Australian National
Audit Office

Financial and Performance Reporting Forum

Friday, 10 July 2026

Australian National
Audit Office

Welcome and opening remarks

Carla Jago

Deputy Auditor-General

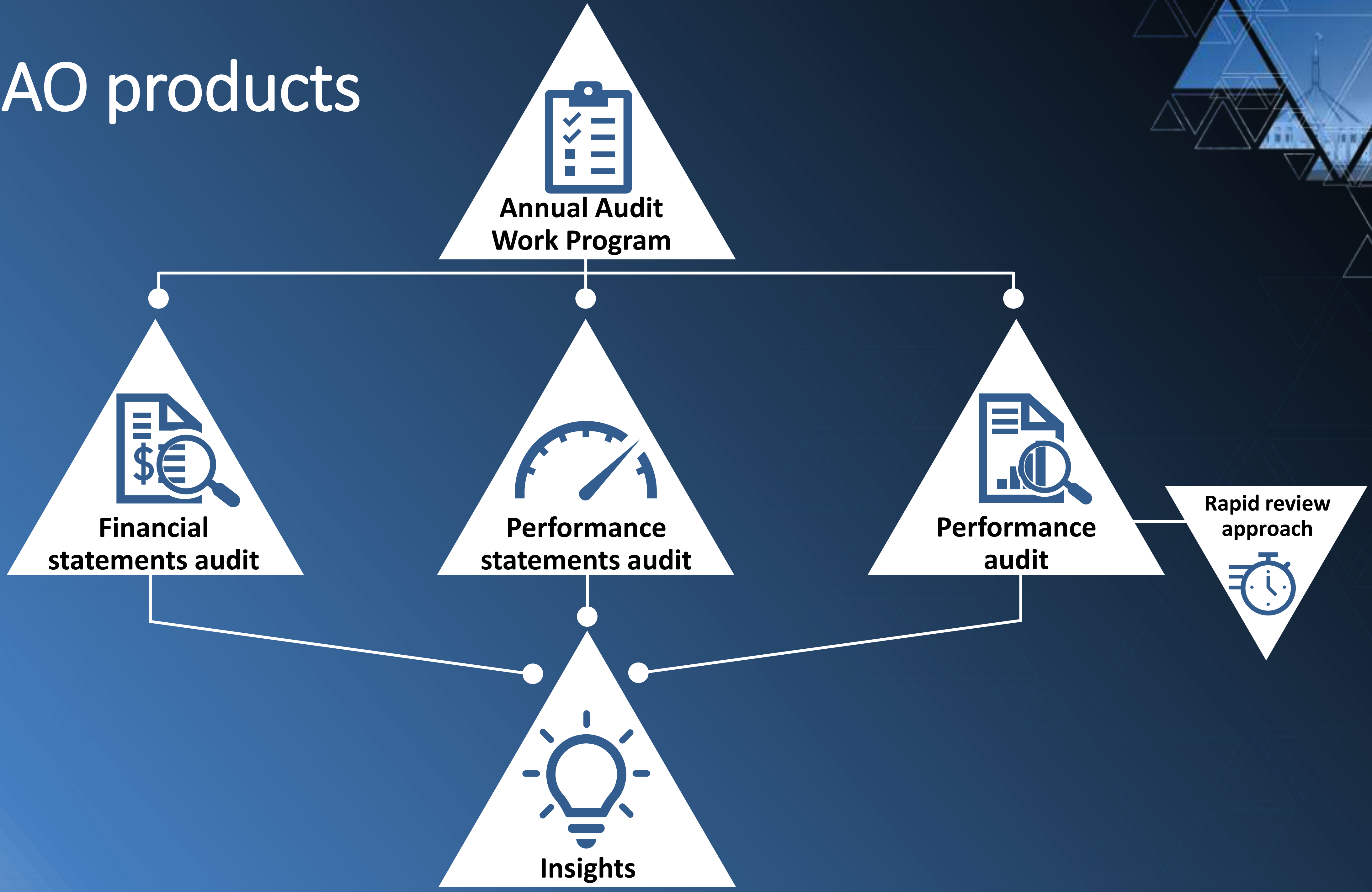
Australian National
Audit Office

ANAO update

Carla Jago

Deputy Auditor-General

ANAO products



Australian National Audit Office

Key themes from financial statements audits

Sean Benfield

Acting Group Executive Director, Financial Statements Audit Services Group

Interim Report on Key Financial Controls of Major Entities

- Report published on 25 June 2026
- Analysed the findings of 27 Australian Government sector entities

FINANCIAL STATEMENT AUDIT REPORT | AUDITOR-GENERAL REPORT NO.42 OF 2025–26

Interim Report on Key Financial Controls of Major Entities

PUBLISHED Thursday 25 June 2026

Portfolio
Across Entities

Entity
Across Entities

Contact
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ANAO interim controls report: *what improved in 2025–26*

Compared with the 2024–25 Interim Report on Key Financial Controls of Major Entities

86 **total findings** down from 118

3 **significant findings** down from 4

23 **prior-year findings** resolved

Executive summary of positive shifts

- **Fewer findings overall —** total findings fell from 118 to 86 across significant, moderate and minor categories.
- **No Category A risk findings —** significant matters were limited to legislative breaches.
- **Increase in resolved issues —** 23 prior-year findings resolved, up from 18 at the prior interim phase.
- **Strengthened accounting and control of non-financial assets —** findings for this category reduced from 11 at the prior interim to 4 this year.
- **Decrease in overall IT control environment findings —** number of IT control environment findings has decreased from 77 to 61.

Improvement themes

Finding volume
Lower overall count and fewer significant matters

Issue remediation
More prior-year findings closed

Control maturity
Improved control across various categories

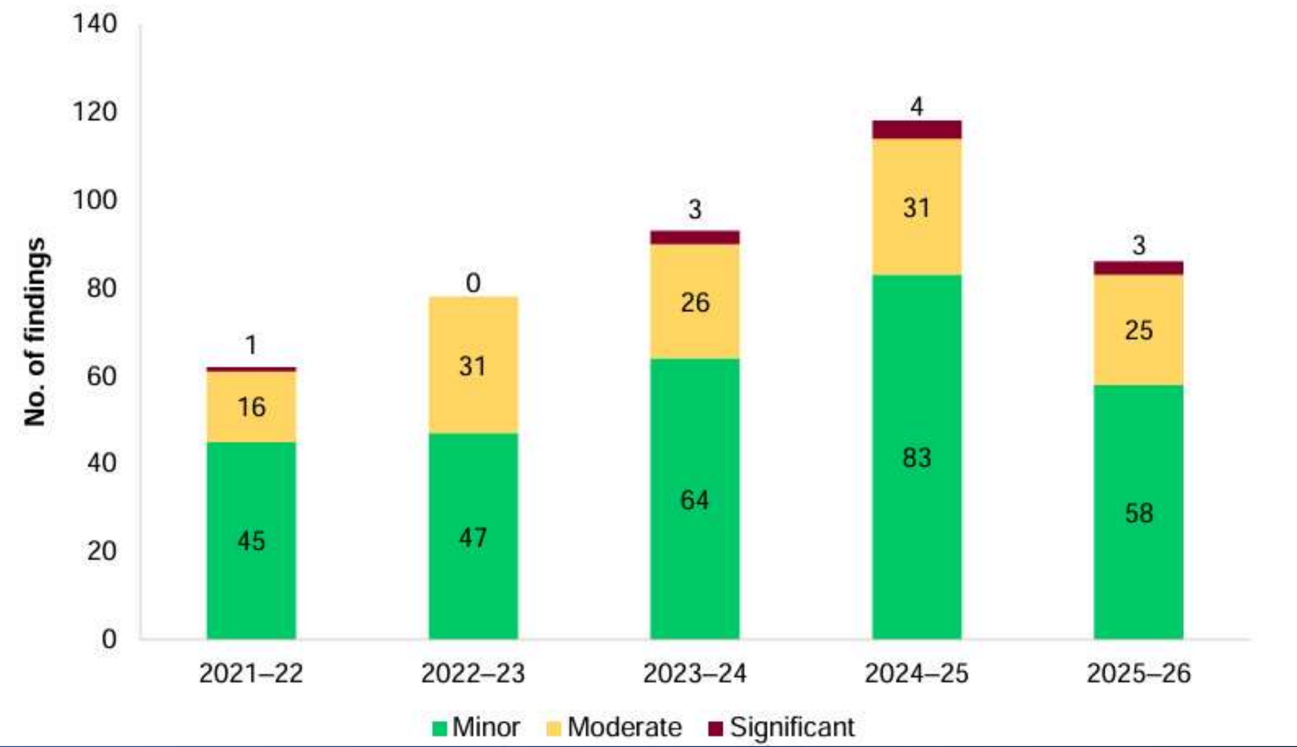
Compliance oversight
Better identification and tracking of legal issues

Source: ANAO interim reports for 2025–26 and 2024–25

Findings

- Decrease in total overall findings between 2024–25 and 2025–26 interim audit phase
- Decrease across all categories of findings

