

Appendix 2 – Progress against service standards

The Department of State Development, Manufacturing, Infrastructure and Planning service areas are:

- driving enterprise development, economic growth and job creation
- assessing, approving, developing and delivering projects to generate jobs and economic growth
- infrastructure policy and planning
- better planning for Queensland
- business and economic growth.

Differences in estimated actuals reported in the 2018–19 *Service Delivery Statement* and the 2017–18 actual reported in the tables below are primarily as a result of the estimated actual data being based on information at the time of reporting, which was prior to the end of financial year.

Driving enterprise development, economic growth and job creation

The objective of this service area is to boost enterprise development, increase economic growth and stimulate job creation opportunities. It delivers policies, projects and programs that drive enterprise development, economic growth and job creation consistent with the government's economic development and job creation agenda. The service area drives the expansion of Queensland's economic growth as benchmarked against the global economy and comparable jurisdictions by:

- industry facilitation which realises government policy as an enabler of economic growth; leading industry and regional growth programs and regulatory reform; assisting Queensland-based companies to increase their supply chain participation and providing whole-of-government advice on initiatives to boost economic development and increase investment across Queensland for sustainable job creation

- investment programs which administer the government's revised Market-Led Proposal framework to streamline the assessment process including assessing and negotiating proposals submitted from the private sector under this process
- regional economic development which strengthens regional Queensland through investment enabled by the Building our Regions program.

Key achievements

During 2017–18, the service area:

- spearheaded Queensland's successful bid with Rheinmetall Defence Australia to build a new fleet of armoured vehicles as part of the LAND 400 Phase 2 contract worth \$5.2 billion, with a new Military Vehicle Centre of Excellence to be built in Ipswich
- attracted six new projects generating more than 530 jobs over five years and over \$180 million in capital expenditure through the Advance Queensland Industry Attraction Fund
- assisted 18 priority projects, not subject to the Coordinator-General's statutory processes, totalling \$3.2 billion in capital expenditure and approximately 5000 construction and operational jobs by providing tailored project facilitation services
- completed the strategic development of three priority industry sectors by releasing roadmaps and action plans for defence industries, aerospace and the mining equipment, technology and services sectors
- progressed the \$158 million Brisbane International Cruise Terminal project through the government's Market-Led Proposal process and the project is now in its delivery phase
- committed more than \$70.3 million to 65 projects under Building our Regions Program Round 3 and allocated a further \$70 million to Round 4.

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Driving enterprise development, economic growth and job creation			
Service: Industry facilitation			
<i>Effectiveness measures</i>			
Value of capital investment enabled through industry facilitation	1, 2	\$370 million	\$711.9 million
Estimated number of jobs enabled through industry facilitation	1, 2, 3	1,110	1,965
<i>Efficiency measure</i>			
Capital investment enabled per dollar spent on industry facilitation	1, 2	\$50.71	\$57.40
Service: Investment programs			
<i>Effectiveness measure</i>			
Percentage of proposal assessment recommendations endorsed upon submission to investment panel	4, 5	85%	100%
<i>Efficiency measure</i>			
Average cost per proposal assessment	4, 6	\$127,000	\$126,450
Service: Regional economic development			
<i>Effectiveness measure</i>			
Value of infrastructure investment being developed or delivered through the Building our Regions and Royalties for the Regions programs	7, 8, 9	\$674.6 million	\$784.6 million
<i>Efficiency measure</i>			
Value of infrastructure investment being developed or delivered through the Building our Regions and Royalties for the Regions programs enabled per dollar invested in program management	7, 8, 9	\$464.11	\$539.79

Notes:

