

Department of Youth Justice

FINAL REPORT

1 July – 12 November 2020



Queensland
Government

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Office of the Director-General
Department of Children, Youth Justice and Multicultural Affairs
Locked Bag 3405
Brisbane Qld 4001
Email: DGOffice@cyjma.qld.gov.au

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Content from this annual report should be attributed as: The State of Queensland Department of Youth Justice Final Annual Report 1 July – 12 November 2020.

We acknowledge the Aboriginal and Torres Strait Islander peoples as the Traditional Owners and Custodians of this country and recognise their connection to land, wind, water and community. We pay my respects to them, their cultures and to the Elders, past, present and emerging.

Letter of compliance

27 April 2021

The Honourable Di Farmer MP
Minister for Employment and Small Business
Minister for Training and Skills Development



Department of
Youth Justice

Dear Minister

I am pleased to submit for presentation to the Parliament the Final Annual Report for 1 July – 12 November 2020 and final financial statements for the Department of Youth Justice, which was part of the Minister's previous portfolio responsibilities when Minister for Child Safety, Youth and Women, and Minister for the Prevention of Domestic and Family Violence .

Following machinery of government changes implemented on 12 November 2020, the Department of Youth Justice was abolished as a department. The functions of the former department were transferred to the Department of Children, Youth Justice and Multicultural Affairs. The final report outlines activities and achievements of the former department for the period 1 July to 12 November 2020.

I certify that this Annual Report complies with:

- prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 65 of this annual report.

Yours sincerely

A handwritten signature in black ink, appearing to be "R. Gee", written over a light blue horizontal line.

Robert Gee APM
Director-General of the former
Department of Youth Justice

Contents

Letter of compliance	3
Contents.....	4
Director-General’s report	5
Summary of financial performance	6
Snapshot of the department.....	8
Government objectives for the community.....	9
Strategic direction	9
Organisational structure (12 November 2020).....	12
Regional services.....	13
Departmental performance	14
Departmental achievements	15
Governance and management	19
Our values and ethics	22
Human rights.....	22
Complaints management.....	24
Risk management and oversight	24
Strategic workforce planning and performance	27
Information systems and recordkeeping	29
Acts administered by the department	29
Government bodies.....	29
Boards and committees	29
Financial Statements for period 1 July to 12 November 2020	34
Glossary of terms.....	63
Key office locations and contact information.....	64
Compliance checklist	65

Director-General's report

I am proud to present the final annual report for the former Department of Youth Justice for the period 1 July to 12 November 2020.

Since the department was established on 20 May 2019 there has been a strong focus on delivering significant reform including the *Working Together Changing the Story: Youth Justice Strategy 2019–2023* and the *Youth Justice Strategy Action Plan 2019–2021*. The implementation of these reforms has been underpinned by the government's record investment in Queensland's youth justice system.

The efforts of the department working in partnership with government, non-government and community organisations to deliver reforms has made a difference. There are less young people entering the criminal justice system, less young people re-offending and more young people re-engaging with training, education and other support services.

The achievements of the department have been made possible through the dedication and energy of a professional and committed workforce. In my travels across the state as Director-General I saw firsthand the devotion of staff to keep communities safe and support young people to turn their lives around.

I also acknowledge the continued efforts being made to engage and work closely with First Nations peoples to effectively address the over-representation of Aboriginal and Torres Strait Islander young people in the youth justice system.

The key role of the department's partners in the justice system cannot be understated. This includes other government agencies, the courts, the non-government sector, the community, oversight bodies and the business community. The collective efforts of this network of organisations is reflected in the reduction of offending and reoffending rates.

In August 2020, the department led a crisis response following an exposure to COVID-19 at the Brisbane Youth Detention Centre (BYDC). I would like to acknowledge the exceptional efforts by staff to respond to the issues and support the whole-of-government response. I was especially grateful for the efforts of other agencies including Queensland Health, the West Moreton Health Service, Queensland Police Service, Child Safety, Education, Health, Queensland Corrective Services, plus numerous non-government organisations, and unions who assisted directly or indirectly with the response, including standing up a temporary workforce at BYDC. The rapid, coordinated and unprecedented response saw the outbreak contained and critical services continue. Many individuals, including police officers, made extraordinary efforts to keep the community safe during this event.

In closing, I sincerely thank staff for their support during my period as Director-General. The achievements to date to keep the community safe and support vulnerable young people using evidence based approaches provides a solid foundation for future success. I wish all staff and stakeholders well in their future endeavours.

Robert Gee APM

Director-General of the former
Department of Youth Justice

Summary of financial performance

This is the department's final annual report and covers the period from 1 July 2020 to 12 November 2020. A comprehensive view of the department's financial performance is provided in the Financial Statements section of this annual report.

Operating result

The operating result for the abolished department is nil for the reporting period from 1 July 2020 to 12 November 2020.

Operating Result	2020-21 Actual \$'000	2020-21 Original Budget ¹ \$'000
Total income	98,776	96,277
Total expenses	98,776	96,277
Operating result	-	-

Income

The department's primary source of income is appropriation revenue provided by the Queensland Government for provision of services. Revenue for the department for the period from 1 July 2020 to 12 November 2020 totalled \$98.3 million against the original budget of \$95.9 million. There is only a variance of \$2.37 million (1 per cent) mainly due to the timing of abolishing the department.

Sources of income	2020-21 Actual \$'000	2020-21 Original Budget ¹ \$'000
Appropriation revenue	98,293	95,924
User charges and fees	232	232
Grants and other contributions	120	121
Other revenue	131	-
Total income	98,776	96,277

Notes:

1. These figures represent budgeted figures as published in the latest Service Delivery Statement tabled in Parliament.

Expenses

The department provides a wide range of services to the community, delivered by contracted non-government organisations and through direct service delivery. As a result, our two largest expense categories are supplies and services, and employee expenses.

Expenditure for the department for the period from 1 July 2020 to 12 November 2020 totalled \$98.8 million against the original budget of \$96.3 million. The variance of \$2.5 million (1 per cent) is mainly due to higher employee expenses.

Assets

As at 12 November 2020, the department held assets valued at \$502.4 million. Assets mainly include cash, receivables, property, plant and equipment and non-current assets held for sale being the former Brisbane Children's Court land and buildings.

Liabilities

Our total liabilities as at 12 November 2020 were \$46.4 million. Our liabilities consist primarily of payables for trade creditors including provision for the performance payment relating to a Social Benefit Bond and provisions for employee entitlements.

Financial position

As at 12 November 2020, the net assets position was \$456 million.

Changes in equity	2020-21 \$'000
Balance as at 1 June 2020	411,656
Net effect of changes in accounting policies	-
Operating result	-
Net increase in asset revaluation surplus	658
Net equity adjustments	43,702
Net transfers out/in to other Queensland Government entities	-
Balance as at 30 June 2020	456,016

Statement by the Chief Finance Officer

In accordance with the requirements of the *Financial Accountability Act 2009*, the Former Chief Finance Officer has provided the Director-General of the former department with a statement confirming the financial internal controls of the department are operating efficiently, effectively and economically in conformance with Section 54 of the *Financial and Performance Management Standard 2019*.

The former Chief Finance Officer has fulfilled the minimum responsibilities as required by the *Financial Accountability Act 2009*.

Snapshot of the department

- 1,504 full time equivalent employees with 95.2 per cent in frontline and frontline support roles
- 29 youth justice service centres plus three Outlook facilities
- Three youth detention centres – Brisbane Youth Detention Centre and West Moreton Youth Detention Centre at Wacol and Cleveland Youth Detention Centre at Townsville
- 274 detention centre beds (built capacity), an increase from 230 in 2015, and increasing to 306 in 2021
- No young people on remand in watch houses since late-2019 except for normal processing or during a two week COVID-19 event.

Young people involved with Youth Justice (2020)

- 55 per cent are disengaged from school, training and employment
- 80 per cent using at least one drug substance e.g. marijuana, methamphetamine
- 46 per cent have a mental health and/or behavioural disorder (diagnosed or suspected)
- 60 per cent experienced or been impacted by domestic and family violence (DFV)
- 12 per cent assessed with or suspected of having at least one disability type – most of these were a form of cognitive or intellectual disability
- 30 per cent have parent/s who had been held in adult custody.

Our results

- 550 young people have graduated with certificates from Transition to Success since 2015, with more than 125 gaining a job, an apprenticeship or traineeship
- 803 referrals to restorative justice conferences (July to October 2020)
- Number of young offenders aged 10-17 years in the past 10 years – down 30.8 per cent
- Young people with a charged offence – down 17 per cent when comparing 12 months ending 30 September 2019 with 12 months ending 30 September 2020
- Charged offences by young people aged 10-17 years – down 1 per cent when comparing 12 months ending 30 September 2019 with 12 months ending 30 September 2020
- Re-offending rates for young people aged 10-15 – down 3 per cent when comparing reoffending 12 months ending 30 September 2019 with reoffending 12 months ending 30 September 2020.

Government objectives for the community

The department actively engaged in the implementation of the government's objectives for the community – *Our Future State: Advancing Queensland Priorities*, as follows:

Keep communities safe: led the priority to reduce the rate of youth offending.

Give all our children a great start: supported the priority to ensure the next generation of Queenslanders are healthy, resilient, and ready to be productive members of society.

Create jobs in a strong economy: supported the priority to engage more young Queenslanders in education, training and work.

Be a responsive government: supported the priority to make services easy to use.

Keep Queenslanders healthy: supported the priority.

Strategic direction

The department's Strategic Plan 2019–2023 provided a vision and purpose, clear objectives and strategies that demonstrated how the department contributes to Advancing Queensland Priorities.

Vision

To have a safe community with the lowest rate of youth offending in the world.

Objectives

- Intervene early
- Address the disproportionate representation of Aboriginal and Torres Strait Islander peoples in the youth justice system
- Improve social, economic and civic participation
- Keep children out of court and custody
- Reduce recidivism, and
- Improve the safety, wellbeing and capability of our staff.

Our performance indicators

Performance indicators assisted the department to monitor performance over time and include the measures below. Data for different measures is captured monthly, quarterly or annually. For the purposes of this final report the latest available result is provided:

Measure	Progress
Reduce the rate of young people entering the youth justice system, through partnering with other agencies	The number of young people with a charged offence was down 17 per cent when comparing 12 months ending 30 September 2019 with 12 months ending 30 September 2020
Reduce the rate of Aboriginal and Torres Strait Islander young peoples in the youth justice system	The rate of Aboriginal and Torres Strait Islander young people in detention or court ordered custody decreased

Measure	Progress
	<p>from 42.7 per 1,000 persons in 2018-19 to 34.3 in 2019-20</p> <p>In 2019 59 per cent of young people either supervised in the community or in a detention centre or in a watch house were Aboriginal and Torres Strait Islanders, an increase of 1 per cent from 2018</p>
Reduce the rate of victimisation of young people	In 2020 60 per cent of young people either supervised in the community or in a detention centre or in a watch house had experienced or been impacted by domestic and family violence
Reduce the rate of offending	The number of charged offences by young people aged 10-17 years is down 1 per cent when comparing 12 months ending 30 September 2019 with 12 months ending 30 September 2020
Reduce the rate of young people in detention and being remanded in custody	The rate (per 10,000) average daily number of young people in detention in 2019-20 was 3.8, compared with 4.1 in 2018-19
Reduce the rate of reoffending for young people under youth justice supervision	The re-offending rate for young people decreased 3 per cent when comparing reoffending 12 months ending 30 September 2019 with reoffending 12 months ending 30 September 2020 ¹
Improve the mental and physical wellbeing of staff, and improve staff safety, health and wellbeing in the workplace	Pages 27-28 of this report provide information on our strategic workforce planning and performance

Notes:

1. This measure relates to the proportion of young offenders aged 10-15 years who have another charged offence within 12 months of an initial finalisation for a proven offence.

Priorities

- Keeping communities safe by engaging our partners, other organisations, stakeholders and young people to address the causes and consequences of offending and to prevent and reduce reoffending by children and young people
- Funding and supporting early intervention, diversionary and support services for children and young people who are at risk of, or are, offending, and their families
- Providing statutory youth justice restorative, supervision and detention services that hold young people accountable for their actions and encourage their rehabilitation and reintegration into the community
- Leading and facilitating reforms to improve the youth justice system and the effectiveness of interfaces with the domestic and family violence, youth support, and family support and child protection, housing, education, health and mental health systems.

