



# QUEENSLAND PARLIAMENT **COMMITTEES**

## **Consideration of Auditor-General Report 15: 2024-25 - *Education 2024***

Education, Arts and Communities Committee



Report No. 16

58th Parliament, April 2026

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## **Education, Arts and Communities Committee**

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<b>Deputy Chair</b>	Ms Corrine McMillan MP, Member for Mansfield
<b>Members</b>	Ms Wendy Bourne MP, Member for Ipswich West
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All references and webpages are current at the time of publishing.

### **Acknowledgements**

The committee acknowledges the assistance provided by Auditor-General and officers of the Queensland Audit Office, as well as the Department of Education, the Department of Trade, Employment and Training and TAFE Queensland.

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## Chair's Foreword

This report presents a summary of the Education, Arts and Communities Committee's consideration of Auditor-General Report No 15: 2024-25 – *Education 2024*. The report summarises previous audits undertaken by the Queensland Audit Office of entities within Queensland's education sector, including the Department of Education; the Department of Trade, Employment and Training; TAFE Queensland; 7 universities; 8 grammar schools and other statutory bodies.

The committee sought advice from the Department of Education, the Department of Trade, Employment and Training and TAFE Queensland on their work on recommendations from previous audits. The committee notes the significant progress of these entities to implement the recommendations of the Queensland Audit Office. The committee recommends that the Legislative Assembly note its report on this consideration.

On behalf of the committee, I thank the Auditor-General and officers of the Queensland Audit Office, for assisting the committee in its consideration of the report. I also thank our Parliamentary Service staff.

I commend this report to the House.



Nigel Hutton MP

Chair

## Executive Summary

### Role of Auditor-General and committee

The Auditor-General provides the Parliament with independent assurance of public sector accountability and performance by reporting to Parliament on the results of its financial and performance audits.

Under section 94 of the *Parliament of Queensland Act 2001*, the Education, Arts and Communities Committee (committee) is responsible for assessing the integrity, economy, efficiency and effectiveness of government financial management by considering reports of the Auditor-General within its portfolio areas of responsibility.

Accordingly, the committee has considered *Auditor-General Report 15: 2024–25 – Education 2024* (Report 15) tabled in the Legislative Assembly on 10 June 2025.

### About the audit report

Report 15 summaries the audits of entities within Queensland's education sector, including the Department of Education; the Department of Trade, Employment and Training; TAFE Queensland; 7 universities; 8 grammar schools and other statutory bodies.

### Committee considerations

As a part of its consideration of Report 15, the committee conducted a public briefing with the Queensland Audit Office on 27 August 2025. Key themes raised included:

- information system deficiencies
- financial performance
- capital expenditure and asset management.

The committee also received written briefings from:

- the Department of Education, dated 4 December 2025
- the Department of Trade, Employment and Training, dated 4 December 2025
- TAFE Queensland, dated 5 December 2025.

The committee acknowledges the work of these education entities to progress the recommendations of the Auditor-General, and recommends that the Legislative Assembly notes the contents of this report.

## Recommendation

<b>Recommendation 1 .....</b>	<b>1</b>
That the Legislative Assembly note this report.....	1

## 1. Consideration of Auditor-General reports

### 1.1. Role of the Auditor-General

The role of the Auditor-General is to provide Parliament with independent assurance of public sector accountability and performance. The Auditor-General is supported by the Queensland Audit Office (QAO), which is the independent auditor of the Queensland public sector, including local governments. The Auditor-General's reports to Parliament on the results of the QAO's financial and performance audits provide insights and advice, and recommendations for improvement. Performance audit reports present the QAO's evaluation of entities' efficiency, effectiveness, and economy in providing public services.

### 1.2. Role of the committee

Under s 94 of the *Parliament of Queensland Act 2001*, portfolio committees have public accounts and public works responsibilities. With respect to public accounts, committees are responsible for assessing the integrity, economy, efficiency and effectiveness of government financial management within their portfolio areas by, among other things, considering reports of the Auditor-General.<sup>1</sup>

Committees also have a statutory responsibility to provide effective oversight of government management of capital works (public works) within their portfolio areas.<sup>2</sup>

### 1.3. Referral for consideration and committee activities

*Auditor-General Report 15: 2024–25 – Education 2024* (Report 15) was tabled on 10 June 2025. The Committee of the Legislative Assembly referred Report 15 to the Education, Arts and Communities Committee (the committee) on 12 June 2025.

As a part of its consideration of Report 15, the committee conducted a public briefing with the Queensland Audit Office on 27 August 2025.

The committee also received written briefings from:

- the Department of Education, dated 4 December 2025
- the Department of Trade, Employment and Training, dated 4 December 2025
- TAFE Queensland, dated 5 December 2025.



#### Recommendation 1

That the Legislative Assembly note this report.

<sup>1</sup> *Parliament of Queensland Act 2001* (PoQ Act), s 94(1).

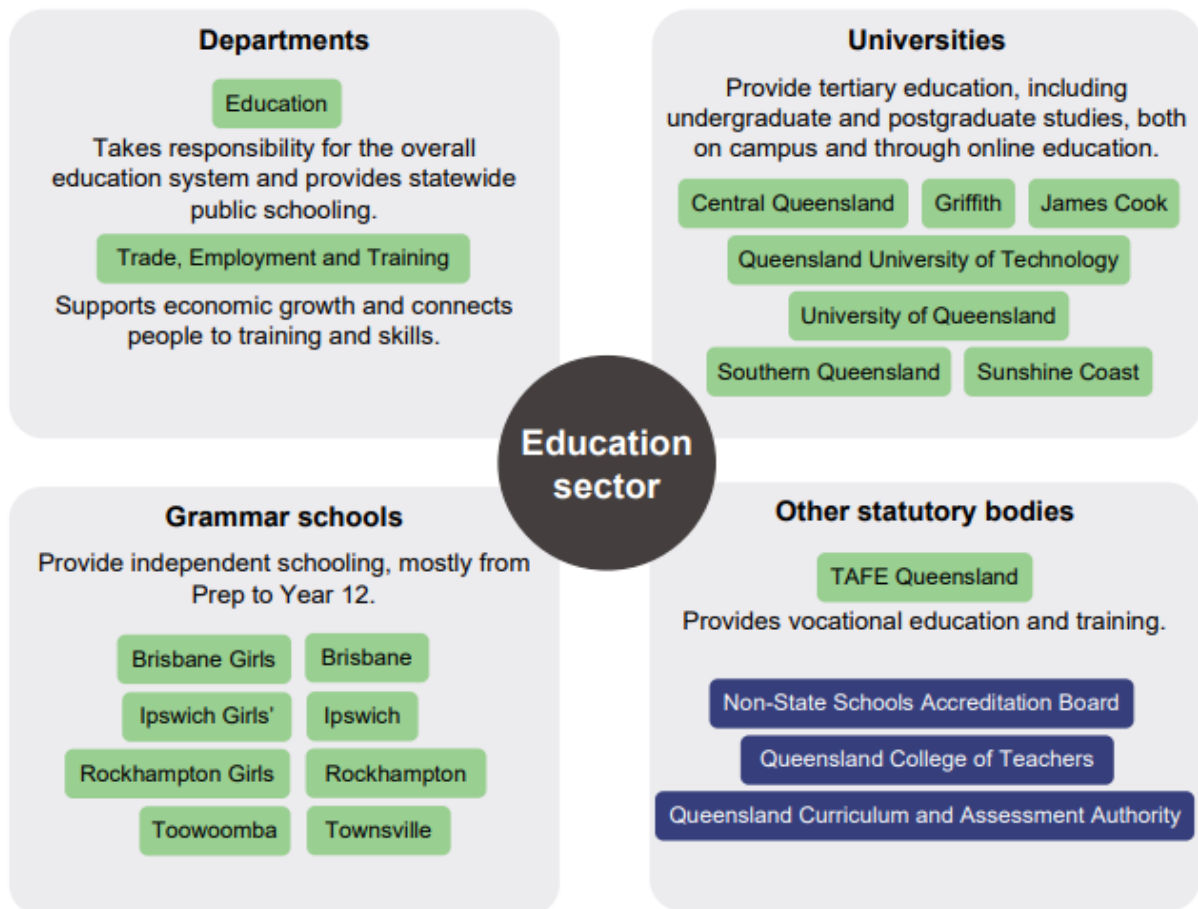
<sup>2</sup> PoQ Act, s 94(2).

