Queensland Budget | 2017-18

SERVICE DELIVERY STATEMENTS

Department of Science, Information Technology and Innovation

Queensland Government

2017-18 Queensland Budget Papers

1. Budget Speech
2. Budget Strategy and Outlook
3. Capital Statement
4. Budget Measures
5. Service Delivery Statements

Appropriation Bills

Budget Highlights

The Budget Papers are available online at
budget.qld.gov.au

Service Delivery Statements
ISSN 1445-4890 (Print)
ISSN 1445-4904 (Online)

Queensland Government

Department of Science, Information Technology and Innovation

Summary of portfolio

Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Minister for Innovation, Science and the Digital Economy and Minister for Small Business

Minister for Innovation, Science and the Digital Economy and Minister for Small Business
The Honourable Leeanne Enoch MP

Department of Science, Information Technology and Innovation
Director-General: Jamie Merrick
Service area 1: Advancing Queensland through innovation
Service area 2: Services for Queenslanders
Service area 3: Services for Government

The Minister for Innovation, Science and the Digital Economy and Minister for Small Business is also responsible for:

Queensland Government Chief Information Office
Queensland Government Chief Information Officer: Andrew Mills
Objective: To set government policy and frameworks for ICT governance and assurance. The office also provides independent advice to government ministers, directors-general and agencies on ICT management, governance, investment and cyber security matters. For the purposes of this document, the financials and full-time equivalents of this office are reported under service area 3: Services for Government.

Office of the Queensland Chief Scientist
Chief Scientist: Professor Suzanne Miller
Objective: To develop science and innovation policy across government and engage with science and innovation stakeholders. The Chief Scientist provides high-level strategic advice to the State Government on the role of science, research and innovation in achieving the government's priorities. For the purposes of this document, the financials and full-time equivalents of this office are reported under service area 1: Advancing Queensland Through Innovation.

Library Board of Queensland

State Librarian and CEO: Vicki McDonald

Objective: The State Library of Queensland (SLQ) provides free access to a wide range of print, digital and original resources, partners with local government to fund and support Queensland public libraries and Indigenous Knowledge Centres, offers public programs and exhibitions to schools, public libraries, museums and other community organisations and is committed to engaging new audiences through the development of partnerships and use of innovative technologies.

CITEC

General Manager CITEC ICT: Sarah Baster

Executive Director CITEC Information Brokerage: Charlotte Crabtree

Objective: CITEC provides Queensland Government departments, statutory bodies and commercial clients with ICT infrastructure and information brokerage services that support the delivery of quality front-line services to Queensland communities and businesses.

Queensland Shared Services

Assistant Director-General: Irene Violet

Objective: To provide modern corporate services and trusted advice to other government departments and statutory bodies to enable them to meet government policies and objectives. Reporting to the Director-General, Queensland Shared Services facilitates a range of corporate services including finance and human resource management.

Additional information about the department and its divisions can be sourced from

www.qld.gov.au/dsiti

www.chiefscientist.qld.gov.au

www.qgcio.qld.gov.au

www.slq.qld.gov.au

Departmental overview

Progress is increasingly being driven through developments in technology and the growth of digitally connected societies and economies. Successfully leveraging trends in digitisation, big data, robotics, and cognitive computing are key to creating new opportunities for Queenslanders by building on our traditional strengths and creating new industries.

DSITI's vision is that through science, innovation and technology a better Queensland is developed. Through the Advance Queensland agenda we are backing ideas that are creating jobs now and for the future, supporting local businesses to start and grow, and making the lives of Queenslanders better.

We are harnessing strategic opportunities to build a stronger and more diversified Queensland economy. In an increasingly competitive global economy, we are working to position Queensland as a vibrant research and innovation hub and an attractive destination for Research & Development, venture capital and industry investment.

Innovation and digital transformation are also at the heart of delivering improved public services and increasing collaboration between government, business and customers. We are harnessing existing and emerging technologies to deliver better and more cost effective services - where, when and how citizens want to access public services.

To achieve our vision, we deliver through three broad service areas that reflect the strategic objectives of advancing Queensland through innovation; improving services for Queenslanders; and improving services for Government.

We contribute to the Queensland Government's objectives for the community of creating jobs and a diverse economy; delivering quality frontline services; protecting the environment and building safe, caring and connected communities by:

- helping to foster job creation and a diverse economy by driving innovation-led growth
- providing scientific services to help protect the environment
- enabling the delivery of front-line services by working with agencies to put people at the centre of service design
- harnessing digital platforms to contribute to building safe, caring and connected communities.

The department delivers its policy initiatives and programs within a complex operating environment that is influenced by a range of factors including:

- globalisation, digital transformation, new technologies and business strategies that are rapidly diversifying and reshaping markets, industries and communities
- innovation being the primary driver of productivity growth, job creation and long-term prosperity and living standards
- citizen demand for access to digitally-driven, personalised or predictive government services
- rapid growth in automation, cloud-based, platform and as-a-service models, and hyper connectivity through the internet of things - bringing the ability to transform public service models
- the need for enhanced digital skills, connectivity and inclusion if Queensland is to flourish as a global innovation hub and people and businesses are to reach their potential.

The department's key priorities for 2017-18 are to:

- increase entrepreneurship and business growth across Queensland and attract new venture capital and investment into Queensland, through Advance Queensland programs and supported by the Queensland Chief Entrepreneur
- be a lead customer in creating new opportunities for small to medium businesses to engage with Queensland Government through the use of innovative procurement
- facilitate the growth of cyber-security skills, capability and operations across government
- strengthen connection through use of digital capabilities and promotion of digital skills and digital inclusion
- provide simple and easy access to integrated government services that put the customer at the heart of service design and are delivered when and how people want them
- provide the scientific evidence base to underpin decision making in relation to the environment and natural resource management
- provide efficient and effective service delivery to Queensland Government departments and employees through innovation, digital transformation and economies of scale.

The department will build the capability of its key asset – its people – to deliver agile services, enabled by technology, focused on customers, and tailored to their needs.

Service performance

Performance statement

Advancing Queensland through innovation

Service area objective

To drive economic growth and job creation through innovation, harnessing Queensland's research strengths and entrepreneurial spirit, and using new technology, capital and ideas to support business and industry creation and growth.

Service area description

The service area provides support to build a more collaborative and effective innovation ecosystem in Queensland.

Our areas of focus are to:

- nurture and attract scientific and entrepreneurial talent
- invest in the translation of scientific research to deliver economic social and environmental outcomes for Queensland
- increase collaboration between business, industry and the research base and with international partners
- increase the rate of startup formation and address barriers to growth for innovative businesses
- provide investment and increase co-investment to build Queensland's capacity to conduct innovative research and development, and to attract and retain the best and brightest
- encourage greater innovation in Government and the benefits of Government as a lead customer for emerging technologies.

Services

- Innovation and Digital Economy
- Science Development

2017-18 service area highlights

- Deliver Advance Queensland initiatives and programs to support innovation-led growth and enhance Queensland's capacity to adapt and thrive, including:
  - encourage Queenslanders to consider becoming entrepreneurs and celebrate those who have already done so
  - build local, regional and global innovation networks to increase collaboration, access new markets and expertise, and improve capability, including the progression of the Advancing Regional Innovation Program
  - attract local and global investment into Queensland by helping established businesses fast track ideas from concept to commercialisation
  - accelerate the development and deployment of platform technologies that enhance the competitiveness of Queensland industry and create global opportunities for startups and small to medium enterprises
  - help innovators become market and investment ready by providing support for the development of new or improved products, technology, processes or services
  - encourage the use of innovative procurement to create opportunities for innovators while solving Queensland Government challenges through delivering the Small Business Innovation Research Program.
- Support the commercialisation of new bio-products and improve the business environment for biodiscovery through reform of the *Biodiscovery Act 2004.*
- Engage with the Commonwealth around the national 2030 Strategic Plan and the National Collaborative Research Infrastructure Strategy.

- Deliver services and initiatives that assist Queensland businesses to increase their digital skills and adoption.
- Deliver open data policy and services and engage with key stakeholders to encourage the release of high quality and high value datasets.

Department of Science, Information Technology and Innovation	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Advancing Queensland Through Innovation				
Service: Innovation and Digital Economy				
Service standards *Effectiveness measures* Proportion of stakeholders who are satisfied with innovation and commercialisation consultative and engagement processes	1, 2	≥85%	91%	≥85%
Percentage of potential collaboration opportunities identified by participants of innovation and collaboration programs/events	3, 4	≥17%	48%	≥25%
Proportion of stakeholders who are satisfied with digital economy and productivity services, consultative and engagement processes	5	≥85%	88%	≥85%
Efficiency measure Ratio of investment leveraged as a result of Queensland government funding invested	6	1:1.25	1:1.1	1:1.25
Service: Science Development				
Service standards *Effectiveness measure* Percentage of science funding recipients satisfied with contract management services provided for science related grant programs (overall satisfaction)	7, 8	≥87%	99%	≥89%
Efficiency measure External funds leveraged from grants funds committed	9	1:1.25	1:1.4	1:1.25

Notes:

1. Stakeholders include business, industry, startups, entrepreneurs, universities and research organisations and may also include Advance Queensland recipients and the third-party providers of Advance Queensland support programs. The measurement of satisfaction addresses standard questions for overall satisfaction and the five key elements of satisfaction (timeliness, ease of access, staff, quality, outcomes/outputs).
2. The positive result was attributed to high levels of customer satisfaction for the Young Starters Fund, Startup Queensland Events and Activities Fund and the Innovate Queensland workshops that were delivered in 2016-17. Although this increase showed positive outcomes in 2016-17, stakeholder management demographics are constantly being reviewed. It is therefore considered reasonable to maintain the customer satisfaction target of 85% for 2017-18.

3. This activity measure is a proxy effectiveness measure that represents the opportunities identified for collaboration as a result of the funding invested in programs for partnering and collaboration. Customers provided with services include, but are not limited to Business/Industry, Research Centres, and Government. It is a ratio that correlates the number of potential collaboration opportunities identified with the number of participant responses as a direct output from the enabling/facilitation of innovation and commercialisation programs. Customers are surveyed after the event to identify if they are likely to form a new collaboration as a result of the event. The measure is calculated using the total number of potential collaboration opportunities identified over the total number of participant responses. The programs this data relates to are intended to provide an environment for attendees to identify potential collaborators and collaboration opportunities.
4. The results highlighted a high level of potential collaboration opportunities through the Young Starters Fund, Queensland Startup Events and Activities Fund and Innovate Queensland workshops that were conducted. This increase shows positive outcomes for collaboration opportunities. As stakeholder event management demographics constantly change a moderate increase to the 2017-18 target is considered reasonable.
5. The survey instrument ensures compliance to the measurement of satisfaction, addresses standard questions for overall satisfaction and the five key elements of satisfaction (timeliness, ease of access, staff, quality, outcomes/outputs). Stakeholders include business, industry, universities and research organisations. The positive result is attributed to increased satisfaction in the delivery of outcomes and quality of services for digital economy and productivity services, consultation and engagement.
6. This measure is an indicator of the efficient use of government funding to leverage private/ commercial/ philanthropic/ Australian Government sector investments. This indicates that $1.25 is leveraged for every $1 of government funds invested. It is a direct output from the facilitation and Queensland government funding administered by this service. Customers include but are not limited to startups, entrepreneurs, business/industry, research centres, universities and government. The estimated actual reflects timing variances related to programs that leverage investment.
7. The survey has standard questions for overall satisfaction and the five key drivers of satisfaction (timeliness, ease of access, staff, quality, outcome/outputs). Customers surveyed include recipients of Advance Queensland grants.
8. Feedback received from last year's survey recipients was implemented to improve services and outcomes for applicants to science related grant funding programs. The high result achieved indicate that these changes have been successful. As the survey is only in its second year, the proposed increase to the 2017-18 target is considered reasonable. The target for this measure will be continuously reviewed as trend series data matures.
9. This efficiency measure introduced for 2016-17 *Service Delivery Statement*, demonstrates the amount of investment generated into the science/research sector as a result of investment made under the various funding programs. The target indicates that for every dollar provided via the various grant programs managed, that a greater matching contribution is sought from successful recipients (such as universities, industries and business). The target has been determined following examination of the returns received for similar funding programs over the last five years. Matching contributions are an accepted aspect of government funding programs and the level required is always stated in the program guidelines.

