

DOING WHAT MATTERS FOR QUEENSLAND

QUEENSLAND BUDGET 2024-25



SERVICE DELIVERY STATEMENTS

Department of Energy and Climate



Queensland
Government

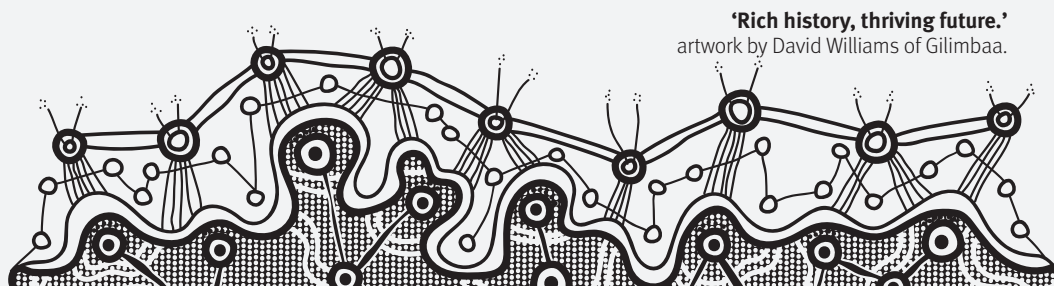
2024–25 Queensland Budget Papers

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

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Service Delivery Statements

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Department of Energy and Climate

Portfolio overview

Minister for Energy and Clean Economy Jobs

The Honourable Michael (Mick) de Brenni MP

Assistant Minister for Clean Economy Jobs

Shane King MP

Department of Energy and Climate

Director-General: Paul Martyn

QFleet

General Manager: Vince White

Additional information about this agency can be sourced from:

energyandclimate.qld.gov.au

Department of Energy and Climate

Overview

As part of the machinery-of-government changes, effective 18 December 2023, the former Department of Energy and Public Works was renamed the Department of Energy and Climate. With changes to the following functions:

- Public Works, including QBuild and the Office of the Queensland Government Architect, was transferred to the Department of Housing, Local Government, Planning and Public Works
- Climate was received from the Department of Environment, Science and Innovation
- Future Economy Taskforce was received from the Department of the Premier and Cabinet
- Regional Economic Futures Fund was received from the Department of State Development and Infrastructure.

The Department of Energy and Climate's (the department) purpose is: New Energy. Less Carbon. More Jobs. A Clean Economy – Together.

Our vision is: Powering today, securing tomorrow.

Our strategic objectives are:

- Drive affordable, reliable and clean energy.
- Deliver nation-leading government procurement that provides maximum value to Queenslanders.
- Drive a cleaner economy and more jobs through lower emissions and climate action.

Contributions to the government's objectives for the community

The department supports the government's objectives for the community¹:

- Good jobs: Good, secure jobs in our traditional and emerging industries.
- Better Services: Deliver even better services right across Queensland.
- Great Lifestyle: Protect and enhance our Queensland lifestyle as we grow.

Key deliverables

In 2024–25, the department will:

- implement the *Clean Economy Jobs Act 2024* including establishing the Clean Economy Expert Panel, delivering by end of 2024 a program for development of sector emission reduction plans, with the first suite of plans delivered by end of 2025 to protect existing jobs by supporting industry to decarbonise and support new industries and jobs
- drive energy affordability outcomes, including delivery of rebates, programs and administration of the Community Service Obligation to ensure that on average, householder electricity costs in regional Queensland are less than the costs of supply
- continue to implement the *Queensland Energy and Jobs Plan*, including through the establishment of Renewable Energy Zones, with a focus on community and stakeholder engagement
- implement the *Energy (Renewable Transformation and Jobs) Act 2024* including establishing the Queensland Energy System Advisory Board, delivering an update to the Infrastructure Blueprint and establish the Job Security Guarantee Fund, which will ensure affected energy workers have secure choices, pathways and opportunities
- deliver strategies to encourage project investment and the expansion and scaling-up of Queensland's renewable hydrogen industry to be internationally competitive and create new jobs in regional Queensland
- continue delivery of the Supercharging Hydrogen Hubs Program including completion of technical studies and strong community engagement to assist in the development of key hubs for hydrogen

¹ To find out more, go to qld.gov.au and search "government's objectives for the community."

