Managing our organisation

The government’s fiscal strategy
The government’s ability to grow the economy and improve the wellbeing of Queenslanders is supported by a prudent fiscal strategy. A cornerstone of each year’s Queensland Budget, it outlines the principles by which the government manages Queensland’s finances.

Each year’s Budget, mid-year review and end-of-year reports outline the government’s performance against these principles. We take a lead role in strengthening the government’s financial accountability by partnering with agencies to meet their obligations under the Financial Accountability Act 2009, and make their best contribution to the government’s priorities for Queenslanders.

In 2018, the government engaged Professor Peter Coaldrake to review how public sector workforce data is collected and reported and to assess the skills required for the future workforce. The government has accepted, or accepted in principle, all of the review’s recommendations.

Principle 1
Target ongoing reductions in Queensland’s relative debt burden, as measured by the General Government debt-to-revenue ratio.

Principle 2
Target a net operating surplus that ensures any new capital investment is funded primarily through recurrent revenues rather than borrowing.

Principle 3
Manage the capital program to ensure a consistent flow of works to support jobs and the economy and reduce the risk of backlogs emerging.

Principle 4
Maintain competitive taxation by ensuring that General Government sector own-source revenue remains at or below 8.5 per cent of nominal gross state product, on average over the forward estimates.

Principle 5
Target full funding of long-term liabilities such as superannuation and WorkCover Queensland in accordance with actuarial advice.

Principle 6
Maintain a sustainable public service by ensuring overall growth in full-time equivalent employees, on average over the forward estimates, does not exceed population growth.
One of the recommendations from Professor Coaldrake’s review was to ‘nuance’, or provide further detail about, the representation of Fiscal Principle 6 (see previous page).

In the 2019–20 Queensland Budget, Treasury used expanded full-time equivalent data to show health and education growth separately from the rest of the public sector.

Treasury is working with central agencies to implement the recommendations, which include adopting a single workforce database; replacing quarterly Workforce Profile Reports with half-yearly reports covering sector-wide analysis and trends; and adopting a consistent approach to reporting and monitoring of the ‘indirect’ workforce (i.e. contractors and consultants).

**Strong governance**

Underpinning Treasury’s commitment to the fiscal principles and to the government’s priorities are strong corporate governance practices in:

- leadership and planning
- internal and external accountability
- corporate support
- rigorous financial controls
- workforce planning, capability and performance
- resource allocation
- information management.

Decisions in these areas are made by our Executive Leadership Team.

**Managing performance**

Treasury’s performance is managed in line with the Queensland Government’s Performance Management Framework, which provides the means to:

- strengthen public sector accountability
- identify risks and opportunities for agencies, government and the community
- develop plans to address these.

At an organisation-wide level, our Strategic Plan guides longer-term efforts to deliver Treasury’s purpose. This is translated into financial year objectives and performance measures for each service area through our Service Delivery Statement, and reported in the annual report. Read more in the service reports on pages 21 to 37.

Treasury’s performance is monitored externally through the Parliamentary Estimates Committee process after each year’s Queensland Budget. Treasury is accountable to the Deputy Premier, Treasurer, and Minister for Aboriginal and Torres Strait Islander Partnerships, who reports against the Service Delivery Statement through this process.

**Our Future State: Advancing Queensland’s Priorities**

Throughout 2018–19, Queensland Treasury made direct contributions to the priorities under the Advancing Queensland’s Priorities initiative, most visibly in the priorities to:

**Create jobs in a strong economy**

Continued partnering in the Business Development Fund, which in 2018–19 invested $28 million in innovative Queensland businesses and secured a further $39 million in co-investment.

Completed procurement for the 10.2 kilometre Cross River Rail project.

Began the Build-to-Rent Pilot Project, a partnership with the private sector to deliver affordable rental housing for eligible low-to-moderate income earners.

Supported job creation in Maryborough, the Western Downs and Gympie with the Jobs and Regional Growth Fund.

**Keep communities safe**


Supported the Queensland Productivity Commission Inquiry into Imprisonment and Recidivism, to reduce those factors and improve outcomes for communities.

**Be a responsive government**

Expanded online revenue management services, resolving more than 80 per cent of queries at first contact.

Delivered OSR Online, allowing land taxpayers to make transactions and have full transparency over their taxable land holdings.
Managing our organisation

Our leaders

Frankie Carroll
Under Treasurer
Appointed Under Treasurer in February 2019, Frankie Carroll has more than 30 years' experience in both the public and private sectors.

Before joining Queensland Treasury, he was Director-General of the Department of Infrastructure, Local Government and Planning between 2015 and 2018.

Previously, Frankie was Chief Executive Officer of the Queensland Reconstruction Authority (QRA), responsible for delivering a reconstruction program worth more than $13 billion — the largest program of its type in the nation’s history. He earlier held the position of Deputy Chief Executive and Chief Financial Officer of the QRA, commencing in 2011.

He also brings extensive executive experience in major project delivery in the water, construction, energy and financial services industries. As Chief Executive Officer of Queensland Water Infrastructure, he delivered major water storage facilities to South East Queensland.