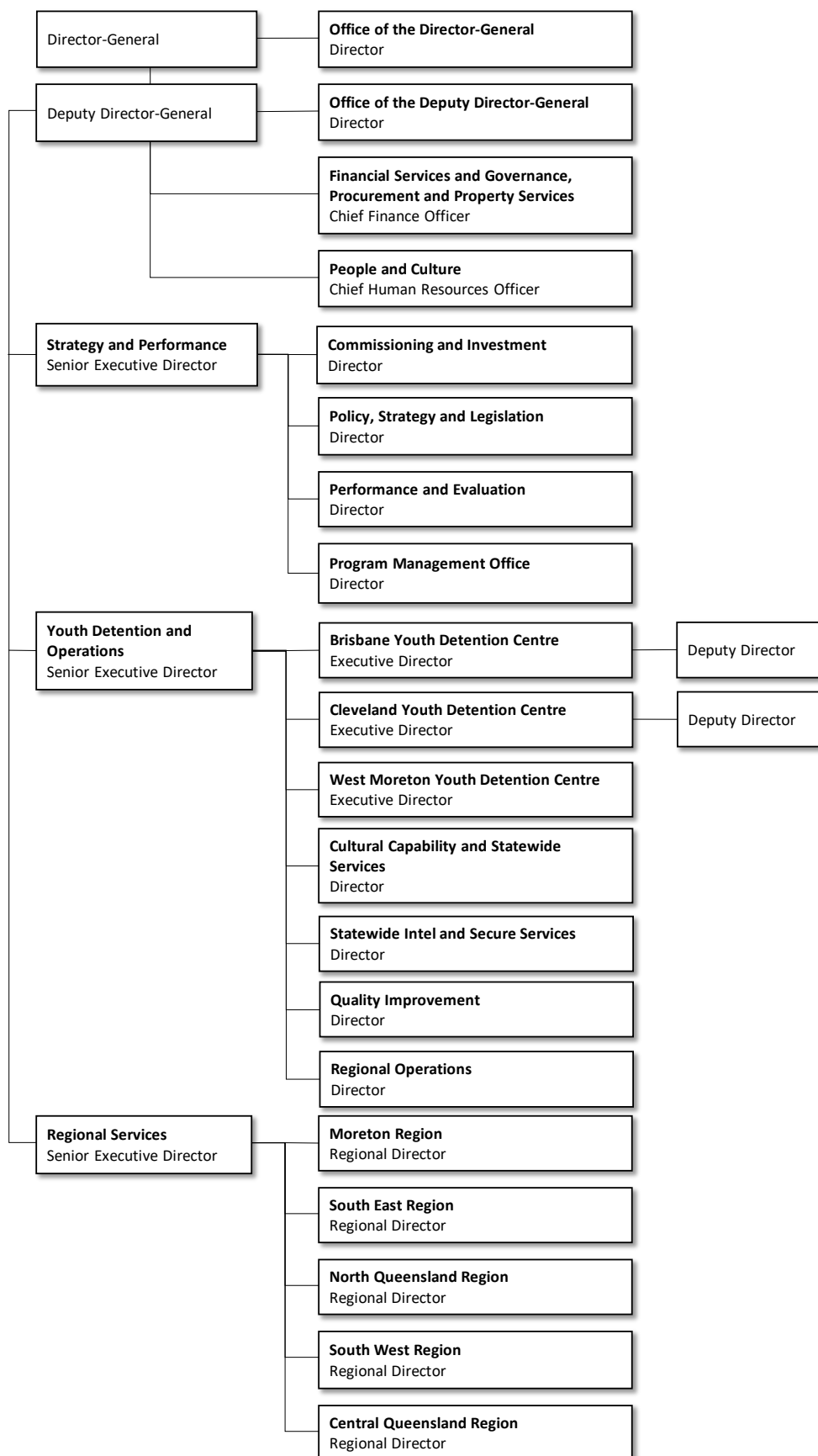
Strategic opportunities

- Harness the capacity of government, non-government organisations and community to support the most vulnerable to reduce victimisation
- Build more culturally safe and capable practices
- Strengthen our client focus and customer service
- Partner, collaborate and co-design services and solutions with others, including place-based responses
- Leverage local and global knowledge and stimulate innovation at all levels
- Improve information systems and networks for more integrated service delivery, and
- Implement the government's youth justice reform program.

Strategic risks

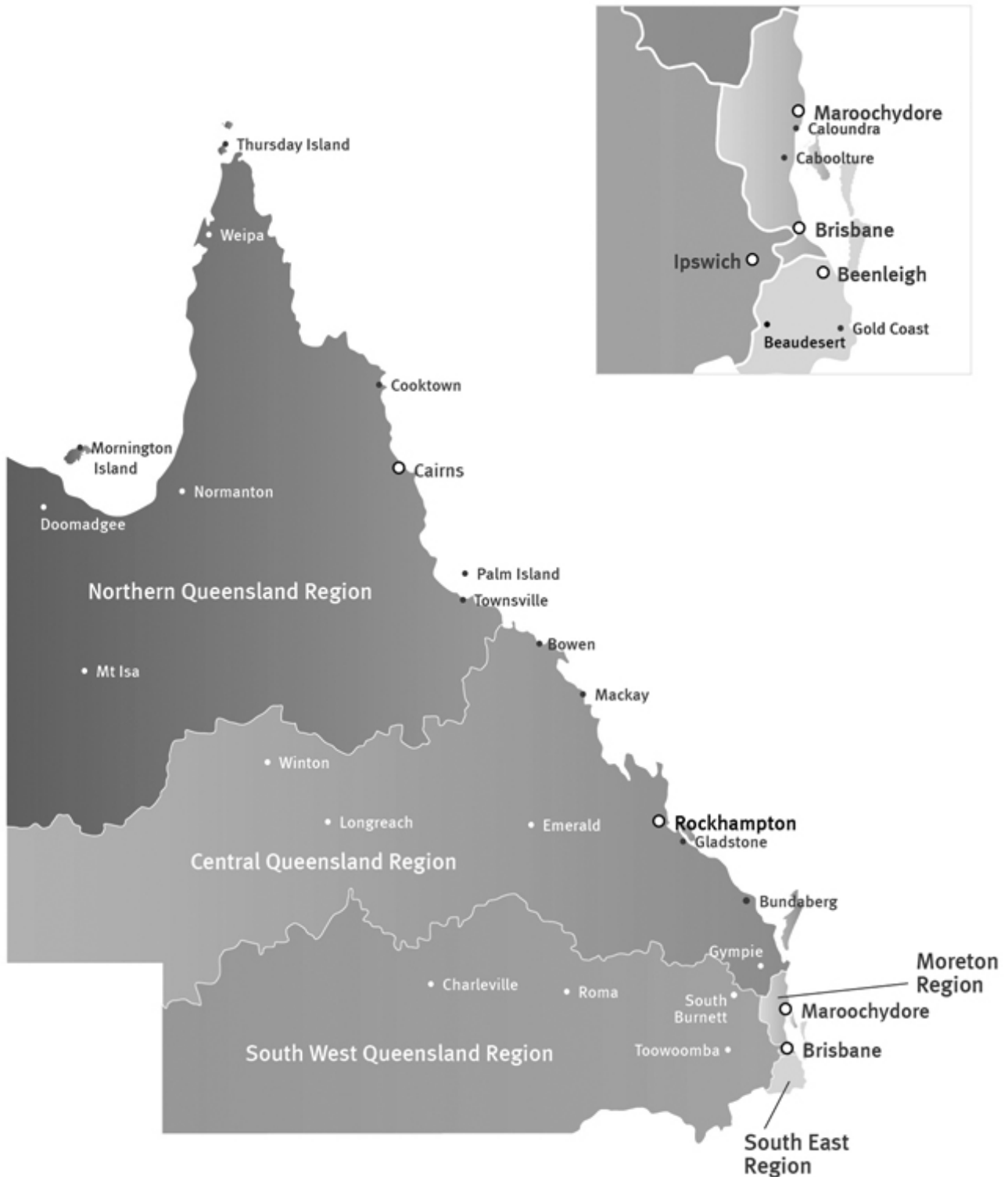
- Harm to community
- Harm to children or young people in our care or custody
- Harm to safety and wellbeing of staff, and challenges to workforce attraction and retention
- Capability and capacity to respond to demand, increasing complexity of clients and communities, and to deliver multiple system and service delivery reforms, and
- Breaches of information privacy and security, statutory rights and responsibilities.

Organisational structure (12 November 2020)



Regional services

Our regional service delivery footprint included 29 Service Centres and three Outlook facilities in five regions to enable the delivery of holistic approaches to the complex and interrelated needs of our clients and communities. We also operated two youth detention centres in Brisbane and one in Townsville.



Departmental performance

We worked with young people, families, victims of crime, other agencies and communities to change the story for the small minority of young people who come into contact with the youth justice system. Performance outlined in the scorecard below is from Service Delivery Statements and is reported annually for the financial year.

Performance scorecard

	Notes	2019-20 Target/Est	2019-20 Actual
Percentage of orders supervised in the community that are successfully completed	1		
- Aboriginal and Torres Strait Islander young offenders		80%	84%
- Other young offenders		85%	86%
- All young offenders		80%	85%
Proportion of young offenders who have another charged offence within 12 months of an initial finalisation for a proven offence	2	70%	71%
Youth detention centre utilisation rate	3	100%	82%

Notes:

1. This measure is based on the number of community-based orders that ended in the period and that were successful, regardless of when the order commenced.
2. This whole-of-government measure reflects the percentage of young people who reoffended within 12 months following their earliest finalised proven offence when aged 10-15 years in the previous 12-month period. Youth Justice contributed to this measure by providing community and custodial services for young people, by reconnecting young people with family and community and by promoting positive and prosocial behaviours. Other agencies contribute to the measure, including Queensland Police Service.
3. Centre utilisation rate is based on the Report on Government Services formula which is the average nightly population in youth detention centres during 2019-20 divided by the average number of permanently funded beds. Security upgrades and associated work during 2019-20 meant that at certain times there were up to 28 beds unavailable for occupancy. Centre utilisation excludes young people held in police watch houses.

Departmental achievements

The *Youth Justice Strategy Action Plan 2019–2021* sets out the practical steps to implement the *Working Together Changing the Story: Youth Justice Strategy 2019–2023* (Youth Justice Strategy). The Action Plan was developed in consultation with Queensland Government agencies and the Youth Justice Strategy Reference Group, including community leaders, industry representatives and criminal justice experts.

There are positive signs that departmental and whole-of-government actions have made a difference and contributed to the Strategy's four pillars: Intervene early, Keep children out of court, Keep children out of custody, and Reduce re-offending. For the 12 months to the end of September 2020 there were decreases in the number of young people with a charged offence and the number of offences.

Major service highlights include:

- Continued construction of the new West Moreton Youth Detention Centre at Wacol. The new centre is being built in two stages and the first stage will be operational in December 2020. The centre will operate under its own operational model while sharing some administration and ancillary services with the nearby BYDC. The new 32-bed detention centre will contribute to a 33 per cent increase to detention centre capacity since 2015.
- Partnered with the Queensland Police Service in the co-responder model in five locations – Cairns, Townsville, Rockhampton, Brisbane North, Logan/Gold Coast. Co-responders patrol hotspots with police 24/7 and work with young people who are at risk of entering or becoming further entrenched in the youth justice system. Between 18 May and 7 November 2020 the service engaged 4743 young people.
- Commenced a four-year trial of 'On Country' programs in Cairns, Townsville and Mt Isa. On Country programs are designed and delivered by Aboriginal and Torres Strait Islander peoples and aims to give high risk repeat offenders the support they need to turn their lives around and return to work or education. Courts and the police have powers to refer high risk 10 to 17-year-old Aboriginal and Torres Strait Islander offenders to the program under the supervision and mentoring of Elders and Traditional Owners. To 12 November 2020 the program had received 73 referrals, and delivered eight camps with a total of 25 attendees.
- Continued work on all of the recommendations of Major General (Rtd) Stuart Smith's December 2018 report, *Townsville's voice: Local solutions to address youth crime*, focused on long term strategies that target preventing or breaking the cycle.
- Continued trials of the Aboriginal and Torres Strait Islander family-led decision making program in Toowoomba, South East Queensland, Moreton and Cairns. The program targets the small number of high risk, recidivist offenders responsible for a significant proportion of all offending by young people. It does this through the empowering process of developing strategies to address young people's behaviour through using the personal knowledge of their family members. The trials are being delivered by Aboriginal and Torres Strait Islander community organisations and allow families to have a greater say in decisions made about their children.
- Delivered the Transition to Success program (T2S) in 16 locations. T2S is designed for young people who are involved in or at risk of contact with the youth justice system, helping to re-engage them with education and training. Participants complete nationally-recognised certificates to develop positive behaviours, life skills and confidence. This helps them find and keep employment, re-engage with the community, meet life's challenges, and work towards a positive future not defined by their past. 550 young people have graduated with certificates

from Transition to Success since 2015, with more than 125 gaining a job, an apprenticeship or traineeship. More young people were forecast to complete the T2S program in December 2020.

- Continued the successful Restorative Justice Conferencing program that allows a young person to take responsibility and ownership for their actions and work with victims to identify how the young person can make amends for their behaviour. Results show that 77 per cent of young people who completed a Restorative Justice Conference either did not reoffend or showed a decrease in the magnitude of their re-offending, within six months of their conference.
- Continued participation in the Navigate Your Health pilot in Brisbane, Logan and Cairns, partnering with the child safety and health professionals, and Aboriginal medical services and Community Controlled Organisations in each location. The pilot is about improving accessibility to health care for young people subject to community based youth justice orders by supporting them to access comprehensive health screening and assessment to prevent offending.
- Supported 11 Aboriginal and Torres Strait Islander Family Wellbeing Services with dedicated Aboriginal and Torres Strait Islander youth and family workers to support young people and their families.
- Invested in the place-based Community Youth Response and Diversion program in Gold Coast, Ipswich, Cairns, Brisbane, Logan and Moreton. The program aims to keep young people out of court and custody and also helps young people overcome barriers to accessing education, mentoring and integrated case management in order to prevent re-offending.
- Collaborated with the Queensland Police Service to deliver the Conditional Bail Program to more than 100 at risk young people to increase their ability to remain in the community while before the courts. The program addresses young people's educational and vocational needs, mental health issues, family intervention and accommodation and provides individualised and intensive supervision while they are on bail.
- Provided cultural support to Aboriginal and Torres Strait Islander young people who were held temporarily in police watch houses and coordinated contact with their families. The response includes referring young people to services and supporting them after they leave the watch house.
- Funded the Mount Isa Youth Transitional Hub to provide a safe environment for police to refer young people who do not have appropriate accommodation or safe home environments. The hub delivered support services to 350 young people in 2019-20 including culturally appropriate assessments of risk and need, and engaged with other local service providers to deliver intensive and specialised support to the young people and their families.
- Continued support for the Townsville Community Youth Response, which includes: alternative education delivered by a flexible learning centre; cultural mentoring through the Townsville Aboriginal and Islander Health Service; a specialist High Risk Youth Court, in which high risk and repeat defendants appear before the same Magistrate over time; and Integrated Case Management, which provides individualised integrated support for young people who often have high and complex needs, and their families.
- Funded four Supervised Community Accommodation sites (SCAs) that provided safe accommodation and helped to re-connect young people with families, education and other support services. Further evaluation on costs and benefits was completed.

