

Unite & Recover

GasFields Commission Queensland

ANNUAL REPORT

2021–2022



Queensland
Government



GasFields Commission Queensland

2021 – 2022 Annual Report

About this Report

This annual report outlines activities and achievements of the GasFields Commission Queensland (GFCQ or the Commission) for the 2021-2022 financial year (FY22). These activities and achievements are set against strategic objectives and measures of success listed in the Commission's current 2020–2024 Strategic Plan, which was adopted on 25 February 2020. This annual report has been prepared in accordance with the Commission's regulatory reporting obligations under s35 of the *Gasfields Commission Act 2013*, the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2019*.

Public availability and further information

This report, the strategic plan and other publications by the Commission are available at www.gfcq.org.au/about-us/our-organisation. Please contact the Commission on +61 7 3067 9400 or via the address below to request a printed copy of this report. Additional reporting requirements are published online at www.gfcq.org.au.

Interpreter service



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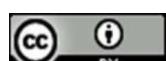
Have your say

GFCQ hopes you find the GasFields Commission Queensland 2021–2022 Annual Report useful and informative. This report is part of the Commission's commitment to keeping people informed about its role in managing and improving sustainable coexistence among landholders, regional communities and Queensland's onshore gas industry.

The Commission welcomes your comments about the design and content of the report. Please send your feedback to the Chief Executive Officer, GasFields Commission Queensland, PO Box 15266, CITY EAST, QLD 4002 or email us at enquiries@gfcq.org.au.

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14 September 2022

The Honourable Scott Stewart MP
Minister for Resources
PO Box 15009
CITY EAST QLD 4002

Dear Minister

I am pleased to submit for presentation to the Parliament the 2021 – 2022 Annual Report and financial statements for the GasFields Commission Queensland.

I certify that this annual report complies with:

- prescribed requirements set out under section 35 of the *Gasfields Commission Act 2013*
- prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be found on page 64 of this annual report.

Yours sincerely



Ian Langdon
Chair

Contents

2

About this Report.....	3
Message from the Chair	6
About the GasFields Commission Queensland.....	8
Our vision	8
Our functions	8
Our strategic objectives.....	9
Our services.....	9
Geographic distribution	9
Key strategic risks and opportunities.....	10
Non-Financial Performance	11
Government's objectives for the community.....	11
Strategic objectives and performance indicators	12
STRATEGIC OBJECTIVE 1: Facilitate effective stakeholder relationships, collaborations and partnerships to support information-sharing related to the onshore gas industry	12
Future Priorities	27
Our People	29
Organisational structure	29
The Commission Board.....	30
Our values	31
Equal employment opportunities	32
The Commission supports the principles underlying equal employment opportunities and works to ensure that its work environment adheres to the principles of anti-discrimination, and the prevention of sexual harassment and bullying.	32
Strategic workforce planning and performance	33
Employee performance management and development	33
Responding to COVID-19	33
Flexible work arrangements and healthy work/life balance.....	33
Industrial and employee relations framework	34
Early retirement, redundancy and retrenchment	34
Financial Summary.....	39
Comparison of budget and actual results	39
Glossary	59

Message from the Chair

The Commission continues to play an important leadership role in managing and improving sustainable coexistence between landholders, regional communities and Queensland's onshore gas industry.

Once again it has been a very productive year with the Commission continuing to build on the direction established over the past two years and seeking to proactively address the coexistence opportunities and challenges across gas development areas in Queensland.

Building on the vision established in the 2020-2024 GasFields Commission Strategic Plan, the Commission has continued to address the recommendations from the Queensland Audit Office's 2019 performance review into the government's role in managing the CSG industry.

The Commission has implemented a range of key initiatives in keeping with its legislative functions and strategic plan objectives. Significant milestones and achievements during Financial Year 2021/22 (FY22) include:

- delivery of the Commission's Review of the Regional Planning Interests Act 2014 Assessment process;
- delivery of a review of regulatory frameworks for long term liability and public liability insurance, including recommendations to the Minister for Resources;
- establishment of the GasFields Commission Regulatory Review Framework and Program;
- leadership of the dialogue and action around coal seam gas induced subsidence, including commencement of key collaborative research around on-farm impacts and a review of the regulatory framework;
- continued implementation of the GasFields Commission Communications and Stakeholder Engagement Plan, including structured and pro-active engagement at the State level via the GasFields Commission Stakeholder Advisory Group and, at a regional level, the Surat Stakeholder Advisory Group;
- comprehensive review and rebuild of the GasFields Commission website;
- Implementation of a new risk management framework and advancement of the Commission's risk maturity, exceeding the Commission's risk maturity project objectives;
- comprehensive submission to the Department of Resources in relation to the Queensland Resources Industry Development Plan (QRIDP); and
- provision of leadership and best practice advice to a range of stakeholders in relation to Arrow Energy's Surat Gas Project and complex coexistence issues associated with development on intensively farmed land, including the provision of advice and input to the development of the Deviated Wells Agreement.

The Commission will continue to deliver its core functions under the Act – focusing on the sustainable coexistence of landholders, regional communities and Queensland's onshore gas industry.

In continuing its function in regulatory oversight, the Commission commenced an evaluation around regulatory protections afforded to landholders should CSG-induced land subsidence occur on their properties. This work follows research undertaken by the Office for Groundwater Impact Assessment confirming CSG-induced subsidence is occurring, and is predicted to continue to occur, as gas development proceeds.

The Commission remains committed to delivering valued outcomes that contribute to managing and improving sustainable coexistence between landholders, regional communities and Queensland's onshore gas industry.



Ian Langdon
Chair

About the GasFields Commission Queensland

The Commission is an independent statutory body established under the *Gasfields Commission Act 2013* (the Act). Its purpose is to manage and improve the sustainable coexistence of landholders, regional communities and the onshore gas industry in Queensland.

Our vision

To achieve thriving and inclusive communities in areas of gas development supported by respectful and balanced stakeholder relationships.

Our functions

The Act prescribes 14 functions for the Commission:

- (a) facilitating better relationships between landholders, regional communities and the onshore gas industry;
- (b) reviewing the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry;
- (c) advising Ministers and government entities about the ability of landholders, regional communities and the onshore gas industry to coexist within an identified area;
- (d) in response to requests for advice from the chief executive under the *Regional Planning Interests Act 2014* about assessment applications under that Act, advising that chief executive about the ability of landholders, regional communities and the resources industry to coexist within the area the subject of the application;
- (e) making recommendations to the relevant Minister that regulatory frameworks and legislation relating to the onshore gas industry be reviewed or amended;
- (f) making recommendations to the relevant Minister and onshore gas industry about leading practice or management relating to the onshore gas industry;
- (g) advising the Minister and government entities about matters relating to the onshore gas industry;
- (h) obtaining particular information from government entities and prescribed entities;
- (i) obtaining advice about the onshore gas industry or functions of the Commission from government entities;
- (j) supporting the provision, to the community and stakeholders, of information prepared by appropriate entities on health and wellbeing matters relating to the onshore gas industry or geographical areas in which the onshore gas industry operates;
- (k) facilitating appropriate entities to undertake community engagement and participation in initiatives about assessing health and wellbeing concerns relating to onshore gas activities;
- (l) publishing educational materials and other information about the onshore gas industry;
- (m) partnering with other entities for the purpose of conducting research related to the onshore gas industry;
- (n) convening advisory bodies to assist the Commission to perform a function mentioned in paragraphs (a) to (m).

Our strategic objectives

The above 14 functions can be broadly summarised in four categories which form the basis of the strategic objectives of the 2020-2024 GasFields Commission Strategic Plan:

1. Facilitate effective stakeholder relationships, collaborations and partnerships to support information sharing related to the onshore gas industry
2. Review the effectiveness of implementation of regulatory frameworks related to the onshore gas industry
3. Advise Ministers, government entities and the onshore gas industry on matters related to sustainable coexistence, leading practice and management of the onshore gas industry
4. Develop a capable, high-performing and adaptable workforce.

Our services

As an independent statutory body, the Commission has a unique responsibility to facilitate engagement and collaboration across a diverse and varied range of stakeholder perspectives and interests. Our key stakeholders include landholders, agriculture peak bodies, the gas industry and related peak bodies, regional communities, government and other non-government entities, academic and research organisations.

The Commission provides the following services in line with the 14 functions prescribed under the Act:

- engage with landholders and regional communities to help them adapt to the introduction and operation of gas development
- provide information, advice and support to stakeholders (especially landholders) to enable informed decision-making
- inform on best practice business-to-business relationships between landholders and resource companies
- provide advice and recommendations to government on the implementation of the current policy and regulatory framework, and options for improvement
- recommend improved industry practice by all involved
- respond as the first point of contact for anything related to the onshore gas industry in Queensland
- compile and distribute information, data and facts about the gas industry.

Geographic distribution

The Commission's head office is located in Brisbane, with regional staff based in Toowoomba. All staff are equipped to travel throughout Queensland to provide support to landholders and regional communities where required.

Whilst the Commission has a State-wide remit, the focus of its current activities is in the Darling Downs Region and southern areas of Central Queensland. This is due to the current focus of onshore gas development, particularly coal seam gas (CSG) in this area. As gas exploration and development continues to move into new areas, the Commission will focus on further activities in these new areas.

Key strategic risks and opportunities

The Commission's key opportunities, challenges, and the management of key strategic risks during FY22 are outlined below.

STRATEGIC RISKS	
Demonstrating and communicating our role	There is a strong and ongoing need to effectively communicate the Commission's role and demonstrate its value proposition to all stakeholders.
Maintaining trusted and respectful working relationships with all stakeholders	Strong and effective relationships and partnerships with stakeholders are fundamental to the Commission's success. A strong, structured and ongoing effort is required to continue to develop, maintain and strengthen relationships with a diverse range of stakeholders.
Making a difference	Being a small organisation, the Commission needs to ensure it is innovative in its approach, collaborates with stakeholders, leverages resources, and prioritises its capabilities on those matters that are significant and strongly aligned with its legislative purpose and functions.
OPPORTUNITIES	
Unique and independent role	The Commission is the only entity charged with reviewing the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry. Our unique role, along with our independent status, enables us to operate in a way that can deliver important facilitation, review and advisory services.
Agility	Given its small size and regional presence, the Commission is able to quickly identify and respond to the needs of our stakeholders as they arise.
Partnerships and collaboration	We develop and maintain strong working relationships to partner and collaborate with all stakeholder groups to address sustainable coexistence issues.

Non-Financial Performance

Government's objectives for the community

The Commission contributes to **creating jobs in a strong economy** by:

- managing and improving sustainable coexistence which allows the agriculture and gas industries to grow and prosper side-by-side, diversifying regional economies, along with providing value add to other rural and regional industries such as small business, manufacturing and tourism; and
- supporting the growth of strong working and business relationships between landholders, resource companies and regional communities through communication and engagement.

The Commission contributes to **keeping Queenslanders healthy** by:

- promoting relevant mental health information through its engagement and communication activities, including those targeted at landholders in emerging areas of gas development; and
- circulating mental health awareness information, where suitable, by way of its publications, engagement and communications activities.