Services for Queenslanders

Service area objective

To provide citizens and businesses with simple and easy access to integrated Queensland Government services and to ensure Queensland public records are preserved for the benefit of current and future generations.

Service area description

The service area develops and delivers innovative digitally enabled and integrated government services that are simpler and faster for the community to access online or through phone and counter channels. The service area leads a major program of work to accelerate the delivery of proactive and personalised services, designed around the customer.

The service area also leads Queensland public authorities in managing and preserving Queensland public records in a useable form, and improves public access to the collection.

As part of this service area, the State Library of Queensland delivers a range of services that contribute to the cultural, social and intellectual development of the community. This is reported separately in the *Service Delivery Statement* in accordance with administered arrangements.

Services

- Whole-of-Government Customer Experience
- Government Recordkeeping and Archives

2017-18 service area highlights

- Partner with Queensland Government agencies, federal and local governments, non-government organisations and the private sector to provide digital, personalised and proactive services making it simpler, faster and easier for customers to locate and access government services.
- Continue to improve the customer experience of digital government services delivered through qld.gov.au.
- Partner with agencies to develop and implement digital economy policies and initiatives to improve Queenslanders' adoption of digital technologies, digital inclusion and digital infrastructure by providing strategic digital-related advice.
- Continue to provide service excellence to Queenslanders by phone via 13QGOV and in person at Queensland Government Agent Program locations and Queensland Government Service Centres.
- Progress transformation of the customer experience with Queensland State Archives (QSA).
- Work with agencies to meet the needs of modern government to improve the standards of recordkeeping across government, to ensure that records are available for present and future generations.
- Progress implementation of a digital archiving solution for permanent value digital public records, and to drive the Government's transition to digital recordkeeping.
- Support implementation of the Queensland Government’s Strategic Blueprint for Queensland’s North West Minerals Province that is aimed at facilitating a strong and prosperous future for the region.

Department of Science, Information Technology and Innovation	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Services for Queenslanders				
Service: Whole-of-government customer experience				
Service standards *Effectiveness measures* Percentage of clients satisfied with the One-Stop Shop Program	1	80%	85%	82%
Percentage of customers satisfied with the services provided by Smart Service Queensland on behalf of government agencies	2, 3	≥85%	97%	≥85%
Percentage of clients satisfied with the services provided by Smart Service Queensland on their behalf	2, 4	≥80%	55%	≥80%
Efficiency measure Cost per customer service interaction (all interaction)	5	$1.38	$0.87	$1.10
Service: Government Recordkeeping and Archives				
Service standards *Effectiveness measures* Overall customer satisfaction with Queensland State Archives delivery of services to the public	6	≥93%	91%	..
Percentage of clients satisfied with the services provided by Queensland State Archives	7	New measure	New measure	≥80%
Efficiency measure Average cost to Queensland State Archives per record accessed	8	New measure	New measure	$10

Notes:

1. This measure of effectiveness is based on client satisfaction survey which is compliant with the Better Practice Guideline for Measuring Client Satisfaction (policy), published by the Department of the Premier and Cabinet and includes questions on timeliness, ease of access, quality, staff, and overall satisfaction. It is a measure of overall satisfaction. The positive result indicates clients overall satisfaction with the One Stop Shop program. This is the second year this measure has been reported, the target and the measure continues to be monitored for appropriateness and relevance to the One Stop Shop program.
2. This measure of effectiveness is based on client and customer satisfaction surveys which are compliant with the Better Practice Guideline for Measuring Client Satisfaction, published by the Department of the Premier and Cabinet and includes questions on timeliness, ease of access, quality, staff, outcome and overall satisfaction. The term 'client' is used to identify other government departments or agencies, whilst the term 'customer 'identifies members of the public of community. It is a measure of overall satisfaction.
3. This measure is based on customer satisfaction survey results for the phone (13QGOV) and counter (Queensland Government Service Centres (QGSC) and Queensland Government Agent Programs (QGAP)) managed by Smart Service Queensland (SSQ). In 2016, the on-line (www.qld.gov.au) customer satisfaction results were removed from this measure as it is no longer managed by SSQ. This year's positive result was attributed to high levels of customer satisfaction for the delivery of phone and in-person services provided by SSQ.
4. The 2016-17 Estimated Actual result is lower than the 2016-17 Target/Estimate due to the high percentage of Neutral responses (38%) received from only 42 respondents. The percentage of clients surveyed who responded with Extremely Satisfied, Satisfied or Neutral was 92.8 per cent. Given neutral responses do not conclusively indicate a positive or a negative result, SSQ will carefully review its results as part of its continuous effort to improve services to clients.

5. The measure is calculated based on the operating costs divided by interaction data. This target will be reviewed in subsequent years to refine the target for this measure based on several years of data. Customer service interactions include online sessions (qld.gov.au), in-person (QGAP and QGSC), telephone (13QGOV), counter, card and concessions. This year's result achieved better than target due to the significant increase in the number of online customer interactions.
6. The 2016-17 Estimated Actual result is from the biennial customer satisfaction survey conducted for Queensland State Archives in March 2017. The 2016-17 result is lower than the 2016-17 Target/Estimate due to the higher percentage of Neutral responses received. The percentage of customers who responded with Extremely Satisfied, Satisfied or Neutral was 97 per cent. The next survey will be conducted in 2019.
7. This measure introduced for 2017-18 shows client satisfaction of Queensland State Archives delivery of services to clients. The term ‘Client’ refers to public authorities/government agencies. The survey relating to record related policy advice service has a standard question for overall satisfaction and the key drivers of satisfaction (timeliness, ease of access, staff and quality).
8. This refined efficiency measure replaces the deleted measure Percentage increase in the efficiency of service delivery (reported in the discontinued measures section). This measure shows the average unit cost per record accessed (including online digital access), which is the total operating costs across all areas, divided by the total number of records accessed. This is designed to reduce the rate of expenditure of public funds per record accessed. This measure focuses on QSA’s move to a digital by default model, encouraging more access through digital channels, and supports government strategy to move to digital first.

Services for Government

Service area objective

To provide a range of specialist services and advice that supports the achievement of government priorities and assists Queensland Government agencies to deliver their services and legislative responsibilities.

Service area description

The service area works in partnership with government agencies, research agencies and natural resource management groups to provide trusted scientific services and technical advice to government agencies, industry and the community to underpin environmental and natural resource management, planning, decision making and policy setting.

The service area also leads complex, multi-agency ICT programs and projects, manages ICT strategic sourcing and procurement arrangements and facilitates engagement between the ICT industry and government.

As part of this service area, DSITI also provides an extensive range of ICT and corporate services to government through CITEC and Queensland Shared Services. In accordance with administered arrangements, these are reported separately in this *Service Delivery Statement*.

Services

- Science Delivery
- Strategic Information and Communication Technology (ICT)

2017-18 service area highlights

- Collaborate with stakeholders, such as Gold Coast City Council, to establish an air quality monitoring program on the Gold Coast with a focus on providing data during the 2018 Commonwealth Games.
- Commence, through the Queensland Water Modelling Network, collaborative tasks and joint projects with lead university and research partners to achieve better integration between surface water, groundwater and water quality modelling in Queensland.
- Create, and integrate, a feedlot model into the Model for Effluent Disposal using Land Irrigation (MEDLI) V2 system, on behalf of major industry partners, to improve effluent irrigation scheme design and modelling.
- Support the Great Barrier Reef Water Quality Program by:
  - working towards the achievement of water quality targets in Great Barrier Reef Catchments, including the Catchments Loads Monitoring Program and wetland monitoring
  - delivering updated land use and land use change mapping for the Reef catchments of Mackay-Whitsunday and Burdekin to inform reef water quality modelling.
- Commence delivery of an Accelerating Science Delivery Innovation Strategy that will upgrade ICT platforms and harness disruptive technologies such as automation and AI, to provide new and more accessible scientific insights and data.
- Enable small to medium enterprises to raise their profile and collaborate with the Queensland Government on a range of business problems through the Testing within Government (TWiG) program.
- Transition to a new ICT contracting framework that makes it easier for industry - in particular for small to medium enterprises and startups - to do business with government.
- Lead ICT category management across the Queensland Government to ensure whole-of-government needs are met and value for money is maximised for significant ICT investments.
- Manage large-scale contracts on behalf of government agencies to ensure the ongoing success of the Government Wireless Network (GWN), ICT in the 1 William Street building and the Mobile Black Spots Program.
- Progress the cross-agency Human Resources Information System (HRIS) program comprising a replacement core HR/Payroll solution and a new human capital management capability for Queensland Ambulance Service, Queensland Corrective Services, Queensland Fire and Emergency Services and Inspector-General Emergency Management.