- Continued a trial of specialist multi-agency response teams (SMART) in Brisbane, Townsville, Mount Isa, Cairns, Ipswich, Logan, Moreton Bay and the Gold Coast. SMART teams work with local Childrens Courts to identify and support young people with complex needs. SMART brings together specialists from partner agencies, including health, education and child safety, and cultural representatives. These multi-agency specialists assess and respond to young people's needs and factors that may contribute to their offending.
- Funded community organisations to deliver Bail Support Services in nine locations to support young people meet their bail conditions and stop reoffending. Organisations provide basic needs and connect young people to housing, education, health and family support, to stop offending.
- Continued upgrading security systems at the Cleveland Youth Detention Centre to maximise the safety of young people, staff and visitors.
- Contributed to local partnerships to stop crime and assist young people including Community Connect in Mt Isa; Cairns Safer Streets; Townsville Stronger Communities Action Group; Project Street CRED on the Gold Coast; and Youth Connect on the Sunshine Coast.

Support for First Nations Peoples

Addressing the disproportionate representation of Aboriginal and Torres Strait Islander young people in the youth justice system was a strategic objective of the department. Staff worked closely with Aboriginal and Torres Strait Islander peoples to develop and deliver culturally safe and responsive solutions including through the Youth Justice Framework for Practice and the implementation of the *Human Rights Act 2019*. The department aimed to build the cultural capability of staff, and respect, value and support Aboriginal and Torres Strait Islander knowledge, beliefs and perspectives.

The First Nations Council has been an important governance group providing strategic advice and a cultural lens on major decisions, programs, policy and projects across the department. The Council helped ensure culturally sensitive and respectful consultation and collaboration regarding decisions made in relation to Aboriginal and Torres Strait Islander staff, children, families and communities. For more information see the Boards and Committee section of this report.

Corporate Services

The department's corporate services were a combination of independent functions for financial services, human resources, liaison services and communication and media services, plus shared service arrangements with the Department of Child Safety, Youth and Women (DCSYW) for cabinet and parliamentary services, legal services, ICT operations, redress and internal audit.

The safety, health, and wellbeing of staff has been a core departmental priority. The department invested in the wellbeing and capability of staff, recognised their contributions, and assisted them to be drivers of innovation and change.

The department has maximised opportunities to improve technology to enable more secure management of records and information and improved data sharing with our partner agencies. A major component of this includes the ongoing implementation of the Unify program (led by DCSYW) to replace the department's Integrated Client Management System (ICMS). Unify will streamline processes and improve information sharing, including with courts, and better reporting mechanisms for therapeutic services and restorative justice processes.

Legislative reforms

During the reporting period the department worked with stakeholders regarding a number of legislative changes including:

- bail decision-making processes
- responding to the impact of COVID-19 on restorative justice conferences
- reporting requirements in relation to child sexual offences
- establishment of the West Moreton Youth Detention Centre.

Building a fairer, more inclusive and harmonious Queensland

Under the *Disability Services Act 2006*, each Queensland Government department is required to develop a Disability Service Plan. The department's *Disability Service Plan 2020* outlines the actions planned to progress the priorities of the *All Abilities Queensland: opportunities for all* State disability plan. The plan demonstrated how the department works with partners to build a fairer, more inclusive Queensland where people with disability, their families and carers are able to access the same opportunities, on the same basis as everyone else.

Response to COVID-19

The COVID-19 epidemic presented a range of unique and exceptional challenges for the department as it sought to ensure the safety and health of staff, young people in detention centres and the community.

The department kept a safe and healthy workplace for our employees and young people by:

- standing up a crisis response team
- activating business continuity plans
- supporting staff to perform different work within the department to help respond to emerging need
- making Personal Protective Equipment (PPE) available to ensure everyone's safety
- helping funded organisations with business continuity planning
- maintaining essential services in detention and the community and ensuring young people who presented a high risk of reoffending continued to receive critical support
- introducing new ways to deliver services online in response to social distancing requirements, including T2S workshops and virtual home visits
- supporting staff to work from home, including through the provision of technology
- developing a range of videos with the Queensland Mental Health Commission to support both individuals and manager/supervisors mental health and wellbeing
- engaging with interstate jurisdictions about approaches to managing COVID-19, and
- developing COVID-19 safe plans to manage risks and enable a progressive return to normal operations as health advice allows.

In August 2020, BYDC was placed in quarantine after five staff members tested positive to COVID-19. BYDC staff were required to undergo COVID-19 tests and quarantine. 12 staff from CYDC were deployed to support the continued operations at BYDC and approximately 90 QPS officers were utilised to assist across three rotations. Plans were also well advanced for Queensland Corrective Service (QCS) staff to also be deployed to BYDC, however due to the risk of transmission following a positive case within QCS, this did not proceed.

While BYDC was quarantined, young people that would otherwise have been transferred from watch houses in south east Queensland to BYDC, were held at the Ipswich District Watch House over a two week period until Queensland Health approved the recommencement of admissions.

A total of 37 distinct young people were held at the watch house between 28 August and 10 September 2020.

Governance and management

Governance framework

The department is committed to the principles outlined in the *Public Sector Ethics Act 1994*, which are embedded in our corporate governance framework and guide our decision making. Our governance arrangements, including organisational structure and delegations, position us to respond to future challenges through integrated responses around strategy, customer and stakeholder engagement. They also help to ensure we deliver improved outcomes for Queenslanders in prioritising innovation in how we invest and commission services.

Clear lines of accountability, defined roles and reporting relationships, robust management standards, and internal and external accountability measures contribute to a strong control environment and a culture of effective risk management.

The Financial Delegations Framework contains clearly articulated, position-based financial delegations, travel delegations, and approval authorities for positions. Human resources delegations address all aspects of human resources activities, and statutory delegations provide the Director-General with the means to delegate statutory powers or functions to other positions.

Governance committee structure

Our governance committees provided stewardship of the agency's strategic direction and performance, and helped ensure compliance with statutory obligations, probity and propriety, regulatory requirements, and standards relating to access, equity, inclusion, diversity and cultural capability. Departmental governance committees were:

- Leadership Board
- Executive Leadership Team
- Audit and Risk Committee
- Fraud and Corruption Control Committee – joint with DCSYW
- Information and Innovation Committee – joint with DCSYW
- First Nations Council – joint with DCSYW.

The Financial Services team supported our governance framework in relation to financial management issues and opportunities for improving financial practices. The Financial Services team also had responsibilities for internal controls, governance and risk, procurement, property services, and service delivery matters.

Executive management

The Leadership Board was the department's key strategic governing body and met monthly. It focussed on: the department's overall direction and alignment to strategy; building and maintaining the department's strategic partnerships; performance (financial and non-financial); infrastructure; innovation; and responses to emerging issues. Further information is provided in the boards and committees section of this report.

Leadership Board members as at 12 November 2020 are listed below:

Chair: Robert Gee, Director-General (Chair), *APM*

Robert (Bob) Gee APM was appointed as Director-General for the Department of Youth Justice in May 2019. Prior to this, Bob was the Deputy Police Commissioner, Regional Operations in the Queensland Police Service (QPS). Bob was also the State Disaster Coordinator, a board member of the Queensland Reconstruction Authority, and the QPS Indigenous Champion prior to taking up this role. Bob has worked in central agencies, as a university lecturer, as a consultant across a broad range of industries, been a CIO and was a Commissioned Officer of police for over 20 years.

Bob has a Masters degree in Public Administration, GAICD, and was a recipient of the Harvard Club of Australia Sir James Wolfensohn Scholarship in 2013. Bob has a deep commitment to staff, building stakeholder relationships, community safety, prevention and providing pathways for people across the breadth of the State to come together to improve quality of life and resilience, particularly for those who are most vulnerable in Queensland's diverse local communities. He values research being used pragmatically to improve social and economic policy and practice.

Phillip Brooks, Deputy Director-General

Phillip was appointed as the Deputy Director-General of the Department of Youth Justice in September 2019. Phillip has worked within the Police Service, Child Safety and Youth Justice portfolios in Queensland, including a range of senior roles. Prior to this role he was Commissioner of the Queensland Family and Child Commission and Regional Director, North Queensland (Child Safety and Community Services). He was recently appointed as an inaugural Board member of the Child Death Review Board under the *Family and Child Commission Act 2014*.

Darren Hegarty, Senior Executive Director, Youth Detention and Operations

Darren commenced in the position of Senior Executive Director in Youth Justice Services in DCSYW in September 2018 and was appointed to the role in May 2020. Darren has led a number of positive and significant reforms for children and young people in both the youth justice and child safety systems. This has included the Youth Justice Strategy and Action Plans; Out of Home Care Reinvestment program, including Queensland's first Mental Health Recovery Residential; improved service delivery frameworks within Child Safety; targeted outcomes for Aboriginal and Torres Strait Islander families; stronger engagement with community Elder groups and Aboriginal and Torres Strait Islander service providers; and the re-focused investment in Intensive Family Support for children and young people. Darren has a Bachelor of Social Work from James Cook University and has extensive experience in providing innovative approaches to solving complex problems within the human services sector.

Dr Lisa Pollard, Senior Executive Director, Strategy and Performance

Lisa was appointed to the role of Senior Executive Director Strategy and Performance in February 2020 to focus on strategic change in the Youth Justice system including supporting families, intervening early and community safety. She is experienced in strategic and operational leadership in central government and regional areas and working with diverse groups including Aboriginal and Torres Strait Islander peoples. Lisa has also led strategic policy change and improved cross government coordination in the fields of infrastructure, and social and regional planning and development. Lisa has worked in government, industry and non-government organisations and has a PhD in Social Impact Assessment in Australia.

Sandra Moore, Senior Executive Director, Regional Services, *BSc, GradDipMgt, MBA, GAICD, FIML*

Sandra was appointed as the Regional Executive Director, Department of Communities, Child Safety and Disability Services, North Queensland Region in January 2015 and transitioned to the Department of Child Safety, Youth and Woman in 2018; and subsequently to the Department of Youth Justice as the Senior Executive Director, Regional Services in 2019. In previous years, Sandra held several Executive and Senior Leadership roles within the non-government sector and private enterprise, which have included Chief Operating Officer for the Central and North West Queensland Medicare Local and Regional Manager for the Cancer Council Queensland. Sandra

has completed her accreditation with the Australian Institute of Company Directors and has served on a number of internal and external Executive Committees and Boards throughout her career.

Genevieve Gilles-Day, Chief Human Resources Officer, People and Culture

Genevieve commenced in the role of Chief Human Resources Officer in May 2019. She is an experienced human resource professional with more than 25 years' experience in a range of roles in both state and federal government. Over her career in the Queensland Government, Genevieve has experience in the portfolios of youth justice, child safety, communities, disability services, local government and the Department of the Premier and Cabinet. Genevieve has extensive experience as a HR professional across the full spectrum of HR and the employment lifecycle. She is strongly committed to providing expert HR support to ensure the department is best placed to make a positive difference to the communities of Queensland. She has a Graduate Certificate in Business.

Darceina Brocket, CPA, Chief Finance Officer, Financial Services and Governance, Procurement and Property Services

Darceina was temporarily appointed to the role of Chief Finance Officer in October 2019 to provide high level corporate services, including financial management, risk management, procurement, property services and governance. Before joining the department, Darceina was the Manager of Finance with Trade and Investment Queensland for five years and was involved in establishing this statutory authority in 2014. Darceina has worked in both the non-government and government sectors including Legal Aid Queensland, the Administrative Appeals Tribunal and private construction and consultancy firms.

Darrin Bond, Assistant Director-General and Chief Information Officer, Information, Innovation and Recovery, Department of Child Safety, Youth and Women (shared service), *BSc (IT/Mathematics)*

Darrin was appointed the Chief Information Officer for the former Department of Communities, Child Safety and Disability Services in 2012; and was appointed to the role of Assistant Director-General and Chief Information Officer of the Department of Child Safety, Youth and Women in late-2017, taking the role of CIO for not only DCSYW but also the Department of Youth Justice and the Department of Communities, Disability Services and Seniors. Darrin has more than 33 years' experience working in Government and Executive management roles and the Information and Communication Technology industry. Darrin has overseen the delivery of a number of strategic and innovative initiatives including: moving services to the cloud; automation of ICT service delivery; integrating data across government agencies to assist in the search for missing children, with the implementation of the Our Child solution; and digitising services across the child protection system to staff, partners, foster carers and vulnerable children by delivering solutions such as kicbox, Carer Connect and CS Xpress. Darrin oversaw the delivery the Detailed Business Case for the replacement of the Integrated Client Management System and the commencement of the Unify Program Stage 1 in July 2019.

Our values and ethics

The department embedded the Queensland public sector values (customers first, ideas into action, unleash potential, be courageous and empower people) into its daily business. We invested in the development and capability of staff, and prioritised their safety, health and wellbeing.

The department committed to the highest level of ethical conduct and promoted a culture that reflected the department's integrity framework, ensuring any allegation of corrupt conduct is taken seriously and thoroughly assessed. The department provided mandatory ethical decision-making and code of conduct training.