## 2. Consideration of Auditor-General Report 15: 2024–25 – Education 2024

Report 15 summarises the financial audit results of Queensland’s education entities, including:

- Department of Education
- Department of Trade, Employment and Training
- TAFE Queensland
- 7 universities
- 8 grammar schools
- other statutory bodies and their controlled entities.<sup>3</sup>

Figure 1: Entities in the education sector<sup>4</sup>



Source: Queensland Audit Office.

<sup>3</sup> Queensland Audit Office, *Auditor-General Report 15: 2024–25 – Education 2024* (Report 15), 10 June 2025, p 31.

<sup>4</sup> Report 15, p 3, Appendices E and F.

## 2.1. Report findings

Report 15 made no new recommendations. Instead, the QAO advised that ‘Education entities need to take further action on prior year recommendations’. The QAO drew attention to the following recommendations:<sup>5</sup>

Theme	Summary of Recommendation	Education report
Information systems	Strengthen information and cyber security controls by reviewing access, monitoring activity, and strengthening password controls, particularly for third-party users. (Chapter 3 in this year’s report)	Report 13: 2023–24
	Strengthen the security of information systems by assigning only the minimum level of access, monitoring the activities of users with privileged (unrestricted) access, and implementing strong password controls and multi-factor authentication (including, for example, a code sent to a phone). (Chapter 3 in this year’s report)	Report 18: 2020–21
Employee expenses	Address the risk of wage underpayments by assessing historical pay practices, reviewing employment contracts and enterprise agreements, training staff, and evaluating payroll and timekeeping systems to enable accurate and thorough record-keeping practices. (Chapter 4 of this year’s report)	Report 13: 2023–24
Asset management	Assess the condition of buildings regularly and use the information from these assessments to inform maintenance budgets and long-term asset management strategies. (Chapter 5 of this year’s report)	Report 19: 2021–22

<sup>5</sup> Report 15, p 2.

The QAO also advised that TAFE Queensland needs to take further action on its recommendation from Report 19: 2021–22, ‘to develop its understanding of the value and costs of its services, use this to make decisions about its activities, and implement strategies to support its sustainability’.<sup>6</sup>

## 2.2. Audit opinion results

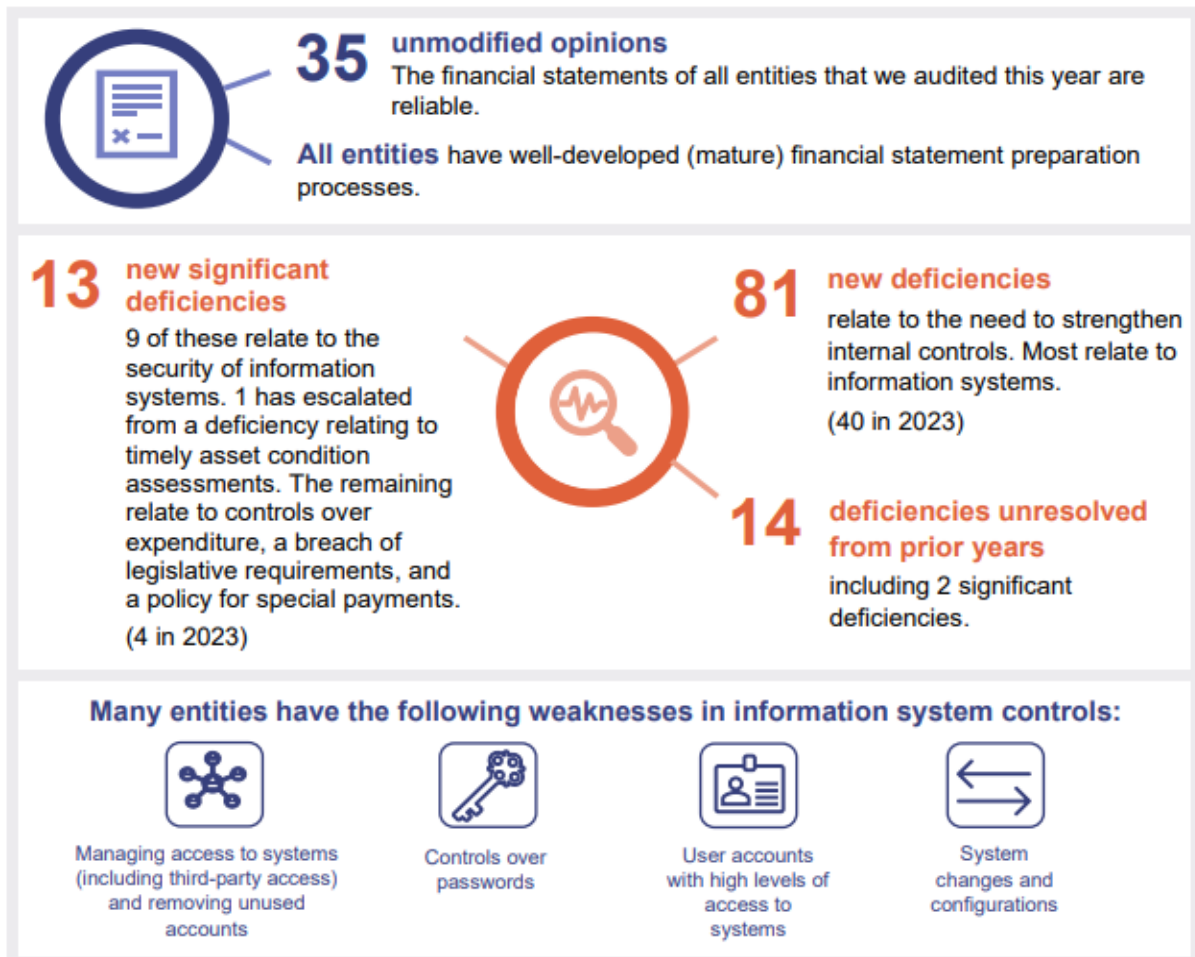
The audit concluded that the sector’s financial statements are reliable.<sup>7</sup>

