

Service Delivery Statements

Queensland Corrective Services

2018–19 Queensland Budget Papers

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Service Delivery Statements

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Queensland Corrective Services

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 Police and Minister for Corrective Services:

<div><div>Minister for Police and Minister for Corrective Services</div><div>The Honourable Mark Ryan MP</div></div>
<div><div>Queensland Corrective Services</div><div>Commissioner: Peter Martin</div></div>
<div>Service area: Corrective Services</div>

Additional information about this agency can be sourced from www.correctiveservices.qld.gov.au.

Departmental overview

Queensland Corrective Services' (QCS) vision is to enhance the safety of Queenslanders through modern, sustainable and evidence-based corrective services to maximise rehabilitation and reduce recidivism.

The department's strategic objectives are:

- safer correctional environments
- humane management of prisoners and offenders
- partnering and community collaboration
- stop crime.

The department contributes to the Queensland Government's objectives to keep communities safe, keep Queenslanders healthy and create jobs in a strong economy. The department delivers on these objectives through:

- working closely with the Queensland Police Service, Courts and Youth Justice to ensure safer communities for Queensland
- working with the Department of Health to improve prisoners and offenders' general and mental health by offering a number of programs and services aimed at addressing substance use, general and mental health
- operating correctional centres and probation and parole offices across Queensland creating more than 4,500 direct jobs for Queenslanders. Indirect jobs are also generated through local businesses supplying goods and services to correctional centres.

The department's greatest challenge in 2018-19 is to maintain a safe and secure correctional system in an environment of increasing demand. Key priorities for the department in 2018-19 include:

- enhancing the safety of corrective services officers
- continuing to implement the recommendations of the Queensland Parole System Review (Sofronoff Review)
- building a high performing culture where leadership, capability and systems increase our ability to share knowledge and information as "One QCS"
- working collaboratively with other criminal justice agencies to implement innovative responses to manage the increasing demand on the criminal justice system
- building and maintaining an ethical and client focused workforce
- successfully engaging staff and stakeholders to deliver quality services aimed at reducing recidivism
- harnessing new technology to drive efficiency in systems and operations
- investing in the market to grow new services.

Service performance

The service area structure presented reflects the machinery-of-government changes, effective 21 December 2017, under which Queensland Corrective Services (QCS) was created.

As part of the machinery-of-government changes, the Corrective Services service area was transferred from the Department of Justice and Attorney-General.

Corrective Services

Service area objective

To provide safe, modern and responsive correctional services to rehabilitate prisoners and offenders, and prevent crime, making Queensland safer.

Service area description

Queensland Corrective Services, in partnership with other key criminal justice agencies, including the Queensland Police Service and the Department of Justice and Attorney-General, performs a crucial role in community safety and crime prevention. QCS performs this role through the humane containment, supervision and rehabilitation of prisoners and offenders.

Services

- Custodial
- Probation and parole
- Correctional intervention

2018-19 service area highlights

In 2018-19, the department will continue to contribute to the Government's priorities of safely managing prisoners in custody and offenders in the community by:

- continuing to implement the Sofronoff Review reform package of \$265 million over six years from 2016-17, including:
 - improved end to end case management in the correctional system
 - expanded programs and re-entry services in correctional centres and probation and parole
 - expanded opioid substitution treatment programs
 - enhanced training programs for probation and parole officers
- providing additional funding of \$9.4 million over two years to continue to address demand on the Probation and Parole Service
- implementing short, medium and long-term strategies to address the demand on the correctional system, and improve the safety of corrective services officers by:
 - expanding Capricornia Correctional Centre by continuing work on the committed 164 cells and beds and further expanding the centre by an additional 100 secure cells (up to 148 beds) within the initial funding package of \$200 million allocated in 2016-17; and providing an additional \$41 million over two years to deliver a further 84 cells and beds
 - providing funding of \$10.5 million over two years to upgrade waste water treatment plants and other equipment at correctional centres, and for the conversion of special observation cells
 - expanding probation and parole district offices across Queensland to accommodate additional frontline staff recommended under the Sofronoff Review
 - continuing to install purpose-built bunk beds across Queensland correctional centres
- providing funding of \$3.9 million over three years to expand the Supreme Court Bail Program
- providing funding of \$2.9 million in 2018-19 to improve service delivery for prisoners with a disability or mental illness

