

# Annual Report 2019



## Responsible body's declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Department of Environment, Land, Water and Planning Annual Report for the year ending 30 June 2019.



**John Bradley**

Secretary

Department of Environment, Land, Water and Planning

4 October 2019

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### Acknowledgment

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partner, and meaningfully engage, with Victoria's Traditional Owners and Aboriginal communities to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.



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## Secretary's message

This has been a significant year for the Department of Environment, Land, Water and Planning (DELWP), with a substantial increase in outputs and services for Victorians and the Government across our portfolios of Energy, Environment and Climate Change, Solar Homes, Water, Planning and Local Government.

In 2018-19, DELWP received an additional \$383.6 million in government funding, almost a third (\$136.8 million) of which went to protecting communities and the environment through the Fire and Emergency Management output. An increase in expenditure of \$634.5 million included an increase in grants for local government, community and business projects totalling \$363.3 million.

DELWP supported the renewable energy sector by delivering Australia's largest renewable energy auction. Six projects were successfully completed, delivering commitments of 928 megawatts (MW) of wind and solar generation facilities – enough electricity to power 646,273 households. In addition, two large-scale batteries in western Victoria were connected to the grid, contributing to Victoria's energy supplies over the summer.

A further \$1.3 billion was announced for Victoria's Solar Homes program over the next ten years. Solar Victoria will transition into our Departmental functions from 1 July to implement the landmark Solar Homes program that has already helped more than 30,000 Victorians save on their power bills and support the environment.

We look forward to growing this successful initiative to help cut energy costs for householders, support Victoria's new energy technology sector and help meet our commitment to tackle climate change.

DELWP worked with the community to develop the Better Apartments Design Standards – guidelines that ensure apartment buildings are liveable, sustainable and better contribute to their neighbourhoods and local streetscapes.

Along Victoria's coastline, DELWP helped to ensure the Surf Coast, Bellarine Peninsula and Bass Coast will be officially declared Distinctive Areas and Landscapes. We are working with communities, local councils and Traditional Owners to protect and preserve these iconic areas from inappropriate land use and development.

The *Marine and Coastal Act 2018* also came into effect in August 2018 to help better protect Victoria's coastline from the impact of climate change, population growth and ageing coastal structures.

The overhaul of our environment protection legislation continued to progress with the introduction of the *Environment Protection Amendment Act 2018*. These changes are transforming our environment protection laws and the Environment Protection Authority Victoria (EPA) – moving to a proactive approach of identifying environmental risks early rather than responding to pollution after it has occurred.

We also took significant steps this year to address waste and resource recovery: the \$37 million *Recycling Industry Strategic Plan* was launched to provide future options for resource recovery, and the Victorian Government introduced a ban on lightweight, single-use plastic bags.

DELWP staff worked hard this year to ensure Victorians have access to secure and sustainable water supplies through the delivery of *Water for Victoria*. Under the plan, 1,500 kilometres of waterways and more than 2,600 hectares of riparian land were improved, the water grid was expanded, irrigation systems modernised, and a dedicated *Aboriginal Water Program* with \$2 million of grant funding was established.

In response to the dry and drought conditions being experienced in parts of Victoria, DELWP helped to deliver the Government's \$5 million drought support package to give farmers and irrigation communities the holistic support they needed, including infrastructure funding, employment opportunities and financial advice.

The past year saw a very active fire season, with Forest Fire Management Victoria (FFMVic) staff responding to approximately 2,083 fires, which collectively burnt 218,502 hectares of land across Victoria. FFMVic teams and our partner agencies worked tirelessly to contain 94 per cent of these fires to less than five hectares.

The fires across the Gippsland, Hume and Port Phillip regions were some of the most significant we have seen in recent years, requiring responses by 1,650 staff, including both on-ground firefighters and incident management personnel.



Last year, DELWP was proud to launch the *Victorian Traditional Owner Cultural Fire Strategy* to guide cultural fire management on Country in partnership with Traditional Owners.

We also implemented several initiatives as part of our Aboriginal Inclusion Plan *Munganin-Gadhaba*, moving beyond the important work of inclusion towards enabling genuine partnerships with Indigenous Victorians as we seek to achieve their aspirations under models of self-determination. Highlights for the year included the continued growth of our *Munganin-Gadhaba* Aboriginal Staff Network, the launch of our Aboriginal cultural identity, *Mirring*, and formalising our *Aboriginal Procurement Strategy*.

The department continues to evolve to respond to challenges and opportunities. Our commitment to energy efficiency, safety, generation and system coordination was confirmed with the establishment of the Energy Group. The Group's primary responsibility is to support current and future energy projects, programs and reforms, and contribute to a secure and sustainable energy future for Victoria.

The Strategy and Performance Division was established to support a vision of a stronger and more effective DELWP that delivers even greater value to the Victorian community. With a focus on collaboration, major achievements for the year included revising our strategic framework, coordinating planning processes with portfolio agencies and articulating our approach to the United Nations Sustainable Development Goals (SDGs).

Our three-year \$28.6 million Digital First technology transformation program was completed – on time and within budget – in December 2018. It included 42 distinct projects, ranging from refreshed websites to cloud-hosting services, that have helped grow DELWP's workforce agility, mobility, flexibility and our value to the community.

This increased flexibility and agility helped the department in the aftermath of the fire and evacuation of our head office at 8 Nicholson Street, East Melbourne. While the fire started outside of business hours and no one was injured, finding temporary accommodation and making alternative work arrangements for 1,500 staff truly tested our critical incident management and responsive decision-making. Over this time, our top priorities were ensuring the safety of our people while continuing to deliver value for the community.

DELWP's greatest asset is its staff, and initiatives such as our *Gender Equity Framework* and *Gender Equity Action Plan* contribute to building a workforce that is gender inclusive and reflects the communities we serve. Actions for the year included a gender pay gap survey and review, and promoting gender balance on speaking panels at DELWP and external events. Initiatives such as the *Safe and Respectful Workplace Leaders* program and the *Women in Fire and Emergency Leadership* program contribute to gender equity at all career levels.

I am pleased to submit this Annual Report, recognising both the progress and challenges of the last year. We appreciate our partnerships with the community during a significant year in which we have worked together to achieve a more liveable, inclusive and sustainable Victoria.



**John Bradley**

Secretary

Department of Environment, Land, Water and Planning

4 October 2019

## Key initiatives and projects 2018–19

DELWP's outcomes set our focus and key directions over the medium term. This includes our contribution to shared government objectives and collaboration with partners and agencies to achieve Victoria's broader goals.

In 2018–19 we focussed on the following outcomes for Victorian communities:

1. Zero emission, climate-ready economy and community
2. Healthy, resilient and biodiverse environment
3. Reliable, efficient, accessible, safe and sustainable energy services
4. Productive and effective land management
5. Safe and sustainable water resources
6. A quality built environment
7. Sustainable and effective local governments
8. Reduced impact of major bushfires and other emergencies on people, property and the environment.

A full report of our performance against these outcomes (also known as our departmental objectives) is included from page 63.

Listed below are a few of the key initiatives and projects delivered for Victorian communities in 2018–19:

### Zero emission, climate-ready economy and community

**Monitoring Victoria's emissions profile:** DELWP released the 2018 *Victorian Greenhouse Gas Emissions Report*. This was the first in a series of annual reports required under the *Climate Change Act 2017* that provides the Victorian community with a transparent account of sources and trends of Victoria's greenhouse gas emissions and progress towards emissions reduction targets.

**Victorian emission reduction targets:** We released the final report of the Independent Expert Panel on Interim Emissions Reduction Targets for Victoria (2021–2030). This report recommends targets for 2025 and 2030 and provides advice on opportunities to reduce emissions. It will inform government decisions under the *Climate Change Act 2017* on those targets (by 31 March 2020) and on actions the Government will take by 2025 to reduce Victoria's emissions (in sector pledges to be announced by 31 August 2020).

### Healthy, resilient and biodiverse environment

**Environmental protection legislative framework:**

The *Environment Protection Amendment Act 2018* was passed by Parliament and received Royal Assent on 28 August 2018. The Act transforms Victoria's environmental protection framework to focus on preventing harm as a priority over managing impacts after damaging events have occurred.

**Improved information on land contamination:** The department released *Victoria Unearthed*, a searchable online map for identifying potentially contaminated land. Victoria Unearthed brings together information about land use, historical business listings and potential land or groundwater contamination. The tool has been developed to improve access to information on legacy contamination, and forms part of the Government's response to the Independent Inquiry into the Environmental Protection Authority.

**A stronger Victorian recycling industry:** DELWP released the \$37 million *Recycling Industry Strategic Plan* to stabilise the recycling sector, increase the quality of recycled materials, improve the productivity of the recycling sector and develop markets for recycled materials. Local Government Victoria (LGV) distributed over \$10 million in relief funding to 76 councils to meet the increased costs of recycling services. Sustainability Victoria (SV) provided \$2.1 million in grants to recycling companies, and a further \$4.8 million to improve resource recovery projects for businesses across Victoria. To ensure the recycling industry is safe, the *Victorian Resource Recovery Facilities Audit Taskforce*, led by the EPA, oversaw joint agency inspections of facilities across the state. As at 16 May 2019, the Taskforce had completed 541 inspections involving 162 high risk sites. EPA has issued 160 notices and 31 sanctions.

**A growing Victorian environmental volunteering sector:** We released the *Environmental Volunteering Plan – Victorian's Volunteering for Nature* – a coordinated and revitalised approach to environmental volunteering that supports and fosters a sustainable, modern, effective and valued environmental volunteering sector in Victoria.

**Biodiversity Response Planning Program:** The department provided \$33.6 million in program funding to reduce threats to key landscapes including marine and coastal habitats and their at-risk flora and fauna species.

**Investigation into the illegal possession and trafficking of wildlife:** DELWP worked with Australian Border Force, the federal Department of Environment and Energy, Australia Post and RSPCA Victoria on Operation Sheffield, one of Australia's biggest investigations into illegal wildlife trafficking, which led to search warrants across the state and multiple arrests.

**The Office of the Conservation Regulator:** We established the Office of the Conservation Regulator to provide a central point of coordination and oversight for DELWP's regulatory functions including the natural environment, timber harvesting, public land use, fire prevention and biodiversity.