When the QAO identifies weaknesses in the effectiveness of systems and processes (internal controls), they fall into 2 categories:

- **Deficiencies** are weaknesses considered lower risk that can be corrected over time
- **Significant deficiencies** are higher risk and require immediate action by management.

Report 15 reported the following:<sup>8</sup>

Figure 2: Audit results<sup>9</sup>



<sup>6</sup> Report 15, p 2; see also Report 15 Appendix D for the status of prior recommendations, pp 37–41.

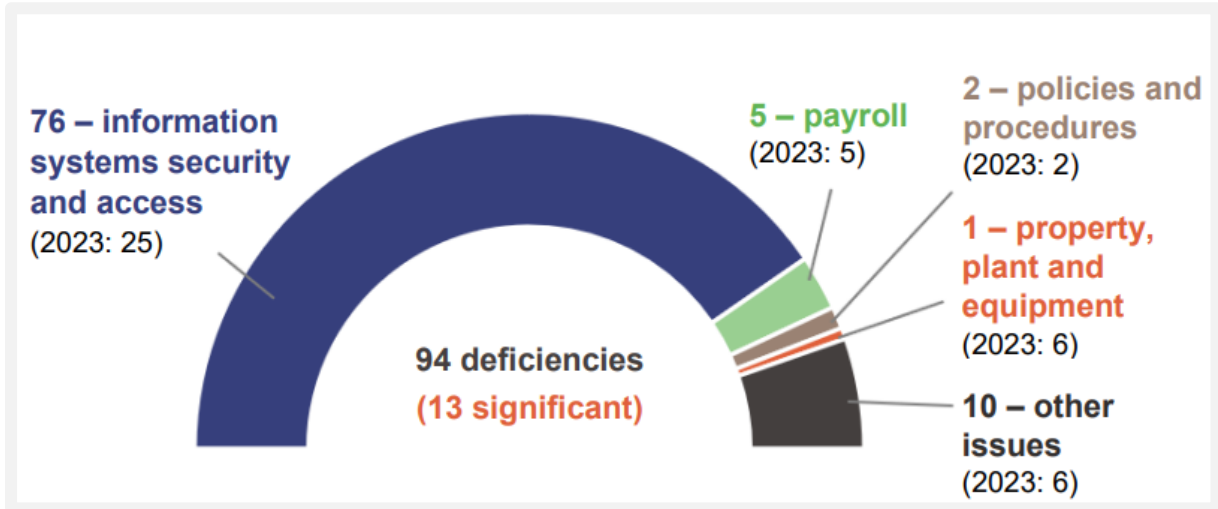
<sup>7</sup> Report 15, p 4.

<sup>8</sup> Report 15, p 4.

<sup>9</sup> Report 15, p 4.

The QAO concluded that internal controls are generally effective but noted the number of deficiencies had increased.<sup>10</sup>

Figure 3: Types of internal deficiencies<sup>11</sup>



### 2.2.1. Security issues with information systems are increasing

QAO identified 94 control deficiencies in 2024 (up from 44 in 2023). Of these, 81 per cent were related to weaknesses in the security of information systems (up from 60 per cent in 2023). 'Information systems' refers to the hardware, software (applications), networks, and data that entities use to manage information. This includes systems for finance, student management, customer service, and asset management.<sup>12</sup>

QAO advised that 'Entities need to proactively identify and address security weaknesses in their information systems'. Report 15 noted that education is one of the 5 most vulnerable sectors to cyber security incidents, and that education entities must continually assess their cyber risk vulnerabilities and exposures'.<sup>13</sup>

The below table shows a breakdown of information systems deficiencies.<sup>14</sup>

<sup>10</sup> Report 15, p 5.

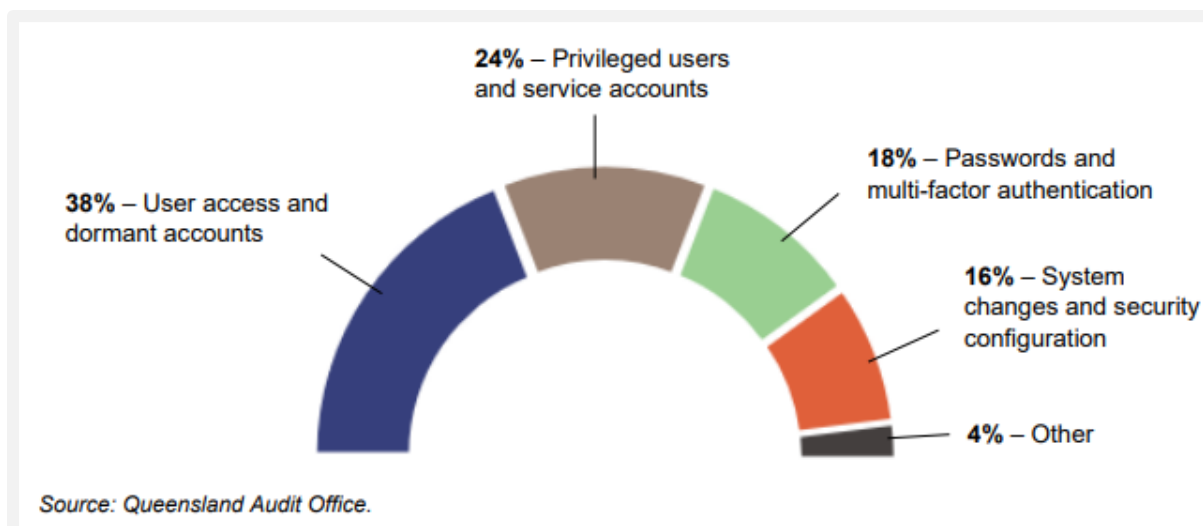
<sup>11</sup> Report 15, p 5.

<sup>12</sup> Report 15, pp 2, 5.