- deliver a Sustainable Fuels Strategy and actions to seize Queensland’s opportunities of locally produced sustainable aviation fuels and renewable diesel to support Queensland’s decarbonisation targets, and continue the implementation of Queensland’s biofuels mandates to encourage the sale of sustainable fuel alternatives
- support reduction of government emissions, including by setting greenhouse gas emissions baselines for each of the government’s priority procurement categories and by increasing the proportion of government large scale electricity supplied by renewables
- continue to implement the Queensland Procurement Policy and Buy Queensland 2023, to ensure Queensland benefits from government investment, including an update to the existing Professional Services Panel arrangement
- continue to deliver against the *QFleet Electric Vehicle Transition Strategy 2023–2026* and *Queensland’s Zero Emission Vehicle Strategy 2022–2032* to transition 100 per cent of its eligible fleet passenger vehicles to zero emission vehicles by 2026, increasing the percentage of zero emission vehicles in the fleet each year.

Budget highlights

In the 2024–25 Queensland Budget, the government is providing:

- additional funding of \$43.3 million over 5 years from 2023–24 for government policy priorities towards critical deliverables and commitments under the *Queensland Energy and Jobs Plan*, including an Office of the SuperGrid, climate action planning, and hydrogen futures
- additional funding of \$5 million over 4 years from 2024–25 to fund the ongoing operating costs of the Future Procurement System
- funding of \$580,000 in 2024–25 is being met internally by the department to support the initial development of improved drought mapping tools which will consider various factors to determine if an area is impacted by drought. This forms part of the government’s total funding of \$1.6 million in 2024–25 in conjunction with the Department of Agriculture and Fisheries and the Department of Environment, Science and Innovation.

Further information about new policy decisions can be found in *Budget Paper No. 4: Budget Measures*.

Performance statement

Grow Queensland through a clean economy¹

Objective

Lead the energy, renewable and sustainable fuels, as well as climate sectors to drive reliable, affordable and renewable energy to Queensland households and businesses, to reduce emissions, and to establish Queensland as a leader in clean economy and jobs.

Description

The service area:

- undertakes policy and economic analysis, and provides advice to the Minister for Energy and Clean Economy Jobs, on matters related to energy, hydrogen and sustainable fuels, and climate policy at the state and national level
- facilitates economic growth and innovation by helping to unlock the state's renewable energy potential to new industries and new jobs while driving productivity improvements across the energy sector and supporting the emerging hydrogen and sustainable fuel industries
- delivers simple and effective regulation to support the efficient and secure operation of the energy and sustainable fuels sectors, while meeting the needs of the community and maximising the value and productivity of the government's own operations
- assists industry and government to meet emissions targets and transition our sectors to more renewable and sustainable climate action through *Queensland's 2035 Clean Economy Pathway: 75% by 2035*
- enhances customer value for Queenslanders by acting to ensure they have access to reliable, affordable, safe and sustainable energy and provides a framework for consumer protection.

Service standards	2023–24 Target/Est.	2023–24 Est. Actual	2024–25 Target/Est.
Effectiveness measures			
Renewable energy as per cent of total electricity generation in Queensland	New measure	New measure	30%
Average time of energy (electricity and gas) licensing assessment ²	<120 days	68 days	<120 days
Efficiency measure			
Cost of biofuels exemption application assessed ³	<\$4,680	\$3,270	<\$4,680
Discontinued measure			
Renewable energy as per cent of total energy consumed in Queensland ⁴	25.9%	28%	Discontinued measure

Notes:

1. The service area name has been amended from Grow Queensland's energy sector to better reflect the work being undertaken in sustainable fuels, as well as the inclusion of climate related functions in the department through machinery-of-government changes in December 2023. Measures for the climate function will be developed for introduction in a future *Service Delivery Statement*.
2. The favourable variance between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual for 'Average time of energy (electricity and gas) licensing assessment' is the result of a decrease in the number of applications received. This allowed staff to focus their efforts on one application at a time, rather than multiple applications at one time.
3. The favourable variable between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual is due to an increase in the number of applications resulting in a reduced average cost per application.
4. This service standard has been discontinued as it has been superseded by the new service standard defined in terms of percentage of generation from renewables to align with *Queensland Energy and Jobs Plan* targets.

Procurement policy and enabling services

Objective

Drive nation-leading government procurement that provides maximum value for Queenslanders. Lead whole of government procurement practices that leverage Government's buying power to prioritise Queensland businesses and jobs and ethical supply chains.

Description

The service area:

- provides expert advisory, compliance, enabling and support procurement services to government agencies, including category management for general goods and services
- provides procurement services that enable suppliers to reduce the cost of doing business with the Queensland Government and supports employment and better social outcomes for communities.

