

SERVICE DELIVERY STATEMENTS

Department of Resources

2021–22 Queensland Budget Papers

1. Budget Speech

2. Budget Strategy and Outlook

3. Capital Statement

Service Delivery Statements

Appropriation Bills

Budget Highlights

Regional Action Plans

The budget papers are available online at budget.qld.gov.au

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Service Delivery Statements

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Department of Resources

Portfolio overview

Minister for Resources

The Honourable Scott Stewart MP

Department of Resources

Acting Director-General: Mike Kaiser

Additional information about these agencies can be sourced from: www.resources.qld.gov.au

Department of Resources

Overview

The Department of Resources' vision is to be an influential economic department that advocates in the public interest. The department's purpose is to capitalise on Queensland's resources for sustainable economic prosperity and just outcomes.

Contribution to the Government's Objectives for the Community

The service areas within the Department of Resources contribute to the following government objectives:

Government's Objectives for the Community	Department's objectives	Department's service areas
<ul style="list-style-type: none">• Building Queensland• Growing our regions• Supporting jobs• Backing our frontline services	<p>Optimised use of land resources of the state</p> <p>Increased and diversified private sector investment in georesources</p> <p>Innovation driven to unlock our data's potential</p> <p>Positive stakeholder and public sentiment on all of our policies, programs and people</p>	<p>Minerals and Energy Resources Services</p> <p>Capitalise on Queensland's minerals, coal, petroleum and gas resources</p> <p>Land Services</p> <p>Optimal use of state land and the provision of accurate property and spatial services</p>

Budget highlights

The new budget measures since the 2020–21 Published Budget include:

- \$16.8 million over 2 years to continue to address the management and mitigation of significant public safety, health and environmental risks at high-risk abandoned mine sites.
- \$8.7 million over 5 years for the Queensland Reef Water Quality Program to continue protection of the Great Barrier Reef
- \$3.2 million in land rent relief as part of the government's extension of drought relief arrangements.

Further information about new policy decisions can be found in Budget Paper 2: *Budget Strategy and Outlook*.

Staffing

The table below shows the full-time equivalents (FTEs) as at 30 June in the respective years.

Service Area	2020–21 Adjusted Budget	2020–21 Est. Actual	2021–22 Budget
Land Services	1,168	1,170	1,149
Minerals and Energy Resources	364	365	365
Corporate Partnerships	21	21	21
Total FTEs	1,553	1,556	1,535

Notes:

1. Corporate FTEs are allocated across the service to which they relate.
2. 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 departments.

Capital program

The department's 2021–22 capital investment program will support the management of disclaimed mine sites (\$1 million) and maintenance of the State's stock route network (\$800,000). It also includes investment in digital solutions to support the vast datasets used to stimulate economic development in Queensland (\$2.3 million) and other critical property, plant and equipment assets to support service delivery requirements (\$8 million).

The table below shows the capital purchases by the agency in the respective years.

	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
Capital purchases	85,442	85,442	12,140
Capital grants	237	237	..
Total capital outlays¹	85,679	85,679	12,140

Note:

1. The variance between 2020–21 Estimated Actual and the 2021–22 Budget relates to capital investments for water functions which transferred to the Department of Regional Development, Manufacturing and Water as part of the 2020 machinery-of-government changes.

Further information about the Department of Resources capital outlays can be found in Budget Paper 3: *Capital Statement*.

Performance statements

Land Services¹

Service area objective

Optimal use of state land and the provision of accurate property and spatial services.

Service standards	2020–21 Target/Est.	2020–21 Est. Actual	2021–22 Target/Est.
Effectiveness measures			
Percentage of native title claims resolved by agreement between the parties ^{2,3}	>50%	100%	>75%
Average percentage adjustment to annual statutory land valuations, resulting from all properly made objections	≤8%	6.4%	≤8%
Efficiency measures			
Average cost per valuation ⁴	<\$20	\$13.27	<\$20
Average cost of acquiring, maintaining and providing spatial information per thousand user accesses	New Measure	New measure	≤\$45
Discontinued measures			
Average cost per online spatial services accessed ⁵	≤\$0.088	\$0.016	Discontinued measure
Accuracy of the title dealings registered ⁶	99.5%	99.9%	Discontinued measure