<sup>13</sup> Report 15, p 6.

<sup>14</sup> Report 15, p 7.

Figure 4: Types of deficiencies in information systems in 2024<sup>15</sup>



Of the deficiencies relating to information systems, 29 (38 per cent) related to how entities managed user accounts. The QAO found some entities have:

- not performed regular reviews of user access to confirm that users are still working for the entity and that their access is in line with their roles and responsibilities
- no documentation outlining how access to the information system is controlled
- not removed system access for terminated users in a timely manner
- not completely removed all system access or devices that enable access for terminated users
- not performed regular reviews to disable dormant (unused) accounts and temporary access by guest users (for example, business partners, vendors, and other third parties) that is no longer needed.<sup>16</sup>

To remedy security weaknesses, QAO advised:

- strong controls over user access can help reduce unauthorised access/cyber threats
- entities must effectively control their privileged accounts
- strong passwords and multiple layers of security can help prevent unauthorised access
- entities need to improve their payroll processes.<sup>17</sup>

The QAO noted that previous recommendations relating to strengthening education entities' information systems 'remain relevant', and that 'It is important that entities apply the appropriate security principles and recommendations to all systems they use to ensure all their information systems are properly secured.'<sup>18</sup>

<sup>15</sup> Report 15, p 7.

<sup>16</sup> Report 15, p 7.

<sup>17</sup> Report 15, pp 7–9.

<sup>18</sup> Report 15, p 8.

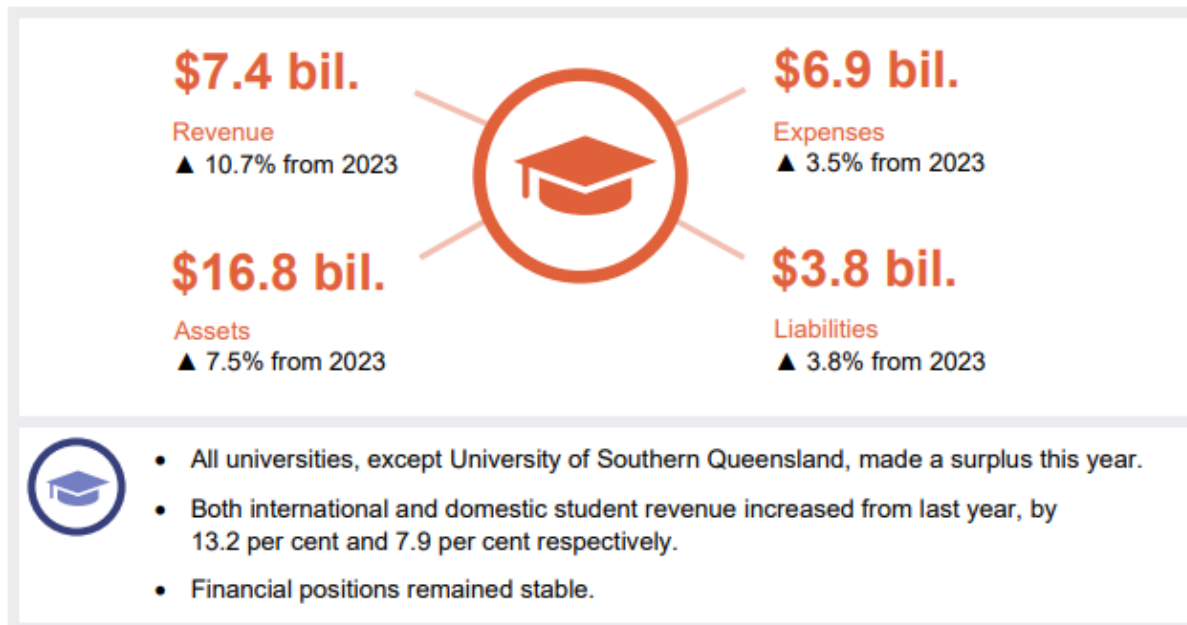
## 2.3. Financial performance and sustainability

### 2.3.1. Universities' financial performance has improved

QAO reported that all universities, except the University of Southern Queensland, made a surplus in 2024. Both international and domestic student revenue increased from 2023, by 13.2 per cent and 7.9 per cent respectively. Financial positions remained stable.

The overall operating results (revenue less expenses) of Queensland universities increased by \$477.4 million (2023 saw an improvement of \$554.5 million).<sup>19</sup>

Figure 5: Financial performance of universities<sup>20</sup>



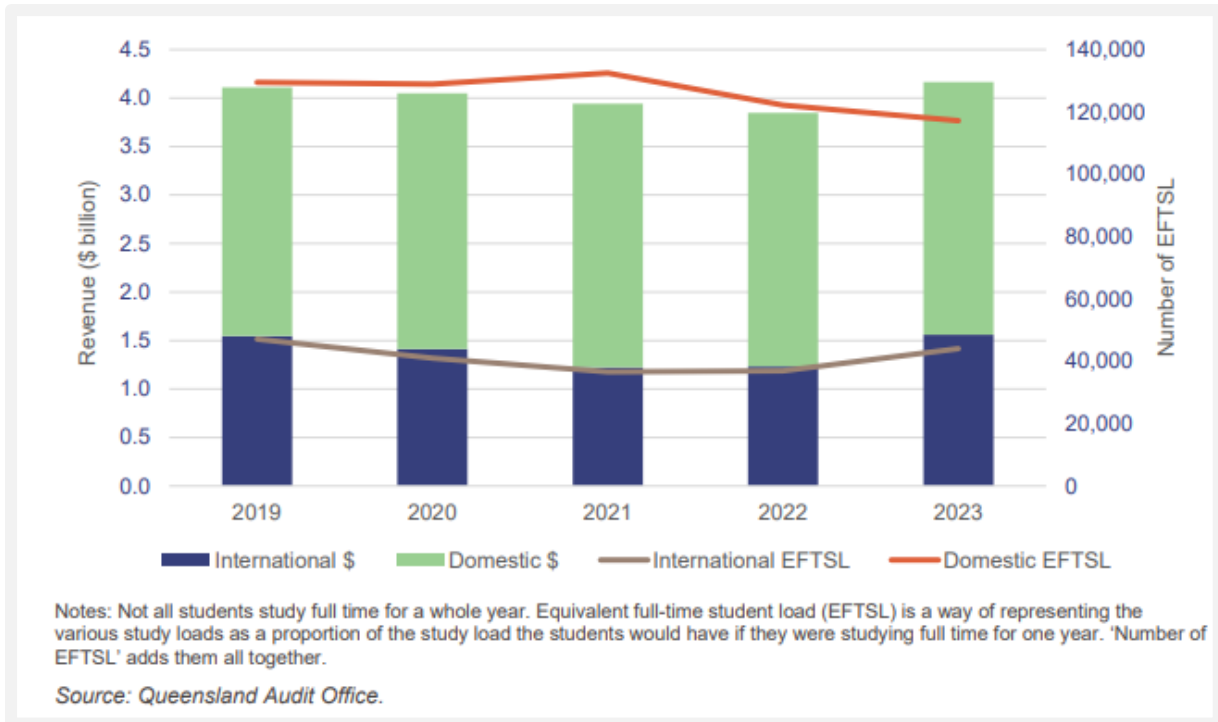
International student enrolments increased due to strong post-pandemic demand. However, this growth was affected by changes to visa processing in December 2023. QAO noted that further changes in December 2024 may impact future international student enrolments.<sup>21</sup>

<sup>19</sup> Report 15, p 10.

