



Annual Plan

2022–23

This report is printed on Monza Recycled paper. Monza Recycled is certified Carbon Neutral by The Carbon Reduction Institute (CRI) in accordance with the global Greenhouse Gas Protocol and ISO 14040 framework. The Lifecycle Analysis for Monza Recycled is cradle to grave including Scopes 1, 2 and 3. It has FSC Mix Certification combined with 99% recycled content.

Annual Plan 2022–23








The Victorian Auditor-General's Annual Plan 2022–23 was prepared pursuant to the requirements of section 73 of the *Audit Act 1994* and tabled in the Parliament of Victoria on 9 June 2022.

The Victorian Auditor-General's Office acknowledges the Wurundjeri Woi Wurrung People as the traditional custodians of the land on which our office is located. We pay our respects to their Elders past and present.

Contents

Performance audit work program 2022–2024	1
1. About our annual plan.....	2
Our work program.....	2
Selecting performance engagement topics	4
Performance engagement work program	7
2. Performance audit work program	10
Sector 1: Central agencies and whole of government	11
Sector 2: Education.....	15
Sector 3: Environment and planning	18
Sector 4: Health and human services	23
Sector 5: Infrastructure and transport	27
Sector 6: Justice and community safety.....	31
Sector 7: Local government and economic development	35
3. Financial audit work program	38
Reports to Parliament	39
Attestation of agency reports and statements	40
APPENDIX A Acronyms & abbreviations	41

Performance audit work program 2022–2024

	2022–23	2023–24
 Central agencies and whole of government	Collection of state-based tax revenue [^] Contractors and consultants in the Victorian public service: spending Cybersecurity: cloud computing platforms	Assuring the integrity of the Victorian Government's procurement activities Managing employee performance in the Victorian public service Managing state significant risks
 Education	Fair presentation of service delivery performance–2022* [^] Principal health and wellbeing Supporting students with disability	Work-related violence in government schools
 Environment and planning	Protecting Victoria's Coastal Assets: follow-up* [^] Regulating Victoria's native forests [^] Understanding Victoria's contaminated land*	Domestic building regulation and domestic dispute resolution Fair presentation of service delivery performance–2023* Illegal disposal of asbestos-contaminated materials Meeting Victoria's zero emissions vehicle targets
 Health and human services	Maintaining the Mental Health of Child Protection Practitioners: follow-up* [^] Quality of child protection data [^] Supporting sexual and reproductive health	Clinical trials in public hospitals Delivering Victoria's Big Housing Build Health and wellbeing of the medical workforce
 Infrastructure and transport	Effectiveness of rail freight support programs Maintaining railway assets across metropolitan Melbourne [^]	Compliance with emergency management requirements: transport Effectiveness of arterial road congestion initiatives to mitigate emerging traffic patterns Metro Tunnel Project: Phase 3—Systems integration, testing, and commissioning
 Justice and community safety	Correctional services for people with an intellectual disability or acquired brain injury Reducing the harm caused by drugs on Victorian roads Staff wellbeing in Fire Rescue Victoria	Casino regulation Ravenhall prison: rehabilitating and reintegration prisoners—Part 2*
 Local government and economic development	Regulating food safety Regulating private pool and spa safety	Developing Fishermans Bend Protecting the biosecurity of agricultural plant species

* = limited assurance review ^ = engagement commenced

1.

About our annual plan

The Auditor-General provides independent assurance to the Parliament of Victoria and the Victorian community about the financial integrity and performance of the state and local governments, with assistance from the Victorian Auditor-General's Office (VAGO).

Our work program

Under the *Audit Act 1994*, the Auditor-General must prepare and table an annual plan before 30 June each year that details VAGO's proposed work program for the coming financial year.

Types of engagements

We conduct performance and financial audits and undertake assurance reviews of public sector agencies. We report on the results of these audits and reviews to Parliament. Our work program helps Parliament hold the government to account and the public sector to improve its performance.

Performance engagements

Our performance engagements assess whether government agencies, programs and services are effectively meeting their objectives, using resources economically and efficiently, and complying with legislation. They provide reasonable or limited assurance about activities that are performed well or represent better practice, and also identify opportunities for improvement.

FIGURE 1A: **Planned performance engagements, 2022–2024**



Source: VAGO.

Our limited assurance performance reviews provide less assurance than 'reasonable assurance' engagements, but they allow us to quickly and cost-effectively respond to, examine and report on issues where the additional evidence that would be obtained for a

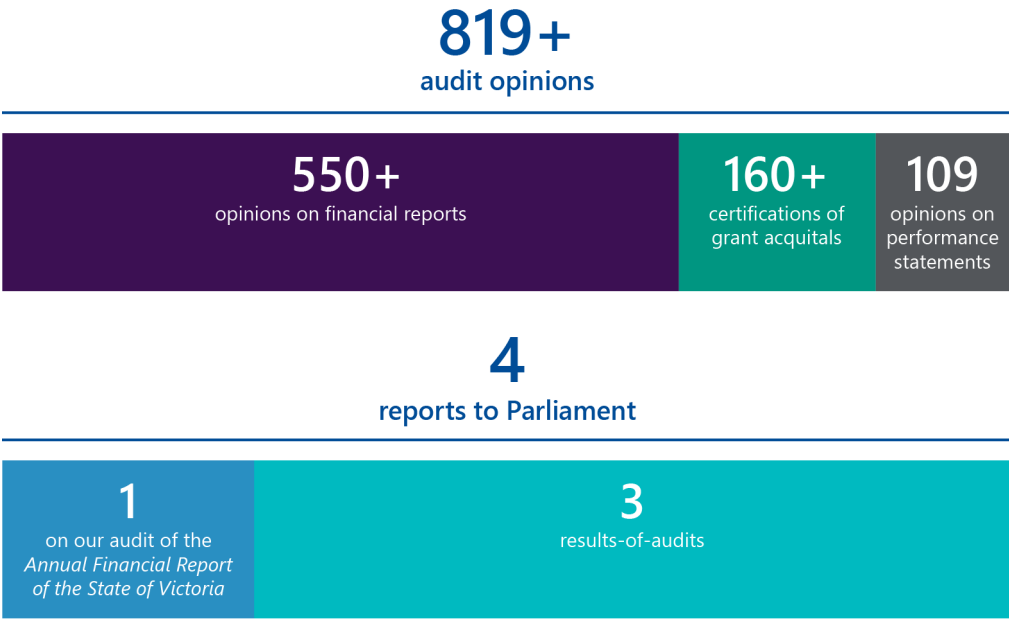
‘reasonable assurance’ engagement is not required. Our annual review on how agencies implement past engagement recommendations is one example of a limited assurance review.

Attest engagements

We deliver a range of attest services to public sector agencies who prepare financial and performance reports and grant acquittals.

Our audit opinions provide 'reasonable assurance' that agency financial reports fairly present agencies' financial positions, cashflows and operational results for the year, and that their performance reports and grant acquittals are reliable.

FIGURE 1B: **Planned financial audit engagements, 2022–2023**



Source: VAGO.

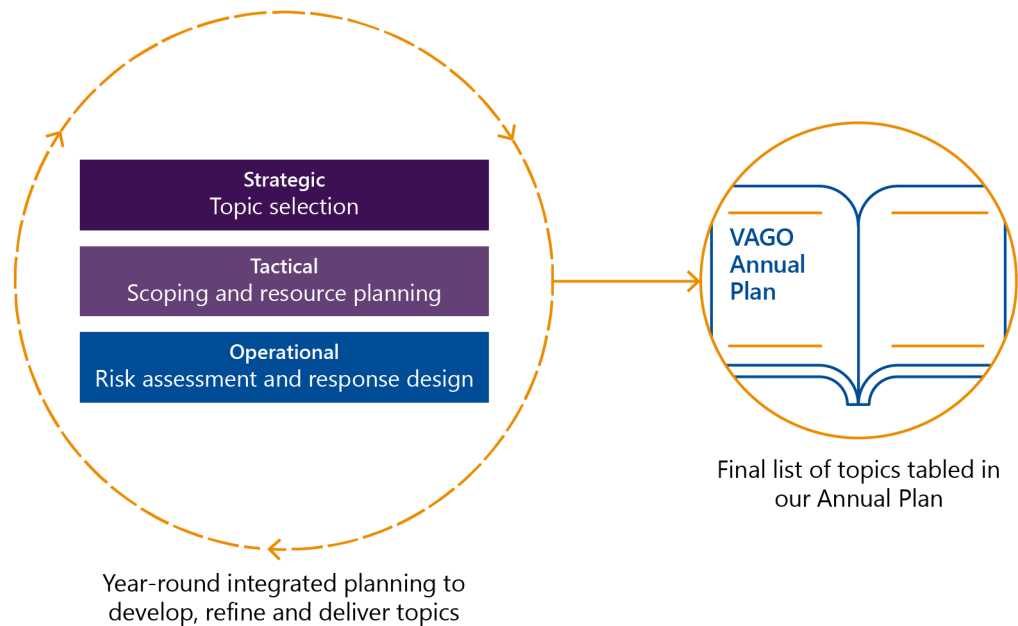
Selecting performance engagement topics

Continuous planning

We identify and develop potential topics throughout the year. This gives us opportunities to undertake early consultation with our stakeholders and allows audited agencies to make necessary preparations for scheduled audits well in advance.

