. The increase is due to contractual obligations related to the redevelopment of the former Commonwealth Games village.

Major variations between 2018-19 Estimated Actual and the 2019-20 Budget include:

28. The increase reflects forecast increased development activity in accordance with the development programs.
29. The decrease is primarily due to sale of leasehold land.
30. The decrease is due to recognition between current and non-current provision for the contractual obligations related to the redevelopment of the former Commonwealth Games village.
31. The decrease is due to forecast lower infrastructure charges balance.
32. The increase is due to increase in development activity in accordance with the development programs and catalyst loan funding.

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: • 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.

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Service Delivery Statements

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