

VAGO status report

Local Government update

February 2025



VAGO Annual Plan

Annual Plan 2024-25

- prepared pursuant to the requirements of Section 73 of the Audit Act 1994
- tabled in the Parliament of Victoria on 20 June 2024

[https://www.audit.vic.gov.au/report/annual-plan-2024-25\](https://www.audit.vic.gov.au/report/annual-plan-2024-25)



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VAGO Audit Committee forums

28 November 2024

Topic	Presenter
Cyber security and AI	Dave Barry, Deputy Auditor-General
Annual Financial Report of the State	Roberta Skliros, Assistant Auditor-General, Financial Audit
Q&A Session	VAGO Strategic Management Group

The forum was recorded and can be watched at the following link: <https://www.youtube.com/watch?v=tQtjcmhx-Tk>

4 July 2024

Topic	Presenter
VAGO's Annual Plan 2024-25	Megan Kirchner, Assistant Auditor-General Parliamentary Reports and Services
Common themes from our performance engagements	Andrew Greaves, Auditor-General
Emerging trends in accounting and assurance	Roberta Skliros, Assistant Auditor-General, Financial Audit
Cybersecurity	Dave Barry, Deputy Auditor-General
Q&A Session	VAGO Strategic Management Group

The forum was recorded and can be watched at the following link: <https://www.youtube.com/watch?v=He51mqFLp6E>

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VAGO Annual Report 2023-24

<https://www.audit.vic.gov.au/report/annual-report-2023-24>

VAGO financial reporting alerts

Our Financial Reporting Advisory team has released financial reporting alerts.

<https://www.audit.vic.gov.au/financial-reporting-alerts>

VAGO Transparency Report

Our Transparency Report 2022–23 expands on our Annual Report 2022–23 by outlining our quality control system and how it applies to our audits. Contains details of entities we audit and their annual audit fee over the past 4 years.

<https://www.audit.vic.gov.au/sites/default/files/Corporate%20publications/20240419-Transparency-Report-2023.pdf>

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Involving local government

Engagement	Planned tabling	We plan to examine ...
 Financial management of local councils (link)	May 2025	whether councils effectively manage their financial resources to fulfil their responsibilities and enable continued financial sustainability.
 Developing Fishermans Bend (link)	May 2025	whether responsible agencies are effectively delivering the Fishermans Bend Framework.
 Recovering and reprocessing resources from waste: effectiveness of system reforms (link)	April 2025	whether relevant state authorities and local governments are implementing system reforms and effectively managing emerging waste and recycling challenges.
 Realising the benefits identified in the Suburban Rail Loop business case (link)	June 2025	whether SRL East precincts are being planned in a way that the benefits identified in the SRL business case can be realised.

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2024-25 financial reporting cycle



AASB 13 *Fair Value Measurement* has been amended.

The amendments are applicable for the 2024-25 financial year for agencies with a 30 June balance date.

Amendments include authoritative implementation guidance to be followed by not-for-profit public sector entities when measuring their non-financial assets not held primarily for their ability to generate cash inflows at fair value.

Key amendments include:

- assessing highest and best use of assets
- developing unobservable inputs and
- application of the cost approach to fair value.

Finance teams and their Audit and Risk Committee should familiarise themselves with the amendments. We encourage finance teams to prepare a briefing paper and hold discussions with their valuer early in the piece.

A FINPRO working group is working towards releasing some guidance material, with worked examples, to the sector during March 2025.

Our tech alerts on this matter can be accessed on our website at:

<https://www.audit.vic.gov.au/financial-reporting-alerts>

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2024-25 financial audits

Audit engagement letters

New audit engagement letters have been issued.

Key areas of audit focus:

Financial report

- Changes in key personnel
- Valuation of land, buildings and infrastructure assets
- Government funding
- Developer contributed assets
- Provision for landfill
- Information technology controls as they relate to financial reporting
- Impact of natural disasters

Performance statement

- Systems in place to capture financial and non-financial data underpinning the reported results

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Results of 2023-24 Audits: Local Government report

The report will be transmitted to Parliament during March 2025.

Results of 2022-23 Audits: Local Government report

The report was tabled in Parliament on 7 March 2024 <https://www.audit.vic.gov.au/report/results-2022-23-audits-local-government>

The report

- provides a summary of outcomes from our audit of the local government sector for 2022-23
 - ❑ largely focuses on the 79 Victorian councils
 - ❑ contains an analysis and discussion of financial outcomes and emerging risks
 - ❑ details key internal control and financial reporting issues
- contains 6 recommendations
 - ❑ 4 directed to all councils

Our website also contains a [financial dashboard](#) with 6 years of financial data by council.