Allegations of corrupt conduct, or breaches of the *Code of Conduct for the Queensland Public Service* or certain legislation were referred to the department's Professional Standards unit to ensure all allegations were properly assessed. The matter is assessed with consideration given to the definition of corrupt conduct outlined in section 15 of the *Crime and Corruption Act 2001*, the Public Service Commissions' Conduct and Performance Excellence (CaPE) framework and the *Public Interest Disclosure Act 2010*.

During the period 1 July to 12 November 2020 the department:

- received 33 new matters (24 corrupt conduct and 9 misconduct)
- closed 15 matters (5 corrupt conduct and 10 misconduct).

Under Section 88N of the *Public Service Act 2008*, the Public Service Commission is required to publish information annually about the number, types, and management of work performance matters for each agency. For more information visit www.forgov.qld.gov.au/conduct-and-performance-data.

Human rights

The department was committed to respecting, protecting and promoting human rights in decision making and actions in accordance with the *Human Rights Act 2019*. The department partnered with DCSYW on an implementation project in 2019-20 to examine and strengthen its compatibility with human rights in legislation, policy, service delivery, program design and decision making, and organisational culture.

Implementation of human rights is an ongoing and iterative process underpinned by engaged leadership and staff, refined policies and procedures that inform daily decision making, improved complaints management, and information that informs young people about their rights. Training and knowledge raising continued to be a core feature of the department's implementation and more than 130 staff completed human rights training during the reporting period.

Human rights complaints

The department received no formal human rights complaints between 1 July and 12 November 2020, however through the analysis of complaints received the department identified 26 alleged incidents in youth detention centres during the reporting period which included actions from staff that were potentially incompatible with human rights. Of the 26 alleged incidents, 20 related to detention centre staff, three related to staff from Education Queensland, Queensland Health and Police, and one related to the alleged actions of a foster carer. The main human rights engaged and potentially limited included:

- right to life and humane treatment when deprived of liberty e.g. as a result of excessive force
- protection from torture and cruel or inhuman or degrading treatment e.g. inappropriate actions
- protection of families and children e.g. inappropriate contact

All identified incidents were examined, including through the review of CCTV footage where available. In 12 of the incidents the alleged limitation of rights was assessed as reasonable and justified. Of the remaining incidents 11 were resolved, including through local management action, through referral to the department's Professional Standards Unit, referral to Police, or were referred to the agency of the employee involved. The remaining three matters were subject to ongoing investigation.

COVID-19 and human rights

It is acknowledged that on occasions during COVID-19 human rights were temporarily limited. In making decisions and taking actions the department was mindful of its obligations to act compatibly with human rights by ensuring that any limitations on rights were reasonable and justified. Practice guidance to staff was revised to assist decision making and to reinforce the priority on the safety and wellbeing of young people in youth detention, while ensuring human rights compatibility.

Examples of the human rights engaged during COVID-19 and departmental considerations and responses include:

Rights engaged	Example
Right to Life	Prioritising health, safety and wellbeing of young people and staff
Cultural rights	Ensuring cultural unit staff in detention centres continued to support Aboriginal and Torres Strait Islander young people especially regarding operational decisions related to COVID-19 Ensuring additional support for young people at the Ipswich District watch house during the BYDC cluster including by Murri Watch, Kambu Aboriginal and Torres Strait Islander Corporation for Health and Sisters Inside Arranging the safe return of Aboriginal and Torres Strait Islander young people to their communities without compromising the safety of these vulnerable communities
Protecting families and children	Ensuring family contact could continue by using technology
Freedom of movement	Developing flexible responses so services could continue despite social distancing requirements e.g. staggering the movement of young people in detention centres
Children in the criminal process	No co-location with adult prisoners at the Ipswich District watch house during the BYDC cluster event – the facility was used solely for children for the two-week period Working closely with legal representatives and courts to ensure young people's courts matters, and in particular bail applications, were prioritised
Right to education	Maintaining onsite educational programs in detention centres delivered by the Department of Education and providing education packs and materials during the BYDC cluster event
Right to health	Ensuring ongoing support from Behaviour Support Teams and Queensland Health to young people and their families Ensuring additional support for young people at the Ipswich District watch house during the BYDC cluster including by Forensic Child and Youth Mental Health Service.

Complaints management

The department provided a complaints management system, in accordance with 219A of the *Public Service Act 2008*, allowing clients and the general public the opportunity to voice their satisfaction or dissatisfaction with our services. From 1 July to 12 November 2020, the department received 47 complaints, all of which related to detention centres.

In accordance with section 219A of the *Public Service Act 2008* departments are required to publish the following information on the department's website:

- number of customer complaints received by the department in the year
- number of those complaints resulting in further action
- number of those complaints resulting in no further action.

Youth justice complaints information for the reporting period is available on the website of the Department of Children, Youth Justice and Multicultural Affairs.

Risk management and oversight

Risk management

The *Financial Accountability Act 2009* requires the accountable officer to establish and maintain appropriate systems of internal control and risk management.

The department's governance arrangements ensure risks are considered at all levels of the department, with the Audit and Risk Committee providing oversight of the effective performance of our risk management framework.

The department manages its financial risks and liabilities by reviewing financial performance through our governance framework. The Audit and Risk Committee, supported by the Fraud and Corruption Control Committee, provides risk guidance and leadership around audit activities, audit recommendations, financial reporting, fraud and corruption, internal controls and compliance.

Audit and Risk Committee and internal audit

The department's Audit and Risk Committee was responsible for overseeing the performance of the internal audit function and was chaired by an external member.

The department received its internal audit services from the Department of Child Safety, Youth and Women (DCSYW) in accordance with a Memorandum of Understanding, which provides independence of departmental management and external auditors.

The appointed Head of Internal Audit, Mr Ian Rushworth satisfies the requirements that there is a Head of Internal Audit under *the Financial Accountability Act 2009* and the *Financial Accountability Regulation 2019* Section 5 who is a Professional Member, Institute of Internal Auditors – Australia (PMIA) and a Certified Internal Auditor (CIA).

The internal audit function is undertaken in accordance with a strategic internal audit plan approved by the Director-General. The Internal Audit Charter is consistent with relevant legislation, better practice guides and international internal auditing standards. Internal Audit's assurance activities complement departmental monitoring practices and oversight from external regulators and central agencies.

During the reporting period the following Internal Audit Reviews were completed:

- Information Security Management System (ISMS)
- Procure to Invest (P2i) Data Migration.

External scrutiny

The work of the department was subject to a number of oversight mechanisms and a number of bodies provide a robust framework for ensuring accountability and improvement including the Queensland Audit Office, the Crime and Corruption Commission, the Queensland Ombudsman and the Office of the Public Guardian. The Queensland Family and Child Commission is also overseeing implementation of the initiatives arising from the Youth Justice Strategy and examining options that will inform future youth justice systems and processes.

Significant activities regarding the department are noted below.

Queensland Audit Office

The Queensland Audit Office is the independent auditor of the Queensland public sector. It conducts financial audits and performance audits to provide public confidence in the reliability of public sector entity financial statements and operating performance.

The department continued implementation of recommendations from the Queensland Audit Office's *Managing Cyber Security Risks* report.

Crime and Corruption Commission

The Crime and Corruption Commission (CCC) aims to reduce the incidence of major crime and corruption in the public sector in Queensland. Its functions and powers are set out in the *Crime and Corruption Act 2001*.

The department continued implementation of recommendations from the CCC's *Operation Impala – A report on misuse of confidential information in the Queensland public sector*.

Queensland Ombudsman

The Queensland Ombudsman's role is to give people a timely, effective and independent way to have administrative actions of agencies investigated; improve the quality of decision-making and administrative practice in government agencies; and provide oversight of the *Public Interest Disclosure Act 2010*.

The Queensland Ombudsman made no formal report recommendations for the department from 1 July to 12 November 2020.

The Ombudsman's Brisbane Youth Detention Centre investigation report was tabled in Parliament in March 2019. All 17 recommendations were accepted or accepted in principle. At 12 November 2020, all recommendations had been commenced and 11 completed. Full implementation has been delayed due to the impact of COVID-19 and is scheduled for mid-2021.

Office of the Public Guardian

The Office of the Public Guardian provides a community visitor and advocacy program to protect the rights and interests of children and young people in care and at visitable sites, including youth detention centres. The department provides quarterly reports to the Office of the Public Guardian in accordance with section 39 of the *Youth Justice Regulation 2016*.

Detention centre inspectorate

The department's statutory inspections of Queensland's youth detention centres are conducted quarterly by principal inspectors. The Youth Detention Inspectorate determines the areas of focus for each quarterly inspection by considering: emerging risk; implementation of legislation, policy and standards; past reviews and recommendations.

The executive summary of each report plus the department's response are published online and available at www.publications.qld.gov.au/dataset/youth-detention-centres-quarterly-reports.

Strategic workforce planning and performance

Workforce profile

The breakdown of our 1,504.08 full-time equivalent (FTE) staff is provided below.

Service Delivery	Department Total
Frontline and frontline support	1,431.83 (95.2%)
Corporate	72.25 (4.8%)
Total	1,504.08 (100%)

A breakdown of our FTE staff by employment status is as follows:

- 1,179.30 permanent staff (78.41% of the total staff)
- 236.15 temporary staff (15.70% of the total staff)
- 80.63 casual staff (5.36% of the total staff)
- 8.00 contract staff (0.53% of the total staff)

The department's employment diversity as at 6 November 2020 (the last full pay period of the financial year) compared to the Queensland Public Sector benchmark average (as at the quarter ended 30 June 2020) is detailed below.

Diversity category	Department	Queensland Public Sector average
Gender Diversity – Women	55.04%	69.40%
Culturally and linguistically diverse	6.57%	10.10%
Aboriginal and/or Torres Strait Islander	9.28%	2.50%
People experiencing disability	1.60%	2.87%

Workforce capability

The department aimed to build the capacity and capability of staff to enable them to partner effectively and drive innovation. The department's approach to learning and development was underpinned by a growth mindset – the fundamental belief that all employees actively seek to grow and improve their skills and knowledge base and be supported in this by colleagues and leaders. This acknowledges that learning occurs throughout the day in every way, not just within structured learning sessions. The key message is in recognising that most learning occurs through work-based and on-the-job experiences and it is these opportunities that should be the primary focus for building capability.

Youth justice staff work with clients who have been involved with a range of complex issues including serious domestic and family violence, substance misuse, mental health, physical and sexual abuse, and disengagement from education. In recognition of this growing complexity, a suite of e-learning modules were developed to support the key priorities for the department. Delivery of training via a Virtual Classroom setting became the norm during the reporting period due to COVID-19 social distancing requirements. Face-to face training is forecast to return when health directives permit.

Staff performance development

Regular supervision, engagement and feedback has enabled supervisors to build relationships and engage meaningfully with their staff, understand their motivators, recognise and praise staff, give timely and useful feedback and ensure they have the resources and support necessary to perform their role.

Through Achievement and Capability Planning processes staff are able to negotiate, plan and share information about their role and performance. This two way feedback and planning process has allowed employees to have a clear view of their responsibilities and areas of development including role expectations, performance, career planning and development.

Workforce attraction, recruitment and retention

The department had a strong focus on attracting, developing and supporting skilled and committed staff. To support work-life balance, we provided flexible work arrangements including compressed work hours, flexible start and finish times, and telecommuting. These approaches were especially important to ensure business continuity during COVID-19.

We invest in our staff's wellbeing through a range of professional workplace health services for both staff and their family members and continue to promote and provide access to an Employee Assistance Provider program at no cost to staff.

Safety

The safety, health and wellbeing of our staff has been vital to enable the department to achieve its vision. The department is highly committed to developing and supporting its staff through contemporary people and culture initiatives including leadership development programs, wellbeing and safety systems, accessible human resources policies and processes and human centred design approaches to our strategic workforce planning.

The department worked actively with relevant industrial unions through regular consultative committee meetings at the agency, regional and local workplace level. These meetings provided a forum to raise, discuss and resolve health and safety matters, in all workplaces, in a collaborative way.

Wellbeing officers in detention centres provide a primary support response and debriefs for employees involved in incidents on centre. The officers also provide proactive wellbeing and safety information to our staff.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the reporting period.

Consultancies

There was no expenditure on consultancies by the department during the reporting period.

Overseas travel

There was no expenditure on overseas travel by the department during the reporting period.

Information systems and recordkeeping

As a Queensland Government agency, we meet the accountability requirements of the *Public Records Act 2002*, as well as other whole-of-government policies and standards. These standards include the Records Governance Policy, which was released by the Queensland State Archives to supersede *Information Standard 31: Retention and disposal of public records* and *Information Standard 40: Recordkeeping policies*.

Acts administered by the department

The functions and powers of the Department of Youth Justice were derived from the following Acts of Parliament, in accordance with the relevant Administrative Arrangements Orders. The Director-General, on behalf of the Minister, was responsible for administering these Acts.

- *Youth Justice Act 1992*
- *Young Offenders (Interstate Transfer) Act 1987*.

Government bodies

The department did not convene or administer any government bodies. Information about government bodies can be found at: <https://governmentbodies.premiers.qld.gov.au/Default.aspx>.