The Commission contributes to **being a responsive government** by:

- engaging with rural and regional communities to understand and identify coexistence issues that may warrant further investigation or action;
- reviewing implementation of regulatory frameworks and providing advice and recommendations on enhancements;
- providing information and tools to support stakeholders to effectively navigate the complex regulatory framework;
- publishing comprehensive data and information on trends in the petroleum and gas industry;
- providing practical tools to assist landholders and resource companies in reaching mutually beneficial land access agreements and make good arrangements, and to address the information imbalance between landholders and industry; and
- proactively communicating via a range of platforms to suit a range of stakeholders, with a particular focus on regional engagement.

Strategic objectives and performance indicators

STRATEGIC OBJECTIVE 1: Facilitate effective stakeholder relationships, collaborations and partnerships to support information-sharing related to the onshore gas industry

Performance indicators:

- role of the Commission is understood and valued by stakeholders;
- the Commission is trusted by stakeholders to provide valued, balanced and independent services and support; and
- strong stakeholder satisfaction with, and participation in, stakeholder engagement activities.

Achievements:

Implementation of Stakeholder Engagement Planning Framework

The Commission has developed and implemented under its Stakeholder Engagement and Communications Strategy (the Strategy) a Stakeholder Engagement Planning Framework.

Its objective is to provide the Commission with a strategic framework to assess community engagement needs and priorities to inform the Commission's ongoing stakeholder engagement program.

The planning framework incorporates mechanisms to identify:

- current and planned gas activities that may occur over the next five (5) years;
- community readiness to host gas activities within that area; and
- the range of Commission engagement activities that may be applicable

Through the framework, basin specific engagement plans will be developed to inform the Commission and its stakeholders of planned engagement activities. The Commission has finalised the first of these plans and is currently implementing the Surat-Southern Bowen Basin Engagement Plan.

The strategy, engagement planning framework and associated basin plans will enable the Commission to fulfil the requirements and recommendations pursuant to:

- the *Gasfields Commission Act 2013*;
- the Queensland Audit Office's recent performance audit *Managing coal seam gas activities*;
- feedback from key stakeholders; and
- the *Independent Review of the GasFields Commission Queensland and Associated Matters* by Robert P. Scott.

Surat-Southern Bowen Basin Engagement Plan

Finalised in late FY2021/22, the Commission's 2022/2023 Surat-Southern Bowen Basin Engagement Plan is a structured approach to the engagement activities to be undertaken by the Commission during FY2022/23.

These engagement activities are critical to ensure that the Commission continues to:

- engage with key stakeholders early and regularly to identify, discuss, and understand current and emerging issues, challenges, and opportunities;
- identify collaboration opportunities and partnering with key stakeholders on coexistence issues, community engagement and information/data collection; and
- develop and provide timely, tailored support, education and information to meet stakeholders' needs.

The Commission is currently well progressed in planning for engagement activities for the 2022-23 financial year. A schedule of information sessions and events is currently under development in close consultation with partner agencies, particularly the Department of Resources.

Stakeholder engagement forums

- The Commission has continued to consult through three stakeholder groups/committees across 2021-22. The respective purposes and number of occasions the group has met during FY21 are as follows:

Group/Committee	Date established	Meetings held
<u>Stakeholder Advisory Group (SAG)</u>	March 2020	3

The SAG was established during a period when the Commission was resetting its purpose and function. The SAG provided a forum for proactive engagement with local government, agriculture and gas industry peak bodies, State Government departments and research entities to identify and discuss systemic and emerging issues, challenges and opportunities.

The Commission continues to engage with the various members of the SAG on an as needs basis and as such the frequency of the SAG meetings were reduced during FY2021/22 compared to previous years.

<u>GFCQ/Department of Resources/Department of Environment and Science Steering Committee</u>	May 2020	1
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This group's purpose is to collaborate on the implementation and delivery of shared QAO Performance Review recommendations. In December 2021, the Commission provided an update to the QAO on the status of its commitments to the shared recommendation.

The Commission was pleased to inform the QAO that all but one of the shared commitments were completed from a Commission perspective.

Given the progress made, the Steering Committee has been finalised on the basis that it has fulfilled its purpose.

Surat Stakeholder Advisory Group (SSAG)

July 2020 2

The SSAG has been a primary regional mechanism for the Commission to consult with and inform its key stakeholders and the Surat regional community on its operations and related sustainable coexistence matters.

The Commission, informed by the success of this group, is seeking to broaden the membership and geographic remit as well as refocus its scope as a reference group across the wider Surat-Southern Bowen Basin (see below).

Through the SSAG, the Commission hosted a number of information sessions presented by relevant subject matter experts from the:

- Department of Resources (Resources) – land access and deviated drilling;
 - Office of Groundwater Impact Assessment (OGIA) – groundwater management framework and subsidence research program; and
 - GFCQ CSG-Induced Subsidence On-Farm Consequence Research.
-

Review of Surat Stakeholder Advisory Group Pilot

A key element of the Commission’s Stakeholder Engagement Strategy has been the piloting of the Surat Stakeholder Advisory Group (SSAG) to provide a structured mechanism to engage with stakeholders in an area of gas development and to better understand how to approach the potential establishment of a regionally based engagement forum. Under its charter it provided for a review after six months of operation, which was extended for a further 12 months.

The group was established in mid-2020 with the purpose of providing a forum for:

- the identification of concerns/issues for communities interacting with onshore gas development;
- facilitating discussions on issues with key stakeholders to gain a better understanding of the nature and extent of the issues and concerns;
- dissemination of information to the members and the broader community around the onshore gas sector, its operation and regulatory framework; and
- increased engagement with subject matter experts to analyse individual issues and inform possible actions and solutions.

A review of the SSAG pilot concluded that the pilot was overall a success. In addition to recognising the important contribution from regional stakeholders in informing the Commission’s work, the pilot provided observations and learnings which have informed a new format that seeks to increase the diversity of membership and geographic remit.

As a result of observations and learnings from the pilot, a new reference group proposal is currently under development. This proposal incorporates a more strategic focus that covers main areas of gas development across the Surat and Southern Bowen Basins.

The purpose of the proposed forum will be to discuss, share and receive information about coexisting with gas activities, and any associated opportunities or concerns, with and across communities. The Commission will utilise this group to understand the interests and concerns of regional communities and use this information to assist in performing its statutory functions, such as the provision of advice to key stakeholders on best practice.

Other Engagement Activities

The Commission is also involved in various other stakeholder engagement forums including the:

- Queensland Resources Industry Development Plan – attendance at multiple stakeholder engagement workshops associated with the development of the QRIDP;
- Resource Engagement Coordinating Group – chaired by Resources and established to provide a more coordinated and collaborative approach to stakeholder engagement in the resource sector;
- University of Queensland's Centre for Natural Gas Strategic Advisory Board which explores areas of research, funding opportunities and research project outcomes;
- Brine Management Working Group - participation in the DES-led stakeholder working group which provides advice in relation to brine disposal policy options;
- DES/Resources/GFCQ Intel meetings – participation in quarterly DES and Resources intel meetings which provide a forum for the exchange of intel and information about key issues and activities relevant to each jurisdiction.
- OGIA Expenditure Advisory Committee – participated as an observer on the OGIA EAP which provides advice on the annual estimated costs associated with the Office of Groundwater Impact Assessment's underground water management functions; and
- Geoscience Australia's Trusted Environmental and Geological Information (TEGI) Basin Reference Group – TEGI is a component of a broader initiative that aims to provide common sources of data that can be utilised by industry, regulators and the public to bring trust and increased efficiency to resource project development regulation and approval processes.

The Commission has embedded regular (4-6 weekly) engagements with peak bodies including the Queensland Farmers' Federation (QFF), AgForce, the Australian Petroleum Production and Exploration Association (APPEA) and the Queensland Resources Council (QRC) to provide a forum to maintain regular contact and update stakeholders on key issues and activities.

In addition, the Commission has put in place a collaborative arrangement with the UQCNG in the context of the Commission having greater involvement in developing research investment priorities for UQCNG and building stronger ties with other research entities.

Communications and Social Media Plan

The Commission continues to implement its Communications and Social Media Plan to:

- increase general awareness of the GFCQ brand;
- increase trust in the services and functions delivered by the GFCQ;
- clearly define the role, value, and jurisdiction of the GFCQ to all stakeholders; and
- build trust and improve relationships with key stakeholder groups.

The Commission delivered a comprehensive review and renewal of its website this year. The website continues to be a key industry and community portal and attracts continued growth of its online audiences (social media ‘followers’, webinar attendees, visitors to the website).

The Commission’s YouTube channel published an additional 3 videos during FY22 (a total of 13 in two years), obtaining to date approximately 2,600 2,862 new views.

For the 12 months ending 30 June 2022, the Commission had increased follower numbers across all social media channels. Facebook (427 followers including from Roma, Chinchilla, Dalby and Toowoomba), >Twitter (617 followers), Instagram (249 followers), LinkedIn (2,403 followers) and YouTube) (25 subscribers).

During FY22, the Commission sent a total of four Electronic Direct Mail campaigns via MailChimp to an audience of approximately 1,900 subscribers.

Topics published included the release of the Queensland Resources Industry Development Plan, RPI Act information and fact sheet, Subsidence discussion paper and various CSIRO research papers.

Targeted information sessions

Due to ongoing constraints imposed by the COVID-19 pandemic, the Commission has devised alternative methods of delivering information to landholders and regional communities. The Commission continued to be proactive in its collaboration and communication with key stakeholders to maintain and continue to improve relationships and trust built.

The Commission has continued to hold webinars, community drop ins and group consultation sessions. Key activities included:

- LGAQ webinar on gas development across Queensland – 16 November 2021; and
- Information sessions in collaboration with the Land Access Ombudsman – Injune on 6 May 2022 and Dalby 7 May 2022.

Further, the Commission has collaborated with other statutory bodies, government agencies, resource companies and agricultural bodies to engage with the onshore gas industry, landholders and regional communities.

On Shore Gas Industry engagement

Engagement with the onshore gas sector is critical to ongoing coexistence.

The Commission has commenced a structured engagement process focusing on ensuring positive relationships with onshore gas companies, and the sharing of information around development profiles and on the ground issues to facilitate intelligence gathering.

The Commission has hosted four ‘showcase’ meetings in October, February and April 2022 with key petroleum and gas companies. The purpose of these sessions is to gain a greater understanding of development plans at a company and portfolio level, and to obtain intelligence on key community and landholder issues on the ground.

These meetings are key in terms of keeping track of State-wide and regional development trends and informing the Commission’s work program moving forward, particularly around stakeholder engagement.

In addition, the Commission regularly attends information and engagement sessions held by gas companies. In FY22 the Commission attended information sessions and community updates facilitated by Shell QGC and Arrow Energy in the vicinity of Dalby, Miles and Chinchilla in the Surat Basin.

In May 2022, APPEA held its annual conference this year in Brisbane. Four members of the Commission, including the Chair and the CEO, attended various sessions and events throughout the 4day conference. The Commission was an active participant at the conference writing a paper which is published in the APPEA Journal and delivering a presentation during one of the conference sessions.

