

FinPro Member Update – Edition 18, 2025

President's Message

Hi Everyone,

I am pleased to share with you the latest updates and insights from our recent activities and reports. This week, the Victorian Auditor General's Office (VAGO) tabled its report on the "Financial Management of Local Councils" in Parliament. This comprehensive audit assessed whether councils manage their financial resources in line with their strategic plans, aiming to inform Councillors' decision-making about meeting community needs.

The report contains six recommendations, including defining financial sustainability, improving service review processes, developing business cases for capital projects, and aligning costs in strategic plans with 10-year financial and asset plans.

In addition to the VAGO report, we are also preparing for the 2025 independent review of the rate cap mechanism, which will be conducted by ACIL Allen. This review will involve consultations with relevant stakeholders to ensure a comprehensive evaluation of the rate cap system.

I encourage all members to participate in the upcoming events and initiatives, and if you missed the Grants Commission webinar, the slides and link to the webinar can be found within the update. Other opportunities to get involved include the AASB 16 Leases Post-Implementation Review Roundtable and have a listen to the IPWEA Podcast on Productivity.

I am excited to announce the programs are now available for the Senior Leaders Summit on 12 September 2025, and the FinPro Conference 2025. These events are designed to foster collaboration and help address and work together on key topics impacting the sector. I look forward to seeing you there and working together towards a sustainable future.

Last but not least, I would like to welcome a new member, Elise Harrison at Baw Baw Shire Council. Thank you for your continued support and dedication. As always, thank you and have a great weekend, and if your team is playing week one of the finals next week, good luck!

Tony Rocca



President, FinPro and Director/CFO, Maroondah CC

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VAGO Report – Financial Management of Local Councils

The Victorian Auditor General's Office (VAGO) has tabled its report "Financial Management of Local Councils" in Parliament this week. A full copy of the report can be found on [VAGO's website](#).

VAGO undertook this audit to assess whether councils manage their financial resources in line with their strategic plans, to inform Councillors' decision making about meeting community needs, and reviewed councils' financial performance indicators and their results over time.

The audit included five councils: Greater Shepparton, Maribyrnong, Northern Grampians, Wyndham, and City of Yarra.

The key findings contained in the report include:

1. **Financial Sustainability:** Most councils have operated sustainably since 2015–16 (when rate capping was introduced) but face declining financial sustainability indicators, particularly small shires. Risks include reduced ability to meet future obligations without significant policy changes.
2. **Financial Management Practices:** Audited councils need to improve service planning, capital works prioritisation, and alignment between short-term and long-term plans. Councils often lack metrics to monitor service effectiveness and fail to consistently develop business cases for capital projects.
3. **Rate Capping:** The rate cap system limits councils' ability to raise revenue, with few councils applying for variations due to concerns about community pushback and administrative burdens.

The report contains six recommendations including defining financial sustainability, improving service review processes, developing business cases for capital projects, and aligning costs in

strategic plans with 10-year financial and asset plans. The audited councils and Local Government Victoria (LGV) have accepted or partially accepted these recommendations.

Councils face structural issues such as cost shifting from state and federal governments, increasing service delivery responsibilities, and limited revenue growth. The report highlights the need for better financial planning, transparency, and guidance to address these challenges.

While councils generally meet current financial obligations, declining indicators and inconsistent practices pose risks to long-term sustainability. Enhanced financial management and strategic planning are essential to ensure councils can continue delivering services effectively.

[Click here](#) to view the Financial Management of Local Councils report.

[Click here](#) to view the LG Status Report – August 2025.

Rate Capping Independent Review 2025

In 2016 the Victorian Government introduced rate capping to restrict the amount that councils can raise their rates each year.

The legislative mechanism for the rate cap is set out in Part 8A of the *Local Government Act 1989* (the Act). It allows the Minister for Local Government to set a limit on the amount by which councils can increase general rate revenue each year.

Section 185G of the Act states that the Minister for Local Government and the Minister administering the *Essential Services Commission Act 2001* (the Minister for Finance) must ensure a review of Part 8A of the Act is completed by 31 December 2021 and every four years thereafter. The 2021 review was completed in December 2021, focussing on the administration of the rate cap and associated processes.

The Hon Nick Staikos MP, Minister for Local Government and the Hon Danny Pearson MP, Minister for Finance have approved the Terms of Reference (ToR) for the 2025 rate cap mechanism statutory review. A copy of the ToR is attached [here](#).