Once a year we draw down on developed topics for inclusion in our work program, which we set out in our annual plan.

FIGURE 1C: **Our continuous planning process**



Source: VAGO.

Informing our work program

We anticipate and respond to current and emerging risks and challenges in the Victorian public sector. We use a multifaceted approach to identify, assess and prioritise potential topic areas. Our planning process informs the development of a work program that balances predictability and responsiveness.

Our forward program also complements our strategic plan and objectives. We maintain our relevance by delivering credible and authoritative reports and giving advice about substantive matters that will make a difference.

Focus in 2022–23

In 2022–23, we continue to focus on delivering a risk-based performance audit work program that reflects our mandate.

We will undertake a mix of performance engagements that examine whether the public sector achieves its objectives effectively, economically and efficiently, and whether they comply with relevant legislation.

Assessing potential topics

We assess potential performance engagement topics against the 6 criteria shown in figure 1D.

Our work program reflects a risk-based approach to ranking topics from across the Victorian Public Sector (VPS) with an aim to deliver a work program optimised for impact. Rather than aiming for a balance of engagements across individual sectors, our work program looks to match engagements to the highest priority risks in the VPS.

FIGURE 1D: **How we identify and assess audit topics using 6 criteria**



Source: VAGO.

Selecting a level of assurance

Selecting a level of assurance for a particular topic depends on the level of engagement risk we are willing to accept and assurance that the end users need to promote continuous improvement. In determining whether to provide reasonable or limited assurance, we consider the:

- subject matter
- information needs of users of the report
- costs associated with providing the different levels of assurance.

In a ...	We reduce engagement risk to ...	And ...	With an aim ...
reasonable assurance audit	a low level as the basis for the conclusion	achieve a reasonable level of assurance by obtaining and verifying direct evidence from a variety of internal and external sources about a responsible party's performance	to have enough confidence in our conclusion so that, in our professional judgement, it is meaningful.
limited assurance review	a higher level as the basis for the conclusion	achieve a limited level of assurance by relying primarily on auditee's representations and other evidence they generate	

The level of assurance does not affect the objective, criteria, materiality considerations or the risk basis for planning the engagement.

Consulting on our work program

Having assessed and internally moderated each topic based on our view of its merits, we then consult with the Public Accounts and Estimates Committee (PAEC) and the government departments and other agencies proposed for inclusion in performance engagements.

Our consultation is thorough, transparent and provides the opportunity for considered feedback throughout the planning process.

Finalising our work program

We analyse all feedback received to refine the focus of our engagements, check factual accuracy, and identify issues with proposed engagement timing. We also use this feedback to better understand the impact of current or proposed public sector reforms on performance engagement topics. We address the written feedback we receive and explain where we have made amendments based on the information provided.

Performance engagement work program

Alignment with relevant standards

We conduct our performance engagements in accordance with relevant standards issued by the Australian Auditing and Assurance Standards Board. These standards cover planning, conduct, evidence, communication, reporting and other elements of performance engagements.

Performance engagements

The performance audit work program sets out the performance engagements we expect to undertake over the next 2 years. This forecast horizon informs Parliament, the public sector and the Victorian community about our short and medium-term goals and priorities.

During 2021–22 we transitioned to a 2-year horizon for published performance engagements and instituted our continuous planning processes. These changes have resulted in a smaller overall program of work as some topics under development sit outside our 2-year horizon while others have been removed following a reassessment of their feasibility.

Limited assurance reviews

Section 20 of the *Audit Act 1994* gives us the power to undertake limited assurance reviews of government activity performance.

Our limited assurance reviews focus mainly on waste, probity and compliance, although we may also assess economy, efficiency and effectiveness. Typically, a limited assurance review has a narrow scope, examining a discrete activity or set of transactions. They usually focus on a single issue of significant public interest.

In addition to our annual work program, significant and time-sensitive issues may arise, and we may add a standalone limited assurance review to our work program. We also deliver assurance reviews that recur each year and focus on performance reporting, including:

- agency responses to performance engagement recommendations
- fair presentation of service delivery performance
- reporting on major projects performance.

Response to recommendations

Through our performance engagements we identify opportunities for public agencies to improve how they work. We do this by uncovering risks, weaknesses, and poor performance, as well as by sharing examples of better practice. We then make recommendations to agencies to address areas for improvement.

Our recurring *Response to Performance Engagement Recommendations* assurance review provides insights into how agencies have addressed our engagement findings. This year we will review outstanding recommendations published between 1 July 2015 and 31 December 2021.

Service delivery performance

Each year as part of the state budget process, departments set output performance measures and targets to monitor how well they are delivering public goods and services.

Parliament and the community are interested in the fair presentation of service performance as well as the accuracy of the results. However, our audits have found significant and persistent weaknesses in departments' performance reporting, including weak links between the objectives they set and the way they measure success.

Building on our 2021 performance audit *Measuring and Reporting on Service Delivery*, this year we will deliver an assurance review that brings together the results for departments' output performance measures as publicly reported in Budget papers and agency annual reports. As part of this recurring assurance review, we maintain an online dashboard that allows the public to compare departments' performance against each other, and to drill down to examine performance trends for individual measures over time.

Our recurring limited assurance review will also consider agencies across the Victorian public sector to ensure alignment between objectives and performance measures.

Major projects performance

Each year in May, the Department of Treasury and Finance (DTF) delivers *Budget Paper No. 4 State Capital Program* (BP4). The BP4 outlines the Victorian government's asset investment program. Parliament and the community are interested in accessing transparent information about changes to the cost, time, scope and benefits of major projects.

Our *Major Projects Performance* limited assurance review is an opportunity to analyse how departments report in their budgets and annual reports. We plan to determine whether the information that departments provide publicly can be used to assess the impact of changes to major projects.

We also plan to update the 2 online dashboards we created in 2021. The BP4 dashboard collates information disclosed on major projects over time and is updated each May, following the budget. Each year we also conduct a survey of departments to provide an update to the Major Projects Performance dashboard.

Attest work program

Our attest program delivers a range of assurance services for public sector agencies. This year these services include:

- audit opinions on financial reports and performance statements of public sector agencies
 - an audit opinion on the *Annual Financial Report of the State of Victoria*
 - a report to Parliament on our audit of the *Annual Financial Report of the State of Victoria*
 - a review report on the Estimated Financial Statements for the General Government Sector
 - sector-based reports to Parliament on the results of our financial audits
 - other assurance activities such as audit opinions on grant acquittals submitted by agencies to grant funding bodies.
-

PAEC's review of our draft annual plan

The *Audit Act 1994* requires us to seek comments on our draft annual plan from PAEC. We value PAEC's input and seek their suggestions on areas of public sector service delivery that may benefit from audit scrutiny.

Legislation requires that we publish in the annual plan any changes to the draft plan suggested by PAEC that the Auditor-General does not adopt. PAEC had no further suggestions in this planning cycle.

2.

Performance audit work program

As part of our performance audit work program, we plan to deliver 19 performance engagements in 2022–23 and 18 in 2023–24. In addition to the performance engagements set out in this section we also plan to deliver annually recurring limited assurance reviews and associated dashboards:

- Responses to Performance Engagement Recommendations
- Major projects performance
- Fair presentation of service delivery performance.



Source: VAGO

Sector 1: Central agencies and whole of government

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Collecting state-based tax revenue	Assuring the integrity of the Victorian Government's procurement activities
Contractors and consultants in the Victorian public service: spending	Managing employee performance in the Victorian public service
Cybersecurity: cloud computing platforms	Managing state significant risks

Collecting state-based tax revenue

We plan to determine whether the Department of Treasury and Finance (DTF) and the State Revenue Office (SRO) are optimising the collection of state-based taxation revenue.

