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# Client technical audit update

21 February 2024

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## Agenda

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- 9:30–9:55 am: Welcome. Managing change and the impact on internal controls**  
Michelle Reardon, Assistant Auditor General
- 9:55–10:15 am: System implementation from a client’s perspective**  
Sally Trestrail, Finance and Planning Director, Tourism and Events Queensland  
Steve Allan, Information Technology Services Director, Tourism and Events Queensland
- 10:15–10:35 am: Technical update**  
David Hardidge, Senior Director QAO  
Greg Hall, Principal Accountant, Queensland Treasury
- 10:35–10:55 am: How QAO is preparing to audit climate reporting**  
Irshaad Asim, Senior Director QAO
- 10:55–11:15 am: Insights from our recent reports, and upcoming audits**  
Darren Brown, Assistant Auditor-General
- 11:15–11:30 am: Discussion and questions**  
All presenters
- 11.30 am–12.00 pm: Refreshments**



## Strategic review of QAO

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‘Almost without exception financial audits were **highly valued by almost everybody**. QAO’s professionalism, its expertise, the approach of its staff, and the assurance it provided and the approach of QAO were highly regarded.

This was reflected in client surveys and in our interviews. Positive comments came from small and large entities, and from the Audit Service Providers.’

*2023 Strategic Review of the Queensland Audit Office*





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# Managing change and the impact on internal controls

**Michelle Reardon, Assistant Auditor-General**

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**Functions transferred since 2009**

2009



64 functions moved

2012



45 functions moved

2015



8 functions moved

2017



43 functions moved

2020



23 functions moved

2023

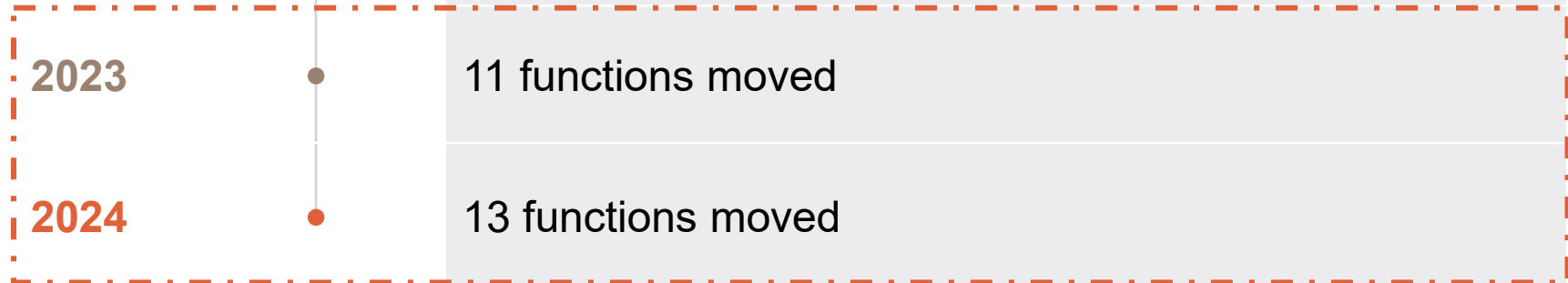


11 functions moved

2024



13 functions moved





## Machinery of government changes



## Report 17: 2022–23 *Implementing machinery of government changes*



## Questions to consider

Where are you up to with your implementation?

How have you assessed culture?

Have you kept good records that support your implementation project?

Has an assessment been done of where your records are and what oversight you have?



Do you have a project plan that considers the immediate implementation, but also the long-term actions required?

Have you had a review by internal audit?

➔ This year we will ask departments to do an assessment of their financial statement preparation using our updated maturity model.

# System changes

## Projects are aligned to business outcomes

Where projects are aligned closely to business outcomes, they are more likely to deliver benefits and systems that are fit for purpose.

## The team has the skills and capacity to match the challenge

Technology projects can be high risk and require capability in advanced technology, change management, project management, and contract management. Time needs to be allocated for teams to take on project responsibilities.

## Senior leaders actively lead and challenge

Successful technology projects are normally led by senior leadership teams who understand the projects and ensure they are well run. They have or bring in the skills and competencies to provide independent challenge.

## Internal and external teams work towards the same goals

Technology projects regularly rely on external suppliers. To be successful, project leaders ensure internal and external teams are working towards the same outcomes and goals.

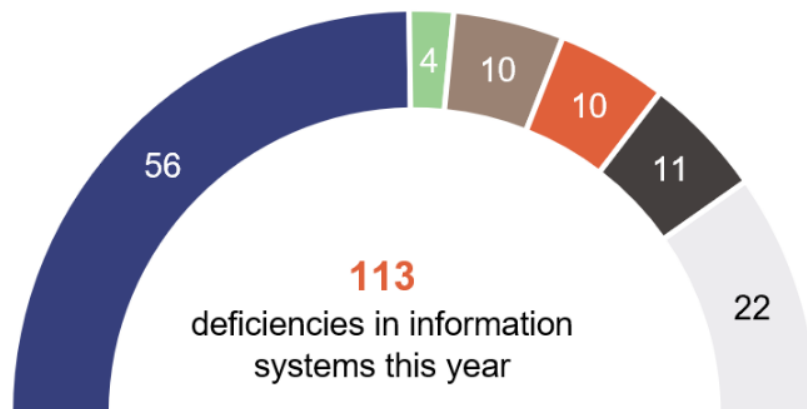
## Learnings are identified and acted on

Project teams that identify and act on learnings from their project experience, and from the experiences of others, are more likely to be able to change their course when needed.





## Information system weaknesses



### We found the following deficiencies at councils:

- Systems users having more access than they need.
- Not having strong controls for passwords to access systems.
- Not having good processes to manage changes to systems.
- Not having complete, up-to-date policies and procedures.
- Having gaps in their cyber and system security controls.
- Having other deficiencies in information systems.

By the 31 October statutory reporting deadline (refer to [Appendix C](#)), we had reported 66 new deficiencies, in addition to the 47 deficiencies that remain unresolved from previous years.



**45 councils** have at least one deficiency in their **information technology systems** (2021–22: 48 councils).



**14 councils** have one or more **significant deficiencies** in their information systems. **14 councils** have one or more **significant deficiencies** that have not been resolved for over a year.