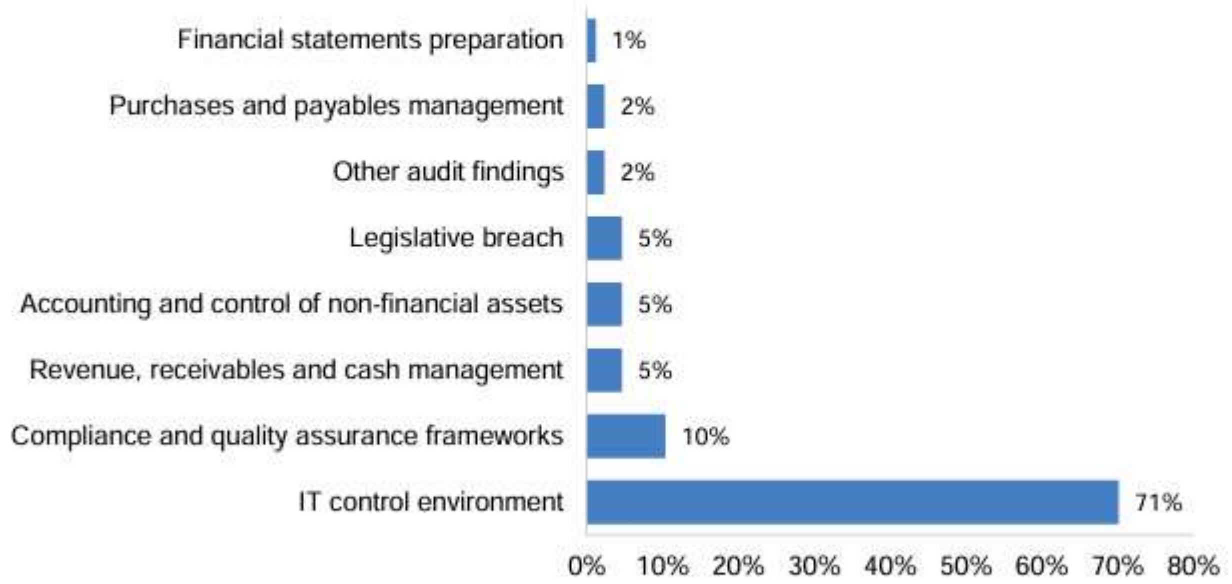
Figure 2.1: Aggregate audit findings 2020–21 to 2025–26 at the completion of each interim audit phase



Findings by category

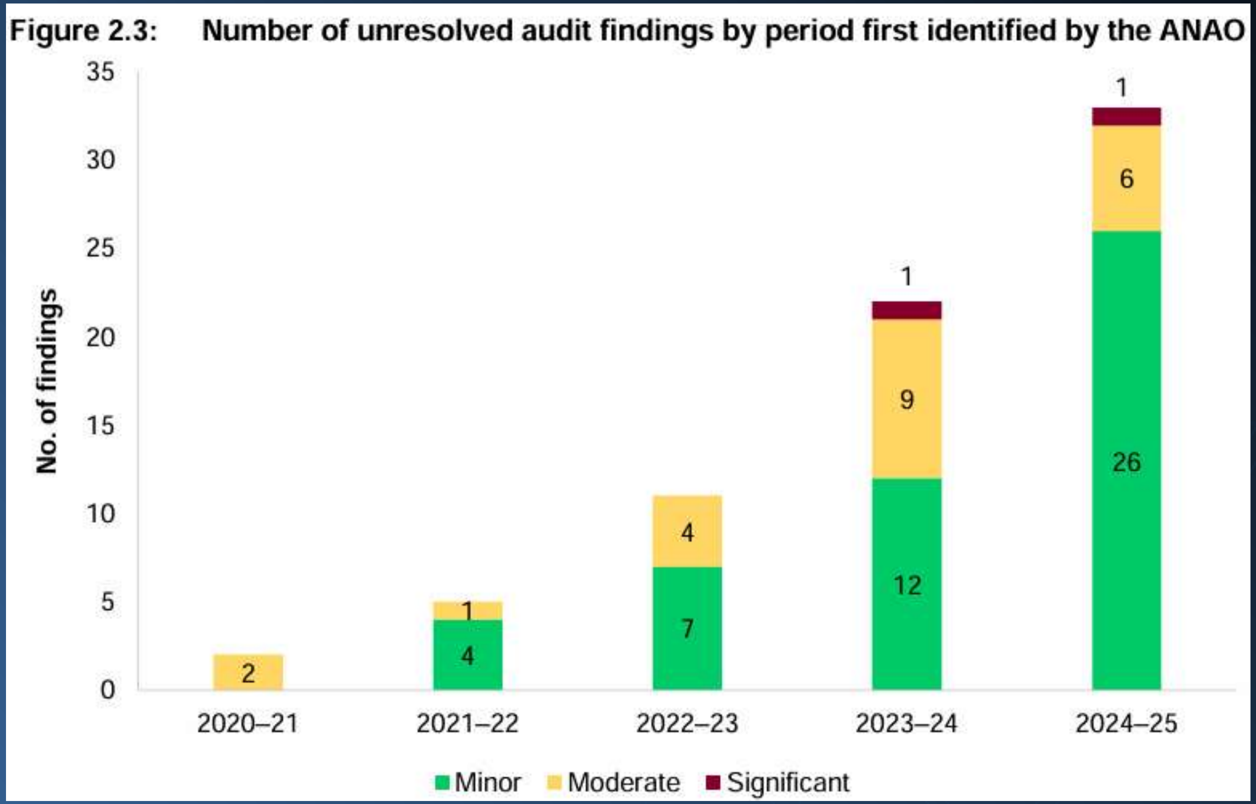
- 71 per cent of all findings related to IT control environment
- 10 per cent related to compliance and quality assurance frameworks
- 5 per cent of all findings related to legislative non-compliance

Figure 2.2: Percentage of audit findings by category at the completion of the 2025–26 interim audit phase



Unresolved findings

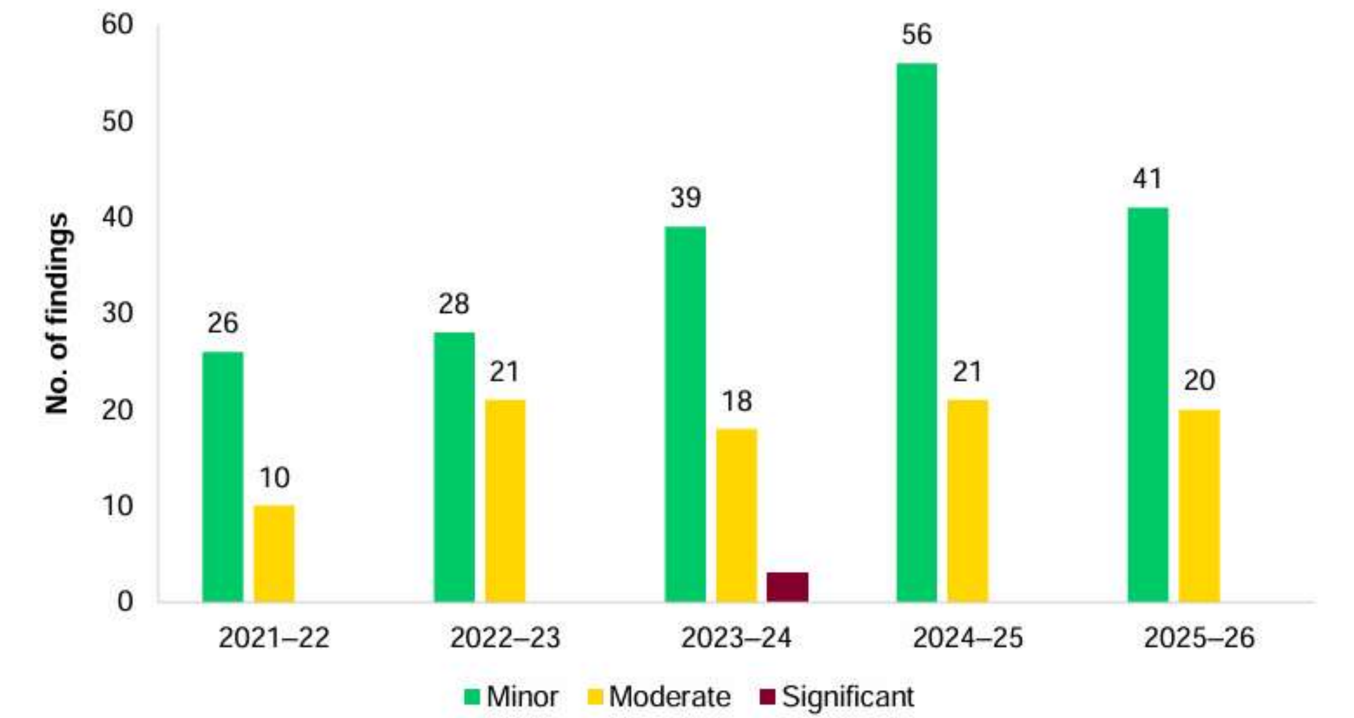
- Twenty-three findings resolved at the conclusion of the 2025–26 interim audit phase
- Eighty-five percent of all unresolved findings were first identified in previous years
- Forty-three percent of unresolved findings have remained unresolved for two years or more



