

A. Full responses from entities

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to the:

- Minister for Education and Minister for Youth Justice
- Minister for Employment and Small Business and Minister for Training and Skills Development
- Director-General, Department of Education
- Director-General, Department of Employment, Small Business and Training.

We also provided a copy of the report with an invitation to respond to the:

- Premier
- Director-General, Department of the Premier and Cabinet
- Chief Executive Officer and Chairperson of TAFE Queensland
- chancellors and vice-chancellors of the 7 universities
- principals and chairs of the 8 grammar schools.

This appendix contains the detailed responses we received.

The heads of these entities are responsible for the accuracy, fairness, and balance of their comments.



Comments received from Director-General, Department of Education



Office of the
Director-General

Department of
Education

30 MAY 2024

Mr Brendan Worrall
Auditor-General
Queensland Audit Office
Email: gao@gao.qld.gov.au

Dear Mr Worrall

Thank you for your email dated 13 May 2024 enclosing a draft copy of your proposed report titled *Education 2023* for review prior to tabling in Parliament planned for early June 2024.

I appreciate the opportunity to make comments and provide feedback. I note the content of the report and your recommendations which the Department of Education will assess and implement those recommendations specifically relevant to this agency.

In relation to recommendation one *Strengthen information system controls*, the Department has developed a Cybersecurity Plan for 2024–2028, which outlines a series of initiatives which will continue to reduce cyber risk. These initiatives will strengthen information system controls to allow the Department to effectively manage evolving security threats. The Department notes that recommendation one relates to the current status of prior recommendation one (*Education 2020* (Report 18: 2020–21)).

In relation to recommendation two *Improve processes to capture and record ongoing building project costs that have not been paid for by the year-end date (capital accruals)*, the Department accepts the recommendations made. The Department has implemented a more robust monitoring regime for capital accruals and a business improvement project is underway to implement system and process improvements for capital accruals, including the recommendations made.

In relation to recommendation three for all education entities to *Assess employment agreements and historical pay practices to identify potential wage underpayments*, the Department notes the audit results underpinning the recommendation relate to practices within Queensland public universities. The Department would welcome further feedback and guidance to ensure the Department takes appropriate action, if any, in response to recommendation three.

The Department acknowledges that there is also a recommendation that is still open from the previous QAO report *Education 2021* (Report 19: 2021–22) in relation to completing regular and timely assessments of the condition of assets. The Department has completed its condition assessment program, with the condition data to be loaded into the Department's system by 30 June 2024. This data will form the basis of multi-year school maintenance plans.

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The Department's Audit and Risk Management Committee will monitor any required actions to address the relevant recommendations.

If you or your team require further information, please contact [REDACTED]

Yours sincerely



MICHAEL DE'ATH
Director-General

Ref: 24/408962



Comments received from Director-General, Department of Employment, Small Business and Training



Department of
Employment,
Small Business
and Training

Our ref: 01611/24
Your ref: PRJ03870

Mr Brendan Worrall
Auditor-General
Queensland Audit Office
Email: gao@gao.qld.gov.au

Dear Mr Worrall

Thank you for your email dated 13 May 2023, regarding your proposed *Education 2023* report and for the opportunity to provide feedback.

The Department of Employment, Small Business and Training acknowledges the report and accepts its findings and recommendations.


The findings related to cyber security are noted and the Department acknowledges the importance of continuing to ensure our information systems are continually strengthened to avoid potential threats to our data.

As the owner of training infrastructure on behalf of the State, the Department is committed to and continues to improve processes related to maintaining, upgrading and replacing Queensland Government assets to ensure state-owned training infrastructure can meet important strategic and operational priorities. The Department is working with QBuild to further develop its risk based approach to assess the condition of its building assets to meet the requirements of the Queensland Building Policy Framework (and Guidelines) released in November 2023.

The Department has continued to work with TAFE Queensland and central agencies to consider strategies to support TAFE Queensland's financial sustainability. Of particular relevance, the recently released *Good Jobs, Great Training: Queensland Skills Strategy 2024-2028* emphasises the Queensland Government's commitment to supporting public providers, including TAFE Queensland. The Strategy also delivers a new funding framework for TAFE Queensland that is in line with its role under the Strategy.

I thank you for the opportunity to provide comment on the report.

Yours sincerely


Peter McKay
Director-General
3.6.24

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Comments received from Acting Chief Executive Officer, TAFE Queensland



31 May 2024

Mr Brendan Worrall
Auditor-General
Queensland Audit Office

QueenslandAuditOffice@gao.qld.gov.au

Dear Mr Worrall

Thank you for the opportunity to respond to the Queensland Audit Office 2023 Education Report to Parliament.

The report accurately describes TAFE Queensland's recent financial challenges and touches on some of the factors contributing to this, however I would like to provide some important additional context to your reference in Section 4 of the report to TAFE Queensland's 2023-24 budget.

The report is correct in stating that TAFE Queensland budgeted for a loss of \$62m in 2023-24 however the organisation's actual financial performance through the year has been significantly stronger than originally anticipated. The main factor in this is the impact of the Fee Free TAFE initiative effective 1 January 2023, through which TAFE Queensland has seen a significant increase in student demand and expects to deliver close to a breakeven position in 2023-24.

TAFE Queensland has also continued to work closely with government to agree revised funding arrangements that properly recognise the expectations on the Public Provider and also for the first time formally recognise Community Service Obligations being delivered by TAFE Queensland. We anticipate a much stronger budget position for 2024-25 and beyond.

Your sincerely

A handwritten signature in black ink that reads "Brent Kinnane".

Brent Kinnane
Acting Chief Executive Officer
TAFE Queensland

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