**24 per cent** of councils we surveyed have not provided **cyber security training** to their staff.

# Four levels of maturity used across QAO tools

Developing

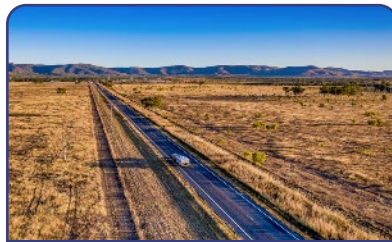
Established

Integrated

Optimised

## Current models in place

Maturities



Local government procure-to-pay



Risk management



Grant management



Change management



Annual internal control assessment

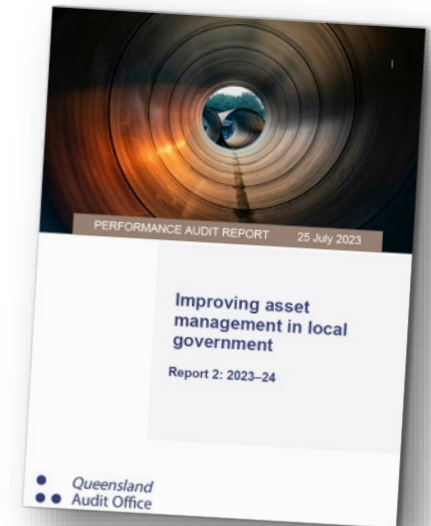
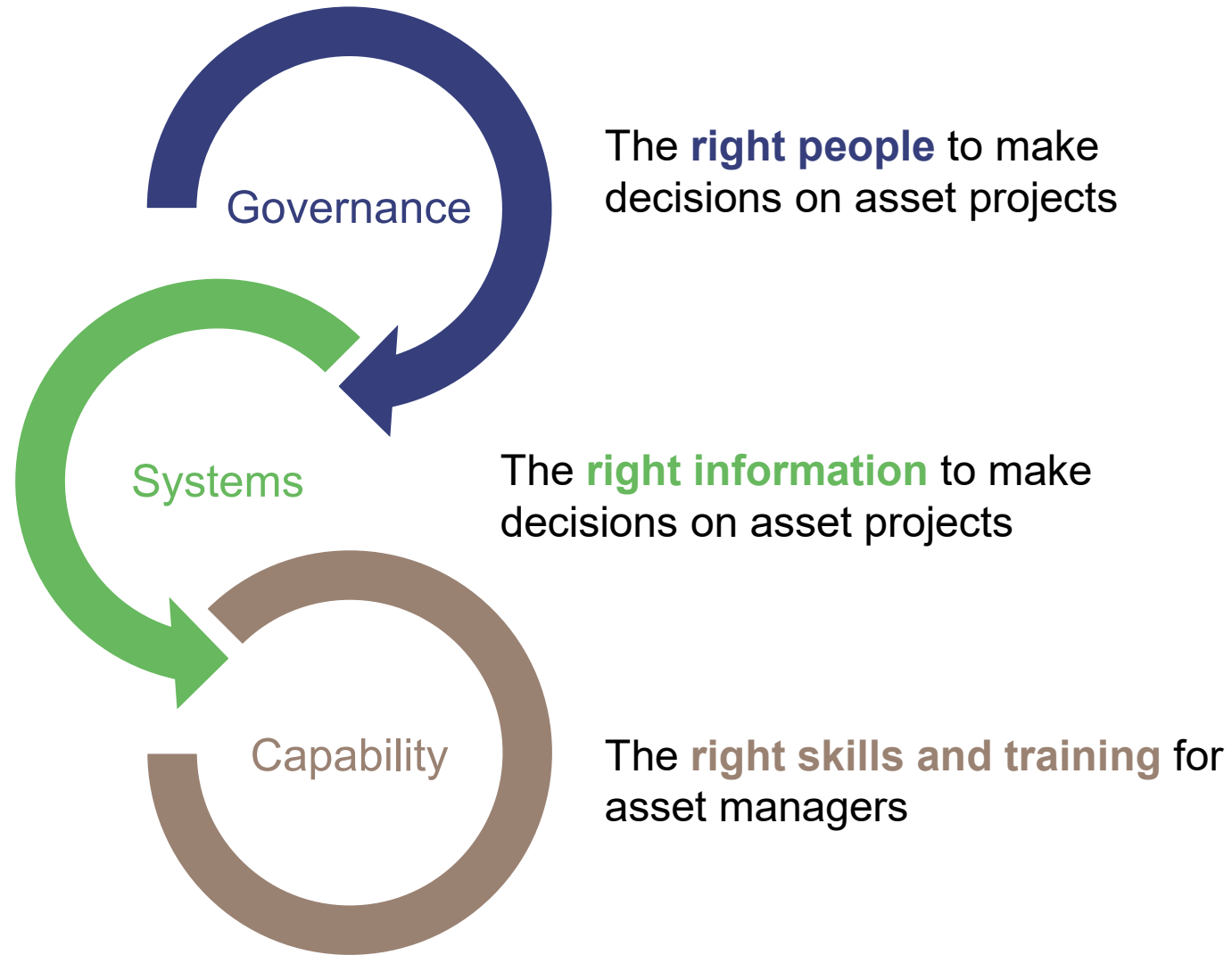


Financial statement preparation



# General gaps found in asset management

Improving  
asset  
management



## Elements in QAO's asset management maturity model



Better practice  
asset  
management

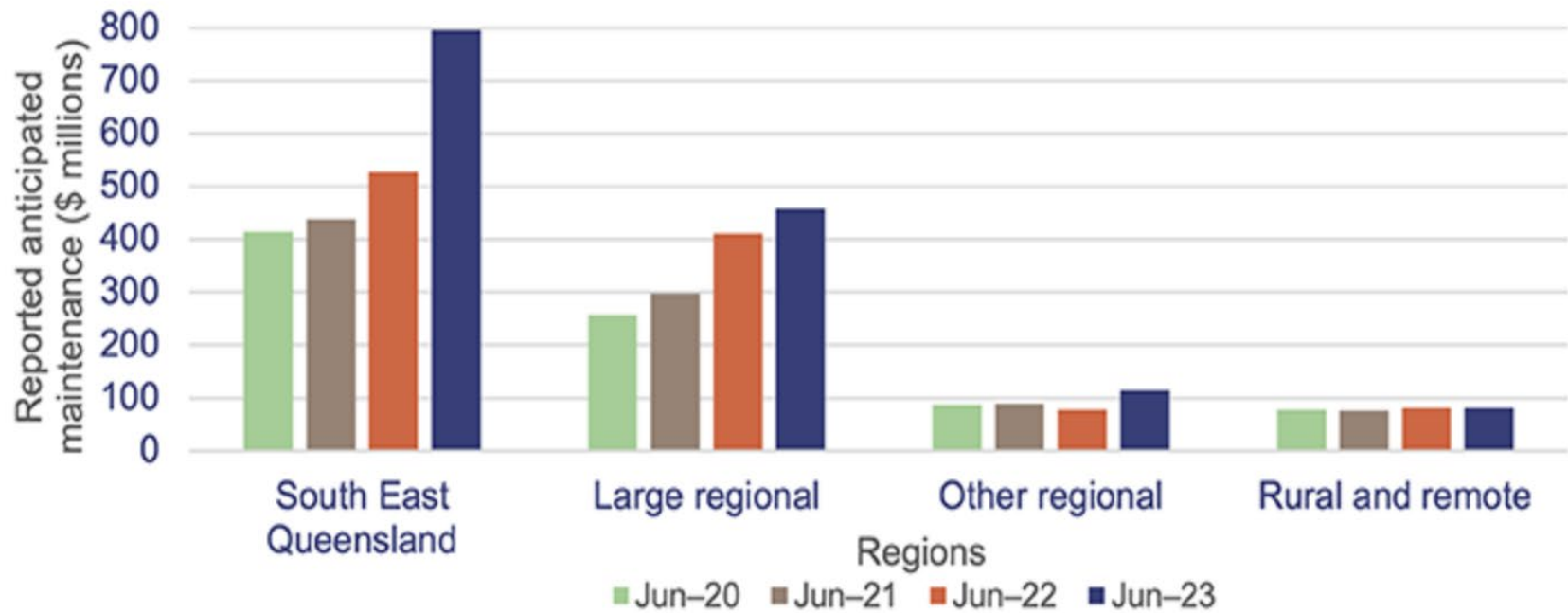


# Effective asset management is critical

- 🏠 Ageing assets
- 🔧 Growing anticipated maintenance
- 💰 Increasing construction costs