Why this is important

DTF predicts the state's financial position for the following year. It forecasted approximately \$26.5 billion in tax revenue would be collected in 2021-22. The revenue funds government spending on hospitals, schools, transport, and other infrastructure.

SRO collects most of the state's tax revenue. It must maximise the revenue it collects by ensuring that taxpayers pay the correct tax when it is due. It must also ensure that it minimises the costs of its tax collection.

What we plan to examine

In this reasonable assurance performance audit, we will focus on whether SRO is effectively collecting the revenue that is due to the state. We will consider whether SRO has met its performance target, being a percentage of DTF's revenue forecast and any actions SRO has taken to address any tax gaps. We will also determine whether SRO is maximising front-end compliance for taxpayers and whether its internal processes are efficient.

We have included SRO and DTF in this engagement.

Timeframe: 2022–23

Contractors and consultants in the Victorian public service: spending

We plan to determine whether departments accurately record, monitor, and transparently report their spending on contractors and consultants.

Why this is important

In 2020–21 the Victorian government spent about \$20 billion on service contracts compared to \$30 billion on government employees.

This figure is less than the true cost of contractors and consultants because it comes from departmental annual reports. Departments only include consultancy expenses over \$10,000 and contracts worth more than \$100,000 in the state purchase and contracts registers.

In our recent engagement *Management of spending in response to COVID-19* we found that most departments did not record and monitor Coronavirus pandemic 2019 (COVID-19) related expenses accurately in their financial systems. Poor monitoring of this expense can lead to inefficient use of procured resources and agreed outputs not being met.

What we plan to examine

In this reasonable assurance performance audit, we will provide transparency on how much departments spend on contractors and consultants, and the types of services departments procure.

Proposed scope: Department of Environment, Land, Water and Planning (DELWP), Department Education and Training (DET), Department of Families, Fairness and Housing (DFFH), Department of Health (DH), Department of Justice and Community Safety (DJCS), Department of Jobs, Precincts and Regions (DJPR), Department of Transport (DoT), Department of Premier and Cabinet (DPC) and DTF.

Timeframe: 2022–23

Cybersecurity: cloud computing platforms

We plan to determine whether selected agencies have implemented effective controls in their public cloud computing platforms.

Why this is important

Cybersecurity risks in Victoria are real and growing. DPC estimates that someone tries to gain unauthorised access to Victoria's network every 45 seconds.

Modern cloud-based technology provides an opportunity to harness threat hunting capability, security knowledge and productivity savings. Yet many agencies do not use this technology or its security functions.

Local and international data shows that while cyber-attacks continue to increase, proven and effective controls can prevent most of them. For example, the Australian Cyber Security Centre estimates that if agencies using Microsoft 365 implemented multi-factor authentication, it would mitigate 99.5 per cent of their cyber risk for that service.

A successful attack on Victorian government agencies could be costly and damaging to both individuals and government. It is important that agencies take steps to reduce the likelihood of this occurring.

Who we plan to examine

In this reasonable assurance performance audit, we propose to scope in Cenitex, DELWP, DET, DH, DFFH, DJCS, DJPR, DoT, DPC and DTF.

Timeframe: 2022–23

Assuring the integrity of the Victorian Government's procurement activities

We plan to determine whether Victorian Government departments manage the risks of fraud and corruption when procuring goods and services.

Why this is important

Fraud and corruption by VPS employees can undermine trust in government, damage the reputation of the public sector, and waste public resources.

In 2015–16, the Independent Broad-based Anti-corruption Commission (IBAC) found weaknesses in DET's fraud controls that led to allegations that senior departmental officers misappropriated funds from the department's budget. The officers had created false and inflated invoices and arranged payment of inappropriate expenses, such as excessive hospitality, travel, and personal items.

The Victorian Secretaries Board (VSB)—made up of the secretaries of the 9 Victorian Government departments, the Victorian Public Sector Commissioner, and the Chief Commissioner of Victoria Police—responded to the findings. In 2016, they prepared an action plan to strengthen integrity frameworks in the public sector. The VSB and the Victorian Public Sector Commission (VPSC) identified initiatives to strengthen processes to address key integrity risks. They identified tendering and procurement as one of the 6 practices at risk of fraud.

In 2018–19, IBAC began 38 intelligence-led investigations and preliminary inquiries into 38 Victorian state government agencies and found that improper procurement conduct was one of the most identified risks.

What we plan to examine

In this reasonable assurance performance audit, we will focus on whether departments have implemented suitable controls to prevent fraud and corruption when procuring goods and services.

We propose to scope DELWP, DET, DFFH, DH, DJCS, DJPR, DoT, DPC and DTF into this engagement.

Timeframe: 2023–24

Managing employee performance in the VPS

We plan to determine whether public sector agencies are assessing workers' performance and managing their annual incremental progression per the *Victorian Public Sector Enterprise Agreement 2020* (the agreement).

Why this is important

Government needs a high-performing VPS workforce to deliver services and achieve its goals. Employee expenses make up the state's largest expense each year—\$30 billion in 2020–21. Improper management of the public sector workforce can cause waste and reduce confidence in the VPS.

Agencies must effectively manage employees' performance and incremental progression to maintain a capable public workforce.

The agreement requires employers to initiate performance development reviews and conversations with employees. Employees who do not participate in the performance development and review process are not eligible to progress.

What we plan to examine

In this reasonable assurance performance audit, we will assess whether agencies are effectively managing employee performance to make fair annual incremental progression decisions in line with the agreement.

We propose to scope DELWP, DET, DFFH, DH, DJCS, DJPR, DoT, DPC and DTF into this audit.

Timeframe: 2023–24

Managing state significant risks

We plan to determine whether agencies work collaboratively to identify, monitor and manage state significant risks.

Why this is important

Victorian Government agencies must deal with risks to achieve their strategic objectives. As the public sector moves towards a more sophisticated, whole-of-government approach to service delivery, agencies must work together to tackle their own risks, as well as state significant risks.

State significant risks are risks where the potential consequences or impacts of the risk on the community, the Government and the private sector are material at the state-wide level.

The *2020 Victorian Government Risk Management Framework* prescribes the minimum requirements agencies must meet to effectively manage risks, including state significant risks.

The Risk Interdepartmental Committee supports the departments to identify, monitor and manage state significant risks. DTF chairs the Risk Interdepartmental Committee and reports to the Assistant Treasurer. DTF is able, through consultation and reporting, to consider state significant risks on an ongoing basis and seek advice on how agencies manage them. If agencies do not accurately record and properly escalate these risks, it may affect the availability and quality of services.

What we plan to examine

In this reasonable assurance performance audit, we will assess whether departments have identified, monitored, and implemented strategies to manage state significant risks, and the role of the Risk Interdepartmental Committee in supporting effective risk management.

We propose to scope DELWP, DET, DH, DFFH, DJCS, DJPR, DoT, DPC, DTF and Victorian Managed Insurance Authority (VMIA) into this engagement.

Timeframe: 2023–24

Sector 2: Education

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Fair presentation of service delivery performance–2022	Work-related violence in government schools
Principal health and wellbeing	
Supporting students with disability	

Fair presentation of service delivery performance–2022

We plan to determine whether DET fairly presents their schools' service delivery performance.

Why this is important

DTF delivers *Budget Paper No. 3 Service Delivery* (BP3) in May each year. BP3 outlines the government's priorities for the goods and services it will provide to Victorians. BP3 also specifies the measures and targets it uses to determine whether they are achieving what they set out to.

Parliament and the community want departments to fairly present their service performance and accurately report those results. However, our audits have found significant and persistent weaknesses in departments' performance reporting, including weak links between the objectives they set and the way they measure success.

What we plan to examine

This limited assurance review is the first in a series on the fair presentation of performance information. We will explore whether measures are material to departmental performance, how targets are set, how they are defined as met, and whether departmental performance statements provide an accessible understanding of performance against budget.

Our 2022–23 review proposes to scope in DET as our initial agency in focus.

Timeframe: 2022–23

Principal health and wellbeing

We plan to determine whether DET is protecting the mental health and physical wellbeing of its school principals.

Why this is important

School principals' health and wellbeing is key to a teaching and learning environment that provides the best student outcomes.

Australian principals experience more significant psychosocial pressures in several key areas than the general population. Research suggests that principals experience a high risk of burnout, regular exposure to offensive behaviour, a continuous strain on their health and

wellbeing, high demands, and overwhelming responsibility. With the current workforce ageing (48 per cent of Australian principals are aged over 56 years and 6 per cent is aged over 66 years) and retirement intentions high (in 2020, 7 per cent of principals indicated their intent to retire in 2021), Australia is likely to experience problems recruiting and retaining principals.

