

A. Entity responses

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to:

- Deputy Premier, Minister for State Development, Infrastructure and Planning and Minister for Industrial Relations
- Director-General, Department of State Development, Infrastructure and Planning.

We also provided a copy of the report to the following entities and gave them the option of providing a response:

- Premier and Minister for Veterans
- Director-General, Department of the Premier and Cabinet.

This appendix contains the responses we received.

The heads of these entities are responsible for the accuracy, fairness, and balance of their comments.



Comments received from Director-General, Department of State Development, Infrastructure and Planning

DELIVERING
FOR QUEENSLAND



Department of
State Development,
Infrastructure and Planning

Our ref: DGC25/471

20 OCT 2025

Ms Rachel Vagg
Auditor-General
Queensland Audit Office
rachel.vagg@qao.qld.gov.au

Dear Ms Vagg

Thank you for your email of 26 September 2025 about the Queensland Audit Office Report *Supporting industry development* (the Report).

I appreciate the opportunity to review the Report and recognise the valuable insights it provides for enhancing public sector grants administration within both the Department of State Development, Infrastructure and Planning (the Department) and across the Queensland public sector more broadly.

After careful consideration of the Report's contents, I am pleased to confirm the Department's full support for the recommendations outlined. Please find enclosed our formal response to each of the Report's recommendations.

I am also pleased to advise that the Department is further strengthening its approach to grants management by centralising the administration of key grant programs within our Corporate Group. With extensive experience and expertise in delivering successful programs and grant initiatives, the Corporate Group will help ensure our key grant programs are managed with greater consistency and effectiveness.

If you require any further information, please contact

who will be pleased to assist.

Yours sincerely

John Sosso
Director-General

Enc

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Responses to recommendations



Department of State Development, Infrastructure and Planning

Supporting industry development

Response to recommendations provided by John Sosso, Director-General, Department of State Development, Infrastructure and Planning on 20 October 2025.

Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
We recommend that the Department of State Development, Infrastructure and Planning: 1. strengthens its risk assessments for grant programs by including the risk of fraud and the risk of applicants receiving funding from different government sources for the same projects.	Agree	Complete	Since the last iteration of IPP in 2023, the Department has addressed this recommendation through its Grants Toolkit. Specifically, the toolkit's Grant Risk Management Framework identifies finance risks including insufficient funding, fraud or error, 'double dipping' by applicants. The framework is to be used with the toolkit's risk register template.
2. improves the consistency and transparency of grant assessments by ensuring assessment frameworks include clear guidance for assessors, particularly for qualitative criteria such as a project's potential to drive economic change.	Agree	Complete	Since the last iteration of IPP in 2023, the Department has addressed this recommendation through its Grants Toolkit. Specifically, the toolkit's Assessment Matrix and Assessment Plan, and the Department's online grants system assessment forms provide guidance to support consistent and informed assessments, e.g. definitions of key terms and what information to consider and where to find it.
3. strengthens the consistency of grant assessment decision-making by applying the same assessment procedures to all projects participating in the competitive process.	Agree	Complete	Since the last iteration of IPP in 2023, the Department has addressed this recommendation through its Grants Toolkit. Specifically, the toolkit's Program Guidelines template and Assessment Plan template include sections for program teams to document their assessment decision-making processes.

Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
4. ensure their grant processes match the government's desired outcomes, particularly in terms of which applicants are able to successfully apply.	Agree	Complete	Since the last iteration of IPP in 2023, the Department has addressed this recommendation through its Grants Toolkit. Specifically, the toolkit provides explicit guidance about aligning grants with government objectives. The Grant Risk Management Framework states actions to address risk should be proportionate to the expected likelihood and consequences. It also states programs should consider the agency's risk appetite when establishing the risk context.
5. improve public transparency by reviewing commercial-in-confidence classifications and identifying information that can be published after a project is delivered.	Agree	4 th quarter 2025/26	The Department will continue reviewing commercial-in-confidence clauses and classifications to identify what information can be publicly disclosed and when. The Grants Toolkit's section on announcing successful projects will be updated accordingly.
6. strengthens how it monitors whether grant recipients are meeting their obligations, with checks that match the risk level of each project. This includes conducting more frequent or detailed checks for high-risk projects and simpler checks for low-risk ones.	Agree	3 rd quarter 2025/26	The Department will update the funding agreement section of its Grants Toolkit to provide explicit advice about balancing reporting requirements with project-specific risk.
7. uses an appropriate grants management system, to support consistent delivery of grant programs, improve data capture, strengthen compliance monitoring, and enhance overall program transparency.	Agree	Complete	Since the last iteration of IPP in 2023, the Department has addressed this recommendation by adopting SmartyGrants as its primary online grants management system. IPP is now being managed in SmartyGrants.

Recommendation	Agree/ Disagree	Time frame for implementation (Quarter and financial year)	Additional comments
8. strengthens how it evaluates programs and measures impact by: - setting and publishing clear, measurable success indicators and targets when designing grant programs - developing a monitoring and evaluation framework at the start of each program, which includes how progress will be measured and when evaluations will occur - conducting or commissioning economic analysis to better measure the program's economic outcomes.	Agree	3 rd quarter 2025/26	Since the last iteration of IPP in 2023, the Department has addressed this recommendation through its Grants Toolkit. Specifically, the toolkit recommends program teams develop performance measures for their programs as part of their preliminary planning and provides examples of measuring grant program performances and key performance measures. The Toolkit also provides templates for a grant program evaluation plan which will be updated to strengthen program evaluation processes: