

Service Delivery Statements

**Queensland Fire and Emergency Services
Office of the Inspector-General Emergency Management**

2018–19 Queensland Budget Papers

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Appropriation Bills

Budget Highlights

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Service Delivery Statements

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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 Fire and Emergency Services:

Minister for Fire and Emergency Services

The Honourable Craig Crawford MP

Queensland Fire and Emergency Services

Commissioner: Katarina Carroll

Service area 1: Fire and emergency services

Office of the Inspector-General Emergency Management

Inspector-General: Iain MacKenzie

Service area 1: Independent assurance and advice to improve emergency management

Additional information about these agencies can be sourced from:

www.qfes.qld.gov.au

www.igem.qld.gov.au



Queensland Fire and Emergency Services

Departmental overview

Queensland Fire and Emergency Services (QFES) is the primary provider of fire and rescue and emergency management programs and services throughout Queensland. The department encompasses the Fire and Rescue Service, disaster management services, the Rural Fire Service, and the State Emergency Service. Through service agreements, the department also supports other volunteer groups that provide emergency responses to Queenslanders.

Queensland Fire and Emergency Services' vision is 'creating safe and resilient communities'. The department protects persons, property and the environment through the provision of effective prevention, preparedness, response and recovery activities across a range of fire and emergency events, including natural and human induced disasters.

Key outcomes for the department include:

- communities are appropriately skilled and resourced to prevent incidents occurring and are adequately prepared for and able to mitigate the impacts of fire and emergency events
- timely, coordinated and appropriate responses are provided to fire and emergency events to minimise their effects
- appropriate relief and support is provided after responses to fire and emergency events until a managed transition occurs
- the department is strategically capable and agile
- the department's business enabling services enhance, integrate and support the department's service delivery and are compliant, authorised and fit-for-purpose.

QFES contributes to the Queensland Government's plan to be a responsive government and keep communities safe through a range of initiatives, including:

- collaborating with communities to develop a shared understanding of their risks and empower them to have the capability to manage those risks
- providing timely and accurate information to inform and enable communities and responders to adequately prepare for, and respond to, fire and emergency events
- providing timely advice, reporting and support to other agencies to assist in the recovery process
- ensuring lessons learned are taken into consideration during future fire and emergency prevention, preparedness, response and recovery programs
- ensuring that our organisational strategy and decisions respond to future need and that they are timely, accurate, evidence-based, accountable and transparent.

During 2018-19, key strategic challenges for the department are:

- climate change leading to more intense and frequent weather events with the department needing to plan to meet this increased demand
- changing needs of an ageing and geographically dispersed population will result in the department having to adjust service delivery to better meet community needs.

Key priorities for the department during 2018-19 include:

- continued focus on prevention, preparedness, response and recovery activities
- reviewing the current service delivery model, to ensure it meets contemporary needs
- ensuring the department continues to be an inclusive, respectful and diverse organisation for staff and volunteers
- continuing to enhance financial capability and embed a culture of fiscal sustainability
- creating a knowledge framework which fosters learning from experience, creates good governance, and supports the delivery of strategic capability.

Service performance

Fire and emergency services

Service area objective

To enhance community safety by minimising the impact of fire, emergency events and disasters on the people, property, environment and economy of Queensland.

Service area description

Queensland Fire and Emergency Services (QFES) enhances community resilience, mitigates risk, and contributes to safer and sustainable communities through disaster management, community assistance, response to structure and landscape fires, and rescue across all hazards.

2018-19 service area highlights

In 2018-19, key highlights include work to:

- develop QFES Strategy 2030, to identify a path to improve and modernise the service delivery model to meet emerging priorities and community needs
- implement solutions to support interoperability and co-delivery of services across Queensland
- implement the QFES Volunteerism Strategy, to foster inclusivity and cohesion and remove duplication and barriers
- continue to enhance volunteer operational capability by ensuring alignment with community needs and development of sustainable policies and programs, to support fire and rescue services and disaster management services across the State
- continue to enhance partnerships with stakeholders to ensure a coordinated approach to plan and prepare for, respond to, and recover from disaster and emergency events
- work in collaboration with local governments across Queensland to maintain and develop the State Emergency Service
- continue to mature the Queensland Emergency Risk Management Framework at all levels of Queensland's Disaster Management Arrangements
- focus on natural and human induced risk, improving community safety awareness and knowledge of risk based planning requirements and preparation activities
- focus on reducing bushfire risk, improving community safety awareness and knowledge in relation to bushfire safety and prevention, and increasing the skills and experience of Rural Fire Service volunteers
- develop a workforce strategy to ensure staff and volunteers' match the communities' needs
- augment approaches for recruitment, development and retention of staff and volunteers
- continue to embed the QFES Transforms Leadership Program to create a progressive, inclusive and highly functioning culture
- implement a combined conduct training program for all QFES Workforce (staff and volunteers)
- enable the on-boarding of the State Emergency Service to the existing Government Wireless Network in South East Queensland
- continue the implementation of the Accelerated Rural Fleet Program to provide fit for purpose vehicles consistent with brigade risk profiles to volunteer rural fire brigades in rural and regional areas
- continue engagement to support the implementation of the changes to smoke alarm requirements
- continue to promote: the home fire safety message highlighting the importance of fire escape plans; the new smoke alarm legislation to highlight advantages and requirements; the If It's Flooded Forget It campaign, to highlight the dangers of flooded roads; and the Bushfire Safety campaign, to educate Queenslanders on how to prepare their property and family for bushfire
- continue to provide the Fight Fire Fascination program, which supports parents to educate their children about the dangers of playing with fire and teaches them the necessary skills to prevent harm to property or lives; continue to deliver the Road Attitudes and Action Planning program in high schools, a practical lifesaving road safety awareness program for young drivers, facilitated by operational firefighters.