Department of Science, Information Technology and Innovation	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Services for Government				
Service: Science Delivery				
Service standards *Effectiveness measures* Percentage of customers from other government agencies satisfied with the natural resource and environmental science services and information provided (overall satisfaction)	1, 2	≥87%	95%	≥87%
Percentage of laboratory tests completed and made available within agreed timeframes and quality specifications to support Reef Plan 2013-18 and other government priorities	3	≥87%	90%	≥87%
Efficiency measure Co-investment as a percentage of the Science Delivery budget	4	≥25%	26.15%	≥25%
Service: Strategic Information and Communication Technology				
Service standards *Effectiveness measure* Percentage of whole-of-government spend awarded to Small to Medium sized enterprises (transactions over $10,000)	5	≥11%	18.1%	≥16%
Efficiency measure Operating cost per $1,000 of managed spend on ICT goods and services	6	New measure	New measure	≤$20

Notes:

1. This measure is an indicator of the success of delivering Science Delivery services to meet the key priorities of other Government departments for environmental and natural resource policy and decision making. The survey has standard questions for overall satisfaction and the five key drivers of satisfaction (timeliness, ease of access, staff, quality, outcome/outputs).
2. The survey results reflects the division's concerted efforts to improve service delivery and client relationships. These efforts include quarterly client meetings and improved governance processes.
3. The timeframes involved are negotiated per sample submission and quality will be measured by maintenance of accreditation with the National Association Testing Authorities (NATA) Australia and performance in national and international laboratory proficiency trials. To maintain accreditation the DSITI Chemistry Laboratory are required to constantly review processes and procedures. This process ensures that clients receive best practice service delivery.
4. The measure is an indicator of efficiency in delivering services for Government and external customers by maximising financial resources through leveraging and partnering. Appropriated funding is leveraged by performing services for other State Government agencies and by partnering with external organisations including universities and other scientific organisations.
5. This measure assesses the ongoing effectiveness of the ICT small to medium enterprise (SME) participation scheme policy by measuring the percentage of whole-of-government spend on transactions over $10,000 awarded to SMEs for ICT products and services. The ICT SME participation scheme policy ensures effective engagement with the ICT industry and specifically with SMEs by ensuring departments adopt a consistent procurement process.
6. This is a new service standard measuring efficiency. The measure is the operating costs (i.e. expenses such as labour and supplies/services) of the business unit as a ratio of every $1,000 of whole-of-government spend awarded through the range of ICT supply arrangements it manages. This measure replaces the discontinued measure 'Operating cost as a percentage of managed spend on ICT goods and services'.

Discontinued measures

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

Department of Science, Information Technology and Innovation	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Services for Queenslanders				
Percentage of One-Stop Shop projects being managed or delivered which meet committed timeframes and budget	1	≥90%	90%	Discontinued measure
Percentage increase in the efficiency of service delivery	2	0.75%	14.88%	Discontinued measure
Service area: Services for Government				
Operating cost as a percentage of managed spend on ICT goods and services	3	2.5%	2.1%	Discontinued measure

Notes:

1. This measure is being discontinued for 2017-18 *Service Delivery Statement* as it has been classified as a process measure, so does not meet the criteria as a measure of effectiveness. The measure will be reported in the 2016-17 Annual Report.
2. This measure is being discontinued for 2017-18 *Service Delivery Statement* as it has been replaced by a new measure 'Average cost to QSA per record accessed' which is a more robust measure of efficiency. The discontinued measure will not be reported after the 2016-17 Annual Report.
3. This measure has been classified as a measure of cost effectiveness, and has therefore been discontinued as a measure of efficiency. This discontinued measure will not be reported after the 2016-17 Annual Report.

Administered items

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

The Department of Science, Information Technology and Innovation administers funds on behalf of the State which include:

- $63.7 million in 2017-18 for the State Library of Queensland's objectives to enable access, engage the community and build capability
- $7.6 million in 2017-18 for Queensland Shared Services to improve business processes and progress major consolidation initiatives for its core financial management and payroll services and systems providing a higher quality service for customers at a reduced cost
- $7.2 million in 2017-18 for CITEC to deliver GovNet and Polaris services to the rest of the Queensland Government.

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

Departmental budget summary

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

Department of Science, information Technology and Innovation	2016-17 Budget $'000	2016-17 Est. Actual $'000	2017-18 Budget $'000
CONTROLLED			
Income			
Appropriation revenue[1]			
Deferred from previous year/s	33,351	(23,724)	31,541
Balance of service appropriation	261,216	327,782	323,012
Other revenue	67,058	74,545	64,475
Total income[2]	**361,625**	**378,603**	**419,028**
Expenses			
Advancing Queensland through innovation	75,563	62,036	76,423
Services for Queenslanders	95,391	104,546	107,448
Services for Government	145,963	167,023	192,363
Corporate[3]	44,708	45,906	43,384
Total expenses[2]	**361,625**	**379,511**	**419,618**
Operating surplus/deficit	**..**	**(908)**	**(590)**
Net assets	**43,447**	**44,276**	**41,506**
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	73,945	69,309	78,504
Other administered revenue	..	9,182	..
Total revenue	**73,945**	**78,491**	**78,504**
Expenses			
Transfers to government	..	..	..
Administered expenses	73,945	72,538	82,605
Total expenses	**73,945**	**72,538**	**82,605**
Net assets	**1,246**	**19,017**	**14,916**

Notes:

1. Includes State and Commonwealth funding.
2. Totals reconcile with the department's Controlled Income Statement.
3. Corporate includes centralised costs for accommodation, ICT and Shared Service Provider costs.

Service area sources of revenue[1]

Sources of revenue 2017-18 Budget					
Department of Science, Information Technology and Innovation	**Total cost $'000**	**State contribution $'000**	**User charges and fees $'000**	**C'wealth revenue $'000**	**Other revenue $'000**
Advancing Queensland through innovation	76,423	76,423	..	..	..
Services for Queenslanders[2]	107,448	77,214	30,234	..	..
Services for Government[3]	192,363	181,624	1,404	2,576	6,169
Corporate	43,384	19,292	..	..	24,092
Total[4]	**419,618**	**354,553**	**31,638**	**2,576**	**30,261**

Note:

1. Explanations of variances are provided in the financial statements.
2. Services for Queenslanders excludes State Library of Queensland, which is reported separately in this *Service Delivery Statement*.
3. Services for Government excludes CITEC and Queensland Shared Services, which are reported separately in this *Service Delivery Statement*.
4. Total cost does not equate to total sources of revenue due to the budgeted operating deficit.

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2016-17 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Department of Science, Information Technology and Innovation	2016-17 $'000	2017-18 $'000	2018-19 $'000	2019-20 $'000	2020-21 $'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures					
Administered	..	(89)	(172)	(168)	(168)
Departmental	10,922	28,578	7,628	(521)	(487)
Capital measures					
Administered	..	..	..	..	..
Departmental	..	2,880	..	..	..

Note:

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

Departmental capital program

The departmental capital program has a planned capital outlay of $6.6 million in 2017-18. This includes $3.1 million for ongoing replacement of departmental assets including essential scientific equipment, $2.9 million for the first phase of the Science ICT Remediation and Renewal Program and $567,000 to finalise the replacement of Smart Service Queensland's Content Delivery System which is critical for the call centre to provide high quality services to the Queensland public.

Capital budget

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Actual $'000	2017-18 Budget $'000
Capital purchases[1]				
Total land, buildings and infrastructure		..	..	..
Total plant and equipment	2, 3	3,268	4,825	5,314
Total other capital	4, 5	3,195	2,628	1,259
Total capital purchases		**6,463**	**7,453**	**6,573**

Notes:

1. For more detail on the agency's capital acquisitions please refer to *Capital Statement (Budget Paper 3)*.
2. Increase in 2016-17 Estimated actual mainly due to additional externally funded Science equipment purchases of $1.2 million together with a number of ICT related deferrals from 2015-16.
3. Increase in 2017-18 Budget compared to 2016-17 Estimated actual mainly due to additional funding for Science ICT Remediation and Renewal Program of $2.2 million offset by a reduction in externally funded Science equipment purchases of $1.2 million and asset replacement of $499,000.
4. Decrease in 2016-17 Estimated actual due to the deferral of $567,000 into 2017-18 for the Content Delivery System.
5. Decrease in 2017-18 Budget compared to 2016-17 Estimated actual mainly due to the completion of acquisitions relating to the Telephony System replacement project of $2.1 million offset by additional funding for Science ICT Remediation and Renewal Program of $692,000.

Staffing[1, 2]

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
Advancing Queensland through innovation	3, 4	109	115	116
Services for Queenslanders	5, 6, 7	557	611	621
Services for Government	8, 9, 10	1,769	1,787	1,775
Corporate	11	262	255	254
TOTAL		**2,697**	**2,768**	**2,766**

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Total FTE reconciles with *Budget Strategy and Outlook (Budget Paper 2)*.
3. Increase in 2016-17 Estimated actual relates to the transfer of corporate staff to support the Advance Queensland initiative.
4. Increase in 2017-18 Budget compared to 2016-17 Estimated actual relates to the Open Data Policy initiative.
5. FTEs for the service area Services for Queenslanders excludes State Library of Queensland, which is reported separately in this *Service Delivery Statement*.
6. Increase in 2016-17 Estimated actual mainly relates to the One-Stop Shop.
7. Increase in 2017-18 Budget compared to 2016-17 Estimated actual relates to the Digital Archiving Project.
8. FTEs for the service area Services for Government includes CITEC and Queensland Shared Services.
9. Increase in 2016-17 Estimated actual relates to the HRIS Project.
10. Decrease in 2017-18 Budget compared to 2016-17 Estimated actual relates to the transfer of FTEs to other services in order to deliver government priorities such as the Digital Archive Project.
11. Decrease in 2016-17 Estimated actual and 2017-18 Budget relates to the transfer of staff to support the Advance Queensland initiative.

Budgeted financial statements

Analysis of budgeted financial statements

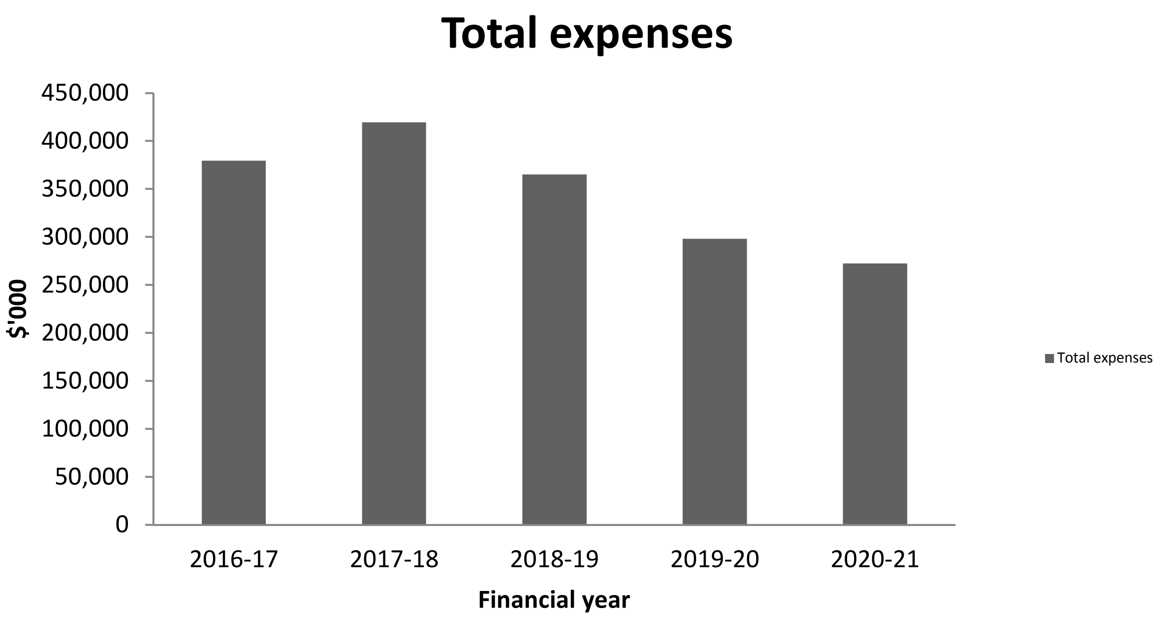
An analysis of the department's financial statements (excluding its statutory body, commercialised business unit and shared service provider) is provided below.