<sup>20</sup> Report 15, p 10.

<sup>21</sup> Report 15, p 12.

Figure 6: Queensland universities' revenue from international and domestic students—5-year trend<sup>22</sup>



### 2.3.2. Wage underpayments for universities remain a risk

Report 15 noted that the Australian university sector has been affected by historical staff wage underpayments and that this prompted an inquiry by the Senate Education and Employment Legislation Committee into the quality of governance at universities.<sup>23</sup>

The QAO advised that universities continue to assess the extent of historical underpayments and are taking steps to address the issues they identify. This includes repaying affected staff, reporting issues to the Fair Work Ombudsman once they are identified, and, for some universities, reviewing their payroll systems to prevent future issues.<sup>24</sup>

The QAO noted its prior year's recommendation, 'to assess employment agreements and historical pay practices to identify potential wage underpayments' remains relevant.<sup>25</sup>

<sup>22</sup> Report 15, p 14.

<sup>23</sup> See Senate, Education and Employment Legislation Committee (Cth), *Quality of governance at Australian higher education providers – final report*, 11 December 2025, <[www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/UniversityGovernance48](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/UniversityGovernance48)>.

<sup>24</sup> Report 15, p 14.

<sup>25</sup> Report 15, p 15.

### 2.3.3. Universities are disputing their franking credit claims with the Australian Taxation Office

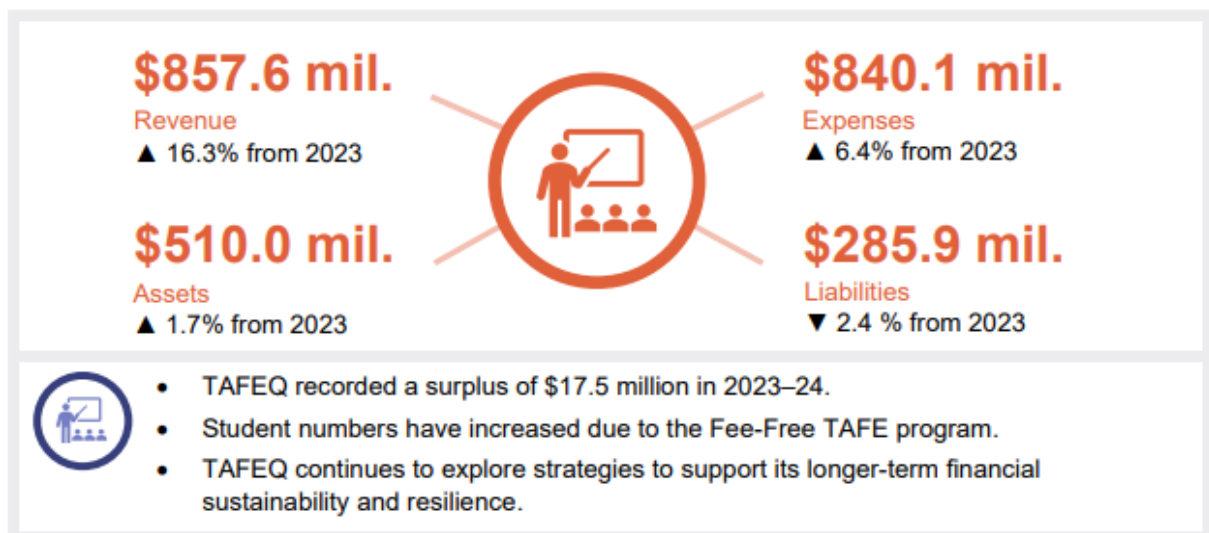
Seven Queensland universities (along with 31 other Australian universities) owned shares in the private company Education Australia Limited. In 2021, the company was subject to a major restructure and paid a cash dividend, transferred a portion of its shares in the listed company IDP Education Limited, and distributed associated franking credits to each university.<sup>26</sup>

The ATO declined the universities' eligibility for their franking credits (\$22.8 million each, a total of \$159.6 million in Queensland). The universities lodged a formal objection. In January 2025, the ATO formally responded to 2 universities in other states, standing by its original decision. These universities are appealing the decision in the Federal Court of Australia. The objections for the other 36 universities remain on hold, pending the outcome of the legal proceedings.<sup>27</sup>

### 2.3.4. TAFE Queensland's operating results have improved

TAFE Queensland has experienced significant financial challenges in recent years, but operating results improved in 2023–2024, with a surplus of \$17.5 million.

Figure 7: TAFE Queensland snapshot<sup>28</sup>



The operating results for 2023-24 represents TAFE Queensland's first surplus since the 2020–2021 financial year. Report 15 attributes this improvement to Fee-Free TAFE, a funding initiative providing free access to eligible students and courses, but noted this is expected to end in 2026, so TAFE Queensland 'will need to continue to focus on longer-term sustainability strategies'.<sup>29</sup>

<sup>26</sup> The QAO provides the following definition: 'Franking credits represent the tax a business pays on its profits. This saves its investors from having to pay tax on their share of the profits, which are known as dividends. Universities seek a refund from the Australian Taxation Office for the franking credits on their investments'; see Report 15, p 15.

<sup>27</sup> Report 15, p 15.

<sup>28</sup> Report 15, p 15.

<sup>29</sup> Report 15, p 16.