## Reliable, sustainable and affordable energy services

**Renewable Energy Auction:** The department completed the *Victorian Renewable Energy Auction Scheme* – Australia's largest renewable energy auction – to deliver 928 MW of renewable energy to the grid. Projects delivered through the Scheme will account for 6.2% of annual Victorian generation, which is equivalent to powering more than 646,000 households for one year.

**Implementing the Victorian Default Offer:** DELWP led several significant initiatives in 2018-19 to implement the Victorian Default Offer, a key reform to save over 160,000 Victorian households and small businesses hundreds of dollars on their annual electricity bills.

**Energy market consumer protections:** We improved the framework that regulates embedded networks in apartment buildings and other applications, providing better consumer protections and requiring greater visibility of network operator activities. The *Energy Fairness Plan*, the *Victorian Default Offer* for electricity, the *Energy Retail Code* and the *Essential Services Commission* will ensure that consumer energy contracts are clear and fair.

**Victorian Renewable Energy Target progress:** The first Victorian Renewable Energy Target (VRET) Progress Report for the 2017-18 financial year was tabled in Parliament in September 2018. The report found that Victoria is well on track to meet the 25 per cent by 2020 renewable generation target.

**Large-scale battery storage for Victoria:** Two large-scale strategically located batteries were delivered to provide the backup power and grid-stabilisation functions vital to maintaining a reliable and affordable energy supply for Victoria.

**Energy efficiency and affordability:** The *Victorian Energy Upgrades* program supported more than 140,000 households and 10,000 businesses in 2018-19 with energy efficiency upgrades to save energy and reduce annual energy bills. The result will save over 4.9 million tonnes of greenhouse gas emissions, helping to drive innovation and address changes in the energy market.

**Regional Renewable Energy Roadmaps:** DELWP instigated five roadmaps to capture the community's vision in the transition to renewable energy. Specific to each region, the roadmaps will provide individual but aligned renewable energy strategies for the Barwon South West, Grampians, Loddon Mallee, Gippsland and Hume regions.

**Energy demand:** We invested in a series of innovative microgrid projects under the \$15.8 million Microgrid Demonstration Initiative to unlock new energy markets based on distributed renewable energy resources, including smart controls and demand-side management throughout the state.

**Energy safety:** The department completed major upgrades of powerline infrastructure through the Powerline Bushfire Safety Program. Two out of five programs were completed ahead of schedule, to achieve a 31.7 per cent cumulative reduction in bushfire risk and enhance community safety across regional and rural Victoria.

**National energy policy leadership:** The department coordinated policy advice to ensure that the interests of Victorian energy consumers and the Victorian energy industry are represented in the national Ministerial forum, the Council of Australian Governments (COAG) Energy Council. Priorities included timely and efficient transmission planning and development, integration of climate and energy policy, and a fit-for-purpose Retailer Reliability Obligation framework to increase energy reliability.

## Productive and effective land management

**Working with Traditional Owner Groups:** DELWP supported the finalisation of Victoria's first ever *Joint Management Plans* with the Gunaikurnai and Dja Dja Wurrung people, reinforcing a new approach to managing Country where Aboriginal land management practices and knowledge underpins both long term strategy and everyday management of the jointly managed parks and reserves.

**Regional Forest Agreements:** We undertook comprehensive engagement with Victorian communities and invested in forest values assessments and new science. DELWP will deliver modernised Regional Forest Agreements (RFA) by

March 2020. Taking into account environmental, Indigenous, social, economic and ecosystem service values, these new 20-year RFAs will ensure the sustainable management and conservation of Victoria's native forests.

**Marine and Coastal Reforms Transition Plan:** The department release the *Marine and Coastal Reforms Transition Plan* in August 2018, outlining the policy and practical actions that complement the *Marine and Coastal Act 2018* and supports transition to stronger marine and coastal management.

**Sustainable hunting:** DELWP published maps showing where hunting of different game can be undertaken on public land in Victoria, as committed within the *Sustainable Hunting Action Plan 2016-2020*.

**Land Registry Services:** We commercialised part of Land Registry Services through a \$2.86 billion leasing arrangement. Land titles and registry functions are now delivered through the private operator Victorian Land Registry Services, supporting innovation and enabling continued effective delivery of land registry services.

**Enabling delivery of major infrastructure projects:** The department supported the Government's major infrastructure program through delivery of property, asset and lease valuations and surveying services.

**Improved information sharing through GovMap:** DELWP launched GovMap to local government users, improving information sharing across government and the way government land is used to deliver quality services to Victorians. It now has 1,218 users across 92 government departments and local councils.

**Improved mapping technology:** We commenced the Digital Cadastre Modernisation Project. This will upgrade the authoritative map of Victoria's property boundaries, ensure it is more accurate, modern and easily accessible and assist with delivery of the state's infrastructure program.

**Better land valuations:** The department implemented the first year of centralised annual land valuations, making land valuations fairer, more consistent and more efficient.

## Safe and sustainable water resources

**Our Catchments, Our Communities:** DELWP established 274 partnerships to deliver integrated catchment management and over 109,000 hectares of environmental works and management services to improve the health and resilience of catchments. Twelve Leadership Development Grants were awarded to aspiring future leaders in catchment management across three categories for women in leadership, Aboriginal leadership and innovation.

**Water for Aboriginal Culture:** We developed and designed seven new projects together with Aboriginal Victorians totalling \$2 million that focus on: restoring water for Country; supporting better understanding of water policy frameworks; and planning and providing employment for more Aboriginal Water Officers. Representation of Aboriginal Victorians on catchment management authority (CMA) and water corporation boards has continued to grow, from zero in 2015 to eight in 2019.

**Statewide water management:** As part of the Victorian Government's Water Plan, *Water for Victoria*, DELWP coordinated water recycling and delivery projects. This included watering very stressed Black Box trees in the Hattah Lakes region, supporting native fish spawning and recruitment near Thomson River and delivering environmental water to 73 wetlands.

**Delivering Victoria's first statewide climate adaptation plan for our water sector:** The department prepared the *Pilot Water Sector Climate Change Adaptation Action Plan* to build our resilience, so that the water sector can continue to provide safe, affordable and reliable water services under an increasingly challenging climate.

**Socio-economic impacts of the Murray-Darling Basin Plan:** DELWP achieved significant progress in managing impacts of the Murray-Darling Basin Plan by securing an agreement on socio-economic criteria at the Murray-Darling Basin Ministerial Council meeting in December 2018. This provides certainty to regional communities that any additional water recovery above the Basin Plan's 2,750 gigalitres (GL) target will only occur with neutral or positive socioeconomic outcomes for communities.

**The Victorian desalination plant:** We ordered 15 GL of water from the Victorian desalination plant for the 2018-19 supply period with no additional charges on Melbourne households water bills for this year. The water order helps to build resilience and avoid the social and economic costs of water restrictions on households, businesses and farmers.



**Infrastructure modernisation:** The department delivered key water pipeline infrastructure upgrades to support community and economic development around Sunraysia, Red Cliffs, Merbein and South West Loddon.

## A quality built environment

**Protection of Victoria's key distinctive areas and landscapes through localised planning statements and declared areas:** DELWP consulted with communities in Torquay, JanJuc and the Bellarine Peninsula on how best to protect these areas in the face of increasing urban development and the impacts of climate change. Declared the Macedon Ranges region as a distinctive area and landscape under the *Planning and Environment Amendment (Distinctive Areas and Landscapes) Act 2018* on 16 August 2018, to enable the area to be better protected for current and future generations.

**Smart Planning:** The department implemented a new digital planning permit system for Ministerial permits, implemented the digital lodgement and tracking system for planning scheme amendments and translated the Victoria Planning provisions into digital form. Efficiency benefits include removing 8,000 pages from 82 planning schemes across the state, and replacing 15,000 individual PDF maps with VicPlan, a single interactive mapping tool.

**The Building Amendment (Registration of Building Trades and Other Measures) Act 2018:** The Act received Royal Assent on 25 September 2018 and delivers a number of important reforms, including a new framework for builder registration, financial arrangements for removal of non-compliant combustible cladding, and a register of swimming pools and spas.

**Reviewing and updating regulations for the building and plumbing industries:** New regulations were made for both building and plumbing industries (following regulatory impact statement assessment processes and extensive consultation). These regulations will further strengthen health and safety outcomes for Victorian consumers, improve the quality of building and plumbing work and cut red tape for the industries and workers.

## Sustainable and effective local governments

### Local government accountability and transparency:

Released the *Local Government Performance Reporting Framework Strategic Directions Paper*, which explores opportunities to improve how Victorian councils report their performance, including the introduction of performance targets. This will strengthen council decision-making, transparency and drive continual improvement in council performance.

**Fairness for ratepayers:** Commenced a full review into the local government rating system to identify changes to improve its fairness and ensure the burden of rates falls fairly amongst ratepayers.

### Local government regional partnerships:

Launched the *Rural Councils Transformation Program*, a first-of-its-kind initiative in Victoria. It encourages the sharing of knowledge, costs and resources at a regional scale so that local governments can deliver more efficient, effective and sustainable services for their communities.

### Financially sustainable rural and regional councils:

Allocated funding to 14 new projects aimed at improving the financial sustainability of rural and regional councils through the *Finance and Accounting Support Team Program*.

## Reduced impact of major bushfires and other emergencies on people, property and the environment

### Remembering the 2009 Victorian Bushfires:

February 2019 marked the 10th Anniversary of the 2009 Victorian Bushfires. The anniversary was important to the large number of DELWP staff who were involved in the fire response and subsequent recovery. Many staff attended the State Memorial event that was held at Melbourne's Royal Exhibition Building, with many more staff attending local commemorative events. DELWP also led the *Commemoration and Community Development Grants program* to support commemorative events in affected communities.

**Fire suppression efforts:** Of the 2,083 fires in the 2018-19 fire season, 94 per cent of fires on public land were contained at less than five hectares in size and 90 per cent of fires were contained 'first attack' or by 8am hours the day after detection. This result can be attributed to the increasing effectiveness of rapid first attack operations and early detection of fires.

**Traditional Owner cultural fire strategy:** DELWP launched the *Victorian Traditional Owner Cultural Fire Strategy* with Uncle Dave Wandin, Wurundjeri Elder and the Minister for Energy, Environment and Climate Change at Plenty Gorge Park in October 2018. The Strategy provides a set of principles and strategic priorities to enable Traditional Owner-led cultural fire management in Victoria.

**New fuel management System:** The new Fuel Management System will support the delivery of joint fuel management programs across public and private land. The system was built with the collaboration and input of representatives from FFM Vic and the Country Fire Authority.