Queensland Fire and Emergency Services	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Fire and emergency services				
Service standards				
<i>Effectiveness measures</i>				
Rate of accidental residential structure fires reported (per 100,000 households)	1	<60	54.1	<60
Response times to structure fires including call taking time:				
50th percentile		<7.8 minutes	8.0 minutes	<7.8 minutes
90th percentile	2	<14 minutes	12.3 minutes	<14 minutes
Percentage of building and other structure fires confined to room/object of origin	3	≥80%	83.5%	≥80%
Estimated percentage of households with smoke alarm/detector installed	4	95%	..	95%
Percentage of building premises inspected and deemed compliant at first inspection	5	50%	55.2%	50%
Rate of Unwanted Alarm Activations per Alarm Signalling Equipment	6	<4	2.4	<4
Percentage of volunteers satisfied with the experience of volunteering for the Rural Fire Service	7	..	..	≥75%
Percentage of volunteers satisfied with the experience of volunteering for the State Emergency Service	7	..	..	≥75%
Percentage of statewide State Emergency Service volunteers that meet minimal operational training requirements	8	65%	66%	65%
Percentage of disaster management training participants with enhanced capability	9	75%	92%	75%
<i>Efficiency measure</i>				
Fire and Emergency Services expenditure per person	10	\$134	\$136	\$138

Notes:

- Accidental residential structure fires are those fires in a residential structure that are not deliberately lit and with effective educational programs can be reduced or prevented from occurring. Household data is sourced from the Australian Bureau of Statistics (ABS) Catalogue No. 3236.0. The 2017-18 Estimated Actual figure is based on data for the period 1 April 2017 to 31 March 2018.
- Structure fires are fires in housing and other buildings. Only structure fires occurring within the Levy District Boundaries (Class A-D) are included. Excluded are non-emergency calls and those where the department experienced delays due to extreme weather conditions or where the initial response was by another agency or brigade. Response times are measured from either alarm time, or the point at which the incident is verified as requiring QFES attendance, to the time in which the first responding vehicle arrives at the scene. Only primary exposure incidents are included. Response times can be affected by road congestion, driver behaviour (distraction and inattention to emergency responder) and high density urban residential designs. The 2017-18 Estimated Actual figure is based on data for the period 1 April 2017 to 31 March 2018.
- Only structure fires where the confinement has been determined are included in the calculations. The 2017-18 Estimated Actual figure is based on data for the period 1 April 2017 to 31 March 2018.
- This measure provides an indication of the effectiveness of smoke alarm legislation and awareness raising campaigns represented by the percentage of households with smoke alarms installed. Results are derived from the Annual Queensland Fire and Emergency Services Community Survey. The 2018 survey is being redeveloped to gain community insights in line with the future QFES strategic direction. This has delayed the delivery timeframe for the survey until mid-2018. The 2016-17 actual was 97.9 per cent. The 2017-18 actual result will be published in the QFES Annual Report.
- This measure reports the percentage of building premises inspected and deemed compliant with building fire safety regulations (*Fire and Emergency Services Act 1990*, *Building Act 1975* and *Building Fire Safety Regulation 2008*) and fire safety procedures on first inspection. The 2017-18 Estimated Actual figure is based on data for the period 1 April 2017 to 31 March 2018.