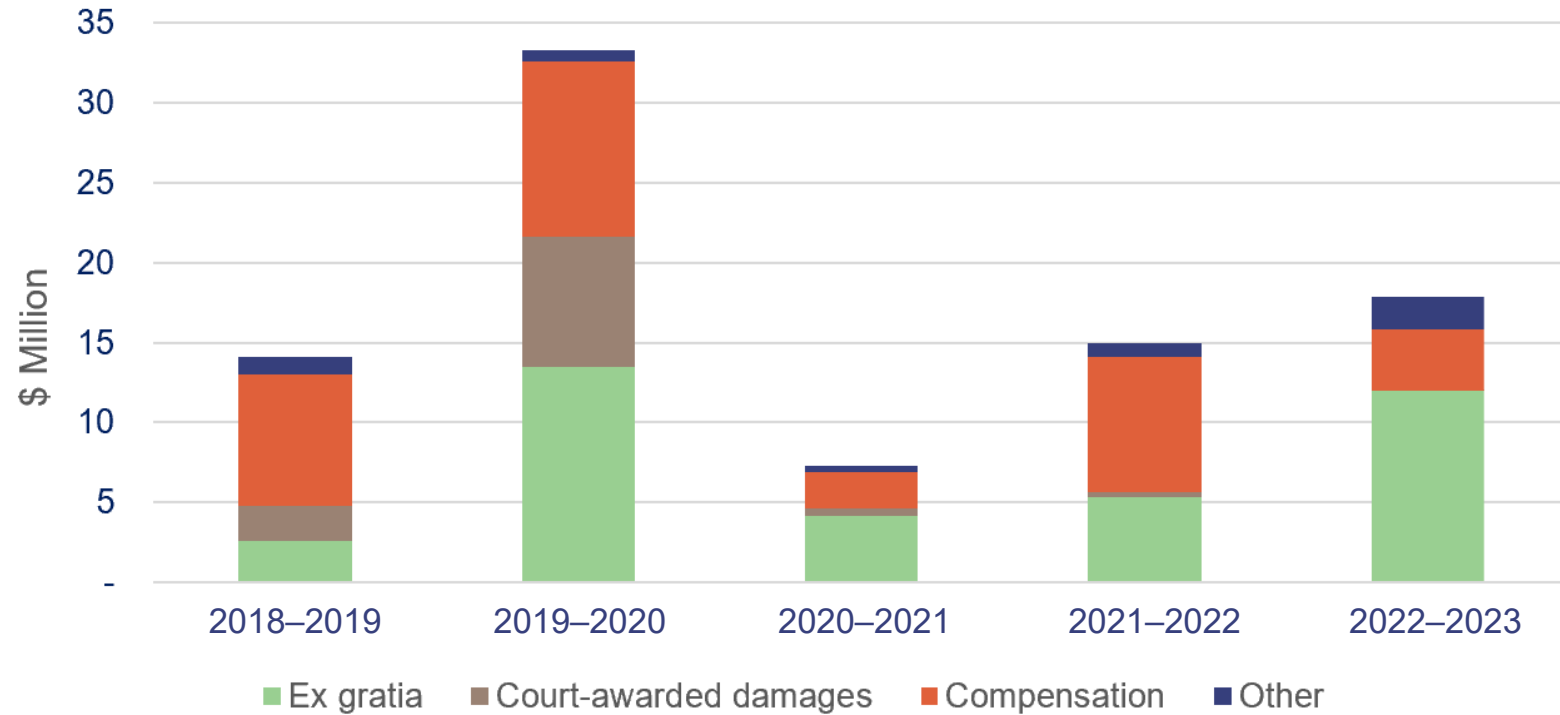
Asset management in health

### Growth in anticipated maintenance



## Special payments

### Special payments made by state entities



Note: \*For the purposes of this graph, state entities includes all departments, government owned corporations, hospital and health services, and large statutory bodies

Source: Queensland Audit Office from published entity financial statements



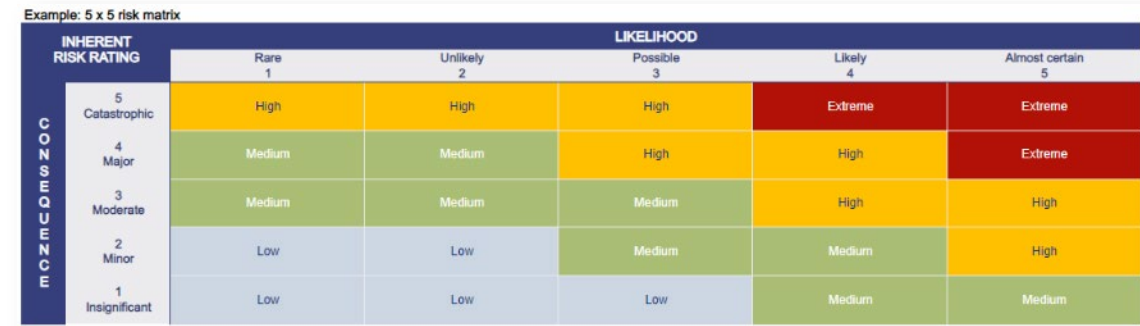
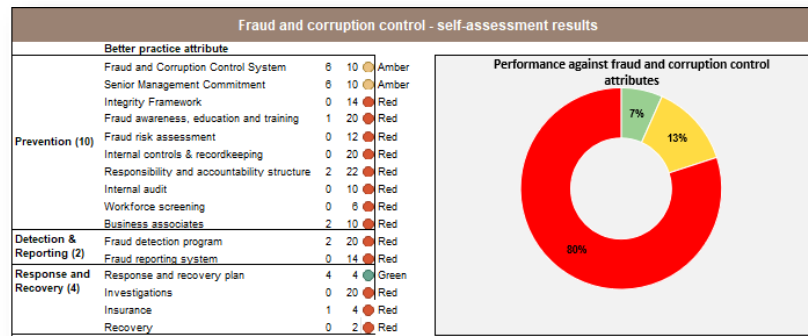
## Fraud tools

### Fraud risk assessment and planning model

- ✓ Helps entities document their assessments of fraud risk, and how they will control, monitor and report on the risks.
- ✓ Provides a methodology for assessments, helping to examine business environments and develop overarching risks management plans.
- ✓ Assessing risk; controls; treatment; incidents register; review controls; reporting; fraud susceptibility.

### Fraud and corruption self-assessment tool

- ✓ Aimed to help entities identify the areas where they can improve their fraud controls.
- ✓ Reflects new minimum requirements.
- ✓ Prevention; detection and response; dashboard; priority areas.



# Questions and discussion

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# System implementation from a client's perspective

Sally Trestrail and Steve Allan, Tourism and Events Queensland

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21 February 2024

# NetSuite Implementation: “Making your life easier at work”

Sally Trestrail, Finance & Planning Director

Steve Allan, Information Technology Services Director



Tourism and Events Queensland acknowledges the Traditional Owners of Country and recognise their continuing connection to land, waters, culture and community. We pay our respects to Elders past, present and future.

*A spirited journey, 2021, Michelle Tyhuis (Meriam Mer, Erub, Torres Strait Islands)*