Boards and committees

Leadership Board	
Description	The Leadership Board was the department's key strategic governing body. It was focussed on the overall direction and alignment to strategy, building and maintaining the department's strategic partnerships, performance (financial and non-financial), infrastructure, innovation and information responses to emerging issues.
Meeting frequency	Monthly
Membership	<ul style="list-style-type: none">• Director-General (Chair)• Deputy Director-General• Senior Executive Director, Youth Detention and Operations• Senior Executive Director, Strategy and Performance• Senior Executive Director, Regional Services• Chief Human Resources Officer• Chief Finance Officer• Chief Information Officer, DCSYW (shared service)

Executive Leadership Team

Description The Executive Leadership Team maintained a focus on the department's operations to ensure alignment with strategic priorities, promotes performance and effective partnerships

Meeting frequency As required

Membership

- Director-General (Chair)
- Deputy Director-General
- Director, Office of the Director-General
- Senior Executive Director, Youth Detention and Operations
- Senior Executive Director, Strategy and Performance
- Senior Executive Director, Regional Services

Audit and Risk Committee

Description

The Audit and Risk Committee provided independent assurance and assistance to the Director-General on the risk, control and compliance frameworks and the department's external accountability responsibilities, and other matters relevant to the duties and responsibilities of the committee, and as prescribed in the *Financial Accountability Act 2009*, the *Financial Accountability Regulation 2019* and the *Financial and Performance Management Standard 2019*.

The committee did not replace or replicate established management responsibilities and delegations, the responsibilities of other executive management groups, or the reporting lines and responsibilities of either internal audit or external audit functions.

Meeting frequency The committee met three times during the reporting period.

Membership

- Ms Karen Prentis (Chair – independent external member)
- Mr Peter Dowling (independent external member)
- Assistant Director-General, Corporate Services, DCSYW
- Deputy Director-General, DYJ

Standing invited guests

- Director-General (special invitee)
- Head of Internal Audit
- Chief Finance Officer
- Senior Director, Queensland Audit Office
- Audit Manager, Queensland Audit Office
- Principal Advisor, Governance and Risk

Audit and Risk Committee

Total remuneration payments and on-costs

Total remuneration for the external independent chair and external member will be published in the Department of Children, Youth Justice and Multicultural Affairs annual report 2020-21.

Fraud and Corruption Control Committee (joint with DCSYW)

Description

The Fraud and Corruption Control Committee is a sub-committee of the Audit and Risk Committee. The committee is responsible for providing oversight of the department's fraud and corruption prevention program, gaining assurance around the effectiveness of the fraud and corruption control plan and fraud risk mitigation and monitoring compliance with relevant legislation and government practices.

The committee undertakes its role from a cross-organisational perspective, and ensures there is cohesiveness in its considerations and decisions, particularly in respect of departmental change and innovation activities.

Meeting frequency

The committee met twice during the reporting period.

Membership

- Chief Finance Officer, DCSYW (Chair/Deputy Chair)
- Executive Director, Child and Family Operations, DCSYW
- Director, Accounting Services, DCSYW
- Director, Property and Procurement, DCSYW
- Director, Information, Policy and Procurement, DCSYW
- Director, People Services, DCSYW
- Director, Planning and Regulatory Services, DCSYW
- Service Delivery Representative, DCSYW
- Chief Finance Officer, DYJ (Chair/Deputy Chair)
- Manager, Professional Standards, DYJ
- Director, Policy, Strategy and Legislation, DYJ
- Director, Youth Detention Operations and Support, DYJ
- Regional Representative, DYJ
- Director, Office of the Director-General, DYJ (standing guest)
- Principal Advisor, Governance and Risk (standing guest)
- Head of Internal Audit, DCSYW (standing guest)

First Nations Council (joint with DCSYW)

Description

The First Nations Council advises, informs and influences decision makers in the department and is integral in ensuring decisions made by the department are culturally meaningful and

	<p>sensitive to achieve outcomes that benefit Aboriginal and Torres Strait Islander staff, children, families and communities.</p> <p>Consisting of highly respected staff, the First Nations Council leads the cultural capability of the department as custodians of an Aboriginal and Torres Strait Islander Cultural Capability Action Plan (joint between DYJ and DCSYW). The First Nations Council also provides its collective cultural wisdom, knowledge and guidance to decisions, strategies, initiatives, policies and programs.</p>
Meeting frequency	Bi-monthly
Membership (Membership is on the basis of personal appointment rather than position.)	<ul style="list-style-type: none"> • Ron Weatherall • Uncle Arnold Wallis • Aunty Maureen Ervine • Aunty Lesley Williams • Aunty Tracey Motlop • Uncle Leslie Skelton • Aunty Sharon Smith • Aunty Kim Thursby • Aunty Helen Dingle • Gavin Kum Sing • Directors-General of DYJ and DCSYW (standing guests)

Information and Innovation Committee (joint with DCSYW and DCDSS)	
Description	<p>The Information and Innovation Committee is the ICT governance committee for DYJ, DCSYW and DCDSS.</p> <p>The committee manages all ICT-enabled business initiatives and is the primary governance body by which the departments ensure they maximise the value of their business investments that have an ICT-enabled component.</p> <p>ICT governance is a mandated policy requirement under the Queensland Government's ICT resources strategic planning policy, <i>Information Standard 2: Departments must establish ICT governance arrangements</i>.</p>
Meeting frequency	Bi-monthly
Membership	<ul style="list-style-type: none"> • Assistant Director-General and Chief Information Officer, Information, Innovation and Recovery, DCSYW (Chair) • Assistant Director-General, Corporate Services, DCSYW • Assistant Director-General, Disability Connect Queensland, DCDSS • Assistant Director-General, Corporate Services, DCDSS

Information and Innovation Committee (joint with DCSYW and DCDSS)

- Chief Finance Officer, DCDSS
- Senior Executive Director, Strategy and Performance, DYJ
- Director, Regional Operations, DYJ
- Executive Director, Practice Connect, Service Delivery, DCSYW
- Executive Director, Strategy and Performance, Strategy, DCSYW
- Regional Executive Director, DCSYW – rotating between regions every 12 months
- Regional Director, DCSYW – rotating between regions every 12 months
- Head of Internal Audit and Compliance Services, DCDSS (Guest)
- Chief Information Officer and Deputy Director-General, Department of Aboriginal and Torres Strait Islander Partnerships (Guest)
- Queensland Government Customer and Digital Group representative (Guest)
- Director, Enterprise Program Management Office, DCSYW (Observer)

Department of Youth Justice
Financial Statements for period 1 July to 12
November 2020

Department of Youth Justice
Final Financial Statements
for period from 01 July to 12 November 2020

Department of Youth Justice
Final Financial Statements
for the period from 1 July 2020 to 12 November 2020

CONTENTS	Page
Statement of Comprehensive Income.....	3
Statement of Financial Position.....	4
Statement of Changes in Equity.....	5
Statement of Cash Flow (including Notes to the Statement of Cash Flows).....	6 - 7
A1 Preparation information - basis of financial statement preparation.....	8 - 9
A2 Departmental objectives.....	9
A3 Machinery-of government transfer.....	10
B1 Revenue.....	10
B2 Expenses.....	11 - 12
C1 Cash and cash equivalents.....	13
C2 Receivables.....	13
C3 Non-current assets held for sale.....	13 - 14
C4 Property, plant and equipment.....	14 - 17
C5 Payables.....	18
C6 Accrued employee benefits.....	18
C7 Provisions.....	18
C8 Equity.....	19
D1 Financial risk disclosures.....	19 - 20
D2 Commitments.....	20
D3 Impact of COVID-19 on the final Financial Statements	21
D4 Contingencies.....	21
D5 Events after the balance date.....	21
E1 Budgetary reporting disclosures.....	21
F1 Key management personnel (KMP) disclosures (continued).....	21 - 23
F2 Related party transactions.....	23
G1 Trust transactions and balances	23
Management Certificate.....	24

Department of Youth Justice

Statement of Comprehensive Income

for the period from 1 July 2020 to 12 November 2020

		Actual #	Original Budget [^]	Budget* Variance	Actual [√]
	Note	2021 \$'000	2021 \$'000	\$'000	2020 \$'000
OPERATING RESULT					
Income from continuing operations					
Appropriation revenue	B1-1	98,293	95,924	2,369	284,758
User charges and fees	B1-2	232	232	-	720
Grants and other contributions		120	121	(1)	326
Other revenue		131	-	131	235
Total revenue		98,776	96,277	2,499	286,039
Gains on disposal		-	-	-	5
Total income from continuing operations		98,776	96,277	2,499	286,044
Expenses from continuing operations					
Employee expenses	B2-1	62,314	59,915	2,399	177,622
Supplies and services	B2-2	28,249	29,856	(1,607)	83,612
Grants and subsidies		1,216	499	717	4,772
Depreciation	B2-4	5,888	5,706	182	17,015
Impairment losses		-	-	-	148
Other expenses	B2-3	1,109	301	808	969
Total expenses from continuing operations		98,776	96,277	2,499	284,138
Operating result from continuing operations		-	-	-	1,906
Other comprehensive income					
Items that will not be reclassified to operating result					
Increase in asset revaluation surplus	C8-3	658	-	658	5,539
Total other comprehensive income		658	-	658	5,539
Total comprehensive income		658	-	658	7,445

Actuals is for period from 01 July 2020 to 12 November 2020 for the abolished department.

[^] These figures represent budgeted figures as published in 2020-21 Queensland Budget- Service Delivery Statement tabled in Parliament.

* An explanation of major variances is included at Note E1-1.

[√] 2020 actual covered 13 months from 01 June 2019 to 30 June 2020

The accompanying notes form part of these financial statements.

Department of Youth Justice

Statement of Financial Position

as at 12 November 2020

	Note	Actual 2021 \$'000	Actual 2020 \$'000
Current assets			
Cash and cash equivalents	C1	55,604	22,607
Receivables	C2	3,787	7,140
Inventories		783	734
Prepayments		6,428	1,867
		66,602	32,348
Non-current assets classified as held for sale	C3	21,500	21,500
Total current assets		88,102	53,848
Non-current assets			
Property, plant and equipment	C4	414,325	380,803
Total non-current assets		414,325	380,803
Total assets		502,427	434,651
Current liabilities			
Payables	C5	37,877	15,419
Accrued employee benefits	C6	4,579	4,338
Provisions	C7	3,955	3,238
Total current liabilities		46,411	22,995
Total liabilities		46,411	22,995
Net assets		456,016	411,656
Equity			
Contributed equity		447,832	404,130
Accumulated surplus		1,987	1,987
Asset revaluation surplus	C8-3	6,197	5,539
Total equity		456,016	411,656

The accompanying notes form part of these financial statements.

Department of Youth Justice

Statement of Changes in Equity

for the period from 1 July 2020 to 12 November 2020

	Contributed Equity \$'000	Accumulated surplus \$'000	Asset Revaluation Surplus \$'000	Total \$'000
Balance as at 1 June 2019				
Operating result				
Net effect of changes in accounting policies - derecognition of of lease incentive liabilities	-	81	-	81
Operating result from continuing operations	-	1,906	-	1,906
Other comprehensive income				
- Net increase in asset revaluation surplus (Note C8-3)	-	-	5,539	5,539
Total comprehensive income for the year	-	1,987	5,539	7,526
Transactions with owners as owners				
- Net equity withdrawals (Note C8-2)	67,639	-	-	67,639
- Net transfers in from other Queensland Government entities - other (Note C8-1)	336,491	-	-	336,491
Net Transactions with owners as owners	404,130	-	-	404,130
Balance as at 30 June 2020	404,130	1,987	5,539	411,656
Operating result				
Operating result from continuing operations	-	-	-	-
Other comprehensive income				
- Net increase in asset revaluation surplus (Note C8-3)	-	-	658	658
Total comprehensive income for the year	-	-	658	658
Transactions with owners as owners				
- Net equity withdrawals (Note C8-2)	43,702	-	-	43,702
Net Transactions with owners as owners	43,702	-	-	43,702
Balance as at 12 November 2020	447,832	1,987	6,197	456,016

The accompanying notes form part of these financial statements.

Department of Youth Justice

Statement of Cash Flow

for the period from 1 July 2020 to 12 November 2020

		Actual# 2021 \$'000	Actual√ 2020 \$'000
Cash Flows from Operating Activities			
<i>Inflows:</i>			
Service appropriation receipts		112,525	286,138
User charges and fees		(1,702)	1,346
Grants and other contributions		120	326
GST input tax credits received from ATO		8,991	12,903
GST collected from customers		96	70
Other		140	229
<i>Outflows:</i>			
Employee expenses		(63,663)	(180,147)
Supplies and services		(21,771)	(82,358)
Grants and subsidies		(499)	(3,100)
GST paid to suppliers		(6,364)	(14,943)
GST remitted to ATO		(96)	(70)
Other		(2,671)	(610)
Net cash provided by operating activities	CF-1	25,106	19,784
Cash Flow from Investing Activities			
<i>Outflows:</i>			
Payments for property, plant and equipment		(35,810)	(87,341)
Net cash used in investing activities		(35,810)	(87,341)
Cash Flows from Financing Activities			
<i>Inflows:</i>			
Equity injections		43,702	90,629
<i>Outflows:</i>			
Equity withdrawals		-	(14,291)
Net cash provided by financing activities		43,702	76,338
Net increase in cash and cash equivalents		32,998	8,781
Increase (decrease) in cash and cash equivalents through restructuring		-	13,826
Cash and cash equivalents - opening balance		22,607	-
Cash and cash equivalents - closing balance	C1	55,605	22,607

Actuals is for period from 01 July 2020 to 12 November 2020 for the abolished department.

√ 2020 actual covered 13 months from 01 June 2019 to 30 June 2020

The accompanying notes form part of these financial statements.