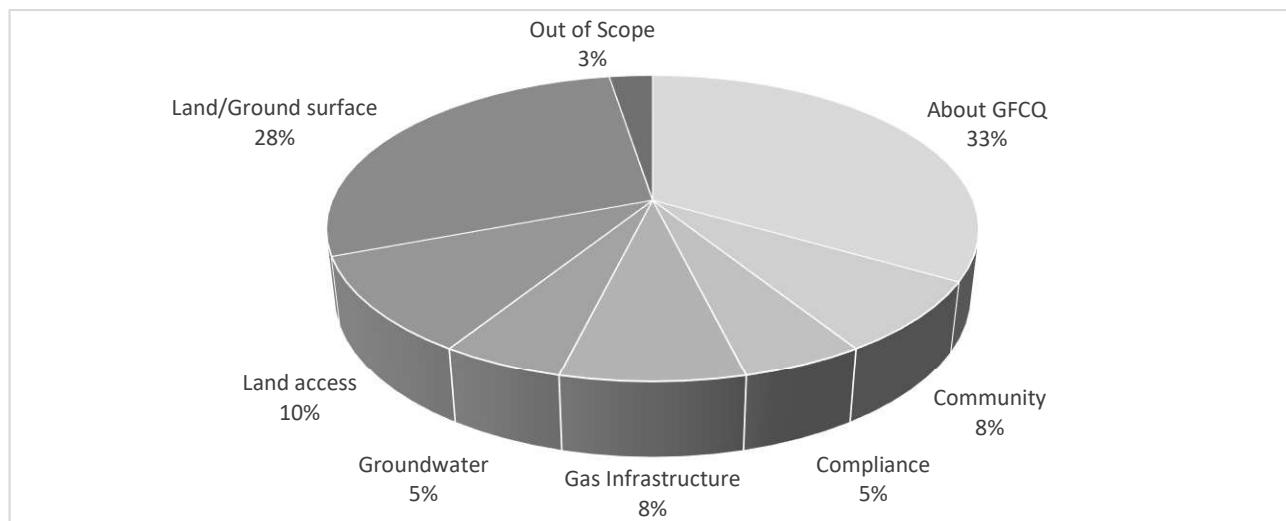
Other engagement activities

The Commission has participated in a number of stakeholder-initiated workshops, public forums and engagement sessions to support improvement of long-term sustainability within regional communities and greater transparency about the onshore gas industry. These included the:

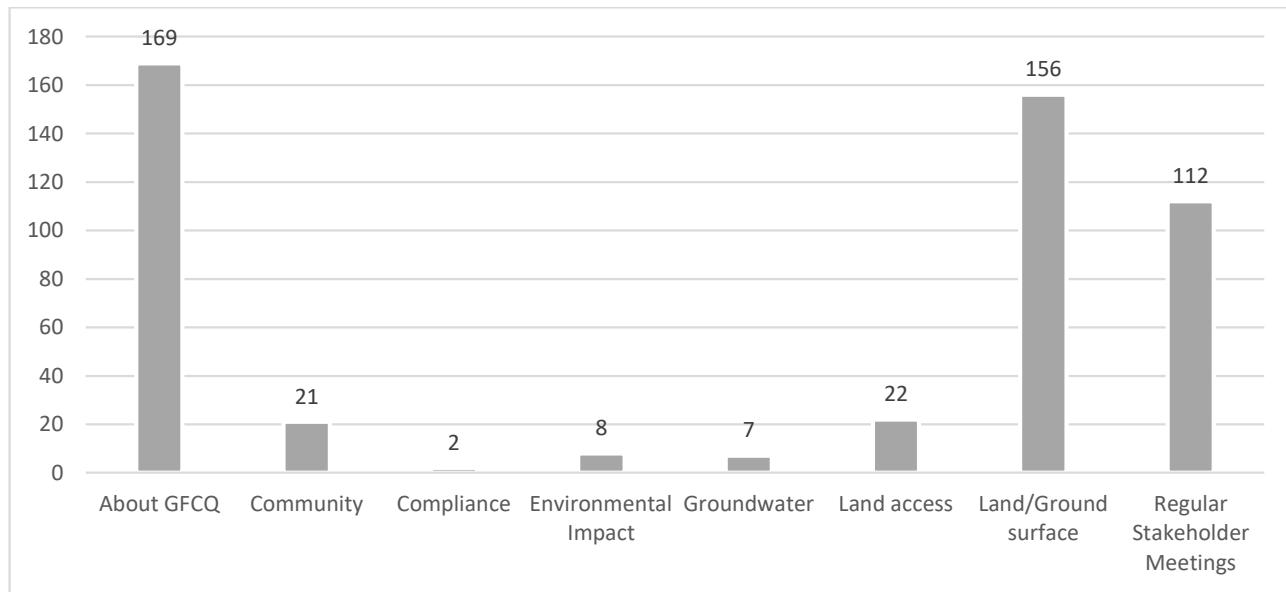
- Subsidence landholder workshops hosted by the Office of Groundwater Impact Assessment;
- Subsidence landholder workshops hosted by Arrow Energy;
- Land Court Queensland (LCQ) and Referring Agencies Annual Conference 2021;
- CSIRO GISERA Health Study community engagement sessions;
- Elders FarmFest Toowoomba;
- Toowoomba and Surat Basin Enterprise (TSBE) Enterprise Evenings;
- University of Queensland Centre for Natural Gas Annual Research Review;
- Queensland Resource Industry Development Plan launch and the related Toowoomba and Chinchilla consultation sessions;
- The Officer of Groundwater Impact Assessment (OGIA) Underground Water Impact Report (UWIR) consultation sessions in Toowoomba, Dalby and Chinchilla via a live stream event;
- Central Down Irrigators Limited (CDIL) Board meeting briefings;
- Peter Keegan Museum (Roma Big Rig) redevelopment;
- AGIT Lunch Box Sessions; and
- Energy Quest Briefings.

Stakeholder engagement activities

During FY21-22 the Commission's Stakeholder Relationship Management System (SRM) recorded 39 unique enquiries regarding the following leading key topics.



During FY21-22 the Commission attended 497 meetings regarding the following key topics.



Shared Landscapes

Through active stakeholder engagement and collaboration, the Commission has published its series of 'Shared Landscapes' reports on an annual basis. The reports combine a range of information from a variety of data sources and aims to briefly delineate the current state of Queensland's petroleum and gas industry including development areas, groundwater management processes, compliance, and economic contributions made to regional communities and the State.

Following the successful release of the 'Shared Landscapes – Industry Snapshot' report in April 2021, the Commission undertook an internal review of the format and presentation of the report. The

Commission had received feedback suggesting that the report could be enhanced if it was delivered on a web-based platform to improve the user experience and accessibility.

As a result of the review, the Commission commenced the development of a stand-alone web-based platform to complement the existing report style format. The updated and improved delivery will allow the targeted audience to obtain information about the gas industry based on geographic locations across Queensland. In addition, the presentation of information and materials will be interactive and include video-based case studies and storytelling.

As new data becomes available, the Commission will be able to update the web-based platform resulting in the provision of more contemporary data. It is envisaged that the style format of the report will continue in the immediate term.

At the same time as developing the web-based platform, the Commission is preparing the traditional report style publication called, ‘Shared Landscapes – Industry Trends’. The report will be utilising the same data and information being compiled for the web-based version. The traditional report will be accessible from the web-based platform.

Both the web-based platform and report will represent the gas industry activity for the financial year 2020-21 as a follow on from the ‘Shared Landscapes – Industry Snapshot’ report.

The next iteration of Shared Landscapes, including the web component, will be released in October 2022.

GasFields Commission website

Following a major review in response to stakeholder feedback during 2020/21, the new GasFields Commission Queensland website (www.gfcq.org.au) was launched in February 2022 with new content and increased usability based on stakeholder feedback sought by the Commission.

The website now serves as a vital community and industry portal and acts as an important distribution point for Commission activities and initiatives.

Additionally, the Commission provides useful third-party information which is relevant to its stakeholders, such as scientific findings and government initiatives relating to the onshore gas industry.

Health and wellbeing information

The Commission consulted with representatives from Queensland Health, Rural and Remote Mental Health, the Queensland Mental Health Commissioner, the Darling Downs Hospital and Health Service, the University of Southern Queensland, and CSIRO to maintain a catalogue of mental health information, services and training relevant to the Commission’s stakeholders.

The Commission maintains regular 6-monthly engagement sessions with relevant health care providers to ensure the Commission’s mental health information remains up to date.

In addition, the Commission has sought support and assistance from Queensland Health to help identify and deliver mental health resources to landholders and other groups. The Commission has commenced the development of a strategy specifically focused on identifying and supporting the

delivery of these services to landholders and utilising established groups and networks to disseminate appropriate information.

STRATEGIC OBJECTIVE 2: Review the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry

Performance indicators:

- evidence-based and valued advice and recommendations provided to government; and
- stakeholders engaged in the development of the regulatory review methodology and its implementation.

Achievements:

Regulatory Review Framework and Annual Review Program

The 2019 QAO review of CSG regulation in Queensland critiqued the Commission in terms of a lack of activity in terms of its review of the implementation of onshore gas-based regulation. In response to this finding, the Commission has been vigorously pursuing a focused agenda in this space.

In a first for the Commission, a regulatory review framework and annual review program has been developed in consultation with agriculture and gas industry peak bodies, regulators and research entities. This specifically addresses the Commission's legislative review and advisory functions.

The annual review program sets out the Commission's forward program of proactive reviews in addition to the delivery of reviews in response to the QAO performance audit recommendations. The program has been developed to build in flexibility to respond to emerging and urgent issues that warrant review.

The Commission released the finalised regulatory review framework and annual review program at the beginning of FY22.

Whilst the annual program has been released, the Commission has been focused on the priority concerns relating to deviated wells and CSG-induced subsidence.

Reviewing the assessment process under the *Regional Planning Interests Act 2014*

Another key recommendation of the QAO audit was that the Commission undertake a review of the *assessment processes associated with Regional Planning Interest Act 2014*.

The Commission commenced the review process in late 2020 with the release of a review Terms of Reference, followed by the release of a consultation paper which formed the basis of the targeted consultation process that commenced in February 2021.

After four-weeks of consultation which included interviews, briefings and questionnaires, the Commission received 21 submissions.

The submissions were used to inform the Commission's findings and recommendations to prepare a final report delivered to the State Government.

The final report which made seven recommendations to enhance the assessment processes under the *Regional Planning Interests Act 2014* was delivered to the State Government in October 2021.

In February 2022, the Deputy Premier informed the Commission Chair that it would support the recommendations, three in full and the other four in principle.

The Commission continues to work with the State Government to assist with the implementation of the recommendations including the potential for some of the early adoption of recommendations requiring legislative amendments.

Review of the regulatory frameworks that manage Coal Seam Gas Induced Subsidence

Through the SSAG, the Commission's engagement with landholders and agricultural peak bodies, the Commission became aware of concerns regarding the potential impacts of subsidence and ground movement due to groundwater and gas extraction.