IT findings

- Decrease in overall IT control environment findings between 2024–25 and 2025–26 interim audit phases
- IT findings still remain the most represented findings category, representing 71 per cent of all findings
- IT security was the biggest sub-category of IT related findings

Figure 3.1: IT control environment interim audit phase findings 2021–22 to 2025–26



IT findings breakdown

- IT security remains the largest sub-category of IT related findings
- Areas such as user access management, and user access post-termination both remain areas of risk for entities

Figure 3.2: Categorisation of moderate-level 2025–26 interim audit phase findings for IT control environments

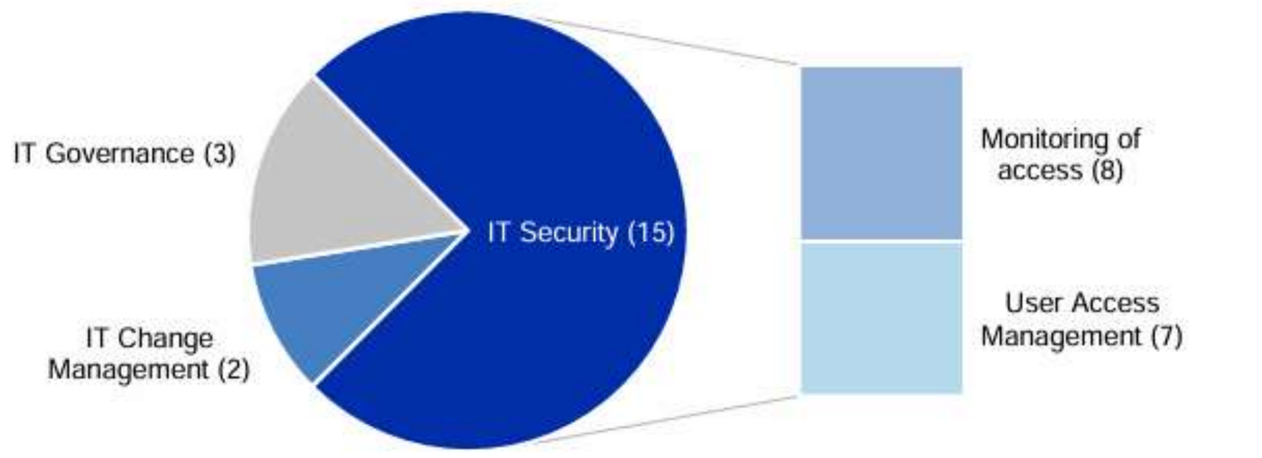
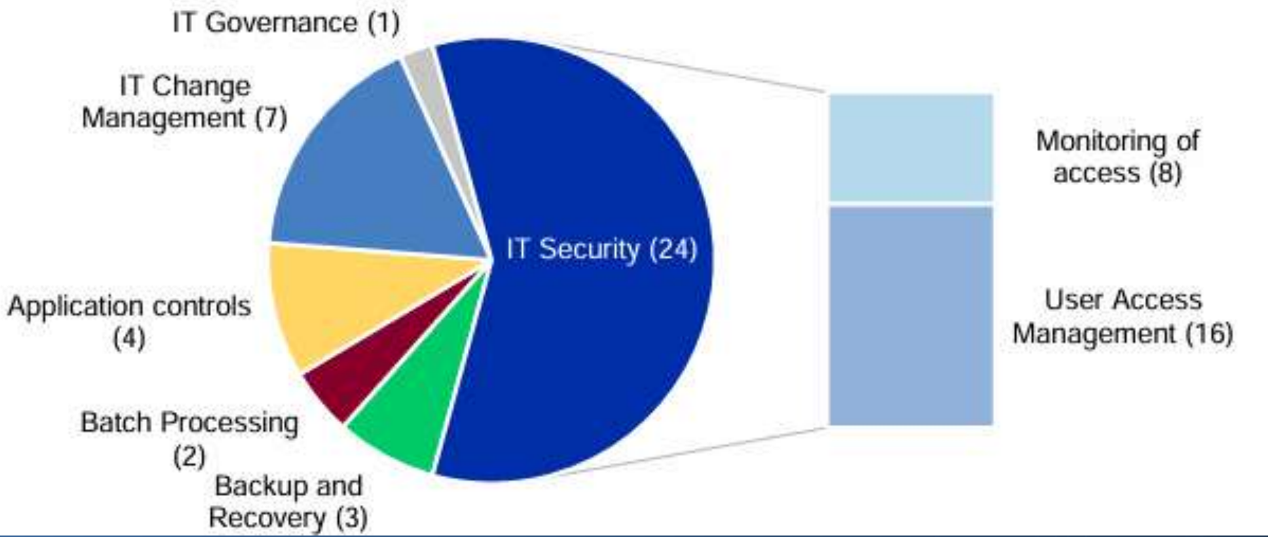


Figure 3.3: Categorisation of minor-level 2025–26 interim audit phase findings for IT control environments



Legislative non-compliance

- Three significant legislative breaches (L1 findings) were identified — relating to incorrect or inconsistent application of legislation in the delivery of programs and payments
- Legislative non-compliance made up 5 per cent of all findings
- ANAO observed an increase in legislative non-compliance identification by entities
- Important to ensure timely and appropriate resolution of risk that caused non-compliance

Emerging themes/foresights

- AI continues to be a focus of the ANAO
  - AI transparency statements vary in detail across entities
  - Recently published a performance audit *Artificial Intelligence use in IP Australia* on 29 June 2026
- Control effectiveness vs fiscal environment and seeking efficiencies

Access Management authorisation & monitoring

ANAO looks for:

- Appropriate authorisation frameworks
- Timely removal upon role change or departure
- Regular, documented access reviews
- Monitoring of privileged accounts
- Comprehensive logging and audit trails

Closure packs must address key risks

Expectations:

- Closures should address identified risks clearly
- Balance statements with audit evidence
- Include supporting documentation and rationale
- Ensure managerial challenge and sign-off

Other general messaging on financial statements preparation

- Engage with the ANAO
- Position papers on technical matters

Australian National Audit Office

Key themes from performance statements audits

Catherine Pauli

Executive Director, Performance Statements Audit Services Group

Annual performance statements audit program

Where we started and where we are going

2019–20
3 Audits

2020–21
3 Audits

2021–22
6 Audits

2022–23
10 Audits

2023–24
14 Audits

2024–25
21 Audits

2025–26
21 Audits

pilot

2024–25 at a glance

SECTOR PERFORMANCE IN 2024–25

21 entities audited

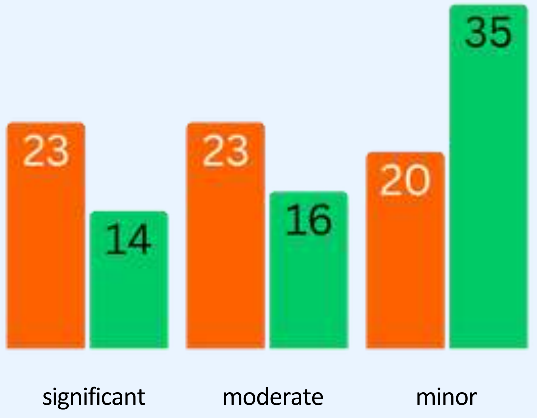
504 performance results reported

300 (60%) results achieved

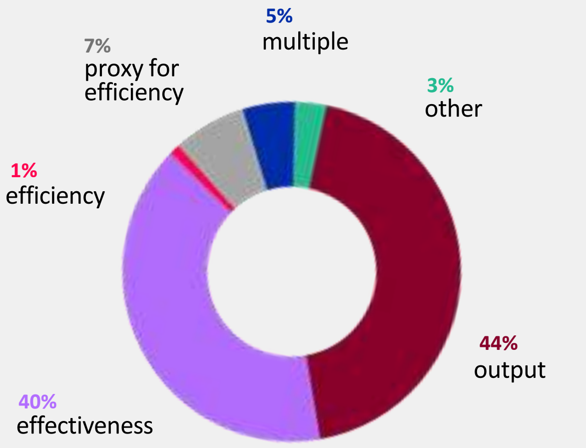
AUDIT FINDINGS

65 findings in 2024–25 (21 audits)

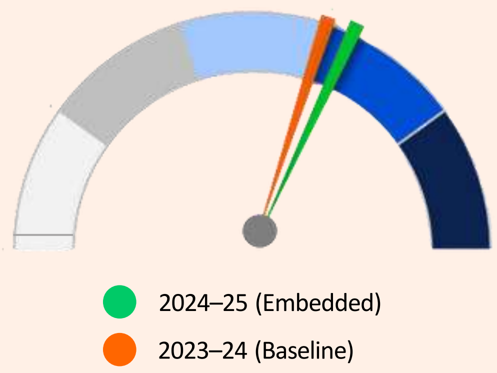
66 findings in 2023–24 (14 audits)