6. This measure indicates the effectiveness of QFES strategies to help reduce the number of unwanted alarm activations. This measure compares the number of system initiated false alarms responded to by departmental fire personnel with the number of connected Alarm Signalling Equipment (ASE) devices per annum. 'Unwanted Alarm Activations' are defined as any activation of the fire alarm and detection system that could have been avoided. Unwanted alarms have a negative impact on firefighters and the wider community by increasing safety concerns for fire crews and the public, disrupting the community and industry, creating complacency, and imposing unnecessary costs to attend these incidents. Reducing unwanted alarm activations ensures that the department can more effectively manage priority emergency responses and resources. The *Fire and Emergency Services Act 1990* (section 104DA) provides a legislated target of no more than four unwanted alarm activations per ASE per annum. The 2017-18 Estimated Actual figure is based on data for the period 1 April 2017 to 31 March 2018.
7. This measure is sourced from the QFES Volunteer Satisfaction Survey which commenced in 2014. It measures the percentage of volunteers who indicated they were either 'very satisfied' or 'satisfied' based on the question "how satisfied are you in general with the experience of volunteering with the Rural Fire Service (RFS)/State Emergency Service (SES)?" The survey also measures volunteer satisfaction across a range of areas including training and development, leadership, internal communication and culture. This is a biennial survey with the next survey scheduled for mid-2018, therefore no estimated target or actual figures are available for 2017-18. The 2016-17 actual for RFS was 79 per cent and SES was 78 per cent.
8. This measure represents the percentage of active SES volunteers who have completed the most common minimum training competency of Storm Damage Operations. The 2018-19 Target/Estimate is set at 65 per cent in recognition of the dynamic nature of volunteering, including turnover and the varying risk profiles of localities.
9. This measure is sourced from the annual Queensland Disaster Management Training Framework (QDMTF) Satisfaction and Capability Enhancement Survey. It assesses the efficacy of QDMTF training by measuring the percentage of participants who self-indicated that their capability to carry out their disaster management role was enhanced either 'somewhat' or 'significantly'. Section 16A(c) of the *Disaster Management Act 2003* provides the legislative requirement for those with a role in disaster operations to be appropriately trained. In accordance with this requirement, training for Queensland disaster management stakeholders is undertaken in accordance with the QDMTF. Participants undertaking QDMTF training include officers from local government, state government agencies, non-government organisations, Australian government agencies and volunteer groups. Participant disaster management roles include, but are not limited to, Local Disaster Coordinators, Local Disaster Management Group Chairs, District Disaster Coordinators, and District Disaster Management Group Executive Officers.
10. This measure reports the fire and emergency services' expenditure divided by the estimated population of Queensland. Population data is sourced from the ABS Catalogue No. 3101.0. This measure is reported in line with Report on Government Services methodology. The 2018-19 Target/Estimate is based on Queensland Treasury population estimates. Expenditure includes QFES operating expenditure plus a calculated user cost of capital for property, plant and equipment assets excluding land assets.

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 Fire and Emergency Services	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	..	336	..
Balance of service appropriation	81,068	87,299	97,709
Other revenue	582,734	590,387	604,783
Total income	663,802	678,022	702,492
Expenses			
Fire and emergency services	663,802	678,022	702,492
Total expenses	663,802	678,022	702,492
Operating surplus/deficit	..	..	..
Net assets	61,314	56,741	52,761

Note:

1. Includes State and Commonwealth funding.

Service area sources of revenue¹

Sources of revenue 2018-19 Budget					
Queensland Fire and Emergency Services	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Fire and emergency services	702,492	94,419	53,210	4,031	550,832
Total	702,492	94,419	53,210	4,031	550,832

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 Fire and Emergency Services	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	..	..	..	..
Departmental	459	6,595	10,070	10,020	12,152
Capital measures					
Administered					
Departmental	..	2,050	2,000	4,450	(500)

Note:

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

Departmental capital program

Most new and ongoing capital initiatives to support Queensland Fire and Emergency Services' (QFES') operational capability are delivered by the Public Safety Business Agency. This includes fire and emergency services facilities, fire appliances and communications equipment, and the continued implementation of the Accelerated Rural Fire Service Fleet Program.

QFES continues to be responsible for delivering operational equipment and information systems development.

In 2018-19, the department's capital program provides an investment of \$5.8 million in capital purchases and \$897,000 for capital grants to Rural Fire Brigades and State Emergency Service Groups to support the delivery of essential frontline public safety services for Queensland's communities.

Capital budget

Queensland Fire and Emergency Services	Notes	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
Capital purchases	1			
Total plant and equipment		6,200	6,200	5,750
Total other capital		897	897	897
Total capital purchases	2	7,097	7,097	6,647

Notes:

- For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
- Capital measures in the 2018-19 Budget have been transferred to the Public Safety Business Agency (PSBA) and can be viewed in the PSBA *Capital Statement (Budget Paper 3)*.

Staffing¹

Queensland Fire and Emergency Services	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Fire and emergency services	2, 3, 4	3,280	3,280	3,321
TOTAL		3,280	3,280	3,321

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The 2018-19 Budget includes an increase of three funded FTEs, transferred from Public Safety Business Agency following the return of the Significant Regional Infrastructure Projects Program, effective 1 July 2018.
3. The 2018-19 Budget includes an increase of two FTE firefighters for the Call Back Reduction unit (formerly referred to as the Reserve Roster).
4. The 2018-19 Budget includes an increase of 36 funded FTEs as part of the 2017 Government election commitment to fund an additional 100 extra firefighters and 12 extra fire communications officers over the next four years.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the department's financial statements is provided below.