Notes:

1. The service area name has been changed from 'Natural Resources Management Services' to 'Land Services' to better reflect the role and responsibilities of the service area following machinery-of-government changes in November 2020.
2. The 2021–22 Target/Estimate has been increased as the previous target of >50 per cent was consistently exceeded over previous years. The increase provides for a more meaningful target, in line with past actual delivery levels.
3. The variance between the 2020–21 Target/Estimate and 2020–21 Estimated Actual is due to all claims resolved in 2020–21 being by agreement between the parties.
4. The variance between the 2020–21 Target/Estimate and 2020–21 estimated Actual is due to current staffing levels and associated cost.
5. To ensure a more holistic measure of the function, this measure has been discontinued and replaced by a new measure 'Average cost of acquiring, maintaining and providing spatial information per thousand user accesses'.
6. From 1 July 2021, Titles Registry will form part of the Queensland Futures Fund. As such, the 'Accuracy of the title dealings registered' measure has been discontinued in the Department of Resources *Service Delivery Statement*.

Minerals and Energy Resources Services

Service area objective

Capitalise on Queensland's minerals, coal, petroleum and gas resources.

Service standards	2020–21 Target/Est.	2020–21 Est. Actual	2021–22 Target/Est.
Effectiveness measure			
Notification of directly impacted stakeholders prior to the release of new areas for resource exploration or production by competitive tender	90%	98%	90%
Efficiency measure			
Average cost of all tenure processing transactions ¹	≤\$2,200	\$741	≤\$2,200

Note:

1. The variance between the 2020–21 Target/Estimate and 2020–21 Estimated Actual is due to a 60 per cent rise in fossicking permits which are low complexity transactions.

Budgeted financial statements

Departmental income statement

Controlled income statement

The department's total expenses are estimated to be \$335.9 million in 2021–22, a decrease of \$47.3 million from the 2020–21 Estimated Actual. This is largely due to:

- expenses for the first 5 months of 2020–21 associated with water and energy functions which transferred out of the department under the machinery-of-government changes effective 1 December 2020
- transfer of the titles registry function to the Queensland Titles Registry Pty Ltd to support the State's contribution to the Queensland Future (Debt Retirement) fund established under the *Queensland Future Fund Act 2020*.

This has been offset by new budget measures since the 2020–21 published budget including:

- \$15.8 million over 2 years to continue to address the management and mitigation of significant public safety, health and environmental risks at high-risk abandoned mine sites
- \$8.7 million over 5 years for the Queensland Reef Water Quality Program to continue protection of the Great Barrier Reef.

Administered income statement

The department's total administered expenses are estimated to be \$266.3 million in 2021–22, a decrease of \$507.5 million from the 2020–21 Estimated Actual. This is largely due to:

- expenses for the first 5 months of 2020–21 associated with water and energy functions which transferred out of the department under the machinery-of-government changes effective 1 December 2020
- transfer of the titles registry function to the Queensland Titles Registry Pty Ltd to support the State's contribution to the Queensland Future (Debt Retirement) fund established under the *Queensland Future Fund Act 2020*.

Departmental balance sheet

The department's major assets consist of property, plant and equipment (\$128.2 million) and intangibles (\$37 million). Land, infrastructure and buildings are also subject to market fluctuations through annual revaluations.

The department's main liabilities relate to payables for accrued employment benefits and trade creditors. The balance sheet is underpinned by receivables and payables which fluctuate as they fall due and there are no known factors that will vary these over the next few years.

The department's administered entity balance sheet includes state-owned land, payables and receivables. Property, plant and equipment includes state-owned leasehold land, land under roads, unallocated state land and reserves totalling \$73.253 billion.