MEASURES BY TYPE*



PERFORMANCE REPORTING MATURITY



What is working well

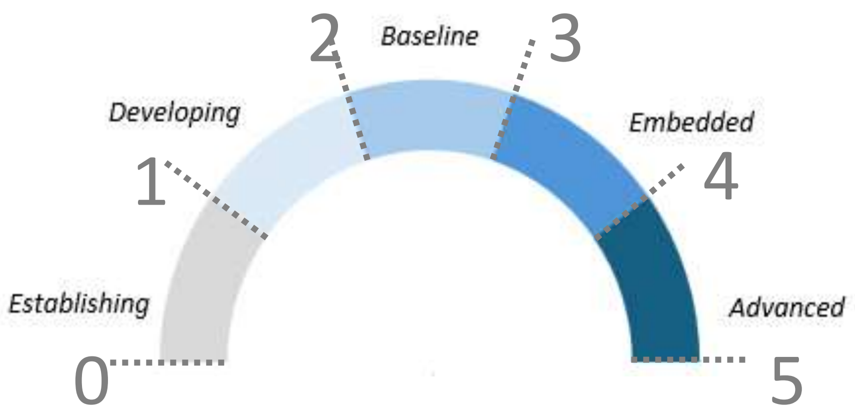
‘positive progress across the sector’

Positive developments since audits commenced:

- greater senior leadership buy-in;
- development of enterprise performance frameworks and materiality policies;
- improved coherence of governance arrangements; including data governance;
- more robust documentation and evidence;
- improved clarity and quality of purposes, key activities and measures;
- capability of central teams; and
- performance statement preparation processes.

Future focus of performance statements auditing

Assessment of entities' performance reporting maturity



	Leadership and culture	Governance	Data and systems	Capability	Reporting and records
2024–25 average	3.5	3.2	2.7	3.3	3.1
2023–24 average	3.3	3.1	2.6	3.0	2.8

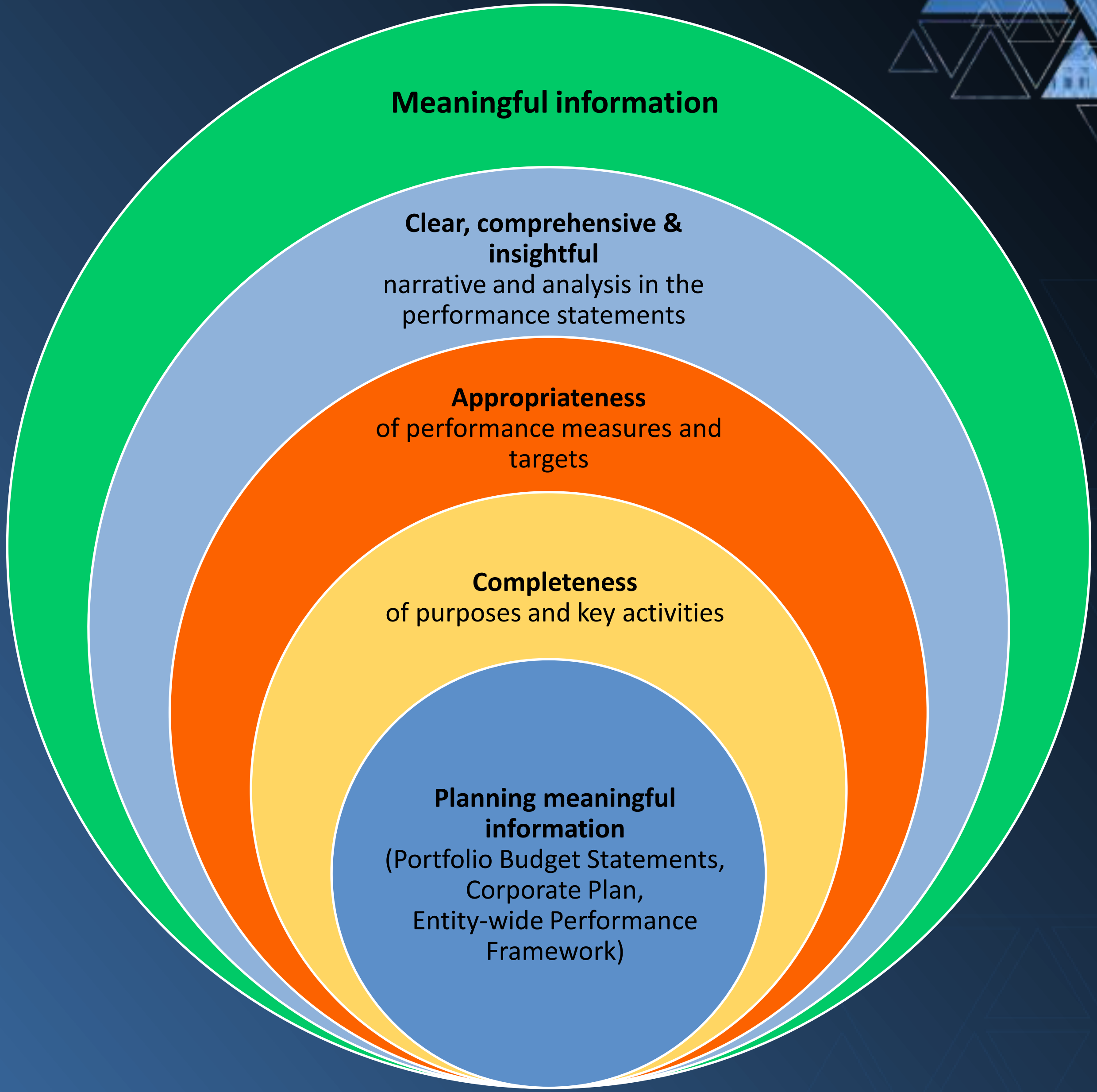
Future areas of focus

‘corporate plans and annual performance statements as strategic tools’

Areas of audit focus going forward:

- meaningful reporting — in particular, narrative and analysis, and presentation;
- ‘risk-based’ audit approach;
- integration of risk, performance and financial information, including focus on efficiency and productivity; and
- alignment between internal and external reporting.

Building meaningful performance information



Clear, comprehensive and insightful narrative and analysis

Narrative and analysis add context to performance data, explaining results and actions. Done well, they turn measures into a clear story of progress and impact, complementing data and avoiding clutter.

Well-developed narrative and analysis:

- ✓ Adds context and insight to performance results.
- ✓ Focuses on outcomes, not just activities.
- ✓ Explains trends and influencing factors (e.g. why targets were met or unmet).
- ✓ Links data to purposes and outcomes, highlighting causes and implications.
- ✓ Makes reporting clear, meaningful, and actionable.

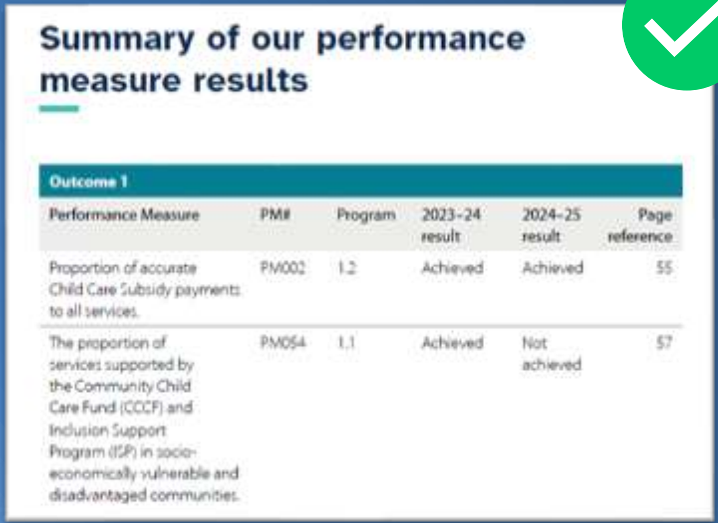
Clear presentation:

- ✓ Builds trust and usability.
- ✓ Uses visuals and plain language for accessibility.

Clear, comprehensive and insightful narrative and analysis

Engaging presentation design can include:

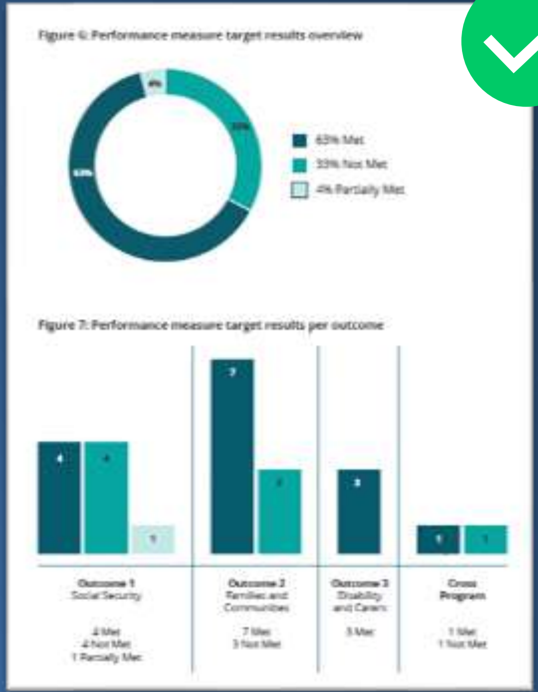
- ✓ Page references for quick navigation.
- ✓ Overview summaries for enhanced transparency.
- ✓ Visuals that highlight trends and key results.