**Forest Fire Operations Officer traineeship program:** The *Forest Fire Operations Officer Traineeship* program targets disadvantaged youth from culturally and linguistically diverse backgrounds. DELWP now has eight trainees who are gaining hands-on, practical training to be a Forest and Fire Operations Officer as well a Certificate III in Conservation and Land Management.

## About DELWP

DELWP brings together Victoria's climate change, energy, environment, water, forests, planning, local government and emergency management functions into a single department to maximise connections between the environment, community, industry and economy.

Our challenge is to improve Victoria's liveability with a population that is expected to almost double by 2050, while responsibly tackling climate change and protecting our natural environment, infrastructure and heritage for future generations. Our substantial reach allows us to take a holistic approach to these challenges. These are challenges requiring both global and local responses, as well as both immediate and long-term solutions.

Our positive organisational culture drives high performance through strong leadership, diversity, collaboration and innovation, enabling us to learn from each other, grow our understanding and find new ways of delivering results.

It is our legislated responsibility to provide environmental stewardship, but it is our enduring commitment to the Victorian people and environment that motivates our actions daily.

DELWP employs more than 4,200 staff in more than 82 locations across the state and is a key manager of Victoria's public estate. DELWP directly manages \$8.3 billion of assets - 81 per cent of the asset portfolio comprises various categories of public land. DELWP also owns and manages approximately \$1.6 billion of other assets including 40,000 kilometres of roads and tracks, office buildings, depots, public toilets, picnic shelters, recreational facilities, firefighting and road maintenance equipment, crossings, water bores and mobile plant.

## Our Community charter

With diverse communities come diverse needs. DELWP takes a proactive, collaborative and accountable approach to responding to the needs of the communities we serve. DELWP engages with community partners, clients and stakeholders to deliver services that support liveable, inclusive and sustainable communities and thriving natural environments.

### Our promise to Victorians - In all aspects of our work and interaction with the public we will:

 Be available	<b>Place-based community focus</b>	Talk to you where you live, work and play and be visible in local communities
	<b>Accessibility</b>	Make sure we are easy to contact, and our information is straightforward and available in a variety of ways
	<b>Flexibility</b>	Respect the way you want to work with us, and adapt our approach according to local needs
 Speak and listen	<b>Active listening and understanding</b>	Listen to and understand your views and needs and respect different opinions
	<b>Honesty and transparency</b>	Be honest about what's driving our priorities, what we can and can't promise to do, our timelines and why decisions have been made
	<b>Clarity and purposefulness</b>	Be clear why and how we are engaging, making sure we give you real opportunities to influence and make a difference
 Take action	<b>Timely and proactive</b>	Talk to the community as early as we can, responding quickly to issues and feedback
	<b>Consistency</b>	Ensure we are consistent in the way we approach decisions
	<b>Closing the loop</b>	Inform communities about the outcomes of projects and if our plans change we will let you know when this happens and why



## Our partners and stakeholders

Our Community charter guides our formal and informal interactions with communities. This includes connecting with local networks, building capacity and improving the way we communicate. These changes will help us to achieve objectives for our shared environment and improve outcomes for local communities.

DELWP works closely with clients, partners and stakeholders to create liveable, inclusive and sustainable communities, supporting jobs and growth in Victoria.

### Our partners include:

- Catchment management authorities
- Cooperative research centres
- [Environment Protection Authority Victoria](#)
- Local government
- Other state and federal government departments
- [Parks Victoria](#)
- [Sustainability Victoria](#)
- Water Corporations
- Universities
- Aboriginal Corporations and Traditional Owner Corporations
- [Victorian Building Authority](#)
- [Victorian Planning Authority](#)

We also work closely with the [Commissioner for Environmental Sustainability](#) and the Victorian Water Trust Advisory Council.

### Our customers and stakeholders include:

- Aboriginal communities and organisations
- Animal welfare groups
- Building industry and real estate organisations
- Community and special interest groups
- Environmental, tourism, sport and recreation groups
- Financial institutions
- Welfare groups
- Industry-based research and development and legal corporations
- Key employer associations and unions
- Land and water managers, planners, developers and information users
- Local, national and international business organisations
- Local, state, territory and Commonwealth governments, agencies and authorities
- Media organisations and communication carriers
- Ministerial advisory bodies
- Energy councils and authorities
- Universities and other educational institutions.

## Our support for the United Nations Sustainable Development Goals

The alignment of our work with the United Nations SDGs is an important new inclusion in this year's Annual Report, enhancing our ongoing commitment and reporting to sustainable development both locally and globally.

Previously, DELWP engaged with the SDG framework through *Plan Melbourne*, *Biodiversity 2037* and *Water for Victoria*, and in early 2019 we undertook a department wide approach to the SDG framework.

In a purpose-driven organisation such as ours, the ability to harness our staff contribution to action is critical. The SDG framework is credible, transparent and internationally accepted, and offers us a unifying framework for our work. Under the framework we can see how our varied activities fit together to contribute to Victoria's sustainable future.

## DELWP actions in 2019

We recognise that the SDGs are ambitious and that 'business as usual' is not enough. That's why we committed to a holistic and cohesive department-wide approach to the SDGs.

In 2019:

- we released a statement of support signalling the beginning of our journey to further our contribution to the goals
- we created a whole of DELWP SDG working group with representatives from all portfolios
- published information of alignment of DELWP's outcomes to the SDG goals in our *Corporate Plan 2019-2023*
- engaged with international and local SDG experts and hosted seminars.

The Senior Executive Team (SET) at DELWP recognises the many positive efforts being undertaken across the organisation and our portfolio agencies towards sustainable development. This is the first year we are reporting our actions in support of the UN SDG goals in our Annual Report. We will continue to identify opportunities to incorporate the goals into policy and programs and report our contributions in the years ahead.

# SUSTAINABLE DEVELOPMENT GOALS



## Our Ministers



**Hon Lisa Neville MP**  
**Minister for Water**

Ms Neville is also the Coordinating Minister for the department and the Minister for Police and Emergency Services.

Ms Neville previously served as the Minister

for Mental Health, the first in Australia, and as Minister for Community Services and Senior Victorians from 2006-2010. Ms Neville has been the Member for Bellarine since 2002.



**Hon Lily D'Ambrosio MP**  
**Minister for Energy, Environment and Climate Change**  
**Minister for Solar Homes**

Ms D'Ambrosio has represented the electorate of Mill Park since 2002. Ms

D'Ambrosio has previously held the positions of Minister for Industry, Minister for Energy and Resources and Minister for Suburban Development.



**Hon Richard Wynne MP**  
**Minister for Planning**

Mr Wynne is also the Minister for Housing and Minister for Multicultural Affairs.

Mr Wynne has previously held the positions of Parliamentary

Secretary for Justice and Cabinet Secretary, Minister for Housing and Local Government and Minister for Aboriginal Affairs. He is the Member for Richmond.



**Hon Adem Somyurek MP**  
**Minister for Local Government**

Mr Somyurek is also the Minister for Small Business.

Mr Somyurek has previously served as Minister for Small Business, Innovation

and Trade. Mr Somyurek represents the South-Eastern Metropolitan electorate.

## Special note on Machinery of Government changes and its impact on data presented

On 1 January 2019, Machinery of Government (MoG) changes were implemented by the Victorian Government. Functions of DELWP relating to the 'Suburban Development' output were transferred to the Department of Jobs, Precincts and Regions (DJPR).

The impact of this change does not always allow comparable trend data to be presented. Readers are alerted to comparability issues in the notes and analysis in each section and this should be considered when reading the information provided.

## Our executive

The department is led by the Secretary who reports to the ministers listed. The Secretary is supported by seven Deputy Secretaries with a range of backgrounds and experience.

### **John Bradley** **Secretary**

John Bradley was appointed the Secretary of DELWP in September 2017. Prior to becoming Secretary, John was CEO of Energy Networks Australia and previously served as Director General of the Queensland Department of Premier and Cabinet, and Director General of the Queensland Department of Environment and Resource Management.

John has experience in the electricity, gas, water and resources sectors, and has partnered with national and international stakeholders in natural resource management, conservation and sustainability.

John was previously the CEO of Queensland Water Commission during the Millennium Drought and the Executive Director of the Western Australian Office of Energy. John has also previously advised the International Monetary Fund and held several board directorships.

John holds a Bachelor of Arts from the University of Queensland and a Master of Business Administration from the Queensland University of Technology.

### **Kathryn Anderson** **Deputy Secretary, Corporate Services**

Kathryn Anderson was appointed the Deputy Secretary, Corporate Services in April 2015. Kathryn is responsible for the delivery of people and culture, finance, strategy and performance, legal and governance, information services and digital and customer communications, including our customer contact centre.

Kathryn has more than 25 years experience as a public servant across Commonwealth, Queensland and Victorian jurisdictions. She has held strategic policy and coordination leadership roles with the Queensland Department of Premier and Cabinet, the Victorian Department of Health and Human Services and the Cape York Institute for Policy and Leadership.

Kathryn is involved in leading public-sector reform across the Victorian public sector and is a Director on the board of CenITex, the Government's Information and Communications Technology (ICT) shared services agency.

Kathryn holds a Bachelor of Arts from the University of Queensland and a Graduate Certificate in Business from Queensland University of Technology and is a graduate of the Australian Institute of Company Directors.

### **Terry Garwood** **Deputy Secretary, Local Infrastructure**

Terry Garwood is the Deputy Secretary, Local Infrastructure. Terry was appointed to the role in 2014 in the former Department of Transport, Planning and Local Infrastructure. Terry leads LGV and Land Use Victoria (LUV) to deliver services and infrastructure that will help build stronger communities across the state.

Terry is the most senior Aboriginal public servant in the Victorian Public Service and has worked in the Victorian and Australian Public Service for nearly 40 years, serving in several departments in Canberra, Melbourne and regional Victoria. Terry has held senior executive positions across the Victorian Public Service, including in the Department of Transport and the Department of Human Services. Terry has also held senior operational and policy roles in the Australian Public Service, including the Aboriginal Development Commission, Aboriginal Hostels Limited and the Department of Employment, Education and Training.

Terry holds a Diploma of Arts and a Graduate Diploma of Education (Secondary) from La Trobe University. In 2018, Terry was awarded the Public Service Medal for distinguished public service and was inducted into the Victorian Aboriginal Honour Roll where he was recognised for his leadership, passion and commitment to community.

### **Anthea Harris** **Deputy Secretary, Energy**

Anthea Harris is the Deputy Secretary, Energy. Anthea was appointed as to the role in May 2019.

Anthea Harris is Deputy Secretary of the newly formed Energy Group within DELWP. Prior to this, Anthea was Lead Deputy Secretary of Strategy and Planning Group at the Department of Economic Development, Jobs, Transport and Resources. Anthea was previously CEO of the Climate Change Authority, held senior roles within the Commonwealth Department of Climate Change and Energy Efficiency, led the Secretariat for the National Emissions Trading Taskforce and held positions with the Victorian Department of Premier and Cabinet, Frontier Economics and at the Productivity Commission.

Anthea holds a Bachelor of Economics (Honours) from the University of Queensland.



**Julian Lyngcoln**  
***Deputy Secretary, Planning***

Julian is the Deputy Secretary, Planning. Julian was appointed as the Deputy Secretary in May 2019. Previously he was the Executive Director, Planning Implementation, where he was instrumental in the refresh of *Plan Melbourne 2017-2050* and the delivery of key planning policy reforms.

Julian is an experienced public sector executive with nearly 20 years working in state government. He has held senior roles across the VPS, including in VicRoads and the Department of Transport.

Julian holds a Bachelor of Engineering (Honours) and Arts (Honours) from Monash University, and is a graduate of the Executive Fellows Program from the Australian and New Zealand School of Government.

**Lee Miezis**  
***Deputy Secretary, Forest, Fire and Regions***

Lee Miezis is the Deputy Secretary, Forest, Fire and Regions. Lee was appointed as the Deputy Secretary in March 2016.

Lee has broad experience working across the public sector in policy, operations and strategy development and has developed a deep knowledge of forestry, fire and emergency management and regional Victoria.

As Deputy Secretary, Lee leads a workforce of more than 1,600 staff. Prior to his current role, Lee was the Executive Director, Fire and Emergency Management, and has held senior leadership roles in the former Department of Environment and Primary Industries (DEPI) and Department of Sustainability and Environment (DSE).

Lee holds a Bachelor of Forest Science (Hons) from the University of Melbourne and a Master of Business Administration from Charles Sturt University.

**Helen Vaughan**  
***Deputy Secretary, Water and Catchments***

Helen Vaughan is the Deputy Secretary, Water and Catchments. Helen was appointed as the Deputy Secretary in January 2018. She has previously worked in executive roles as Regional Director, most recently for DELWP in south-western Victoria, and for the former DEPI and DSE.

Helen has extensive experience in both the New South Wales and Victorian public service in policy, research and policy implementation roles, focussed mainly on natural resource and emergency management.

Helen holds a Bachelor of Science (Forestry) from the Australian National University.

**Kylie White**  
***Deputy Secretary, Environment and Climate Change***

Kylie White is the Deputy Secretary, Environment and Climate Change. Kylie was appointed as the Deputy Secretary in April 2018. Previously she was the Executive Director, Energy, Resources and Environment in the Department of Premier and Cabinet (DPC).

She has held senior roles across the VPS, including in the former Department of Primary Industries (DPI), the former DSE, the Department of State Development, Business and Innovation, the Department of Economic Development, Jobs, Transport and Resources, and interim CEO at the Latrobe Valley Authority.

Kylie holds a Bachelor of Science (Forestry) from the Australian National University, a University of New England Master of Science (Environmental Management) and is a graduate of the Advanced Management Program from Harvard Business School.

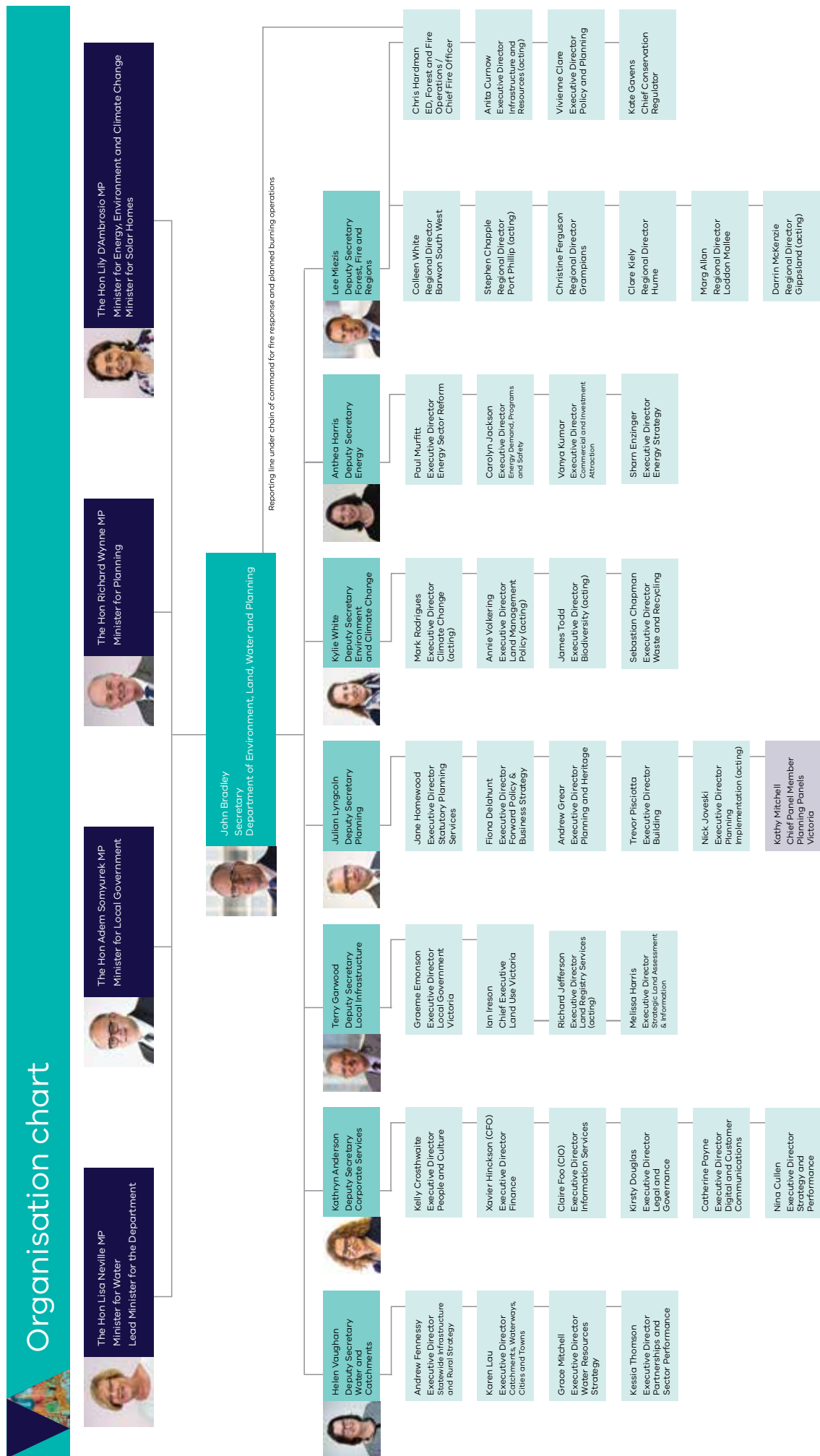
## Our functions and services

DELWP is structured around seven business groups cooperating to support our ministers and portfolio partners in delivering the Government's priorities:

- **Energy** – advocates, leads and delivers strategic statewide policies and programs, stimulates sector development, procures and facilitates large-scale energy projects and contributes to national initiatives through strong partnerships. Key focus areas include: energy efficiency, energy safety and emergency management, energy generation, transmission and distribution through wholesale and retail markets.
- **Environment and Climate Change** – provides high-quality advice to Government on directions, principles, strategies and actions to lead the Victorian Government's responses to climate change, waste and recycling, environmental protection, and policy for the management of public land and the state's biodiversity. The group works across DELWP, with portfolio agencies, external stakeholders and with ministers to implement DELWP's statewide objectives in the energy, environment and climate change portfolio.
- **Forest, Fire and Regions** – manages state forests, coasts and other public land, and delivers integrated, accessible and high-quality programs, projects and services across all DELWP portfolio areas, working collaboratively with local communities and other partners. The group provides high quality advice to Government on forest, fire and emergency management, and has a lead role in preparing for, responding to, and recovering from fire and other emergencies, to reduce impacts on people, property and the environment. As DELWP's main connection to local communities and environments across the state, the group provides valuable intelligence on how policy and programs can be designed and delivered to better meet the needs of Victorians.
- **Local Infrastructure** – works with local government to support the delivery of local governance, services and infrastructure and builds stronger communities across the state. The group also provides administration and information services for the Victorian property industry and the community.
- **Planning** – manages the state's planning, building and heritage systems including developing long-term, integrated land use strategies and policies; administering statutory responsibilities, facilitating urban development and enabling Government's infrastructure strategies and programs. Under Victoria's planning system, local councils and the Victorian Government develop planning schemes to control land use and development and ensure the protection and conservation of land. The group works collaboratively with local government and other key public and private stakeholders to lead programs that support Victoria's growth and liveability, and to ensure that quality services and outcomes are delivered across the state.
- **Water and Catchments** – works to ensure that Victoria has safe, sustainable and productive water resources to meet future urban, rural and environmental needs. The group works in partnership with water corporations, catchment management authorities, government agencies, industry and the community to balance the economic, environmental and social values of water. This work helps to deliver secure water supplies, greener and liveable cities and towns, healthy waterways and aquifers. The group is responsible for the implementation of the Government's long-term water plan, *Water for Victoria*, which sets the strategic directions for the state's water management for decades to come.
- **Corporate Services** – enables good governance, delivers efficient and effective services that meet customer needs, and partners to deliver our outcomes. The group works across the department to deliver services across people and culture, finance, strategy and performance, information services, digital and customer communications (including the customer contact centre) and legal and governance services.

# Organisational structure

The organisational chart shows the department's structure and senior executives for delivery of functions as at 30 June 2019.



## Governance

Under the *Public Administration Act 2004* (PAA), the Secretary is accountable to the Minister for Water, Minister for Energy, Environment and Climate Change and Minister for Solar Homes, Minister for Local Government and Minister for Planning for the overall governance of the department.

A number of committees are in place to focus on governance. The below committees are those the department is required to report on under Financial Reporting Directive 22H (FRD22H).