Departmental income statement

Total expenses are estimated to be $420 million in 2017-18, an increase of $40 million from the 2016-17 Estimated Actual. The increase mainly reflects additional funding for the HRIS Project, Digital Archive Program, Science ICT Remediation and Renewal Program and Open Data Policy initiative and funding for whole-of-government ICT contracts together with increased activity in relation to the Advance Queensland initiative. These are offset by a reduction in planned expenditure for the Government Wireless Network.

The decrease in funding beyond the 2017-18 financial year aligns to the allocated funding for government initiatives including Advance Queensland.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The department's total controlled assets are expected to amount to $198 million at the end of 2016-17 and will remain relatively consistent into 2017-18.

The department's liabilities are estimated to be $154 million at the end of 2016-17 increasing marginally to $156 million by the end of 2017-18. The main component of the department's liabilities is the finance lease relating to the Government Wireless Network (GWN) of approximately $108 million.

Controlled income statement

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
INCOME				
Appropriation revenue	5,9	294,567	304,058	354,553
Taxes		..	..	..
User charges and fees		32,544	34,041	31,638
Royalties and land rents		..	..	..
Grants and other contributions	1,6,10	10,636	13,883	6,955
Interest		..	..	..
Other revenue	2	23,878	26,621	25,882
Gains on sale/revaluation of assets		..	..	..
Total income		**361,625**	**378,603**	**419,028**
EXPENSES				
Employee expenses		137,903	145,524	146,883
Supplies and services	3,7,11	128,130	167,286	187,540
Grants and subsidies	4,8,12	71,325	42,261	62,837
Depreciation and amortisation		19,086	19,176	17,526
Finance/borrowing costs		4,262	4,262	3,983
Other expenses	13	919	1,002	849
Losses on sale/revaluation of assets		..	..	..
Total expenses		**361,625**	**379,511**	**419,618**
OPERATING SURPLUS/(DEFICIT)		**..**	**(908)**	**(590)**

Controlled balance sheet

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CURRENT ASSETS				
Cash assets	14,37	2,191	2,879	1,918
Receivables	15,25	17,267	13,274	13,659
Other financial assets		..	..	..
Inventories		..	..	..
Other	16,26	9,321	11,647	11,880
Non-financial assets held for sale		..	..	..
Total current assets		**28,779**	**27,800**	**27,457**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		160,676	164,873	153,674
Intangibles	17,27	7,653	5,712	5,942
Other	18,28,38	431	12,556	10,238
Total non-current assets		**168,760**	**183,141**	**169,854**
TOTAL ASSETS		**197,539**	**210,941**	**197,311**
CURRENT LIABILITIES				
Payables	19,29	31,924	27,679	27,179
Accrued employee benefits	20,30	4,257	6,661	6,827
Interest bearing liabilities and derivatives	21,31	..	8,302	8,302
Provisions		..	..	..
Other	22,32	371	3,099	3,099
Total current liabilities		**36,552**	**45,741**	**45,407**
NON-CURRENT LIABILITIES				
Payables	23,33	430	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	34	117,110	108,368	100,160
Provisions		..	..	..
Other	24,35,39	..	12,556	10,238
Total non-current liabilities		**117,540**	**120,924**	**110,398**
TOTAL LIABILITIES		**154,092**	**166,665**	**155,805**
NET ASSETS/(LIABILITIES)		**43,447**	**44,276**	**41,506**
EQUITY				
TOTAL EQUITY	36,40	**43,447**	**44,276**	**41,506**

Controlled cash flow statement

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	48,55	294,567	291,854	354,553
User charges and fees	41,56	32,544	39,041	31,253
Royalties and land rent receipts		..	..	..
Grants and other contributions	42,49,57	10,636	13,883	6,955
Interest received		..	..	..
Taxes		..	..	..
Other	43,50	23,878	26,621	25,882
Outflows:				
Employee costs		(137,903)	(144,192)	(146,717)
Supplies and services	44,51,58	(128,130)	(166,382)	(185,955)
Grants and subsidies	45,52,59	(71,325)	(42,261)	(62,837)
Borrowing costs		(4,262)	(4,262)	(3,983)
Other	53,60	(919)	(906)	(3,167)
Net cash provided by or used in operating activities		**19,086**	**13,396**	**15,984**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		16	16	16
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	46,61	(6,463)	(7,453)	(6,573)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(6,447)**	**(7,437)**	**(6,557)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	47,62	10,639	13,026	11,029
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		(7,928)	(7,928)	(8,208)
Equity withdrawals	54,63	(15,083)	(17,297)	(13,209)
Net cash provided by or used in financing activities		**(12,372)**	**(12,199)**	**(10,388)**
Net increase/(decrease) in cash held		**267**	**(6,240)**	**(961)**
Cash at the beginning of financial year		**1,924**	**9,119**	**2,879**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**2,191**	**2,879**	**1,918**

Administered income statement

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
INCOME				
Appropriation revenue	64,68,70	73,945	69,309	78,504
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions	65,71	..	9,182	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**73,945**	**78,491**	**78,504**
EXPENSES				
Employee expenses		..	..	..
Supplies and services	66,69,72	3,186	6,663	11,392
Grants and subsidies	67,73	70,759	65,875	71,213
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		**73,945**	**72,538**	**82,605**
OPERATING SURPLUS/(DEFICIT)		**..**	**5,953**	**(4,101)**

Administered balance sheet

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CURRENT ASSETS				
Cash assets		1,246	1,246	1,246
Receivables		..	..	..
Other financial assets		..	..	..
Inventories		..	..	..
Other	74,76,78	..	17,771	13,670
Non-financial assets held for sale		..	..	..
Total current assets		**1,246**	**19,017**	**14,916**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**..**	**..**
TOTAL ASSETS		**1,246**	**19,017**	**14,916**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**..**	**..**	**..**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**..**	**..**	**..**
NET ASSETS/(LIABILITIES)		**1,246**	**19,017**	**14,916**
EQUITY				
TOTAL EQUITY	75,77,79	**1,246**	**19,017**	**14,916**

Administered cash flow statement

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	80,86,90	73,945	67,313	78,504
User charges and fees		550	550	..
Royalties and land rent receipts		..	..	..
Grants and other contributions	81,91	..	9,182	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs		..	..	..
Supplies and services	82,87,92	(3,186)	(13,800)	(7,291)
Grants and subsidies	83,93	(70,759)	(65,875)	(71,213)
Borrowing costs		..	..	..
Other		..	..	..
Transfers to Government		..	..	..
Net cash provided by or used in operating activities		**550**	**(2,630)**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	88	550	550	..
Outflows:				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**550**	**550**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	84,94	3,078	4,077	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	85,89,95	(3,627)	(4,150)	..
Net cash provided by or used in financing activities		**(549)**	**(73)**	**..**
Net increase/(decrease) in cash held		**551**	**(2,153)**	**..**
Cash at the beginning of financial year		**695**	**3,399**	**1,246**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**1,246**	**1,246**	**1,246**

Explanation of variances in the financial statements

Income statement

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

1. Increase due to higher than expected grant funding received for science projects.
2. Increase reflects the transfer of funding to the department for the 1 William Street ICT and whole-of-government SAP contracts.
3. Increase reflects costs for whole-of-government ICT contracts, transfer of HRIS project and funding approval to continue the delivery of the One-Stop Shop initiative beyond the previously budgeted period.
4. Decrease reflects deferrals in relation to Advance Queensland, science related initiatives and Mobile Black Spot Programs in line with contractual commitments.

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

5. Increase is mainly due to the transfer of HRIS project, increased activity for Advance Queensland initiatives, funding for the Digital Archive Project, Science ICT Remediation and Renewal Program and whole-of-government ICT contracts offset by the completion of the Government Wireless Network (GWN) tunnels coverage.
6. Decrease reflects transfer of funding between grants and appropriation revenue for shared science services with other Queensland Government departments.
7. Increase reflects transfer of HRIS project, costs of whole-of-government ICT contracts, funding for Digital Archive Project and Science ICT Remediation and Renewal Program offset by the completion of the GWN tunnels coverage.
8. Decrease reflects reduced expenditure for Australian Institute of Tropical Health and Medicine (AITHM) and other science related initiatives offset by deferrals relating to Advance Queensland in line with contractual commitments.

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

9. Increase is mainly due to HRIS project, increased activity for Advance Queensland initiatives, funding for the Digital Archive Project, Science ICT Remediation and Renewal Program and whole-of-government ICT contracts offset by the completion of the GWN tunnels coverage and a reduction in funding for the One-Stop Shop initiative.
10. Decrease reflects transfer of funding between grants and appropriation revenue for shared science services with other Queensland Government departments.
11. Increase reflects HRIS planned activity, funding for the Digital Archive Project and Science ICT Remediation and Renewal Program offset by the completion of the GWN tunnels coverage and a reduction of funding for the One-Stop Shop initiative.
12. Increase reflects deferrals for Advance Queensland and Mobile Black Spot Programs in line with program deliverables and contractual commitments partially offset by lower level of expenditure for science related initiatives.
13. Decrease reflects changes in Advance Queensland program spending for 2017-18.

Balance sheet

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

14. Increase reflects higher level of cash at bank.
15. Decrease is mainly due to lower appropriation receivable from the prior year.
16. Increase relates to new accommodation lease incentive.
17. Decrease reflects a lower than expected balance from the prior year together with the deferral of funds relating to Content Delivery System project.
18. Increase relates to new accommodation lease incentive.
19. Decrease reflect lower level of accounts payable.
20. Increase is due to the timing of salary and wages payments.
21. Increase reflects the transfer of the current portion of the GWN finance lease liability from non-current liabilities.

22. Increase relates to new accommodation lease incentive.
23. Decrease relates to reclassification of item to finance lease liability.
24. Increase relates to new accommodation lease incentive.

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

25. Decrease is mainly due to lower appropriation receivable from the prior year.
26. Increase relates to new accommodation lease incentive.
27. Decrease reflects a lower than expected balance from the prior year together with the deferral of funds relating to Content Delivery System project.
28. Increase relates to new accommodation lease incentive.
29. Decrease reflect lower level of accounts payable.
30. Increase is due to the timing of salary and wages payments.
31. Increase reflects the transfer of the current portion of the GWN finance lease liability from non-current liabilities.
32. Increase relates to new accommodation lease incentive.
33. Decrease relates to reclassification of item to finance lease liability.
34. Decrease is in line with planned payments for GWN finance lease liability.
35. Increase relates to new accommodation lease incentive.
36. Decrease mainly due to equity withdrawals relating to the GWN finance lease offset by capital funding for Science ICT Remediation and Renewal Program.

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

37. Decrease reflects lower levels of cash at bank.
38. Decrease reflects expected reduction of lease incentives during the financial year.
39. Decrease reflects expected reduction of lease incentives during the financial year.
40. Decrease mainly due to equity withdrawals relating to the GWN finance lease offset by capital funding for Science ICT Remediation and Renewal Program.