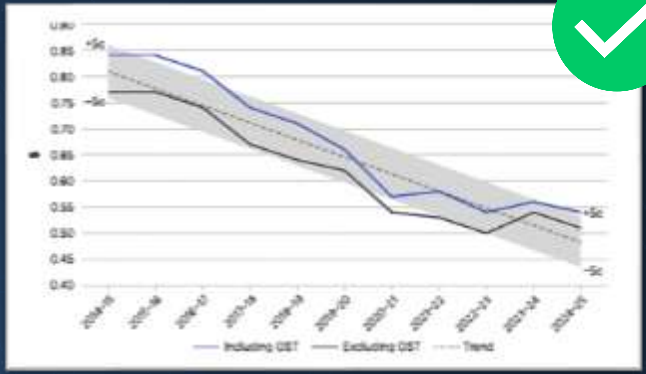
Summary of our performance measure results

Outcome 1					
Performance Measure	PM#	Program	2023–24 result	2024–25 result	Page reference
Proportion of accurate Child Care Subsidy payments to all services.	PM002	1.2	Achieved	Achieved	55
The proportion of services supported by the Community Child Care Fund (CCCF) and Inclusion Support Program (ISP) in socio-economically vulnerable and disadvantaged communities.	PM054	1.1	Achieved	Not achieved	57

Source: Department Education 2024–25 Annual Report



Source: Department Social Services 2024–25 Annual Report



Source: Australian Taxation Office 2024–25 Annual Report

Future focus of performance statements auditing

‘risk-based approach’

The ANAO will continue refining its audit approach to ensure performance statements audits focus on the highest-risk areas, enhancing accountability, efficiency, and audit value.

Factors considered in assessing audit risk include:

- the performance reporting maturity of the entity;
- past audit results;
- implementation of measures to address audit findings;
- changes in key personnel involved in the performance reporting process;
- changes in the entity’s operations or environment;
- the entity’s compliance and control culture; and
- external factors such as parliamentary reviews.

Future focus of performance statements auditing

‘integration’

The ANAO will continue to encourage entities to integrate risk, financial and performance information to provide a more coherent picture of performance as envisaged by the Commonwealth Performance Framework.

Benefits of integration:

- line of sight across funded activities and cost drivers, delivered outputs and early outcome signals;
- more targeted interventions;
- more informed trade-offs;
- promotes collaboration across functions;
- informed consideration of efficiency; and
- more coherent and meaningful narrative about resource use, outcomes achieved and risks managed.

Future focus of performance statements auditing

‘alignment’

The ANAO will continue to assess alignment between internal metrics to run the business, external reporting under the Commonwealth performance framework and contribution to national outcomes reflected in Measuring What Matters.

Benefits of alignment:

- single source of truth — reduce risk of ‘two truths’;
- reduce inefficiency and reporting burden;
- improved data quality and integrity;
- strengthens accountability by linking resources, actions and outcomes in a clear and traceable way; and
- aligns operational and financial choices of entities to national outcomes.

THANK YOU.

Questions?

Commonwealth Climate Disclosure initiative

Lesley Andrew

Director, Commonwealth Climate Disclosure

Department of Finance

Australian Government | Climate Action in Government Operations

Commonwealth Climate Disclosure

Financial and Performance Reporting Forum

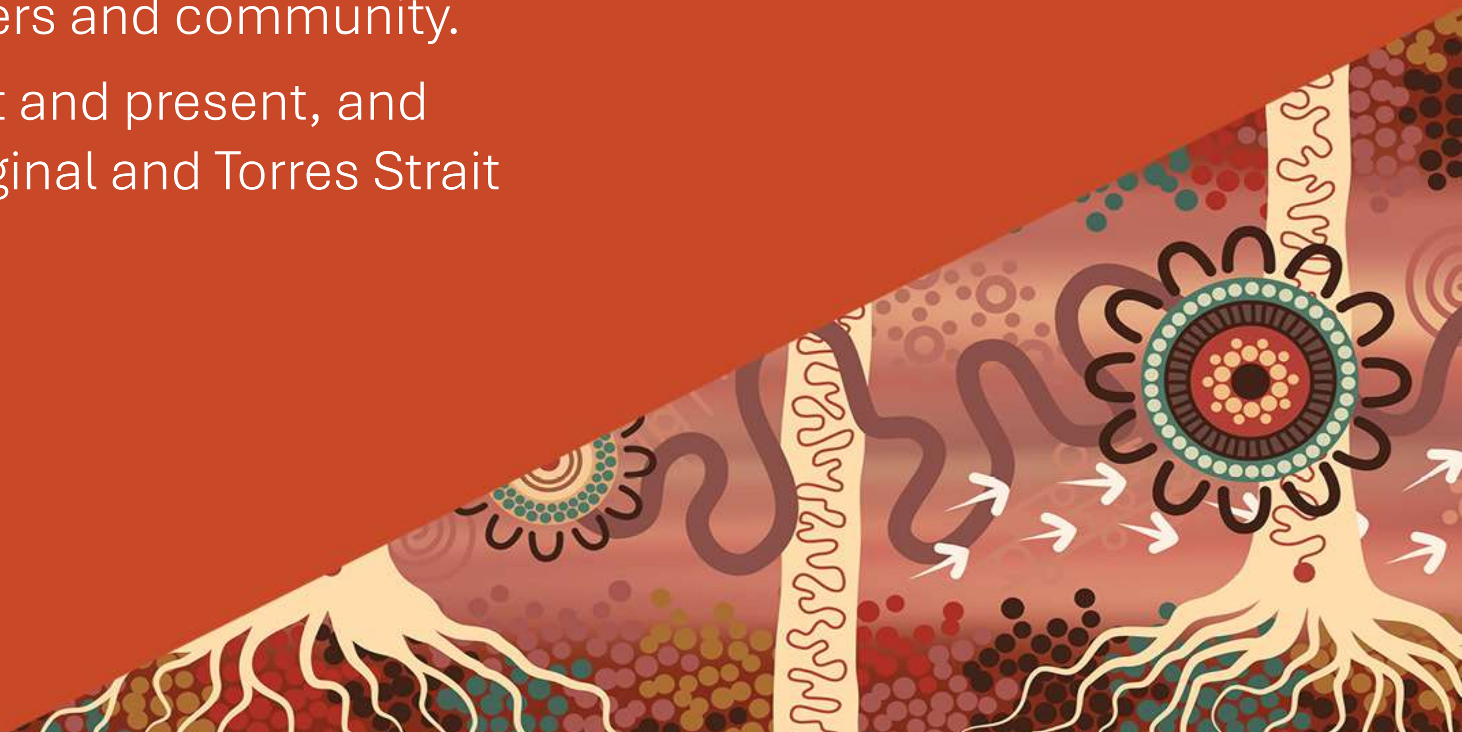
Lesley Andrew, Director, Commonwealth Climate Disclosure

Australian Government
Department of Finance

I would like to acknowledge the traditional owners and custodians of the land in which we live and work.

I extend that acknowledgement to their continuing connection to the country, waters and community.

I pay my respects to elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples.



Roots of Reconciliation
Artwork by Madison Walker

Presentation Overview

Introduction to climate disclosure

Commonwealth Climate Disclosure Implementation

Resources available to support upskilling

Purpose of climate disclosure

Climate Disclosure

- Support long-term resilience of public services and assets
- Align with mandatory climate disclosures required for large businesses and financial institutions
- Support competitive neutrality between Commonwealth public sector and large businesses and financial institutions
- Provide greater transparency, accountability and credibility of climate action by Commonwealth entities
- Demonstrate Government commitment to climate action in its own operations
- Support delivery of emissions reductions commitments under the Paris Agreement

Commonwealth Climate Disclosure

Commonwealth Climate Disclosure has two streams:

Stream 1:
There are 8 large Commonwealth companies who report under the *Corporations Act 2001.*
They report against the standard AASB S2 Climate-related Disclosures.

Stream 2:
Smaller Commonwealth companies, corporate Commonwealth entities and non-corporate Commonwealth entities follow Commonwealth Climate Disclosure. Stream 2 has a phased implementation over 4 years:

Tranche 0 (pilot)
First disclosure: FY2023-24.
Reported a limited criteria.
Participation from;
- Departments of State

Tranche 1:
First disclosure: FY2024-25.

Participation from;
- Departments of State
- ‘Controlling corporation’ under the *NGER Act 2007*
- Large Commonwealth entities
- Specialist investment vehicles
- Commonwealth entities with responsibility for climate change policy

Tranche 2:
First disclosure: FY2025-26

Participation from:
- Medium Commonwealth entities and Commonwealth companies

Tranche 3:
First disclosure: FY2026-27

Participation from:
- Remaining Commonwealth entities and Commonwealth companies

Carve-out for smallest entities:
Only emissions reporting and APS Net Zero by 2030 target

EPBC Act Reform

***Environmental Protection and Biodiversity Conservation Act 1999* (the EPBC Act)**

The EPBC Act and regulations are Australia's main national environmental legislation. It provides a way for us to protect and manage national and internationally important plants, habitats and places.