QAO noted TAFE Queensland continues to refine its funding model 'to better understand the cost and value of its activities at a product, course, and location level'. Strategies include:

- developing an organisation-wide education planning tool that will enable a consistent approach to planning and enhance reporting (for example, on class sizes, teacher capacity, and productivity) to be fully in place by June 2026
- undertaking a medium-term project to increase the conversion rate of student enquiries to enrolments
- implementing a 'Financial Sustainability & Resilience Plan' through which TAFE Queensland will review its business operations to ensure that it has a financially strong business structure.<sup>30</sup>

## **2.4. Asset management in education entities**

### **2.4.1. Population growth continues to influence capital (major infrastructure) programs**

The QAO reported that population growth continues to shape decisions about how and where schools are being built, and which buildings are being replaced. The Department of Education (DoE) has pursued building new schools, and expanding existing ones, in areas predicted to see significant population growth.<sup>31</sup>

Across 1,266 schools, the department manages more than 36,000 learning and support facilities. Two new schools were built for students starting school in Term 1, 2025.<sup>32</sup>

### **2.4.2. Departments continue to underspend their capital budget**

The QAO reported that both the DoE and the Department of Trade, Employment and Training (DTET) underspent on their expenditure targets. DoE underspent by \$364 million (22 per cent) and DTET by \$26 million (33 per cent) compared to their planned programs.<sup>33</sup>

Causes for delays included difficulty finding workers and materials, and adverse weather conditions. Due to these delays, DoE and DTET risk greater construction costs than were budgeted for.<sup>34</sup>

### **2.4.3. Existing infrastructure/assets remain challenging**

Existing infrastructure continues to age, requiring maintenance, upgrade or replacement. At the time of the report, the QAO advised that around 14 per cent of buildings (equal in value to \$3.7 billion) would need to be replaced in the next decade.<sup>35</sup>

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<sup>30</sup> Report 15, p 17.

<sup>31</sup> Report 15, p 20.

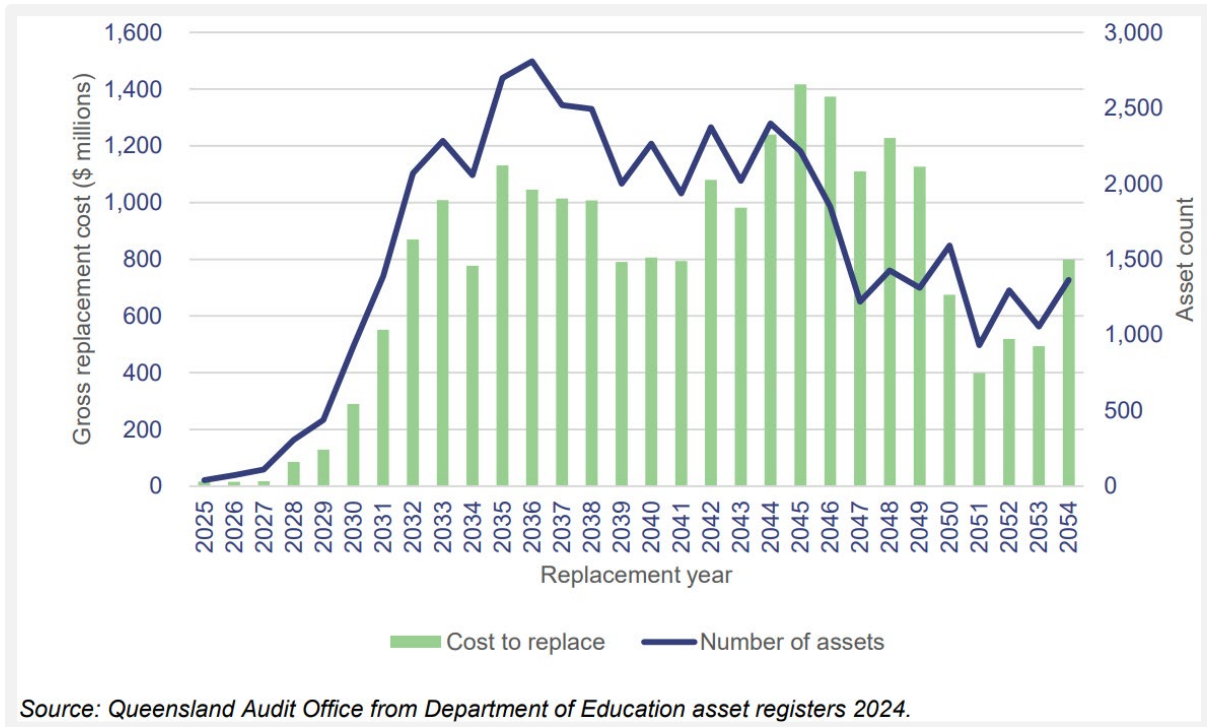
<sup>32</sup> Report 15, p 20.

<sup>33</sup> Report 15, p 20.

<sup>34</sup> Report 15, p 20.

<sup>35</sup> Report 15, p 21.

Figure 8: Cost of replacing Department of Education buildings - by asset replacement year<sup>36</sup>



Source: Queensland Audit Office from Department of Education asset registers 2024.

Together, DoE and DTET increased expenditure on repairs and maintenance by \$136 million in 2023–24, with DoE spending \$568 million and DTET \$56 million.<sup>37</sup>

QAO reported that, following its 2021 recommendation that the departments complete regular and timely condition assessments, DoE and DTET have made progress in assessing the condition of their assets.<sup>38</sup>

### 2.5. Digital learning in state schools

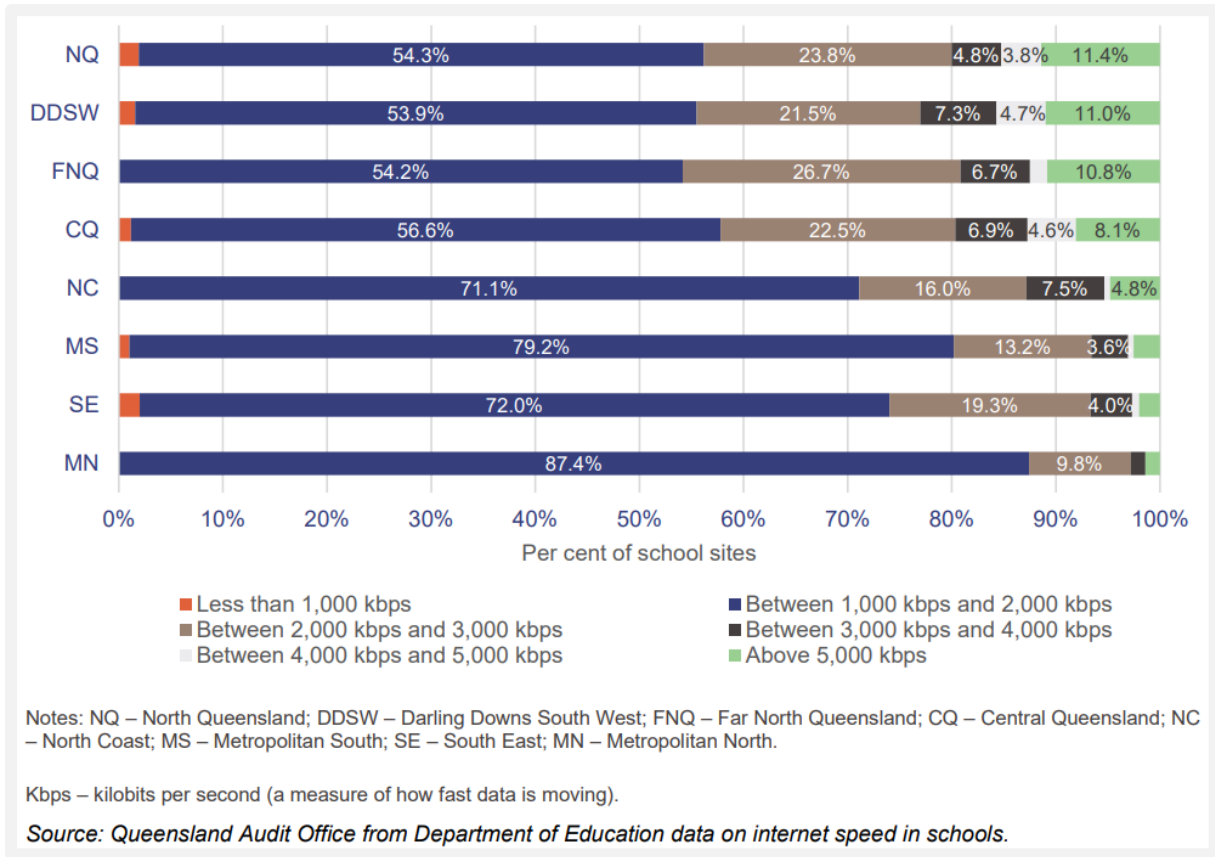
QAO reported on DoE’s efforts to increase internet speeds, to ensure that ‘regardless of geographic location, all students have the best digital learning opportunities’. The department signed a 5-year agreement to upgrade internet speeds across state schools in 2021. Average internet speeds have significantly improved since then, with 99 per cent of school sites averaging 1,000 kilobits per second (kbps). The second phase of the project commenced in 2024, expected to increase average speeds to 5,000 kbps by 2026.