Before joining the public service in Queensland he worked for many years both in Australia and internationally in the financial services sector.

Frankie is a Graduate of the Australian Institute of Company Directors, a member of the Chartered Accountants Australia and New Zealand, a Fellow of the Association of Chartered Certified Accountants and a Member of the Association of the Institute of Taxation in Ireland.

Maryanne Kelly
Acting Deputy Under Treasurer, Agency Performance
Maryanne commenced as Acting Deputy Under Treasurer of the Agency Performance group in December 2017.

In her current role, Maryanne is responsible for providing advice and analysis on public policy, fiscal and economic issues, particularly in relation to the health, education, communities, justice and housing portfolios.

Prior to her current appointment, Maryanne was the Assistant Under Treasurer for Queensland Treasury’s Economics Strategy division. In this role, she was responsible for the employment and economic policy including overseeing the implementation of the government’s Back to Work program and the production of Budget forecasts and the Budget Economic Framework.

Maryanne has more than 20 years of experience in leadership roles in the Queensland, Australian and United Kingdom governments.

She has held senior management roles in Queensland Government agencies including Queensland Treasury; Department of Communities, Child Safety and Disability Services; and Queensland Reconstruction Authority.

She has a Bachelor of Commerce and a Master of Social Planning and Development from The University of Queensland. In 2014, Maryanne completed a Graduate Diploma of Business with a major in accounting.

Alison Rayner
Deputy Under Treasurer, Economic and Fiscal Coordination
Alison was appointed Deputy Under Treasurer of the Economics and Fiscal Coordination group in September 2017.

In this role, she is responsible for providing economic and fiscal advice, analysis and guidance to the government on matters of significance to the economic and fiscal performance of Queensland, particularly in relation to the State Budget, fiscal efficiency, economic policy, forecasting and reporting initiatives.

More recently, Alison has been in a senior executive management role working closely with Treasury’s partner agencies to develop, fund and implement public policy, and has been involved in the development of the State Budget since 2013–14.

During her 20 years in government, Alison has held key roles in the development and implementation of the government’s budget and reporting system, and its financial accountability framework.

She has been responsible for providing advice to government and agencies on financial management matters and complex commercial transactions.

Alison is a Chartered Accountant who started her career in the private sector, initially working in the business and tax advisory services industry followed by several years in commercial banking, before joining government in 1998 with the Department of Education. She joined Queensland Treasury during the period the government was transitioning to accrual-based budgeting.
Drew Ellem
Acting Deputy Under Treasurer, Agency Performance and Investment

Drew was appointed Acting Deputy Under Treasurer of the Agency Performance and Investment group in September 2018.

In this role, Drew is responsible for commercial, fiscal and economic advice on the state’s economic portfolios and Treasury’s investment policy and industry programs.

Prior to this appointment, Drew was an Assistant Under Treasurer within the Agency Performance group.

In this role, Drew had responsibility for providing fiscal and policy advice across a range of portfolio areas including Transport, Tourism, Environment and Science and State Development. His responsibilities also included management of the government’s banking and other financial services contracts.

Drew holds a Bachelor of Economics from The University of Queensland and is a graduate of the Australian Institute of Company Directors.

Liz Goli
Commissioner, Office of State Revenue

Liz was appointed Commissioner of the Office of State Revenue (OSR) in February 2014. Prior to her appointment, Liz was Senior Assistant Commissioner, Indirect Tax at the Australian Taxation Office (ATO) in Brisbane, and has held senior and executive management and leadership roles in tax administration since 1997.

Liz has international tax experience with the Organisation for Economic Cooperation and Development (OECD) in Paris. She previously worked in the Office of State Revenue from 1997 to 2001, where she had a leading role in rewriting the state duties legislation.

She began her career as a graduate with the ATO in 1984.

After a distinguished career in taxation and revenue management, Liz will retire from Queensland Treasury in July 2019.

Geoff Waite
Executive General Manager, Risk and Intelligence

Geoff first joined Treasury in 1984 to work on joint Commonwealth/State employment programs.

He worked in a number of budget portfolio roles until his appointment as Treasury’s Director of Finance in 1995. He then headed up Treasury’s corporate services function as Assistant Under Treasurer until 2001, and followed this with various roles including Assistant Under Treasurer, Budget Division and Executive Director of the Office of Government-Owned Corporations.

In 2007, Geoff started his own business and consulted to state and local governments in Queensland. He returned to Treasury in 2012 and worked on several internal reviews before heading up the Office of the Under Treasurer and leading Corporate Group. In 2019, when Treasury’s corporate functions were combined into one business group, Geoff assumed responsibility for this expanded portfolio.

As part of his broader responsibilities, Geoff has statutory appointments as the Independent Board Member on the Public Safety Business Agency Board of Management, and as the Government Superannuation Officer.

He has a Bachelor of Arts from The University of Queensland, a Bachelor of Business from Queensland University of Technology, and is a Fellow of the Australian Institute of Management.

Robert Fleming
Acting Deputy Under Treasurer, Commercial

Robert is an economist with a background in government policy and project management within a career built in the public sector.