In particular, CSG-induced subsidence emerged as a significant concern of landholders in areas of intensively farmed land located on the Condamine River floodplain near Dalby. The concerns related to the adequacy of the current regulatory framework and the perceived lack of protections from the impacts of CSG-induced subsidence on intensive farming operations

In response to the concerns raised, the Commission committed to review the adequacy of the current regulatory framework with a view to identifying potential regulatory or other enhancements relating to subsidence. The review has focused on the issue of potential economic impact that may occur as a result of CSG-induced subsidence and how the current regulatory framework seeks to address this issue.

The review found that there were areas of the regulatory framework that could be enhanced to ensure there are appropriate protections for landholders materially impacted by CSG-induced subsidence, and that there is a clear process available to landholders to gain greater certainty around regulatory obligations for the onshore gas industry.

The Commission prepared a discussion paper seeking input from stakeholders in relation to the regulatory review findings, principles for reform and enhancement opportunities. The discussion paper was released in May 2022 through a targeted consultation process. The discussion paper sought feedback on the Commission's regulatory review, with the submissions closing on 30 June 2022.

The Commission will use the stakeholder submissions to inform a report and potential recommendations which will be delivered to the State Government in the first half of FY2022/23.

Research project - Risk to farm operations from land slope changes predicted to result from CSG-induced subsidence on Priority Agricultural Areas

In addition to the regulatory review, the Commission is also leading a pilot research project to test and develop a methodology for the assessment of on-farm consequences of subsidence and risk.

The project seeks to develop a framework for assessing, at a farm scale, the risk to farming operations on intensively farmed land arising from predicted CSG-induced subsidence. It is intended that the

framework will assist government to assess the suitability of existing legislative frameworks for managing farm impacts.

The Commission received feedback from State Government agencies during the review of the regulatory that understanding the impacts and consequence of CSG-induced subsidence was required.

Whilst it has been accepted that CSG-induced subsidence will occur, the economic impact and consequence is yet to be determined.

The Commission is partnering with OGIA and other technical experts specialising in irrigation and agronomy to better understand the impacts of subsidence and develop an assessment framework that will allow landholders access to remediation should subsidence has an economic impact at a farm scale.

The Commission released a CSG-induced subsidence research scoping paper in March 2022 which outlined the broad intent and scope of the project. The Commission continues to carry out the research with the involvement of landholders, resource industry peak bodies and agricultural representatives, and State Government agencies.

It is anticipated that the pilot research project will be finalised in the first half of FY2022/23, with recommendations to inform in more detail assessment frameworks being made to the State Government.

Long term liability and public liability insurance for decommissioned gas assets

During the process to address landholders' ability to access public liability insurance in the FY2020/21 period, landholder concerns were raised around public liability coverage and decommissioned or rehabilitated gas infrastructure.

The Commission undertook an extensive review of the legislative provisions landholders could access to safeguard against public liability claims, engaging with State Government agencies as well as Queensland Treasury and the Queensland Government.

In December 2021, the Commission wrote to the Minister for Resources regarding the outcomes of the review and making recommendations to government. The Commission described the adequacy of the frameworks that managed decommission and rehabilitated gas infrastructure and outlined that the Commission determined that there were already adequate protections in place.

The Commission made two recommendations, both of which have been accepted by the State Government. The first recommendation, related to the need for government to clarify the regulatory protections provided to landholders in relation to the rehabilitation and decommissioning of gas infrastructure, along with the State's liability in relation to legacy gas infrastructure has already been actioned.

STRATEGIC OBJECTIVE 3: Advise ministers, government entities and the onshore gas industry on matters relating to sustainable coexistence, leading practice and management of the onshore gas industry

Performance indicators:

- provision of evidence-based advice and recommendations supported by stakeholders as balanced and independent; and
- strong stakeholder engagement in advisory initiatives.

Achievements:

Ministerial Briefings

The Commission has regularly briefed the Minister for Resources, staff and senior departmental representatives on the issues being raised by stakeholders and the current work program being undertaken by the Commission to address these.

The Commission continues to provide regular briefings to the Minister's Chief of Staff and Policy Advisors.

Responding to major policy initiatives

Queensland Resources Industry Development Plan

The Commission responded to the Department of Resources' release in November 2022 of the draft Queensland Resource Industry Development Plan (QRIDP).

The Commission attended briefing and stakeholder engagement sessions in relation to the draft Queensland Resource Industry Development Plan in Brisbane, Toowoomba and Chinchilla during the public consultation process.

The Commission also made a formal submission in February 2022 to the Minister for Resources, broadly supporting the plan. The Commission identified areas of the plan that could be enhanced, particularly around functions that related to the Commission's remit, and matters relating to coexistence.

The Commission continues to provide input and support into the development of the actions related to the Queensland Resources Industry Development Plan.

Other policy initiatives

The Commission has been involved in the development of the Residual Risk Framework, including its implementation. The Commission attended six workshops facilitated by DES and made two submissions in response.

As a member of the CSG Brine Management stakeholder group, the Commission has actively participated in targeted Stakeholder Engagement Working Group meetings. The working group has been established by DES to examine the long-term disposal options for CSG brine. DES developed a draft Brine Management Action Plan in response to feedback from the working group. The Commission made a submission to DES to inform the final action plan due to be released in FY2022/23.

Providing advice under the *Regional Planning Interests Act 2014*

Under section 7(1)(d) of the *GasFields Commission Act 2013*, the Commission is to provide advice in response to requests from the chief executive under the RPI Act 2014 about the ability of landholders, regional communities and the resources industry to coexist within the area the subject to a regional planning approval application (RIDA).

There were four RIDA applications submitted to government under the RPI Act during FY2021/22 by two petroleum and gas companies and two coal mining companies to carry out activities on a Priority Living Area (PLA), Priority Agricultural Area (PAA) or Strategic Cropping Area (SCA).

The Commission provided advice to government about the ability of landholders, regional communities and the petroleum and gas industry to coexist within a PLA, PAA or SCA in relation to these RIDA applications.

In addition to the RIDA applications, the Commission has been providing pre-lodgment advice to the government in relation to a potential RIDA application by a petroleum company proposing to carry out activities within a PLA.

Providing advice on the Queensland Exploration Program

In July 2021, the Commission provided input into the development of the Queensland Exploration Program as part of the constraints mapping process.

Advice was provided on the proposed areas for gas exploration and greenhouse gas storage with a key focus on potential coexistence issues and opportunities associated with those proposed releases.

Advice in response to emerging and systemic coexistence issues

Deviated Wells

The Commission was made aware of landholder concerns regarding potential risks associated with directionally drilled gas wells below their property, particularly in relation to notification requirements and the application of legislative provisions around compensation and land access.

In acknowledgment of the importance of this issue, the Commission has taken a leadership role and worked closely with relevant State agencies to examine the adequacy of the regulatory framework and to clarify its application to deviated wells.

The Commission provided advice in relation to the content of a draft fact sheet on deviated drilling notification prepared by Resources. The fact sheet is very focused on industry and providing guidance on compliance.

The Commission has also actively engaged with relevant resource companies to encourage a ‘beyond compliance approach’ with deviated wells via a deviated wells agreement template which addresses public liability insurance matters, as well as potential future compensation.

Led by the gas industry the intent of the agreement is to go beyond compliance and provide landholders with information that is relevant to their farming enterprise.

The working group was made up of agricultural representative bodies, the gas industry peak bodies, government agencies and the Commission. The Commission provided coexistence advice on the drafting of the agreement.

STRATEGIC OBJECTIVE 4: Develop a capable, high performing and adaptable workforce

Performance indicators:

- Positive employee survey results
- Performance and development agreements in place and being implemented for all staff
- Strong acceptance and embedded compliance with values, governance systems, policies and procedures.

Achievements:

Risk management

Following the Commission's inaugural annual Risk Workshop in FY21 and establishment of a new risk management framework, the Commission has continued with its regular review of the risk register. Management from all business units participated in quarterly risk management meetings to identify new opportunities and improve business practices.

The risk register has been updated based on the quarterly reviews and has in turn been provided to the Commission Audit and Risk Management Committee for its consideration and approval.

In line with the policies and procedures in place to manage the Commission's strategic risks, the risk register was reviewed at the second annual Risk Workshop in late FY22. The workshop included the participation of the entire Commission staff and resulted in the risk register being updated and amended to reflect the changes in the risk profile of the Commission.

Workplace Health, Safety and Wellbeing

The Commission proactively and collectively strives to provide all employees, contractors and associates with a workplace that is free from harm.

During FY21-22 the Commission delivered a series of initiatives to increase employee awareness and foster a culture of health, safety and wellbeing in the workplace, including;

- team building events to promote an inclusive and supportive team culture;
- risk management workshops and activities to identify and manage hazards associated with workplace activities;
- an Employee Assistance Program information session was held for staff to inform on support services available to employees and family members;
- implementation of data dashboards to effectively monitor employee workload (i.e., leave and time accrual management to support work/life balance), and workplace events and incidents;
- implemented a travel safety app to improve safety controls for field staff;

- monthly intranet safety shares on various safety and wellbeing topics;
- monthly team safety shares (fixed agenda item at team meetings);
- positive staff satisfaction surveys; and
- progressive use of flexible working arrangements.

The Commission continued to effectively manage COVID-19 safety and hygiene protocols throughout workplace and field activities during FY21-22, and developed a plan for expanding its meeting room space to address room capacity caps.

Corporate systems, policies and practice

The Commission continued to focus on enhancement of corporate systems, policies and procedures through 2021-22. A forward schedule of policies and procedures was developed and implemented for FY21-22 to ensure that systems remain contemporary and responsive to change.

The Commission undertook a review of corporate systems, policies and practice and implemented systems and procedures to ensure they are fit-for-purpose and compliant. The Commission has contemporised several key corporate and governance policies and procedures, including;

- Financial Statement Process and Schedule;
- Procurement Policy;
- Corporate Delegations Manual; and
- Financial Management Practice Manual.

A new Project Management Framework was implemented, including a revised Project Management Policy, Project Management Procedure and supporting templates to ensure that Commission staff are equipped with the right level of project management tools to successfully and effectively deliver project outcomes that are consistent with Commission policy and strategic objectives.

A new Fraud and Corruption Control Framework was also implemented, comprising of a new plan, policy and risk management process to enable the Commission to improve systems for managing fraud prevention. The new system is consistent with Australian Standards (AS8001:2008 Fraud and Corruption Control and AS/NZS ISO 31000:2009 Risk Management) and best practice approach guidelines recommended by the Crime and Corruption Commission.

Procurement management

The Commission reviewed the framework for managing procurement, delivered in-house procurement training, and refreshed the platform for the management of procurement activities.

Human resource management

The following systems were delivered:

- a professional development program to develop a culture of exceptional leadership across the team and identify each individual's role, commitment and engagement for creating sustainable peak performance capabilities;

- monthly exceptional leadership discussions between supervisors and subordinates to actively engage staff in professional development;
- a revised platform for managing Performance Development Agreements was developed and position descriptions were reviewed to ensure alignment with the Commission's organisational structure and strategic objectives; and
- improved systems for managing recruitment were implemented.

Corporate Governance Framework

The Commission's SharePoint 'Staff Portal' was continually developed and revised to provide a clear and single reference for Commission policies and procedures.