- providing funding of \$1.8 million over four years (\$416,000 per year ongoing) to support the expansion of the Townsville Specialist Domestic and Family Violence Court, including circuit courts in Mount Isa and Palm Island, to include criminal, domestic and family violence matters
- continuing to support the Aurukun Four Point Plan by providing funding of \$512,000 in 2018-19 for the Adult Prisoner Reintegration Program
- providing funding of \$1.2 million in 2018-19 to continue the supervised community service projects implemented as part of the Government's Tackling Alcohol Fuelled Violence Program.

Queensland Corrective Services	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Corrective Services	1			
Service: Custodial				
Service standards				
<i>Effectiveness measures</i>				
Escape Rate:				
• High security facilities	2	0	0	0
• Low security facilities	2, 3	<0.63	1.05	<0.63
Assault Rate:				
• Serious assault (prisoner on officer)				
• Assault (prisoner on officer)	4, 5	<0.02	0.02	<0.02
• Serious assault (prisoner on prisoner)	4, 5	<0.24	0.65	<0.24
	4, 6	<0.69	2.92	<0.69
• Assault (prisoner on prisoner)	4, 6	<3.40	8.32	<3.40
Deaths from apparent unnatural causes:				
• Indigenous prisoners	7, 8	0	0	0
• Non-Indigenous prisoners	7, 8	0	0.03	0
• All prisoners	7, 8	0	0.02	0
Prisoners returning to corrective services with a new correctional sanction within two years (per cent)				
Prisoners returning to:				
• Prison	9	<39.8%	40.2%	<39.8%
• Corrective services	9, 10	<48.4%	51.1%	<48.4%
Prisoner employment (per cent)	11, 12	>75%	67.5%	>70%
<i>Efficiency measures</i>				
Facility utilisation (per cent)				
• High security facilities	13, 14, 15	<95%	128.8%	90-95%
• Low security facilities	13, 14, 15	<95%	82.7%	90-95%
• All facilities	13, 14, 15	<95%	123.4%	90-95%
Cost of containment per prisoner per day	16	\$194	\$206.25	\$203

Queensland Corrective Services	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service: Probation and parole				
Service standards				
<i>Effectiveness measures</i>				
Percentage of successfully completed orders:				
• Supervision orders	17	>68%	73.2%	>68%
• Reparation orders	18	>68%	85.7%	>68%
• All orders	19	>68%	78.9%	>68%
Offender discharges from community corrections orders who returned with a new correctional sanction within two years (per cent)				
Offenders returning to:				
• Community corrections	20	<11.9%	16.2%	<11.9%
• Corrective services	20, 21	<16.8%	22.0%	<16.8%
<i>Efficiency measure</i>				
Cost of supervision per offender per day	22	\$15	\$15.97	\$16
Service: Correctional intervention				
Service standards				
<i>Effectiveness measures</i>				
Program completions:				
• Sex offender programs	23, 24	390	410	390
• Other programs	23, 25	2,000	2,550	2,500
Re-Entry				
• In-prison re-entry support	26	11,000	17,500	11,000
• Post-release re-entry support	26, 27	2,848	2,200	2,848
Prisoners in education (per cent)	28	32%	36.6%	32%
Financial value of work performed in the community by prisoners from low security facilities	29	>\$3 million	\$6.8 million	>\$4 million
Financial value of community service work performed (court ordered)	29	>\$6.2 million	\$7.97 million	>\$6.2 million
<i>Efficiency measure</i>	30			

Notes:

1. This service area was transferred from the Department of Justice and Attorney-General following machinery-of-government changes effective 21 December 2017.
2. This measure reports escapes per 100 prisoners.
3. There were seven escapes from low security correctional facilities in 2017-18 (to 8 May 2018), equating to a rate of 1.05 escapes per 100 prisoners. Low security correctional centres do not have a razor wire security fence like high security facilities. Escape risks from low security facilities are managed through a thorough assessment of prisoners to determine suitability prior to transfer to a low security facility and dynamic security, including regular random patrols, prisoner musters and inspections. QCS continues to enforce strict requirements when determining a prisoner's suitability for placement at a low risk security facility. Prisoners who escape from lawful custody face additional criminal sanction such as being charged with the offence of escape from lawful custody and are returned to a high security facility for the remainder of their sentence.
4. This measure reports assaults per 100 prisoners. QCS officers are required to report any assault in a correctional centre. All assaults that occur in Queensland correctional centres are taken very seriously and are referred to the Queensland Police Service (QPS) and to officers in the Corrective Services Investigation Unit. The department continues to monitor both the frequency, and the penalties imposed on the perpetrators of assault.

5. The department considers safety of staff to be of paramount importance, promoting staff safety through various initiatives. When prisoners assault staff, they are dealt with swiftly and face the consequences of those actions. QCS has rolled out additional body worn cameras for Queensland government-run correctional centres. QCS undertakes regular profiling and analysis of assault incident data to identify trends and patterns; provides QCS officers with a revised officer safety training package, including contemporary de-escalation training, situational awareness and a situation response model for both new and existing staff; and an ongoing focus on infrastructure blind spot identification, which may be addressed by retro fit and which will inform future building and design.
6. An increase in the number of assaults has seen the assault rates exceeded in the categories of prisoner assaults in custody: prisoner on prisoner (serious assault) and prisoner on prisoner (assault). QCS is responding to the rate of prisoner assaults by: managing out-of-cell activity, increasing the use of behaviour management strategies including using intensive management plans and maximum-security orders, and monitoring 'hot spots' within the correctional centre for prisoner violence.
7. This measure reports deaths by apparent unnatural causes per 100 prisoners. In 2017-18 (to 22 May 2018) there were no deaths of Indigenous prisoners from apparent unnatural causes.
8. Following any death in custody, immediate attention is given to any operational issues initially identified. The matter is reported to the QPS which prepares a report for the State Coroner under the *Coroners Act 2003*. An investigation is also conducted by the Office of the Chief Inspector, in accordance with section 295 of the *Corrective Services Act 2006*. Any recommendations made following these processes are considered for implementation by QCS. The apparent cause of death may change as a result of the coronial process.
9. This measure captures all prisoners released following a term of sentenced imprisonment and then returned with a new correctional sanction (i.e. sentenced to a new term of imprisonment or community based order supervised by QCS) within two years of discharge. Data includes returns to prison resulting from the cancellation of a parole order where a new offence was committed.
10. Returns to Corrective Services include a return to a prison sentence or a community corrections order.
11. Participation in prison industries provides prisoners with the opportunity to acquire vocational skills and contributes to their ability to gain and retain employment upon release. This measure reports the average number of prisoners employed as a percentage of those eligible to work, excluding those unable to participate in work programs because of full-time education, ill health, age, relatively short period of imprisonment or other reasons. This measure includes commercial industries which employ prisoners operating on a commercial fee-for-service basis and service industries which employ prisoners to maintain the self-sufficiency of the correctional system, as well as prisoners involved in community projects and other unpaid work. QCS has revised the 2018-19 target based on forecasts indicating prisoner numbers will continue to grow at a greater rate than the growth in prisoner employment positions.
12. Queensland continued to experience growth in the number of prisoners in custody during 2017-18. There has not been a corresponding increase in the number of employment opportunities for prisoners in custody. As a result, the rate of prisoner employment for 2017-18 is below the target. QCS is working towards increasing prisoner participation in employment through initiatives such as expanding industries to seven days. Extended operational hours allow QCS to engage more prisoners in meaningful employment to develop hands-on experience in a working environment.
13. This measure reports the daily average prisoner population as a percentage of the number of single occupancy cells and designated beds in shared occupancy cells provided for in the design built cell capacity of correctional facilities.
14. During 2017-18, Queensland continued to experience a growth in the number of prisoners in custody. QCS uses a variety of approaches to safely incarcerate prisoners when numbers exceed the built cell capacity of a correctional centre including, 'buddy cells' built for dual occupancy and temporary bunk beds, trundle beds and mattresses in secure cells or residential areas. QCS forecasts prisoner numbers annually and provides advice to Government on any significant changes.
15. QCS remains responsive to the growing pressures by improving current demand management strategies such as expanding re-entry services to more prisoners and is proactively identifying and exploring new strategies such as facilitating access to transitional housing post release. QCS currently employs a number of strategies to mitigate the impact of 'doubling up' prisoners, including: accommodating additional prisoners in residential style accommodation within secure centres, where safe and appropriate; 'doubling up' prisoners in purpose-built, double-up cells which have additional space; using temporary bunk beds and trundle beds; reviewing 'double up' arrangements to reduce the amount of time a prisoner spends in a double cell; and ensuring there are no ongoing matters that may compromise prisoner safety.
16. This measure reports the daily cost of providing custodial containment services per prisoner. It is calculated by dividing the net operating expenditure by the average number of prisoners per day (excluding prisoner health and transport costs, operating revenues from ordinary activities and depreciation). QCS' low expenditure per prisoner, per day is attributed to the use of double-up accommodation and modern correctional infrastructure to manage the growth in prisoner numbers. The increased cost per day is mainly due to increased expenditure to implement the recommendations of the Sofronoff Review, to manage increased numbers of prisoners and to meet general cost increases in both labour and non-labour costs. QCS continues to deliver cost efficient corrective services through effective management of infrastructure without compromising the safety and security of correctional centres.
17. This measure reports the proportion of supervision orders successfully completed. Supervision orders include a range of orders other than those categorised as reparation and include Probation Orders, Parole Orders (excluding court ordered); Court Ordered Parole Orders; Intensive Correction Orders; and Drug and Alcohol Treatment Orders.
18. This measure reports the proportion of reparation orders successfully completed. Reparation orders include Community Service Orders; Graffiti Removal Orders; Work and Development Orders; and Queensland Fine Option Orders, which require offenders to undertake unpaid work.
19. This measure reports the proportion of all community based orders successfully completed. During 2017-18, Queensland continued to experience a growth in the average daily number of offenders in the community. QCS' high percentage rate for order completions is a result of effective case management and ongoing assessment and monitoring of risk to ensure responsive supervision through each offender's order.
20. This measure refers to offenders who were discharged after serving direct-from-court orders (excluding post prison orders such as parole or licence) administered by community corrections, and then returned with a new correctional sanction within two years of discharge. Offenders who spent any time in prison under sentence in their episode prior to being discharged from community corrections are excluded.