Department of Youth Justice

Statement of Cash Flow

for the period from 1 July 2020 to 30 November 2020

Notes to the Statement of Cash Flows

CF-1 Reconciliation of Operating Result to Net Cash Provided by Operating Activities - Controlled

	2021# \$'000	2020√ \$'000
Operating surplus/(deficit)	-	1,906
<i>Non-cash items included in operating result</i>		
Depreciation and amortisation expense	5,888	17,015
Loss (gain) on disposal of non-current assets	3	112
Impairment losses	-	105
<i>Change in assets and liabilities</i>		
Increase (decrease) in GST input tax credits receivable	2,627	(2,040)
(Increase) decrease in receivable	726	1,710
(Increase) decrease in Inventories	(49)	(81)
(Increase) decrease in other assets	(4,561)	(1,165)
Increase (decrease) in payables	19,547	1,080
Increase (decrease) in accrued employee benefits	240	(472)
Increase (decrease) in Provisions	717	1,600
(Increase) decrease in other liabilities	(32)	14
Net cash provided by operating activities	25,106	19,784

Actuals is for period from 01 July 2020 to 12 November 2020 for the abolished department.

√ 2020 actual covered 13 months from 01 June 2019 to 30 June 2020

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

A1 Preparation information - basis of financial statement preparation

A1-1 Understanding our financial statements and the reporting entity

The Department of Youth Justice is a Queensland Government department established under the *Public Service Act 2008* and controlled by the State of Queensland, which is the ultimate parent. The department has been abolished as a result of the *Public Services Departmental Arrangements Notice (No.4) 2020*, effective 12 November 2020 and these financial statements are the department's final financial statements.

These financial statements enable the readers to assess the abolished department's financial results and cashflow for the period 01 July 2020 to 12 November 2020 and its position as of 12 November 2020.

The head office of the department is 1 William Street, Brisbane QLD 4000.

The financial statements include the value of all income, expenses, assets, liabilities and equity of the department. The department had no controlled entities at 12 November 2020.

A1-2 Final financial statement of the department as a result of machinery-of-government changes

The department was abolished as a result of the *Public Service Departmental Arrangements Notice (No.4) 2020*. Under this notice the responsibility of youth justice services have been transferred to the Department of Children, Youth Justice and Multicultural Affairs. The effect of this transfer was from 13 November 2020.

As a result of the machinery-of-government changes the department is no longer considered a going concern. While it is not a going concern, these final financial statements have been prepared consistent with the going concern basis, as the transferred youth justice services are expected to continue to operate as normal into the foreseeable future. The value of the assets and liabilities reported in these final financial statements represent their carrying amounts immediately prior to machinery-of-government changes taking effect. These represent the values of the assets and liabilities transferred to and recognised by the recipient department. Further details of these transfers are included in note A3.

Similarly, the values of commitments and contingencies disclosed in notes D2 and D4 represent their assessed values prior to the transfer of these commitments and contingencies to their recipient department.

A1-3 Compliance with prescribed requirements

The department has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*. These financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019.

The department is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flow which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards applied for the first time in these financial statements are outlined in Note A1-9.

A1-4 Presentation

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

These final financial statements cover the reporting period 1 July 2020 to 12 November 2020, the effective date of abolishment of the department. Comparative information covers the period 1 June 2019 to 30 June 2020.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

Measurement

The historical cost convention is used unless fair value is stated as the measurement basis. Provisions expected to be settled 12 months or more after the reporting date are measured at their present value. Inventories are measured at the lower of cost and net realisable value.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

A1 Basis of Financial Statement Preparation (continued)

A1-5 Authorisation of financial statements for issue

The financial statements are authorised for issue by the former Director-General and the former Chief Finance Officer at the date of signing the Management Certificate.

A1-6 Controlled transactions and balances

Transactions and balances are controlled by the department where they can be deployed for achievement of the departmental objectives.

The department does not administer any activities on behalf of Whole-of-Government and all reported balances and transactions in these financial statements and notes are controlled.

A1-7 Taxation

The department is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. GST credits receivable from, and GST payable to, the ATO are recognised (refer to Note C2).

A1-8 Accounting estimates and judgments

Critical judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Note C4-6	Fair value measurement
Note C4-7	Basis for fair values of assets
Note C7	Provisions

A1-9 First year application of new accounting standards or change in accounting policy

A1-9-1 AASB 1059 Service Concession Arrangements : Grantors

AASB 1059 *Service Concession Arrangements : Grantors* is applicable for the first time in 2020-21. This standard prescribes the accounting for certain arrangements in which an operator provides public service on behalf of a public sector grantor involving a service concession arrangement, known as a public-private partnerships.

The department has assessed its arrangements and has concluded that none of these are considered service concession arrangements and therefore this accounting standard does not affect these final financial statements.

A2 Departmental objectives

The department's vision is for Queensland to be safe communities with the lowest rate of youth offending or reoffending in the world. The department aims to achieve its vision for Queenslanders by leading a focused, whole-of-government approach to tackling youth offending, reducing reoffending and reducing the number of young people held on remand.

The department is funded principally by parliamentary appropriations for the youth services it delivers.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

A3 Machinery-of government transfer

The department was abolished as a result of the *Public Service Departmental Arrangements Notice (No.4) 2020 made on 12 November 2020*. Under this notice the responsibility of all youth justice services was transferred to the Department of Children, Youth Justice and Multicultural Affairs. The effect of this transfer was from 13 November 2020.

As a result of these changes the following assets and liabilities were transferred.

	Total
	<u>\$'000</u>
Assets	
<i>Current</i>	
Cash	55,604
Receivables	3,787
Inventories	783
Other current assets	6,428
Non-financial assets held for sale	21,500
<i>Non-Current</i>	
Property, plant and equipment	414,325
	<u>502,427</u>
Liabilities	
<i>Current</i>	
Payables	37,877
Accrued employee benefits	4,579
Provision	3,955
	<u>46,411</u>
Net assets	<u><u>456,016</u></u>

B1 Revenue

	2021	2020
	<u>\$'000</u>	<u>\$'000</u>
B1-1 Appropriation revenue		
Reconciliation of payments from consolidated fund to appropriation revenue recognised in operating result		
Original budgeted appropriation	112,525	245,356
Transfers from other departments - redistribution of public business	-	21,931
Unforeseen expenditure	-	18,851
Total appropriation receipts (cash)	<u>112,525</u>	<u>286,138</u>
Less: Opening balance of appropriation revenue receivable	(2,081)	-
Plus: Closing balance of appropriation revenue receivable		2,081
Less: Closing balance of deferred appropriation payable to Consolidated Fund	(12,151)	-
Net appropriation revenue	<u>98,293</u>	<u>288,219</u>
Transfers of balances from/to other departments - Machinery of Government Changes	-	(3,461)
Appropriation revenue recognised in statement of comprehensive income	<u><u>98,293</u></u>	<u><u>284,758</u></u>

Appropriations provided under the *Appropriation Act (No. 1) 2020* are recognised as revenue when received.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

B1	Revenue (continued)	2021	2020
B1-2	User charges	\$'000	\$'000
	Sale of services *	210	647
	Rental income ^	22	73
	Total	232	720

* Revenue for sale of services is from services provided at the three Outlook premises. Services provided include accommodation fees, venue and equipment hire, catering and training and programs and events. The revenue is recognised after services are provided, which is the sole performance obligation.

^ Rental income is the contribution from departmental officers towards employee public housing as part of contract entered into with employees. Housing is provided on an ongoing basis and rent is recognised when money is deducted from employees' fortnightly salaries.

B2	Expenses	2021	2020
B2-1	Employee expenses	\$'000	\$'000
	Employee benefits		
	Wages and salaries	46,671	134,878
	Employer superannuation contributions	5,500	15,948
	Annual leave levy	5,167	13,803
	Long service leave levy	1,147	3,212
	Other employee benefits	379	1,525
		58,864	169,366
	Employee related expenses		
	Workers' compensation premium	2,828	5,773
	Other employee related expenses	622	2,483
		3,450	8,256
	Total	62,314	177,622

The number of employees as at 12 November 2020 on a full-time equivalent (FTE) basis under the Minimum Obligatory Human Resource Information (MOHRI) classification methodology is:

	12/11/2020	30/06/2020
Number of full-time equivalent employees	1504	1511
Employee benefits		

Employee benefits include employer superannuation contributions, annual leave levies and long service leave levies.

(i) *Wages, salaries and sick leave*

Wages and salaries due, but unpaid at reporting date, are recognised in the statement of financial position at the current salary rates. As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Sick leave is non-vesting. No liability for unused sick leave entitlements is recognised. An expense is recognised for this leave as it is taken.

(ii) *Annual leave and long service leave*

The department is a member of the Queensland Government's Annual Leave and Long Service Leave Schemes. A levy is payable to these schemes to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. These levies are expensed in the period in which they are payable. Amounts paid to employees for the leave taken are claimed from the scheme quarterly in arrears.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

B2 Expenses (continued)

B2-1 Employee expenses (continued)

Employee benefits (continued)

(iii) Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined contribution plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined benefit plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined by the Treasurer on the advice of the State Actuary. Contributions are paid by the department at the specified rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

(iv) Workers' compensation premiums

The department pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not included in an employee's total remuneration package. It is not considered an employee benefit and is recognised separately as employee related expenses.

Key management personnel (KMP) and remuneration disclosures are detailed in Note F1-4.

B2-2 Supplies and services

	2021	2020
	\$'000	\$'000
Service procurement [^]	13,018	29,888
Operating lease rentals [#]	3,642	11,233
Professional and technical fees	649	7,093
Computer operating costs	307	1,048
Outsourced corporate services	4,501	12,678
Repairs and maintenance	2,106	7,987
Property operational costs	1,338	4,350
Administration costs	195	754
Minor plant and equipment	140	925
Travel	308	1,867
Telecommunications	330	927
Other	1,715	4,862
Total	28,249	83,612

[^] Encompasses procurement of outsourced service delivery for social services. For a transaction to be classified as service procurement, the value of goods or services received by the department must be of approximate value to the value of consideration exchanged for those goods to services. Where this is not substance of the arrangement, the transaction is classified as a grant.

[#] Operating lease expenses include lease rental for short-term leases, leases of low value assets, variable lease payments and leases payments under Queensland Government Accommodation Office (QGAO) and residential accommodation through the Government Employee Housing (GEH) arrangements.

B2-3 Other expenses

	2021	2020
	\$'000	\$'000
Insurance premiums — Queensland Government Insurance Fund	907	670
External audit fees*	192	132
Other	10	167
Total	1,109	969

* The Auditor-General of Queensland is the department's external auditor. Total external audit fees relating to 2020-21 final financial statements audit are estimated to be \$0.117 million. There are no non-audit services included in this amount.

B2-4 Depreciation expense

	2021	2020
	\$'000	\$'000
Buildings	5,478	15,496
Plant and equipment	410	1,519
Total	5,888	17,015

The relevant accounting policy is disclosed under Note C4-3.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C1	Cash and cash equivalents	2021 \$'000	2020 \$'000
	Cash on hand	19	21
	Cash at bank	55,585	22,586
	Total	55,604	22,607

Cash assets include all cash and cheques received but not banked at 30 June 2020.

C2	Receivables	2021 \$'000	2020 \$'000
	Current		
	Trade and other debtors	2,098	152
	Less: Allowance for impairment loss	(39)	(39)
		2,059	113
	GST input tax credits receivable	256	2,883
	Annual leave reimbursements	1,291	1,688
	Long service leave reimbursements	181	375
	Appropriation revenue receivable	-	2,081
	Total	3,787	7,140

Trade and other debtors are recognised at the amounts due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from invoice date.

Impairment of receivables

The loss allowance for trade and other debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking projections. Forecast economic changes that are expected to impact the department's debtors, along with relevant industry and statistical data, form part of the department's impairment assessment.

Where the department receivables are from Queensland Government agencies, Statutory Bodies or Australian Government agencies, no loss allowances is recorded on the basis of materiality. These debtors are expected to have an insignificant, and therefore immaterial, level of credit risk exposure.

Where the department has no reasonable expectation of recovering an amount owed by a debtor, the debt should be written -off. This occurs when the debt is over 90 days past due date and the department has ceased all enforcement activities.

	2021 \$'000	2020 \$'000
Loss allowances as at start of financial year	39	-
Increase/ decrease in allowance recognised in operating result	-	39
Amount written-off during the year	-	(43)
Loss allowance as of end of financial year	39	39

C3	Non-current assets held for sale	2021 \$'000	2020 \$'000
	Land held for sale	21,000	21,000
	Buildings held for sale	500	500
	Total	21,500	21,500

Non-current assets held for sale consist of the former Brisbane's Children Court land and building that management has determined are available for immediate sale in their present condition. The sale of these assets is highly probable within the next twelve months. Queensland Government has chosen the site for Build - to- Rent project and Queensland Treasury is leading the sale process.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C3 Non-current assets held for sale (continued)

Under *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*, when an asset is classified as held for sale, its value is measured at the lower of the asset's carrying amount and fair value less costs to sell. Such assets are no longer amortised or depreciated upon being classified as held for sale.

AASB 5 Non Current Asset Held for Sale and Discontinued Operations allows for an asset to be classified as held for sale for a period longer than twelve months when the delay is caused by events or circumstances beyond the entity's control. The department is committed to the sale of these assets, however there has been delay in the sale process outside the control of the department. The sale is expected to be finalised in late 2021 calendar year.

The department has undertaken a comprehensive valuation of these assets during the preparation of these statements. The valuation undertaken by Herron Todd White confirms that the carrying amounts of these assets have not changed since they met the "held for sale" classification. The department has assessed the valuer report and is satisfied that the values of these assets are appropriate at the end of the reporting period.

C4 Property, plant and equipment

C4-1 Recognition and acquisition

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised as assets for financial reporting purposes in the year of acquisition:

Buildings	\$10,000
Land	\$1
Plant and equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition.