Queensland  
AUSTRALIA

# Our Perfect Next (Finance System)

Aligns with ICT Strategy

Cost effective

Intuitive for all users

Flexible / Configurable

Minimal customization required

Seamless integration with Dynamics and other apps

Widely used, mature technology with advanced functionality

Significant commitment to ongoing R&D

Options for reliable, expert, timely technical support

Automation capability

# TEQ IT Strategy



Mobile-first



Cloud-first



Collaboration-  
centric



Single source of  
truth

# Cybersecurity

Mandatory  
MFA

Passwordless

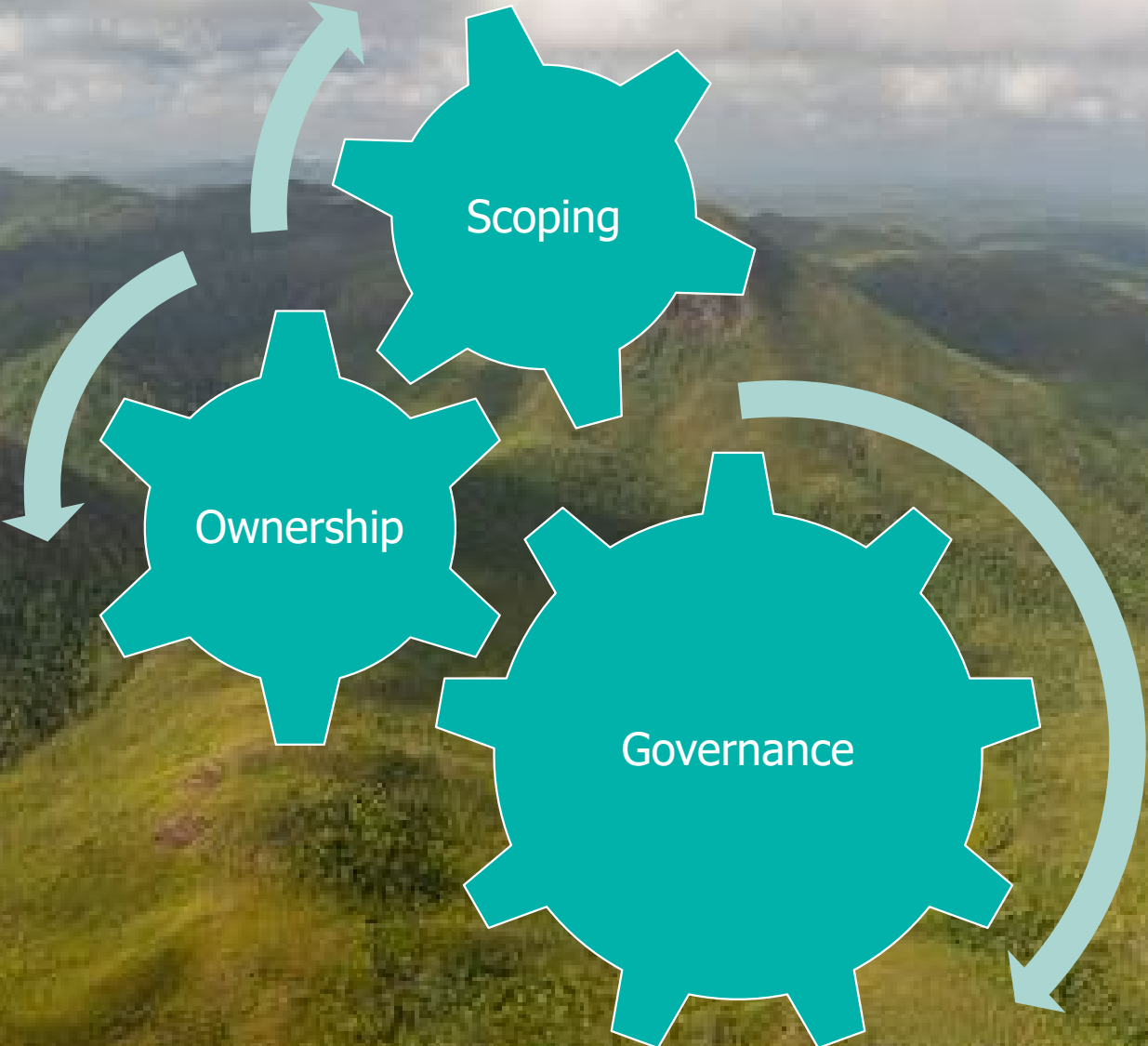
Single Sign  
On

Audit logs

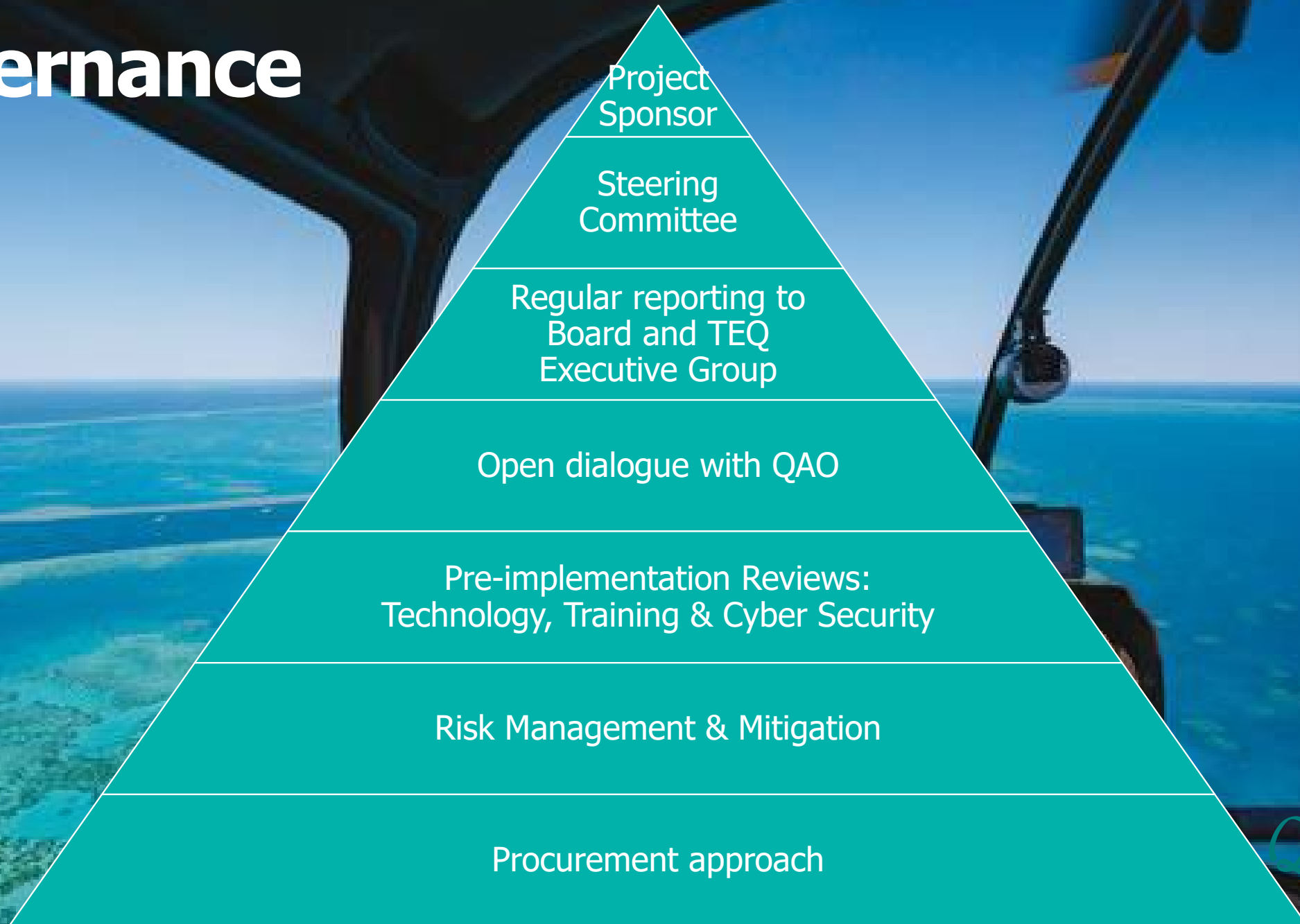
Essential 8

Device  
Compliance

# Key Success Drivers



# Governance







Input from  
whole finance  
team

Perfect is the  
enemy of  
Good

Reference tool

Detailed  
Scoping

Minimised &  
Streamlined  
Change Requests

Clarity within  
Partner  
Contract

# Project Ownership

A scuba diver is swimming horizontally in the upper left quadrant of the frame. Below the diver, a sea turtle is swimming towards the right. The background is a deep blue ocean with a coral reef visible at the bottom. The text 'Project Ownership' is overlaid in the top left in a large, white, sans-serif font.