Service standards	2023–24 Target/Est.	2023–24 Est. Actual	2024–25 Target/Est.
<i>Effectiveness measure</i>			
Overall customer satisfaction with the enabling activities that support agency implementation of the Queensland Procurement Policy	≥90%	87%	≥90%
<i>Efficiency measure</i>			
Operating cost per \$1,000 of managed spend on general goods and services	<\$2	\$1.22	<\$2

Departmental budget summary

The table below shows the total resources available in 2024–25 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

The machinery-of-government changes resulted in the transfer of Public Works and QBuild from the Department of Energy and Climate to Department of Housing, Local Government, Planning and Public Works from 1 January 2024.

Energy and Climate	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹	242,878	270,355	181,759
Other revenue	499,406	504,055	19,908
Total income	742,284	774,410	201,667
Expenses			
Grow Queensland through a clean economy	164,335	185,339	171,453
Procurement policy and enabling services	21,710	27,917	25,886
Department of Housing, Local Government, Planning and Public Works ²	457,385	457,385	..
Corporate Services ³	99,202	103,899	5,742
Eliminations ⁴	(4,845)	(4,627)	(1,414)
Total expenses	737,787	769,913	201,667
Operating surplus/deficit	4,497	4,497	..
Net assets	429	1,798	988
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	638,857	677,917	609,829
Other administered revenue ⁵	309	309	288
Total revenue	639,166	678,226	610,117
Expenses			
Transfers to government ⁵	309	309	288
Administered expenses	638,857	677,917	609,829
Total expenses	639,166	678,226	610,117
Net assets	(93,382)	(40,524)	(40,524)

Notes:

1. Includes state and Australian Government funding.
2. The departmental budget summary is presented on a post-machinery-of-government basis.
3. Corporate Services costs have been allocated to services. The amounts shown in the above table for corporate service costs mainly represent recoveries from the commercialised business units and external departments.
4. Eliminations are costs that represent internal trading transactions within the departmental entity such as rent that is charged by the accommodation office to the services shown. The services cost is the gross cost before eliminations.
5. Decrease is related to machinery-of-government changes, specifically to fees collected by Public Works up to 31 December 2023.

Staffing

The table below shows the Full Time Equivalents (FTEs) as at 30 June in the respective years.

Service area ¹	2023–24 Adjusted Budget	2023–24 Est. Actual	2024–25 Budget
Grow Queensland through a clean economy ²	243	262	276
Procurement policy and enabling services	111	111	125
Department of Housing, Local Government, Planning and Public Works	309	309	..
Total FTEs³	663	682	401

Notes:

1. Corporate FTEs are allocated across the service to which they relate.
2. Variance between 2023–24 Adjusted Budget and 2023–24 Estimated Actual is due to assisting in supporting the delivery of the Queensland Clean Economy Initiatives.
3. Variance between 2023–24 Adjusted Budget and 2024–25 Budget is a result of the machinery-of-government change. For 2023–24, the department participated in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments, and therefore cannot be allocated by Service Area.

Capital program

Total capital grants for the department are \$18 million in 2024–25. Program highlights include:

- \$10 million to support communities in seizing industry development opportunities presented by global decarbonisation as part of the Regional Economic Futures Fund
- \$8 million to support businesses to purchase energy efficient appliances and equipment, smart technology and energy management systems to reduce their energy costs as part of the Queensland Business Energy Savings and Transformation program.

The table below shows the capital outlays by the department in the respective years.

	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
Capital purchases	82	132	..
Capital grants	6,000	5,000	18,000
Total capital outlays	6,082	5,132	18,000

Further information about the Department of Energy and Climate capital outlays can be found in *Budget Paper No. 3: Capital Statement*.

Budgeted financial statements

Departmental income statement

Controlled income statement

Total expenses are estimated to be \$201.7 million in 2024–25, a decrease of \$568.2 million from the 2023–24 Estimated Actual. The decrease in expenditure is mainly due to the inclusion of Public Works with associated corporate service support functions in 2023–24.

Total revenue is estimated to be \$201.7 million in 2024–25, a decrease of \$572.7 million from the 2023–24 Estimated Actual. The decrease in revenue is mainly due to the inclusion of Public Works with associated corporate service functions in 2023–24.

Administered income statement

Total revenue and expenses are estimated to be \$610.1 million in 2024–25, a decrease of \$68.1 million from the 2023–24 Estimated Actual. The decrease mainly relates to QBuild and Queensland Building and Construction Commission activities in 2023–24, and no longer included in 2024–25.