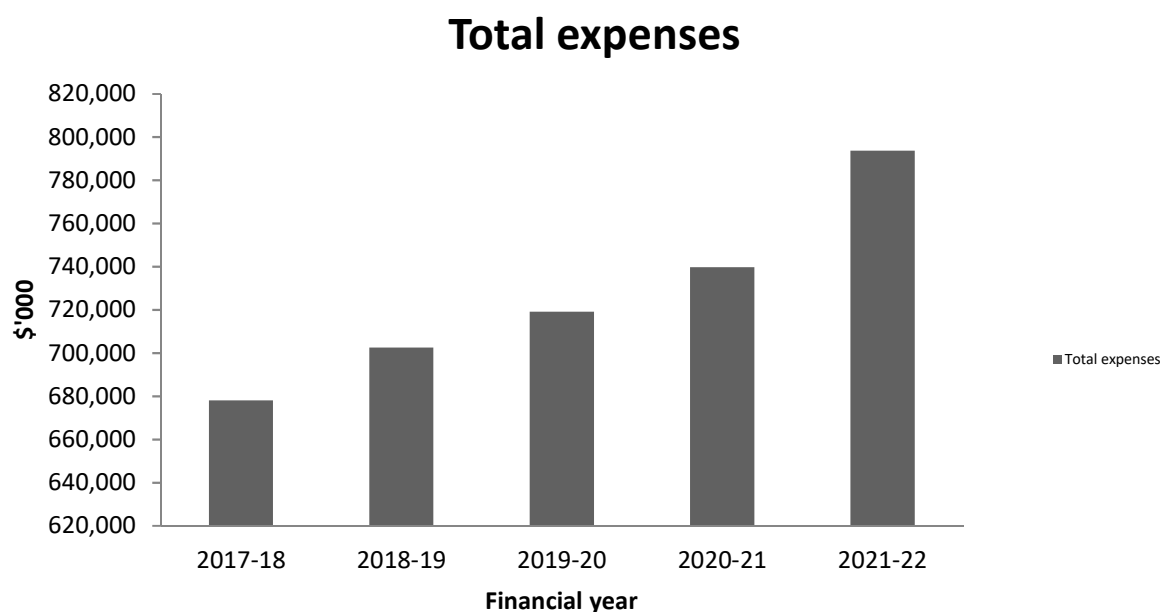
Departmental income statement

Total income is estimated to be \$702.5 million in 2018-19, an increase of \$24.5 million from the 2017-18 Estimated Actual. It is estimated the Emergency Management Levy will contribute \$535.6 million, or 76 per cent, of total operating income in 2018-19.

Total expenses are estimated to be \$702.5 million in 2018-19. This is a \$24.5 million increase from the 2017-18 Estimated Actual. The increase is mainly due to enterprise bargaining arrangements and payments to PSBA to deliver the QFES capital program.

The increased expenditure from 2019-20 onwards is mainly due to enterprise bargaining arrangements, new funding provided for additional firefighters and payments to PSBA to deliver the QFES capital program.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's major assets are in cash and receivables (\$63.5 million) and property, plant and equipment (\$20.5 million). The department's main liabilities relate to payables (\$14.9 million) and accrued employee benefits (\$19.8 million).

Controlled income statement

Queensland Fire and Emergency Services	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,6,12	81,068	87,635	97,709
Taxes	7,13	508,129	508,854	535,569
User charges and fees		51,129	51,129	53,210
Royalties and land rents		..	..	..
Grants and other contributions	2,8,14	21,257	28,227	13,733
Interest		1,498	1,456	1,532
Other revenue		721	721	739
Gains on sale/revaluation of assets		..	..	..
Total income		663,802	678,022	702,492
EXPENSES				
Employee expenses	3,9,15	385,765	394,418	404,929
Supplies and services	4,10,16	116,736	127,937	124,349
Grants and subsidies	5,11,17	144,072	138,507	156,443
Depreciation and amortisation		4,971	4,971	5,042
Finance/borrowing costs		..	..	..
Other expenses		11,738	11,669	11,209
Losses on sale/revaluation of assets		520	520	520
Total expenses		663,802	678,022	702,492
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Queensland Fire and Emergency Services	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	18,26,35	17,947	20,098	15,410
Receivables	19,27	45,697	48,081	48,081
Other financial assets		..	..	..
Inventories		2,396	1,940	1,940
Other	20,28	8,162	2,325	2,325
Non-financial assets held for sale		..	..	..
Total current assets		74,202	72,444	67,756
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,29	25,176	18,901	20,481
Intangibles	30	8,899	8,677	7,805
Other		..	..	..
Total non-current assets		34,075	27,578	28,286
TOTAL ASSETS		108,277	100,022	96,042
CURRENT LIABILITIES				
Payables	22,31	39,851	14,890	14,890
Accrued employee benefits	23,32	13,158	19,787	19,787
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	24,33	(6,046)	8,604	8,604
Total current liabilities		46,963	43,281	43,281
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		46,963	43,281	43,281
NET ASSETS/(LIABILITIES)		61,314	56,741	52,761
EQUITY				
TOTAL EQUITY	25,34,36	61,314	56,741	52,761

Controlled cash flow statement

Queensland Fire and Emergency Services	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	37,46,54	81,068	89,665	97,709
User charges and fees	38,47	50,609	54,314	56,006
Royalties and land rent receipts		..	..	..
Grants and other contributions	39,48,55	10,944	17,539	3,918
Interest received		1,498	1,456	1,532
Taxes	49,56	508,129	508,854	535,569
Other	40,50,57	721	24,829	14,847
Outflows:				
Employee costs	41,51,58	(385,765)	(394,418)	(404,929)
Supplies and services	42,52,59	(116,736)	(142,045)	(138,457)
Grants and subsidies	43,53,60	(144,072)	(138,507)	(156,443)
Borrowing costs		..	..	..
Other	44	(1,425)	(4,686)	(4,710)
Net cash provided by or used in operating activities		4,971	17,001	5,042
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(6,200)	(6,200)	(5,750)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(6,200)	(6,200)	(5,750)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	250
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	45,61	(2,312)	(11,144)	(4,230)
Net cash provided by or used in financing activities		(2,312)	(11,144)	(3,980)
Net increase/(decrease) in cash held		(3,541)	(343)	(4,688)
Cash at the beginning of financial year		21,488	20,441	20,098
Cash transfers from restructure		..	..	..
Cash at the end of financial year		17,947	20,098	15,410

