

## INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of State Development, Infrastructure and Planning

### Report on the Financial Report

I have audited the accompanying financial report of the Department of State Development, Infrastructure and Planning, which comprises the statements of financial position and statements of assets and liabilities by major departmental services and CBU as at 30 June 2012, the statements of comprehensive income, statements of changes in equity, statements of cash flows and statements of comprehensive income by major departmental services and CBU for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificates given by the Director-General and Chief Finance Officer.

#### *Accountable Officer's Responsibility for the Financial Report*

The Accountable Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Accountable Officer's responsibility also includes such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

### *Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Department of State Development, Infrastructure and Planning for the financial year 1 July 2011 to 30 June 2012 and of the financial position as at the end of that year.

### **Other Matters - Electronic Presentation of the Audited Financial Report**

This auditor's report relates to the financial report of the Department of State Development, Infrastructure and Planning and the consolidated entity for the year ended 30 June 2012. Where the financial report is included on Department of State Development, Infrastructure and Planning's website the Accountable Officer is responsible for the integrity of Department of State Development, Infrastructure and Planning's website and I have not been engaged to report on the integrity of Department of State Development, Infrastructure and Planning's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.



A M GREAVES FCA FCPA  
Auditor-General of Queensland



Queensland Audit Office  
Brisbane



## Appendix 1: Our legislative obligations

During the reporting year there was a change of government and therefore a change of ministerial responsibilities.

The Honourable Jeff Seeney, Deputy Premier, Minister for State Development, Infrastructure and Planning has been the Minister for the Department of State Development, Infrastructure and Planning (DSDIP) since 27 March 2012. Our department is responsible to Parliament through the Deputy Premier and is constituted under *Administrative Arrangements Order 2012*.

### Our department's work is principally governed by the following legislation:

*State Development and Public Works Organisation Act 1971*—an Act to provide for state planning and development through a coordinated system of public works organisation, environmental coordination and related purposes.

*Sustainable Planning Act 2009*—seeks to achieve ecological sustainability through managing the process by which development takes place, including:

- ensuring its accountability, effectiveness, efficiency and delivery of sustainable outcomes
- managing the effects of development on the environment, including managing the use of premises
- continuing the coordination and integration of planning at the local, regional and state levels.

### Other legislation administered by our department:

- *Alcan Queensland Pty. Limited Agreement Act 1965* (except to the extent administered by the Treasurer and Minister for Trade, the Minister for Environment and Heritage Protection and the Minister for Natural Resources and Mines)—an Act with respect to an agreement between the state and Alcan Queensland Pty. Limited; and for purposes incidental thereto and consequent thereon.
- *Amoco Australia Pty. Limited Agreement Act 1961*—an Act with respect to an agreement between the state and Amoco Australia Pty Limited; and for purposes incidental thereto.
- *Ampol Refineries Limited Agreement Act 1964*—an Act with respect to an agreement between the state and Ampol Refineries Limited and for purposes incidental thereto.
- *Austral-Pacific Fertilizers Limited Agreement Act 1967*—an Act with respect to an agreement entered into for and on behalf of the state with Austral-Pacific Fertilizers Limited in relation to the establishment in Queensland of a fertilizer plant and industry.
- *Central Queensland Coal Associates Agreement Act 1968* (except to the extent administered by the Minister for Transport and Main Roads, the Minister for Education, Training and Employment, the Minister for Natural Resources and Mines and the Minister for Environment and Heritage Protection) (Sch pt VI)—an Act about an agreement between the



state and various companies for the mining of coal in central Queensland, and for related purposes.