<sup>36</sup> Report 15, p 21.

<sup>37</sup> Report 15, p 22.

<sup>38</sup> Report 15, p 22.

Figure 9: Internet speeds in stage schools by region as at January 2025<sup>39</sup>



<sup>39</sup> Report 15, p 24.

### 3. Committee consideration

In considering Report 15, the committee conducted a public briefing with QAO on 27 August 2025, and received written briefings from DoE, DTET, and TAFE Queensland.

#### 3.1. Public briefing

The public briefing addressed:

- balancing the proportion of domestic and international university students
- barriers to DoE resolving previous recommendations
- the effects of COVID-19 on university enrolments
- the impacts of delayed capital works
- risk of cyber security threats
- the sustainability of TAFE Queensland
- universities' historical wage underpayments.

Regarding these matters, QAO advised:

- Both international and domestic students are needed to keep universities sustainable. Report 15 shows that domestic enrolments are higher than international, 'both of those in combination allow the university to break even or make small surpluses each year so they do need both'.<sup>40</sup>
- A key barrier to resolving previous recommendations is that many of the recommendations relate to the universities themselves, not just the departments. The QAO added, 'when we report some issues they [entities] will fix the issues we report but they may not identify the root cause ... there could be more identification of that root cause and then it will hopefully prevent those issues from reoccurring'.<sup>41</sup>
- During COVID-19 international student numbers reduced and domestic students increased. International numbers are getting back to where they were, but federal government requirements may impact these going forward.<sup>42</sup>
- The QAO has been reporting on asset management in its education report for more than 4 years, and it is a key theme in many QAO reports. QAO advised the buildings and infrastructure held are mostly 'long life', perhaps lasting 50 to 100 years, so it is important to maintain assets over that period, and to replace where necessary.<sup>43</sup>
- Education is in the top 5 industries of interest to cyber attackers. QAO noted the government has a Cyber Security Unit, and QAO tabled a report in 2024 on responding to and recovering from cyber attacks. QAO also discussed risks around

<sup>40</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, p 2.

<sup>41</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, p 3.

<sup>42</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, p 4.

<sup>43</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, p 4.

privileged accounts, with a higher level of access, advising, 'privileged accounts should be rare, should be controlled and should be monitored'. QAO advised, 'highly privileged accounts are the things that cyber attackers are trying to get to', because if they can get through, they can do 'a lot of damage'.<sup>44</sup>

- TAFE Queensland had its first surplus in years. If subsidy programs conclude in 2026, 'then they will certainly need to understand what their service offering is going forward and how that works sustainably'. QAO has identified risks regarding TAFE Queensland's sustainability, and noted that the entity is implementing a financial sustainability and resilience plan and reviewing its business 'to ensure that it has a financially strong business structure'.<sup>45</sup>
- Regarding universities' wage underpayments, universities are working toward appropriate systems with internal controls and processes. QAO advised, 'All the universities are working through it, but there is still a bit more work to do'.<sup>46</sup>

### 3.2. Written briefings

***DoE provided an update on work on previous QAO recommendations.***

**Strengthening information system controls:** DoE advised it will be extending multi-factor authentication for departmental online systems and staff onboarding. Account standards have been developed and published online, prescribing requirements for user access and account security. Regular reviews of privileged accounts are undertaken to strengthen compliance and security.<sup>47</sup>

**Improving capture of building project costs not paid by year-end date (capital accruals):** DoE implemented new processes in 2023–24. This has included reviewing processes, updating guidance and training materials, staff training, and implementing internal assurance checks to verify capital project accruals are adequately documented. DoE noted QAO considers appropriate action has been taken on this issue.<sup>48</sup>

**Assessing employment agreements and historical pay practices to identify potential wage underpayments:** No further action is required by DoE. DoE was not involved in underpayment matters, as universities operate independently. The Tertiary Education Quality and Standards Agency (TEQSA) is the regulator and has engaged with universities. TEQSA issued a Statement of Regulatory Expectations on workplace obligations, including the requirement for university governing bodies to obtain independent advice to identify and address risks associated with workplace laws.

<sup>44</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, pp 5–6; see 'About the Cyber Security Unit, 22 December 2025, <[www.forgov.qld.gov.au/information-technology/cyber-security/about-the-cyber-security-unit](http://www.forgov.qld.gov.au/information-technology/cyber-security/about-the-cyber-security-unit)>; see also QAO, Report 12: 2023–24: *Responding to and recovering from cyber attacks*, 4 June 2024, <[www.qao.qld.gov.au/sites/default/files/2024-06/Responding%20to%20and%20recovering%20from%20cyber%20attacks%20%28Report%2012%20%E2%80%932023%E2%80%9324%29\\_0.pdf](http://www.qao.qld.gov.au/sites/default/files/2024-06/Responding%20to%20and%20recovering%20from%20cyber%20attacks%20%28Report%2012%20%E2%80%932023%E2%80%9324%29_0.pdf)>.

