

Long-Term Financial Plan 2018–2022

Introduction

This Long Term Financial Plan describes the department’s framework for delivering cost effective services, maximising value and planning for future resource allocation. It contributes to the *Financial Accountability Act 2009* requirement to undertake planning and budgeting appropriate to the size of the department. The department’s Financial Sustainability Policy includes a commitment to annually reviewing this Long Term Financial Plan. Central office divisions, branches and regional offices should consider and reference where appropriate the Long Term Financial Plan when developing and updating operational plans.

Our financial context

The Department of Education is a large organisation with:



Our long-term financial goals

Efficiency and value

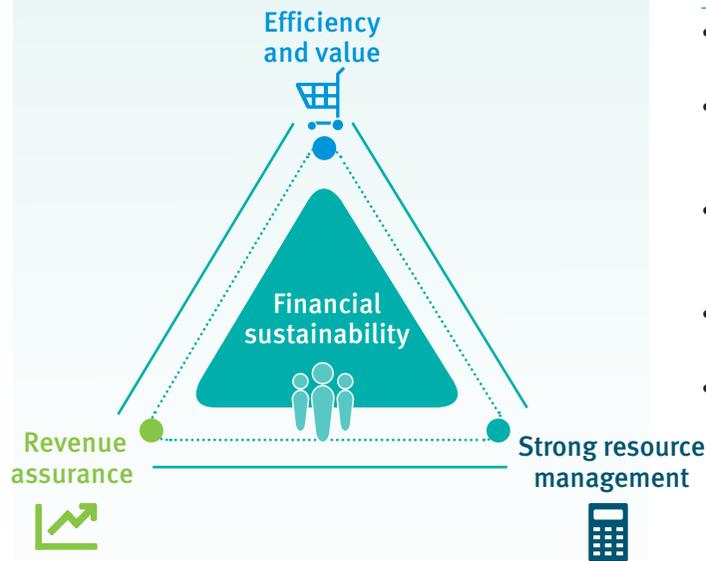
Cost-effective services that support the department’s strategic agenda.

Revenue assurance

A sustainable funding base supported by strategic partnerships.

Strong resource management

Enhanced ability to predict and plan for budget priorities and risks.



Our financial sustainability strategy

Strengthen our service delivery outcomes by targeting investment, driving efficiency and maximising value-for-money.

Achieving financial sustainability

Financial sustainability is everybody’s business. It means making the best use of available resources by embedding value into our service delivery and planning. Financial sustainability enables the department to manage unexpected events without needing significant funding or spending adjustments.

Our critical financial challenges

- Maintaining a financial management framework that supports the department’s strategic direction
- Delivering responsive services including new and innovative service delivery approaches to a growing population with increasingly complex needs
- Ensuring a coordinated and prudent approach to investment decisions including workforce planning and scaling up successful initiatives
- Ensuring fit-for-purpose and future-focused early years and education infrastructure throughout the state
- Establishing greater funding certainty for core expenditure and pursuing additional funding opportunities through ethical revenue sources.





Efficiency and value

Value-for-money through making best use of available resources

- Embed a consistent, best practice approach to managing the department's portfolio, programs and projects as well as research and evaluation activities through standards, frameworks and policies
- Further promote an evidence-based improvement agenda including business cases, benefits, risk assessments and return-on-investment (ROI) analysis
- Ensure investment for initiatives is allocated based on value and their contribution to strategic objectives through the Budget and Portfolio Committees
- Implement and refine medium- and long-term asset management plans for early years and school assets based on demand projections and key stakeholder consultation
- Continue to implement demonstrated efficiency initiatives which may include online service solutions, 'ICT as a service' partnerships, and corporate procurement
- Undertake regular service delivery benchmarking of Finance, Human Resources, Information & Technologies, Infrastructure Services and Internal Audit services
- Effectively manage the department's staffing establishment and consultancies
- Ensure appropriate agreements and quality assurance for all contractual arrangements with external providers
- Maintain transparent and results-focused grant funding arrangements with external providers.



Revenue assurance

Long-term flexible funding models

- Work with other Queensland Government agencies to ensure sufficient and stable operating and capital funding for our services
- Negotiate with the Australian Government to achieve fair, transparent, flexible and sustainable Commonwealth funding arrangements that assist us to deliver our services
- Pursue additional revenue opportunities through equitable user fees and charges, ethical funding sources and stakeholder partnerships.

Our performance indicators



- Departmental proportion of frontline staff (%)
- Annual procurement savings (\$)
- Asset utilisation – schools (%)
- Projected ratio of asset maintenance expenditure to asset replacement value (%)
- Projected remaining useful life of infrastructure assets (years)
- Percentage of ICT assets within warranty (%)
- School staff perception that their school is well maintained (% agree)
- Staff perception that people in their workgroup use their time and resources efficiently (% agree)



Strong resource management

Contemporary financial and resource management systems and capabilities

- Empower and develop departmental leaders and managers to plan and implement more flexible and innovative resource management practices, subject to appropriate accountability
- Improve the coordination of workforce planning at the central, regional and school levels
- Improve coordination to produce a consolidated plan to manage the cost of evolving ICT capability
- Further strengthen financial reporting processes to ensure the department's financial reporting reflects contemporary standards and requirements
- Further develop staff capabilities in financial management, modelling, analysis and advice, to ensure resourcing deployed in any financial year is applied to need and aligned with strategic priorities
- Further develop capability of school staff in asset maintenance management
- Further develop Business Intelligence (BI) to support corporate decision making
- Continue to build capability across the department in risk management to improve financial decision making in working towards the department's strategic objectives
- Monitor and maintain the department's Fraud and Corruption Control Framework
- Continue to strengthen the department's internal financial controls and identify improvements through approved initiatives and the annual Statement of Assurance
- Undertake regular financial health checks of related entities in the education portfolio to monitor their financial sustainability
- Annually review and update the department's Long Term Financial Plan and long-term financial modelling.