Environment Protection Reform Act 2025

Among other reforms of the EPBC Act, this Act amended section 516A to clarify climate risk reporting obligations as part of the broader environmental reporting by Commonwealth entities and Commonwealth companies in their annual reports.

The Commonwealth Climate Disclosure Requirements and the Emissions Reporting Framework are to be the vehicles for Commonwealth entities and smaller Commonwealth companies to fulfil their obligations under this provision.

Progressive implementation for Stream 2

We are here!

	2024-25	2025-26	2026-27	2027-28	2028-29+
Tranche 1	Year 1 Requirements	Year 2 Requirements	Full Requirements	Full Requirements	Full Requirements
Tranche 2		Year 1 Requirements	Year 2 Requirements	Full Requirements	Full Requirements
Tranche 3			Year 1 Simplified Requirements	Full Simplified Requirements	Full Simplified Requirements

Over 50 Climate Disclosures published in this reporting period

All entities will be reporting against their Full requirements

CCD Requirements – four pillars

Governance	• To enable users to understand governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities
Strategy	• To enable users to understand an entity's strategy for managing climate-related risks and opportunities
Risk Management	• To enable users to understand an entity's processes to identify, assess, prioritise, manage and monitor climate-related risks and opportunities, including whether and how these processes are integrated into and inform the entity's overall risk management process.
Metrics and Targets	• To enable users to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet.

Year 2 and 3 Requirements

Why progressive implementation?

The Requirements are progressively sequenced-in over three years to allow for capability uplift and climate risk maturity development by Commonwealth entities and Commonwealth companies.

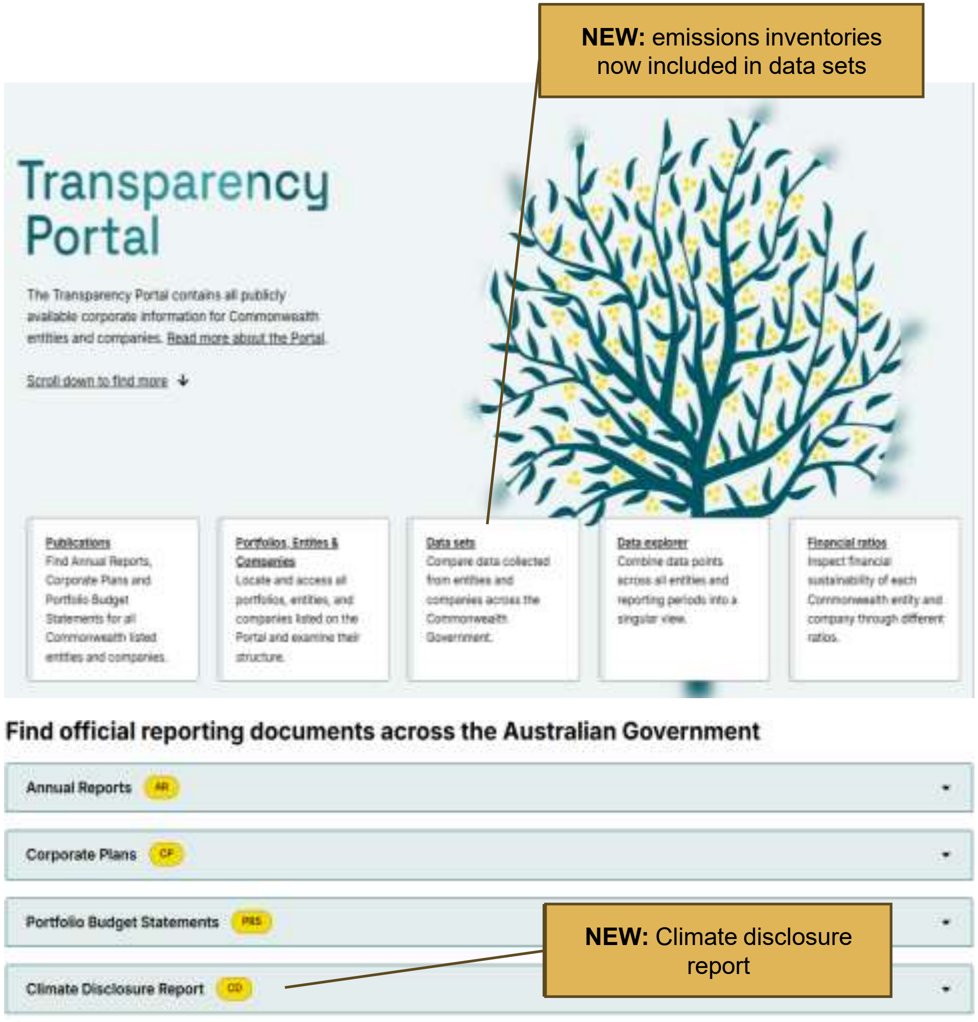
How it changes from the Year 1 Requirements

CCD Pillar	Year 2 Additional Requirements	Year 3 Additional Requirements
Governance	*No changes*	*No changes*
Strategy	Includes: • Public policy impacts • Effects on strategy and decision-making • Flow-on impacts of scenario analysis	Includes: • Effects of climate-related risks and opportunities on financial prospects • Progress against plans
Risk Management	*No changes*	*No changes*
Metrics and Targets	Includes: • Opt-in to disclose cross-industry metric categories • Progress against climate-related targets	Includes: • Internal carbon prices impact in decision-making • Financed emissions • Carbon credit usage

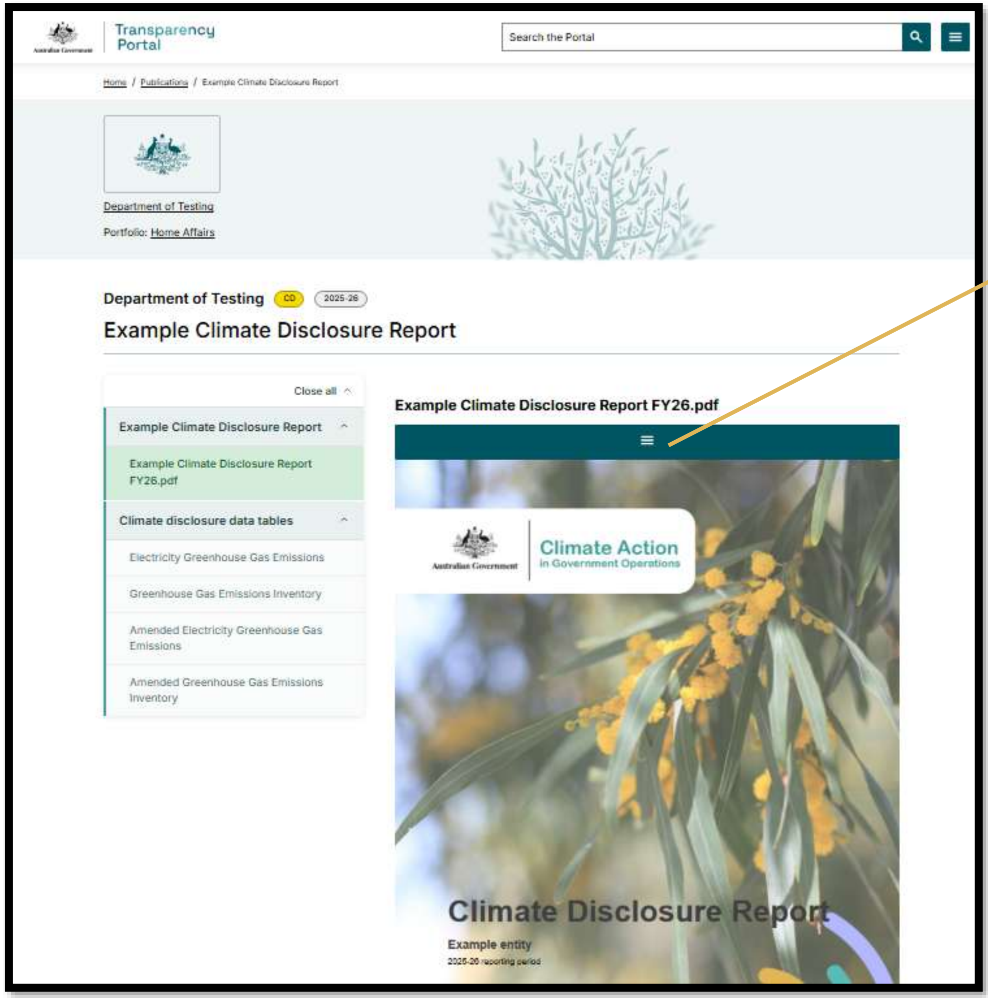
Transparency Portal

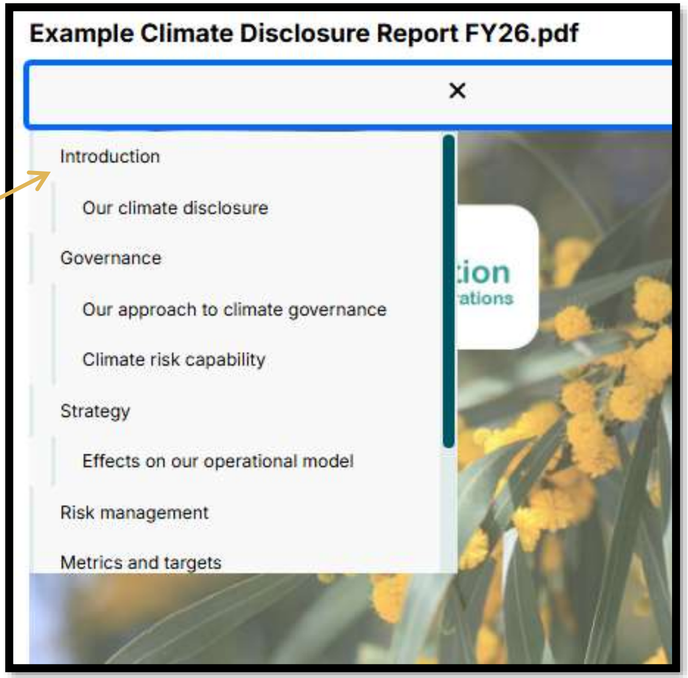
From 2025-26, climate disclosures, including emissions inventories, will be published on the Transparency Portal using the DART.