Audit and Risk Management Committee and internal audit recommendations were implemented to enhance the strength of the Corporate Governance framework.

Training and Professional Development

A series of compliance training lessons were delivered, including:

- Ergonomics;
- Human rights;
- Workplace bullying and occupational violence;
- Fraud and corruption awareness;
- WHS awareness;
- Code of conduct for the Queensland Public Service;
- Cyber security awareness; and
- Sexual harassment prevention.

Professional development was supported through:

- Networking events;
- APPEA Conference;
- Asia Pacific Unconventional Technology Conference;
- Technical presentations and workshops for the gas and agribusiness sectors;
- Training in risk management, project management and media and communications; and
- Performance and Professional Development Agreements.

All Commission staff have undertaken an Exceptional Leadership program – this two-day corporate social transformation program is designed to strengthen a culture of purpose and high-performance leadership. The program focused on professional leadership attributes and strategies to empower the team in the successful delivery of the Commission's vision and objectives.

Future Priorities

The Commission's specific key priorities for FY23 service delivery include:

- building on already strong relationships and developing more collaborative arrangements with landholders, the gas industry, regional communities, academia and government;
- ensuring proactive and effective delivery of all our priority legislative functions;

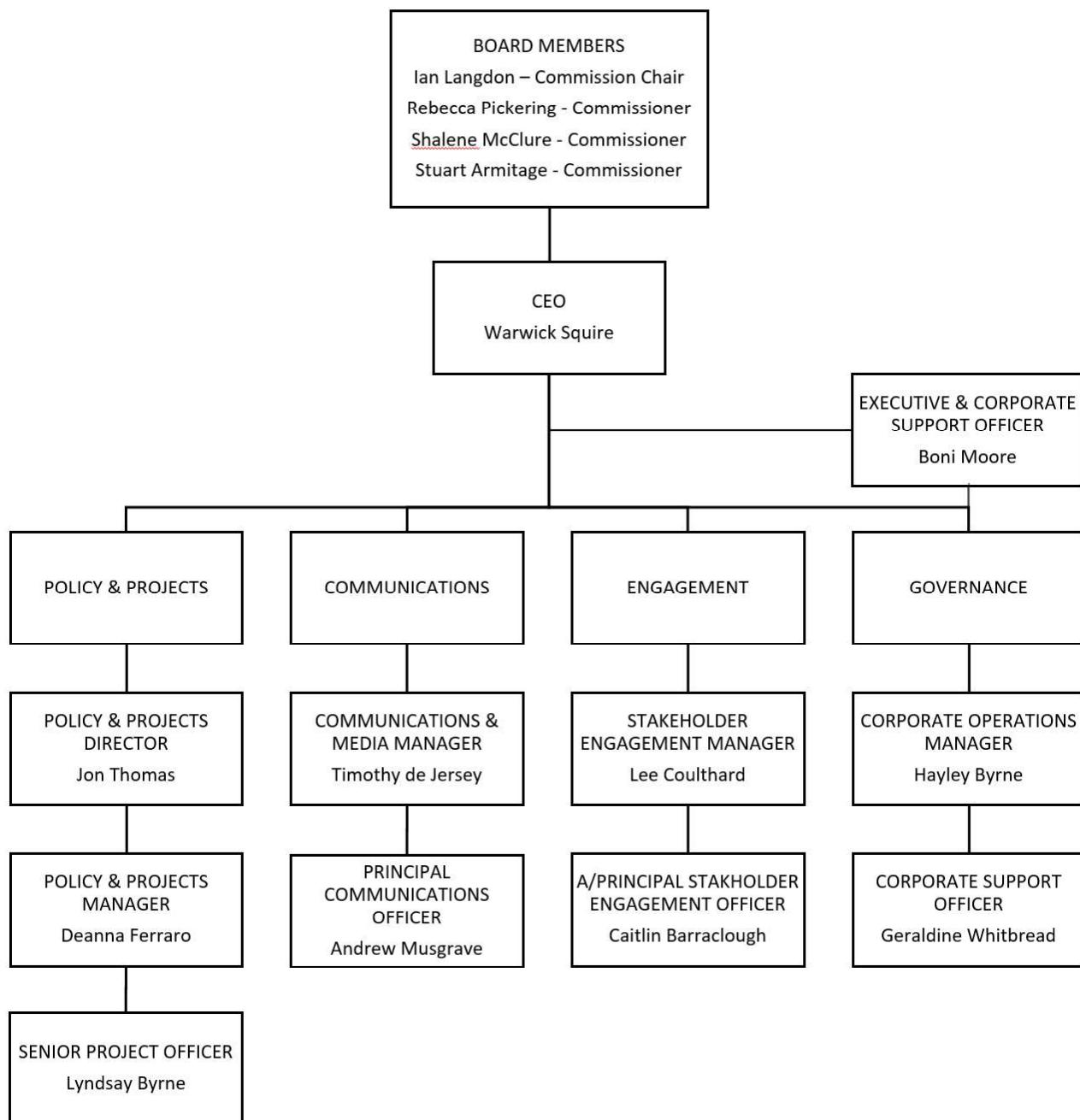
- working with Resources to assist with implementation of the Queensland Resources Industry Development Plan, with a particular focus on those actions that relate to coexistence and land access entities;
- continue to deliver the Commission's regulatory review framework and program priorities;
- finalise the review of the regulatory framework that manages CSG-induced subsidence, and to submit a report to government with the Commission's findings and potential recommendations to enhance the framework;
- in conjunction with the subsidence regulatory review, finalise the research project to determine the consequence of CSG-induced subsidence on priority agricultural areas;
- harnessing the momentum of the reinvigoration of the Community Leaders Council to identify and address strategic issues regarding coexistence in Queensland's onshore gas industry;
- expand our communications and engagement program into new and emerging areas of gas exploration to stay ahead of the development curve;
- updating, supplementing and continuously improving information and education sources and delivery platforms to ensure they remain relevant, are 'fit for purpose' and meet stakeholder needs;
- publishing the second edition of the GFCQ 'Shared Landscapes – Industry Trends' report, presented via a web-based interactive platform that will delineate information and trends relating to the onshore gas industry in Queensland;
- ongoing development of important tools for stakeholders, including Conduct and Compensation Agreement negotiation guidelines;
- update and release of The Gas Guide 3.0 as a comprehensive guide (especially for landholders) to the onshore gas industry's activities;
- develop and implement a community sentiment framework to gather community sentiment information, including the investigation of social sensing processes to utilise existing sources of community sentiment data;
- review of the adequacy of government information and reporting on petroleum and gas complaints, compliance, and enforcement;
- evaluating the adequacy of remedy for property owners neighbouring CSG activities, together with Resources, DES and other key stakeholders;
- continue the transition of managing records digitally by implementing systems for records management, which will facilitate a mobilised, collaborative and connected workforce;
- embed our new performance management system and provide professional development opportunities to enhance the capability of our people; and
- develop an organisational and workforce strategy to enhance strategic and organisational performance. The workforce strategy will guide the Commission's learning and development needs to further enhance the capability of its people.

Our People

The Commission employed eleven (11) staff members as of 30 June 2022, equivalent to 11 full-time equivalents (FTE).

The Chief Executive Officer is appointed on an individual employment agreement as required under the *Gasfields Commission Act 2013*. Other staff members are employed under the *Public Service Act 2008*.

Organisational structure



The Commission Board

The current Commission Board (the Board) was appointed on 1 December 2019 for a three-year period. The Board is responsible for setting the Commission's strategic direction, establishing strategic objectives for management, and monitoring the achievement of these objectives. Commission staff are responsible for the implementation of these strategic objectives.

Ian Langdon – Chair

GFCQ Chair Ian Langdon has extensive board experience as chair, audit committee chair and director of a wide range of companies and government organisations.

Mr Langdon is also chair of Gold Coast Health with responsibility for two major hospitals and a number of community-based services.

His previous roles include:

- Chair of the Peanut Company of Australia until its sale in January 2018 to Bega Cheese
- Chair of the Dairy Farmers Group, a farmer owned co-operative that operated processing plants throughout South Australia, Victoria, New South Wales and Queensland until its sale to the Lion Nathan Group
- Member of the Boards of Rabo Bank, Pivot Fertilizers and Delta Electricity
- Associate Professor and Dean of Business at Griffith University (Gold Coast Campus).

Rebecca Pickering – Commissioner

Commissioner Pickering has extensive experience in the energy and infrastructure industries having held senior executive roles at Energex, Origin Energy and Australian Rail Track Corporation. Her career spans policy and regulation, strategy and portfolio management, stakeholder relations, operations, safety leadership and reputation management.

Ms Pickering is the Inland Rail Chief Executive – Interim at the Australian Rail Track Corporation (ARTC) and has the responsibility for overseeing the ongoing delivery of the Inland Rail Program.

During 12 years at Origin Energy, Ms Pickering worked on the regulatory framework for the CSG industry, led community engagement, secured the environmental approvals and land access for the first 1000 wells of the Australia Pacific LNG project, and ran gas field operations.

Ms Pickering has a strong interest in sustainability and the growth of regional communities.

Stuart Armitage – Commissioner

Commissioner Armitage is an active member of Cotton Australia, Central Downs Irrigators Limited, the Darling Downs Cotton Growers Inc, AgForce Queensland, and is the former president of the Queensland Farmers' Federation.

Mr Armitage has been involved with farming all his life. He grew up on a dairy farm near Oakey and for the past 40 years has been farming at Cecil Plains on the family operation with his wife Maxine. For the past 21 years they have grown mainly cotton on their 570-hectare flood-irrigated farm with grain as an opportunity and rotation crop.

Shalene McClure – Commissioner

Commissioner McClure is a petroleum geologist with more than 25 years of oil and gas industry experience and has broad and intimate knowledge of the coal seam and unconventional gas sectors of Queensland.

Ms McClure was involved in all phases of the Queensland gas industry including drilling, seismic exploration, appraisal, technical evaluations, field development and operation of assets. She is also a past Federal President of the Petroleum Exploration Society of Australia (PESA).

Warwick Squire –Chief Executive Officer

Mr Squire has more than ten years of specialised experience in mining, resources and energy sectors, and twenty years in the government sector. He has successfully led the development and delivery of complex and sensitive economic, social and environmental legislative and policy projects, programs and initiatives, and structural and cultural change reforms.

Mr Squire was formally appointed GFCQ CEO on 3 December 2021.

Board Meeting Attendance

For the period 1 July 2021 to 30 June 2022, the board held 5 full session Board meetings and 9 out of session Board meetings with attendance by Commissioners as follows:

Member	Position	Meetings attended
<i>Full session Board meeting attendance</i>		
Ian Langdon	<i>Chair</i>	5
Rebecca Pickering	<i>Member</i>	5
Shalene McClure	<i>Member</i>	5
Stuart Armitage	<i>Member</i>	5
<i>Out of session Board meeting attendance</i>		
Ian Langdon	<i>Chair</i>	9
Rebecca Pickering	<i>Member</i>	8
Shalene McClure	<i>Member</i>	8
Stuart Armitage	<i>Member</i>	8
Total full session Board Meetings for 2021-22		5
Total out of session Board Meetings for 2020-21		9

Our values

Integrity

We observe the highest ethical standards to build open, honest and trusted relationships, and we provide evidence-based and objective advice to demonstrate impartiality and transparency.

