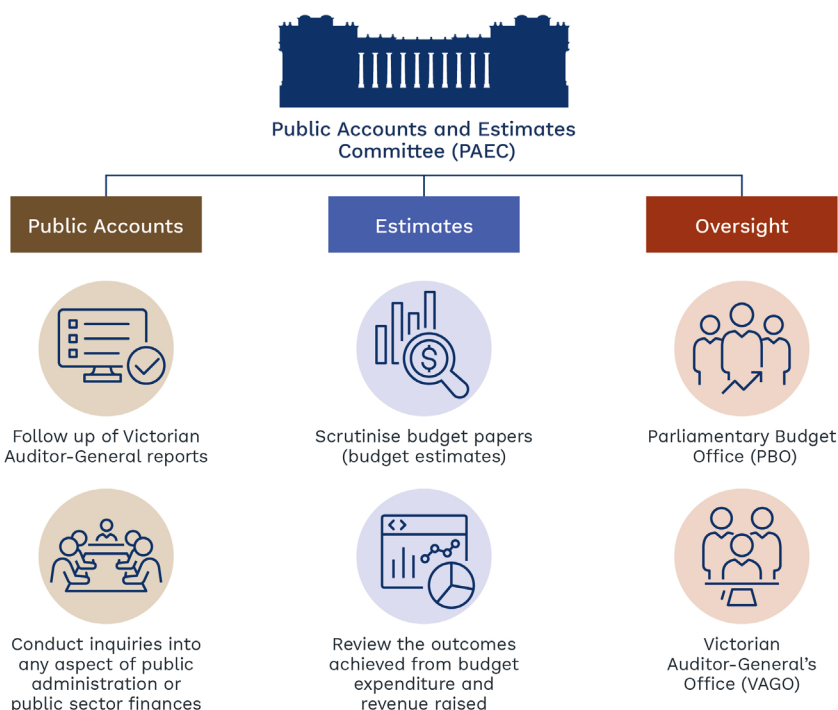


Parliament of Victoria

Public Accounts and Estimates Committee

Jurisdiction report

The Committee's first meeting, at the start of the 60th Parliament, was on 23 February 2023. Its functions are set out below.



Scrutiny of the State budget and delivery of spending outcomes for the Victorian community

Budget estimates

The first major task of the Public Accounts and Estimates Committee (PAEC) was to undertake 59 hours of budget estimates hearings. On behalf of the Parliament, the Committee conducts detailed scrutiny of the Government's annual spending and revenue (the budget estimates). The Committee's budget estimates inquiry aims to benefit the Parliament and the community by:

- Promoting the accountability, transparency and integrity of the executive and the public sector
- Encouraging effective and efficient delivery of public services and assets
- Enhancing the understanding of the budget estimates and the wider economic environment
- Assisting members of Parliament in their deliberation on the appropriation bills.

The Committee tabled its report to Parliament containing recommendations to Government on the 2023–24 budget estimates in October. The report contains 79 recommendations to the Victorian Government and three to Court Services Victoria.

The 2024-25 State Budget is scheduled to be handed down on 7 May 2024. The PAEC budget estimates hearings will run for several days between 16 and 27 May 2024. All Ministers appear before the Committee.

Budget outcomes

The Committee is also responsible for reviewing the outcomes achieved from budget expenditure and revenue raised. Due to the 2022 state election the annual budget outcomes hearings with departmental secretaries, normally conducted in November, were held over.

The Committee subsequently investigated the budget outcomes of two financial years (2021-22 and 2022-23) which equated to \$190 billion of public sector agency spending. It tabled its report in March 2024. The report contains 56 recommendations.

Public accounts

Follow up of Auditor-General reports

An important role of the Committee is to follow up on recommendations from the Victorian Auditor-General's Office (VAGO) reports. The Committee resolved to follow up on recommendations from three VAGO reports on the regulation of gambling and liquor, as well as gambling-related harm. The Committee gathered evidence for its inquiry from the regulators, academic experts, industry representatives, people with alcohol and gambling addictions, at risk cohorts, counsellors and community service providers. It tabled its 240-page report in November 2023, containing 61 recommendations.

Own motion inquiries

Tobacco and e-cigarette use pose significant risks and challenges to the Victorian community. Currently Victoria does not have a licensing system in place regarding the sale of tobacco and e-cigarettes, unlike other Australian jurisdictions. The Committee is currently gathering evidence for an own motion inquiry into vaping and tobacco controls. Its first hearing was held in regional Victoria – Shepparton last week. The inquiry report is due to be tabled in November this year.

Oversight

Parliamentary Budget Office

The PAEC is responsible for recommending the appointment of the Parliamentary Budget Officer to the Minister (currently the Treasurer). Victoria's second PBO – Xavier Rimmer – was appointed in October 2023 after an intensive executive recruitment process was undertaken by the Committee.

Each year the Committee also reviews the Parliamentary Budget Office draft operational plan and budget. This work was completed in early 2023 and 2024.

Victorian Auditor-General's Office

The Committee has oversight responsibilities in relation to the Auditor-General and VAGO. It reviews the VAGO draft audit plan for the coming financial year and budget. This work was completed early in 2023. Throughout the year the Committee also reviews and comments on the specifications for performance audits and limited assurance reviews. During the reporting period the Committee commented on several specifications. Audit and review topics have included illegal disposal of asbestos-contaminated materials, access to emergency healthcare and domestic building oversight.

At least every four years, an independent performance audit of the Auditor-General and VAGO must be overseen by the PAEC. The audit is to determine whether the Auditor-General and the VAGO are achieving their objectives effectively, economically and efficiently and in compliance with all relevant legislation. A tender process resulted in the appointment of New Zealand firm MartinJenkins to undertake this work. The audit is currently well underway.

Annual independent financial audits of VAGO are also overseen by the Committee. The firm PKF Audit and Assurance conducted this work for the Committee on behalf of the Parliament for 2022-23. The Committee is currently seeking a new financial auditor to undertake this work going forwards.

Andrew Greaves, the current Victorian Auditor-General, was reappointed to the role for a second 7-year term in late 2023. This was on the recommendation of the Committee.