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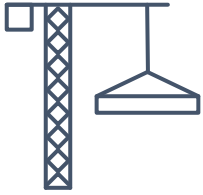
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Major Projects Performance Reporting 2024

Tabled February 2025

We reviewed whether public entities publish information that can be used to assess their major projects' performance against expected cost, time, scope and benefits.

[Link](#)



Reporting on local government Performance: Follow-up

Tabled February 2025

We assessed if Local Government Victoria and Councils implemented all the recommendations from our 2019 audit Reporting on Local Government Performance.

[Link](#)



Staff Wellbeing in Fire Rescue Victoria

Tabled November 2024

We examined if Fire Rescue Victoria supports its staff to maintain their mental health.

[Link](#)

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Recently tabled audits



Fair Presentation of Service Delivery Performance: 2024

Tabled November 2024

We examined all departments' 2024–25 performance statements, with the Department of Treasury and Finance as our agency in focus.

[Link](#)



Auditor-General's Report on the Annual Financial Report of the State of Victoria: 2023-24

Tabled November 2024

In this report, we share outcomes of our audit on the state's financial report and our independent perspective on the state's financial outcomes and risks to fiscal sustainability.

[Link](#)



Responses to Performance Engagement Recommendations: Annual Status Update 2024

Tabled October 2024

We conduct this annual review to monitor how agencies address our findings. We looked at the status of recommendations we made between July 2018 and June 2023.

[Link](#)

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Recently tabled audits



Protecting the biosecurity of agricultural plant species

Tabled October 2024

We examined if Agriculture Victoria, within the Department of Energy, Environment and Climate Action (DEECA), effectively prepares for, prevents, manages, and responds to plant pests and diseases in Victoria.

[Link](#)



Building a Capable and High-performing Public Service Workforce

Tabled August 2024

We examined if public service bodies have policies, guidance materials and practices in place throughout the employee lifecycle to build a capable and high-performing workforce.

[Link](#)



Assuring the Integrity of the Victorian Governments Procurement Activities

Tabled June 2024

We examined if departments use suitable controls to prevent, detect and investigate fraud and corruption when procuring goods and services.

[Link](#)

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Managing State-significant Risks

Tabled June 2024

We examined if agencies are working collaboratively to identify and manage state-significant risks (SSRs) and if the Department of Treasury and Finance (DTF) provides confidence to the Assistant Treasurer and Treasurer on how well agencies manage them.

[Link](#)

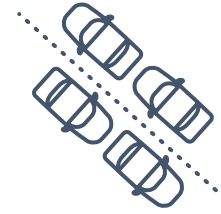


Access to Emergency Healthcare

Tabled June 2024

We assessed if the Department of Health (DH) and responsible agencies are addressing Victorians' need for timely and equitable access to emergency healthcare.

[Link](#)



Effectiveness of Arterial Road Congestion Initiatives

Tabled June 2024

We assessed the effectiveness of arterial road congestion initiatives in managing traffic congestion.

[Link](#)

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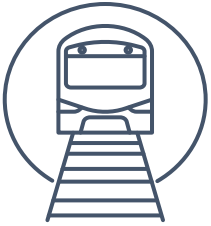
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Metro Tunnel Project: Phase 3 – Systems Integration, Testing and Commissioning

Tabled June 2024

We examined if the Metro Tunnel Project's systems integration, testing and commissioning activities are proceeding as planned.

[Link](#)

For a complete listing of VAGO tabled reports, refer to <https://www.audit.vic.gov.au/search/reports>

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Municipal Monitors

- Brimbank City Council
<https://www.premier.vic.gov.au/monitors-appointed-brimbank-city-council>
- Casey City Council
<https://www.premier.vic.gov.au/monitors-appointed-casey-strathbogie-and-whittlesea>
- Darebin City Council
<https://www.premier.vic.gov.au/monitors-appointed-darebin-city-council>
- Horsham Rural City Council
<https://www.premier.vic.gov.au/monitor-be-appointed-horsham-rural-city-council>
- Moonee Valley Council
<https://www.premier.vic.gov.au/second-municipal-monitor-moonee-valley-council>
- Strathbogie Shire Council
<https://www.premier.vic.gov.au/monitors-appointed-casey-strathbogie-and-whittlesea>
- Whittlesea City Council
<https://www.premier.vic.gov.au/monitors-appointed-casey-strathbogie-and-whittlesea>