21. Returns to Corrective Services include a return to prison sentence or a community corrections order. QCS received funding from 2017-18 to expand re-entry services and increase the number of rehabilitation opportunities for prisoners to address their offending behaviour including additional drug and alcohol programs, and the state-wide roll out of the opioid substitution treatment program.
22. This measure reports the real net operating expenditure per offender per day. It is calculated by dividing the net operating expenditure by the average number of offenders per day. QCS' low cost per offender per day is attributed to a combination of stable rates for order completions along with a higher probation and parole offender-to-all-staff ratio. The increased cost per day is mainly due to increased expenditure to implement the recommendations of the Sofronoff Review, to manage increased numbers of offenders and to meet general cost increases in both labour and non-labour costs. QCS continues to create an efficient delivery capacity for Probation and Parole Services without compromising the effective management of offenders within the community.
23. This measure reports the number of programs completed by offenders to reduce their risk of re-offending. Program targets are developed based on demand, resource availability and business practice. Programs deliver activities that support prisoners to desist from further offending, enhancing community safety.
24. Sex offender programs include preparatory, medium, high and maintenance programs for sexual offenders.
25. Other programs include Indigenous specific programs, women specific program, drug and alcohol, violence and life skills interventions. The increase in target for 2018-19 from 2,000 to 2,500 reflects increased program availability in response to increases in prisoner and offender numbers.
26. This measure for re-entry reflects instances of contracted service provision by non-government organisations. Re-entry service providers work with prisoners/offenders before and after release to resolve barriers to safe integration into the community (such as assistance accessing housing, community treatment providers, employment and health support). Evidence based re-entry services are complex and tailored.
27. An implementation review of all three new re-entry services has occurred. The review identified a range of factors contributing to the current post release re-entry support levels, including the continued impact of growing prisoner and offender numbers. These factors have had an impact on the 2017-18 performance. A series of actions to improve service design, resourcing and service usage are in the process of being implemented. QCS will monitor service usage and outcomes while these changes are embedded.
28. The percentage of eligible prisoners participating in education is defined as the average number of prisoners participating in one or more accredited education and training courses under the Australian Qualifications Framework, as a percentage of those eligible to participate (i.e. excluding those unable to participate for reasons of ill health, or other reasons). Education figures do not include participation in non-accredited education programs or a range of offence-related programs that are provided in prisons, such as drug and alcohol programs, psychological programs, psychological counselling and personal development courses.
29. The financial value of work performed in the community by prisoners from low security facilities and court ordered community service work is representative of making offenders accountable and providing reparation to the community as part of their rehabilitation. QCS assesses the suitability of prisoners and offenders for a range of work sites to ensure placements are suitable and maximise the work performed.
30. An efficiency measure is being developed for this service and will be included in a future *Service Delivery Statement*.