### Senior Executive Team

The SET functions as the department's Board of Management and is made up of the Secretary, Deputy Secretaries and the Executive Director of the Strategy and Performance division. SET's role is to establish strategies, frameworks, policies and structures to guide integrated work across DELWP to deliver on the Government's priorities. SET is focussed on providing strategic and collaborative leadership that helps build high performance across the department and puts service excellence and our agreed values at the centre of everything we do.

### Customer and Stakeholder Committee

The Customer and Stakeholder Committee provides strategic direction and oversight to the actions flowing from the Customer and Stakeholder Intelligence (CSI) survey results, the Community charter and DELWP engagement framework. This work will inform the development of a customer and stakeholder engagement roadmap and plan.

### Executive Staffing and Remuneration Committee

The Executive Staffing and Remuneration Committee is responsible for oversight of the department's executive workforce. Its purpose is to promote a fair and consistent approach to executive recruitment, selection and remuneration, and to ensure alignment to VPS executive workforce remuneration and employment requirements.

### Finance and Performance Committee

The Finance and Performance Committee provides strategic oversight of the department's financial and performance management, highlights significant financial management or performance issues and recommends solutions to SET.

### Governance and Integrity Committee

The Governance and Integrity Committee provides strategic oversight and decision making about the department's portfolio agency governance and integrity on behalf of SET. The Committee champions an integrated and informed approach to portfolio agency performance and reporting across all DELWP groups, highlighting significant changes, risks and opportunities to streamline the department's approach.

### Information, Communication and Technology Committee

The ICT Committee provides oversight of the department's ICT Strategy and Information Management Strategy. It provides governance of ICT decisions and investments, and ensures the department meets WoVG Standards for ICT governance and ICT expenditure reporting, the shift to digital service delivery, and the management of public sector information.

### People Committee

The People Committee provides oversight of our people strategy and relevant performance management. The committee highlights significant performance issues and recommends solutions to SET to ensure an integrated, consistent and equitable approach to delivering DELWP's priorities.

### Procurement Committee

The Procurement Committee is tasked with the strategic direction of the department's procurement function (including goods, services and construction related procurement). It is established in adherence to the Victorian Government Purchasing Board Governance Policy under the directions of the *Financial Management Act 1994*.

### Regulation Committee

The Regulatory Committee works to continuously improve our regulatory approach and oversees DELWP's broad range of regulatory responsibilities, powers and functions. The committee leads the implementation of our Regulatory Framework, which describes how we go about our regulatory work, as part of a commitment to be a trusted and successful practice regulator.



## Risk and Audit Committee

The Risk and Audit Committee is an independent body established in accordance with the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*. It provides assurance to the Secretary that the department's risk and control environment is operating effectively and efficiently. The Risk and Audit Committee meets five to seven times a year as determined by the Chair.

In 2018-19, the Risk and Audit Committee members were:

Peter Lewinsky (Chair)	Independent member
Suzanne Evans	Independent member
Helen Thornton	Independent member
Mark Peters	Independent member
Kathryn Anderson	Deputy Secretary, Corporate Services
Helen Vaughan	Deputy Secretary, Water and Catchments
Graeme Emonson	Executive Director, Local Government Victoria

## Munganin Gadhaba Steering Committee

The *Munganin Gadhaba* Steering Committee provides oversight for the implementation of the *Munganin-Gadhaba Aboriginal Inclusion Plan* and strategic support to the Aboriginal Inclusion Support Branch.

## Science Leadership Group

The Science Leadership Group (SLG) provides strategic oversight, implementation and evaluation of our Science Statement which articulates how we will improve access to science across the department and work with our partners, stakeholders and the community, and our priority actions to further develop a strong science culture and better understand the value and impact of our scientific work. The SLG is chaired by Kylie White, Deputy Secretary, Environment and Climate Change with members from across the department.

## Departmental objectives, indicators and outputs

This section provides an overview of key activities important to the achievement of DELWP's medium-term objectives (also known as Outcomes). It also reports on the delivery of the department's outputs, including performance results against the output measures published in the 2018-19 Budget Paper Number 3: Service Delivery (BP3) and performance of the key initiatives and projects published in the Corporate Plan 2018-2022.

Note: Output costs reported under departmental objectives, indicators and outputs vary to the output costs reported in Note 4 of the financial statements. This is due to different methodologies being used in allocating department wide costs and is detailed from page 252.

The table below provides a summary of DELWP's objectives, indicators, and outputs for 2018-19:

Departmental objectives	Indicators	Outputs
Zero emission, climate-ready economy and community	Reduction in emissions from government operations Percentage reduction in Victoria's greenhouse gas emissions relative to 2005 Number of pledges made under the TAKE2 climate change pledge program	Climate Change
Healthy, resilient and biodiverse environment	Participation in community-based environmental programs Reduction in pollutants from priority hotspots	Environment and Biodiversity Statutory Activities and Environment Protection
Reliable, sustainable and affordable energy services	Relative share of Victoria's energy sourced from renewables Percentage of surveyed users of the Victorian Energy Compare website who report that they plan to switch offers after using the website	Energy
Productive and effective land management	Efficient provision of timely and authoritative land administration and property information services Number of visits to the public land estate managed by the department's portfolio agencies (Parks Victoria) Bay and park assets rated in average to excellent condition Consistent and timely provision of government land transaction approvals and advice	Land Use Victoria Management of Public Land and Forests Parks Victoria
Safe and sustainable water resources	Proportion of properties completely connected to the modernised irrigation delivery system (in the Goulburn Murray, Macalister, Werribee and Bacchus Marsh irrigation districts) Number of river reaches/wetlands with maintained or improved environmental condition	Effective Water Management and Supply
A quality built environment	Improved liveability, sustainability and inclusiveness of public spaces and neighbourhoods Effective protection of cultural and natural heritage	Planning, Building and Heritage
Sustainable and effective local governments	Community satisfaction with the performance of councils as measured through the Local Government Community Satisfaction Survey	Local Government

Departmental objectives	Indicators	Outputs
Reduced impact of major bushfires and other emergencies on people, property and the environment	<p>Percentage of bushfires contained at first attack and/or under five hectares to suppress bushfires promptly, keep bushfires small and minimise loss</p> <p>Area treated through planned burning and other treatments to maintain the statewide bushfire risk at or below 70 per cent</p> <p>Percentage of agreed departmental emergency management obligations met on time and to standard</p> <p>The economic impact of fire prevention and preparedness investment</p>	Fire and Emergency Management

Changes to the department during 2018-19:

2018-19 departmental objective	2018-19 output	Reason for change
Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs	Suburban Development	Transferred departmental objective and associated output to DJPR resulting from MoG administrative restructure on 1 January 2019.

## Zero emission, climate-ready economy and community

This objective involves leading a Whole-of-Victorian-Government (WoVG) response to climate change, including reducing greenhouse gas emissions, adapting to the impacts of a changing climate, and supporting the economic and social transition to a net-zero emissions and climate resilient future.

The department leads the modernisation of legislative, regulatory and governance arrangements in the environment portfolio, and uses economic, research and scientific expertise to develop policy responses to harness Victoria's current and emerging opportunities, in the context of climate change.

The foundation stones for the department's work on these issues are the *Climate Change Act 2017*; *Victoria's Climate Change Framework*; and *Victoria's Climate Change Adaptation Plan 2017-2020*.

### Progress towards achieving this objective

#### Context

Climate change is one of the most critical issues facing Victoria. The state is already experiencing impacts from climate change, including higher than average temperatures, lower than average rainfall, more frequent and intense heatwaves, extreme fire conditions, storm surges and coastal erosion. These impacts are projected to worsen in the coming

decades with serious implications for Victoria's community, natural environment and economy.

The transition to net-zero emissions also creates opportunities and challenges for Victoria – the department's work relating to the departmental objective 'Reliable, sustainable and affordable energy services' is critical in this regard.

#### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

To support the integration of climate change policy into government planning, programs and other policies, DELWP is developing scenarios to assist departments to understand the implications – for their assets and operations – of climate change impacts and the transition to a net-zero emissions economy. DELWP is working with policy and program staff, risk managers and strategic planners across government on actions to mitigate risks and take advantage of opportunities for innovation and improved efficiency while pursuing emissions reductions and building climate resilience.

DELWP commissioned CSIRO to develop local-scale climate projections for Victoria for a range of global emissions pathways. The projections will be publicly available in early 2019-20 and will be accompanied by training, information and guidance material for key government, business and community stakeholders across Victoria.

To assist different sectors to adapt to the likely impacts of climate change, DELWP conducted a Sector Summit including participants from across Victorian Government departments to help inform the development of sector-based adaptation plans and learn from the experience gained in delivering the pilots. The *Pilot Water Sector Climate Change Adaptation Action Plan* was released in October 2018, and the Pilot for Health and Human Services will be released in the second half of 2019.

DELWP also worked with local governments to build capacity and support local adaptation action, including providing guidance materials regarding local government adaptation roles and responsibilities, and engaging with local government Greenhouse Alliances as key stakeholders in preparing regional adaptation strategies. The \$1 million Community Climate Change Adaptation Grants – which are directed at local governments and community groups – were opened for applications in January 2019. Applications have closed, and successful recipients will be announced in early 2019-20.

During 2018-19, the department conducted a vulnerability assessment to understand the impacts of heatwaves on Victoria's regional economies. This information is being used by local governments and other stakeholders to inform their adaptation work. Adaptation efforts are informed by six regional climate change adaptation snapshot reports released in 2018 that outline vulnerabilities, impacts and priorities for adaptation across the state. Two climate change communication masterclasses were held in 2018-19 for public sector stakeholders to share knowledge of best practice communication of climate change information.