To improve principal health and wellbeing, DET is implementing its Principal Health and Wellbeing Strategy. It aims to minimise sources of stress, improve perceived health and wellbeing, increase job satisfaction, reduce the number of worker's compensation claims, improve the rate of return to work, reduce unplanned absenteeism, reduce turnover rates, and improve the perceived attractiveness of the principal role.

What we plan to examine

In this reasonable assurance performance audit, we will determine whether DET's Strategy is achieving its stated objectives.

We propose to scope DET, a selection of government schools, and WorkSafe Victoria into this engagement.

Timeframe: 2022–23

Supporting students with disability

We plan to determine whether DET's Disability Inclusion program provides reasonable adjustments that allow students with disability to access and participate in education on the same basis as students without disability.

Why this is important

Approximately 1 in 5 Victorian school students have disability. Historically, students with disability have completed school at significantly lower rates than their peers. Only 44 per cent of Australians with disability aged 15 years and over have completed year 12 or equivalent, compared to 65 per cent of the wider population.

The 2005 *Australian Disability Standards for Education* require all Australian schools to make reasonable adjustments, in consultation with students and parents, to ensure that students with disability can access and participate in education on the same basis as their peers. It is DET's responsibility to support schools to provide reasonable adjustments for students.

Our 2012 engagement, *Programs for Students with Special Learning Needs*, and DET's 2016 *Review of the Program for Students with Disabilities*, found deficiencies in how DET funds and delivers school disability supports. DET is now implementing major funding and service delivery reform through its Disability Inclusion program, which will progressively replace its existing Program for Students with Disabilities.

What we plan to examine

In this reasonable assurance performance audit, we will determine whether the new program is supporting the reasonable adjustments that students with disability need to access and participate in education on the same basis as students without disability.

We propose to scope DET and a selection of government schools into this engagement.

Timeframe: 2022–23

Work-related violence in government schools

We plan to determine whether DET provides a work environment for school staff that is safe from work-related violence.

Why this is important

Research suggests that, in 2020, 49 per cent of Australian school leaders experienced threats and/or acts of violence, and 37 per cent experienced physical violence. Between 2011 and 2019, threats of violence increased from 38 per cent to 51 per cent, and physical violence increased from 27 per cent to 42 per cent.

Work-related violence in schools significantly affects staff mental health, wellbeing, productivity, and retention. Teachers report symptoms of anxiety, depression, and Post Traumatic Stress Disorder, including panic attacks and uncontrollable shaking. Teachers have also needed psychological support to navigate cases of bullying and harassment. Many reported they took stress leave, sick leave (of one or more days), or unpaid or holiday leave to avoid ongoing bullying and harassment. Eighty-three per cent had considered leaving the profession due to this issue.

DET has a legal obligation under the *Occupational Health and Safety Act 2004* (OHS Act) to provide a work environment that is, so far as is reasonably practicable, safe and without risks to health, including work-related violence.

What we plan to examine

In this reasonable assurance performance audit, we will determine whether DET's work-related violence support effectively prevents and manages incidents in schools, and whether DET complies with the OHS Act.

We propose to scope DET, a selection of government schools, and WorkSafe Victoria into this engagement.

Timeframe: 2023–24

Sector 3: Environment and planning

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Protecting Victoria's Coastal Assets: follow-up	Domestic building regulation and domestic dispute resolution
Regulating Victoria's native forests	Fair presentation of service delivery performance–2023
Understanding Victoria's contaminated land	Illegal disposal of asbestos-contaminated materials
	Meeting Victoria's zero emissions vehicle targets

Protecting Victoria's Coastal Assets: follow-up

We plan to determine whether the actions taken by agencies since our 2018 engagement, *Protecting Victoria's Coastal Assets*, have addressed our recommendations.

Why this is important

As part of our annual *Responses to Performance Engagement Recommendations* limited assurance review, we gather data on how agencies are progressing in implementing our performance engagement recommendations. Our analysis of results from this limited assurance review identified *Protecting Victoria's Coastal Assets* (2018) for a follow up review.

The 2018 engagement assessed whether agencies were doing enough to protect natural and built assets on Victoria's coastline from current and future risks that the ocean will erode or inundate them. We looked at the adequacy of individual agencies' asset and risk management approaches, funding for assets at risk, and state-wide coordination of coastal asset protection.

We concluded that relevant agencies have not effectively managed Victorian coastal assets nor protected them from current and future harm, and that DELWP had not been provided essential support to these agencies.

What we plan to examine

In this limited assurance review, we plan to determine what progress has been made towards implementing our recommendations, the adequacy of these actions, and the cause of any delays.

We propose to scope DELWP in this engagement.

Timeframe: 2022–23

Regulating Victoria's native forests

We plan to assess whether the Office of the Conservation Regulator (OCR) effectively regulates timber harvesting operations in Victoria's native forests.

Why this is important

OCR is accountable for regulating timber harvesting, fire prevention, and firewood collection from Victoria's native forests. Entities, VicForests or VicForests contractors, are permitted to harvest timber if their logging practices are sustainable and the forest's natural values are protected. Legislation guides where, when and how people can harvest timber.

OCR has identified unauthorised commercial timber harvesting from native forests as one of its key regulatory risk priorities.

However, the effectiveness of OCR's oversight has been the subject of complaints made or received by members of parliament, community non-government environment groups, and the media. The Auditor-General has also received correspondence raising concerns over OCR's performance.

What we plan to examine

This reasonable assurance performance audit will investigate OCR's activities and whether it uses a risk-based and intelligence-led approach to regulate the state's native forests.

We propose to scope OCR (DELWP) into this engagement.

Timeframe: 2022–23

Understanding Victoria's contaminated land

We plan to determine whether data and information about the status of contaminated land in Victoria is accurate, current, and fit for purpose.

Why this is important

Our 2011 *Managing Contaminated Sites* audit showed that information about these sites, particularly their number and locations, was poor. We found that this was because there were no mandatory reporting requirements and unclear roles and responsibilities for data collection. We also found agencies did not centrally collate, share or provide access to the data.

The lack of clarity about whose responsibility it is to identify, assess and clean up historically contaminated sites creates unknown environmental, health and financial risks for all land users and developers. Our 2011 audit also found that the government knew about several high-risk contaminated sites that posed unacceptable dangers to public health but were not cleaned up because nobody knew which entity was responsible for doing so, or how much it would cost. In 2019, DELWP and the Environmental Protection Authority Victoria (EPA) developed an online mapping tool, *Victoria Unearthed*, to improve how entities collect, collate and access data about contaminated sites.

Melbourne continues to expand its urban residential growth areas. This potentially means more contaminated historical industrial areas will be re-zoned for more sensitive land uses, like building homes and schools. This increases the risk that people may be exposed to contaminated soils that could harm their health.

What we plan to examine

In this limited assurance review, we will examine whether government efforts to improve the collection, collation and accessibility of contaminated sites data have addressed known gaps and performance issues.

We propose to scope DELWP and EPA into this engagement.

Timeframe: 2022–23

Domestic building regulation and domestic dispute resolution

We plan to determine whether the Victorian Building Authority (VBA) and Domestic Building Dispute Resolution Victoria (DBDRV) protect domestic building consumers from non-compliant work.

Why this is important

Our 2015 *Victoria's Consumer Protection Framework for Building Construction* engagement found that the state's domestic building complaints framework does not protect Victorian consumers. A recent review by Consumer Affairs Victoria (CAV) found that a quarter of Victorian homeowners had a dispute with their builder over new construction or renovation in the last 2 years. CAV received over 1000 complaints in relation to domestic building disputes in 2021.

Our 2022 sector review found that the Auditor-General continues to receive regular correspondence about domestic building disputes and this issue is often mentioned in Parliament's Hansard records.

In 2019, the government appointed an independent expert panel to reform the state's building system, including its customer dispute resolution processes. The panel is due to make its recommendations to the government in mid-2022. The panel advised us that it had concerns with the thoroughness of DELWP's review of how dispute data is collected, managed and shared, that was commissioned as part of the reform process.

What we plan to examine

In this reasonable assurance performance audit, we will assess whether the relevant agencies have effectively implemented the panel's recommendations to improve dispute resolution processes. We will also examine whether dispute data is current, well-managed and promptly shared across all relevant agencies to inform resolution processes.

We propose to scope VBA, DBDRV (DJCS), CAV (DJCS) and DELWP into this engagement.

Timeframe: 2023–24

Fair presentation of service delivery performance—2023

We plan to determine whether DELWP fairly presents their service delivery performance information.