Departmental budget summary

The table below shows the total resources available in 2018-19 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Queensland Corrective Services	2017-18 Adj. Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	..	..	15,450
Balance of service appropriation	471,098	453,769	905,774
Other revenue	7,570	15,637	30,659
Total income	478,668	469,406	951,883
Expenses			
Corrective Services	478,668	469,406	951,883
Total expenses	478,668	469,406	951,883
Operating surplus/deficit	..	..	..
Net assets	2,568,253	2,547,601	2,641,854

Service area sources of revenue¹

Sources of revenue 2018-19 Budget					
Queensland Corrective Services	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Corrective Services	951,883	921,224	14,565	..	16,094
Total	951,883	921,224	14,565	..	16,094

Note:

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

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2017-18 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Queensland Corrective Services	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	..	..	..	..
Departmental	(5,407)	6,446	11,547	8,861	7,357
Capital measures					
Administered	..	..	..	..	..
Departmental	..	27,500	24,000	..	..

Note:

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

Departmental capital program

The department's capital purchases for 2018-19 of \$167.8 million will primarily focus on prison infrastructure, perimeter security upgrades and correctional centre enhancements.

In 2018-19, the department will invest \$107 million of the \$241 million Capital budget over four years for the Capricornia Correctional Centre to continue work to provide an extra 348 cells and up to 396 beds to ease prison overcrowding at the centre, \$3.7 million of the \$126.9 million Capital budget for the Borallon Training and Correctional Centre, \$10.5 million of the \$16 million to increase high security capacity for female prisoners and \$20.5 million of the \$76.6 million budget to continue upgrading the perimeter security at a number of correctional centres as part of the Perimeter Security Upgrade Program - Stage 2.

\$18.6 million will be invested to upgrade and maintain infrastructure within correctional centres and acquire other property plant and equipment.

Capital budget

Queensland Corrective Services	Notes	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
Capital purchases	1, 2			
Total land, buildings and infrastructure		..	40,752	155,201
Total plant and equipment		..	6,242	12,551
Total other capital		..	..	..
Total capital purchases		..	46,994	167,752

Note:

- For more detail on the department's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
- The variances reflect the impact of the machinery-of-government change.