- *Central Queensland Coal Associates Agreement (Amendment) Act 1986* (except to the extent administered by the Minister for Natural Resources and Mines and the Minister for Environment and Heritage Protection)—an Act with respect to the authorisation of an agreement to be entered into for and on behalf of the state with others amending the agreement made and subsequently amended pursuant to the *Central Queensland Coal Associates Agreement Act 1968*.
- *Central Queensland Coal Associates Agreement Amendment Act 1989* (except to the extent administered by the Minister for Natural Resources and Mines and the Minister for Environment and Heritage Protection)—an Act with respect to the authorisation of an agreement to be entered into for and on behalf of the state with others to amend the agreement made and subsequently amended pursuant to the *Central Queensland Coal Associates Agreement Act 1968–1984*.
- *Central Queensland Coal Associates Agreement and Queensland Coal Trust Act 1984* (except to the extent administered by the Minister for Natural Resources and Mines and the Minister for Environment and Heritage Protection)—an Act with respect to the authorisation of an agreement to be entered into for and on behalf of the state with others amending the agreement made and subsequently amended pursuant to the *Central Queensland Coal Associates Agreement Act 1968*, to provide with respect to the acquisition or transfer of or dealing in units in Queensland Coal Trust and for related purposes.
- *Central Queensland Coal Associates Agreement Variation Act 1996*—an Act to authorise the making of an agreement amending the agreement made under the *Central Queensland Coal Associates Agreement Act 1968*.
- *Century Zinc Project Act 1997* (ss14–17)—an Act to facilitate certain aspects of an agreement about the establishment of a mine and other facilities on certain land in north-west Queensland.
- *Industrial Development Act 1963*—an Act relating to industrial development.
- *Integrated Resort Development Act 1987*—an Act to provide for the approval of schemes of integrated resort development, to make provision to assist in the establishment, operation and management of approved integrated resort developments and for other purposes.
- *Local Government (Robina Central Planning Agreement) Act 1992*—an Act to provide for the approval of an agreement relating to the planning and development of certain land at Robina in the Shire of Albert, and for other purposes.
- *Mixed Use Development Act 1993*—an Act to provide for the approval, development and management of schemes of mixed use development, and for other purposes.
- *Queensland Industry Participation Policy Act 2011*—an Act to provide for the development and implementation of a local industry participation policy for the state, and to require reporting to Parliament on the policy’s implementation and government agencies’, and GOCs’, compliance with it.
- *Queensland Nickel Agreement Act 1970* (except to the extent administered by the Minister for



- Transport and Main Roads, the Minister for Education, Training and Employment, the Minister for Natural Resources and Mines and the Minister for Environment and Heritage Protection)—an Act with respect to an agreement between the state of the one part and Metals Exploration Queensland Pty Ltd and Freeport Queensland Nickel, Incorporated of the other part and for purposes incidental thereto and consequent thereon.
- *Queensland Nickel Agreement Act 1988* (except to the extent administered by the Minister for Natural Resources and Mines and the Minister for Environment and Heritage Protection)—an Act to amend the *Greenvale Agreement Act 1970–1975* in certain particulars, to authorise the making of an agreement to amend and supplement the agreement referred to in that Act and to repeal the *Greenvale Agreement Acts 1977, 1978 and 1980*.
  - *Royal National Agricultural and Industrial Association of Queensland Act 1971*—an Act to provide for the incorporation of the Royal National Agricultural and Industrial Association of Queensland and for related purposes.
  - *Sanctuary Cove Resort Act 1985*—an Act relating to the development of ‘Sanctuary Cove Resort’ at Hope Island in the State of Queensland.
  - *South Bank Corporation Act 1989*—an Act to provide for the establishment of a South Bank Corporation and to provide for the continued effective development and management of the South Bank Corporation area, to establish the South Bank Employing Office, and for other purposes.
  - *Southern Moreton Bay Islands Development Entitlements Protection Act 2004*—an Act to establish development entitlements for particular land on the Southern Moreton Bay Islands.
  - *Townsville Breakwater Entertainment Centre Act 1991*—an Act to provide for the Townsville Breakwater Entertainment Centre, and related purposes.
  - *Townsville City Council (Douglas Land Development) Act 1993*—an Act for the development of land at Douglas, Townsville and related purposes.
  - *Urban Land Development Authority Act 2007*—an Act for the development of land in particular parts of the state, and for related purposes.
  - *Townsville Zinc Refinery Act 1996*—an Act to facilitate the establishment of a zinc refinery at Townsville.