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Administrators

- Moira Shire Council

<https://www.premier.vic.gov.au/moira-shire-panel-administrators-appointed>

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Independent Broad-based Anti-corruption Commission (IBAC)

Public sector corruption and misconduct allegation data

IBAC released a dashboard that allows users to filter information by state government sector, organisation type and name and by local council. It reveals the category of alleged corrupt behaviour or misconduct and the type of function or activity the allegation related to.

<https://www.ibac.vic.gov.au/IBAC-releases-public-sector-corruption-and-misconduct-allegations-data>

19 December 2024

Operation Leo special report

This report sets out the findings of IBAC's investigation Operation Leo, which examined allegations of bribery and misconduct by councillors at Moonee Valley City Council.

<https://www.ibac.vic.gov.au/operation-leo-special-report>

9 October 2024

Victorian perceptions of corruption 2024

IBAC periodically undertakes the Perceptions of Corruption survey across seven stakeholder groups. The results of these surveys help to understand perceptions about the prevalence of corruption and misconduct and attitudes, barriers and motivators' that lead to reporting and prevention of corruption and misconduct.

<https://www.ibac.vic.gov.au/victorian-perceptions-corruption-2024>

2 October 2024

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Independent Broad-based Anti-corruption Commission (IBAC)

Local government - snapshot and key insights

This profile examines corruption and misconduct risk for the sector.

<https://www.ibac.vic.gov.au/local-government-snapshot-and-key-insights>

25 September 2023

Corruption and misconduct risks for local government

Insights on specific corruption risks for the local government sector, councillors and employees, as well as related prevention and detection strategies.

<https://www.ibac.vic.gov.au/corruption-and-misconduct-risks-local-government>

25 September 2023

Prevention and detection strategies for local government

Insights on specific corruption risks for the local government sector, councillors and employees, as well as related prevention and detection strategies.

<https://www.ibac.vic.gov.au/prevention-and-detection-strategies-local-government>

25 September 2023

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Victorian Ombudsman

Marlo Baragwanath appointed Victorian Ombudsman

Marlo Baragwanath commenced as the Victorian Ombudsman on 30 March 2024.

<https://www.premier.vic.gov.au/next-victorian-ombudsman-appointed>

27 February 2024

Alleged politicisation of the public sector: Investigation of a matter referred from the Legislation Council on 9 February 2022 – Part 2

The report details key findings and observations and recommendations for reform.

<https://www.ombudsman.vic.gov.au/our-impact/investigation-reports/alleged-politicisation-of-the-public-sector/#summary>

6 December 2023

Misconduct in public organisations: A casebook

The report delves into seven case studies, discussing individuals engaging in misconduct and systems failing to manage misconduct risks.

<https://www.ombudsman.vic.gov.au/our-impact/news/lifting-the-veil-on-misconduct-in-public-organisations/>

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Australian National Audit Office

Dr Caralee McLiesh PSM commenced as the Auditor-General, Australian National Audit Office on 4 November 2024.

<https://www.pm.gov.au/media/appointment-new-auditor-general-australia>

New South Wales Auditor-General

Bola Oyetunji commenced as the Auditor-General of New South Wales in April 2024.

<https://www.nsw.gov.au/media-releases/next-nsw-auditor-general-announced>

Northern Territory Auditor-General

Jara Dean commenced as the Auditor-General of the Northern Territory on 13 September 2024.

<https://ago.nt.gov.au/auditorgeneral.php>

Queensland Auditor-General

Rachel Vagg commenced as the Auditor-General of Queensland on 12 August 2024.

[Queensland's first female Auditor-General appointed - Ministerial Media Statements](#)

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South Australian Auditor-General

James Blaskett commenced as the Auditor-General of South Australia in January 2024.

<https://www.indaily.com.au/news/2023/11/24/new-sa-auditor-general-named>

Tasmanian Auditor-General

Martin Thompson commenced as the Auditor-General of Tasmania on 1 May 2024.

https://www.premier.tas.gov.au/site_resources_2015/additional_releases/new-auditor-general-of-tasmania-appointed

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