Staffing¹

Queensland Corrective Services	Notes	2017-18 Adjusted Budget	2017-18 Est. Actual	2018-19 Budget
Corrective Services	2, 3, 4	4,861	5,005	5,039
TOTAL		4,861	5,005	5,039

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The variance between 2017-18 Adjusted Budget and the 2017-18 Estimated Actual is mainly due to the commissioning of recently refurbished cells at the Borallon Training and Correctional Centre and the accommodation of increasing numbers of prisoners in doubled up cells.
3. The variance between 2017-18 Adjusted Budget and 2018-19 Budget is mainly due to the commissioning of recently refurbished cells at the Borallon Training and Correctional Centre, the accommodation of increasing numbers of prisoners in doubled up cells, investment in improved prisoner health services and expansion of the Domestic and Family Violence Courts initiative.
4. The variance between 2017-18 Estimated Actual and the 2018-19 Budget is mainly due to the accommodation of increasing numbers of prisoners in doubled up cells, investment in improved prisoner health services and expansion of the Domestic and Family Violence Courts initiative.

Budgeted financial statements

Analysis of budgeted financial statements

In the notes to the financial statements provided below, the term '2018-19 Budget initiatives' refers to:

- Borallon Training and Correctional Centre - Final Stage Recommissioning
- Domestic and Family Violence Response - Specialist Domestic and Family Violence Courts
- Tackling Alcohol Fuelled Violence Program
- Probation and Parole Service Funding
- Expansion of the Bail Support Program
- Correctional Centre Health Services
- Aurukun Prisoner Reintegration Program
- Capricornia Correctional Centre Expansion
- Minor Capital Works

Information regarding the initiatives is detailed in Budget Paper 4 - Budget Measures.

In the notes provided below, the machinery-of-government change to transfer responsibility for Queensland Corrective Services from the Department of Justice and Attorney-General was effective 21 December 2017.

The 2017-18 Adjusted Budget and 2017-18 Estimated Actual financial information relates to the period 21 December 2017 to 30 June 2018. The 2018-19 Budget relates to a full 12 months operation.

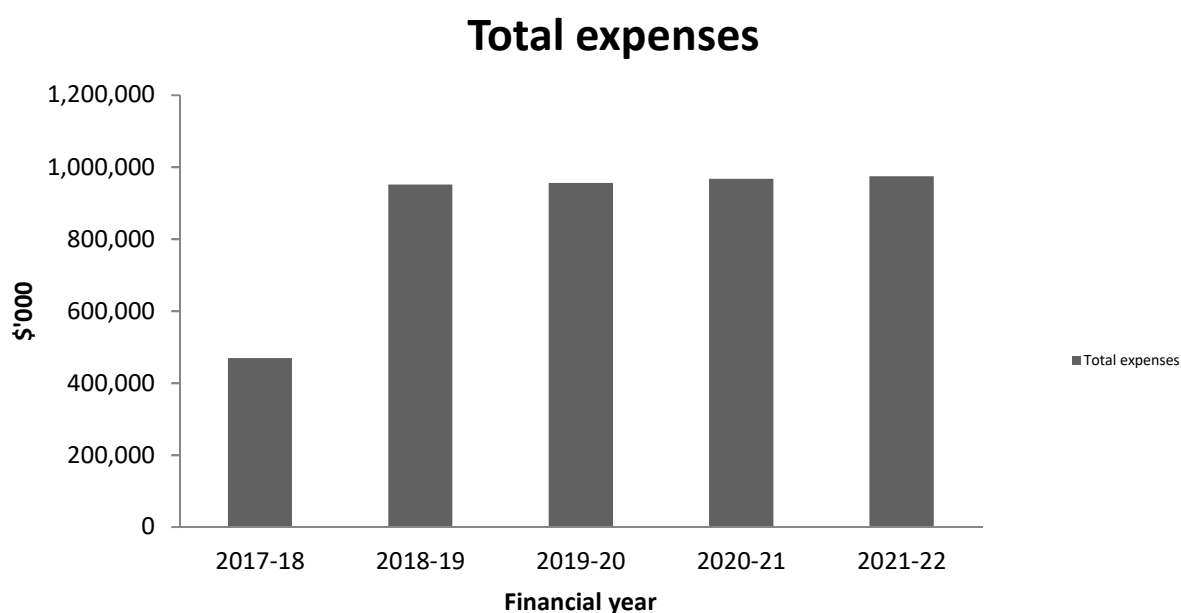
An analysis of the department's budgeted financial statements, as reflected in the department's financial statements is provided below.