Controlled income statement

Department of Resources	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
INCOME			
Appropriation revenue	309,896	310,520	318,651
Taxes	..	..	..
User charges and fees	55,308	55,308	12,131
Royalties and land rents	160	160	160
Grants and other contributions	11,480	11,480	3,900
Interest and distributions from managed funds	..	..	..
Other revenue	5,692	5,692	1,008
Gains on sale/revaluation of assets	..	..	..
Total income	382,536	383,160	335,850
EXPENSES			
Employee expenses	223,167	223,035	194,348
Supplies and services	99,062	98,178	100,369
Grants and subsidies	44,022	45,662	25,458
Depreciation and amortisation	13,332	13,332	12,504
Finance/borrowing costs	..	..	..
Other expenses	2,953	2,953	3,171
Losses on sale/revaluation of assets	..	..	..
Total expenses	382,536	383,160	335,850
OPERATING SURPLUS/(DEFICIT)	..	..	..

Controlled balance sheet

Department of Resources	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
CURRENT ASSETS			
Cash assets	58,885	58,889	56,280
Receivables	9,642	9,642	9,981
Other financial assets	..	..	..
Inventories	(412)	(412)	(412)
Other	1,430	1,430	1,430
Non-financial assets held for sale	440	440	440
Total current assets	69,985	69,989	67,719
NON-CURRENT ASSETS			
Receivables	(460)	(460)	(460)
Other financial assets	..	..	..
Property, plant and equipment	127,921	127,586	128,234
Intangibles	40,438	38,069	37,020
Other	..	..	..
Total non-current assets	167,899	165,195	164,794
TOTAL ASSETS	237,884	235,184	232,513
CURRENT LIABILITIES			
Payables	25,208	25,208	26,539
Accrued employee benefits	8,867	8,867	7,536
Interest bearing liabilities and derivatives	21,138	21,138	21,138
Provisions	..	..	..
Other	5,244	5,244	5,244
Total current liabilities	60,457	60,457	60,457
NON-CURRENT LIABILITIES			
Payables	454	454	793
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	..	..	..
Provisions	..	..	..
Other	..	..	..
Total non-current liabilities	454	454	793
TOTAL LIABILITIES	60,911	60,911	61,250
NET ASSETS/(LIABILITIES)	176,973	174,273	171,263
EQUITY			
TOTAL EQUITY	176,973	174,273	171,263

Controlled cash flow statement

Department of Resources	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	296,550	297,174	319,767
User charges and fees	55,308	55,308	12,131
Royalties and land rent receipts	160	160	160
Grants and other contributions	11,480	11,480	3,900
Interest and distribution from managed funds received	..	..	..
Taxes	..	..	..
Other	6,734	6,734	2,050
Outflows:			
Employee costs	(224,466)	(224,334)	(195,679)
Supplies and services	(99,650)	(98,766)	(101,072)
Grants and subsidies	(44,022)	(45,662)	(25,458)
Borrowing costs	..	..	..
Other	(3,077)	(3,077)	(3,295)
Net cash provided by or used in operating activities	(983)	(983)	12,504
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	37	37	37
Investments redeemed	..	..	..
Loans and advances redeemed	..	..	..
Outflows:			
Payments for non-financial assets	(85,442)	(85,442)	(12,140)
Payments for investments	..	..	..
Loans and advances made	..	..	..
Net cash provided by or used in investing activities	(85,405)	(85,405)	(12,103)
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	..	..	..
Equity injections	73,173	73,173	696
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	..	..	..
Equity withdrawals	(3,706)	(3,706)	(3,706)
Net cash provided by or used in financing activities	69,467	69,467	(3,010)
Net increase/(decrease) in cash held	(16,921)	(16,921)	(2,609)
Cash at the beginning of financial year	141,473	141,477	58,889
Cash transfers from restructure	(65,667)	(65,667)	..
Cash at the end of financial year	58,885	58,889	56,280