Departmental balance sheet

Controlled balance sheet

Net assets are estimated to be \$1.0 million as at 30 June 2025, a decrease of \$0.8 million from 30 June 2024. The decrease in net assets is mainly due to the inclusion of the Public Works shared corporate service functions as at 30 June 2024. The Public Works corporate service functions are no longer included from 1 July 2024.

Administered balance sheet

Net liabilities are estimated to be \$40.5 million as at 30 June 2025 which is consistent with the 2023–24 Estimated Actual.

Controlled income statement

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
INCOME			
Appropriation revenue	242,878	270,355	181,759
Taxes	..	..	..
User charges and fees	441,557	445,791	10,268
Royalties and land rents	..	..	..
Grants and other contributions	52,459	52,459	8,378
Interest and distributions from managed funds	1,867	1,867	..
Other revenue	2,562	2,977	1,262
Gains on sale/revaluation of assets	961	961	..
Total income	742,284	774,410	201,667
EXPENSES			
Employee expenses	112,621	121,013	63,439
Supplies and services	232,303	248,234	65,732
Grants and subsidies	115,700	123,133	72,138
Depreciation and amortisation	250,281	250,281	..
Finance/borrowing costs	22,812	22,812	..
Other expenses	4,849	5,219	358
Losses on sale/revaluation of assets	(779)	(779)	..
Total expenses	737,787	769,913	201,667
OPERATING SURPLUS/(DEFICIT)	4,497	4,497	..

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Controlled balance sheet

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CURRENT ASSETS			
Cash assets	6,387	2,669	3,569
Receivables	7,045	12,709	979
Other financial assets	..	..	..
Inventories	..	..	..
Other	2,401	1,559	511
Non-financial assets held for sale	..	..	..
Total current assets	15,833	16,937	5,059
NON-CURRENT ASSETS			
Receivables	..	..	..
Other financial assets	..	..	..
Property, plant and equipment	1,585	612	4,228
Intangibles	..	..	..
Other	..	..	..
Total non-current assets	1,585	612	4,228
TOTAL ASSETS	17,418	17,549	9,287
CURRENT LIABILITIES			
Payables	11,007	10,152	7,312
Accrued employee benefits	2,245	1,346	987
Interest bearing liabilities and derivatives	..	..	..
Provisions	773	773	..
Other	2,724	3,240	..
Total current liabilities	16,749	15,511	8,299
NON-CURRENT LIABILITIES			
Payables	..	..	..
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	..	..	..
Provisions	240	240	..
Other	..	..	..
Total non-current liabilities	240	240	..
TOTAL LIABILITIES	16,989	15,751	8,299
NET ASSETS/(LIABILITIES)	429	1,798	988
EQUITY			
TOTAL EQUITY	429	1,798	988

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Controlled cash flow statement

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	207,817	181,411	181,759
User charges and fees	484,253	502,915	7,750
Royalties and land rent receipts	..	..	..
Grants and other contributions	41,886	41,886	8,378
Interest and distribution from managed funds received	969	969	..
Taxes	..	..	..
Other	24,680	27,484	7,210
Outflows:			
Employee costs	(112,993)	(121,276)	(63,123)
Supplies and services	(299,591)	(317,910)	(71,682)
Grants and subsidies	(115,700)	(123,133)	(72,138)
Borrowing costs	(22,812)	(22,812)	..
Other	(70,671)	(74,469)	2,746
Net cash provided by or used in operating activities	137,838	95,065	900
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	3,793	3,793	..
Investments redeemed	..	..	..
Loans and advances redeemed	2,643	2,643	..
Outflows:			
Payments for non-financial assets	(88,492)	(88,542)	..
Payments for investments	..	..	..
Loans and advances made	..	..	..
Net cash provided by or used in investing activities	(82,056)	(82,106)	..
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	..	..	..
Equity injections	294,733	294,954	..
Appropriated equity injections	294,733	294,954	..
Non-appropriated equity injections	..	..	..
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	(207,014)	(207,014)	..
Equity withdrawals	(266,055)	(265,962)	..
Appropriated equity withdrawals	(258,505)	(258,412)	..
Non-appropriated equity withdrawals	(7,550)	(7,550)	..
Net cash provided by or used in financing activities	(178,336)	(178,022)	..
Net increase/(decrease) in cash held	(122,554)	(165,063)	900
Cash at the beginning of financial year	150,095	306,834	2,669
Cash transfers from restructure	(21,154)	(139,102)	..
Cash at the end of financial year	6,387	2,669	3,569

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Administered income statement