Accountability

We are committed to our purpose, vision and strategic objectives, and we operate professionally in accordance with the Public Service values. We take personal responsibility for our actions and behaviours. We are empowered to show initiative and deliver high quality, timely and value-adding outcomes. We seek opportunities for continued personal and professional development.

Collaboration

We work as a team to support each other and benefit from differing ideas, capabilities and perspectives. We consult and engage with our stakeholders to share information and points of view.

Respect

We promote a diverse, healthy and safe workplace. We enable and support all staff to perform at their best and to reach their potential. We actively listen to each other and foster strong stakeholder relationships by seeking to understand different views and contributions.

Adding value

We strive for excellence by being open and receptive to receiving feedback. We strive to find solutions to existing and emerging issues that meet stakeholders' needs. We embrace change and innovation, and we invest in the development of our workforce.

Equal employment opportunities

The Commission supports the principles underlying equal employment opportunities and works to ensure that its work environment adheres to the principles of anti-discrimination, and the prevention of sexual harassment and bullying.

Ethical procedures, values and practices

The Commission's policies, procedures and practices align with the ethical principles established under the *Public Sector Ethics Act 1994* (integrity and impartiality, promoting the public good, and commitment to the system of government accountability and transparency).

The Commission has adopted the Code of Conduct for the Queensland Public Service as it applies to the Chief Executive Officer (appointed under the Act) and other officers of the Commission (appointed under the *Public Service Act 2008*).

All staff receive appropriate education and training about public sector ethics on an annual basis.

Commissioners' contracts also include the requirement to abide by the Code and to disclose any potential or actual conflicts of interest. In addition, the Australian Institute of Company Directors Code of Conduct has been adopted for Commissioners.

Human Rights

During FY22 all staff assisted the development of a better understanding of the Commission's human rights obligations and how to take them into account during our everyday work.

The Commission seeks to act and make decisions in a way that is consistent with human rights, and gives proper consideration to relevant human rights (section 58(1) of the *Human Rights Act 2019*) when

making decisions, including administrative decisions, policy decisions, human resourcing decisions and corporate services decisions.

There were no human rights complaints received by the Commission during FY22.

Strategic workforce planning and performance

As of 30 June 2022, the Commission's workforce constituted 11 full time equivalent staff. The separation rate for permanent employees was 18.2%.

The Commission's staffing levels are based on the Commission's establishment, operational plan and annual budget.

Candidates for permanent employment undergo merit-based selection.

The Commission engages contractors periodically for specialised advice and services when required.

Employee performance management and development

All staff undergo a corporate induction program on appointment and subsequent annual training that includes orientation to the Commission's roles and functions, policies and procedures, and IT and records management systems.

Each year, staff member satisfaction levels are surveyed, with performance being evaluated and monitored through team development sessions. Monthly operational plan sessions are held, which include performance evaluation discussions, learning plans and key performance indicators (which include the identification of professional development opportunities).

The Commission is committed to maintaining an environment of continued professional development and learning, which focuses on skills development, career enhancement and supporting a culture of learning.

Responding to COVID-19

Since the outbreak of COVID-19, the Commission has made the necessary changes needed to ensure that all processes, procedures, plans and engagement activities comply with Queensland's Chief Health Officer directions, Workplace Health and Safety Queensland guidelines and the National COVID-19 Safe Workplace Principles. The Commission re-designed the office meeting room space to address room capacity caps. The Commission has engaged a supplier to implement the re-design during FY22-23.

Flexible work arrangements and healthy work/life balance

In order to attract and retain an inclusive, diverse and capable workforce, the Commission enables staff (where appropriate) to negotiate:

- part-time work;
- flexible working hours; and
- working from home and telecommuting arrangements.

The Commission supports a healthy work/life balance and, to that end, encourages staff to take recreation leave on a regular basis. An employee assistance program is available to support managers, employees and their families with confidential counselling in relation to workplace and personal issues.

Industrial and employee relations framework

An employee consultation model is in place for the review and implementation of the Commission's policies and procedures.

In addition, staff members receive training when new and/or revised policies are adopted.

The Chief Executive Officer manages any workplace complaints, investigations and WorkCover claims that may arise. Investigations may be outsourced where specialist knowledge or skills are required, or where there may be a perceived conflict of interest.

We engage the Corporate Administration Agency (CAA), under a Service Level Agreement, to support the Commission in these activities.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during FY22.

Governance – risk management and accountability

Audit and Risk Management Committee

The Commission Board re-established the Audit and Risk Management Committee (the Committee) in October 2019. The role of the Committee is to provide assurance and assistance to the Commission Board by demonstrating due diligence and care to:

- review the organisation's reporting functions to ensure the integrity of the financial report;
- ensure all internal control and risk management functions are operating effectively and reliably; and
- provide strong and effective oversight of the organisation's internal and external audit functions.

The Commission formally appointed Dr Cathy Howarth to the position of Committee Chair during February FY22 to align with Queensland Treasury Audit Committee guidelines and best practice standards for chairing independent committees.

Dr Howarth is an experienced business advisor who has over 25 years' experience working with a range of organisations at a strategic level in both the public and private sectors. She has a strong understanding and application of corporate and project governance and well-developed skills and experience in risk management, which she applied during several years contracting to the Queensland Department of Transport & Main Roads. Dr Howarth also brings considerable skills and experience in stakeholder engagement and finance to Board and Committee roles.

The Committee is comprised of the Independent Chair and the Commission's four Board Members. The Chief Executive Officer, Board Secretary, Policy and Projects Director and a member of the Queensland Audit Office all attend meetings as observers.

The Committee focuses on reviewing the frameworks and procedures for effectively managing business risk and provides advice on the control mechanisms to mitigate the identified risks, protect the Commission's employees, reputation and assets, and promote efficient and effective work practices.

The Committee has the authority to:

- conduct or authorise investigations into matters within its scope of responsibility;
- access information, records and personnel of the Commission for such purpose;
- request the attendance of any employee, including executive staff, at Committee meetings;
- conduct meetings with the Commission's internal and external auditors (as necessary); and
- seek advice from external parties (as necessary).

The Committee observes the terms of its charter and has due regard to the Audit Committee's guidelines.

Audit and Risk Management Committee meeting attendance

During FY22 the Committee met on four occasions with the following attendance:

Member	Position	Meetings attended
<i>Full Audit and Risk Management Committee meetings</i>		
Ian Langdon (Committee Chair 1 July – 16 Feb 2022)	<i>Chair</i>	1
Ian Langdon (Committee Member 16 Feb – 30 June 2022)	<i>Member</i>	3
Cathy Howarth (Committee Chair 16 Feb 2022 – 2022)	<i>External Chair</i>	3
Cathy Howarth (Committee Member 1 July to 16 Feb 2022)	<i>External Member</i>	1
Rebecca Pickering	<i>Member</i>	4
Shalene McClure	<i>Member</i>	4
Stuart Armitage	<i>Member</i>	3
Total full ARMC 2021-22		4

Information Security Management System Committee

Chaired by the CEO, the Committee ensures that the Commission meets its information security obligations. These include delivery of the Information Security Management System in compliance with relevant legislation, regulations, government information security policies and the international security standard (ISO 27001).

The Committee meets quarterly to:

- ensure ISMS implementation plans are developed, monitored and progressed,
- ensure information security risks are identified, assigned appropriate controls, and managed appropriately,
- oversee the application of a systematic approach to risk management under the ISMS, and
- ensure the annual information security assurance assessment is carried out annually.

During FY22 the Commission developed an ISMS Framework and matured its processes for managing information security risk. The framework outlines key ISMS stakeholders, activities, policies, standards and systems in place to manage the Commission's Information Security Management System.

During the mandatory annual Information Security reporting process, the Chief Executive Officer attested to the appropriateness of the information security risk management within the Commission to the Queensland Government Chief Information Security Officer, noting that appropriate assurance activities have been undertaken to inform this opinion and the Commission information security risk position.

Risk management system

In accordance with the *Financial Accountability Act 2009*, the Commission is required to establish and maintain appropriate systems of internal control and risk management.

The Commission's Risk Management Framework consists of the following:

- Risk Appetite Statement;
- Risk Management Policy;
- Risk Management Procedure; and
- Risk Register.

In late FY20-21 the Commission completed the 2021 QAO Risk Management Maturity Model: Baseline Self-Assessment to assess the Commission's progress in advancing its level of risk maturity across six key attributes of risk management identified by the QAO.

It was established that, across the six key attributes of risk management, the Commission exceeded the objective in leadership, people and accountability, and achieved the objective in response, monitoring and achieving outcomes and innovation.

During FY21-22 the Commission implemented fit-for-purpose enhancements resulting from feedback with the QAO during the self-assessment process.

All employees participated in the inaugural annual Risk Workshop in May 2022 and the Commission's management team met quarterly to:

- detect changes in the internal and external context, including changes to the risk itself which may require revision of risk treatments and priorities; and
- ensure that the risk control measures are effective in both design and operation.

The Commission continued to update the Audit and Risk Management Committee on a quarterly basis on risk status.

Procurement policy and procedure

The Commission is committed to advancing the principles of the Queensland Procurement Policy (QPP) 2021. The Commission ensures that its procurement activities are conducted in accordance with the QPP principles applicable to statutory bodies:

1. putting Queenslanders first when securing value for money;
2. advancement of economic, environmental and social objectives;
3. integrity, probity and accountability;
4. leaders in procurement practice;
5. working together to achieve outcomes; and
6. governance and planning.

This policy applies to all procurement activities, including the engagement of consultants and contractors and the purchase of significant plant and equipment.

All officers of the Commission are required to adhere to the Commission's policies on conflicts of interest and disclosure of related parties when undertaking procurement activities.

A person with a conflict of interest in relation to the procurement process, including a related party, will be removed from all aspects of the procurement process, including the decision-making and approval of contracts. Any conflicts of interest will be documented in the contract by the officer and the supplier.

During FY22 the Commission developed a new platform for managing procurement and revised its Project Management Framework to improve project and procurement practices.

The Commission has complied with procurement policies and practices during FY22.

Internal audit

As a small statutory body, the Commission does not have the capacity to implement an internal audit function, however, the Commission proactively manages its responsibilities under the *Financial Accountability Act 2009*.

In FY22, the Commission conducted the following:

- developed and implemented a forward internal audit plan;
- held regular Audit and Risk Management Committee meetings to provide assurance and assistance to the Commission Board on its risk, control and compliance framework and its external accountability requirements; and
- engaged external expertise to perform quarterly reviews to assess and report on the efficacy of internal controls and compliance with contemporary financial and governance management policies and procedures.

The Commission continually develops its internal audit function capabilities and framework.

Financial Review

The QAO performed an external financial audit for the financial year ended 30 June 2022. The QAO's external audit plan aims to identify events that present the greatest risk of material error to the financial statements. The audit outcome concluded that there were no material mis-statements for FY21-22.