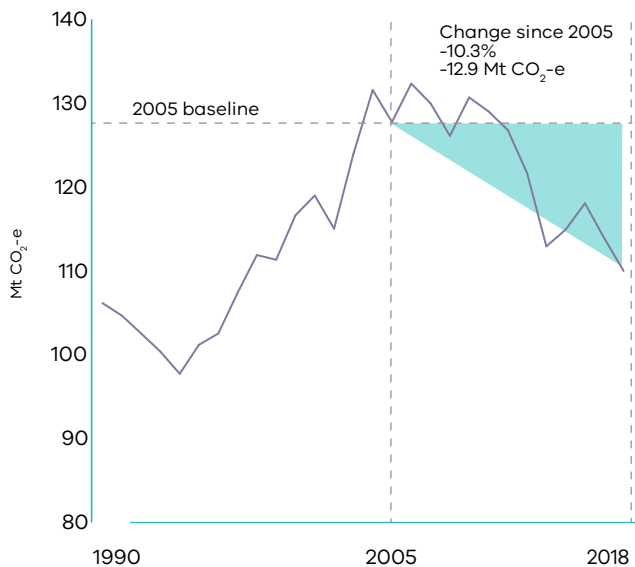
***Indicator: Reduction in emissions from government operations***

The Victorian Government has committed to reducing emissions from the office-based operations of government departments, the EPA and SV by 30 per cent below 2014-15 levels by 30 June 2020. DELWP is coordinating cross-departmental efforts to reduce emissions by implementing energy efficiency and renewable energy actions to achieve the target. For its own part, DELWP has reduced emissions from its own operations by 23 per cent to date.

Across government, programs such as *Greener Government Buildings* and the *Solar Trams initiative* are reducing emissions beyond office-based operations. The *Greener Government Buildings program*, led by the Department of Treasury and Finance (DTF), is improving the energy efficiency of existing government buildings through more efficient lighting, heating and cooling systems, building automation and solar power. The *Solar Trams initiative*, led by DELWP, will support 35 megawatts of new large-scale solar generation to power Melbourne's tram network and will reduce emissions equivalent to taking 17,000 cars off the road.



**Indicator: Percentage reduction in Victoria's greenhouse gas emissions relative to 2005**

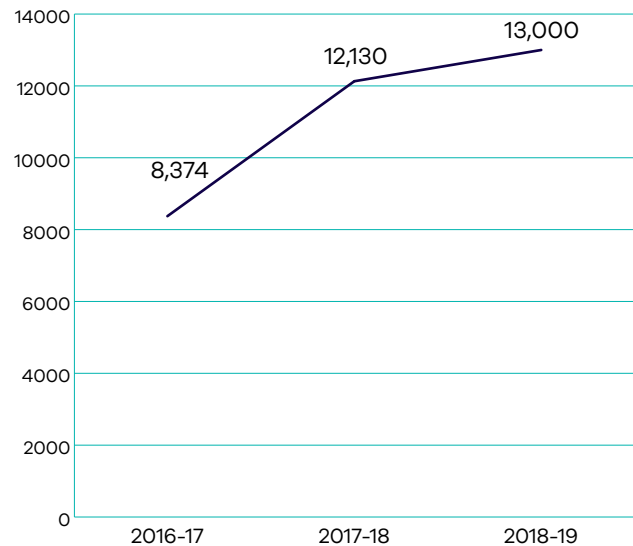


The Victorian Government has committed to reducing the state's greenhouse gas emissions by 15-20 per cent below 2005 levels by 2020, setting Victoria on the path to net-zero emissions by 2050.

The Government released its first *Victorian Greenhouse Gas Emissions Report* in 2018. This report shows that the state's total greenhouse gas emissions were 110 megatonnes of carbon dioxide equivalent in 2017, or 10.3 per cent below 2005 levels. The Report also includes a projection of emissions to 2020, which indicates that in 2020 the state's emissions are projected to be 18.2 per cent below 2005 levels, well on track to the 2020 target.

As required by the *Climate Change Act 2017*, the Victorian Government will set interim economy-wide emissions reduction targets for 2021-25 and 2026-30 by 31 March 2020. The Minister for Energy, Environment and Climate Change appointed an Independent Expert Panel to provide advice on these targets.

**Indicator: Number of pledges made under the TAKE2 climate change pledge program**



TAKE2 is a collective climate change program that supports individuals, business, government, educational and community organisations to take meaningful action to reduce greenhouse gas emissions. TAKE2 is the first state government-led climate change pledge initiative in Australia and one of the most comprehensive programs of its kind in the world. The program is delivered in partnership with Sustainability Victoria. Since its launch, the TAKE2 program has had more than 13,000 pledges in total, including from:

- 49 local governments representing over 83 per cent of Victoria's population
- 711 businesses with more than 383,000 employees
- 188 community groups that have more than 187,000 members
- 104 schools and tertiary institutions with over 270,000 students.

## Output performance measures

### Climate Change

This output leads the development and implementation of strategic, WoVG climate change policy and programs, that contribute to Victoria's 2050 target of net-zero greenhouse gas emissions and build the State's resilience to climate change.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Victorian schools participating in the Re-sourceSmart Schools program	number	675	700	(3.6%)	O
Energy saved by Victorian schools participating in the ResourceSmart Schools program	kWh	9,007,058	6,000,000	50.1%	✓
<i>Performance is above target due to an increased focus on energy during the 2018 school year. This was supported by the ResourceSmart Schools Energy Champions Challenge, which encouraged schools to reduce their energy consumption. An increase in the number of schools participating in the program also likely contributed to the high result.</i>					
TAKE2 actions committed to by individuals, community and business	number	117,496	85,000	38.2%	✓
<i>Performance is above target due to a stronger than expected response following a commercial partnership with a major retailer who promoted the program to its customers. The target has been increased for 2019-20 to reflect the continued expansion of the program.</i>					
<b>Quality</b>					
Departmental stakeholder satisfaction with engagement in completed policy projects	per cent	75	75	0.0%	✓
<b>Timeliness</b>					
Delivery of policy, advice and research on climate change within agreed timeframes	per cent	80	80	0.0%	✓
<b>Cost</b>					
<b>Total output cost</b>	\$ million	42.2	42.7	(1.2%)	O

Note:

- ✓ Performance target achieved or exceeded.
- O Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

## Healthy, resilient and biodiverse environment

This objective involves leading the development and implementation of strategic regulation and investment in environmental and natural resource programs across Victoria.

The department works with portfolio partners, local communities and external stakeholders to develop effective, evidence-based policies, programs and regulatory responses for: environment protection; waste and resource recovery; ecosystem-based planning; native vegetation management; threatened species; and land management practices.

### Progress towards achieving this objective

#### Context

Biodiversity is the variety of all living things. In Victoria, this includes more than 5,000 vascular plants and 1,200 higher-order animals native to Victoria, of which over a third are of conservation concern (rare, threatened or near-threatened). This is due to a range of threats including habitat loss and fragmentation, weeds, pest animals and changed fire and water regimes due to pressures including climate change.

A healthy, resilient and biodiverse environment provides key benefits to our society. It is fundamental to providing a healthy environment for healthy Victorians. There is intrinsic value in Victoria's unique biodiversity. By protecting and building Victoria's natural environment we can enhance our economic competitive advantage, achieve community health benefits and receive intangible social benefits.

How much waste is generated and how it is managed also has a direct impact on the environment and health of communities. If current waste trends continue, Victoria will be generating 21 million tonnes of waste per annum by 2045, an increase of 60 per cent from 2015 levels.

### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

Under the *Protecting Victoria's Environment - Biodiversity 2037* policy, DELWP established and revised Biodiversity Response Planning for improved regional biodiversity outcomes. DELWP refined biodiversity management interventions based on the best available science and improved decision making. Building on these foundations the Government invested more than \$37 million over three years in 85 on ground projects to help slow the decline of biodiversity in priority locations across Victoria. The Flora and Fauna Guarantee Amendment Bill 2019, which was introduced into Parliament on 18 June 2019, will further enable a modern and strengthened framework for biodiversity protection in Victoria.

DELWP partnered with Traditional Owners in managing Country, including biodiversity, to enable a stronger connection to Country and contribute to self-determination. In 2018-19, DELWP worked alongside eight Traditional Owner groups on Biodiversity Response Planning, a new area-based planning approach to biodiversity conservation in Victoria and its marine and coastal environments. Four Traditional Owner groups undertook two pilot projects to better understand, and work towards, healthy Victorian ecosystems.

DELWP also worked closely with Trust for Nature, with a shared objective of protecting and rehabilitating private land. To achieve this in 2018-19, \$950,000 was allocated to increasing support for Trust for Nature from the Sustainability Fund. The objective of this program is to increase the extent and quality of protected areas on private land by working with landholders and the wider community to help mitigate the impacts of climate change for Victoria's natural environment.

This program, together with other Trust for Nature programs funded from the Biodiversity Response Planning process, Commonwealth grants and other sources, protected a total of 1,394 hectares.

Through the *Victorian Landcare Facilitator Program*, DELWP provided \$4.2 million in 2018-19 to employ 78 part-time Landcare facilitators across the state. These facilitators provide support to Landcare groups and other environmental volunteer networks to ensure a healthy and resilient environment. In 2018-19 a further \$1.5 million was provided for the employment of a Regional Landcare Coordinator in each of the catchment management authorities, providing strategic direction, planning and coordination for Landcare at the regional level.

In collaboration with Melbourne Water and the EPA, DELWP developed and released a Delivery Plan with 52 activities to support the *Port Phillip Bay Environmental Management Plan 2017-2027's (EMP)* goals and priority actions. DELWP is directly leading the delivery of eight activities and is partnering with other agencies for 18 other activities. An additional 23 activities are funded through DELWP's grant programs. DELWP and partners promoted the EMP by hosting community events such as the Port Phillip Bay forum held in February 2019. This event was attended by over 150 people actively involved in protecting the Bay. DELWP also held a stall about the EMP at the two *Day by the Bay* festivals located in Mornington and Point Cook (in February and March 2019).

The Melbourne Strategic Assessment (MSA) program provides a streamlined framework for developers in Melbourne's growth corridors to meet the requirements of both Victorian and Commonwealth biodiversity protection regulation. It provides long-term planning certainty and delivers significant ecological outcomes. In 2018-19, the MSA program achieved a fast response rate, the majority within 10 days, to regulatory applications and approval requests for urban development. This provided less delays for developers and resulted in very high compliance rates with biodiversity regulatory requirements.

In close partnership with the EPA, DELWP continues to deliver the Government's response to the Independent Inquiry into the EPA. The *Environment Protection Amendment Act 2018* passed in August 2018 and is intended to commence in July 2020. The Act transforms Victoria's environment protection framework, enabling a new approach focussed on preventing waste and pollution impacts rather than only managing those impacts after they have occurred. Victoria Unearthed, an interactive online map, was also released in March 2019. It brings together EPA data and historic business listings for the first time in a user-friendly format, to help people identify potentially contaminated sites.