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
INCOME			
Appropriation revenue	638,857	677,917	609,829
Taxes	..	..	..
User charges and fees	309	309	288
Royalties and land rents	..	..	..
Grants and other contributions	..	..	..
Interest and distributions from managed funds	..	..	..
Other revenue	..	..	..
Gains on sale/revaluation of assets	..	..	..
Total income	639,166	678,226	610,117
EXPENSES			
Employee expenses	..	..	..
Supplies and services	40,461	65,612	407
Grants and subsidies	598,396	612,305	609,422
Depreciation and amortisation	..	..	..
Finance/borrowing costs	..	..	..
Other expenses	..	..	..
Losses on sale/revaluation of assets	..	..	..
Transfers of Administered Revenue to Government	309	309	288
Total expenses	639,166	678,226	610,117
OPERATING SURPLUS/(DEFICIT)	..	..	..

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Administered balance sheet

Department of Energy and Climate*	2023–24 Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CURRENT ASSETS			
Cash assets	44,361	8,836	8,836
Receivables	6,282	17,957	17,957
Other financial assets	..	..	..
Inventories	..	..	..
Other	..	..	..
Non-financial assets held for sale	..	..	..
Total current assets	50,643	26,793	26,793
NON-CURRENT ASSETS			
Receivables	..	..	..
Other financial assets	..	..	..
Property, plant and equipment	..	..	..
Intangibles	..	..	..
Other	..	..	..
Total non-current assets	..	..	..
TOTAL ASSETS	50,643	26,793	26,793
CURRENT LIABILITIES			
Payables	50,193	26,795	26,795
Transfers to Government payable	370	..	..
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	..	..	..
Provisions	..	..	..
Other	..	..	..
Total current liabilities	50,563	26,795	26,795
NON-CURRENT LIABILITIES			
Payables	..	..	..
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	93,462	40,522	40,522
Provisions	..	..	..
Other	..	..	..
Total non-current liabilities	93,462	40,522	40,522
TOTAL LIABILITIES	144,025	67,317	67,317
NET ASSETS/(LIABILITIES)	(93,382)	(40,524)	(40,524)
EQUITY			
TOTAL EQUITY	(93,382)	(40,524)	(40,524)

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Administered cash flow statement

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	638,924	719,775	609,829
User charges and fees	(28)	(27)	321
Royalties and land rent receipts	..	..	..
Grants and other contributions	6,111	6,111	..
Interest and distribution from managed funds received	..	..	..
Taxes	..	..	..
Other	53,776	68,565	64,864
Outflows:			
Employee costs	..	..	..
Supplies and services	(52,134)	(92,074)	(65,271)
Grants and subsidies	(604,574)	(736,414)	(609,422)
Borrowing costs	..	..	..
Other	(33)	(33)	(33)
Transfers to Government	(288)	(295)	(288)
Net cash provided by or used in operating activities	41,754	(34,392)	..
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	..	..	..
Investments redeemed	..	..	..
Loans and advances redeemed	..	..	..
Outflows:			
Payments for non-financial assets	..	..	..
Payments for investments	..	..	..
Loans and advances made	..	..	..
Net cash provided by or used in investing activities	..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	..	..	..
Equity injections	249,846	2,046,346	2,570,300
Appropriated equity injections	249,846	2,046,346	2,570,300
Non-appropriated equity injections	..	..	..
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	..	..	..
Equity withdrawals	(249,846)	(2,031,346)	(2,570,300)
Appropriated equity withdrawals	..	..	..
Non-appropriated equity withdrawals	(249,846)	(2,031,346)	(2,570,300)
Net cash provided by or used in financing activities	..	15,000	..
Net increase/(decrease) in cash held	41,754	(19,392)	..
Cash at the beginning of financial year	44,731	76,463	8,836
Cash transfers from restructure	(42,124)	(48,235)	..
Cash at the end of financial year	44,361	8,836	8,836

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of Energy and Climate (excluding Administered)
- QFleet
- QBuild (up to 31 December 2023)

The machinery-of-government changes effective 1 January 2024, resulted in the transfer of Public Works and QBuild from the Department of Energy and Climate to Department of Housing, Local Government, Planning and Public Works.