Why this is important

DTF delivers BP3 in May each year. BP3 outlines the government's priorities for the goods and services it will provide to Victorians. BP3 also specifies the measures and targets it uses to determine whether they are achieving what they set out to.

Parliament and the community want departments to fairly present their service performance and accurately report those results. However, our audits have found significant and persistent weaknesses in departments' performance reporting, including weak links between the objectives they set and the way they measure success.

What we plan to examine

This limited assurance review is the second in a series on the fair presentation of performance information. We will explore whether measures are material to departmental performance, how targets are set, how they are defined as met, and whether departmental performance statements provide an accessible understanding of performance against budget.

We propose to scope DELWP into this engagement as our agency in focus.

Timeframe: 2023–24

Illegal disposal of asbestos-contaminated materials

We plan to determine whether responsible agencies have controls in place to minimise the illegal disposal of asbestos-contaminated materials (ACM).

Why this is important

The risk to public health and the environment from illegally dumped ACM is increasing. Our consultation and analysis show the biggest growth in illegal dumping of ACM is from smaller-scale domestic construction and demolition waste operations.

EPA's new waste tracker system tracks and records hazardous waste from licensed, commercial, and large-scale waste management operations. Responsible agencies do not have central oversight of illegal asbestos disposal, particularly from small scale operators. Data on illegally dumped ACM is limited and not accurately recorded or shared. Agencies also do not accurately report compliance and enforcement activities and outcomes.

In July 2021, Sustainability Victoria (SV), a statutory authority established under the *Sustainability Victoria Act 2005*, released its 10-year *Asbestos Disposal Management Plan* (the strategy). SV plans to make the legal disposal of ACM more convenient by developing a network of existing licensed landfills that will accept ACM. It is also piloting the establishment of new asbestos transfer sites.

What we plan to examine

In this reasonable assurance performance audit, we will assess whether the strategy and the agencies responsible for implementing it are effectively targeting smaller-scale illegal dumping activities. We will also review how the agencies cooperate to improve knowledge

and data collection, to ensure they are coordinating intelligence and risk-based actions to minimise the illegal ACM disposal.

We propose to scope DELWP, EPA, Hume City Council, Moreland Council, Parks Victoria, SV and WorkSafe Victoria into this engagement.

Timeframe: 2023–24

Meeting Victoria's zero emissions vehicle targets

We plan to determine whether DELWP is effectively planning to decarbonise Victoria's transport sector through the planning and implementation of Victoria's 2021–25—Transport sector emissions reduction pledge.

Why this is important

Government committed to reduce greenhouse gas emissions to zero by 2050 through legislated, graduated emissions reduction targets. Transport is Victoria's fastest growing and second largest greenhouse gas emitting sector. Since the introduction of these targets, all sectors, apart from transport and agriculture, have reduced their emissions. Victoria's 2021–25 transport sector pledge outlines initiatives to reduce transport emissions through a graduated approach. It provides \$100 million over 3 years.

DELWP's 2021 *Zero Emissions Vehicle (ZEV) Roadmap* (the roadmap) supports this pledge. The roadmap identifies priorities, targets, and milestones to decarbonise the transport sector to reach net-zero emissions by 2050, including:

- replacing 400 vehicles in VicFleet with ZEVs by 2023
- installing 141 electric vehicle charging stations across Victoria by 2024
- purchasing ZEVs for all new public transport busses from 2025
- ensuring half of all light vehicle sales are ZEVs by 2030
- increasing the share of commuters using active transport (e.g., walking, cycling etc.) to 25 per cent by 2030.

Our sector review identified the potential risk that government's planning and progress to date may not lead to the timely and effective delivery of specific Roadmap initiatives.

What we plan to examine

In this reasonable assurance performance audit, we will assess how effectively DELWP is planning and beginning to implement specific roadmap initiatives.

We propose to scope DELWP, DoT, DTF (responsible for VicFleet) into this engagement.

Timeframe: 2023–24

Sector 4: Health and human services

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Maintaining the Mental Health of Child Protection Practitioners: follow-up	Clinical trials in public hospitals
Quality of child protection data	Delivering Victoria's Big Housing Build
Supporting sexual and reproductive health	Health and wellbeing of the medical workforce

Maintaining the Mental Health of Child Protection Practitioners: follow-up

We plan to determine whether actions taken by DFFH in response to our 2018 report, *Maintaining the Mental Health of Child Protection Practitioners*, have addressed our recommendations.

Why this is important

As part of our annual *Responses to Performance Engagement Recommendations* assurance review, we gather data on how agencies are progressing their implementation of our performance engagement recommendations. Our analysis of results from this limited assurance review identified *Maintaining the Mental Health of Child Protection Practitioners* (2018) for a follow-up review.

The 2018 engagement focused on whether the then Department of Health and Human Services (DHHS) promoted child protection practitioners' (CPP) good mental health and appropriately managed potential and existing mental health issues. We concluded that CPPs struggle to maintain good mental health in the face of unreasonable workloads and inadequate organisational support from DHHS.

What we plan to examine

In this limited assurance review, we plan to determine what progress has been made towards the implementation of our recommendations, the adequacy of these actions and the cause of any implementation delays.

We propose to scope DFFH as the responsible entity. On 1 February 2021, the government created DFFH and transferred DHHS' portfolio responsibility for child protection to it.

Timeframe: 2022–23

Quality of child protection data

We plan to determine whether DFFH has adequate controls to ensure the reliability of data in its Client Relationship Information System (CRIS).

Why this is important

CRIS is a critical data asset that is central to DFFH's service delivery. It is one of 3 integrated client and case management systems DFFH uses for child protection, youth justice, disability services and early childhood intervention services.

DFFH is responsible for ensuring the quality of CRIS data to fulfil its operational obligations to vulnerable Victorians. This means that the system must be structured to capture accurate and appropriate data to support evidence-based policy that will improve the safety, wellbeing and health of these vulnerable cohorts.

What we plan to examine

In this reasonable assurance performance audit, we will examine whether DFFH has adequate controls to ensure the quality of data in CRIS.

We propose to scope DFFH into this engagement.

Timeframe: 2022–23

Supporting sexual and reproductive health

We plan to determine whether Victorian women can readily access sexual and reproductive health (SRH) information and services to support their health and wellbeing.

Why this is important

In 2017, the Victorian Government released its first women's SRH plan, *Women's sexual and reproductive health: key priorities 2017–2020* (the Key Priorities). Its implementation focused on establishing:

- 1800 My Options—Victoria's first statewide pregnancy support and SRH phone service and website to give women information on where and how to access services—managed by Women's Health Victoria
- 8 SRH hubs to provide SRH services, such as sexually transmitted infections testing and contraception advice.

In 2021, the Victorian Government committed to establish 3 additional SRH hubs, and to expand operating hours and scope of services at existing SRH hubs.

What we plan to examine

In this reasonable assurance performance audit, we will examine how the Key Priorities have improved women's access to sexual and reproductive health information, and services to support their health and wellbeing.

We propose to scope DH, DFFH, Women's Health Victoria, Monash Health and Gippsland Lakes Complete Health into this engagement.

Timeframe: 2022–23

Clinical trials in public hospitals

We plan to determine whether responsible agencies effectively oversee clinical trials in Victoria.

Why this is important

Australians need clinical trials to discover new treatments for disease and improve patient health and quality of life. Public hospitals host clinical trials that are led by independent researchers or pharmaceutical companies. When undertaking clinical trials, hospitals must ensure that their staff adhere to any governance and regulatory requirements that apply.

The Victorian health system has limited system-level oversight of clinical trials. In 2020, the Office of Health and Medical Research and the Coordinating Office of Clinical Trial Research moved from DH to DJPR. Effective coordination between DH and DJPR is essential to ensure clinical trials are compliant, patient-focused and derive maximum benefit for the state.

What we plan to examine

In this reasonable assurance performance audit, we will examine whether DH and DJPR:

- ensure that clinical trials comply with relevant requirements
- leverage the benefits of clinical trials across the Victorian health system.

We propose to scope DH, DJPR, Alfred Health, Northern Health and the Peter MacCallum Cancer Centre into this engagement.

Timeframe: 2023–24

Delivering Victoria's Big Housing Build

We plan to determine whether Victoria's Big Housing Build effectively meets the housing needs of vulnerable Victorians.

Why this is important

The Victorian Government is delivering the biggest infrastructure pipeline in the state's history. The 2021–22 budget includes \$144 billion of state capital projects that are commencing or underway. This includes Victoria's Big Housing Build, its largest ever investment in social and affordable housing. The project will construct 12,000 new homes at a cost of \$5.3 billion, increasing Victoria's social housing supply by 10 per cent in 4 years.