Explanation of variances in the financial statements

Income statement

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

1. Appropriation revenue increase is mainly due to additional funding for enterprise bargaining arrangements and funding for the Flood Focussed Road Safety Campaign transferred to Queensland Fire and Emergency Services (QFES) from the Public Safety Business Agency (PSBA).
2. Grants and other contributions increase is mainly due to funding for Natural Disaster Relief and Recovery Arrangements (NDRRA) relating to Tropical Cyclone Debbie and the Gold Coast 2018 Commonwealth Games in 2017-18.
3. Employee expenses increase is mainly due to enterprise bargaining arrangements.
4. Supplies and services increase is mainly due to funding for the Gold Coast 2018 Commonwealth Games and the Emergency Alert Phase 4 project.
5. Grants and subsidies decrease is mainly due to a reduction in the contribution to PSBA for the QFES capital program.

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

6. Appropriation revenue increase is mainly due to additional funding for enterprise bargaining arrangements, new funding provided for additional firefighters and State Emergency Service (SES) on-boarding to the Government Wireless Network (GWN) in South East Queensland, and funding for the Flood Focussed Road Safety Campaign transferred to QFES from PSBA.
7. Taxes increase is mainly due to a 3.5 per cent increase in the Emergency Management Levy from 1 July 2018 and a forecast growth in levied properties of 1.75 per cent.
8. Grants and other contributions decrease is mainly due to the completion of the Gold Coast 2018 Commonwealth Games provided in 2017-18.
9. Employee expenses increase is mainly due to enterprise bargaining arrangements and new funding provided for additional firefighters.
10. Supplies and services increase is mainly due to indexation adjustments and new funding provided for SES on-boarding to the GWN in South East Queensland.
11. Grants and subsidies increase is mainly due to an increase in the contribution to PSBA for the QFES capital program.

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

12. Appropriation revenue increase is mainly due to additional funding for enterprise bargaining arrangements and new funding provided for additional firefighters and SES on-boarding onto the GWN in South East Queensland.
13. Taxes increase is mainly due to a 3.5 per cent increase in the Emergency Management Levy from 1 July 2018 and a forecast growth in levied properties of 1.75 per cent.
14. Grants and other contributions decrease is mainly due to funding for NDRRA relating to Tropical Cyclone Debbie and the completion of the Gold Coast 2018 Commonwealth Games provided in 2017-18.
15. Employee expenses increase is mainly due to enterprise bargaining arrangements and new funding provided for additional firefighters.
16. Supplies and services decrease is mainly due to the completion of the Gold Coast 2018 Commonwealth Games and the Emergency Alert Phase 4 project in 2017-18. This decrease has been partly offset by indexation adjustments and new funding provided for SES on-boarding to the GWN in South East Queensland.
17. Grants and subsidies increase is mainly due to an increase in the contribution to PSBA for the QFES capital program.

Balance sheet

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

18. Cash assets increase is due to movements in receivables, prepayments, accrued employee benefits, and payables.
19. Receivables increase reflects the estimated timing of receipts.
20. Other current assets decrease is mainly due to movements in prepayments.
21. Property, plant and equipment decrease is mainly due to lower than anticipated capital acquisitions in 2016-17.
22. Payables decrease reflects the anticipated timing of payments to trade creditors.
23. Accrued employee benefits increase reflects the timing of payments for salaries and wages and related costs.
24. Other current liabilities increase reflects the timing of expenditure reimbursements to other public safety entities.
25. Total equity decrease is mainly due to a reduction to contributed equity following the transfer to PSBA for the capital program. This decrease has been partly offset by an increase to the accumulated surplus as a result of an operating surplus in 2016-17.

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

26. Cash assets decrease is due to movements in receivables, prepayments, accrued employee benefits, and payables.
27. Receivables increase reflects the estimated timing of receipts.
28. Other current assets decrease is mainly due to movements in prepayments.
29. Property, plant and equipment decrease is mainly due to lower than anticipated capital acquisitions in 2016-17.
30. Intangible assets decrease is mainly due to the amortisation of intangible assets.
31. Payables decrease reflects the anticipated timing of payments to trade creditors.
32. Accrued employee benefits increase reflects the timing of payments for salaries and wages and related costs.
33. Other current liabilities increase reflects the timing of expenditure reimbursements to other public safety entities.
34. Total equity decrease is mainly due to a reduction to contributed equity following a transfer to PSBA for the capital program. This decrease has been partly offset by an increase to the accumulated surplus as a result of an operating surplus in 2016-17.

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

35. Cash assets decrease is due to movements in receivables, prepayments, accrued employee benefits, and payables.
36. Total equity decrease is mainly due to a reduction to contributed equity following a transfer to PSBA for the capital program.