Reporting entity income statement

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
INCOME			
Appropriation revenue	242,878	270,355	181,759
Taxes	..	..	..
User charges and fees	1,145,782	1,139,971	189,939
Royalties and land rents	..	..	..
Grants and other contributions	53,023	53,023	8,378
Interest and distributions from managed funds	1,867	1,867	..
Other revenue	22,965	23,466	1,686
Gains on sale/revaluation of assets	961	961	..
Total income	1,467,476	1,489,643	381,762
EXPENSES			
Employee expenses	214,143	222,093	70,754
Supplies and services	768,893	762,966	156,262
Grants and subsidies	115,767	123,200	72,138
Depreciation and amortisation	305,776	306,296	65,883
Finance/borrowing costs	29,679	30,386	12,161
Other expenses	5,308	5,669	443
Losses on sale/revaluation of assets	(779)	(779)	..
Total expenses	1,438,787	1,449,831	377,641
Income tax expense/revenue	7,257	10,594	1,236
OPERATING SURPLUS/(DEFICIT)	21,432	29,218	2,885

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Reporting entity balance sheet

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CURRENT ASSETS			
Cash assets	64,216	10,323	8,659
Receivables	18,128	26,991	15,366
Other financial assets	..	..	..
Inventories	7,448	20,040	7,088
Other	8,901	8,291	7,514
Non-financial assets held for sale	..	..	..
Total current assets	98,693	65,645	38,627
NON-CURRENT ASSETS			
Receivables	..	..	..
Other financial assets	..	..	..
Property, plant and equipment	255,126	340,590	396,471
Deferred tax assets	6	6	6
Intangibles	..	..	..
Other	..	..	..
Total non-current assets	255,132	340,596	396,477
TOTAL ASSETS	353,825	406,241	435,104
CURRENT LIABILITIES			
Payables	17,537	34,893	20,904
Current tax liabilities	(4,565)	7,055	(3,034)
Accrued employee benefits	2,386	1,487	1,133
Interest bearing liabilities and derivatives	..	25,000	25,000
Provisions	773	773	..
Other	6,968	8,200	4,960
Total current liabilities	23,099	77,408	48,963
NON-CURRENT LIABILITIES			
Payables	..	..	..
Deferred tax liabilities	20,065	11,790	10,706
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	206,512	206,512	264,512
Provisions	240	240	..
Other	..	..	..
Total non-current liabilities	226,817	218,542	275,218
TOTAL LIABILITIES	249,916	295,950	324,181
NET ASSETS/(LIABILITIES)	103,909	110,291	110,923
EQUITY			
TOTAL EQUITY	103,909	110,291	110,923

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Reporting entity cash flow statement

Department of Energy and Climate*	2023–24 Adjusted Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Appropriation receipts	207,817	181,411	181,759
User charges and fees	1,285,224	1,312,264	205,388
Royalties and land rent receipts	..	..	..
Grants and other contributions	41,987	41,987	8,378
Interest and distribution from managed funds received	969	969	..
Taxes	..	..	..
Other	71,730	79,926	27,602
Outflows:			
Employee costs	(218,229)	(226,267)	(70,433)
Supplies and services	(1,067,848)	(1,169,188)	(294,121)
Grants and subsidies	(116,002)	(123,435)	(72,138)
Borrowing costs	(29,433)	(29,957)	(10,728)
Taxation equivalents paid	(8,711)	(9,729)	(12,409)
Other	(87,586)	(92,078)	(16,571)
Net cash provided by or used in operating activities	79,918	(34,097)	(53,273)
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	3,793	3,793	..
Investments redeemed	..	..	..
Loans and advances redeemed	2,643	2,643	..
Outflows:			
Payments for non-financial assets	(88,760)	(88,810)	..
Payments for investments	..	..	..
Loans and advances made	(17)	(17)	..
Net cash provided by or used in investing activities	(82,341)	(82,391)	..
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	10,000	35,000	58,000
Equity injections	294,733	294,954	..
Appropriated equity injections	294,733	294,954	..
Non-appropriated equity injections	..	..	..
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	(207,014)	(207,014)	..
Equity withdrawals	(266,055)	(265,962)	..
Appropriated equity withdrawals	(258,505)	(258,412)	..
Non-appropriated equity withdrawals	(7,550)	(7,550)	..
Dividends paid	(4,818)	(5,937)	(6,391)
Net cash provided by or used in financing activities	(173,154)	(148,959)	51,609
Net increase/(decrease) in cash held	(175,577)	(265,447)	(1,664)
Cash at the beginning of financial year	286,394	402,330	10,323
Cash transfers from restructure	(46,601)	(126,560)	..
Cash at the end of financial year	64,216	10,323	8,659

*The 2023–24 Budget and 2023–24 Estimated Actuals information disclosed is presented on a post-machinery-of-government basis.