Departmental income statement

Total Estimated Actual expenses in 2017-18 are \$469.4 million, a decrease of \$9.3 million from the 2017-18 Adjusted Budget. This reflects the whole-of-government reprioritisation program and a realignment of funding to meet operational requirements, partially offset by additional funding for growth in offender numbers.

Total expenses for 2018-19 are estimated to be \$951.9 million, an increase of \$482.5 million from the 2017-18 Estimated Actual. The increase primarily reflects the full year impact of the machinery-of-government change, 2018-19 Budget initiatives, and a realignment of funding to meet operational requirements, partially offset by the whole-of-government reprioritisation program.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department is projecting a net asset position of \$2.642 billion at the end of the 2018-19 financial year. This reflects the department's significant investment in Property, Plant and Equipment (\$2.64 billion), which is primarily related to correctional centres land and buildings located across the State.

In 2018-19, the department will spend \$167.8 million on capital purchases that primarily focus on the Capricornia Correctional Centre expansion, Borallon Training and Correctional Centre, High Security Expansion for Women, the Perimeter Security Upgrade Program - Stage 2 at various correctional centres, and correctional centre enhancements.

Controlled income statement

Queensland Corrective Services	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,2,5	471,098	453,769	921,224
Taxes		..	..	..
User charges and fees	3,6	3,090	7,926	14,565
Royalties and land rents		..	..	..
Grants and other contributions	4	..	2,253	4,061
Interest		1	..	1
Other revenue	3,6	4,479	5,453	12,032
Gains on sale/revaluation of assets		..	5	..
Total income		478,668	469,406	951,883
EXPENSES				
Employee expenses	1,2,5	247,036	240,087	492,500
Supplies and services	1,2,5	162,909	157,155	318,092
Grants and subsidies		..	8	..
Depreciation and amortisation	3,6	66,837	66,836	133,931
Finance/borrowing costs		..	..	..
Other expenses	3	1,886	5,320	7,360
Losses on sale/revaluation of assets		..	..	..
Total expenses		478,668	469,406	951,883
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Queensland Corrective Services	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		19,899	19,899	19,899
Receivables		18,226	18,226	18,226
Other financial assets		..	..	..
Inventories		4,478	4,478	4,478
Other		2,480	2,480	2,480
Non-financial assets held for sale		..	..	..
Total current assets		45,083	45,083	45,083
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	7,8,9	2,566,394	2,545,742	2,639,995
Intangibles		1,564	1,564	1,564
Other		517	517	517
Total non-current assets		2,568,475	2,547,823	2,642,076
TOTAL ASSETS		2,613,558	2,592,906	2,687,159
CURRENT LIABILITIES				
Payables		27,816	27,816	27,816
Accrued employee benefits		17,222	17,222	17,222
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		45	45	45
Total current liabilities		45,083	45,083	45,083
NON-CURRENT LIABILITIES				
Payables		222	222	222
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		222	222	222
TOTAL LIABILITIES		45,305	45,305	45,305
NET ASSETS/(LIABILITIES)		2,568,253	2,547,601	2,641,854
EQUITY				
TOTAL EQUITY	7,8,9	2,568,253	2,547,601	2,641,854