DFFH has created Homes Victoria to deliver the Big Housing Build. DFFH is also working with the Victorian Planning Authority and local councils to accelerate approval processes. Government will partner with industry, community housing providers, local government and institutional investors to deliver the project.

Who we plan to examine

In this reasonable assurance performance audit, we propose to scope in DFFH (including Homes Victoria), the Victorian Planning Authority and a selection of local councils.

Timeframe: 2023–24

Health and wellbeing of the medical workforce

We plan to determine whether responsible agencies meet their obligations to support the health and wellbeing of the medical workforce.

Why this is important

Medical practitioners should feel safe and supported at work to deliver high-quality healthcare and find reward and satisfaction in their work. The *Occupational Health and Safety Act 2004* requires employers to provide safe work environments that minimise risks to employees' health, including psychological health. Risks can include bullying and harassment, occupational violence, fatigue, and mental health stressors. These stressors include long and unpredictable working hours and repeated exposure to trauma, violence, and death. COVID-19 has placed considerable additional strain on the medical workforce. This has introduced new challenges to the health and wellbeing of the medical workforce and exacerbated others.

In 2020–21, the Australian Medical Association (Victoria) found that 33 per cent of doctors in training rated employer support for their mental health and wellbeing as poor or very poor.

What we plan to examine

In this reasonable assurance performance audit, we will examine whether Health Services, DH and WorkSafe are meeting their legislative obligations to support the health and wellbeing of the medical workforce, and whether they have adequate system-wide oversight of risks.

We propose to scope Albury Wodonga Health, Austin Health, DH, St Vincent's Hospital Melbourne, VPSC, VMIA and WorkSafe Victoria into this engagement.

Timeframe: 2023–24

Sector 5: Infrastructure and transport

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Effectiveness of rail freight support programs	Compliance with emergency management requirements: transport
Maintaining railway assets across metropolitan Melbourne	Effectiveness of the arterial road congestion initiatives to mitigate emerging traffic patterns
	Metro Tunnel Project: Phase 3–Systems integration, testing, and commissioning

Effectiveness of rail freight support programs

We plan to determine whether programs to encourage more freight on rail have been effective.

Why this is important

Freight rail services connect rural producers and exporters to urban, national and international markets and enable supply chains to operate smoothly across many sectors. The government has forecast that Victoria's freight volumes will increase from around 360 million tonnes in 2014 to nearly 900 million tonnes in 2051.

Shifting regional freight to rail has social and economic benefits, such as improved community amenity and road safety, and reduced road maintenance costs for local governments. Rail freight helps integrate national and international supply chains and makes them more efficient, particularly for bulk and containerised freight.

Victoria has several programs to support rail as the key mode for bulk and containerised freight transport. These programs aim to achieve the goal of *Delivering the Goods: Victorian Freight Plan* to shift freight from road to rail when it makes economic and environmental sense to do so.

Despite these programs, the proportion of freight going in and out of the Port of Melbourne by rail decreased by over 50 per cent between 2013–14 and 2020–21.

What we plan to examine

This reasonable assurance performance audit, will examine a selection of programs that contribute to achievement of the freight plan's goals such as:

- the Mode Shift Incentive Scheme (\$3.6 million funding to 30 June 2022)
- 9 regional and 9 urban multimodal container terminals plus urban–port rail shuttles (\$20 million state funding and \$38 million from the Australian Government).

We propose to scope DoT and V/Line into this engagement.

Timeframe: 2022–23

Maintaining railway assets across metropolitan Melbourne

We plan to determine whether railways in metropolitan Melbourne are maintained to deliver safe, reliable and punctual train services for commuters.

Why this is important

Melbourne operates a fleet of 226 six-carriage trains over 998 kilometres of track on 15 regular service train lines and one special-events train line. The need for well-maintained rail infrastructure to make sure services remain safe and reliable increases as public transport patronage increases. DoT leases these rail assets to the train franchisee, Metro Trains Melbourne (MTM), and pays MTM to maintain and renew the assets.

Our 2016 report, *Managing the Performance of Rail Franchisees*, found that Public Transport Victoria—now part of DoT—had significant gaps in its asset management. It did not know whether the rail franchisee maintained and renewed rail assets in a way that would keep them in optimal working order throughout their life and deliver value for money.

DoT's 2021 asset condition assessment found that signalling assets had the highest failure rate among railway infrastructure types. It also found that many signalling assets were degrading and others did not have any condition data available. In 2021, signals and track infrastructure had the highest number of incidents.

What we plan to examine

This reasonable assurance performance audit, will assess how MTM prioritises and maintains the railways, including how it relates to planning for asset renewal, and how DoT and VicTrack oversee MTM's maintenance activities.

We propose to scope DoT, VicTrack, MTM and V/Line into this engagement.

Timeframe: 2022–23

Compliance with emergency management requirements: transport

We plan to determine whether transport agencies comply with their emergency management responsibilities.

Why this is important

High-profile emergency incidents in Melbourne and global terrorist attacks have reinforced the need for Victoria's public transport network to be able to ensure the general safety of passengers and recover services if a major emergency event occurs.

Under *Victoria's Emergency Management Act 2013*, DoT is responsible for leading the response to a major public transport disruption emergency—such as infrastructure failure resulting in network delays or service outages, or a telecommunications disruption that results in a loss of control of train or tram lines or signalling systems. DoT works with Emergency Management Victoria (DJCS), Victoria Police and other agencies to plan, prepare for and respond to emergencies involving the public transport network.

Rail franchise agreements and safety regulations also require all public transport operators to have individual emergency response plans. The operators inform DoT of incidents or disruptions to public transport services and play an important role in the on-ground response and service recovery.

What we plan to examine

In this reasonable assurance performance audit, we will focus on whether transport agencies comply with their responsibilities, including planning, appointment of and training for roles, and oversight of transport operators and exercises.

We propose to scope DoT, VicTrack, V/line with associated entities MTM, Yarra Trams, and selected bus operators into this engagement.

Timeframe: 2023–24

Effectiveness of arterial road congestion initiatives to mitigate emerging traffic patterns

We plan to assess the effectiveness of arterial road initiatives in managing new traffic patterns that are emerging after the COVID-19 pandemic.

Why this is important

Road congestion negatively affects the efficiency and reliability of the transport system. In 2018, Melbourne's traffic speeds ranked amongst the lowest of Australia's capital cities. In 2015, this was estimated to cost Melbourne's economy \$4.6 billion and was projected to increase to \$10 billion by 2030.

Recent research on travel preferences after the COVID-19 pandemic lockdown shows a likely shift away from public transport towards more commuting by car. The research shows that working from home is also unlikely to offset this change, resulting in a net increase in car use. News reports from December 2021 showed that Melbourne's traffic had nearly returned to pre-pandemic levels. In some congestion 'hot spots', traffic has exceeded pre-pandemic levels.

In the last 3 years, the Victorian Government has invested over \$450 million in projects aimed at reducing congestion on arterial roads. These include new cameras and electronic signs, more incident response teams and expanded peak-hour tow-away zones in key locations.

What we plan to examine

This reasonable assurance performance audit will assess how effective recent arterial road investments (with a particular focus on the application of road technology) has been at improving traffic flow and reducing congestion on arterial roads. It will include a case study on a recent arterial route investment, such as the Streamlining Hoddle Street project, to assess whether benefits have been achieved.

We propose to scope DoT (including functions previously carried out by VicRoads) into this engagement.

Timeframe: 2023–24

Metro Tunnel Project: Phase 3—Systems integration, testing, and commissioning

We plan to determine whether the Metro Tunnel Project's (MTP) systems integration, testing and commissioning activities are proceeding effectively.

Why this is important

The \$12.5 billion project is building twin 9 km rail tunnels through the central city area and 5 new underground stations. Tunnelling is now complete and station construction is well advanced.

The next phase of the MTP will be risky and complex. Future work includes rail systems installation, train testing in the tunnels, integration of signalling and communications systems, and final fit-out and commissioning of all building management and safety systems.

Systems integration, testing and commissioning requires close cooperation and efficient coordination of multiple contractors that are concurrently installing various technology systems. Delays or test failures in one system could cause cascading delays through other subsystems and therefore delay the MTP opening date. Remedies for unexpected technological issues will likely have a time and cost impact for the state.

Train testing in the tunnels is currently scheduled to begin in May 2023. The government has announced that the project is opening in 2025, while the project's internal schedule is aiming for passenger trains to start in September 2024.