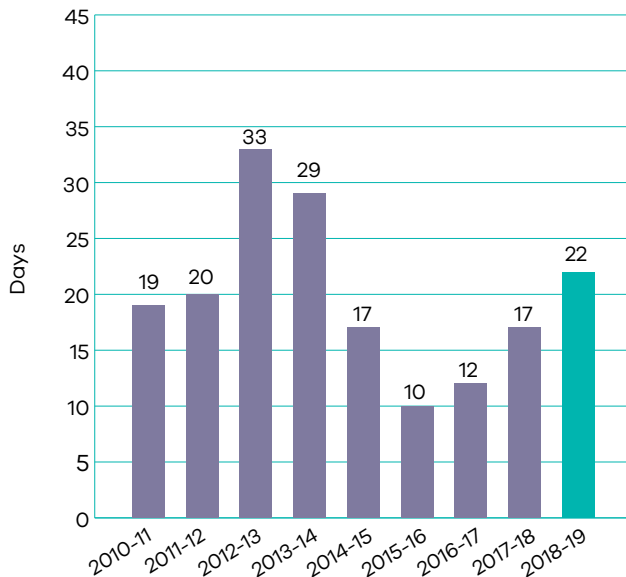
DELWP released the *Recycling Industry Strategic Plan* in July 2018. The Plan, which sets a pathway to stabilise the Victorian recycling sector and develop stronger markets for recycled materials over the longer term, is supported by \$37 million in funding. To deliver the Plan, DELWP is partnering with state, regional and local government bodies, industry and the community. DELWP is delivering a substantial program of regulatory and enforcement responses to address risks posed by combustible recyclable material and industrial waste sites. The *Waste Management Policy (Combustible Recyclable and Waste Materials)* was developed to reduce fire risk at resource recovery facilities. DELWP also committed initial funding of \$30 million to commence fire prevention and clean-up measures at Broderick Road, Lara.

The plastic pollution prevention plan for Victoria is being developed to reduce plastic pollution in our state. Beverage containers, balloons and cigarette butts are priority targets. A plastic pollution reference group was formed to provide strategic advice on reducing plastic pollution, with representatives from government, industry, retailers and community environment groups. The Victorian ban on lightweight plastic shopping bags will come into effect by the end of 2019.

Public consultation about how to improve Victoria's future air quality over the coming decade received 78 submissions, containing around 650 individual suggestions. The Victorian Government Clean Air Summit in August 2018 brought together over 160 Victorians, representing community groups, academia, industry, state and local government and interested individuals. Complementary regional discussions were also held in Ballarat, the Yarra Valley and the Latrobe Valley. Information from these submissions and consultations is being used to inform development of the *Victorian Government Air Quality Strategy*, which is scheduled for release later in 2019.

DELWP established and refined procedures to protect our natural environment through intelligence gathering and risk assessment. This involved the delivery of statewide operations and investigations to reduce the spread of campfires under high fire danger conditions, and the illegal collection of commercial volumes of fire wood. These high-risk activities impact on habitat values and limit opportunities for those legally sourcing a scarce resource. This approach also led to a nationally significant investigation into the organised trade in wildlife. Several regulatory actions have been taken and continue to be in process.

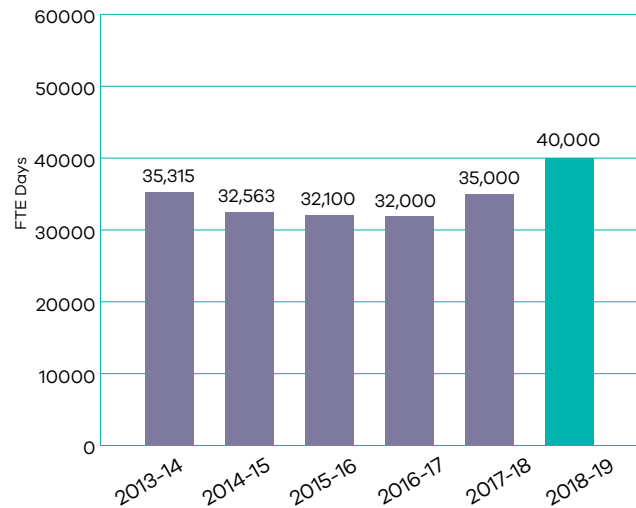
**Indicator: Reduction in pollutants from priority hotspots**



The residential area south of the Brooklyn industrial precinct has a long history of poor air quality events due to high dust levels being generated from activities in the precinct. As a result, the EPA has monitored the major component of dust in the air, PM10 (particles smaller than 10 micrometres), in Brooklyn since October 2009. Over this time, local air quality has not met Victoria's PM10 air quality standard on a number of days each year, largely due to road dust.

In 2018-19 EPA continued to produce specific air quality warnings for Brooklyn when strong northerly winds were forecast. These were shared with local schools, businesses and the community. In addition, the EPA has worked and will continue to work with businesses in the industrial precinct to incorporate dust suppression measures and management practices at their sites.

**Indicator: Participation in community-based environmental programs**



This indicator is based on data reported by Victoria's environmental volunteers including Landcare facilitators, Coastcare facilitators and local government.

Under the Victorian Government's environmental volunteering plan, *Victorians Volunteering for Nature 2018*, the first statewide stocktake undertaken of environmental volunteering found that Victoria had more than 2,000 environmental volunteer groups. 130,000 individual volunteers contributed more than 1.4 million hours of volunteer time during 2018-19.

## Output performance measures

### Environment and Biodiversity

This output leads the development and implementation of strategic, WoVG environmental policy and delivers investment, regulatory and research functions that support the maintenance and recovery of Victoria's native species and ecosystems.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Victorian Landcare Groups supported by a facilitator	number	440	435	1.1%	✓
New permanently protected native vegetation on private land	hectares	1,397	5,000	(72.1%)	■
<i>Performance is below target due to the approved rescoping of works across the Biodiversity 2037 program. This resulted in reduced actions on private land, but more actions that deliver on other priority biodiversity outcomes. Targets for 2019-20 have been adjusted to reflect the revised approach.</i>					
Area treated for biodiversity conservation in priority locations	hectares	200,000 (estimate)	200,000	0.0%	✓
<i>Results for this measure will be available in October 2019. Current estimates indicate that the program is on track to meet its 2018-19 target.</i>					
<b>Quality</b>					
Completion of annual reporting and board appointment processes in accordance with legislation	per cent	100	100	0.0%	✓
Delivery of key milestones for the Keeping e-waste out of landfill program	per cent	100	100	0.0%	✓
Presentations made and scientific publications in peer reviewed journals	number	60	60	0.0%	✓
<b>Timeliness</b>					
Native Vegetation Credit Extracts processed within 10 days	per cent	100	95	4.7%	✓
Planning referrals relating to native vegetation processed within statutory timeframes	per cent	70	80	(12.5%)	■
<i>Performance for this measure is below target due to the complexity and volume of planning referral cases. Despite planning for an increase in demand due to the number of major projects being undertaken across the state, the complexity of cases presented challenges and required additional time to complete.</i>					
Wildlife Licence renewals processed by target dates	per cent	98	96	2.1%	✓
<b>Cost</b>					
Total output cost	\$ million	139.0	127.3	9.2%	✓
<i>The higher than budgeted output cost predominately relates to the timing of grant payments from the Sustainability Fund, as well as advances approved by the Treasurer to fund the Managing Wildlife and Pest Program and the Port Phillip Bat Improvement Plan.</i>					

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.



## Statutory Activities and Environment Protection

This output involves protecting the environment and people by preventing and reducing harm from pollution and waste through better regulation, conducting research and gathering intelligence to inform compliance and enforcement activities, collaboration and the provision of advice. These activities support a liveable and prosperous state by leveraging good environmental performance and a shared responsibility among all Victorians to maintain clean air, water and land, and minimal disturbance from noise and odour.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Inspections that test compliance of licensed premises whose operations may represent a significant risk to the environment and human health	number	246	250-300	(1.6%)	O
Events that engage business and community in environment protection	number	12	10-12	0.0%	✓
Activities that support business to comply with environmental obligations	number	34	15-20	85.0%	✓
<i>Performance is above target due to EPA's increased engagement profile. EPA undertook more engagement activities in 2018-19 to actively communicate and engage with stakeholders and the community on the implementation of the Environment Protection Amendment Act 2018. The target for 2019-20 has been increased to reflect the expectation that increased engagement will continue in future years.</i>					
Environment condition notifications provided to Victorians via digital channels	number	1,249	900-1,000	24.9%	✓
<i>Performance is above target due to an increase in social media activity and 'Beach Report' reporting activity, which led to higher numbers of environmental condition reports for the year. Many of these notifications are incident-driven, which can lead to variation across years.</i>					
<b>Quality</b>					
EPA prosecutions are selected using a risk-based approach, focussed on environmental outcomes and are successful	per cent	100	70	42.9%	✓
<i>Performance is above target due to EPA being successful in all 23 prosecutions over 2018-19. This is the first year of EPA using a new risk-based approach to prosecutions. While the new approach based on risk to determine prosecution and enforcement action began in 2018-19, the timing for resolution of cases can take months or years.</i>					
Environmental audits reviewed to ensure compliance with statutory requirements and guidelines	per cent	94	90	4.4%	✓
Remedial notices complied with by due date or escalated in line with EPA's Compliance and Enforcement policy	per cent	95	90	5.6%	✓
<i>Performance is above target due to EPA's continued focus on improving the quality of remedial notices and the timeliness of final compliance assessments.</i>					

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Timeliness</b>					
Pollution reporters requesting follow-up by EPA receive contact within three working days	per cent	90	85	5.9%	✓
<i>Performance is above target due to EPA prioritising returning customer calls and working closely with their Central Dispatch Team to manage the receipt, triage and actioning of all pollution reports received.</i>					
Works approvals and licences completed within required statutory timelines	per cent	97	96	1.0%	✓
EPA provides technical advice to lead agencies within agreed timelines during emergency incidents	per cent	98	90	8.9%	✓
<i>Performance is above target due to EPA prioritising emergency incident responses by ensuring appropriate capacity and procedures are in place.</i>					
<b>Cost</b>					
<b>Total output cost</b>	\$ million	206.2	203.6	1.3%	✓

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

## Reliable, sustainable and affordable energy services

We are focused on delivering a comprehensive suite of energy programs that will improve energy efficiency, strengthen consumer protections and improve affordability, while at the same time providing policy advice to government on how to deliver reliable, sustainable and affordable energy services to Victorians.

The department works with a range of stakeholders to provide energy services to consumers, attract investment in renewable energy and low emissions technologies, and support local jobs and communities as Victoria's energy system transitions.