The 2025 independent review of the rate cap mechanism will be conducted by ACIL Allen. As part of the review process ACIL Allen will be consulting with relevant stakeholders. To facilitate this process, ACIL Allen have established a website and mailbox for the review here:

Email: RCMReview2025@acilallen.com.au

Website: <http://acilallen.com.au/rcmreview2025>

If you have any questions regarding the process for the 2025 rate cap mechanism statutory review please contact Leighton Vivian, Senior Manager, Sector Finance and Performance via leighton.vivian@dgs.vic.gov.au.

Webinar: Grants Commission

The Victorian Local Government Grants Commission prepares recommendations to the Commonwealth Government for the allocation of financial assistance grants to support councils in delivering services to their communities.

The Commission's allocation methodology relies on data provided by councils in an annual data questionnaire. Much of this data is also shared with third parties, including the Australian Bureau of Statistics. A lodgement date of the first Wednesday in November is set for the receipt of the annual questionnaire from councils.

[Click here](#) to view the slides

[Click here](#) to view the recording

AASB 16 Leases Post-Implementation Review Roundtable

CPA Australia is collaborating with the University of Melbourne to undertake research into the application of AASB 16 Leases in Australia. As part of this research, we are holding a roundtable to gather feedback from local government stakeholders around the costs, benefits and practical impacts of AASB 16 since its implementation. Your input to this research will provide valuable insights into whether AASB 16 is operating as intended and to identify any unintended consequences, or areas for improvement.

[Click here](#) to express your interest in participating by 31 August 2025 and we will reach out to you with further details about the roundtable.

IPWEA Podcast on Productivity

IPWEA CEO David Jenkins speaks with Peter Achterstraat AM, NSW Productivity and Equality Commissioner.

Key Takeaways:

- Productivity is essential for economic growth and individual well-being.
- Historical trends show a decline in productivity since 2012.
- Technology adoption in business is lagging behind consumer adoption.
- The Productivity and Equality Commission focuses on improving productivity across sectors.

[Click here](#) to listen on spotify.

Membership

We welcome the following new member to the FinPro family:


- **Elise Harrison**, Director – Strategy and Organisational Performance, Baw Baw Shire Council
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Current Job Vacancies

Recent employment opportunities available:

- [Manager Financial Services](#), Loddon Shire Council – Applications close soon
- [Financial Services Accountant](#), Maribyrnong City Council – Applications close 4 September 2025

Senior Leaders Summit, 12 September 2025

A promotional banner for the FinPro Senior Leaders Summit. On the left, there is a blue circular graphic with a white button that says "REGISTER NOW" and a right-pointing arrow. To the right of the graphic, the text "FinPro Senior Leaders Summit" is prominently displayed in a large, bold, black font. Below this, the date "Friday, 12 September 2025" and the venue "Marvel Stadium" are listed. Further right, it says "Proudly sponsored by" followed by the "xetta" logo (with "from @elnet" underneath) and the "FinPro" logo (with "Local Government Finance Professionals" underneath).

Registrations closing soon for the Senior Leaders Summit on Friday, 12 September 2025.

FinPro is holding a very special event for the **most senior financial member** at each council to get together and discuss the financial sustainability of the local government sector. Our aim is to get a representative from **every council**.

This session will focus on financial sustainability, and a program is available now. Our aim is to provide **tangible outcomes** for the sector in the long term that we can work on together in a planned and positive way.

To ensure that the Summit is well planned, meaningful and to keep us on track, the session will be facilitated in a collaborative environment by Liesl Westberry, Manager Strategy and Transformation, Knox City Council and Jen Reid, Head of Strategy, Knox City Council.

Thank you to [Xetta](#) for sponsoring this event.

If you would like more information, please reach out to Lucy Scorer, Executive Officer on executiveofficer@finpro.org.au or call 03 9631 2727.

FinPro Conference 2025



Registrations are open and space is filling FAST.

- Registration and accommodation in the main building (only 5 tickets left): \$1,600 per person
- Registration and accommodation in the external building: \$1,400 per person
- Registration and accommodation at Peppers Moonah Links: \$1,200 per person

Twin share options:

- Registration and accommodation in the main building twin share: \$1,200 per person
- Registration and accommodation in the external building twin share: \$1,000 per person

Please note, for twin share option, two registrations are required for one room.