Controlled cash flow statement

Queensland Corrective Services	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	10,12,16	471,098	453,769	921,224
User charges and fees	13,17	3,090	7,926	14,565
Royalties and land rent receipts		..	..	..
Grants and other contributions	14	..	553	2,261
Interest received		1	..	1
Taxes		..	..	..
Other	13,17	4,479	5,453	12,032
Outflows:				
Employee costs	10,12,16	(247,036)	(240,087)	(492,500)
Supplies and services	10,12,16	(162,909)	(155,455)	(316,292)
Grants and subsidies		..	(8)	..
Borrowing costs		..	..	..
Other	13	(1,886)	(5,320)	(7,360)
Net cash provided by or used in operating activities		66,837	66,831	133,931
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	5	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	11,15,18	(65,622)	(46,994)	(167,752)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(65,622)	(46,989)	(167,752)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	11,15,18	66,669	46,026	162,281
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	13,17	(67,884)	(65,868)	(128,460)
Net cash provided by or used in financing activities		(1,215)	(19,842)	33,821
Net increase/(decrease) in cash held		..	..	..
Cash at the beginning of financial year		..	..	19,899
Cash transfers from restructure		19,899	19,899	..
Cash at the end of financial year		19,899	19,899	19,899

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

1. The decrease primarily reflects the whole-of-government reprioritisation program and realignment of funding to meet the operational needs of the department. These decreases are partially offset to accommodate growth in offender numbers.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

2. The increase primarily reflects the full year impact of the machinery-of-government change, additional funding for 2018-19 Budget initiatives, accommodating growth in offender numbers and realignment of funding to meet the operational needs of the department. These increases are partially offset by the whole-of-government reprioritisation program.
3. The increase primarily relates to the full year impact of the machinery-of-government change.
4. The increase primarily reflects expansion of the prisoner re-entry services and goods and services received below fair value from other State Government agencies.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

5. The increase primarily reflects the full year impact of the machinery-of-government change, additional funding for 2018-19 Budget initiatives, accommodating growth in offender numbers and realignment of funding to meet the operational needs of the department. These increases are partially offset by the whole-of-government reprioritisation program.
6. The increase primarily reflects the full year impact of the machinery-of-government change.

Balance sheet

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

7. The decrease primarily reflects revised funding profiles for a number of capital projects.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

8. The increase primarily reflects the change in property, plant and equipment values as a result of the annual revaluation in accordance with accounting policies, additional funding for 2018-19 Budget initiatives and capital investment in a number of projects. These increases are partially offset by annual depreciation for property, plant and equipment.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

9. The increase primarily reflects the change in property, plant and equipment values as a result of the annual revaluation in accordance with accounting policies, additional funding for 2018-19 Budget initiatives and capital investment in a number of projects. These increases are partially offset by annual depreciation for property, plant and equipment.

Cash flow statement

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

10. The decrease primarily reflects the whole-of-government reprioritisation program and realignment of funding to meet the operational needs of the department. These decreases are partially offset to accommodate growth in offender numbers.
11. The decrease primarily reflects revised funding profiles for a number of capital projects.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

12. The increase primarily reflects the full year impact of the machinery-of-government change, additional funding for 2018-19 Budget initiatives, accommodating growth in offender numbers and realignment of funding to meet the operational needs of the department. These increases are partially offset by the whole-of-government reprioritisation program.
13. The increase primarily reflects the full year impact of the machinery-of-government change.
14. The increase primarily reflects expansion of the prisoner re-entry services.
15. The increase primarily reflects capital investment for continuation of works to expand the Capricornia Correctional Centre, Perimeter Security Upgrade Program - Stage 2, High Security Expansion for Women and Borallon Training and Correctional Centre and additional funding for 2018-19 Budget initiatives.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

16. The increase primarily reflects the full year impact of the machinery-of-government change, additional funding for 2018-19 Budget initiatives, accommodating growth in offender numbers and realignment of funding to meet the operational needs of the department. These increases are partially offset by the whole-of-government reprioritisation program
17. The increase primarily reflects the full year impact of the machinery-of-government change.
18. The increase primarily reflects capital investment for continuation of works to expand the Capricornia Correctional Centre, Perimeter Security Upgrade Program - Stage 2, High Security Expansion for Women and Borallon Training and Correctional Centre and additional funding for 2018-19 Budget initiatives.

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.



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Service Delivery Statements

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