He began his career in policy and budget development, working predominantly in social justice and transport portfolios.

During his 20 years in government, Robert has been responsible for providing advice for some of the state’s largest infrastructure projects in roles at both the Queensland Treasury Corporation and Queensland Treasury.

He has led teams that have developed business cases and procured key infrastructure projects including the Toowoomba Second Range Crossing, Herston Quarter redevelopment, Gold Coast Light Rail, Cross River Rail, and market-led proposals such as the Logan Motorway Enhancement Project.
Managing our organisation

Leading Treasury
As at 30 June 2019
“Our Executive Leadership Team applies a strategic, cross-divisional perspective to our organisation’s key priorities.”
Managing our organisation

Audit and risk management

The Audit and Risk Management Committee helps Under Treasurer Frankie Carroll to meet his responsibilities under the Financial Accountability Act 2009, the Financial and Performance Management Standard 2019 and other prescribed requirements. It does this by carrying out a range of activities to maintain oversight of key financial, risk and performance management activities for our organisation, including:

- financial statements – reviewing the appropriateness of Treasury’s accounting policies and financial performance
- risk management – reviewing the effectiveness of our risk management framework, including processes for identifying, monitoring and managing significant business risks
- integrity oversight and misconduct prevention – monitoring any misconduct trends and prevention approaches and highlighting with management any issues or areas for improvement
- internal control – reviewing, with the assistance of internal and external audit functions, the adequacy of internal controls, including IT security
- internal and external audit – reviewing and approving Treasury’s Internal Audit Plan; consulting with External Audit on the proposed audit strategy; and considering audit findings and recommendations to ensure key risks are considered and mitigated.

The committee also performs these functions for select related entities who sit within Treasury’s broader portfolio but prepare independent financial statements. In 2018–19 these entities were the Motor Accident Insurance Commission and the Nominal Defendant.

2018–19 Audit and Risk Management Committee membership (as of June 2019)

Chair:
Executive General Manager,
Risk and Intelligence

Members:
Deputy Under Treasurer, Economics and Fiscal Coordination
Insurance Commissioner
Commissioner, Office of State Revenue
Don Licastro – independent member

Standing invitations:
Under Treasurer
Chief Finance Officer
Queensland Audit Office (QAO)
Internal Audit

2018–19 achievements

In 2018–19, the committee met five times and fulfilled its responsibilities in accordance with its charter and an approved work plan, which included:

- reviewing the 2017–18 Financial Statements for Queensland Treasury, Motor Accident Insurance Commission and Nominal Defendant
- reviewing outcomes of the 2018–19 Internal Audit activity and endorsement of the 2019–20 Internal Audit Plan
- considering issues raised by QAO, including recommendations from performance audits
- considering Treasury-related QAO reports to Parliament
- monitoring progress of the implementation of internal audit recommendations.

Everyone in Treasury is responsible for managing risk, and a robust risk management framework is integrated into all Treasury business activities and systems.

The risk management function works with business areas to update their risk registers. Key and high-rated business area risks inform development of an agency-wide risk management profile and risk report.

This report is presented to the Executive Leadership Team and provides a snapshot of risks across business areas, risk-rating changes and an overview of current and emerging risks and opportunities for the agency. This risk profile is used to inform strategic and business planning, and the targeting of relevant assurance activity.
Internal Audit

Internal Audit is an integral part of the corporate governance framework Treasury uses to maintain accountability and control at all levels. Internal Audit supports the Audit and Risk Management Committee by evaluating Treasury's financial and operational systems, reporting processes and activities.

PwC provides an independent and objective internal audit service in accordance with our Internal Audit Charter and ethical standards. Although independent, Internal Audit regularly liaises with QAO to ensure appropriate assurance services are provided to Treasury. In 2018–19, Internal Audit delivered a program of work for Treasury’s three-year Internal Audit Plan (approved by the Audit and Risk Management Committee). This plan is aligned to our key risk areas, operations, and strategic objectives and draws on additional specialist expertise as needed.

Information management

Managing our information services

Treasury continues its commitment to quality information and records management by providing:

+ a secure environment
+ risk-based policies and practices that support sound decision making, accountability, and compliance through automation and digitisation.

The department strives to meet the challenge of evolving technologies, the rise of large, complex data sets and its obligations under the Public Records Act 2002, the Financial and Performance Management Standard 2019 and the whole-of-government record governance policy and guidelines.

Over 2018–19, major achievements included:

+ completing the Information Security Program to mitigate Treasury’s cyber security risk profile
+ embedding an information security management system that aligns to the government’s Chief Information Officer’s policy directive
+ providing advice, guidance and support with business applications to ensure they meet whole-of-government information and data requirements
+ supporting the existing electronic document and records management system to manage records and compliance activities, provide business efficiencies with workflows, and enable sentencing and disposal processes
+ transitioning to cloud-based, new generation Office 365 tools and applications for document and records management. This will enable employees to work and collaborate efficiently and securely from any device, anywhere.
+ piloting a new email records solution to realise significant business efficiencies and improve compliance
+ reviewing all information management policies.