Cash flow statement

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

37. Appropriation receipts increase is mainly due to additional funding for enterprise bargaining arrangements and funding for the Flood Focussed Road Safety Campaign transferred to QFES from PSBA.
38. User charges and fees increase is mainly due to an adjustment for GST.
39. Grants and other contributions increase is mainly due to funding for NDRRA relating to Tropical Cyclone Debbie and the Gold Coast 2018 Commonwealth Games in 2017-18.
40. Other inflows increase is mainly due to an adjustment for GST and a receivable in 2017-18.
41. Employee costs increase is mainly due to enterprise bargaining arrangements.
42. Supplies and services increase is mainly due to an adjustment for GST, and funding for the Gold Coast 2018 Commonwealth Games and the Emergency Alert Phase 4 project.
43. Grants and subsidies decrease is mainly due to a reduction in the contribution to PSBA for the QFES capital program.

44. Other outflows increase is mainly due to an adjustment for GST.
45. Equity withdrawal increase is due to QFES partly funding the PSBA capital program in 2017-18 by an equity transfer.

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

46. Appropriation receipts increase is mainly due to additional funding for enterprise bargaining arrangements, new funding provided for additional firefighters and SES on-boarding to the GWN in South East Queensland, and funding for the Flood Focussed Road Safety Campaign transferred to QFES from PSBA.
47. User charges and fees increase is mainly due to an adjustment for GST.
48. Grants and other contributions decrease is mainly due to the completion of the Gold Coast 2018 Commonwealth Games provided in 2017-18.
49. Taxes increase is mainly due to a 3.5 per cent increase in the Emergency Management Levy from 1 July 2018 and a forecast growth in levied properties of 1.75 per cent.
50. Other inflows increase is mainly due to an adjustment for GST.
51. Employee costs increase is mainly due to enterprise bargaining arrangements and new funding provided for additional firefighters.
52. Supplies and services increase is mainly due to an adjustment for GST, indexation adjustments, and new funding provided for SES on-boarding to the GWN in South East Queensland.
53. Grants and subsidies increase is mainly due to an increase in the contribution to PSBA for the QFES capital program.

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

54. Appropriation receipts increase is mainly due to additional funding for enterprise bargaining arrangements and new funding provided for additional firefighters and SES on-boarding to the GWN in South East Queensland.
55. Grants and other contributions decrease is mainly due to funding for NDRRA relating to Tropical Cyclone Debbie and the completion of the Gold Coast 2018 Commonwealth Games provided in 2017-18.
56. Taxes increase is mainly due to a 3.5 per cent increase in the Emergency Management Levy from 1 July 2018 and a forecast growth in levied properties of 1.75 per cent.
57. Other inflows decrease is mainly due to a receivable in 2017-18.
58. Employee costs increase is mainly due to enterprise bargaining arrangements and new funding provided for additional firefighters.
59. Supplies and services decrease is mainly due to the completion of the Gold Coast 2018 Commonwealth Games and the Emergency Alert Phase 4 project in 2017-18. This decrease has been partly offset by indexation adjustments and new funding provided for SES on-boarding to the GWN in South East Queensland.
60. Grants and subsidies increase is mainly due to an increase to the contribution to PSBA for services provided.
61. Equity withdrawal decrease is due to QFES partly funding the PSBA capital program in 2017-18 by an equity transfer.



Office of the Inspector-General Emergency Management

Departmental overview

The role of the Office of the Inspector-General Emergency Management (IGEM) is to enable confidence in Queensland's emergency management arrangements.

The Office of the IGEM's vision is to be a catalyst for excellence in emergency management.

Key objectives of the Office of the IGEM are to:

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

The Office of the IGEM contributes to the Queensland Government's plan to keep communities safe and be a responsive government, by providing independent assurance and advice, building partnerships and a culture of continuous improvement, and investing in its people. These key objectives are delivered to enhance Queensland's emergency management arrangements. The Office does this through a range of strategies, including:

- promoting a coordinated strategic direction for emergency management in Queensland
- undertaking targeted reviews that identify risks and prioritise improvements based on community outcomes
- providing system analysis, oversight, monitoring and assurance that builds capability and empowers key stakeholders to effectively deliver their emergency management accountabilities and outcomes
- adopting a collaborative approach to lessons management across the disaster management sector
- designing and embedding contemporary assurance frameworks and tools that are valued by stakeholders and enable improved performance, evaluation and reporting
- seeking and harnessing trusted partnerships that promote collaboration, community-centric engagement, leadership and resilience
- connecting and engaging with key stakeholders through adaptable platforms, systems and processes that enable interoperability and good governance
- leveraging current research, analysis and leading practice to inform evidence-based policy and advice.

Emergency and disaster management in Queensland continues to evolve and mature in the context of a geographically, economically and ethnically diverse Queensland. Key factors such as population growth, vulnerability to natural and human-caused disasters, and forecast increases in the complexity, frequency and severity of natural disasters due to climate change, are central to the environment in which the Office of the IGEM operates.

During 2018-19, key strategic challenges for the Office of the IGEM are:

- balancing competing customer and stakeholder expectations
- actively engaging with emergency management partners in a changing hazard environment
- monitoring advances in emergency management service delivery, systems and platforms.

Key priorities for the Office of the IGEM in 2018-19 include reviewing and assessing the effectiveness of disaster management in Queensland and recommending improvements, and identifying opportunities for cooperative partnerships to support improved community outcomes.