The Auditor-General issued an unmodified independent audit opinion in the Commission's 2021-22 financial statements.

Performance Review

QAO Performance Audit Self-Assessment: Managing Coal Seam Gas Activities in Queensland

In June 2022, the Commission responded to the QAO request to self-assess its progress in implementing the QAO's performance audit recommendations for the reports tabled between 2018-19 and 2019-20, to the extent that they relate to the Commission. The QAO feedback on the Commission's self-assessment is expected during FY22-23.

Information systems and recordkeeping

The Commission manages information and records governance systems in accordance with the *Public Records Act 2002*, the Queensland Government Enterprise Architecture (QGEA) policies and principles, and other key information standards and guidelines. The Commission continues to make improvements to these systems, including:

- continued development of the Commission's SRM which enables staff, including regional engagement officers, to capture their records remotely and effectively analyse data;
- continued development of the Commission's records management system (SharePoint), to enhance information security, performance and information accessibility; and
- continued development and implementation of the records governance policy requirements to advance the Commission's recordkeeping maturity.

As part of the induction process, all staff are trained in the making and keeping of public records. Public records are managed through a whole-of-organisation record-keeping program and are principally held in digital format on a cloud-based system.

There were no breaches of information security during FY21-22.

Detailed financial statements are included in a later section of this report. The Commission is totally reliant on annual grant funding from the Queensland State Government, with modest additional revenues generated from interest on cash balances.

Expenditure totaled \$2.547 million, with the major items of expenditure being employee expenses (\$1.530 million) and supplies and services including travel to support regional engagement activities, contractor services, and corporate service level agreements (\$0.978 million).

The Commission received an unmodified audit report from the Auditor-General confirming the Commission's financial statements are a true and accurate reflection of the Commission's transactions for FY21-22.

Financial Summary

Comparison of budget and actual results

In FY21-22, the Commission's revenue exceeded expenses, resulting in an operating surplus of \$0.609 million. The table below compares budget and actual results.

The financial surplus was a result of changes in establishment, and changes to the Commission's business plan throughout the year.

The Commission regularly monitors its financial position and remains confident that it has the financial capacity to deliver on its strategic objectives and manage coexistence issues as they arise.

	2021-2022 Actual \$'000	2021-2022 Budget \$'000	Variance \$'000
State Government Grant	2,500	2,500	0
Other Revenue	8	12	(4)
Draw down from cash reserves	648	648	0
Total Revenue	3156	3,160	(4)
Employee Expenses	1,530	1,795	265
Supplies and Services	978	1,319	340
Other Expenses	39	47	8
Total Expenditure	2,547	3,160	613
Operating Result			609
State Government Grant / Total			79.21%
Employee Expenses / Total Expenditure			60.07%



GasFields Commission Queensland Financial Statements

for the year ended 30 June 2022

GasFields Commission Queensland

Financial Statements 2021-22

<u>Contents</u>	<u>Page No</u>
Statement of Comprehensive Income	44
Statement of Financial Position	45
Statement of Changes in Equity	46
Statement of Cash Flows	47
Notes To and Forming Part of the Financial Statements	48 - 58
Management Certificate	59
Independent Auditor's Report	60 - 62

General Information

These financial statements cover the GasFields Commission Queensland. It has no controlled entities.

The Commission is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the Commission is:

Level 15, 53 Albert Street
BRISBANE QLD 4000

A description of the nature of the Commission's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Commission's financial statements email enquiries@gfcq.org.au or visit the Commission's Internet site gasfieldscommissionqld.org.au.

Amounts shown in these financial statements may not add to the correct subtotals or totals due to rounding.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
OPERATING RESULT			
Income			
Grants and other contributions	2	2,500	2,562
Interest		8	12
Total Income		2,508	2,574
Expenses			
Employee expenses	3	1,530	1,415
Supplies and services	6	978	808
Depreciation	8	7	7
Other expenses		32	29
Total Expenses		2,547	2,259
Operating Result		(39)	315
Total Comprehensive Income/(Loss)		(39)	315

The accompanying notes form part of these statements.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

**Statement of Financial Position
as at 30 June 2022**

	Notes	2022 \$'000	2021 \$'000
Current Assets			
Cash and cash equivalents	7	788	822
Other current assets		55	49
Receivables		22	8
Total Current Assets		865	879
Non Current Assets			
Plant and equipment	8	8	15
Total Non Current Assets		8	15
Total Assets		873	894
Current Liabilities			
Payables	9	99	138
Accrued employee benefits	10	165	108
Total Current Liabilities		264	246
Total Liabilities		264	246
Net Assets		609	648
Equity			
Accumulated surplus		609	648
Total Equity		609	648

The accompanying notes form part of these statements.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

Statement of Changes in Equity

For the year ended 30 June 2022

	Accumulated Surplus \$'000
Balance as at 1 July 2020	333
Operating Result	315
Balance as at 30 June 2021	648
Balance as at 1 July 2021	648
Operating Result	(39)
Balance as at 30 June 2022	609

The accompanying notes form part of these statements.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

Statement of Cash Flows **for the year ended 30 June 2022**

	2022	2021
	\$'000	\$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Grants	2,500	2,562
GST input tax credits from ATO	6	12
Other	8	12
<i>Outflows:</i>		
Employee expenses	(1,473)	(1,422)
Supplies and services	(1,017)	(725)
GST paid to suppliers	(20)	(9)
Other	(38)	(29)
Net cash provided by (used in) operating activities	(34)	401
Cash flows from investing activities		
<i>Outflows:</i>		
Payments for plant and equipment	-	1
Net cash provided by (used in) investing activities	-	1
Net increase (decrease) in cash and cash equivalents	(34)	402
Cash and cash equivalents at beginning of financial year	822	420
Cash and cash equivalents at end of financial year	788	822

The accompanying notes form part of these statements.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

- Note 1: Basis of Financial Statement Preparation
- Note 2: Grants and Other Contributions
- Note 3: Employee Expenses
- Note 4: Key Management Personnel (KMP) Disclosures
- Note 5: Related Party Transactions
- Note 6: Supplies and Services
- Note 7: Cash and Cash Equivalents
- Note 8: Plant and equipment and depreciation expense
- Note 9: Payables
- Note 10: Accrued Employee Benefits
- Note 11: Contingencies
- Note 12: Events occurring after Balance Date

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

1. Basis of Financial Statement Preparation

Objectives and Principal Activities of the Commission

These financial statements cover the GasFields Commission Queensland (the Commission). The Commission is an independent statutory body established under the *GasFields Commission Act 2013*. The Commission does not control other entities, the financial statements are for the Commission as an individual entity.

The objective of the Commission is to manage and improve sustainable coexistence among landholders, regional communities and the onshore gas industry in Queensland. The head office and principal place of business of the Commission is 53 Albert Street, Brisbane QLD 4000.

The Commission is responsible for delivering the following legislative functions:

- facilitating better relationships between landholders, regional communities and the onshore gas industry;
- reviewing the effectiveness of government entities in implementing regulatory frameworks that relate to the onshore gas industry;
- advising Ministers and government entities about the ability of landholders, regional communities and the onshore gas industry to coexist within an identified area;
- in response to requests for advice from the chief executive under the *Regional Planning Interests Act 2014* about assessment applications under that Act, advising that chief executive about the ability of landholders, regional communities and the resources industry to coexist within the area the subject of the application;
- making recommendations to the relevant Minister that regulatory frameworks and legislation relating to the onshore gas industry be reviewed or amended;
- making recommendations to the relevant Minister and onshore gas industry about leading practice or management relating to the onshore gas industry;
- advising the Minister and government entities about matters relating to the onshore gas industry;
- obtaining particular information from government entities and prescribed entities;
- obtaining advice about the onshore gas industry or functions of the Commission from government entities;
- supporting the provision, to the community and stakeholders, of information prepared by appropriate entities on health and wellbeing matters relating to the onshore gas industry or geographical areas in which the onshore gas industry operates;
- facilitating appropriate entities to undertake community engagement and participation in initiatives about assessing health and wellbeing concerns relating to onshore gas activities;
- publishing educational materials and other information about the onshore gas industry;
- partnering with other entities for the purpose of conducting research related to the onshore gas industry;
- convening advisory bodies to assist the commission to perform any function listed above.

(a) Compliance with Prescribed Requirements

GasFields Commission Queensland has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2021.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Simplified Disclosures in accordance with AASB 1060.

Basis of Financial Statement Preparation (cont'd)

With respect to compliance with Australian Accounting Standards and Interpretations, the Commission has

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

applied those requirements applicable to not-for-profit entities, as the Commission is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

(b) The Reporting Entity

The financial statements include the value of all income, expenses, assets, liabilities and equity of the Commission. The Commission does not have any controlled entities.

(c) Taxation

The Commission is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the Commission. GST credits receivable from, and GST payable to the Australian Taxation Office, are recognised in the Statement of Financial Position.

(d) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chair and CEO of the GasFields Commission Queensland at the date of signing the Management Certificate.

(e) Other Presentation Matters

Currency and Rounding - Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero unless disclosure of the full amount is specifically required.

Comparatives - Comparative information reflects the audited 2020-21 financial statements.

(f) New and Revised Accounting Standards

First time mandatory application of Australian Accounting Standards and Interpretations

One new accounting standard was applied for the first time in 2021-22:

- AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

AASB 1060 introduces the Simplified Disclosures framework for general purpose financial statements prepared by entities reporting under Tier 2 of the Differential Reporting Framework. This new disclosure framework applies to the Commission. While most of the disclosures remain the same as 2020-21, there have been some changes by way of additional or reduced disclosures reflected in these financial statements.

The new accounting standard does not change any recognition or measurement requirements, and the Commission's financial statements continue to comply with the recognition and measurement requirements of all applicable accounting standards and interpretations.

Early adoption of Australian Accounting Standards and Interpretations

No accounting pronouncements were early adopted in the 2021-22 financial year.

Voluntary changes in accounting policy

No voluntary changes in accounting policies occurred during the 2021-22 financial year.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

	2022 \$'000	2021 \$'000
2. Grants and Other Contributions		
Contributions from Government	2,500	2,562
Total	2,500	2,562

Accounting Policy

Grants and contributions are non-reciprocal transactions where the Commission does not directly give approximately equal value to the grantor. As the grant does not contain sufficiently specific performance obligations, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities* and revenue is recognised upon receipt of grant funding.

3. Employee Expenses

Employee Benefits

Wages and salaries	1,174	1,052
Employer superannuation contributions	142	112
Annual leave expense	146	88
Long service leave levy	30	20

Employee Related Expenses

Payroll tax *	(44)	47
Other employee related expenses	82	96
Total	1,530	1,415

	2022	2021
Number of employees:	11	9.8

* In 2020-21 the Commission was under the payroll tax (PRT) threshold for majority of the year and were refunded \$40k in their June 2021 Annual PRT return, which was received in October 2021. They were eligible for a deduction for the entire amount accrued in the December 2021 return and only recorded a payable of \$2.6k in their June 2022 Annual return. This resulted in an overall negative balance for the current year payroll tax expenses.