Commercialised business unit

QFleet

Overview

QFleet's vision is to be a trusted partner in fleet management providing whole-of-government mobility solutions and services that are fit-for-purpose, safe and environmentally responsible.

QFleet's purpose is to provide efficient, value for money mobility solutions and services enabling Queensland Government agencies to safely deliver essential services to local communities. QFleet will mitigate the environmental impact of the government fleet by accelerating the transition to electric vehicles.

QFleet's objectives are:

- 100 per cent of eligible Queensland Government fleet passenger vehicles to be zero emission by 2026
- To create a second-hand vehicle market for zero emission vehicles, by making its end of lease electric vehicles available to purchase via public auction at an affordable price.

Contribution to the government's objectives for the community

The QFleet supports the government's objectives for the community¹:

- Good jobs: Good, secure jobs in our traditional and emerging industries.
- Better Services: Deliver even better services right across Queensland.
- Great Lifestyle: Protect and enhance our Queensland lifestyle as we grow.

Key deliverables

In 2024–25, QFleet will:

- continue to deliver against the *QFleet Electric Vehicle Transition Strategy 2023–2026* and *Queensland's Zero Emission Vehicle Strategy 2022–2032* to transition 100 per cent of its eligible fleet passenger vehicles to zero emission vehicles by 2026, increasing the percentage of zero emission vehicles in the fleet each year
- continue to make end of lease electric vehicles available for purchase via public auction
- support government agencies to achieve 75 per cent reduction in emissions by 2035 and zero net emissions by 2050 through fleet efficiencies and the offering of zero and low emission vehicle options.

¹ To find out more, go to qld.gov.au and search "government's objectives for the community."

Performance statement

QFleet

Objective

To provide a central pool of expertise in fleet management and fleet management services, to enable government and government-funded organisations to safely deliver frontline services to the community. Support Queensland to achieve its emission reduction targets by leading the Queensland Government's transition to electric vehicles.

Description

QFleet is a commercialised business unit and is responsible for whole-of-government fleet management and advisory services. These services include vehicle procurement and contract management, fleet advisory services to public sector departments, as well as government-funded organisations, in-service maintenance, accident management, end-of-life repairs and vehicle remarketing.

Service standards	2023–24 Target/Est.	2023–24 Est. Actual	2024–25 Target/Est.
Effectiveness measures			
Percentage of QFleet vehicles with 5-star ANCAP safety rating	90%	93%	90%
Fleet vehicle utilisation compared to agreed leased parameters ¹	90%	77%	90%
Efficiency measures			
Total current assets over total current liabilities ²	12:1	0.79:1	0.83:1
Financial return as a percentage of total net assets ³	5.1%	8.0%	4.2%
Total net debt as a percentage of total capital ⁴	59.1%	67.4%	72.3%

Notes:

1. The variance between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual is mainly due to changing work environments and altered service approach to include additional service delivery options reducing the frequency of motor vehicle use.
2. The variance between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual and 2024–25 Target/Estimate is mainly due to a change in vehicle acquisition strategies to overcome supply chain issues, with flow on impacts to cash balances, higher payables, taxation and increased short-term borrowings.
3. The variance between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual is mainly due to a higher operating surplus achieved than budgeted. The variance between the 2023–24 Estimated Actual and the 2024–25 Target/Estimate is mainly due to a lower operating surplus anticipated in 2024–25 as a result of an increase in depreciation and higher cost on sale of motor vehicles.
4. The variance between the 2023–24 Target/Estimate and the 2023–24 Estimated Actual is mainly due to higher net debt as a result of a lower cash balance and increase in short-term borrowings. The variance between the 2023–24 Estimated Actual and the 2024–25 Target/Estimate is mainly due to higher net debt as a result of higher long-term borrowings.

Budget summary

Staffing

The table below shows the Full Time Equivalents (FTEs) as at 30 June in the respective years.

Service area	2023–24 Adjusted Budget	2023–24 Est. Actual	2024–25 Budget
QFleet ¹	39	39	39
Total FTEs	39	39	39

Note:

1. Corporate FTEs have been centrally held under the holding entity.

Financial statements

Income statement

Total income in 2024–25 is \$192.1 million, an increase of \$15.6 million from the 2023–24 Estimated Actual. The increase is mainly due to higher lease revenue from an increase in the average monthly lease rate and larger fleet size.

Total expenses are budgeted to be \$188.0 million, an increase of \$29.7 million. The increase is mainly due to a higher written down value for vehicles sold as a result of an increase in the number of vehicles budgeted for sale in 2024–25 and an increase in depreciation.