## Appendix 2: Early retirement, redundancy, retrenchment and the voluntary separation program

Table 13 Former Department of Employment, Economic Development and Innovation  
1 July 2011 to 28 April 2012

Type	No. of packages paid to employees	Total value incl. incentive payments
Early retirement	Nil	Nil
Redundancy	5	\$391,503
Retrenchment	Nil	Nil
Voluntary separation	375	\$47,603,098

Table 14 Former Department of Local Government and Planning  
1 July 2011 to 28 April 2012

Type	No. of packages paid to employees	Total value incl. incentive payments
Early retirement	Nil	Nil
Redundancy	Nil	Nil
Retrenchment	1	\$37,280.37
Voluntary separation*	34	\$6,096,467

\*The department sought expressions of interest from eligible permanent employees within in-scope business units or categories.

Table 15 Department of State Development, Infrastructure and Planning  
29 April 2012 to 30 June 2012

Type	No. of packages paid to employees	Total value incl. incentive payments
Early retirement	Nil	Nil
Redundancy	Nil	Nil
Retrenchment	Nil	Nil
Voluntary separation	2	\$206,424.21

Notes regarding the Voluntary Separation Program:

A Voluntary Separation Program (VSP) was introduced as part of the Mid-Year Fiscal and Economic Review in January 2011. This program was one of a number of measures designed to deliver additional savings and reprioritise spending.

The program was targeted primarily at non-frontline areas, as a service reprioritisation strategy to ensure continued growth in frontline areas. Our department sought expressions of interest from all permanent staff in non-frontline roles.

Offers were made to eligible employees based on their position as well as the date they commenced as a permanent employee with the department.



## Appendix 3: Boards and committees

Table 16 Boards and committees under DSDIP's portfolio

Board/committee (role)	Functions and responsibilities	2011–12 achievements	Remuneration costs
Board for Urban Places (BUP) (Advisory)	<p>Intended to champion high quality urban design and help foster a holistic approach to land use and infrastructure planning to create vibrant and adaptable urban places, the non-statutory board provides independent design advice on local, state and private sector projects.</p> <p>Board members provide general and project specific advice on urban design, planning, architecture, landscape architecture, sustainability and built environment issues.</p> <p>Currently the BUP consists of 37 members of varying disciplines including the chair—Queensland Government Architect, Malcolm Middleton.</p>	<p>The BUP provided assistance to the Toowoomba Regional Council—in discussions with the Queensland Investment Corporation—to facilitate an appropriate urban design outcome for the city as part of a major shopping centre development in Toowoomba.</p> <p>In addition the BUP provided advice on a number of on-going large-scale projects including:</p> <ul style="list-style-type: none"> <li>• Moreton Bay Rail Link</li> <li>• Sunshine Coast University Hospital</li> <li>• Coorparoo Junction</li> <li>• Southport Hospital site.</li> </ul>	\$42,755.14
Gladstone Economic and Industry Development Board (GEIDB) (Advisory)	<p>The board's functions were established by regulation under the <i>State Development and Public Works Organisation Act 1971</i>.</p>	<p>The GEIDB was dedicated to investment attraction, project and infrastructure facilitation for the Gladstone SDA and Gladstone region.</p> <p>As part of government-wide reforms to cut red tape and improve efficiency, the board was abolished on 30 June 2012.</p> <p>DSDIP will progress other mechanisms to consider regional development, infrastructure and project facilitation to support the growth of the Gladstone region throughout 2012–13.</p>	\$3,195.00



Board/committee (role)	Functions and responsibilities	2011–12 achievements	Remuneration costs
Infrastructure Queensland (Advisory)	Infrastructure Queensland draws on expert advice to drive the state's infrastructure projects and will provide advice on long-term planning and infrastructure priorities.	<p>The establishment of Infrastructure Queensland was a commitment of the Queensland Government's 100 Day Action Plan and was established on 28 June 2012 with Deputy Premier Jeff Seeney appointed as chairperson.</p> <p>Infrastructure Queensland members are:</p> <ul style="list-style-type: none"> <li>• David Thomas, Partner with Minter Ellison Lawyers</li> <li>• Paul Fennelly, Director of Infrastructure Originations with Hastings Fund Management</li> <li>• Warren Traves, Operating Centre Manager for South East Queensland with GHD</li> <li>• Russell Smith, CEO of the Port of Brisbane Corporation</li> <li>• Leith Bouilly, Chair of the Wide Bay Water Corporation</li> <li>• Robert Row, Queensland CEO of the Civil Contractors Federation</li> <li>• Dr Michael Regan, Professor of Project and Infrastructure Management from Bond University</li> <li>• Paul Clauson, CEO of the Infrastructure Association of Queensland</li> <li>• Greg Hallam CEO of the Local Government Association of Queensland.</li> </ul>	Not applicable as established 28 June 2012