Project team  
resourced by  
TEQ finance  
team

Backfilled  
BAU roles

Extensive  
Testing and  
scripted  
walkthroughs  
of end to end

Finance team  
were  
NetSuite  
subject  
matter  
experts



# Challenges

**Resourcing**

**User Access**

**Any Questions?**

*Queensland*  
AUSTRALIA

# Thank you



**Consumer: [queensland.com](http://queensland.com)**  
**Corporate: [teq.queensland.com](http://teq.queensland.com)**



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Proudly accredited  
by White Ribbon





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## Technical update

David Hardidge, Director, QAO  
Queensland Treasury

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# Agenda



**New standards and interpretations**



**AASB – fair value measurement project  
– public sector**



**Climate and sustainability reporting**



## Upcoming changes

**2023–24**

**Accounting policies disclosure**

**Accounting estimates**

**Beyond (near)**

**Fair value measurement – public sector**

**Climate/ sustainability reporting (private vs. public)**

**Classification of liabilities as current or non-current**

**AASB 17 *Insurance contracts***

**Beyond (later)**

**Primary financial statements**

**Conceptual framework (NFPs)**

**NFP Private Sector Financial Reporting Framework**

**Public Sector Financial Reporting Framework**





## From 1 January 2023

**AASB 2021-2**

*Disclosure of Accounting Policies and Definition of Accounting Estimates*

**AASB 2021-6**

*Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards*

**AASB 2021-5**

*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

**AASB 2023-2**

*International Tax Reform – Pillar Two Model Rules*

**AASB 2023-4**

*International Tax Reform – Pillar Two Model Rules: Tier 2 Disclosures*

**AASB 2022-7**

*Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*

**New standards  
1 Jan 2023**

## Current

### *Disclose – Significant accounting policies*

## Disclosure accounting policies

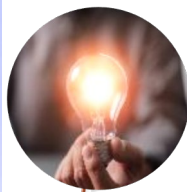
### The problem

- No definition of 'significant'

### Aim

- ✓ Provide material information to primary users of financial statements
  - Want insight into how an entity has exercised judgement in selecting and applying accounting policies
- ✓ Eliminate immaterial accounting policies from their financial statements
  - Avoid 'boilerplate' (standardised information)
  - Duplicates or summarises IFRSs





## Disclosure accounting policies

### The solution

*Disclose – material accounting policy information*

⇒ **Can I remove all summaries of accounting standards?**

No – still need to explain material transactions etc. but tailor it.

⇒ **Am I prevented from including policies of immaterial items?**

No – but do not obscure material disclosures.

⇒ **Example (tailoring) – grants**

Existing – summary of accounting standard.

Remove policy – don't have any.

Or (if have some) tailor to how applied and significant judgements.

⇒ **Example (immaterial)**

Credit risk disclosures (e.g. detailed breakdown of provision for doubtful debts), when credit risk not material.



## Accounting estimates



### The problem

- Accounting estimates – prospective
- Accounting policies – retrospective
- No definition of accounting estimate
- Confusing definition of ‘a change in accounting estimate’ + example



### The solution

*Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty.*

*An entity uses measurement techniques and inputs to develop an accounting estimate.*

Measurement techniques include:

- estimation techniques (for example, measuring allowance for expected credit losses under AASB 9)
- valuation techniques (for example, fair value of an asset or liability under AASB 13).



## Accounting estimates

Accounting estimates – output of measurement technique (and inputs)

Change in inputs → change in estimate

Change in measurement technique → change in estimate

### Correction of errors (retrospective)

*Prior period errors* are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

(a) was available when financial statements for those periods were authorised for issue; and

(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.



**Example**

# AASB Fair value measurement project (AASB 2022-10/ED320)

Public sector focus + project advisory panel

Starts financial years beginning on or after 1 Jan 2024

*Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.*

Fair value  
measurement

\$ AASB 13 is written primarily from a for-profit private sector focus

- market approach, income approach – based on discounted cash flows
- cost approach – 2 paragraphs
- common for assets to be bought and sold
- if cannot identify specific market participants, can work out what potential buyers (hypothetical market participants) would reasonably pay for the asset.

\$ Not-for-profit public sector

- not common for assets to be bought and sold
- sole supplier of goods or services.



## Fair value measurement



### Scope

- Non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.



### Restrictions on land, for example land under infrastructure

- Roads, schools, hospitals, prisons
- Do you apply discounts to market value for public sector use?

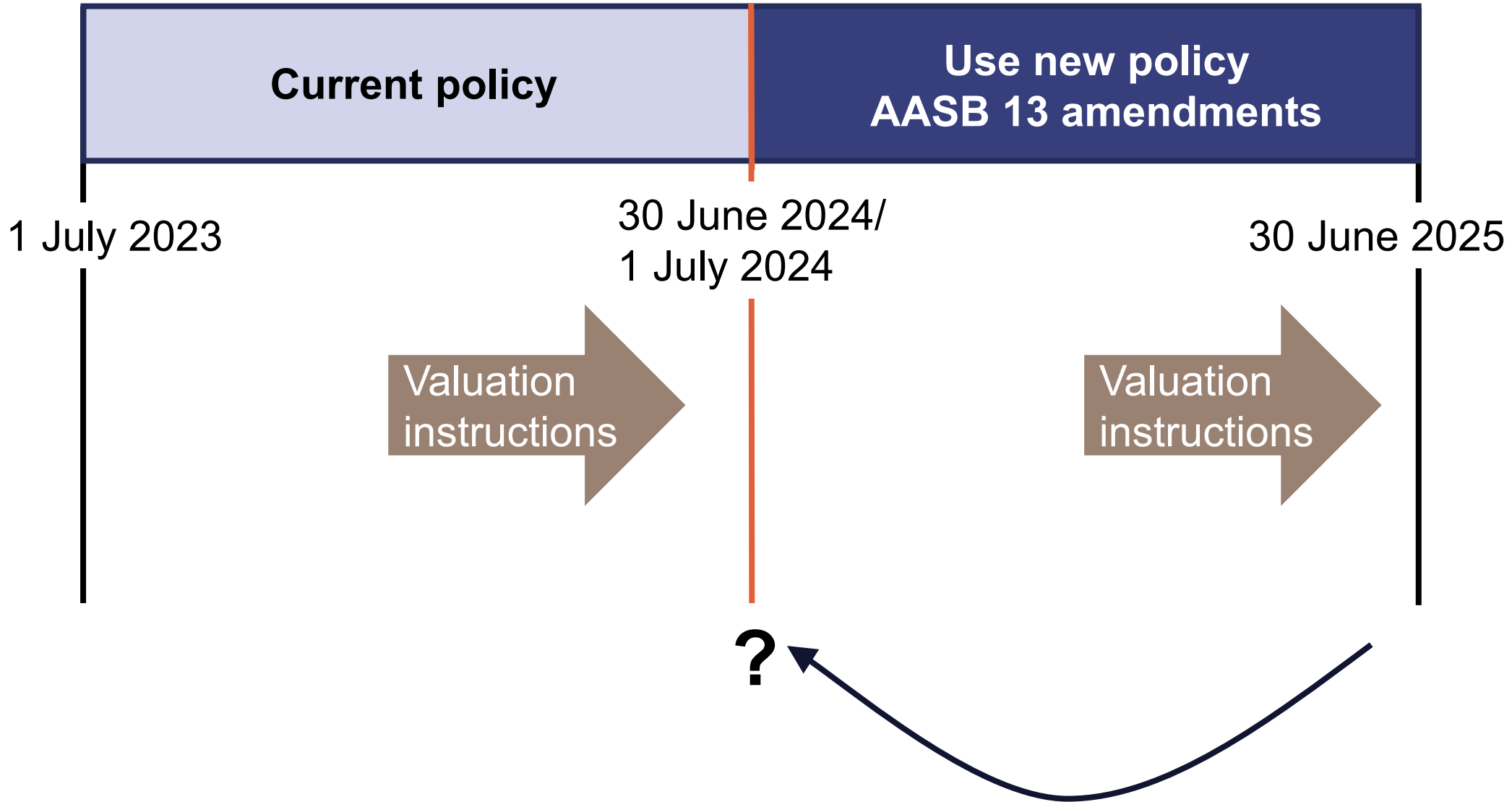


### Various issues

- Market participant assumptions (AASB 13 definition fair value)
  - when there are no market participants
- Highest and best use
- Current location
- Application of cost approach
- Greenfield versus brownfield?
- Borrowing costs