Cash flow statement

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

41. Increase due to additional Science services provided to external organisations and a reduction to receivables.
42. Increase due to higher than expected grant funding received for science projects.
43. Increase reflects the transfer of funding to the department for the 1 William Street ICT and whole-of-government SAP contracts.
44. Increase reflects costs for whole-of-government ICT contracts, transfer of HRIS project and funding approval to continue the delivery of the One-Stop Shop initiative beyond the previously budgeted period.
45. Decrease reflects deferrals in relation to Advance Queensland, science related initiatives and Mobile Black Spot Programs in line with contractual commitments.
46. Increase mainly due to the purchase of capital for Science external projects for the Great Barrier Reef Catchment Loads Monitor Taskforce.
47. Increase mainly due to the purchase of capital for Science external projects for the Great Barrier Reef Catchment Loads Monitor Taskforce and a movement in equity injection receivable relating to prior year purchases.

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

48. Increase is mainly due to the transfer of HRIS project, increased activity for Advance Queensland initiatives, funding for the Digital Archive Project, Science ICT Remediation and Renewal Program, whole-of-government ICT contracts and a reduction in deferred appropriation payable offset by the completion of the Government Wireless Network (GWN) tunnels coverage.
49. Decrease reflects transfer of funding between grants and appropriation revenue for shared science services with other Queensland Government departments.
50. Increase reflects the transfer of funding to the department for the 1 William Street ICT and whole-of-government SAP contracts.
51. Increase reflects transfer of HRIS project, costs of whole-of-government ICT contracts, funding for Digital Archive Project and Science ICT Remediation and Renewal Program offset by the completion of the GWN tunnels coverage.
52. Decrease reflects reduced expenditure for Australian Institute of Tropical Health and Medicine (AITHM) and other science related initiatives offset by deferrals relating to Advance Queensland in line with contractual commitments.
53. Increase due to lease incentive relating to new accommodation site.
54. Decrease reflects the forecast depreciation and amortisation funding required for 2017-18.

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

55. Increase is mainly due to HRIS project, increased activity for Advance Queensland initiatives, funding for the Digital Archive Project, Science ICT Remediation and Renewal Program and whole-of-government ICT contracts offset by the completion of the GWN tunnels coverage and a reduction in funding for the One-Stop Shop initiative.
56. Decrease reflects finalisation of 1 William Street ICT project, a reduction in externally funded Science activity and no reduction to receivables.
57. Decrease reflects transfer of funding between grants and appropriation revenue for shared science services with other Queensland Government departments.
58. Increase reflects HRIS planned activity, funding for the Digital Archive Project and Science ICT Remediation and Renewal Program offset by the completion of the GWN tunnels coverage and a reduction of funding for the One-Stop Shop initiative.
59. Increase reflects deferrals for Advance Queensland and Mobile Black Spot Programs in line with program deliverables and contractual commitments partially offset by lower level of expenditure for science related initiatives.
60. Increase due to lease incentive relating to new accommodation site.
61. Decrease reflects reduced capital acquisitions for completed projects offset by funding for the Science ICT Remediation and Renewal Program.
62. Decrease reflects reduced capital acquisitions for completed projects offset by funding for the Science ICT Remediation and Renewal Program and no adjustment to equity injection receivable.
63. Decrease reflects the forecast depreciation and amortisation funding required for 2017-18.

Administered income statement

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

64. Decrease reflects Queensland Shared Services deferrals relating to business capability and capacity projects.
65. Increase relates to contributions to the whole-of-government ICT contract for 1 William Street.
66. Increase mainly due to costs associated with management of the whole-of-government ICT contract for 1 William Street.
67. Decrease reflects Queensland Shared Services deferrals relating to business capability and capacity projects.

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

68. Increase mainly reflects additional funding for CITEC for whole-of-government services.
69. Increase mainly due to additional funding for CITEC for whole-of-government services and management of the whole-of-government ICT contract for 1 William Street.

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

70. Increase reflects additional funding for CITEC for whole-of-government services and Queensland Shared Services deferrals relating to business capability and capacity projects.
71. Decrease relates to contributions to the whole-of-government ICT contract for 1 William Street in 2016-17.
72. Increase mainly due to additional funding for CITEC for whole-of-government services.
73. Increase reflects Queensland Shared Services deferrals relating to business capability and capacity projects and enterprise bargaining funding for State Library of Queensland.

Administered balance sheet

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

74. Increase reflects prepayment of the whole-of-government ICT contract for 1 William Street.
75. Increase reflects upfront funding for the life of the whole-of-government ICT contract prepayment for 1 William Street.

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

76. Increase reflects prepayment of the whole-of-government ICT contract for 1 William Street.
77. Increase reflects upfront funding for the life of the whole-of-government ICT contract prepayment for 1 William Street.

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

78. Decrease reflects first year costs for the whole-of-government ICT contract for 1 William Street.
79. Decrease reflects first year costs for the whole-of-government ICT contract for 1 William Street.

Administered cash flow statement

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

80. Decrease reflects Queensland Shared Services deferrals relating to business capability and capacity projects.
81. Increase reflects upfront funding for the life of the whole-of-government ICT contract for 1 William Street.
82. Increase mainly due to costs associated with management of the whole-of-government ICT contract for 1 William Street.
83. Decrease reflects Queensland Shared Services deferrals relating to business capability and capacity projects.
84. Increase in line with Queensland Shared Services Shared System Reform project forecasts.
85. Increase mainly relates to unanticipated cash for software amortisation remitted from Queensland Shared Services to Consolidated Fund.

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

86. Increase mainly reflects additional funding for CITEC for whole-of-government services.
87. Increase mainly due to additional funding for CITEC for whole-of-government services offset by a reduction in prepayment of the whole-of-government ICT contract for 1 William Street.
88. Decrease is due to the completion of the Queensland Centre for Advanced Technology (QCAT) loan repayments.
89. Decrease mainly relates to a Government approval that allows Queensland Shared Services to retain amortisation fee revenue for the purposes of ICT investment.

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

90. Increase reflects additional funding for CITEC for whole-of-government services and Queensland Shared Services deferrals relating to business capability and capacity projects.
91. Decrease reflects upfront funding for the life of the whole-of-government ICT contract for 1 William Street.
92. Decrease reflects reduction in prepayment of the whole-of-government ICT contract for 1 William Street offset by additional funding for CITEC for whole-of-government services.

93. Increase reflects Queensland Shared Services deferrals relating to business capability and capacity projects and enterprise bargaining funding for State Library of Queensland.

94. Decrease in line with Queensland Shared Services Shared System Reform project forecasts.

95. Decrease mainly relates to a Government approval that allows Queensland Shared Services to retain amortisation fee revenue for the purposes of ICT investment.

Reporting Entity Financial Statements

Reporting Entity comprises:

- **Department of Science, Information Technology and Innovation (excluding Administered);**
- **CITEC;**
- **Queensland Shared Services.**

Explanations of variances for each entity are included in the individual budget financial statements located in this *Service Delivery Statement.*

Reporting entity income statement

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
INCOME				
Appropriation revenue		294,567	304,058	354,553
Taxes		..	..	..
User charges and fees		290,741	297,302	294,055
Royalties and land rents		..	..	..
Grants and other contributions		18,754	17,082	14,421
Interest		156	141	156
Other revenue		(1,059)	2,601	1,666
Gains on sale/revaluation of assets		..	..	..
Total income		**603,159**	**621,184**	**664,851**
EXPENSES				
Employee expenses		263,956	270,102	271,018
Supplies and services		242,222	277,724	308,540
Grants and subsidies		71,325	42,261	62,837
Depreciation and amortisation		29,315	29,826	28,247
Finance/borrowing costs		4,329	4,283	4,020
Other expenses		2,938	2,999	2,844
Losses on sale/revaluation of assets		..	2,284	..
Total expenses		**614,085**	**629,479**	**677,506**
Income tax expense/revenue		..	..	..
OPERATING SURPLUS/(DEFICIT)		**(10,926)**	**(8,295)**	**(12,655)**

Reporting entity balance sheet

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CURRENT ASSETS				
Cash assets		27,831	36,230	24,058
Receivables		45,842	40,003	40,345
Other financial assets		..	..	..
Inventories		..	..	..
Other		13,033	14,875	15,111
Non-financial assets held for sale		..	..	..
Total current assets		**86,706**	**91,108**	**79,514**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		170,737	174,752	165,740
Deferred tax assets		..	..	..
Intangibles		34,995	31,960	32,797
Other		790	12,935	10,617
Total non-current assets		**206,522**	**219,647**	**209,154**
TOTAL ASSETS		**293,228**	**310,755**	**288,668**
CURRENT LIABILITIES				
Payables		48,468	39,667	39,309
Current tax liabilities		..	..	..
Accrued employee benefits		9,485	11,690	11,842
Interest bearing liabilities and derivatives		7	8,302	9,267
Provisions		..	..	..
Other		1,916	4,360	4,310
Total current liabilities		**59,876**	**64,019**	**64,728**
NON-CURRENT LIABILITIES				
Payables		430	..	..
Deferred tax liabilities		1,532	1,525	1,525
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		117,110	108,368	102,725
Provisions		..	..	..
Other		..	12,786	10,468
Total non-current liabilities		**119,072**	**122,679**	**114,718**
TOTAL LIABILITIES		**178,948**	**186,698**	**179,446**
NET ASSETS/(LIABILITIES)		**114,280**	**124,057**	**109,222**
EQUITY				
TOTAL EQUITY		**114,280**	**124,057**	**109,222**

Reporting entity cash flow statement

Department of Science, Information Technology and Innovation	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		294,567	291,854	354,553
User charges and fees		319,316	339,864	321,826
Royalties and land rent receipts		..	..	..
Grants and other contributions		18,754	17,082	14,421
Interest received		156	141	156
Taxes		..	..	..
Other		12,747	16,407	15,551
Outflows:				
Employee costs		(263,885)	(268,699)	(270,919)
Supplies and services		(254,336)	(290,037)	(319,187)
Grants and subsidies		(71,325)	(42,261)	(62,837)
Borrowing costs		(4,329)	(4,283)	(4,020)
Taxation equivalents paid		..	..	..
Other		(31,672)	(32,239)	(34,471)
Net cash provided by or used in operating activities		**19,993**	**27,829**	**15,073**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		16	16	16
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(15,625)	(17,006)	(16,403)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(15,609)**	**(16,990)**	**(16,387)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		10,639	13,026	11,029
Outflows:				
Borrowing redemptions		(558)	(579)	..
Finance lease payments		(7,928)	(7,928)	(8,678)
Equity withdrawals		(18,161)	(20,817)	(13,209)
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**(16,008)**	**(16,298)**	**(10,858)**
Net increase/(decrease) in cash held		**(11,624)**	**(5,459)**	**(12,172)**
Cash at the beginning of financial year		**39,455**	**41,689**	**36,230**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**27,831**	**36,230**	**24,058**

Statutory body

Library Board of Queensland

Overview

The State Library of Queensland (SLQ) is a vibrant and innovative 21st century library - a place for sharing, learning and creating, both in the cultural precinct and through our ever expanding online offer. Our vision is to enable the growth of knowledge, innovation and enterprise in Queensland. Our legislated role is to contribute to the cultural, social and intellectual development of all Queenslanders. This role includes collecting Queensland's cultural heritage and ensuring the intellectual and historical record is preserved for the future. It also includes the advancement of public libraries throughout the State. Our objectives are to enable access, engage the community and build capability.