Who we plan to examine

In this reasonable assurance performance audit, we propose to scope DoT, Major Transport Infrastructure Authority (Rail Projects Victoria including the Rail Systems Alliance), VicTrack and associated entities Cross Yarra Partnership and MTM.

Timeframe: 2023–24

Sector 6: Justice and community safety

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Correctional services for people with an intellectual disability or acquired brain injury	Casino regulation
Reducing the harm caused by drugs on Victorian roads	Ravenhall prison: rehabilitating and reintegrating prisoners–Part 2
Staff wellbeing in Fire Rescue Victoria	

Correctional services for people with an intellectual disability or acquired brain injury

We plan to determine whether the needs of people with intellectual disability or acquired brain injury are met in the corrections system.

Why this is important

Victorians with intellectual disability or acquired brain injury are among the most disadvantaged in our community. People with intellectual disability or acquired brain injury, both sentenced and unsentenced, are significantly over-represented in Victoria's prisons.

Corrections Victoria, a business area of DJCS, provides programs for prisoners with intellectual disability or acquired brain injury, and some are accommodated in units designed for prisoners with disability. However, a person with a disability may not be able to fully engage with these programs while in prison.

What we plan to examine

This reasonable assurance performance audit will examine the services provided to prisoners and offenders with an intellectual disability or acquired brain injury. We will identify opportunities to improve services, which may reduce the likelihood that these members of the community will reoffend.

DFFH and DJCS's data may give insights into the risks and trends of prisoners with intellectual disability or acquired brain injury reoffending. These insights could help direct future strategies. This engagement could also assess how effectively DJCS integrates NDIS processes into the corrections system to ensure support for prisoners with intellectual disability or acquired brain injury once they exit prison.

We propose to scope DFFH and DJCS into this engagement.

Timeframe: 2022–23

Reducing the harm caused by drugs on Victorian roads

We plan to determine whether strategies to reduce drug driving are evidence-based and address risk and harm.

Why this is important

Drivers operating vehicles under the influence of drugs cause serious road safety issues because drug use impairs cognitive function, judgement, memory, and reaction time. People driving under the influence of alcohol or other drugs contribute to road accidents and fatalities.

According to the *Victorian Road Safety Strategy 2021–30*, the incidence of drug driving has increased in recent years. Young people aged 18 to 25 make up 29 per cent of drug driving offenders. The same age group make up less than 23 per cent of drink driving offenders.

A 2020 Monash University Accident Research Centre study found that methamphetamine is the most detected drug associated with crashes, and the number of seriously or fatally injured drivers with methamphetamine present has increased since 2006. The Victorian Institute of Forensic Medicine also found that the proportion of deceased drivers with drugs or alcohol present has increased over the last ten years (from 45 per cent in 2010–11 to 63 per cent in 2020–21).

What we plan to examine

This reasonable assurance performance audit will assess the approach to reducing the harmful effects of drugs on our roads. It will also highlight the specific risks and challenges in detecting and managing risks from drug driving; an issue that has received less attention than drink driving from the government.

We propose to scope DJCS, DoT, the Transport Accident Commission and Victoria Police into this engagement.

Timeframe: 2022–23

Staff wellbeing in Fire Rescue Victoria

We plan to determine whether Fire Rescue Victoria (FRV) supports its staff to maintain their mental health.

Why this is important

Fire service workers are regularly exposed to events that can impair their mental health. Poor workplace practices and culture can make this worse. Mental health stigma can prevent fire service workers from reporting mental health issues and drive them to adopt unhealthy coping mechanisms. The resulting cost of mental health WorkCover claims impacts fire services.

The Metropolitan Fire Brigade's (MFB) 2016 review of employee support programs, including mental health strategies, revealed negative findings about its workplace culture, mental health stigma and leadership. It also found that its employee support program was well-regarded, but under-resourced and not meeting the emerging health risks. The cost of WorkCover compensation for MFB was very high, even when compared to other emergency service organisations.

What we plan to examine

This reasonable assurance performance audit will examine whether FRV, MFB's successor, has effective strategies to promote the wellbeing and mental health of their staff.

We propose to scope DJCS, FRV and WorkSafe Victoria into this engagement.

Timeframe: 2022–23

Casino regulation

We plan to determine whether the Victorian Gambling and Casino Control Commission (VGCCC) is effectively managing the casino agreement.

Why this is important

Crown Melbourne holds the only casino licence in Melbourne. In 2021, an independent review of the Victorian Commission of Gambling and Liquor Regulation, simultaneous to the Royal Commission into the Casino Operator and Licence (RCCOL), found significant issues with the way Crown Melbourne operates. The government announced a new agency, VGCCC, with a focus on gambling regulation, in August 2021.

Crown Melbourne Ltd. (trading as Crown Melbourne) is a major employer and revenue source for the Victorian government. The RCCOL found Crown Melbourne had engaged in misconduct including underpayment of tax and money laundering.

VGCCC will undertake a range of tasks, including a 5-yearly review on the operations of Crown Melbourne. It will be important to review VGCCC's operations early because effective oversight and supervision of Crown Melbourne is fundamental to ensure the casino is free from criminal influence or exploitation.

What we plan to examine

This reasonable assurance performance audit will assess whether the VGCCC is effectively managing the casino agreement.

We propose to scope VGCCC into this engagement.

Timeframe: 2023–24

Ravenhall prison: rehabilitating and reintegrating prisoners—Part 2

We plan to determine if Ravenhall has achieved expected rehabilitation and reintegration outcomes.

Why this is important

Many prisoners experience significant challenges reintegrating into the community after release. Social disadvantage and issues such as drug and alcohol abuse, mental illness, acquired brain injury, homelessness, and unemployment can exacerbate these challenges. Successfully rehabilitating and reintegrating prisoners is important for community safety, and can ease overcrowding in prisons, and reduce their high operational cost.

Ravenhall Correctional Centre (Ravenhall) opened in November 2017. The state's contract with the prison's operator, GEO Group Australia Pty Ltd (GEO), includes specific measures and targets to reduce recidivism and reintegrate prisoners after release. Ravenhall is the first

prison in Victoria to receive service payments linked to prisoner recidivism. For this reason, the private facility presents an opportunity for the state to trial best-practice prisoner-management strategies for reducing recidivism.

In Part 1 of this review, we considered whether GEO and Corrections Victoria had developed best-practice prisoner-management processes at Ravenhall to rehabilitate prisoners and reduce recidivism. We also assessed if there was an effective performance and evaluation framework to assess its outcomes.

What we plan to examine

In this limited assurance review, we will review DJCS' data and GEO's KPI 15 and 16 results to determine if the intended recidivism and reintegration rates have been met.

We propose to scope DJCS into this engagement and GEO (Ravenhall's private prison operator) as an associated entity.

Timeframe: 2023–24

Sector 7: Local government and economic development

Overall program

We plan to conduct the following performance engagements:

2022–23	2023–24
Regulating food safety	Developing Fishermans Bend
Regulating private pool and spa safety	Protecting the biosecurity of agricultural plant species

Regulating food safety

We plan to determine whether councils are complying with their legislative responsibilities for food safety and public health outcomes.

Why this is important

Under the *Food Act 1984* (Vic), councils are responsible for regulating most food businesses in the state. Councils also monitor, register and enforce food safety practices under the *Public Health and Wellbeing Act 2008* (Vic) and the Food Act. DH administers both Acts and guides councils on their responsibilities. Each council decides its own processes and resourcing levels, so regulatory approaches to food safety vary.

The parliamentary inquiry into the closure of I Cook Foods Pty Ltd found significant issues at Dandenong City Council. I Cook Foods Pty Ltd is associated with the death of a woman who contracted listeria after eating food provided by Knox Hospital. The inquiry report found that council staff were not meeting their responsibilities to inspect food premises. The parliamentary inquiry recommended that VAGO complete our planned audit of food safety regulation. Local Government Victoria collects and publishes performance data on food safety that gives insights into the effectiveness of councils' regulation and reasons for differences between councils.

What we plan to examine

This reasonable assurance performance audit will examine whether councils effectively fulfil their legislated roles as food safety regulators. We plan to focus on food safety regulation data from 2018–2022 to compare performance over time and the impact of COVID on regulatory activity.

We propose to scope City of Casey, City of Greater Geelong, DH, Hepburn Shire Council, Kingston City Council and Manningham City Council into this engagement.

Timeframe: 2022–23

Regulating private pool and spa safety

We plan to determine whether councils effectively implement private pool and spa safety barrier regulations.