Site improvements are included in the building classifications.

Expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

The department has a comprehensive annual maintenance program for its property, plant and equipment.

C4-2 Measurement

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration plus costs incidental to the acquisition, including architect's fees, engineering design fees and other costs incurred in getting the assets ready for use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price). This is regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Land and buildings are measured at fair value in as required by Queensland Treasury's Non-Current Asset Policies (NCAPs) for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs.

Land and buildings are revalued on an annual basis either by appraisals undertaken by an independent professional valuer or by the use of appropriate and relevant indices.

The department's assets have been materially kept up-to-date via the application of relevant indices. Indexations sourced from Marsh Pty Ltd (trading as AssetVal) have been applied to assets as at 31 October 2020 (refer to Note C4-7). AssetVal supplies the indices and provides assurance of their robustness, validity and appropriateness for application to the relevant assets. Management assesses and confirms the relevance and suitability of indices based on the department's own particular circumstances.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C4 Property, plant and equipment (continued)

C4-3 Depreciation of property, plant and equipment

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less any estimated residual value, progressively over its estimated useful life to the department. Land is not depreciated as it has an unlimited useful life. The remaining useful lives of buildings, plant and equipment are reviewed annually.

Separately identifiable components of complex assets are depreciated according to the useful life of each component.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity.

The depreciable amount of improvements to or on leasehold property is allocated progressively over the estimated useful life of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is probable.

For each class of depreciable asset the following depreciation useful lives are used:

Asset Class	Range of Useful Life
<u>Buildings</u>	
Main Buildings	26 - 67 years
External Services	29 - 65 years
Substructure	29 - 65 years
Superstructure	29 - 65 years
Roof	19 - 56 years
Land Improvements	22 - 53 years
Finishes	11 - 40 years
Fittings	5 - 40 years
Services	11 - 40 years
Security	10 years
<u>Plant and Equipment</u>	
Leasehold Improvements	3 - 24 years
Security	4 - 17 years
Office Equipment	4 - 16 years
Plant and Machinery	2 - 16 years
Fixtures and Fittings	9 - 15 years
Furniture	10 years

C4-4 Impairment

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the department determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal.

As a result of Machinery of Government Changes on 12 November, the department undertook an asset impairment review in accordance with AASB 136 *Impairment of Assets*. This review has not identified any asset for impairment against any impairment indicators as of this date and the net book values of the abolished department assets represent their fair values.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C4 Property, plant and equipment (continued)

C4-5 Closing balances and reconciliations of carrying amount

Property, plant and equipment reconciliation	2021 \$'000	2020 \$'000
Land		
– At fair value	20,449	20,112
Buildings		
– At fair value	407,572	403,356
Less accumulated depreciation	(138,769)	(133,326)
Less accumulated impairment	(105)	(105)
	268,698	269,925
Plant and equipment		
– At cost	23,065	21,853
Less accumulated depreciation	(18,225)	(17,818)
	4,840	4,035
Capital works in progress		
– At cost	120,338	86,731
Total	414,325	380,803

Represented by movements in carrying amount:

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Carrying amount at 01 June 2019	19,674	254,418	5,424	25,708	305,224
Acquisitions (including upgrades)	-	-	74	87,089	87,163
Transfers between asset classes	12	25,994	60	(26,067)	-
Net revaluation increments in asset revaluation surplus	426	5,113	-	-	5,539
Impairment losses recognised in operating surplus	-	(105)	-	-	(105)
Disposals	-	-	(4)	-	(4)
Depreciation expenses	-	(15,495)	(1,519)	-	(17,014)
Carrying amount at 30 June 2020	20,112	269,925	4,035	86,730	380,803
Carrying amount at 01 July 2020	20,112	269,925	4,035	86,730	380,803
Acquisitions (including upgrades)	-	-	-	38,754	38,754
Transfers between asset classes	-	3,928	1,218	(5,146)	-
Net revaluation increments in asset revaluation surplus	336	322	-	-	658
Disposals	-	-	(2)	-	(2)
Depreciation expenses	-	(5,478)	(410)	-	(5,888)
Carrying amount at 12 November 2020	20,448	268,697	4,841	120,338	414,325

C4-6 Fair value measurement

All assets of the department for which fair value is measured are categorised within the following fair value hierarchy:

- level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets;
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs - current replacement cost where no market exists for similar assets.

None of the department's valuations of assets are eligible for categorisation into level 1 of the fair value hierarchy.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C4 Property, plant and equipment (continued)

C4-6 Fair value measurement (continued)

Categorisation of assets measured at fair value

	Level 2 \$'000		Level 3 \$'000		Total \$'000	
	2021	2020	2021	2020	2021	2020
Land	20,449	20,112	-	-	20,449	20,112
Buildings	1,199	1,171	267,498	268,754	268,698	269,925

Level 3 Fair value measurement - reconciliation

	Buildings	
	2021 \$'000	2020 \$'000
Carrying amount at the start of the reporting period	268,754	253,785
Transfers between asset classes	3,928	25,460
Net revaluation increments in operating surplus	285	5,093
Impairment losses recognised in operating surplus	-	(105)
Depreciation	(5,469)	(15,479)
Carrying amount at the end of the reporting period	267,498	268,754

C4-7 Basis for fair values of assets

The department's land and buildings assets were last comprehensively revalued in December 2017 under the Department of Justice and Attorney-General. The department applied appropriate indices to these asset prior to the MoG change, with an effective date of 31 October 2020. The value of land and building assets transferred to the Department of Children, Youth Justice and Multicultural Affairs reflect their revalued amounts.

Complex assets

For complex assets, components are separately recorded when their value is significant relative to the total cost of the complex asset. When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) is capitalised when it is probable that future economic benefits from the significant component will flow to the department in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Components are valued on the same basis as the asset class to which they relate.

The department's complex assets are its youth detention centres.

For the current reporting period, indices sourced from AssetVal were applied to the land and building assets. These indices were derived as follows:

Land and Residential Buildings

AssetVal provided indices based on an analysis of property prices across residential and commercial sectors. The revaluation of the land assets and residential buildings from 1 April to 31 October 2020 continues to be undertaken using market data, which is a level 2 assessment.

Buildings - Specialised and Complex Buildings

The index-based valuation conducted by AssetVal takes into account replacement cost differences due to building construction. It also considers the difference in replacement cost for building components. The indices for the reporting period were based from Rawlinson's Australian Construction Handbook 2020, Costweb and the Australian Bureau of Statistics.

All of the department's buildings in respect of youth detention centres have been assessed as specialised buildings. The valuation of these assets is based on the fact that the current use is highest and best use. A current replacement cost valuation approach has been used due to no active market for detention centres.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C5 Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase or contract price. Amounts owing are unsecured.

	2021	2020
	\$'000	\$'000
Current		
Trade creditors and accruals	14,938	4,613
Deferred appropriation payable to Consolidated Fund	12,151	-
Equity withdrawal payable	10,716	10,716
Other	72	90
Total	37,877	15,419

C6 Accrued employee benefits

	2021	2020
	\$'000	\$'000
Salaries and wages payable	2,010	(77)
Annual leave levy payable	2,171	3,621
Long service leave levy payable	398	794
Total	4,579	4,338

No provision for annual leave or long service leave is recognised in the department's financial statements as the liability is held on a whole-of-government basis and reported in the financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

C7 Provisions

	2021	2020
	\$'000	\$'000
Current		
Provision - Social Benefit Bond (SBB)	3,238	3,238
Total	3,238	3,238
Movement		
Balance at the start of the reporting period	3,238	3,461
Additional provision made	717	1,865
Provision utilised through payments	-	(2,088)
Balance at end of the reporting period	3,955	3,238

The department is responsible for administering the Social Benefit Bond (SBB) Multi Systematic Therapy (Youth Choices).

The SBB is a financial instrument issued to a private investor where the returns the investor receives are based on the achievement of agreed social outcomes. Payment for the outcomes under this scheme by the department is dependent on demonstrating the delivery of outcomes.

Under the Youth Choices SBB, a provision will be recognised annually for charges payable under the minimum performance arrangements according to contract entered with the provider at the end of the reporting period. The additional provision recognised for the reporting period based on the minimum performance outcomes expected from 1 June to 12 November 2020.

There were no payments made from 1 July to 12 November 2020 against the provision as the review by an independent assessor for the outcomes achieved is due later in 2020-21 financial year.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

C8 Equity

C8-1 Contributed equity

The following items are recognised as contributed equity by the department:

- Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of Machinery-of-Government changes 1 June 2019;
- Non-reciprocal transfer of land asset located at Wacol Precinct amounting to \$0.350 million from the Department of Communities, Disability Services and Seniors (DCDSS) in 2019-20; and
- Appropriations for equity adjustments (refer to Note C8-2).

C8-2 Appropriations recognised in equity

Reconciliation of payments from consolidated fund to equity adjustment	2021	2020
	\$'000	\$'000
Budgeted equity adjustment appropriation	43,702	16,699
Transfers from/to other departments - Redistribution of public business	-	4,496
Lapsed equity adjustment	-	(10,980)
Unforeseen expenditure	-	66,123
Equity adjustment receipts (payments)	43,702	76,338
Plus: Opening balance of equity adjustment payable	10,716	
Plus: MoG transfer of equity payable	-	2,017
Less: Closing balance of equity adjustment payable	(10,716)	(10,716)
Equity Adjustment Recognised in Contributed Equity	43,702	67,639

C8-3 Asset revaluation surplus by asset class

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

	Land	Buildings	Total
	\$'000	\$'000	\$'000
Opening balance of asset revaluation surplus by class 01 July 2020	426	5,113	5,539
Revaluation increments	336	322	658
Carrying amount at 12 November 2020	762	5,435	6,197

D1 Financial risk disclosures

D1-1 Financial instruments

Financial assets and liabilities are recognised in the Statement of Financial Position when the department becomes party to the contractual provisions of the financial instrument.

Categorisation of financial instruments

The department has the following categories of financial assets and financial liabilities:

	Note	2021	2020
		\$'000	\$'000
Financial assets			
Cash and cash equivalents	C1	55,604	22,607
Receivables	C2	3,787	7,140
Total		59,391	29,747
Financial liabilities			
Payables	C5	37,877	15,419
Total		37,877	15,419

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

D1 Financial risk disclosures (continued)

D1-2 Financial risk management

Financial risk management is implemented pursuant to government and departmental policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the department.

All financial risk is managed under policies approved by the department. The department provides written principles for overall risk management, as well as policies covering specific areas.

The department's activities expose it to a variety of non-material financial risks, liquidity risk and market risk.

The department measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis

There are no material liquidity, market and credit risks for the department. A sensitivity analysis has not been undertaken for the interest rate risk of the department as it has been determined that the possible impact on income from fluctuations in interest rates is immaterial.

D2 Commitments

D2-1 Capital expenditure commitments

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

Payable	No later than one year		Later than one year and not later than five years		Longer than five years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land and buildings	46,977	3,373	-	93,588	-	-	46,977	96,961
Plant and equipment	54	174	-	452	-	-	54	626
Total	47,031	3,547	-	94,040	-	-	47,031	97,587

D2-2 Service procurement commitments

Commitments for service procurement at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

Payable	No later than one year		Later than one year and not later than five years		Longer than five years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Youth Justice Services	17,750	22,636	15,354	14,977	-	-	33,104	37,613
Total	17,750	22,636	15,354	14,977	-	-	33,104	37,613

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

D3 Impact of COVID-19 on the final Financial Statements

As Queensland has been moving to the economic recovery phase of recent pandemic (COVID-19), the Department of Youth Justice started this reporting period by focusing on its capital programs that have experienced some delays as a result of the restrictions of COVID-19 in 2019-20. The West Moreton Youth Detention Centre (WMYDC); the department's third youth detention centre; has been partially operational in December 2020 after MoGs announcement. Our capital expenditure has exceeded \$38.7 million as of 12 November 2020.

In August 2020 the department experienced an emergent incident when one of its youth detention centres; Brisbane Youth Detention Centre (BYDC) was placed in quarantine. Five members of BYDC staff tested positive to COVID-19. This was controlled and no young people within the centre contracted the virus. The centre was managed by staff from Cleveland Youth Detention Centre (CYDC) and other staff from other Queensland Government departments temporarily appointed for this emergency response. Young people entering the Youth Justice system during the quarantine period were held at the Ipswich District Watch House. This increased the operational expenditure for the department that was covered within the department's available resources.

D4 Contingencies

As of 12 November, the Department of Youth Justice has been a party to a contractual dispute resolution process. As this matter is ongoing, it is not possible to make a reliable estimate of amount payable, if any. The agency has no other contingent liabilities that would have a material impact on the information disclosed in these financial statements.

D5 Events after the balance date

On 15 December 2020 the Queensland Government decided to end the Supervised Community Accommodation (SCA) program at the end of January 2021. Total net assets for this program included in the MoG transferred assets to the Department of Children, Youth Justice and Multicultural Affairs (DCYJMA) is \$5.18 million.

E1 Budgetary reporting disclosures

E1-1 Explanation of major variances – Income Statement

Supplies and services:

The variance in supplies and services is due to the budget for other expenses categories included in supplies and services budget instead. Actuals for other expenses should offset the budget variance in supplies and services.

F1 Key management personnel (KMP) disclosures

F1-1 KMP remuneration policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The department does not bear any cost for the remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly with the remaining entitlements being provided by Ministerial Services Branch within the Department of Premier and Cabinet (DPC). As all Ministers are reported as KMP of Queensland Government, aggregate remuneration expenses for all ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements in 2020-21, that are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the department's other KMP is set by the Queensland Public Service Commission as provided for under the Public Service Act 2008. Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.