The partnership between State and local government creates a state-wide network of public libraries and Indigenous Knowledge Centres, with over two million members. SLQ supports the Queensland Government's objectives for the community. We help to build safe, caring and connected communities by providing welcoming places for everyone, free access to a wide range of information and opportunities for the open exchange of ideas and exposure to different perspectives. We support the creation of jobs and a diverse economy by supporting entrepreneurs to create new businesses and by supporting current small businesses to transform into digital businesses. We also provide assistance for jobseekers, from lifelong learning programs, assistance with job hunting and submitting applications online. We contribute to protecting the environment by collecting and preserving Queensland's culture and heritage for Queenslanders now and in the future.

SLQ supports the Advance Queensland policy through collections, services and programs that enable innovation and new enterprise, build capability in the regions and enable more Queenslanders to participate in the digital economy by increasing digital literacy skills and additional support for small business.

SLQ is accelerating the transition to digital to make content, services and programs accessible to everyone. Our legislated role includes digitising legacy content to make it accessible, capturing born digital content (e.g. websites, blogs, twitter feeds) and building infrastructure to ensure long term access to digital content. The quantity of digital materials coming into the collection is increasing exponentially. We are working with National and State Libraries Australasia on a solution to preserve digital collections in the long term. The digital divide in Queensland is another key challenge as access, affordability and ability are essential to digitally inclusive, literate communities that are skilled for the 21st century.

Service summary

2017-18 highlights are to:

- invest $24.361 million in public library collections and services
- support public libraries to implement programs and activities to increase Queensland's digital literacy skills, including STEAM programs (Science, Technology, Engineering, Art and Maths), and Tech Savvy Seniors Queensland
- build the State collection through the implementation of the Content Strategy to reflect a growing emphasis on digital content, content engagement and seamless access to content for Queenslanders
- provide early childhood literacy programs, including the National Summer Reading Club and year four of the First 5 Forever family literacy initiative, a $20 million program over four years to give families the information and tools they need to help children develop language and literacy skills through public libraries
- deliver year four of Q ANZAC 100, including exhibitions, community programs and research fellowships
- develop audiences through the delivery of exhibitions and events that encourage curiosity, debate and discussion, including the Signature Program, Queensland Literary Awards, and black&write! Indigenous writing and editing program
- support new business, social enterprise and creative industries, including the Business Studio and the Edge's Fabrication Lab.

Service performance

Performance statement

State Library of Queensland

Service area objective

To contribute to the cultural, social and intellectual development of all Queenslanders.

Service area description

State Library of Queensland (SLQ) is a place for sharing, learning, collaborating and creating, both within the cultural precinct facilities and our ever expanding online offer. SLQ provides free access to print, digital and original resources, with a focus on collecting and preserving Queensland's unique documentary heritage. SLQ provides information and research services, events and exhibitions and centres of engagement with: children and young people; Aboriginal and Torres Strait Islanders peoples; arts, science, technology, enterprise; and design. SLQ partners with local government to fund and support over 320 public libraries and Indigenous Knowledge Centres including collection services and professional development. SLQ plays a leadership role to ensure the sustainability of small rural and remote libraries and Indigenous Knowledge Centres, including the purchase of bulk collections that are shared across the network.

Library Board of Queensland	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: State Library of Queensland				
Service standards *Effectiveness measure* Customer satisfaction with services and programs	1	95%	97%	95%
Efficiency measure Percentage increase in the efficiency of service delivery	2	2.5%	3%	2.5%

Notes:

1. This measure of effectiveness is based on overall customer satisfaction through surveys which are compliant with the Department of the Premier and Cabinet's Better Practice Guidelines for Measuring Client Satisfaction, and includes questions on timeliness, quality, access, staff, outcome and overall satisfaction.
2. This is a measure of percentage improvement from the previous year in the ratio of total visits to the State Library (onsite and online) compared to SLQ's State Government budget appropriation (excluding public library grant funds). The measure provides an indication of improvement in the efficient use of public funds in providing services and programs to the public.

Staffing[1]

Library Board of Queensland	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
State Library of Queensland		294	294	294

Note:

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

Income statement

Library Board of Queensland	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees	1,6,13	3,581	4,218	3,809
Grants and other contributions	2,7	64,459	71,972	72,663
Interest	3,8	804	704	675
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**68,844**	**76,894**	**77,147**
EXPENSES				
Employee expenses	9	28,085	28,848	29,561
Supplies and services	4,10	15,323	21,855	21,211
Grants and subsidies		24,736	25,500	25,612
Depreciation and amortisation	11,14	468	476	548
Finance/borrowing costs		..	..	..
Other expenses		195	195	195
Losses on sale/revaluation of assets	5,12	37	20	20
Total expenses		**68,844**	**76,894**	**77,147**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Library Board of Queensland	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CURRENT ASSETS				
Cash assets	15,24	15,567	16,360	14,974
Receivables		893	869	869
Other financial assets		..	..	..
Inventories	16,20	248	303	303
Other		749	765	765
Non-financial assets held for sale		..	..	..
Total current assets		**17,457**	**18,297**	**16,911**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		109,198	107,913	109,833
Intangibles	17,21,25	6,453	8,162	8,628
Other		..	..	..
Total non-current assets		**115,651**	**116,075**	**118,461**
TOTAL ASSETS		**133,108**	**134,372**	**135,372**
CURRENT LIABILITIES				
Payables	18,22	1,428	1,827	1,827
Accrued employee benefits		2,516	2,458	2,458
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	19,23	195	311	311
Total current liabilities		**4,139**	**4,596**	**4,596**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**4,139**	**4,596**	**4,596**
NET ASSETS/(LIABILITIES)		**128,969**	**129,776**	**130,776**
EQUITY				
TOTAL EQUITY		**128,969**	**129,776**	**130,776**

Cash flow statement

Library Board of Queensland	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	26,30,36	4,004	5,441	4,232
Grants and other contributions		64,459	64,794	65,485
Interest received	27,31	804	704	675
Taxes		..	..	..
Other		311	311	311
Outflows:				
Employee costs	32	(28,085)	(29,159)	(29,561)
Supplies and services	28,33	(15,323)	(14,497)	(14,033)
Grants and subsidies		(24,736)	(25,500)	(25,612)
Borrowing costs		..	..	..
Other		(929)	(929)	(929)
Net cash provided by or used in operating activities		**505**	**1,165**	**568**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	29,34	(37)	(20)	(20)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	35,37	(1,759)	(1,707)	(1,934)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(1,796)**	**(1,727)**	**(1,954)**
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		**(1,291)**	**(562)**	**(1,386)**
Cash at the beginning of financial year		**16,858**	**16,922**	**16,360**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**15,567**	**16,360**	**14,974**

Explanation of variances in the financial statements

Income statement

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

1. An increase in user charges and fees is principally due to additional revenue obtained through the sale of First 5 Forever training kits to public libraries.
2. An increase in grants and other contributions is principally due to the recognition of the value of operating lease rental provided at no cost and additional industry contributions to programming.
3. A decrease in interest is due to lower than anticipated interest rates paid on funds invested.
4. An increase in other supplies and services is due to the recognition of the value of operating lease rental provided at no cost, offset by a reallocation of funds to increase grants paid to public libraries.
5. A decrease in losses on sale/revaluation of assets is due to plant and equipment being fully written down when replaced.

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

6. An increase in user charges and fees is principally due to additional revenue obtained through a small increase expected in existing cost recovery services.
7. An increase in grants and other contributions is principally due to the recognition of the value of operating lease rental provided at no cost as well as population growth funding for public libraries.
8. A decrease in interest is due to lower than anticipated interest rates being paid on funds invested.
9. An increase in employee expenses is principally due to enterprise bargaining pay increases.
10. An increase in supplies and services is principally due to the recognition of the value of operating lease rental provided at no cost.
11. An increase in depreciation and amortisation is due to the planned replacement of plant and equipment previously fully depreciated.
12. A decrease in losses on sale/revaluation of assets is due to plant and equipment being fully written down when replaced.

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

13. A decrease in user charges and fees is principally due to the planned reduction in First 5 Forever kit sales to public libraries.
14. An increase in depreciation and amortisation is due to the planned replacement of plant and equipment previously fully depreciated.

Balance sheet

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

15. An increase in cash assets due to a higher than anticipated prior year surplus resulting from timing delays to projects and deferred capital replacement.
16. An increase in inventories due to higher collection preservation materials and library shop inventory held.
17. An increase in intangibles due to additional digital collections items purchased and physical collection items digitised.
18. An increase in payables due to higher than anticipated year-end accruals for goods or services received but not yet paid.
19. An increase in other current liabilities is due to higher level of unearned revenue relating to venue hire deposits and revenue received in advance for collection management hosting and library services.

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

20. An increase in inventories due to higher collection preservation materials and library shop inventory held.
21. An increase in intangibles due to additional digital collections items purchased and physical collection items digitised.

22. An increase in payables due to higher than anticipated year-end accruals for goods or services received but not yet paid.
23. An increase in other current liabilities is due to higher level of unearned revenue relating to venue hire deposits and revenue received in advance for collection management hosting and library services.

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

24. A decrease in cash assets due to an expected increase in capital purchases.
25. An increase in intangibles due to planned additional digital collections items purchased and physical collection items digitised.

Cash flow statement

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

26. An increase in user charges and fees is principally due to additional revenue obtained through the sale of First 5 Forever training kits to public libraries.
27. A decrease in interest is due to lower than anticipated interest rates being paid on funds invested.
28. A decrease in supplies and services is due to reallocation of funds to grants paid to public libraries.
29. A decrease in the sales of non-financial assets is due to plant and equipment being fully written down when replaced.

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

30. An increase in user charges and fees is principally due to additional revenue obtained through a small increase expected in cost recovery services.
31. A decrease in interest recieved is due to lower interest rates paid on funds invested.
32. An increase in employees costs is principally due to enterprise bargaining pay increases.
33. A decrease in supplies and services is principally due to the increase in payables and the allocation of funds to the development of digital collections (intangibles).
34. A decrease in the sales of non-financial assets is due to plant and equipment being fully written down when replaced.
35. An increase in payments for non-financial assets is due to the timing of ICT and audiovisual equipment replacement and the increase in investment of digital assets (intangibles).

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

36. A decrease in user charges and fees is principally due to the planned reduction in First 5 Forever kit sales to public libraries.
37. An increase in payments for non-financial assets is due to the timing of ICT and audiovisual equipment replacement and the increase in investment of digital assets (intangibles).