- If the entity/company is required to publish an emissions inventory and a climate disclosure for the 2025-26 reporting period, the entity will be required to publish this emissions data as a dataset on the Transparency Portal. The climate disclosure (which also features the emissions inventory) is required to be uploaded as a separate report, which is referenced in the annual report.
- If the entity/company is only required to publish an emissions inventory for the 2025-26 reporting period, the entity will be required to publish this emissions data both in the annual report and separately as a dataset on the Transparency Portal.



Example climate disclosure PDF upload





Examples of Year 1 climate disclosures

Australian Office of Financial Management

G. APPENDIX – 2024–25 COMMONWEALTH CLIMATE DISCLOSURE

Commonwealth Climate Disclosure is the Australian Government's policy for Commonwealth entities to publicly disclose their exposure to climate risks and opportunities, as well as their actions to manage them, delivering transparent and consistent climate disclosures to the Australian public. The Australian Office of Financial Management (AOFM) has assessed our climate risks and opportunities in accordance with the Climate Risk and Opportunity Management Program[18] (CROMP), and our climate disclosures have been prepared in accordance with the Year 1 Reporting Provisions[19] for Tranche 1 entities.

Table 34: AOFM material climate-related risks and opportunities

Risk or Opportunity Statement	Risk/ Opportunity	Timeframe	Risk type
The costs of transition and the physical impacts of climate change may increase the AOFM's funding task and could affect Australia's credit ratings and interest rates.	Risk	Long term	Physical/ Transition
The AOFM retains the confidence of the market in our ability to meet our purposes, despite increased uncertainty in global and domestic economic conditions caused by extreme weather events or changes in government policy.	Risk	Short-medium term	Physical/ Transition
The increased size of the Green Bond Program will assist in financing Australia's transition to a net-zero emissions economy.	Opportunity	Short-medium term	Transition
Safe and reliable access to IT networks, systems, infrastructure and assets may be disrupted during a major business continuity event caused by extreme weather conditions, potentially impacting the effective functioning of the Australian Government Securities (AGS) market.	Risk	Short-long term	Physical
Improving the health and safety of staff will increase resilience to direct impacts of climate change, including extreme weather events and indirect impacts such as increased chronic and acute health effects.	Opportunity	Short-long term	Physical

18 Read more about CROMP at dcceew.gov.au/climate-change/policy/adaptation/climate-risk-opportunity-management-program

19 Read more about Year 1 Reporting Provisions at finance.gov.au/government/climate-action-government-operations/commonwealth-climate-disclosure-requirements

Northern Australia Infrastructure Facility

The scenarios, and climate-related risks and opportunities identified through this process are summarised in the Figure 30 below.

Climate-related risks and opportunities were prioritised by applying NAIF's existing RMF and Risk Matrix, assigning inherent impact ratings using our established consequence and likelihood criteria, alongside tailored

Figure 30: Key Attributes of Preliminary Climate Risk and Opportunity Assessment

Example of Year 1 climate disclosure

The department has identified the following organisational risks and opportunities as having material risk or benefit to its objectives:

Transition	Opportunity for future policy, programs, regulation and legislative reforms to consider and embed climate risk into their design. Embedding climate risk considerations into the department's work builds resilience and capacity to manage climate change and ensures our policies and programs deliver better outcomes. Some areas of the department already consider climate risk and include disaster clauses in their design. The number of areas that consider climate risk will increase over time as our risk management practices mature. The climate risk assessment outlined in this disclosure is a key tool to help the department embed climate risk into the department's activities.
Transition	Risk of a lack of accurate, consistent or current climate information to meet the needs of the department, impacting project and program delivery and management of Australia's environmental assets. The department plays an important role in providing climate information to the public and broader public sector. There are gaps across some areas of the department in climate information availability and in capability to source climate information to incorporate it into decision-making. Capacity building is underway through the activities of the Climate Risk and Opportunity Management Program, the Australian Climate Service, and broader engagement activities domestically and internationally to address these gaps.
Transition	Opportunity to incorporate First Nations knowledge into locally contextualised and meaningful adaptation and mitigation policies and programs. This opportunity recognises the benefit of genuine and meaningful engagement with First Nations people in undertaking the department's work in protecting the environment. This includes working with First Nations people to utilise traditional knowledge to develop climate-aware heritage management plans, environmental management, disaster resilience and recovery strategies, and local adaptation plans tailored to local needs. To realise this opportunity the department is implementing co-design, collaborative governance, and consultation with First Nations people. Traditional Owners are supported to develop management plans that contribute to positive environmental and cultural outcomes. In jointly managed parks, these management plans support a transition to sole management and Traditional Owner autonomy and resilience.

Transition	Opportunity to aid the government's emission reduction goals by investing in and supporting low emissions technology projects and implementing sustainable procurement processes. The department has an opportunity to support industry and households through the transition to net zero emissions in Australia. By supporting low emissions technologies, the department drives improved energy performance, and availability while reducing energy costs and emissions. Effective consideration of climate risks in supporting low emissions technology project builds resilience to extreme weather. The department also facilitates connections between existing onshore resource industries and low emissions technologies, and supports mercury and hydrofluorocarbon phase down. Furthermore, implementation of sustainable procurement processes and resilient infrastructure investments provides an opportunity to drive emissions reduction activities. Environmentally sustainable procurement policy education and implementation support for APS and suppliers is underway.
Physical	Risk of an increasing rate of climate hazards causing an increased rate of environmental harm to sites of operation, heritage sites and areas of national environmental significance. Climate hazards pose risks to many of the department's sites of operation, including the degradation of areas of significance to heritage and the environment. Climate considerations are included in Australian Antarctic Division (AAD), National Parks and Heritage divisional management plans.
Physical	Risk of chronic and acute climate change impacts jeopardising workplace health, safety and wellbeing. There is a risk to staff health, safety and wellbeing due to increasing extreme climate events and the department's role in the response to climate change. This will impact the ability for staff to perform their duties and attend sites of operation in a safe and productive manner. While not specific to climate change policies, procedures and strategies exist to support staff, including dedicated crisis leave, along with general work health and safety, risk management, security and incident reporting.
Physical	Risk of chronic and acute climate change impacts disrupting staff access and operation procedures, at office and field locations, impacting business continuity. Increasing severe weather events such as bushfires, flooding and slower onset events such as sea level rises and localised inundation will impact on staff ability to access offices and field locations with the potential to disrupt business continuity, increasing costs and impacting work health and safety. Early forecasting, air quality monitoring and back up generation is in place across key locations. Furthermore, the use of external systems and secure zones in partner Commonwealth agencies has been tested and used effectively. Climate risk considerations are being integrated into the department's infrastructure maintenance, repairs and builds.
Physical	Risk of climate change impacts increasing operational and capital expenditure to repair, maintain and future-proof infrastructure and assets. Increasing frequency and severity of weather events such as bushfires, cyclones and floods will lead to an increase in expenditure to maintain and upgrade infrastructure and assets. These events have already had impacts on some of the department's office sites. These risks are particularly concerning to infrastructure supporting staff at locations such as heritage areas, the AAD, and National Parks. Consideration of these risks is an ongoing priority for department.