Service performance

Independent Assurance and Advice to Improve Emergency Management

Service area objective

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

Service area description

The Office of the Inspector-General Emergency Management (IGEM) provides independent assurance and advice about Queensland's emergency management arrangements and authoritative reporting to enhance accountability and improve outcomes for the community.

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

2018-19 service area highlights

In 2018-19, the Office of the IGEM will continue to review and assess the effectiveness of disaster management in Queensland with a focus on a risk-based approach to provide independent assurance of the safety of all Queenslanders.

Further highlights include:

- leading the development and implementation of a system-wide lessons management program for Queensland that includes a means of assessing the outcomes of review recommendations
- conducting a Capability Review of a disaster district, including the district and local disaster management groups
- refreshing the Emergency Management Assurance Framework, including the Standard for Disaster Management in Queensland
- progressing research and collaborative opportunities between local disaster management practitioners and universities
- facilitating knowledge sharing, skills development and collaboration across the sector through a state-wide network of disaster management officers.

Office of the Inspector-General Emergency Management	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Independent Assurance and Advice to Improve Emergency Management				
Service standards				
<i>Effectiveness measure</i>				
Customer satisfaction	1, 2, 3	80%	81%	80%
<i>Efficiency measure</i>				
Average cost per tier three review (\$'000)	4, 5, 6	200	252	200

Notes:

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

3. This service standard measures the number of respondents who indicated they were either 'very satisfied' or 'satisfied' (on a 5-point scale ranging from very dissatisfied to very satisfied) with the service and advice provided by the Office of the IGEM represented as a percentage of the total number of responses received.
4. The Office of the IGEM leads a broad range of assurance activities to ensure Queenslanders benefit from the best possible disaster management arrangements. The Emergency Management Assurance Framework provides for three tiers of assurance. Assurance activities include a program of strategic reviews that are identified in consultation with disaster management stakeholders and broad environmental scanning activities conducted by the Office of the IGEM. Reviews enable the Office of the IGEM to identify risks and gaps and prioritise areas for improvement in Queensland's disaster management arrangements. Tier one and two activities have a broader scope, varied levels of evaluation and reduced independence compared to a tier three activity. At the highest level, a tier three activity is likely to have a well-defined scope, form an independent enquiry, and have significant depth and rigour. Tier three activities aim to assess the effectiveness of a defined aspect of disaster management in Queensland, providing a higher level of confidence in the matter being assessed. Greater levels of assurance come at an increased time and resource cost.
5. This service standard measures the average cost to complete a tier three review. The service standard measures costs incurred by the Office of the IGEM in undertaking tier three reviews. Costs of completing reviews such as contractors, venue and equipment hire, legal advice, staff salaries, travel, accommodation and overheads are included in this measure. Tier three reviews completed during the financial year will be used for the measure.
6. The 2017-18 Estimated Actual includes the cost of completing The Cyclone Debbie Review. This review was undertaken at the direction of the Minister in response to an emerging event. The scope of the review was broader than the standard planning parameters of a tier three review, attracting additional time and resources and therefore cost. The Cyclone Debbie Review also included the conduct of a state-wide community survey.

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.

Office of the Inspector-General Emergency Management	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	75	75	..
Balance of service appropriation	4,232	4,140	4,209
Other revenue	661	661	678
Total income	4,968	4,876	4,887
Expenses			
Independent Assurance and Advice to Improve Emergency Management	4,968	4,876	4,887
Total expenses	4,968	4,876	4,887
Operating surplus/deficit	..	..	..
Net assets	1,112	1,159	1,159

Note:

1. Includes State funding.

Service area sources of revenue¹

Sources of revenue 2018-19 Budget					
Office of the Inspector-General Emergency Management	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Independent Assurance and Advice to Improve Emergency Management	4,887	4,209	..	..	678
Total	4,887	4,209	..	..	678

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)*.

Office of the Inspector-General Emergency Management	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	..	..	..	..	..
Departmental	(32)	(32)	..	..	..
Capital measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..

Note:

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

Staffing¹

Office of the Inspector-General Emergency Management	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Independent Assurance and Advice to Improve Emergency Management		22	22	22
TOTAL		22	22	22

Note:

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

Budgeted financial statements

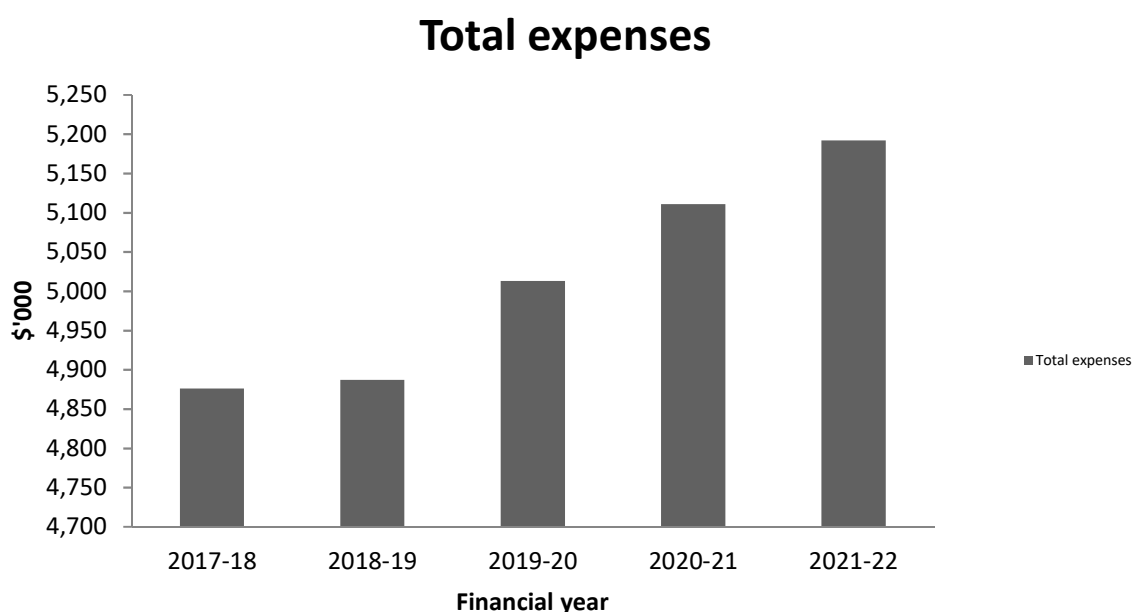
Analysis of budgeted financial statements

An analysis of the department's financial statements is provided below.

Departmental income statement

Total expenses are estimated to be \$4.9 million in 2018-19, an increase of \$11,000 from the 2017-18 Estimated Actual. The increased expenditure from 2019-20 onwards is mainly due to enterprise bargaining arrangements and supplementation for rental costs.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Office of the IGEM's major asset is cash. The main liabilities relate to payables and accrued employee benefits.

Controlled income statement

Office of the Inspector-General Emergency Management	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,3	4,307	4,215	4,209
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		661	661	678
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		4,968	4,876	4,887
EXPENSES				
Employee expenses	4,6	2,872	2,872	2,939
Supplies and services	2,5,7	1,410	1,321	1,248
Grants and subsidies		..	..	..
Depreciation and amortisation		3	..	..
Finance/borrowing costs		..	..	..
Other expenses		683	683	700
Losses on sale/revaluation of assets		..	..	..
Total expenses		4,968	4,876	4,887
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Office of the Inspector-General Emergency Management	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		1,413	1,496	1,496
Receivables		53	46	46
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		1,466	1,542	1,542
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		10	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		10	..	..
TOTAL ASSETS		1,476	1,542	1,542
CURRENT LIABILITIES				
Payables	8,10	84	281	281
Accrued employee benefits		135	100	100
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	9,11	145	2	2
Total current liabilities		364	383	383
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		364	383	383
NET ASSETS/(LIABILITIES)		1,112	1,159	1,159
EQUITY				
TOTAL EQUITY		1,112	1,159	1,159

Controlled cash flow statement

Office of the Inspector-General Emergency Management	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	12,14	4,307	4,215	4,209
User charges and fees		..	4	4
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	15,17	(2,872)	(2,872)	(2,939)
Supplies and services	13,16,18	(1,410)	(1,321)	(1,248)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(22)	(26)	(26)
Net cash provided by or used in operating activities		3	..	..
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		3	..	..
Cash at the beginning of financial year		1,410	1,496	1,496
Cash transfers from restructure		..	..	..
Cash at the end of financial year		1,413	1,496	1,496

Explanation of variances in the financial statements

Income statement

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

1. Appropriation revenue decrease is mainly due to an adjustment to supplementation for rental costs.
2. Supplies and services decrease is mainly due to an adjustment to supplementation for rental costs.

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

3. Appropriation revenue decrease is mainly due to an adjustment to supplementation for rental costs. This decrease has been partly offset by additional funding for enterprise bargaining arrangements.
4. Employee expenses increase is mainly due to enterprise bargaining arrangements.
5. Supplies and services decrease is mainly due to an adjustment to supplementation for rental costs.

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

6. Employee expenses increase is mainly due to enterprise bargaining arrangements.
7. Supplies and services decrease is mainly due to an adjustment to supplementation for rental costs.

Balance sheet

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

8. Payables increase mainly reflects the reclassification of payments from other current liabilities.
9. Other current liabilities decrease mainly reflects the timing of expenditure reimbursements to other public safety entities.

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

10. Payables increase mainly reflects the reclassification of payments from other current liabilities.
11. Other current liabilities decrease mainly reflects the timing of expenditure reimbursements to other public safety entities.

Cash flow statement

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

12. Appropriation receipts decrease is mainly due to an adjustment to supplementation for rental costs.
13. Supplies and services decrease is mainly due to an adjustment to supplementation for rental costs.

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

14. Appropriation receipts decrease is mainly due to an adjustment to supplementation for rental costs. This decrease has been partly offset by additional funding for enterprise bargaining arrangements.
15. Employee costs increase is mainly due to enterprise bargaining arrangements.
16. Supplies and services decrease is mainly due to an adjustment to supplementation for rental costs.

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

17. Employee costs increase is mainly due to enterprise bargaining arrangements.
18. Supplies and services decrease is mainly due to an adjustment to supplementation for rental costs.

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 2018–19

Service Delivery Statements

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