**Transition**







## Market participant assumptions

**If don't have a market, then need to develop a fair value.**

- Before AASB changes – market participant, hypothetical market participant assumptions would override entity assumptions.

**If both:**

- the market selling price of a comparable asset
- some market participant data required to measure the fair value of the asset are not observable

**an entity uses its own assumptions as a starting point in developing unobservable inputs.**

**If reasonably available information (need not undertake exhaustive efforts) indicates that other market participants would use different data, cannot ignore that information.**

- Example given – land.



When was current use not 'highest and best use'?

**Highest and best use**

➔ **New standard** – what you are currently doing, unless:

- a) the asset is classified as held for sale or held for distribution to owners in accordance with *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*; or
  - b) it is highly probable that the asset will be used for an alternative purpose to its current use (and meets other conditions similar to those required under AASB 5).
- Under both (a) and (b), highly probable will happen within one year, and appropriate approvals etc. already in place.

Implication:

- Less time considering what a hypothetical market participant would do.





**Cost of  
reference  
asset**

## Cost of modern equivalent – adjust for:

**Engineered to a higher  
standard, for example**



Superior fire safety features



Greater number of lifts



**Obsolescence**



Physical deterioration



Functional obsolescence



Economic obsolescence

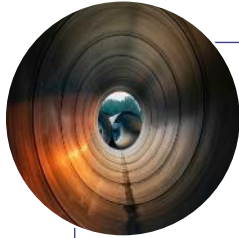


## Cost of reference asset



### Own assumptions (broadly)

- Existing location
- As you would replace it



### Greenfield versus brownfield?

- Restoration costs – someone else's assets (e.g. pipes)
- Disruption costs
- Site preparation costs



### Borrowing costs

- Public sector not-for-profit – expense
- Fair value – hypothetical participant – include?
- No guidance in amendments



## Climate and sustainability reporting

### 30 June 2022 year ends

- Nov 2021 – International Sustainability Standards Board (ISSB) formed
- Mar 2022 – AASB supports voluntary adoption of TCFD
- Mar 2022 – ISSB issues exposure draft S1 and S2
- Jun 2022 – Queensland Treasury FRRs
  - Agencies not to adopt TCFD, or ISSB EDs

### 30 June 2023 year ends

- May 2023 – ISSB issues Consultation on Agenda Priorities
- Jun 2023 – Queensland Treasury FRRs
  - Agencies not to adopt TCFD, or ISSB EDs
- Jun 2023 – ISSB issues S1 and S2

### 30 June 2024 year ends

- Aug 2023 – IAASB issues ED ISSA 5000 sustainability auditing standard
- Oct 2023 – AASB issues ED equivalents of S1 and S2 – ‘climate-first’
- Oct 2023 – IPSASB workplan consultation – incl. sustainability
- Jan 2024 – Commonwealth Treasury – draft legislation

# Climate-related risks – financial reporting – Commonwealth

## Commonwealth Treasury climate-related financial disclosure: exposure draft legislation

### + AASB ED SR1 (applying ISSB S1 and S2) – ‘climate-first’

- Reporting under the Corporations Act (excl. ACNC Act – companies that are charities)
- Group 1 – GOCs registered under National Greenhouse and Energy Reporting Scheme (NGER)
  - all Corporation Act GOCs except 3 smaller ports
- Audit requirement – phased transition




## Climate and sustainability reporting



### Group 1 2024–25\*

- NGER reporting
- N/A
- 2 or more (consolidated)  
Revenue  $\geq$  \$500 mil.  
Assets  $\geq$  \$1,000 mil.  
500 employees



### Group 2 2026–27

- NGER registered
- \$5 billion assets
- 2 or more (consolidated)  
Revenue  $\geq$  \$200 mil.  
Assets  $\geq$  \$500 mil.  
250 employees



### Group 3 2027–28

- N/A
- N/A
- 2 or more (consolidated)  
Revenue  $\geq$  \$50 mil.  
Assets  $\geq$  \$25 mil.  
100 employees



**New standards and interpretations**



**AASB – fair value measurement project  
– public sector**



**Climate and sustainability reporting**

**Recap**



# Queensland Treasury

## Presentation to QAO Technical Update

Greg Hall

21 February 2024

— QUEENSLAND TREASURY





# Good news – accounting standards

For the public-sector:

- No new accounting standards of material note for 2023/24
- Most significant standards are on the horizon:
  - > AASB 2022-10: Amendments to AASB 13 FV Measurement (FY25)
  - > AASB 2022-09: AASB 17 Insurance Contracts Public Sector (FY26)
- No major changes are currently anticipated to arise.

# Good news – FRRs and NCAPs

## 2023/24 FRRs

- No major policy changes
- FRR 2C – Editorial amendments
- FRR 5D.4 – guidance ‘refined’
- FRR 6A/6B – ‘housekeeping’ only

## 2024/25 NCAPs

- Refreshed draft anticipated for release in May 2024
- ‘Spring-clean’
- Editorial amendments reflecting AASB 2022-10 – but no major changes are anticipated.

# Sustainability Reporting: Public sector context

- Climate and sustainability reporting by the public sector involves *different objectives and reporting considerations to the private sector* depending upon whether reporting is completed at an individual agency level, a whole-of-Government level, or even a whole-of-State (i.e. geographical jurisdiction) level.
- A key consideration within the public sector is that climate / sustainability risks (and therefore disclosures) for GGS, PNFC and PFC entities are interrelated with Government as a whole.
- *Individual agency disclosures therefore require a whole-of-government context* for users to make a fully informed and complete assessment.
- Governments are expected to articulate a co-ordinated whole-of-government approach to managing Environmental, Social and Governance risk factors.