1. Industry facilitation services include support services and post-approval monitoring of projects that require multiple regulatory approvals; are complex or sensitive in nature; require significant coordination across government; and respond to a recognised regional need or government priority. The capital investment value includes investment from private sector as well as government agencies.
2. The 2017–18 Actual is higher than the 2017–18 Target/Estimate due to the introduction of the Made in Queensland Program and Project Facilitation services during the year which were not previously included in this measure.
3. The number of jobs reported in this measure refers to the number of jobs expected to be enabled by all in-scope projects over their entire project life, even where these jobs will occur over several financial years. Jobs enabled are reported once in the year the contract is executed.
4. This service was previously published in the Commercial Services service area in the Queensland Treasury 2017–18 Service Delivery Statement and was transferred to the Department of State Development, Manufacturing, Infrastructure and Planning due to MoG changes in December 2017.
5. This service standard is based on the number of recommendations endorsed as a proportion of total recommendations put to the investment panel within the relevant financial year.
6. This service standard is based on the average cost to assess proposals (Stage 1) from initial receipt of a submission to production of a report for the investment panel's consideration within the relevant financial year. The calculation is based on the average cost of staff assessing each proposal. The wording has changed to clarify that the measure relates to Stage 1 proposals only however the methodology remains the same.
7. These programs provide funding for projects which may be co-funded by local governments, other Queensland Government agencies, Australian Government agencies and the private sector. The Building our Regions program is a whole-of-government initiative to enable quicker delivery of critical regional infrastructure and is comprised of four separate streams. Department of State Development, Manufacturing, Infrastructure and Planning oversees the Regional Capital Fund, Royalties for Resource Producing Communities Fund and the Remote and Indigenous Communities Fund, and these are reported in the department's service standards. The Department of Transport and Main Roads oversees the Transport Infrastructure Development Scheme, which is not included in these service standard calculations.
8. The 2017–18 Actual is higher than the 2017–18 Target/Estimate as the value of investment for Building our Regions Round 3 approved projects was higher than originally estimated. This factor and changes to project delivery timeframes for other projects increased measures of program effectiveness and efficiency in 2017–18.
9. The investment amount reported refers to the full investment value over the entire life of the project, even where this is expected to be fulfilled over several financial years.

Assessing, approving, developing and delivering projects to generate jobs and economic growth

The objective of this service area is to assess, approve, develop and deliver projects that generate jobs and economic growth. It facilitates the timely planning and delivery of projects that drive economic growth and provides job creation opportunities. The service area is made up of two services: Project Development and Delivery; and Economic Development through Coordinated Projects, State Development Areas.

It provides tailored regulation, advisory, facilitation and delivery services, to support increased economic activity. It is contributing to the government's objectives for the community of creating jobs and a diverse economy, and protecting the environment by:

- facilitating and delivering projects including the North Queensland Stadium and the GC2018 Commonwealth Games venues and village
- enabling growth and jobs and facilitating large scale industrial development, infrastructure delivery and projects through efficient project assessment as well as planning, development and management of state development areas
- ongoing improvement of environmental assessment processes
- undertaking appropriate land acquisition programs to deliver economic development and infrastructure initiatives
- conducting early feasibility assessment of public and private projects of state significance for economic development
- generating economic development from improvement opportunities that result in value uplift for the state's property portfolio and deliver increased public benefit
- partnering with EDQ and Queensland Treasury to deliver a work program for the Advancing Our Cities and Regions Strategy to deliver innovative approaches to renewing and repurposing Government property to deliver economic, community and financial outcomes for all Queenslanders
- partnering with all levels of government, industry and community to facilitate more

- collaborative and cost-efficient uses of current assets and social infrastructure investment
- promoting and generating regional economic development.

Key achievements

During 2017–18, the service area:

- successfully delivered three new competition venues for the GC2018, and upgrades to a further seven venues and completion of the Athletes' Village
- launched the *Strong and Sustainable Resource Communities (SSRC) Act 2017*. The Act ensures that residents of communities near large resource projects benefit from the construction and operation of those projects
- progressed Environmental Impact Statements on 12 coordinated projects worth a total capital value of around \$18.9 billion with potential to create around 31,700 construction and operational jobs.

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Assessing, approving, developing and delivering projects to generate jobs and economic growth			
Service: Project development and delivery			
<i>Effectiveness measures</i>			
Value of capital investment being developed or delivered through projects	1	New measure	New measure
estimated numbers of jobs enabled through projects developed or delivered	1	New measure	New measure
<i>efficiency measure</i>			
Value of capital investment enabled per dollar spent on project development and delivery	1	New measure	New measure
service: Economic development through coordinated projects and state development areas			
<i>Effectiveness measure</i>			
Proportion of total Coordinator-General's imposed conditions on coordinated projects under construction or early operation for which there has been full compliance with those conditions, or action has been taken to identify and correct non-compliance	2	100%	100%
<i>Efficiency measure</i>			
Potential capital expenditure leveraged per dollar spent on the Coordinator-General's annual budgeted staff expenses to assess and facilitate projects to construction	3	\$2,500	\$4,212