DCCEEW

SBS Year 2 Climate Disclosure

COMMONWEALTH CLIMATE DISCLOSURE CLIMATE STATEMENT

STRATEGY

Methodology [G2] [S1] [S3] [S14] [R2] [S5]

The Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024-2026 (CROMP) was used to conduct a comprehensive, organisational-wide scenario analysis. This started with a cross-divisional workshop held in Q1 FY26. This identified a long list of potential risks and opportunities and then validated these against the Year 1 list, updating, refining and adapting to reflect changed conditions and new information. The low temperature and high temperature scenarios were sourced from the CROMP framework and these set out the technology, economic, population and social impacts of each scenario. The 'low temperature' covers the scenario of a 1.5C increase in temperature by 2100 and is based on the IPCC scenarios (Physical: SSP 1-2.6/RCP 2.6 and Transition: SSP 1-1.9/RCP 1.9). This involves an aggressive emission reduction scenario to meet the Paris Agreement, marked by global collaboration by governments, society and industry to lead steep decarbonisation, with transition risks and opportunities dominating. The 'medium temperature' covers the scenario of a greater than 2C increase in temperature by 2100 (SBS has assumed a 3C temperature increase) and is based on the IPPC scenarios SSP2-4.5/RCP4.5. This involves some emissions reductions but decarbonisation is insufficient and falls short of meeting the Paris Agreement targets, with strong physical risks ensuing. The key input used to guide this scenario analysis was the 2025 National Climate Risk Assessment which was used to complement the CROMP framework. It sets out the specific risks to regions within Australia and different sectors of the economy, as well as outlining general risks to social cohesion and trust in institutions.

Each topic was then developed in more detail, addressing the nature, likelihood and magnitude of each risk based on knowledge of current operations, consideration of the types of weather and climate changes identified in the scenario reports, and comparisons with similar situations which could act as a precedent (e.g. impact of COVID on supply chain and commercial revenue, impact of isolated natural disasters on infrastructure and business continuity). For opportunities, the process used was similar; the two temperature scenarios were used to establish the context and determine the different type of opportunity that might emerge under each scenario. Knowledge of existing opportunities in similar fields was used as a proxy to determine the likely impacts and strategic analysis applied to determine how SBS should prepare to capitalise on each opportunity. A specific change in Year 2 was the requirement to consider the interdependencies between risks and opportunities to ensure a tighter strategic response.

Potential mitigations, timeframes and degree of impact were also explored. Time horizons were identified as follows:

- Short term – 2030 – selected as SBS's near-term emissions reduction target is for 2030
- Long term – 2050 – selected as this aligns with the Federal Government's Net Zero target

Physical and transition risks were considered. The risk assessment was endorsed by the SBS Executive Committee in Q2 FY26 and shared with the Board Audit and Risk Committee in Q2 FY26 for noting. In accordance with the Commonwealth Climate Disclosure Year 2 Requirements, we have utilised all reasonable and supportable information available without undue cost or effort to assess our climate-related risks and opportunities.

COMMONWEALTH CLIMATE DISCLOSURE CLIMATE STATEMENT

METRICS AND TARGETS

Methodology [M1] [M3]

SBS has calculated its full Greenhouse Gas emissions for FY25 – the fifth year of measuring its carbon footprint – using the Greenhouse Gas Protocol. Emissions are calculated in tonnes of carbon dioxide equivalent (tCO2-e) and the only material greenhouse gas emitted is carbon dioxide. SBS is using an operational boundary approach. The emissions calculation methodology is in line with the Greenhouse Gas Protocol and the Climate Action in Government Operations Emissions Reporting Framework, using primary data where available and emissions factors where primary data is not available. Scope 1, 2 and 3 are all covered.

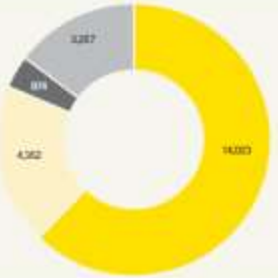
Metrics – FY25 Greenhouse Gas Emissions [M1] [M3]

The results are shown below:

Scope	Category	Emissions (tCO_2-e)	Percentage of total (%)
Scope 1		230.0	0.87%
Scope 2 (market-based)		–	0.00%
Scope 3 (total)		26,364.0	99.13%
	Scope 3, Category 1 – Purchased Goods and Services	22,506.0	84.00%
	Scope 3, Category 2 – Capital Goods	75.0	0.28%
	Scope 3, Category 3 – Fuel and Energy-related activities	13.0	0.05%
	Scope 3, Category 4 – Upstream transportation and distribution	73.0	0.27%
	Scope 3, Category 5 – Waste generated in operations	353.0	1.33%
	Scope 3, Category 6 – Business travel	2,569.0	9.74%
	Scope 3, Category 7 – Employee commute	780.0	2.91%
		26,594.0	100%

FY25 Scope 3, Category 1 (Purchased Goods and Services)

	Emissions (tCO_2-e)	% of Category 1	% of total Scope 3
ICT Services	14,023		62%
Professional Services eg. Content	4,352		19%
Advertising and Marketing Services	874		4%
Other	3,257		14%
Total Category 1	22,506	100%	



Upskilling resources currently available

Finance manages several resources to facilitate the upskilling of Commonwealth staff across all aspects of Commonwealth Climate Disclosure.

Linked policies, such as CROMP (managed by DCCEEW), also have resources available for the upskilling of Commonwealth staff.

Resources currently available:

- **NEW! Resource Management Guide 140 Commonwealth Climate Disclosure**
- Commonwealth Climate Disclosure Application guidance
- Commonwealth Climate Disclosure Requirements
- GovTEAMS Community of Practice *Climate Action in Government Operations* (email ClimateAction@Finance.gov.au for access)
- Commonwealth Climate Disclosure webinars, ran within the Community of Practice
- Climate Action in Government Operations Program, APS Academy (includes two CCD specific courses)
- Greening Government Micro-credential courses, delivered by RMIT Online
- Climate Risk and Opportunity Management Program resources, by DCCEEW
- Climate Risk and Opportunity Management Program, APS Academy Series

Contact us

Department of Finance

Climate Action in Government Operations

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Australian National Audit Office

Compliance with Domestic and International Travel Requirements

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Setting the Scene

Effective travel arrangements have a range of benefits for entities, including supporting:

- compliance with and the objectives of the Whole of Australian Government Travel Arrangements;
- public confidence and trust in the use of public resources;
- a strong integrity culture;
- informed executive decision-making based on risk; and
- entity assurance of achieving value for money.

ANAO Performance Audits

A series of 2025–26 audits examined travel arrangements in:

1. Department of Industry, Science and Resources
2. Department of Agriculture, Fisheries and Forestry
3. Civil Aviation Safety Authority
4. Australian Criminal Intelligence Commission
5. Services Australia

We observed both good practices and areas for improvement.

Audit case studies and three key lessons for the sector are in our published Insights product: *Audit Lessons: Official Travel*.

Insights Audit Lessons: Official Travel

- Published in June 2026 (www.anao.gov.au/insights)
- Audit Lessons products are designed to make it easier for the Australian public sector to apply insights from ANAO's audit work.
- They include:
    - key lessons on a topic;
    - practical examples from audit case studies, highlighting both:
        - good practices; and
        - areas for improvement
    - questions for entities to consider.

Insights: Key Lessons

Lesson 1

Travel policies and procedures should be tailored to suit entity contexts and risks

Analysis of the five performance audit reports on travel arrangements highlights three lessons on improving travel arrangements in Australian Government entities.

Lesson 2

The travel approval process is an important control mechanism

Lesson 3

Monitoring and reporting of practices can provide assurance

Insights: Key Lesson 1

Travel policies and procedures should be tailored to suit entity context and risks

This includes setting, reviewing, updating and aligning with other related entity guidance.

Case studies:

Regularly reviewing and updating travel policies and procedures

One entity revised its Official Overseas Travel Policy throughout the audit period, including additional detailed considerations for officials in selecting the international best fare.

Aligning travel policies with related guidance

While one entity’s gifts and benefits policy identified travel-related items, its Travel Regulation Manual did not reference its gifts and benefits policy. Its conflict of interest policy did not provide guidance on airline memberships or status credits.

Insights: Key Lesson 2

The travel approval process is an important control mechanism

Delegates approving travel should have visibility of appropriate information to assure themselves of necessity, value for money and compliance.

Case study: *Establishing processes that enable delegate approval*

One entity's IT system 'ESS' had automated process steps for sending trip plans to delegates for approval. ESS included mandatory free-text fields for travel 'reason' and 'business case'.

Insights: Key Lesson 3

Monitoring and reporting of travel practices can provide assurance

Monitoring and reporting of travel practices should be proportionate to risk, meaningful for oversight and fit for purpose.

Case studies:

Setting up systems to enable consistent monitoring of travel non-compliance

One entity began recording all official travel non-compliance in its central system to more effectively track and analyse agency travel compliance trends.

Reporting travel non-compliance to the appropriate bodies

While one entity reported on international travel to its executive management, no other travel reporting was provided to the Secretary, executive or committees to help inform whether travel policies and risk settings remained appropriate.

Further information

- Whole of Australian Government Travel Arrangements —
  https://www.finance.gov.au/government/travel-arrangements

- Domestic Travel Policy (RMG 404) —
  https://www.finance.gov.au/publications/resource-management-guides/domestic-travel-policy-rmg-404

- Official International Travel — Use of the best fare of the day (RMG 405)
  https://www.finance.gov.au/publications/resource-management-guides/official-international-travel-use-best-fare-day-rmg-405

Note: 2026–27 Commonwealth Budget announcement that entities are now banned from purchasing airline lounge memberships for APS officials

Australian National Audit Office

Questions
Closing remarks

Carla Jago

Deputy Auditor-General