# Queensland Sustainability Report

- Consideration has been given to investors, rating agency and other financial stakeholders areas of ESG focus
- The QSR:
  - Outlines the State's approach to managing material sustainability risks and opportunities
  - It summarises existing government commitments and achievements
  - It provides key data-sets analysed by financial market stakeholders
- The report is expected to:
  - Assist in engagements with ratings agencies and investors
  - Position the State to meet future Sustainability Standard disclosures



# Sustainability Standards: where to from here?

- Proposed 3 year phased introduction commencing 1 July 2024 (so FY2025) for *Corporations Act 2001 entities*
- **AASB Exposure Draft SR1 “Open for Comment” – draft ASRS**
- **Does not apply** to departments and statutory bodies
- GOC’s under *Corporations Act 2001* are in-scope.
- Queensland Treasury working with other jurisdictions and engaging with the AASB on public sector specific considerations.
- As of today – SR1 is an exposure draft...
- It is **not** to be early adopted by departments and statutory bodies

# Sustainability Standards: where to from here?

- **Public Sector Implementation will be WOG led.**
- We don't have a commencement date yet for agencies.
- **Implementation timeframes will vary depending on agency**
- Full extent of public sector application **still being determined**
- Agencies **will** be required to make sustainability disclosures in the future **but** sustainability reporting will be -
  - ✓ Targeted
  - ✓ Meaningful and relevant to the entity
  - ✓ Focused on material agency specific risks and opportunities
  - ✓ Connected with the Queensland Sustainability Report

# Sustainability Standards: where to from here?

- *Advancing whole of state reporting* allows agencies to:
  - provide climate reporting in context – your story is part of the state’s story
  - reduce agency requirements to deal with “everything” and
  - focus on agency specific risks and management
- *Consultation with GOC’s:*
  - Underway via Queensland Treasury’s GOC Governance and Performance team
- *Carbon Offset Policy:*
  - Draft released for consultation and comment
  - Most effective way of managing abatement needs, reputational risk and compliance requirements from offset use across Government

# Our message today...

- Agencies will be required to make targeted and focused sustainability disclosures in the future – don't panic and don't be overwhelmed!
- 2024 will see more certainty as ASRS's are finalised
- Consultation with AASB on public sector specific issues continues
- Queensland Treasury will provide a policies/guidelines as the sustainability reporting framework becomes more certain and policies are finalised for public sector application.



# Our message today...

- Emissions calculation tools and Sustainability Reporting Requirements are under development.
- Queensland Treasury is actively working in collaboration with key agencies and other jurisdictions on the public sector rollout and practical application issues encountered
- Central agencies are developing policy responses for climate change.
- Departments and Statutory Bodies are not to produce sustainability reports or early adopt sustainability standards/proposals.

# What can I do in the meantime...

- Take the opportunity **now** to undertake and/or update climate-risk assessments and embed in your governance reporting process
- Begin to evaluate where scope 1 and scope 2 emissions occur for your agency across your service delivery areas.
- Build general knowledge through the numerous training resources available – but remember most are private-sector focused and public sector application is still to be finalised. Remember your story is part of the State's story...
- Don't try and fix issues/problems on your own. Talk to us...we know about the issues and solutions are being worked on.

Disclaimer:

This presentation has been prepared for presentation at the QAO Technical Update (February 2024).

This presentation does not constitute formal Queensland Government or Queensland Treasury policy.

References to positions of the Australian Accounting Standards Board's draft proposed sustainability standards and likely future application may change subsequent to the delivery of this presentation. Agencies should monitor future communication from Queensland Treasury on the application of sustainability standards in Australia to the Queensland public sector.

The Queensland Sustainability Report can be accessed in full via Queensland Treasury's website at:

<https://www.treasury.qld.gov.au/programs-and-policies/esg/>

Questions? Need accounting advice or assistance? Contact us at [fmhelpdesk@treasury.qld.gov.au](mailto:fmhelpdesk@treasury.qld.gov.au)



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# How QAO is preparing to audit climate reporting

Irshaad Asim, Senior Director QAO

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## What are the assurance requirements?

- What are we auditing?
  - Climate disclosures
- Type of audit report
  - Limited assurance – 1 July 2024–30 June 2030
  - Reasonable assurance – 1 July 2030



### Limited assurance

- Lower level of assurance
- Interviews
- Analytical reviews
- Recalculation of metrics



### Reasonable assurance

- Higher level of assurance
- Vouching to supporting documentation
- Greater understanding of process and controls



## Climate and sustainability reporting

### QAO will audit the sustainability reports

- We will engage specialists and contract auditors to supplement our team
- We will focus on entities for whom reporting will become mandatory
- Early and voluntary reporters will be considered on a case-by-case basis.

Departments and statutory bodies do not need to prepare climate reports, but they do need to refer to the FRRs and talk to Queensland Treasury if they have any questions or concerns.



If considering voluntary reporting, you need to plan and prepare well. Don't underestimate the work required, or it will be more effort in the long run.

For those considering voluntary reporting, please contact your QAO Engagement Leader and we will work with you individually.

## How is QAO preparing for the audit?



## QAO forum for energy, utilities and ports 2024

### Climate and sustainability reporting

14 March 2024 – we will send out invitations soon.

We will share learnings and advice from our work and discuss topical issues.  
Comprises a panel and discussion-based approach.

We can share our learnings with other entities following our event if you are interested – do not hesitate to reach out to your engagement leader.







# Climate and sustainability reporting

## Considerations for sustainability reports



## Next steps

We will communicate our approach for each client in our 2024–25 audit plans.



- We will be starting our discussions with clients during our audit planning for FY25, focusing on:
- ✓ sources of emissions
  - ✓ reviewing internal audit reports
  - ✓ processes
  - ✓ data collection
  - ✓ information systems used.

# Questions and discussion

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## Insights from our recent reports, and our upcoming audits

Darren Brown, Assistant Auditor-General

In 2023:

We asked



**98**  
entities

To report on



**678**  
individual  
recommendations

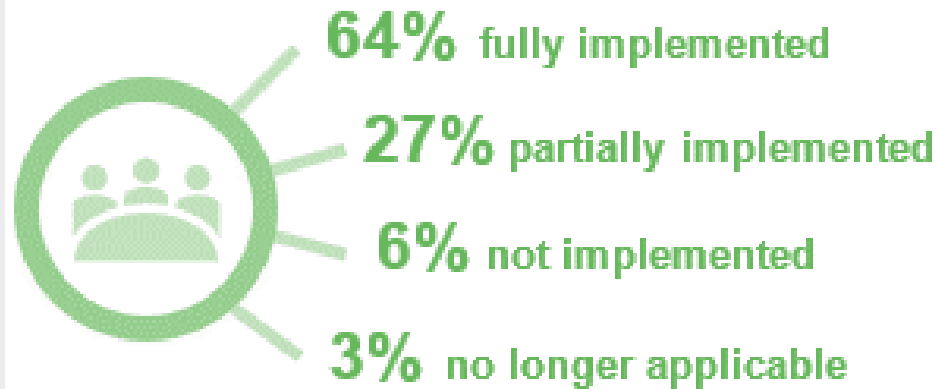
From



**41**  
reports to  
parliament

## Status of recommendations

### Results



Some entities remain uncertain about their progress because they do not have effective systems to track it.