Notes:

1. This is a new service standard for the 2018–19 Service Delivery Statement (SDS) due to the MoG changes in December 2017 impacting on the service standard published in the 2017–18 SDS. The wording of the service standard remains unchanged from the 2017–18 SDS, however the calculation methodology has been amended to exclude the transferred out Integrated Resort Developments and Global Tourism Hubs function. A new target has been set for 2018–19 which represents the total value of public and private sector capital investment.
2. This service standard covers a key outcome of the project delivery process, which is compliance with the Coordinator-General's imposed conditions. During the environmental assessment process under the *State Development and Public Works Organisation Act 1971* (SDPWO Act), the Coordinator-General may apply conditions to a project to manage project impacts. Compliance with conditions imposed by the Coordinator-General is an indicator that projects are proceeding lawfully and in line with Government and community expectations and environmental standards.
3. This service standard captures the potential capital expenditure on Queensland projects (being assessed and facilitated by the Coordinator-General) for every dollar invested in annual budgeted Coordinator-General staff expenses. Potential capital expenditure on Queensland projects (being assessed and facilitated under the SDPWO Act) will fluctuate depending on a number of factors, including market conditions, project capital expenditure, size of the project, and resources available to the Coordinator-General. In addition, it is ultimately a commercial decision for each proponent to progress the project, which is outside the control of the Coordinator-General.

Infrastructure policy and planning

The objective of this service area is to deliver quality infrastructure policy, planning and prioritisation in Queensland. This includes coordinating infrastructure policy and contributing to national infrastructure agendas and whole-of-state infrastructure planning. The service area is responsible for delivering an infrastructure program coordination function across government. It delivers reform initiatives that will improve the way infrastructure planning is coordinated and strengthen integration with regional land use and economic planning. The service area is responsible for ensuring infrastructure is prioritised on the basis that it provides a clear economic or service delivery benefit and will deliver the best possible value-for-money to Queenslanders on infrastructure investment.

A range of infrastructure policy, planning and coordination activities are undertaken by the service area including:

- providing strategic policy, coordination, planning and prioritisation of infrastructure activities
- monitoring and updating the State Infrastructure Plan
- monitoring and reporting on the capital program
- delivering a range of implementation initiatives outlined in the State Infrastructure Plan
- administering funding programs under the State Infrastructure Fund
- driving infrastructure innovation and best-practice across government and program coordination, including value-sharing policy
- providing a cross-government perspective to infrastructure
- coordinating the state's input and advice on infrastructure-related issues to the Australian Government
- implementing the Strategic Asset Management Plan Framework.

Key achievements

During 2017–18, the service area:

- delivered on phase 1 and released phase 2 of the Maturing the Infrastructure Pipeline Program. This program complements existing grant programs and will assist local governments in determining their infrastructure priorities
- delivered a new State Infrastructure Plan Part B program to provide a coordinated and integrated approach to planning, funding and delivering infrastructure to Queensland
- actively monitored the delivery of Queensland Government's capital program, achieving a significant improvement in capital expenditure.

Monitoring will continue to support delivery of the \$45.769 billion in infrastructure over the next four years, the highest forecast since the 2011 flood recovery

- released a discussion paper identifying challenges and opportunities for smarter infrastructure and highlighted cases where innovation and technology are utilised in September 2017. Following on from this, held a Smarter Infrastructure Summit in October 2017 with a Smarter Infrastructure for Queensland Directions Paper then released in May 2018. This included seven key themes which will be considered by members of a joint industry-government Infrastructure Innovation Taskforce who will provide thought leadership to the Queensland Government.

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Service: Project development and delivery			
<i>Effectiveness measure</i>			
Level of satisfaction of key stakeholders with timeliness and effectiveness of consultation undertaken by Infrastructure and Planning	1, 2	70%	79%
<i>Efficiency measure</i>			
Administration costs as a percentage of infrastructure investment coordinated through the service area	1, 3	<0.5%	0.18%

Notes:

1. This service area was transferred from the former Department of Infrastructure, Local Government and Planning following MoG changes in December 2017.
2. The components of timeliness and effectiveness together measure key stakeholders' overall experience with consultation undertaken by Infrastructure Policy and Planning. The stakeholders surveyed comprise of a cross section of industry experts, state and local government, and academia.
3. Administration costs comprise of the operating expenditure of the infrastructure policy and planning function (i.e. full-time equivalents, supplies and services). The measure is based on estimated actuals as published in the Capital Statement (Budget Paper 3) of the total administration costs as a proportion of projected infrastructure investment in the State Infrastructure Program.