Administered income statement

Department of Resources	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
INCOME			
Appropriation revenue	208,172	210,313	7,426
Taxes	..	..	..
User charges and fees	360,446	360,611	27,351
Royalties and land rents	137,997	137,997	166,437
Grants and other contributions	225,185	225,185	225,185
Interest and distributions from managed funds	5,733	5,733	5,887
Other revenue	..	..	..
Gains on sale/revaluation of assets	14,000	14,000	14,000
Total income	951,533	953,839	446,286
EXPENSES			
Employee expenses	..	..	..
Supplies and services	1,331	1,088	2,121
Grants and subsidies	248,901	251,450	47,530
Depreciation and amortisation	3,125	3,125	3,125
Finance/borrowing costs	..	..	..
Other expenses	5,000	5,000	5,000
Losses on sale/revaluation of assets	220	220	220
Transfers of Administered Revenue to Government	512,956	512,956	208,290
Total expenses	771,533	773,839	266,286
OPERATING SURPLUS/(DEFICIT)	180,000	180,000	180,000

Administered balance sheet

Department of Resources	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
CURRENT ASSETS			
Cash assets	21,999	21,999	23,294
Receivables	73,655	73,655	73,664
Other financial assets	..	..	..
Inventories	..	..	..
Other	..	..	..
Non-financial assets held for sale	3,418	3,418	3,418
Total current assets	99,072	99,072	100,376
NON-CURRENT ASSETS			
Receivables	(22,857)	(22,857)	(24,857)
Other financial assets	..	..	..
Property, plant and equipment	73,092,423	73,092,551	73,252,543
Intangibles	..	..	..
Other	..	..	..
Total non-current assets	73,069,566	73,069,694	73,227,686
TOTAL ASSETS	73,168,638	73,168,766	73,328,062
CURRENT LIABILITIES			
Payables	2,848	2,848	4,152
Transfers to Government payable	8,780	8,780	8,780
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	(12)	(12)	(12)
Provisions	..	..	..
Other	30,088	30,088	30,088
Total current liabilities	41,704	41,704	43,008
NON-CURRENT LIABILITIES			
Payables	51	51	51
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	..	..	..
Provisions	..	..	..
Other	(1)	(1)	(1)
Total non-current liabilities	50	50	50
TOTAL LIABILITIES	41,754	41,754	43,058
NET ASSETS/(LIABILITIES)	73,126,884	73,127,012	73,285,004
EQUITY			
TOTAL EQUITY	73,126,884	73,127,012	73,285,004

Administered cash flow statement

Department of Resources	2020–21 Adjusted Budget \$'000	2020–21 Est. Actual \$'000	2021–22 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	208,172	210,313	7,426
User charges and fees	360,217	360,382	27,122
Royalties and land rent receipts	137,997	137,997	166,437
Grants and other contributions	..	..	..
Interest and distribution from managed funds received	5,733	5,733	5,887
Taxes	..	..	..
Other	105,529	105,529	63,239
Outflows:			
Employee costs	..	..	..
Supplies and services	(63,266)	(63,023)	(64,056)
Grants and subsidies	(203,901)	(206,450)	(2,530)
Borrowing costs	..	..	..
Other	12,068	12,068	12,068
Transfers to Government	(555,246)	(555,246)	(208,290)
Net cash provided by or used in operating activities	7,303	7,303	7,303
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	14,000	14,000	14,000
Investments redeemed	..	..	..
Loans and advances redeemed	4,000	4,000	4,000
Outflows:			
Payments for non-financial assets	..	..	..
Payments for investments	..	..	..
Loans and advances made	(2,000)	(2,000)	(2,000)
Net cash provided by or used in investing activities	16,000	16,000	16,000
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	..	..	..
Equity injections	(6,800)	(6,800)	..
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	..	..	..
Equity withdrawals	(22,008)	(22,008)	(22,008)
Net cash provided by or used in financing activities	(28,808)	(28,808)	(22,008)
Net increase/(decrease) in cash held	(5,505)	(5,505)	1,295
Cash at the beginning of financial year	65,972	65,972	21,999
Cash transfers from restructure	(38,468)	(38,468)	..
Cash at the end of financial year	21,999	21,999	23,294

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the government.
Agency/entity	Used generically to refer to the various organisational units within government that deliver services or otherwise service government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> • delivery of agreed services • administered items • adjustment of the government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash flow statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the government in a public sector agency.
Financial statements	Collective description of the income statement, the balance sheet and the cash flow statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high-level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.



Queensland Budget 2021–22

Service Delivery Statements

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