Balance sheet

Net assets are budgeted at \$109.9 million for 2024–25 which is consistent with the 2023–24 Estimated Actual.

Income statement

QFleet	2023–24 Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
INCOME			
User charges and fees	164,135	176,043	191,684
Grants and other contributions	..	..	..
Interest and distributions from managed funds	..	..	..
Other revenue	424	510	424
Gains on sale/revaluation of assets	..	..	..
Total income	164,559	176,553	192,108
EXPENSES			
Employee expenses	6,981	6,539	7,315
Supplies and services	88,358	88,453	102,543
Grants and subsidies	..	..	..
Depreciation and amortisation	55,138	55,658	65,883
Finance/borrowing costs	6,867	7,574	12,161
Other expenses	81	72	85
Losses on sale/revaluation of assets	..	..	..
Total expenses	157,425	158,296	187,987
Income tax expense/revenue	2,140	5,477	1,236
OPERATING SURPLUS/(DEFICIT)	4,994	12,780	2,885

Balance sheet

QFleet	2023–24 Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CURRENT ASSETS			
Cash assets	57,829	7,654	5,090
Receivables	11,719	14,943	14,365
Other financial assets	..	..	..
Inventories	7,448	20,040	7,088
Other	6,500	6,732	7,003
Non-financial assets held for sale	..	..	..
Total current assets	83,496	49,369	33,546
NON-CURRENT ASSETS			
Receivables	..	..	..
Other financial assets	..	..	..
Property, plant and equipment	253,541	339,978	392,243
Deferred tax assets	6	6	6
Intangibles	..	..	..
Other	..	..	..
Total non-current assets	253,547	339,984	392,249
TOTAL ASSETS	337,043	389,353	425,795
CURRENT LIABILITIES			
Payables	7,166	25,402	13,570
Current tax liabilities	(4,565)	7,055	(3,034)
Accrued employee benefits	141	141	146
Interest bearing liabilities and derivatives	..	25,000	25,000
Provisions	..	..	..
Other	4,244	4,960	4,960
Total current liabilities	6,986	62,558	40,642
NON-CURRENT LIABILITIES			
Payables	..	..	..
Deferred tax liabilities	20,065	11,790	10,706
Accrued employee benefits	..	..	..
Interest bearing liabilities and derivatives	206,512	206,512	264,512
Provisions	..	..	..
Other	..	..	..
Total non-current liabilities	226,577	218,302	275,218
TOTAL LIABILITIES	233,563	280,860	315,860
NET ASSETS/(LIABILITIES)	103,480	108,493	109,935
EQUITY			
TOTAL EQUITY	103,480	108,493	109,935

Cash flow statement

QFleet	2023–24 Budget \$'000	2023–24 Est. Actual \$'000	2024–25 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
User charges and fees	179,394	209,227	210,008
Grants and other contributions	..	..	..
Interest and distribution from managed funds received	..	..	..
Other	13,768	19,633	20,718
Outflows:			
Employee costs	(6,979)	(6,734)	(7,310)
Supplies and services	(154,058)	(259,007)	(235,135)
Grants and subsidies	..	..	..
Borrowing costs	(6,621)	(7,145)	(10,728)
Taxation equivalents paid	(2,941)	(3,959)	(12,409)
Other	(16,457)	(17,151)	(19,317)
Net cash provided by or used in operating activities	6,106	(65,136)	(54,173)
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Sales of non-financial assets	..	..	..
Investments redeemed	..	..	..
Loans and advances redeemed	..	..	..
Outflows:			
Payments for non-financial assets	..	..	..
Payments for investments	..	..	..
Loans and advances made	..	..	..
Net cash provided by or used in investing activities	..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Borrowings	10,000	35,000	58,000
Equity injections	..	..	..
Outflows:			
Borrowing redemptions	..	..	..
Finance lease payments	..	..	..
Equity withdrawals	..	..	..
Dividends paid	(4,818)	(5,937)	(6,391)
Net cash provided by or used in financing activities	5,182	29,063	51,609
Net increase/(decrease) in cash held	11,288	(36,073)	(2,564)
Cash at the beginning of financial year	46,541	43,727	7,654
Cash transfers from restructure	..	..	..
Cash at the end of financial year	57,829	7,654	5,090

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 departments during a financial year for: <ul style="list-style-type: none"> • delivery of agreed services • administered items • adjustment of the government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash flow statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the government in a public sector agency.
Financial statements	Collective description of the income statement, the balance sheet and the cash flow statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.



Queensland Budget 2024–25

Service Delivery Statements

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