Remuneration expenses for those KMP comprise the following components:

- 1- Short-term employee expenses include salaries, allowances and leave entitlements earned and expensed for the entire reporting period, or for the part of the year where the employee occupied a KMP position.
- 2 - Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- 3- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlement (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

F1-2 Performance Payments

No KMP remuneration packages provide for performance or bonus payments.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

F1 Key management personnel (KMP) disclosures (continued)

F1-3 Details of key management personnel

The department's responsible Minister is identified as part of the department's KMP. For the period from 1 July 2020 to 12 November 2020, the department's Minister was the Honourable Diane Farmer MP, Minister for Child Safety, Youth and Women and Minister for the Prevention of Domestic and Family Violence.

The following details for non-Ministerial KMP reflect those departmental positions that had authority and responsibility for planning, directing and controlling the activities of the department for the period 1 July 2020 to 12 November 2020.

Further information about these positions can be found in the body of the final Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Director-General	Responsible for the efficient, effective and economic administration of the department.
Deputy Director-General	Responsible for providing strategic and operational leadership and management for the delivery of, and investment in youth justice services across Queensland and management of the department's Corporate Services.
Senior Executive Director, Strategy and Performance	Responsible for providing strategic leadership and direction of policy, legislation, inter-governmental relations, investment and commissioning, performance, engagement and communications.
Senior Executive Director, Youth Detention and Operations	Responsible for providing strategic and operational leadership and management for the delivery of youth detention centres, Aboriginal and Torres Strait Islander strategy and partnerships and operationalising new youth justice initiatives.
Senior Executive Director, Regional Services	Responsible for leadership of the department's service delivery across all regions in Queensland.
Chief Finance Officer	Responsible for providing strategic leadership and direction for the financial administration of the department.
Chief Human Resource Officer	Responsible for providing strategic leadership and direction on strategic human resource management, organisational capability, workforce planning and systems, employee and industrial relations and professional standards.

F1-4 KMP remuneration expenses

1 July 2020 - 12 November 2020

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Total Expenses
	Monetary Expenses	Non-Monetary Benefits [^]			
	\$'000	\$'000			
Director-General	127	1	3	16	148
Deputy Director-General*	102	1	2	11	115
Senior Executive Director, Strategy and Performance	85	1	2	9	97
Senior Executive Director, Youth Detention and Operations	90	1	2	10	103
Senior Executive Director, Regional Services	86	-	2	7	95
Chief Finance Officer (Acting from 1 July 2020)	56	1	1	7	65
Chief Human Resource Officer	57	1	1	7	66
Chief Human Resource Officer (Acting from 1 July to 30 August 2020)	26	-	1	3	29

* This includes payment while the KMP acted in another KMP position during the reporting period.

[^] Non-monetary benefits relate to car parking that attract Fringe Benefit Tax to the department.

Department of Youth Justice

Notes to the Final Financial Statements for the period 1 July 2020 to 12 November 2020

F1 Key management personnel (KMP) disclosures (continued)

F1-4 KMP remuneration expenses (continued)

1 June 2019- 30 June 20

Position	Short Term Employee Expenses		Long Term Employee Expenses \$'000	Post-Employment Expenses \$'000	Total Expenses \$'000
	Monetary Expenses \$'000	Non-Monetary Benefits ^ \$'000			
Director-General	416	2	9	49	476
Deputy Director-General (from 26 September 2019)	213	2	5	22	241
Deputy Director-General (Acting from 01 June to 25 September 2019)	99	-	2	8	109
Senior Executive Director, Strategy and Performance (12 October 2019)	149	1	4	14	168
Senior Executive Director, Youth Detention and Operations	158	2	4	17	181
Senior Executive Director, Regional Services	242	-	5	22	269
Chief Finance Officer* (Acting from 14 October 2019)	115	2	2	12	132
Chief Human Resource Officer	164	2	4	19	189

*Chief Finance Officer of former Department of Child Safety, Youth and Women had shared responsibility for Department of Youth Justice (DYJ) from 1 June to 13 October 2019 with no remuneration provided by DYJ.

^ Non-monetary benefits relate to car parking that attract Fringe Benefit Tax to the department.

F2 Related party transactions

F2-1 Transactions with other Queensland Government-controlled entities

The department's primary ongoing sources of funding from government for its services are appropriation revenue (Note B1-1) and equity injections (Note C8-2), both of which are provided in cash via Queensland Treasury.

The department's primary source of accommodation leases, motor vehicle leases, and asset works and repairs are managed through the former Department of Housing and Public Works and its controlled entities. Note B2-2 and C4-5 provides the relevant balance of transactions.

The department received a range of corporate services, including Information Services, from the former Department of Child Safety, Youth and Women (DCSYW) under Memorandum of Understanding arrangements (MoU) that has ended at the result of MoGs .

Note A3 outlines a transfer of assets and liabilities to the Department of Children, Youth Justice and Multicultural Affairs arising from MoGs effective 13 November 2020.

G1 Trust transactions and balances

The department manages and acts as trustee for Youth Detention Centre Trust Funds. As the department performs only a custodial role in respect of these transactions and balances, they are not recognised in the financial statements but are disclosed in this note for the information of users.

	2021 \$'000	2020 \$'000
Revenue	(56)	(144)
Expenses	48	143
	<u>(8)</u>	<u>(1)</u>
Assets		
Liability	28	21
	<u>(28)</u>	<u>(21)</u>
	<u>-</u>	<u>-</u>

Department of Youth Justice
Management Certificate
for the period from 1 July 2020 to 12 November 2020

CERTIFICATE OF THE DEPARTMENT OF YOUTH JUSTICE

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 38 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of Youth Justice for the financial period 1 June 2020 to 12 November 2020 and of the financial position of the department as at 12 November 2020.

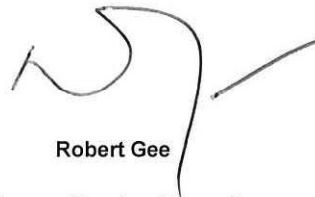
The former Director-General, as the Accountable Officer of the Department of Youth Justice, acknowledges responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Darceina Brocket

Former Chief Finance Officer

15 February 2021



Robert Gee

Former Director-General

15 February 2021

INDEPENDENT AUDITOR'S REPORT

To the former Accountable Officer of the former Department of Youth Justice

Report on the audit of the final financial report

Opinion

I have audited the accompanying final financial report of former Department of Youth Justice.

In my opinion, the final financial report:

- a) gives a true and fair view of the former department's financial position as at 12 November 2020, and its financial performance and cash flows for the period 1 July 2020 to 12 November 2020
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 12 November 2020, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the final period 1 July 2020 to 12 November 2020, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the former department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter—Abolition of the Department of Youth Justice

I draw attention to Note A1-2 of the financial report, which discloses that the department was abolished on 12 November 2020 under Public Service Departmental Arrangements Notice (No 4) 2020.

Ongoing responsibility for functions of the department, and its assets and liabilities, was transferred to the Department of Children, Youth Justice and Multicultural Affairs. The transfer of assets and liabilities occurred at the values stated in this report on abolition, reflecting an orderly realisation of net assets. Because of this, the financial report is prepared on a basis that is consistent with a going concern basis.

My opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the final financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of specialised buildings \$267.498 million

Refer to notes C4-2, C4-5 and C4-6 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Specialised buildings totalling \$267.498 million at balance date were measured using the current replacement cost method. An external valuer performed a specific appraisal valuation of the buildings as at 30 October 2020. The former department determined that there has been no material movement in fair value between this valuation date and 12 November 2020.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • Gross replacement cost, less • Accumulated depreciation. <p>Measurement of gross replacement cost requires significant judgements for:</p> <ul style="list-style-type: none"> • identifying the components of buildings that are replaced at different times (known as unit rate categories) • developing a unit rate for each of these components, including: <ul style="list-style-type: none"> – estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre) – identifying whether the existing building contains lower service levels compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference • indexing unit rates for subsequent increases in input costs <p>The measurement of accumulated depreciation requires significant judgements for forecasting the remaining useful lives of assets.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • assessing the appropriateness of the building components used for measuring gross replacement cost with reference to the former department's asset management plans and common industry practices • evaluating whether unit rates were current at balance date by comparing the indices used against other publicly available information about movements in construction costs for similar assets • evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> – reviewing management's annual assessment of useful lives – ensuring that no component still in use has reached or exceeded its useful life – reviewing for consistency between components with a remaining useful life of less than three years and management's replacement plans for building components over this period.

Responsibilities of the department for the final financial report

The former Accountable Officer is responsible for the preparation of the final financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the former Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The former Accountable Officer is also responsible for assessing the former department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the final financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the final financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the former department's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the former department.
- Conclude on the appropriateness of the former department's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the former department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the final financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report.

- Evaluate the overall presentation, structure and content of the final financial report, including the disclosures, and whether the final financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the former Accountable Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the former Accountable Officer, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the period 1 July 2020 to 12 November 2020:

- a) I received all the information and explanations I required
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the department's transactions and account balances to enable the preparation of a true and fair financial report.



John Welsh
as delegate of the Auditor-General

19 February 2021

Queensland Audit Office
Brisbane

Glossary of terms

AQP	Advancing Queensland's Priorities
ARRs	Annual report requirements for Queensland Government agencies
COVID-19	Coronavirus disease
DCDSS	Department of Communities, Disability Services and Seniors
DCSYW	Department of Child Safety, Youth and Women
DCYJMA	Department of Children, Youth Justice and Multicultural Affairs
DJAG	Department of Justice and Attorney-General
DYJ	Department of Youth Justice
EBA	Enterprise Bargaining Agreement
FAA	<i>Financial Accountability Act 2009</i>
FBT	Fringe Benefit Tax
FPMS	<i>Financial and Performance Management Standard 2019</i>
FTE	Full-time equivalent
GST	Goods and Services Tax
ICT	Information and Communication Technology
QGEA	Queensland Government Enterprise Architecture
QGOV	Queensland Government
QPS	Queensland Police Service
QSS	Queensland Shared Services
WHS	Workplace Health and Safety

Key office locations and contact information

Office of the Director-General

Address: 1 William Street, Brisbane Qld 4000

Phone: 13 QGOV (13 74 68)

Brisbane Youth Detention Centre

Address: 99 Wolston Park Road, Wacol Qld 4076

Phone: (07) 3271 0605

West Moreton Youth Detention Centre

Address: 99 Wolston Park Road, Wacol Qld 4076

Phone: (07) 3021 0900

Cleveland Youth Detention Centre

Address: 27-79 Old Common Road, Belgian Gardens Qld 4810

Phone: (07) 4421 5222

Regional Services – Office of the Senior Executive Director

Address: Level 8, 445 Flinders Street, Townsville City Qld 4810

Phone: (07) 4796 6551

North Queensland Region – Office of the Regional Director

Address: Level 10, 15 Lake Street, Cairns Qld 4870

Phone: (07) 4755 7505

Central Queensland Region – Office of the Regional Director

Address: Level 3, 209 Bolsover Street, Rockhampton Qld 4700

Phone: (07) 4848 4385

Moreton Region – Office of the Regional Director

Address: Level 1, 55 Russell Street, Brisbane, Qld 4101

Phone: (07) 3884 3222

South East Region – Office of the Regional Director

Address: 18 Blackwood Road, Logan Central Qld 4114

Phone: (07) 3094 7003

South West Region – Office of the Regional Director

Address: 38 Limestone Street, Ipswich Qld 4304

Phone: (07) 3432 1905

For information about all other departmental locations visit www.qld.gov.au/law/sentencing-prisons-and-probation/young-offenders-and-the-justice-system/youth-justice-in-queensland/youth-justice-centre-locations.

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Page 3
Accessibility	Table of contents Glossary	ARRs – section 9.1	Page 4 Page 63
	Public availability	ARRs – section 9.2	Page 2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Page 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Page 2
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Page 2
General information	Introductory Information	ARRs – section 10.1	Pages 5
	Agency role and main functions	ARRs – section 10.2	Pages 5, 8-11, 29 and 64
	Operating environment	ARRs – section 10.3	Pages 8-11
Non-financial performance	Government's objectives for the community	ARRs – section 11.1	Page 9
	Other whole-of-government plans / specific initiatives	ARRs – section 11.2	Page 9
	Agency objectives and performance indicators	ARRs – section 11.3	Pages 9-11 and 14
	Agency service areas and service standards	ARRs – section 11.4	Page 12-13 and 15-18
Financial performance	Summary of financial performance	ARRs – section 12.1	Pages 6-7
Governance – management and structure	Organisational structure	ARRs – section 13.1	Page 12
	Executive management	ARRs – section 13.2	Pages 19-21
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Page 22
	Human Rights	<i>Human Rights Act 2019</i>	Page 22-23

Summary of requirement		Basis for requirement	Annual report reference
		ARRs – section 13.5	
	Queensland public service values	ARRs – section 13.6	Page 22
Governance – risk management and accountability	Risk management	ARRs – section 14.1	Page 24
	Audit committee	ARRs – section 14.2	Pages 24-25 and 30-31
	Internal audit	ARRs – section 14.3	Page 24
	External scrutiny	ARRs – section 14.4	Pages 25
	Information systems and recordkeeping	ARRs – section 14.5	Page 29
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	Pages 27-28
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Page 28
Open Data	Statement advising publication of information	ARRs – section 16	Page 2
	Consultancies	ARRs – section 33.1	Page 28
	Overseas travel	ARRs – section 33.2	Page 29
	Queensland Language Services Policy	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Page 58
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Pages 59-62