Commercialised business unit

CITEC

Overview

CITEC is a key supplier to the Queensland Government for ICT services, and acts as the primary information broker for Queensland Government delivering information solutions to businesses, government and individuals Australia-wide on a commercial basis.

CITEC's vision is to provide innovative, secure, cost-effective, efficient and accessible services that connect and benefit its customers.

With a focus on transformation and continuous improvement, CITEC is committed to developing its highly-skilled workforce and putting customers at the centre of its service design and delivery.

CITEC ICT manages key Queensland Government assets including data centres, networks, infrastructure and essential ancillary services that enable agencies to deliver better front-line services. CITEC ICT runs two secure data centres which provide highly resilient infrastructure for government systems as well as a secure government network that allows departments to exchange information easily and securely.

CITEC Information Brokerage provides a number of secure, unique and commercial information services to the legal, banking, insurance and commercial sector Australia-wide in relation to property, vehicle, police and courts (legal documents) information.

Service summary

In 2017-18, CITEC will continue to deliver high quality services while strengthening the government's capability to:

- address emerging cyber security challenges
- harness new ICT platforms, services and business models
- effectively manage risk associated with complex and legacy environments
- explore new partnership arrangements to leverage private sector expertise
- mature government information sharing and data analytics.

In addition, implementation of a multi-agency shared connectivity initiative in Roma will continue in 2017-18. The initiative will reduce telecommunications costs, improve connectivity and increase collaboration for partner agencies by reducing the need for local ICT infrastructure. CITEC will look to expand this initiative to include additional sites as required.

Service performance

Performance statement

CITEC

Service area objective

To provide Queensland Government departments, statutory bodies and commercial clients with ICT infrastructure and information brokerage services that support the delivery of quality front-line services to Queensland communities and businesses.

Service area description

CITEC delivers consolidated, core ICT infrastructure services for the Queensland Government, covering data centre, network, storage, data protection, and ICT platform and solution integration services. CITEC also delivers information solutions to customers in business and the community Australia-wide on a fully commercial basis.

Services

- CITEC information and communication technology (ICT)
- CITEC information brokerage (IB)

CITEC	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: CITEC				
Service: CITEC ICT				
Service standards *Effectiveness measure* CITEC ICT customer satisfaction	1	>65%	68.8%	>70%
Efficiency measure CITEC ICT Earnings before interest and tax less Depreciation and Amortisation (EBITDA)	2, 3	($2.032m)	$0.162m	($2.373m)
Service: CITEC Information Brokerage (IB)				
Service standards *Effectiveness measure* CITEC IB customer satisfaction	4	>80%	90.6%	>80%
Efficiency measure CITEC IB Earnings before interest and tax less Depreciation and Amortisation (EBITDA)	5, 6	($2.253m)	$1.228m	($3.707m)

Notes:

1. This measure shows the percentage of customers satisfied with CITEC ICT's service and is calculated using an overall customer satisfaction question. The survey incorporates the key drivers of customer satisfaction (timeliness, ease of access, staff, and quality).
2. This measure shows the net income with interest, taxes, depreciation and amortisation added back to the operating position, effectively eliminating the effects of financing and accounting decisions for CITEC ICT.

3. CITEC ICT's 2016-17 forecast EBITDA position is better than Target/Estimate and is mainly due to better than anticipated client retention and additional new once off revenue from Queensland Government agencies. 2017-18 Budget is showing a larger EBITDA loss position than the 2016-17 forecast. The main driver of this is continued reductions in Government agency revenue due to reduced demand in the presence of a predominantly fixed cost structure.
4. The positive result was attributed to high levels of customer satisfaction with the CITEC Confirm Service Centre as well as the reliability and timeliness of the CITEC Confirm service. This measure shows the percentage of customers satisfied with CITEC Information Brokerage's service and is calculated using an overall customer satisfaction question. The survey incorporates the key drivers of customer satisfaction (timeliness, ease of access, staff, and quality).
5. This measure shows the net income with interest, taxes, depreciation and amortisation added back to the operating profit, effectively eliminating the effects of financing and accounting decisions for CITEC Information Brokerage.
6. CITEC Information Brokerage's 2016-17 Estimated Actual is better than the 2016-17 Target/Estimate primarily due to successful retention of key customers. 2017-18 Target/Estimate differs from the 2016-17 Target/Estimate due to costs associated with a planned technology refresh.

Staffing[1]

CITEC	Notes	2016-17 Budget	2016-17 Est. Actual	2017-18 Budget
CITEC Information Brokerage		36	40	40
CITEC ICT		310	306	306
TOTAL		**346**	**346**	**346**

Note:

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

Income statement

CITEC	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
INCOME				
User charges and fees	1,4	137,295	143,038	143,592
Grants and other contributions		..	..	..
Interest		156	141	156
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**137,451**	**143,179**	**143,748**
EXPENSES				
Employee expenses		40,412	39,705	41,731
Supplies and services	2,5,8	100,407	103,498	107,147
Grants and subsidies		..	..	..
Depreciation and amortisation	6,9	6,732	6,545	6,106
Finance/borrowing costs	3,7,10	67	21	37
Other expenses		759	797	792
Losses on sale/revaluation of assets		..	..	..
Total expenses		**148,377**	**150,566**	**155,813**
Income tax expense/revenue		..	..	..
OPERATING SURPLUS/(DEFICIT)		**(10,926)**	**(7,387)**	**(12,065)**

Balance sheet

CITEC	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CURRENT ASSETS				
Cash assets	11,16,23	9,665	14,582	3,069
Receivables		13,711	14,269	14,268
Other financial assets		..	..	..
Inventories		..	..	..
Other		2,735	2,755	2,755
Non-financial assets held for sale		..	..	..
Total current assets		**26,111**	**31,606**	**20,092**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	17,24	8,520	8,899	11,399
Deferred tax assets		..	..	..
Intangibles	12,18,25	2,815	2,530	2,964
Other		359	379	379
Total non-current assets		**11,694**	**11,808**	**14,742**
TOTAL ASSETS		**37,805**	**43,414**	**34,834**
CURRENT LIABILITIES				
Payables		8,224	8,115	8,120
Current tax liabilities		..	..	..
Accrued employee benefits		1,537	1,649	1,649
Interest bearing liabilities and derivatives	13,19,26	7	..	965
Provisions		..	..	..
Other	14,20	1,545	1,261	1,211
Total current liabilities		**11,313**	**11,025**	**11,945**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Deferred tax liabilities		1,532	1,525	1,525
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	21,27	..	..	2,565
Provisions		..	..	..
Other	15,22	..	230	230
Total non-current liabilities		**1,532**	**1,755**	**4,320**
TOTAL LIABILITIES		**12,845**	**12,780**	**16,265**
NET ASSETS/(LIABILITIES)		**24,960**	**30,634**	**18,569**
EQUITY				
TOTAL EQUITY		**24,960**	**30,634**	**18,569**

Cash flow statement

CITEC	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	28,31	150,896	156,939	156,733
Grants and other contributions		..	..	..
Interest received		156	141	156
Other		6,677	6,677	6,618
Outflows:				
Employee costs		(40,370)	(39,663)	(41,731)
Supplies and services	32,37	(105,331)	(106,590)	(112,204)
Grants and subsidies		..	..	..
Borrowing costs	29,33,38	(67)	(21)	(37)
Taxation equivalents paid		..	..	..
Other		(14,949)	(14,987)	(15,223)
Net cash provided by or used in operating activities		**(2,988)**	**2,496**	**(5,688)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	30,34,39	(3,100)	(3,412)	(5,355)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(3,100)**	**(3,412)**	**(5,355)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	35,40	(558)	(579)	..
Finance lease payments	36,41	..	..	(470)
Equity withdrawals		..	..	..
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**(558)**	**(579)**	**(470)**
Net increase/(decrease) in cash held		**(6,646)**	**(1,495)**	**(11,513)**
Cash at the beginning of financial year		**16,311**	**16,077**	**14,582**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**9,665**	**14,582**	**3,069**

Explanation of variances in the financial statements

Income statement

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

1. Increase is attributable to higher revenues for Information Brokerage private sector customers due to higher expected demand and lower than expected decline in Queensland Government Agency demand.
2. Increase reflects higher Information Brokerage Provider costs due to higher than anticipated client demand which vary directly with revenue and delays in realising savings in office accommodation for CITEC ICT.
3. Decrease is a result of lower than anticipated loan commitments in 2016-17 financial year.

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

4. Increase is mainly due to approved funding for Polaris Data Centre and GovNet to CITEC ICT in 2017-18.
5. Increase reflects higher Information Brokerage Provider Costs due to increased client demand.
6. Decrease is due to asset rationalisation and a decreased capital program.
7. Decrease is the result of the expected completion of CITEC borrowings during the 2016-17 financial year.

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

8. Increase reflects higher Information Brokerage Provider Costs due to increased client demand.
9. Decrease is due to asset rationalisation and a decreased capital program.
10. Increase reflects higher interest charges relating to a proposed Finance Lease for a Mainframe Asset in the 2017-18 Financial Year.

Balance sheet

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

11. Increase reflects higher Information Brokerage revenue due to higher than anticipated client demand.
12. Decrease is due to a delay in the platform refresh program of work for Information Brokerage.
13. Decrease is the result of the expected completion of CITEC borrowings during the 2016-17 financial year.
14. Decrease is due to reduced client payments in advance reducing unearned revenue balances.
15. Increase is due to higher than expected client long term advance payments which have increased the non-current unearned revenue balance.

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

16. Decrease reflects CITEC's expected decline in Queensland Government agency revenue in 2017-18 and the internal funding of a large component of the capital program.
17. Increase is due to a proposed acquisition of a replacement Mainframe asset along with the platform refresh program of work for Information Brokerage.
18. Increase is due to a proposed Base Platform refresh for Information Brokerage.
19. Increase is the result of a proposed mainframe purchase through a Finance Lease during the 2017-18 financial year.
20. Decrease is due to reduced client payments in advance reducing unearned revenue balances.
21. Increase is the result of a proposed mainframe purchase through a Finance Lease during the 2017-18 financial year.
22. Increase is due to additional client long term advance payments which have increased the non-current unearned revenue balance.

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

23. Decrease reflects CITEC's expected decline in Queensland Government agency revenue in 2017-18 and the internal funding of a large component of the capital program.

24. Increase is due to a proposed acquisition of a replacement Mainframe asset along with the platform refresh program of work for Information Brokerage.
25. Increase is due to a proposed Base Platform refresh for Information Brokerage.
26. Increase is the result of a proposed mainframe purchase through a Finance Lease during the 2017-18 financial year.
27. Increase is the result of a proposed mainframe purchase through a Finance Lease during the 2017-18 financial year.

Cash flow statement

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

28. Increase is attributable to higher than expected revenues for Information Brokerage private sector customers and lower than anticipated decline in Queensland Government Agency Demand.
29. Decrease is a result of lower than anticipated loan commitments in 2016-17 financial year.
30. Increase is due to a brought forward Base Platform refresh capital program for Information Brokerage.