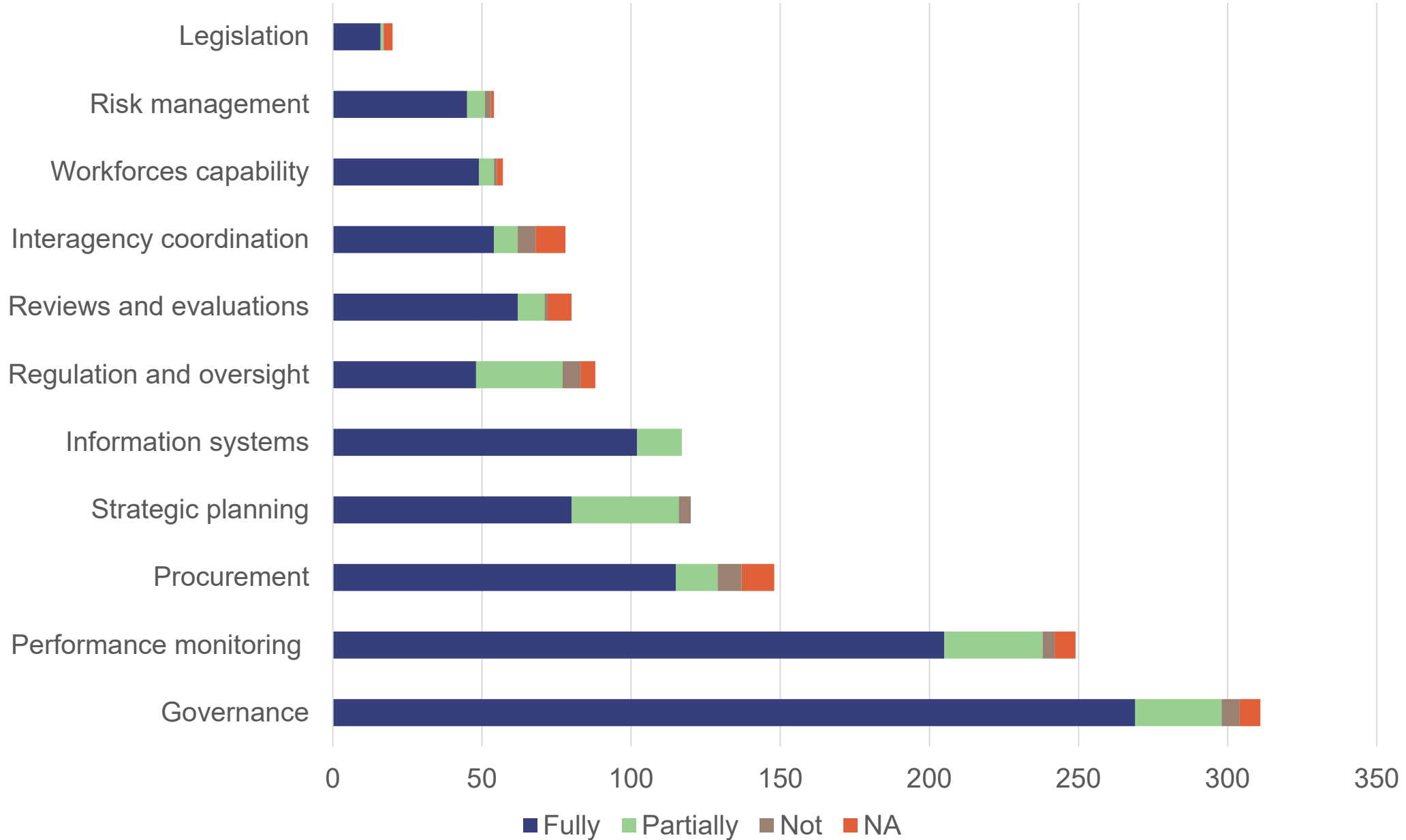
This can make it difficult for audit committees to effectively hold management to account.

 [www.qao.qld.gov.au/reports-resources/status-auditor-generals-recommendations](http://www.qao.qld.gov.au/reports-resources/status-auditor-generals-recommendations)

Interactive data dashboard – search by entity, report, year, parliamentary committee

## Recommendations by category and status

### Common challenges in implementing recommendations





## Some headline insights from recent reports



### Performance monitoring and reporting

- Culture of accountability and transparency
- Clear objectives and goals
- Quality data
- Multi-agency coordination – shared and clear understanding of outcomes, roles, priorities.



### Contract management

- Effective planning includes clearly articulating service need
- Registers help budget for costs, track obligations, reduce variations
- Appropriate systems for training, central documentation, and managing conflicts of interest.



### Confidentiality provisions

- Only included where there is strong justification for protecting sensitive information
- Balanced against the need for open and transparent government
- A contract cannot override an accounting standard.



### Reports on the results of our financial audits

- Continuing need for stronger information security practices
- Controls to mitigate cyber security risk exposure
- Risk practices and maturity assessments
- Procurement – conflicts of interest
- Regular and timely assessment of asset condition.



## Recent Report Learnings

- *Gambling harm*: Challenges in delivering the harm minimisation plan due to the scale of gambling harm across the community.
- *Health 2023*: Demand for health services in Queensland continues to increase.
- *Deploying Police Resources*: Increasing and changing demand for its services.
- Operating in an environment of:
  - **shifting community expectations**
  - technological changes
  - increasing and aging population
  - economic uncertainty
  - tight labour market, difficulty recruiting.

**Sound familiar?**





## Recent Report Learnings

- Build evidence-based understanding of demand – past, present and future
- Know your purpose –your value proposition
- Understand your key challenges and vulnerabilities – root causes
- Regularly assess and really understand what you are currently doing and why. How does it align with:
  - Your purpose
  - Current and future demand pressures
- Align your strategies, plans and budgets accordingly – prioritise, back to core basics
  - can you shed activities, services functions that don't align?
- Develop a robust models for monitoring and forecasting demand across the services
- Monitor performance – inform decision making and be agile

**Economy, Efficiency and Effectiveness**



## Recent Report Learnings

- Operating in an environment of:
  - shifting community expectations
  - technological changes
  - increasing and aging population
  - economic uncertainty
  - tight labour market, difficulty recruiting.



Technology risk and opportunities



Sustainable communities and environment



Governance of government



Healthy and safe Queenslanders

Infrastructure investment



Economic risk and recovery



## Forward work plan

- Focuses audits where we can most effectively support entities and provide insights.
- Provides transparency of the upcoming work program and advance notice to entities.
- Entails key component of consultation with entities, ministers, and parliamentary committees.
- In prioritising topics, we consider where there have been particular challenges, strategic risk, and where we think there is the most to learn.

### Focus areas guide all our audit activity

 Technology risk and opportunities

 Sustainable communities and environment

 Governance of government

 Healthy and safe Queenslanders

 Infrastructure investment

 Economic risk and recovery

On occasion, new topics may be introduced in response to new information. Timing for some topics may also shift. We reflect these changes on our website.

QAO's blog and better practice guides reflect our areas of audit focus.

[www.qao.qld.gov.au/audit-program](http://www.qao.qld.gov.au/audit-program)



## Remaining 2023–24 reports to parliament

### Managing Queensland's debt and investments 2023

Early 24 Management of the Queensland Government's debt and investments, including main transactions and investment performance.

### State entities 2023

Early 24 Audit results for state entities, government financial position, key transactions and events. Commences reporting on the extent to which government uses consultants and contractors. Update on government's implementation of Coaldrake recommendations.

### Responding to and recovering from cyber attacks

Early–mid 24 Insights and lessons learned on entities' preparedness to respond to and recover from cyber attacks.

### Diverting young offenders from crime

Early–mid 24 Assesses whether youth justice strategies and programs are effective in reducing crime by serious repeat offenders and improving community safety.

### Queensland's regions 2023

Early–mid 24 Analyses data on state and local government service delivery and support for Queensland's regions, including regional growth and sustainability measures.

### Protecting students from bullying

Early–mid 24 Examines whether the Department of Education's strategies are effective in supporting the protection of students from bullying.

### Education 2023

Mid 24 Audit results for education entities, and their financial performance and position. Insights into recovery from COVID-19, and in meeting the state's education requirements.

### Managing Queensland's regional water quality

Mid 24 Effectiveness of state and local government entities in ensuring access to safe water.

### Effectiveness of audit committees in local governments

Mid 24 Insights into the effectiveness of audit committees in Queensland's local governments.

### Examining the state budget framework

Mid 24 Considers how the framework for preparing the state budget supports government's identified fiscal principles and the objectives and measures identified in economic plans.

### Follow-on audit: Delivering forensic services

Mid 24 Assesses whether the entities have implemented the recommendations relating to forensic medical examination services, and effectiveness in meeting the needs of victims.

# Questions and discussion

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## Q&A with today's presenters

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**Tell us what you want to hear about!**

We appreciate your feedback

A quick survey on today's event is with you now:

[www.surveymonkey.com/r/QAOTechnicalUpdate2024](https://www.surveymonkey.com/r/QAOTechnicalUpdate2024)





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