## Appendix 4: Organisational chart as at 30 June 2012





## Appendix 5: Additional information disclosed on our website

- Information systems and recordkeeping
- Consultancies
- Overseas travel
- Waste management
- Recycling policy for buildings and civil infrastructure
- Carbon emissions
- Initiatives for women
- *Carers (Recognition) Act 2008*
- Aboriginal and Torres Strait Islander matters (*The Queensland Government Reconciliation Action Plan 2009–2012*)
- Queensland Multicultural Policy—*Queensland Multicultural Action Plan: 2011–14*



## Abbreviations

ARMC	Audit and Risk Management Committee
BAP	Business Alignment Program
BUP	Board for Urban Places
CBRC	Cabinet Budget Review Committee
CEO	Chief Executive Officer
CG	Coordinator-General
COAG	Council of Australian Governments
CRC	COAG Reform Council
CSG	coal seam gas
DEEDI	(former) Department of Employment, Economic Development and Innovation
DLG	Department of Local Government
DLGP	(former) Department of Local Government and Planning
DSDIP	Department of State Development, Infrastructure and Planning
EIS	environmental impact statement
EMG	Executive Management Group
FAMC	Finance and Asset Management Committee
GEIDB	Gladstone Economic and Industry Development Board
ICT	Information, communications and technology
IDC	Interdepartmental committee
ISC	Information Steering Committee
IWG	Infrastructure Working Group
LGAQ	Local Government Association of Queensland
LNG	liquefied natural gas
MALPI	Making and Amending Local Planning Instruments
NICS	National Infrastructure Construction Schedule
PMC	Property Management Committee
QAO	Queensland Audit Office
QCH	Queensland Children's Hospital
QPP	Queensland Planning Provisions
QldRA	Queensland Reconstruction Authority
QTC	Queensland Treasury Corporation
RASC	Regional Australia Standing (COAG)
SBICSDA	Surat Basin Infrastructure Corridor State Development Area
SBR	Surat Basin Rail
SCOTI	Standing Council on Transport and Infrastructure (COAG)
SDS	Service Delivery Statement
SES	Senior Executive Service
SDA	State Development Area
SDS	Service Delivery Statement
SDPWO Act	<i>State Development and Public Works Organisation Act 1971</i>
SEQ	South East Queensland
SIA	Social Impact Assessment
SIMP	Social Impact Management Plan
SLA	Service Level Agreement
SPP	State Planning Policy
TISOC	Transport and Infrastructure Senior Officials Committee
TMR	Department of Transport and Main Roads
UDA	urban development area
ULDA	Urban Land Development Authority
VSP	Voluntary Separation Program
WHS	Workplace health and safety



## Glossary

Administrative arrangements	Administrative Arrangements Orders set out the principal responsibilities of government ministers and their portfolios.
Machinery-of-government changes	The term 'machinery-of-government changes' describes organisational or functional change affecting the Queensland Government. This can include decisions to abolish or create a department/agency or to move functions/responsibilities between departments/agencies.
Regional plans	Regional plans operate in conjunction with other statutory planning tools, including state planning policies, local government planning schemes, state planning regulatory provisions and development assessment processes. Regional plans can be drafted as statutory instruments under the <i>Sustainable Planning Act 2009</i> .
Urban development area	The <i>Urban Land Development Authority Act 2007</i> may declare a part of Queensland to be an urban development area.
Whole-of-government	Whole-of-government is a term used to refer to all Queensland Government departments and agencies.



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## Feedback

### Have your say

This annual report is part of DSDIP's commitment to keeping the community informed about our department's achievements, performance, outlook and financial position.

We welcome your feedback on the report's content and presentation, and any suggestions about how we could improve future annual reports. Please complete the feedback survey available online at [www.dsdip.qld.gov.au](http://www.dsdip.qld.gov.au)

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