<sup>45</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, p 5.

<sup>46</sup> QAO, public briefing transcript, 27 August 2025, Brisbane, p 9.

<sup>47</sup> Department of Education (DoE), correspondence, 4 December 2025, p 3.

<sup>48</sup> DoE, correspondence, 4 December 2025, p 3; see also, Report 15, p 37.

Universities will be required to submit annual reports to TEQSA demonstrating how they are meeting these expectations from 2025.<sup>49</sup>

**Ensuring regular and timely assessments of asset condition reports:** DoE completed a statewide Asset Lifecycle Condition Assessment (ALCA). This included:

- inspections by an independent firm
- identifying the type and scale of works required
- assigning a relevant unit rate (for example, cost per square metre)
- recommending timing for each work item.

ALCA data was captured and uploaded to DoE's system by June 2024. Maintenance Plans are being developed for all state schools, with over 90 per cent already completed.<sup>50</sup>

***DTET provided a brief on issues raised in Report 15.***

**Cyber security:** In December 2024, DTET launched its Cyber and Information Security Improvement Program (CISIP). Initiatives have included a department-wide phishing campaign, a Data Breach Response Plan, securing departmental web domains through Domain-based Message Authentication, Reporting & Conformance (DMARC), establishing a Vulnerability Management Scanning program, and refreshing Cyber Incident Response plans and playbooks. DTET is also implementing multi-factor authentication for legacy applications, establishing a Security Information and Event Management platform, and developing a web application and Application Programming Interface (API) logging system.<sup>51</sup>

**Asset management:** In response to the QAO recommendation that DTET regularly assess the condition of building assets to inform maintenance budgets and asset management strategies, DTET launched the Asset Condition Assessment Program in January 2025. The ACAP involves on-site inspections, photographic evidence (including roof drone imagery), and detailed reporting on asset condition, non-compliance and defect risks, and the remaining useful life of assets. DTET notes QAO indicated its intention to downgrade the previous 'significant deficiency' finding to 'deficiency'.<sup>52</sup>

DTET is on track to complete physical inspections for all of its 41 sites. Defects will be prioritised in the risk register. DTET advised 'The quantum of data is vast - there are 10,800 assets listed at Acacia Ridge, 9,700 assets at Cairns, 4,300 at Eagle Farm, for example'.<sup>53</sup>

DTET advised the ACAP 'will underpin critical strategic initiatives'.<sup>54</sup>

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<sup>49</sup> DoE, correspondence, 4 December 2025, p 4.

<sup>50</sup> DoE, correspondence, 4 December 2025, p 4.

<sup>51</sup> Department of Trade, Employment and Training (DTET), correspondence, 2 December 2025, p 1.

<sup>52</sup> DTET, correspondence, 2 December 2025, p 2.

<sup>53</sup> DTET, correspondence, 2 December 2025, p 2.

<sup>54</sup> DTET, correspondence, 2 December 2025, p 3.

**Budget underspending:** Budget considerations include works for the first 10 sites assessed under ACAP. Priority works for the next four years are estimated at \$19 million. The infrastructure budget for DTET for 2025–26 includes:

- \$42.613 million for the Annual Maintenance Program
- \$21.417 million for the Annual Training Infrastructure Program
- an increase in annual funding from \$42 million to \$66 million in the 2024-25 State Budget.

The department's Annual Training Infrastructure Program budget for 2025-26 is on track to be fully expended.<sup>55</sup>

**TAFE Queensland provided an update on work on previous QAO recommendations.**

**Financial sustainability:** TAFE Queensland advised it continues to prioritise 'ensuring its financial sustainability while meeting government and public expectations'.<sup>56</sup>

TAFE Queensland has implemented a Financial Sustainability Implementation Plan (FSIP) and Financial Sustainability Resilience Plan (FSRP) to review business operations and ensure its financial structures are strong and adaptable. The FSRP identifies areas for review and possible reform, 'to bring efficiencies and business and service improvements'.<sup>57</sup>

**Educational Planning System:** In response to QAO recommending it refine its funding model to better understand the cost and value of its activities at product, course, and location levels, TAFE Queensland advised this work is well advanced. TAFE Queensland has developed a planning tool to enable a consistent planning and reporting approach (for example, on class sizes, teacher capacity, and productivity). TAFE Queensland advised that its 'Educational Planning System (EPS) is a pioneering system-led approach that ensures teaching quality, compliance, and delivery alignment'.<sup>58</sup>

The EPS project met its Stage 1 milestones in 2024, 'focussed on Training Product Proposals and registration applications for adding to delivery scope, Training Product Records and Training and Assessment Strategies'.<sup>59</sup>

Stage 2 was released in June 2025. It implements the creation of Annual Plans and Yearly Plans for each delivery team. Annual planning integrates directly with the student management system to provide course availabilities for enrolment.

TAFE Queensland advised the project team is finalising Stage 3's requirements and design.<sup>60</sup>

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<sup>55</sup> DTET, correspondence, 2 December 2025, p 3.

<sup>56</sup> TAFE Queensland, correspondence, 5 December 2025, p 1.

<sup>57</sup> TAFE Queensland, correspondence, 5 December 2025, p 1.

<sup>58</sup> TAFE Queensland, correspondence, 5 December 2025, p 1.

<sup>59</sup> TAFE Queensland, correspondence, 5 December 2025, p 2.

<sup>60</sup> TAFE Queensland, correspondence, 5 December 2025, p 2.

TAFE Queensland also advised of its recently completed Contact Centre Technology Refresh (CCTR) project. The CCTR 'represented a comprehensive transformation initiative across People, Process, and Technology designed to increase enquiry conversion rates, reduce investment costs, and enhance customer experience and brand reputation. TAFE Queensland advised of key performance data improvements, including 13 per cent improvement on average call handling time, 53 per cent improvement on abandonment rate, and 49 per cent improvement on service quality.<sup>61</sup>

### Committee Comment



The committee acknowledges the work of the Department of Education and the Department of Trade, Employment and Training in progressing the implementation of 5 outstanding recommendations previously made by the Queensland Audit Office.

The committee notes that the Department of Education has undertaken significant work to implement regular and timely assessments of the condition of its assets; with the completed statewide Asset Lifecycle Condition Assessment and progress on creating Maintenance Plans for all state schools.

The committee is satisfied that TAFE Queensland, with the support of the Department of Trade, Employment and Training, is working to improve its financial sustainability and relevancy, through improved planning and increased reporting.

<sup>61</sup> TAFE Queensland, correspondence, 5 December 2025, p 2.

## **Appendix A – Public Briefing, Brisbane, 27 August 2025**

### **Queensland Audit Office**

Mr Patrick Flemming

Deputy Auditor-General

Mr Bhavik Deoji

Senior Director