The number of employees, including both full-time employees and part-time employees, and is measured on a full-time basis.

Accounting Policies

Short-term employee benefits - wages, salaries and sick leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

Prior history to date indicates that on average, sick leave taken in each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Long-term employee benefits - long service leave

Under the Queensland Government's Long Service Leave Scheme, a levy is made on the Commission to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

3. Employee Expenses (cont'd)

Long-term employee benefits - long service leave (cont'd)

No provision for long service leave is recognised in the Commission's financial statements, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Superannuation

Superannuation benefits are provided through defined contribution (accumulation) plans in accordance with employees' conditions of employment and employee instructions as to superannuation plan (where applicable).

Employer contributions are based on rates specified under conditions of employment. The Commission's contributions are expensed when they become payable at each fortnightly pay period.

4. Key Management Personnel (KMP)

Disclosures Details of Key Management Personnel

The Commission's responsible Minister is identified as part of the Commission's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Minister for Resources.

The following details for non-ministerial key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Commission during 2021-22 and 2020-21. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Chair	Responsible, in consultation with other Commission members, to develop the strategies, objectives, and policies of the Commission and to ensure the Commission functions in a proper, effective and efficient manner.
Commissioners	Responsible to develop the strategies, objectives and policies of the Commission and to ensure the Commission functions in a proper, effective and efficient manner.
Chief Executive Officer	Responsible for ensuring the Commission's function and objectives are fulfilled in accordance with the strategy, policies and programs approved by the Commission Board.

KMP Remuneration Policies

The remuneration policy of the Chair and Commissioners is set by the Governor in Council. The remuneration of the Chief Executive Officer is set by the Board.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The commission does not bear any cost of remuneration of Ministers. The majority of those entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements which are published as part of Queensland Treasury's Report on State Finances.

Remuneration expenses for key management personnel comprises the following components:

Short term employee expenses which include:

- **Monetary expenses** - consisting of base salary, allowances and leave entitlements paid and provided for

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

the entire year. For Part-time Commissioners, remuneration for approved out-of-session activity is also included; and

- **Non-monetary benefits** - consisting of provision of a motor vehicle together with fringe benefits tax applicable to the benefit.

4. Key Management Personnel (KMP) Disclosures (cont'd)

Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.

Post-employment benefits include amounts expensed in respect of employer superannuation obligations.

Termination benefits expense represent cash payments made to employees who accepted voluntary redundancies during the year.

No performance bonuses were paid to any key management personnel.

The following disclosures focus on the expenses incurred by the Commission during the respective reporting periods that are attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

Remuneration Expenses

1 July 2021 – 30 June 2022

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	253	9	6	28	-	296
Chair	22	-	-	2	-	24
Commissioner	6	-	-	-	-	6
Commissioner	5	-	-	-	-	5
Commissioner	5	-	-	-	-	5
Audit and Risk Management Committee Chair *	1	-	-	-	-	1
Total Remuneration	292	9	6	30	-	337

* In February 2022, an external independent Audit and Risk Management Committee Chair was formally appointed to align with Queensland Treasury Audit Committee guidelines and best practice standards. Previously this role was an unpaid position and was held by the Chair of the Commission's Board.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

1 July 2020 – 30 June 2021

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer (to 11 Sep 2020)	37	1	-	4	-	42
Chief Executive Officer (from 21 Sep 2020)	160	3	4	14	-	181
Chief Executive Officer (Relieving)	13	-	-	1	-	14
Chair	18	-	-	2	-	20
Commissioner	5	-	-	-	-	5
Commissioner	5	-	-	-	-	5
Commissioner	5	-	-	-	-	5
Total Remuneration	243	4	4	21	-	272

5. Related Party Transactions

Transactions with people/entities related to KMP

There were no transactions with people or entities related to our KMP in 2021-22

Transactions with other Queensland Government-controlled entities

The Commission received funding from Department of Resources. The funding provided is predominately for operational requirements and delivery of legislative functions (refer Note 2).

The Commission transacts with the Department of Energy and Public Works for office accommodation services (Queensland Government Accommodation Office) and Qfleet vehicle services (refer Note 6).

The Commission has a service level agreement with the Corporate Administration Agency (refer Note 6 - Corporate service charges).

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

6. Supplies and Services

	2022	2021
	\$'000	\$'000
Contractors	383	221
Office accommodation	175	201
Corporate service charges	167	166
External audit fees	17	21
Travel	27	29
Repairs and maintenance	126	67
Minor plant and equipment	1	2
Motor Vehicle	39	46
Stakeholder Engagement	3	3
Administration costs	18	26
Communications	18	15
Advertising and promotion	4	11
Total	978	808

Lease Expense

Lease expenses include lease rentals for leases of low value assets and payments for non-specialised commercial office accommodation with the Department of Energy and Public Works (DEPW), who has substantive substitution rights over the assets used within those arrangements. Payments are recognised in the period they are incurred.

GasFields Commission Queensland has one current arrangement at 53 Albert Street, Brisbane Qld 4000.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

	2022 \$'000	2021 \$'000
7. Cash and Cash Equivalents		
Cash at bank	788	822
Total	788	822

Accounting Policy

Cash and Cash Equivalents include all cash and cheques received at 30 June as well as deposits held at call with financial institutions.

8. Plant and equipment and depreciation expense

Plant and Equipment at cost:

Gross	32	32
Less: accumulated depreciation plant and equipment	(24)	(17)
Carrying amount at 30 June	8	15

Represented by movements in carrying amount

Plant and Equipment reconciliation

	2022 \$'000	2021 \$'000
Carrying amount at 1 July	15	23
Acquisitions	-	-
Depreciation for period	(7)	(7)
Carrying amount at 30 June	8	15

Accounting Policy - Recognition and Measurement

Asset Acquisition

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. However, any training costs are expensed as incurred.

Recognition of Property, Plant and Equipment

Items of plant and equipment with a historical cost or other value equal to or exceeding the following thresholds in the year of acquisition are reported as Plant and Equipment for the following class:

Plant and Equipment \$5,000

Expenditure on plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the statutory body. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

8. Plant and equipment and depreciation expense (cont'd)

Measurement of Non-Current Physical Assets using Cost

Plant and equipment is measured at cost in accordance with Queensland Treasury's Non-Current Asset Policies. The carrying amounts for plant and equipment at cost approximate their fair value.

Depreciation

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost of each asset, less any estimated residual value, progressively over its estimated useful life to GasFields Commission Queensland.

Depreciation rates for each class of depreciable asset:

Class	Rate
Plant and equipment	20%

9. Payables

	2022	2021
	\$'000	\$'000
Trade and other creditors	39	42
Accruals	60	96
Total	99	138

Accounting Policy

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

GasFields Commission Queensland

Statement of Financial Position as at 30 June 2021

10. Accrued Employee Benefits	2022	2021
	\$'000	\$'000
<i>Current</i>		
Provision for annual leave	148	97
Accrued leave loading	8	7
Long service leave levy payable	9	4
Total	165	108

Accounting Policy

Other long-term employee benefits - annual and long service leave

Liabilities are recognised for employee benefits such as annual leave in respect of services provided by the employees up to the reporting date. Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

No provision for long-service is recognised as the liability is held on a whole-of-government basis under the Queensland Government's Long Service Leave Scheme and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. This levy is paid by the Commission to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

11. Contingencies

There are no legal or any other contingencies that are known to the Commission at 30 June 2022.

The Commission has not been subject to, and is not aware of any pending legal actions, litigations or any other court matters as of 30 June 2022.

12. Events Occurring after Balance Date

The Commission is not aware of any post balance date events.

Management Certificate

for GasFields Commission Queensland

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62 (1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of GasFields Commission Queensland for the financial year ended 30 June 2022 and of the financial position of the Commission at the end of that year.

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Ian Langdon

Chair
GasFields Commission Queensland

Date: 26 August 2022



Warwick Squire

CEO
GasFields Commission Queensland

Date: 26 August 2022

INDEPENDENT AUDITOR'S REPORT

To the Board of GasFields Commission Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of GasFields Commission Queensland (the entity).

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2022 and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the Entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

● ● **Queensland**
● ● **Audit Office**

Better public services

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

Statement

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.

M. Reardon

29 August 2022

Michelle Reardon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Glossary

APPEA	Australian Petroleum Production & Exploration Association
ARMC	Audit and Risk Management Committee
CAA	Corporate Administration Agency
CCA	Conduct and Compensation Agreement
CC BY	Creative Commons Attribution 4.0 International licence
CLC	Community Leaders Council
CSG	Coal Seam Gas
DES	Department of Environment and Science
Resources	Department of Resources
EDM	Electronic Direct Mail
FTE	Full-Time Equivalent
FY22	Financial Year 2021-22
GFCQ	GasFields Commission Queensland
ISMS	Information Security Management System
LCQ	Land Court of Queensland
MGA	Make Good Agreement
OGIA	Office of Groundwater Impact Assessment
OLAO	Office of the Land Access Ombudsman
PAA	Priority Agricultural Area
PESA	Petroleum Exploration Society of Australia
PLA	Priority Living Area
QAO	Queensland Audit Office
QEP	Queensland Exploration Program
QGABAC	Queensland Great Artesian Basin Advisory Council
QGEA	Queensland Government Enterprise Architecture
QPP	Queensland Procurement Policy
RIDA	Regional Interest Development Approval
RPI Act	<i>Regional Planning Interests Act 2014</i>
SAG	Stakeholder Advisory Group
SCA	Strategic Cropping Area
SRM	GasFields Commission's Stakeholder Relationship Management System
SSAG	Surat Stakeholder Advisory Group
The Act	<i>Gasfields Commission Act 2013</i>
The Board	GasFields Commission Board
The Committee	GasFields Commission Audit and Risk Management Committee
UWIR	Underground Water Impact Report

Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	4
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	5 63
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	3
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 9.3	3
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	3
	<ul style="list-style-type: none"> Information Licensing 	QGEA – Information Licensing ARRs – section 9.5	3
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	8
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	11
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	12
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	N/A
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	30
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	30
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	N/A
	<ul style="list-style-type: none"> Public Sector Ethics 	Public Sector Ethics Act 1994 ARRs – section 13.4	33
	<ul style="list-style-type: none"> Human Rights 	Human Rights Act 2019 ARRs – section 13.5	33
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6	32
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	37
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	36
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	39
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	60
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	39
	<ul style="list-style-type: none"> Information Security attestation 	ARRs – section 14.6	37

Governance – human resources	<ul style="list-style-type: none">• Strategic workforce planning and performance	ARRs – section 15.1	34
	<ul style="list-style-type: none">• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	35
Open Data	<ul style="list-style-type: none">• Statement advising publication of information	ARRs – section 16	3
	<ul style="list-style-type: none">• Consultancies	ARRs – section 33.1	data.qld.gov.au
	<ul style="list-style-type: none">• Overseas travel	ARRs – section 33.2	data.qld.gov.au
	<ul style="list-style-type: none">• Queensland Language Services Policy	ARRs – section 33.3	data.qld.gov.au
Financial statements	<ul style="list-style-type: none">• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	40
	<ul style="list-style-type: none">• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	60

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

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GasFields Commission Queensland
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