Better planning for Queensland

The objective of this service area is to deliver a streamlined planning framework that supports investment, jobs and community participation. The service area administers the *Planning Act 2016* and has responsibility for:

- providing the legislative framework and overarching policy for land use planning and development assessment in Queensland
- delivering a contemporary and effective planning system in collaboration with local government, key industry groups, the planning profession and the broader Queensland community
- improving the state's land use planning and development assessment processes.

Key achievements

During 2017–18, the service area:

- delivered on four years of legislative reform and transition work with the commencement of the *Planning Act 2016* on 3 July 2017
- released *ShapingSEQ, a South East Queensland Regional Plan* that provides a framework for managing the region's growth during the next 25 years and sets a vision for the next 50 years
- facilitated sustainable development across Queensland balancing competing state interests and streamlining development approvals through the State Assessment and Referral Agency. In 2017–18, 2842 decision approvals were issued
- allocated Round 1 of the Innovation and Improvement Fund and opened Round 2, allowing further funding opportunities for local governments to improve the overall performance of the planning system.

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Better planning for Queensland			
<i>Effectiveness measure</i>			
Level of stakeholder satisfaction with accessibility and transparency of the requirements of the planning system	1, 2	70%	70.83%
<i>Efficiency measure</i>			
Average administration costs per decision made by the State Assessment and Referral Agency	1, 3	\$3,100	\$3,581

Notes:

1. This service area was transferred from the former Department of Infrastructure, Local Government and Planning following MoG changes in December 2017.
2. This is a measure of the overall level of stakeholder satisfaction with accessibility and transparency of the requirements of the planning system under the *Planning Act 2016*. The stakeholders surveyed comprise of a cross section of industry experts, state and local government, and community groups.
3. The 2017–18 Actual is greater than the 2017–18 Target/Estimate due to contributing factors such as the decrease in the number of decisions issued by the State Assessment and Referral Agency, an increase in legal expenditure, and the escalated staffing costs as a result of the 2017–18 enterprise agreement.

Discontinued measures

Performance measures included in the 2017–18 *Service Delivery Statement* that have been discontinued or replaced are reported in the following table.

Discontinued measures

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Assessing, approving, developing and delivering projects to generate jobs and economic growth			
Service: Project development and delivery			
<i>Effectiveness measures</i>			
Value of capital investment being developed or delivered through projects	1, 2	\$4.287 billion	..
Estimated numbers of jobs enabled through projects developed or delivered	1, 2	5,585	..
<i>Efficiency measure</i>			
Value of capital investment enabled per dollar spent on project development and delivery	1, 2	\$351	..
Service: Economic development through coordinated projects and state development areas			
<i>Effectiveness measure</i>			
Proportion of total Coordinator-General's imposed conditions on coordinated projects under construction or early operation for which there has been full compliance with those conditions, or action has been taken to identify and correct non-compliance	2	100%	100%
<i>Efficiency measure</i>			
Potential capital expenditure leveraged per dollar spent on the Coordinator-General's annual budgeted staff expenses to assess and facilitate projects to construction	3	\$2,500	\$4,212

Notes:

1. This service standard has been discontinued due to MoG changes and the calculation methodology being amended to remove values from the Integrated Resort Developments and Global Tourism Hubs function which has been transferred to the Department of Innovation, Tourism Industry Development and the Commonwealth Games.
2. The 2017–18 Actual is unable to be reported due to the transfer out of the Integrated Resort Developments and Global Tourism Hubs function as a result of the MoG changes. A new service standard has been introduced where the wording has remained unchanged from the 2017–18 Service Delivery Statement, however the calculation methodology has been amended to exclude the transferred-out function and a new target set for 2018–19 which will represent the component remaining in the department.

