

Department of Education, Training and Employment

Long Term Financial Plan 2013–17

Engaging minds. Empowering futures.

Our financial sustainability strategy

Deliver cost effective services, maximise value and plan for future resource allocation and investment.

Our long term financial goals

Revenue assurance

A sound funding base which includes responsive funding and investment models for service delivery, an equitable regime of fees and charges and strategic partnerships with our stakeholders.

Signalling financial sustainability

A strong financial position supported by a transparent financial framework.

Economic viability and cost efficiency

Improved efficiency and effectiveness of service delivery based on a clear organisational direction.

Staff engagement and capability

An engaged and accountable workforce focused on achieving financial sustainability.

Financial management

A Long Term Financial Plan linked with the Strategic Plan, budget and planning cycle and performance reporting frameworks.



Our contribution to whole-of-government objectives

The goals and strategies outlined in this plan support the Queensland Government's five policy objectives by:

- investing in Queenslanders' skills and employment initiatives to grow a four pillar economy based on tourism, agriculture, resources and construction
- lowering the cost of living for families by cutting waste and reducing red tape
- delivering better infrastructure and better planning for kindergartens, schools and TAFE institutes
- revitalising front line services for education, training and employment
- restoring accountability in government.

Our financial relations with the Australian Government

In recent decades the Australian Government has played an increasing role in funding education and training through recurrent Specific Purpose Payments, limited-life National Partnerships funding and other appropriations.

In its negotiations with the Australian Government, including dealings through the Treasury and Department of Premier and Cabinet, the department seeks to apply the Queensland Government principles for Commonwealth-state intergovernmental activities (DPC 2012). In particular:

- participation in intergovernmental financial activities must result in a net benefit to Queensland
- each matter is considered on a case-by-case basis
- the Queensland Government is advancing its agenda first and foremost, underpinned by constitutional prerogatives of policy and fiscal sovereignty.

Our critical financial issues

- Funding services to a diverse and growing population with increasing support for equity and access.
- Providing safe, sustainable and high quality contemporary learning environments across the state.
- Allocating scarce resources to meet the goals of the department's Strategic Plan.
- Developing a culture of innovation and improvement that drives the government's value for money imperative and prioritises funding toward evidence-informed strategies.
- Reforming toward more demand-led and contestable funding for vocational education and training (VET) provision.
- Establishing longer term funding certainty to cover ongoing core expenditures.

Our commitment to financial sustainability

The department will develop, implement and maintain a system to achieve the delivery of financially sustainable education, training and employment services.

This will be undertaken through strategies that demonstrate the department's cost efficiency, value for money and accurate and transparent forward planning for resource allocation and investment.

Financial sustainability and resilience will be achieved when the department can manage likely future developments and financial impacts without substantial changes to its expenditures or revenues.

	Revenue assurance	Signalling financial sustainability	Economic viability and cost efficiency	Staff engagement and capability	Financial management
Key strategies	<p>Review and improve the department's public funding models</p> <ul style="list-style-type: none"> Negotiate alternative capital works funding models to fully recognise demand growth and annual renewal requirements Negotiate alternative asset maintenance funding model to enable the department to meet Queensland Public Works benchmarks Negotiate alternative recurrent funding models for kindergartens, schooling and TAFE Queensland, including recurrent funding arrangements for public-private partnerships, to provide longer-term funding certainty and increased adequacy of investment <p>Review and improve non-government revenue models</p> <ul style="list-style-type: none"> Implement new policy on VET fees Promote educational philanthropy and a culture of partnering throughout the state schooling sector 	<p>Develop more sophisticated analysis and reporting capability</p> <ul style="list-style-type: none"> Continue development of the department's Business Intelligence (BI) and Enterprise Resource Planning (ERP) Program in accordance with approved Implementation Roadmaps and associated milestones Maintain and develop corporate capabilities in financial research, analysis and advice <p>Increase asset utilisation and reduce per-unit infrastructure and ICT service costs over the long term</p> <ul style="list-style-type: none"> Prioritisation planning and consolidation of infrastructure and ICT to support the Asset Strategic Plan and Information and Knowledge Strategic Plan, including whole-of-life cost modelling 	<p>Embed greater cost efficiency</p> <ul style="list-style-type: none"> Implement corporate sustainability initiatives including whole-of-government value for money reforms, public sector renewal, e-business solutions, Corporate Procurement Plan and outsourcing strategies Undertake regular benchmarking of service delivery in Finance, HR, IT and Infrastructure Implement Queensland Government approved funding arrangements to support industry-led VET reforms Finalise a strategic asset management plan for TAFE infrastructure before the end of 2013 <p>Greater emphasis on program and project management</p> <ul style="list-style-type: none"> Implement a cohesive model of department-wide strategies, programs and projects including project management methodologies, coordination of evaluation activities and data analytics 	<p>Promote a more financially literate workforce</p> <ul style="list-style-type: none"> Develop and implement a Financial Capability Framework for the state schooling sector Implement a department-wide Strengthening Internal Controls program for fraud prevention Implement and refine the department's Enterprise Risk Management Framework and related policies, plans and registers with regard to financial risks 	<p>Implement leading-edge financial management practices</p> <ul style="list-style-type: none"> Undertake regular financial health checks of portfolio based entities linked to the department via the Minister to monitor their financial sustainability Implement DETE's corporate financial sustainability program including annual review of the Long Term Financial Plan, long term financial modelling, financial sustainability progress reporting and regular meetings of the Investment Committee and its subcommittees
Key performance indicators	<p>Projected size of future funding gaps (forward estimates vs optimal funding) and associated projected liabilities</p> <p>Proportion of annual recurrent funding scheduled to expire over the projections period</p>	<p>BI financial reporting indicators</p> <p>Projected per-unit ICT service costs</p> <p>Projected asset utilisation metrics</p>	<p>Proportion of departmental staff in frontline service delivery roles</p> <p>Service delivery benchmarking results</p> <p>Procurement savings targets</p>	<p>Measures of financial acumen and capability</p> <p>Measures of effective fraud control</p>	<p>Annual assessment of financial health checks program for statutory bodies</p> <p>Annual assessment of Investment Committee activities including financial sustainability program</p>