Why this is important

In Victoria, drowning is the most common cause of preventable death in children under the age of 5, and home swimming pools are the most common location. Between January 2000 and May 2019, 27 young Victorians drowned in private swimming pools and spas. After a lack of adult supervision, the Victorian Coroner found that non-compliant safety barriers were the single biggest contributing cause.

In 2019, amendments to the *Building Act 1993* and the *Building Regulations 2018* gave councils new responsibilities for enforcing private pool and space safety. All pool and spa owners must register with their local council and organise a building inspection to determine if their safety barrier is compliant. Councils are responsible for administering the new scheme and have powers to take enforcement action.

What we plan to examine

This reasonable assurance performance audit will examine how well councils undertake their building regulation responsibilities, with a specific focus on private pool and spa safety. The Victorian Government required councils to establish a register of swimming pools and spas by 1 November 2020. We plan to focus this engagement on completion of the oldest category based on its expected completion date of 1 June 2022.

We propose to scope City of Greater Bendigo, Melton City Council, Mornington Peninsula Shire Council and Surf Coast Shire Council into this engagement.

Timeframe: 2022–23

Developing Fishermans Bend

We plan to determine whether responsible agencies effectively deliver the Fishermans Bend Framework.

Why this is important

After the Victorian Government announced the Fishermans Bend development, the proposal was subject to considerable criticism. Given the scale of the development and its potential environmental impact on central Melbourne, it is important that the public has assurance that the government will achieve the project outcomes.

In 2018, the government endorsed the Fishermans Bend Framework to guide the project's planning and development. It set up the Fishermans Bend Development Board to advise government on its delivery and the Fishermans Bend Taskforce.

What we plan to examine

This reasonable assurance performance audit will examine whether relevant state agencies are effectively managing the planning and early development of Fishermans Bend and delivering the Framework's objectives and targets. Fishermans Bend is expected to be complete in 2050. We will focus on examining whether agencies are delivering the objectives and targets of the Framework to achieve the government's long-term objectives.

We propose to scope City of Melbourne, DELWP, Development Victoria, DJPR and Port Phillip City Council into this engagement.

Timeframe: 2023–24

Protecting the biosecurity of agricultural plant species

We plan to determine whether actions to prevent, manage and respond to agricultural plant diseases and pests protect Victoria's economy, communities and environment.

Why this is important

Inconsistent or ineffective biosecurity practices can have devastating economic consequences that extend beyond Victoria's borders. Recent agricultural threats include the rise of the khapra beetle and the avian influenza outbreak, which prompted Victoria's largest biosecurity emergency response in 20 years.

Our 2015 engagement, *Biosecurity: Livestock*, found that resourcing decreases significantly reduced Agriculture Victoria's surveillance coverage and increased the risk of major disease outbreak.

Agriculture Victoria has a program to strengthen the state's biosecurity system, which may include legislative reform.

What we plan to examine

This reasonable assurance performance audit aims to test the effectiveness of Agriculture Victoria's threat surveillance and response processes, to improve Victoria's biosecurity system. We plan to focus on data from 2018 to 2022 to analyse recent performance without short-term events skewing the data.

We propose to scope Agriculture Victoria (DJPR) into this engagement.

Timeframe: 2023–24

3.

Financial audit work program

We deliver a range of attest services to public sector agencies. We conduct financial audits in accordance with the Australian Auditing Standards and relevant professional and legislative requirements.

Introduction

This section sets out our financial audit work program delivered by our 7 financial audit sectors. This encompasses reports to Parliament on the results of our financial and performance statement audits of agencies and the number and type of audit opinions we expect to issue.

FIGURE 3A: **Our financial audit scope**



Source: VAGO.

Reports to Parliament

Overall program

We plan to table the following reports:

Reports to Parliament

Auditor-General's report on the Annual Financial Report of the State of Victoria 2021–22 (AFR 2021–22)

Results-of-audits

AFR 2021–22

Section 57 of the *Audit Act 1994* (the Act) requires the Auditor-General to report to Parliament on the outcome of our audit of the AFR each year.

This report analyses and comments on key aspects of the state's financial performance and position. In line with the Act, it gives information and recommendations for more effective and efficient management of public resources where appropriate. This is the only report on our financial audits we must produce each year under the Act.

We must table our report on the AFR on or before 24 November following the financial year to which it relates.

Results-of-audits reports

Our results-of-audits reports inform Parliament on the outcome of our financial audits of the following sectors:

- local government
- technical and further education (TAFE) institutes
- universities.

Each report analyses the financial performance and position, and sustainability risks, of each sector. The reports also inform Parliament about the strengths and weaknesses of the control environments of entities within the relevant sectors and make recommendations to improve them as appropriate.

We aim to table these 3 reports within 5 months of the relevant sector's financial year-end.

Attestation of agency reports and statements

Overall program

Our attestation work falls into 2 categories: required and planned work.

Required work

According to legislation, we must:

- audit the annual financial reports of all state and local government agencies and express an audit opinion on them
- where required, audit and express an opinion on performance statements prepared by designated local government, water and TAFE agencies
- review and express an opinion on the Estimated Financial Statements for the General Government Sector.

We may also be required to provide audit opinions on grant acquittals agencies submit to grant funding bodies.

Planned work

Attest audits and reviews	Number
Audit opinions	
Opinions on the financial reports of agencies	550+
Opinions on the performance statements of agencies	109
Opinion on the <i>Annual Financial Report of the State of Victoria</i>	1
Review opinions	
Review of Estimated Financial Statements for the General Government Sector for the 2023–24 budget year	1
Grant acquittal certifications	
Certifications of grant acquittals	160+

We provide a full list of the agencies we audited in the previous financial year in our annual transparency report, which we publish on our website.

APPENDIX A

Acronyms & abbreviations

Acronyms

CAV	Consumer Affairs Victoria
COVID-19	Coronavirus pandemic 2019
DELWP	Department of Environment, Land, Water and Planning
DET	Department of Education and Training
DFFH	Department of Families, Fairness and Housing
DH	Department of Health
DHHS	Department of Health and Human Services
DJCS	Department of Justice and Community Safety
DJPR	Department of Jobs, Precincts and Regions
DoT	Department of Transport
DPC	Department of Premier and Cabinet
DTF	Department of Treasury and Finance
DBDRV	Domestic Building Dispute Resolution Victoria
EPA	Environment Protection Authority Victoria
FRV	Fire Rescue Victoria
IBAC	Independent Broad-based Anti-corruption Commission
MFB	Melbourne Fire Brigade
MTM	Metro Trains Melbourne
MTP	Metro Tunnel Project
OCR	Office of Conservation Regulator
PAEC	Public Accounts and Estimates Committee
SRO	State Revenue Office
SRH	Sexual and reproductive health
SV	Sustainability Victoria

Acronyms

TAFE	Technical and Further Education
VAGO	Victorian Auditor-General's Office
VBA	Victorian Building Authority
VGCCC	Victorian Gambling and Casino Control Commission
VMIA	Victorian Managed Insurance Authority
VPS	Victorian Public Sector
VPSC	Victorian Public Sector Commission
VSB	Victorian Secretaries Board

Abbreviations

ACM	asbestos-contaminated materials
AFR 2021–22	Auditor-General's report on the Annual Financial Report of the State of Victoria 2021–22
BP3	<i>Budget Paper No. 3 Service Delivery</i>
BP4	<i>Budget Paper No. 4 State Capital Program</i>
CRIS	<i>Client Relationship Information System</i>
CPP	child protection practitioners
Crown Melbourne	Crown Melbourne Ltd
GEO	GEO Group Australia Pty Ltd
OHS Act	<i>Occupational Health and Safety Act 2004</i>
The Act	<i>Audit Act 1994</i>
The agreement	<i>Victorian Public Sector Enterprise Agreement 2020</i>
The Key Priorities	<i>Women's sexual and reproductive health: key priorities 2017–2020</i>
The Roadmap	<i>Zero Emissions Vehicle (ZEV) Roadmap</i>
The strategy	<i>Asbestos Disposal Management Plan</i>

Auditor-General's responsibilities

Our fact sheets provide you with more information about our role and our audit services.

- **About VAGO**
Information about the Auditor-General and VAGO's work.
- **Our assurance services**
Information about the nature and levels of assurance that we provide to Parliament and public sector agencies through our work program.

Victorian Auditor-General's Office
Level 31, 35 Collins Street
Melbourne Vic 3000
AUSTRALIA

Phone **+61 3 8601 7000**
Email **enquiries@audit.vic.gov.au**

All reports are available for download in PDF and HTML format on our website
<https://www.audit.vic.gov.au>