

B. How we prepared this report

Queensland Audit Office reports to parliament

The Queensland Audit Office (QAO) is Queensland's independent auditor of public sector entities and local governments.

QAO's independent public reporting is an important part of our mandate. It brings transparency and accountability to public sector performance and forms a vital part of the overall integrity of the system of government.

QAO provides valued assurance, insights and advice, and recommendations for improvement via the reports it tables in the Legislative Assembly, as mandated by the *Auditor-General Act 2009*. These reports may be on the results of our financial audits, on the results of our performance audits, or on our insights. Our insights reports may provide key facts or a topic overview, the insights we have gleaned from across our audit work, the outcomes of an investigation we conducted following a request for audit, or an update on the status of Auditor-General's recommendations.

We share our planned reports to parliament in our 3-year forward work plan, which we update annually: www.qao.qld.gov.au/audit-program.

A fact sheet how we prepare, consult on, and table our reports to parliament is available on our website: www.qao.qld.gov.au/reports-resources/fact-sheets.

Performance audits

Through our performance audit program, we evaluate the efficiency, effectiveness, and economy of public service delivery. We select the topics for these audits via a robust process that reflects strategic risks entities are facing. We develop or identify suitable criteria for each audit and evaluate the audited entities' performance against it. We report to parliament on the outcome.

Our performance audit reports help parliament hold entities to account for the use of public resources. In our reports, we provide recommendations or insights for improvement, and may include actions, advice, or better practice examples for entities to consider.

About this report

QAO prepares its reports on performance audits under the *Auditor-General Act 2009*:

- section 37A, which outlines that the Auditor-General may conduct a performance audit of all or any particular activities of a public sector entity.

This report communicates the findings, conclusions, and recommendations from our performance audit on supporting industry development. Our audit was a reasonable engagement, conducted under the *Auditor-General Auditing Standards* and guided by the Australian Standard on Assurance Engagements ASAE 3500 *Performance Engagements*.

We complied with the independence and other relevant ethical requirements related to assurance engagements. The conclusions in our report provide reasonable assurance about the audited entities' performance against the identified criteria. Our objectives and criteria are set out below.

Audit objective

The objective of this audit was to assess the effectiveness and probity of the Industry Partnership Program (the program), administered by the Department of State Development, Infrastructure and Planning (the department), in supporting industry development in Queensland.

What we covered

This audit examined how the department designed, administered, and evaluated the program. We assessed whether the program reflects government objectives for supporting industry development. We also examined how the department manages engagement with the private sector while maintaining financial accountability, and how it monitors and evaluates outcomes, compliance, and overall effectiveness.

Entities we audited

This audit focused on the Department of State Development, Infrastructure and Planning. The department’s role is to support responsible economic development, safe workplaces, and liveable communities for Queenslanders.

Our approach

Audit criteria

Sub-objective 1: Has the department designed the program effectively to align with government objectives for supporting industry development?	
Criteria	
1.1	The program has clearly defined objectives and measurable outcomes that directly reflect Queensland Government’s objectives for supporting industry development.
1.2	The program is designed in line with the Queensland Government’s grant management requirements and is responsive to industry needs.
Sub-objective 2: Does the department effectively administer the program to engage with the private sector while meeting its financial accountability obligations?	
Criteria	
2.1	The department uses targeted and effective strategies to promote the program and attract suitable applicants.
2.2	The department ensures a transparent and consistent process for assessing grant applications, balancing commercial considerations with government objectives.
2.3	The department effectively negotiates funding agreements that reflect commercial realities while meeting government guidelines.
Sub-objective 3: Does the department effectively monitor and evaluate the program to ensure it achieves its intended outcomes?	
Criteria	
3.1	The department monitors recipients’ compliance with grant agreements, including timelines, targets, and conditions.
3.2	The department evaluates the program using measurable indicators and robust data to assess its effectiveness.
3.3	The program demonstrates a measurable impact on investment, supply chain development, and job creation in line with government objectives.



Scope exclusions

As part of the audit, we did not assess:

- the appropriateness of the government's policy for supporting industry development or the industries targeted by the program
- other grant programs administered by the department, as this audit focused solely on the Industry Partnership Program.

Method

Interviews

We conducted interviews with a range of stakeholders to understand the program's design, administration, and evaluation. This included, but was not limited to:

- Department of State Development, Infrastructure and Planning staff
- Investment Panel representatives
- Investment Working Group representatives
- successful grantees.

Document review

We reviewed a wide range of documents provided by the department to understand how the program was developed and managed. These included program guidelines, evaluation reports, procedures, dashboards, and governance frameworks.

For our sample of funded projects, we also reviewed application forms, assessment records, funding agreements, annual reports, and payment claims.

Data analysis

We analysed program data provided by the department, including:

- inquiry and application tracking
- projected outcomes (for example, job creation and expenditure)
- program pipeline data
- agreement variations and payment claims.

We validated our data analysis methods progressively with the department.

Subject matter expert

We engaged experts in economic modelling and analysis to independently assess the department's forecasting methods, data collection processes, and how it reports on program outcomes.