Commercialised Business Unit

Economic Development Queensland

Business and economic growth

The objective of this service area is to drive business and economic growth in Queensland. It delivers policies and programs that drive business and economic growth consistent with the government's economic development agenda. It will drive the expansion of Queensland's economic growth as benchmarked against the global economy and comparable jurisdictions by:

- driving economic, business and community growth by delivering the Advancing Our Cities and Regions Strategy to renew and repurpose surplus and underutilised state property
- supporting and enabling new growth in Queensland communities through fast tracking opportunities for urban, residential, industrial and community development across Queensland
- facilitating the provision of priority development infrastructure that will unlock development opportunities for local governments, key industry sectors, the community and the state.

Key achievements

During 2017–18, the service area:

- partnered with local governments, utility providers and select developers to invest in infrastructure projects through the Catalyst Infrastructure Program. During 2017–18, \$34.81 million worth of infrastructure was funded across Queensland
- sold \$11.62 million of land in the Sunshine Coast Industrial Park at Caloundra. The development supports approximately 430 direct and indirect jobs and contributes \$52 million a year to the local economy
- undertook stakeholder engagement on two key projects – the former TAFE site at Yeronga, and the former Oxley Secondary College
- continued with the development of the Carseldine Urban Village with the approval of a new \$6.5 million sport and recreation precinct and the lodgement of the development application for Stage 1
- launched The Village, New Home Test Drive, which gives genuine buyers an opportunity to stay in a new three-bedroom home for up to two nights in the master-planned community, The Village, in Townsville
- declared the Mackay Waterfront Priority Development Area in May 2018 which will advance the region's economy and job creation opportunities by establishing a waterfront destination with enhanced recreation, lifestyle, tourism and investment opportunities.

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Business and economic growth			
<i>Effectiveness measure</i>			
Value of private sector investment generated through the facilitation of economic and community development projects	1	\$319 million	\$225.2 million
<i>Efficiency measure</i>			
Administrative costs as a percentage of private sector investment generated through the facilitation of economic and community development projects	2	New measure	New measure

Notes:

1. This measure is the value of private sector investment generated through the facilitation of economic and community development projects in EDQ, including the value of land sales for which EDQ is responsible. The variance between 2017–18 Target/Estimate and 2017–18 Actual is mainly due to lower than expected private sector investment for current projects as a result of the subdued residential property market.
2. This new measure has been created to more appropriately reflect the efficiency of the service area. This measure calculates expenses, including employee expenses, sales and marketing costs, and an allocation for operating expenses which relate to the delivery of development projects as a percentage of the value of private sector investment generated.

Discontinued measures

Performance measures included in the 2017–18 *Service Delivery Statement* that have been discontinued or replaced are reported in the following table.

Discontinued measures

Service Standard	Notes	2017–18 Target Est	2017–18 Actual
Value of investment enabled through the Priority Development Infrastructure co-investment and Catalyst Infrastructure programs	1, 2	\$110.1 million	\$82.7 million
Percentage of development projects managed, facilitated or delivered within committed timeframes and approved budget	3	92%	92%
Value of investment enabled per dollar invested in the management of the Priority Development Infrastructure co-investment and Catalyst Infrastructure programs	1, 4	\$1.44	\$2.02
Value of private sector investment generated through the facilitation of economic and community development projects per dollar spent on project management	5, 6	\$3.81	\$3.27

Notes:

1. This measure has been discontinued as the Priority Development Infrastructure co-investment program has closed for new applications and the Catalyst Infrastructure Program has limited funds for new applications.
2. The variance between the 2017–18 Target/Estimate and the 2017–18 Actual is due to revised timeframes for the delivery of Priority Development Infrastructure and Catalyst Infrastructure Program projects.
3. This service standard has been discontinued as it has been assessed as not meeting the requirements of the Queensland Government Performance Management Framework as a measure of effectiveness. This service standard will not be reported elsewhere.
4. The variance between the 2017–18 Target/Estimate and the 2017–18 Actual is due to a higher proportion of coinvestment by the project proponents.
5. This service standard has been discontinued and replaced with a new efficiency measure, administrative costs as a percentage of private sector investment generated through the facilitation of economic and community development projects, which reflects total operating efficiency rather than just project management efficiency.
6. The variance between the 2017–18 Target/Estimate and 2017–18 Actual is mainly due to a change in market conditions regarding the Northshore Hamilton, Yeerongpilly Green and Advancing Our Cities and Regions projects.