The Conference theme is, **“The Future Together”** and the program is available here: <https://www.finpro.org.au/2025-finpro-conference/> and downloadable as a pdf [here](#).

Social events include:

- Welcome Dinner, Wednesday 15 October 2025
Guest speaker: Dave O’Neil, Comedian
Sponsor: Forms Express
- Forecast 2050 Theme Dinner, Thursday 16 October 2025
Councils may have a vision and plan for 2050... but what will fashion look like? We can only guess! Guests are invited to dress up in their interpretation, whether that is robots, aliens or will we head back to the future?



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Exhibitors



TCV Loan and Investment rates as at 27 August 2025

	Fixed Rate (Interest Only)		Fixed Rate (Principal and Interest)*		Floating Rate (margin to BBSW)	
Maturity	Quarterly	Semi	Quarterly	Semi	Quarterly	Semi
1 year	3.7673	3.7824	3.8150	3.8300	0.4484	0.2238
3 year	3.9494	3.9663	3.8450	3.8750	0.6101	0.3996

5 year	4.3235	4.3441	4.0550	4.0900	0.7826	0.5981
7 year	4.7478	4.7729	4.3150	4.3550	0.9692	0.8097
10 year	5.2862	5.3177	4.7150	4.7600	1.2308	1.0975
12 year	5.5272	5.5618	4.9500	4.9950	1.3376	1.2161
15 year	5.8577	5.8968	5.2600	5.3000	1.5342	1.4233
11am (at Call)	3.9150				BBSW	
30 day	3.8050				1 Month	3.5616
60 day	3.8050				3 Month	3.5363
90 day	3.7850				6 Month	3.6511
180 day	3.8950					

TCV Investment rates

TCV note the current TCV 11am/At Call deposit rate is 3.55%. The 11am deposit can be easily utilised for council's daily working capital requirements. Instructions to invest/withdraw funds are requested prior to 3pm for transactions to be processed on the same day. We encourage councils to review the rates currently paid on their at-call accounts with their transactional bank and consider this facility to maximise returns on any surplus cash balances.

Cash	3.5500		4 Month	3.5650
1 Month	3.5516		5 Month	3.6050
2 Month	3.5525		6 Month	3.6411
3 Month	3.5263		1 Year	3.4574

These loan interest rates and margins are indicative only and current as at the time of calculation. The rates and margins indicated include the TCV administration fee of 0.115%, the DTF Guarantee Fee of 0.15% and Execution of 0.05%

*Fixed rate (Principal and Interest) assumes principal balance is reduced to zero over equal instalments until maturity.

Disclaimer

Treasury Corporation of Victoria (TCV) provides indicative borrowing rates information to its clients for general information purposes only, based on facts and data available to TCV at the time of preparation. Rates, market values, yields and outcomes will be subject to variations due to fluctuations and changed market conditions. TCV therefore does not warrant or represent that these rates will be complete, accurate or suitable for use for any Client purposes. The information provided is not to be taken as indicative of the actual

trading price at which TCV, or a third party, is or would be prepared to execute a new transaction or to liquidate or unwind and existing transactions.

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The indicative rates information provided by TCV is not, without TCV's prior written consent, to be disclosed to any other person.

FinPro Executive Team 2025

President

- Tony Rocca, Director / CFO, Maroondah CC

Committee Members:

- Alan Wilson, Financial Controller, Melbourne CC – Lead, Professional Development Stream
- Navec Lorkin, CFO, Knox CC – Lead, Technical Stream
- Allison Southwell, CFO, Cardinia SC
- Belinda Johnson, CFO, Horsham RCC
- Binda Gokhale, Consultant
- Fiona Rae, Manager Finance, Golden Plains SC
- Gabby Spiller, Manager Finance, Surf Coast SC
- John Brockway, CFO, City of Yarra
- John Vastianos, CFO, Glen Eira CC
- Liam Routledge, Manager Financial Services & CFO, Yarra Ranges SC
- Melissa Baker, CFO, Casey CC
- Nicole Maxwell, Manager Finance, Mitchell SC,
- Rahul Shah, Unit Manager Financial Strategy, Whittlesea CC
- Simone Wickes, Director Corporate Services, Monash CC

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