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

31. Increase is mainly due to approved funding for Polaris Data Centre and GovNet to CITEC ICT in 2017-18.
32. Increase reflects higher Information Brokerage Provider Costs due to increased client demand.
33. Decrease is the result of the expected completion of CITEC borrowings during the 2016-17 financial year.
34. Increase is due to a proposed acquisition of a replacement Mainframe asset along with the platform refresh program of work for Information Brokerage.
35. Decrease is the result of the expected completion of CITEC borrowings during the 2016-17 financial year.
36. Increase is the result of a proposed mainframe purchase through a Finance Lease during the 2017-18 financial year.

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

37. Increase reflects higher Information Brokerage Provider Costs due to increased client demand.
38. Increase reflects higher interest charges relating to a proposed Finance Lease for a Mainframe Asset in the 2017- 18 Financial Year.
39. Increase is due to a proposed acquisition of a replacement Mainframe asset along with the platform refresh program of work for Information Brokerage.
40. Decrease is the result of the expected completion of CITEC borrowings during the 2016-17 financial year.
41. Increase is the result of a proposed mainframe purchase through a Finance Lease during the 2017-18 financial year.

Shared service provider

Queensland Shared Services

Overview

Queensland Shared Services (QSS) is a shared service provider of corporate transactional and advisory services to more than 70,000 public servants across 25 Queensland Government departments and agencies. QSS contributes to the department's strategic objectives by providing high quality government-to-government services.

QSS's vision is to be an innovative and trusted digital corporate services partner. Our focus is on providing comprehensive finance processing and advisory, procurement, payroll processing, workforce advisory and mail support services. QSS is also responsible for effectively managing the key financial and human resource management/payroll technology solutions that support agencies and underpin its service delivery.

Service summary

QSS is working to strengthen customer agencies' ability to focus on and deliver frontline services for Queenslanders. QSS collaborates with agencies to progress service consolidation and modernisation initiatives with a focus on digital services and simplified business processes.

Planned initiatives for 2017-18 will see QSS upgrade a shared finance solution supporting 20 agencies and deliver a number of payroll upgrades and payroll migrations. These projects will be followed by a series of optimisation activities to improve self-service and introduce greater business process automation for customers.

Successful delivery of these initiatives will provide a higher quality service for customers at a reduced cost, enabling agencies to focus on frontline service delivery priorities.

Service performance

Performance statement

Queensland Shared Services

Service area objective

To provide modern corporate services and trusted advice to other government departments and statutory bodies to enable them to meet government policies and objectives.

Service area description

QSS facilitates a range of corporate services including finance and human resource (HR) management to government departments and statutory bodies, excluding Queensland Health and the Department of Education and Training.

Services

- HR services
- Finance services

Performance statement

Queensland Shared Services	Notes	2016-17 Target/Est.	2016-17 Est. Actual	2017-18 Target/Est.
Service area: Queensland Shared Services				
Service: HR services				
Service standards *Effectiveness measures* Percentage of Payroll Services delivered within Service Agreement standards	1	≥97%	99.8%	≥97%
Client satisfaction with HR Services	2, 3, 4	80%	59%	80%
Efficiency measure Number of pays processed per full-time equivalent per fortnight	5	≥350	326	≥350
Service: Finance services				
Service standards *Effectiveness measures* Percentage of Finance Services delivered within Service Agreement standards	1, 6	≥95%	92.8%	≥95%
Client satisfaction with Finance Services	2, 3, 4	80%	61%	80%
Efficiency measure Number of accounts payable transactions processed per FTE per annum		≥7,500	7,860	≥7,500

Notes:

1. QSS Service Agreements contain performance standards on which QSS delivers agreed services to customer agencies.
2. This measure is amended with wording change to align with terminology used within the department. The method of calculating the result remains unchanged. The term 'client' is used to identify other government departments or agencies, whilst the term 'customer' identifies members of the public of community.
3. These measures were introduced in 2016-17 as an indicator of “overall” customer satisfaction with HR services and Finance Services. The survey addresses the key themes recommended for government satisfaction surveys; timeliness, ease of access, staff, quality, outcome and overall satisfaction. HR Services comprises payroll and non-payroll services such as recruitment, establishment management, case management and workforce consultancy services. Finance Services include accounts payable, accounts receivable, operational procurement, corporate card administration, and general ledger reconciliation and taxation services.
4. The 2016-17 estimated actual reflects the proportion of survey respondents who were 'satisfied' or 'very satisfied' with (HR or Finance) Services. While the result is below the target of 80% it is an improvement from 2016 survey outcomes with another 30% (Finance) and 32% (HR) of survey respondents 'neutral' and only 10% (Finance) and 9% (HR) dissatisfied or very dissatisfied. In 2017-18 QSS will continue to focus on customer service, and the delivery of improved technology and business processes to deliver an improved customer satisfaction result.
5. This measure is an indicator of productivity. The 2016-17 estimated actual result is below target. A number of HR/payroll projects were delivered during 2016-17 and are continuing throughout the 2017-18 financial year. The parallel delivery of key projects and fortnightly services has required resourcing to be maintained at original levels - for example to allow for training of staff and to undertake user acceptance testing, resulting in less pays processed per FTE.
6. The 2016-17 estimated actual result is below target although the majority of Finance Services were delivered within service agreement standards. Services relating to vendor and customer master data were delivered outside of target, primarily due to a major one-off exercise to conduct historical checks of vendor master data changes, and the introduction of additional controls for this service. QSS is collaborating with agencies to review Service Agreement standards for this service to reflect increased system and/or process control requirements.

Staffing[1]

Queensland Shared Services	Notes	2016-17 Budget	2016-17 Est. actual	2017-18 Budget
Queensland Shared Services	2	989	989	975

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Decrease in 2017-18 Budget relates to the transfer of FTEs to other services within the department in order to deliver government priorities such as the Digital Archive Project.

Income statement

Queensland Shared Services	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
INCOME				
User charges and fees		136,028	138,623	132,869
Grants and other contributions	1,6	8,118	3,199	7,466
Interest		..	..	..
Other revenue	2,7	103	214	103
Gains on sale/revaluation of assets		..	..	..
Total income		**144,249**	**142,036**	**140,438**
EXPENSES				
Employee expenses		85,641	84,873	82,404
Supplies and services		53,851	49,574	52,216
Grants and subsidies		..	..	..
Depreciation and amortisation	3,5,8	3,497	4,105	4,615
Finance/borrowing costs		..	..	..
Other expenses		1,260	1,200	1,203
Losses on sale/revaluation of assets	4,9	..	2,284	..
Total expenses		**144,249**	**142,036**	**140,438**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Queensland Shared Services	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CURRENT ASSETS				
Cash assets	10,14	15,975	18,769	19,071
Receivables	11,15	14,864	16,147	16,105
Other financial assets		..	..	..
Inventories		..	..	..
Other	12,16	977	473	476
Non-financial assets held for sale		..	..	..
Total current assets		**31,816**	**35,389**	**35,652**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	13,17,18	1,541	980	667
Intangibles		24,527	23,718	23,891
Other		..	..	..
Total non-current assets		**26,068**	**24,698**	**24,558**
TOTAL ASSETS		**57,884**	**60,087**	**60,210**
CURRENT LIABILITIES				
Payables		8,320	7,560	7,697
Accrued employee benefits		3,691	3,380	3,366
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**12,011**	**10,940**	**11,063**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**12,011**	**10,940**	**11,063**
NET ASSETS/(LIABILITIES)		**45,873**	**49,147**	**49,147**
EQUITY				
TOTAL EQUITY		**45,873**	**49,147**	**49,147**

Cash flow statement

Queensland Shared Services	Notes	2016-17 Budget $'000	2016-17 Est. Act. $'000	2017-18 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		151,002	158,597	147,884
Grants and other contributions	19,21,24	8,118	3,199	7,466
Interest received		..	..	..
Other		7,232	7,343	7,370
Outflows:				
Employee costs		(85,612)	(84,844)	(82,471)
Supplies and services		(61,041)	(56,614)	(59,391)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(15,804)	(15,744)	(16,081)
Net cash provided by or used in operating activities		**3,895**	**11,937**	**4,777**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	22,25	(6,062)	(6,141)	(4,475)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(6,062)**	**(6,141)**	**(4,475)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	20,23,26	(3,078)	(3,520)	..
Net cash provided by or used in financing activities		**(3,078)**	**(3,520)**	**..**
Net increase/(decrease) in cash held		**(5,245)**	**2,276**	**302**
Cash at the beginning of financial year		**21,220**	**16,493**	**18,769**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**15,975**	**18,769**	**19,071**

Explanation of variances in the financial statements

Income statement

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

1. Decrease reflects deferral of funding relating to Shared Services Reform and business capability & capacity projects due to revised funding strategy.
2. Increase due higher than anticipated revenue from external sources relating to business capability & capacity projects.
3. Increase due to capitalisation of computer software relating to Shared Services Reform projects.
4. Increase due to impairment of receivables relating to prior years disputed systems technology charges.

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

5. Increase due to capitalisation of computer software relating to Shared Services Reform projects.

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

6. Increase reflects deferral of funding relating to Shared Services Reform and business capability & capacity projects due to revised funding strategy in 2016-17.
7. Decrease due to higher than anticipated revenue from external sources in 2016-17 relating to business capability & capacity projects.
8. Increase due to capitalisation of computer software relating to Shared Services Reform projects.
9. Decrease due to impairment of receivables in 2016-17 relating to prior years disputed systems technology charges.

Balance sheet

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

10. Increase due to receipt of outstanding receivables.
11. Increase due to current expected receivables at 30th June 2017.
12. Decrease due to reduction in prepayment of software licences.
13. Decrease due to accelerated depreciation and disposals relating to leasehold improvements.

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

14. Increase due to timing of capital outlays on system optimisation projects.
15. Increase due to current expected receivables at 30th June 2017.
16. Decrease due to reduction in prepayment of software licences.
17. Decrease due to accelerated depreciation and disposals relating to leasehold improvements.

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

18. Decrease due to accelerated depreciation and disposals relating to leasehold improvements.

Cash flow statement

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

19. Decrease reflects deferral of funding relating to Shared Services Reform and business capability & capacity projects due to revised funding strategy.
20. Increase relates to higher than expected cash being remitted to Consolidated Fund for software amortisation.

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

21. Decrease reflects grant profile of the Shared Services Reform and business capability & capacity projects, which reflects expected project expenditure and deliverables.

22. Decrease reflects revised expenditure profile relating to Shared Services Reform project deliverables.
23. Decrease reflects retention of cash associated with software amortisation previously remitted to Consolidated Fund.

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

24. Increase reflects deferral of funding relating to Shared Services Reform and business capability & capacity projects due to revised funding strategy in 2016-17.
25. Decrease reflects revised expenditure profile relating to Shared Services Reform project deliverables.
26. Decrease reflects retention of cash associated with software amortisation previously remitted to Consolidated Fund.

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
Agency/entity	Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: • delivery of agreed services • administered items • adjustment of the Government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the Government in a public sector agency.

Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of Government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at www.budget.qld.gov.au

Queensland
Government

Queensland Budget 2017-18

Service Delivery Statements

budget.qld.gov.au