### Progress towards achieving this objective

#### Context

Victoria, along with the rest of the world, is in the midst of a major energy transformation. We recognise the need for a modern energy system to support our economy and way of life – a system that is renewable, reliable, sustainable and affordable.

We are committed to addressing the challenges and maximising the opportunities posed by the transformation of the energy sector while maintaining security, reliability and affordability for Victorian energy customers, while also reducing greenhouse gas emissions.

As well as driving a range of new programs and initiatives, the department has an important role to play in advocating for the interests of Victorians at national energy market forums and through participation in the COAG Energy Council.

#### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

DELWP contributed to substantial growth in Victoria's renewable energy generation during 2018-19. The share of renewable sources in Victorian electricity generation increased from almost 19 per cent in 2017-18 to around 22 per cent in 2018-19. This growth was driven by increased output from wind and solar farms and the continued uptake of rooftop solar systems by Victorian households and businesses.

Three new wind farms and three new solar farms were successful in the Victorian Renewable Energy Targets (VRET) Auction, which took place during the year. Combined these projects will deliver 928 MW of renewable electricity generation, almost 45 percent more than the 650 MW originally anticipated. The 650 MW target will be met by September 2020.

During 2018-19, five wind farms with a combined capacity of 1,052 MW and four large-scale solar farms with a combined capacity of 424 MW commenced construction in Victoria. The department estimates these projects will create 1,477 jobs and bring forward capital expenditure of close to \$2.3 billion.

The Victorian Government responded to the industry's call for renewable energy investment in the state by introducing the Renewable Certificate Purchasing Initiative. Under this program the government committed to buying renewable energy certificates for their electricity usage directly from new renewable energy projects in Victoria. Around 35 MW of renewable energy generation from Bannerton Solar Park and Numurkah Solar Farm is linked to the energy consumption of Melbourne's tram network. This initiative is expected to result in a reduction of around 80,000 tonnes of greenhouse gas emissions every year.

Two large-scale energy storage batteries have been operating in the Victorian electricity network since summer 2018-19. These batteries provided invaluable power during the extreme heat events of late January 2019, exporting over 130 MW hours of stored energy to the grid. The Victorian Government and the Australian Renewable Energy Agency each provided \$25 million towards the construction of the batteries.

DELWP continued to work with other jurisdictions and the Australian Energy Market Operator to increase energy reliability and security. This included support for the new Retailer Reliability Obligation and developing new energy capacity from distribution businesses and large energy users through innovative demand management solutions. DELWP also drove regulatory reforms at state and national levels to support the integration of small-scale renewable energy resources, including developing a new framework for consumers not connected to the grid.

The *Power Saving Bonus Program* was launched on 1 July 2018, providing a \$50 incentive to people who went to the Victorian Energy Compare website to find a better energy deal. Since its introduction over 1.2 million consumers have visited the website, with more than 365,000 households claiming their \$50 bonus. The *Power Saving Bonus Program* has been extended to 30 June 2020.

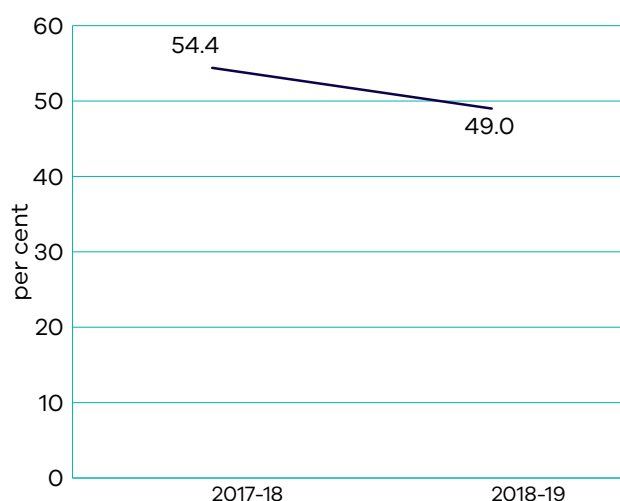
In November 2018 the Government released its *Energy Fairness Plan*, which announced a range of new initiatives to ensure energy consumers receive a fairer go, including the Victorian Default Offer, the *Energy Retail Code* and an increased role for the Essential Services Commission.

The \$20 million *New Energy Jobs Fund* provides support for Victorian-based projects that create long-term sustainable jobs, increase the uptake of renewable energy generation, reduce greenhouse gas emissions and drive innovation in new energy technologies. The *New Energy Jobs Fund* has awarded over \$13.5 million in grants over four rounds, supporting industry and community groups to deliver 59 new energy technology projects, with a total project value of over \$65 million.

*Victorian Energy Upgrades*, Victoria's flagship energy efficiency program, supported more than 160,000 households and 11,500 businesses in 2018-19 with energy efficiency upgrades that have reduced energy bills. The \$17 million *Home Energy Assist* (HEA) package of projects delivered household energy efficiency retrofits. The pilot phase of HEA: Affordable Retrofits delivered energy assessments, energy literacy support and retrofits to low income and vulnerable households in Greater Melbourne. DELWP estimates these upgrades will save each household an average of \$350 per year on their energy bills. The second phase of HEA: Energy Savvy Upgrades, delivered retrofits to households experiencing energy stress. This program will be expanded across the state.

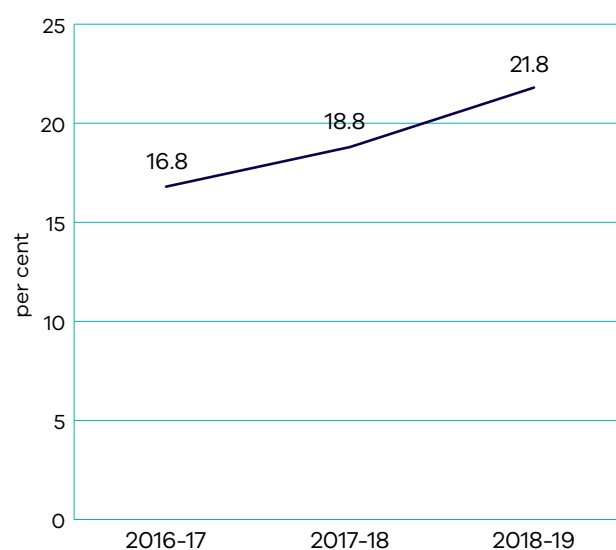
DELWP audited more than 1,300 new residential buildings for compliance with energy efficiency standards, to improve the energy efficiency and thermal comfort of new homes across Victoria. The *Victorian Residential Efficiency Scorecard* program delivered more than 2,250 Scorecard home assessments and accredited over 40 Scorecard assessors.

**Indicator: Percentage of surveyed users of the Victorian Energy Compare website who report that they plan to switch offers after using the website**



Of the 54,000 Victorian Energy Compare users who have completed the online survey, more than 79 per cent reported they had a positive experience, 64 per cent reported they understand usage and energy costs better, and almost 50 per cent reported they will change offers based on the information.

**Indicator: Relative share of Victorian energy sourced from renewables**



Increasing the share of renewable energy in Victoria is both a key commitment of the Victorian Government and a legislative requirement under the *Renewable Energy (Jobs and Investment) Act 2017*. In 2018-19, the share of renewable energy in Victoria's electricity generation reached 21.8 per cent, up from 18.7 per cent in 2017-18.

## Output performance measures

### Energy

This output advocates for the provision of reliable, sustainable and affordable energy services through state-based energy programs, including renewable energy development, energy efficiency and affordability improvements, and facilitation of new investment.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Cumulative length of powerlines retired in high bushfire risk areas to reduce the risk of bushfires from electrical assets	km	693	770	(10.0%)	■
<i>Performance for this measure is below target due to implementation issues such as encountering hard rock and landowner easement issues, which impacted the ability to retire the planned length of powerlines in high bushfire risk areas.</i>					
Delivery of a pilot independent energy brokerage service for Victorian hardship and culturally and linguistically diverse (CALD) consumers	per cent	90	100	(10.0%)	■
<i>Performance for this measure is below target due to more time being allocated for the early planning and design of complex program implementation. The pilot is now in operation, with close to 600 people to date switching electricity providers with an average saving of nearly \$300 per participant.</i>					
Inspections of newly built homes during construction for compliance with energy efficiency requirements	number	1,154	1,150	0.3%	✓
Certificates surrendered for greenhouse gas emissions reduction under the Victorian Energy Efficiency Target	million certificates	6.38	6.1	4.6%	✓
<b>Quality</b>					
Relative reduction in state-wide powerline related bushfire risk	per cent	32.5	36.1	(10.0%)	■
<i>Performance for this measure is below target due to changes in the work programs of electricity distribution companies in rolling out safety infrastructure upgrades at electrical substations.</i>					
Users of the Victorian Energy Compare website who report a better understanding of their usage costs after using the website	per cent	64	50-55	16.4%	✓
<i>Performance for this measure is above target due to increased traffic to the Victorian Energy Compare website as a result of the Power Saving Bonus program. Although traffic was expected to increase and provide a larger sample size, the overall proportion of users with a better understanding was not expected to significantly increase in 2018-19 in line with the traffic.</i>					
Victoria is represented at each COAG Energy Council meeting	per cent	100	100	0.0%	✓
Delivery of key Australian Energy Market Commission funding milestones, in line with funding agreements and agreed project deliverables	per cent	100	100	0.0%	✓

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Timeliness</b>					
Delivery of key milestones for the energy efficiency and productivity work program	per cent	100	100	0.0%	✓
Delivery of key milestones for the Solar Trams Program	per cent	100	100	0.0%	✓
Delivery of key milestones for the renewable energy work program	per cent	80	100	(20.0%)	■
<i>Performance for this measure is below target as two out of ten project milestones were not achieved. Out of six Victorian Renewable Energy Target Auction projects, two did not achieve connection agreements as scheduled due to constrained grid capacity in those areas. Connection agreements are needed before a completed renewable energy project can be connected to the electricity grid. A further four Renewable Certificate Purchasing Initiative projects have begun generating.</i>					
Delivery of key milestones for the Smart System, Microgrid and Storage trials program	per cent	100	100	0.0%	✓
Facilitate the delivery of key energy technology innovation milestones in line with grant agreements	per cent	100	100	0.0%	✓
<b>Cost</b>					
<b>Total output cost</b>	\$ million	216.2	119.9	80.3%	■
<i>The higher than budgeted output cost predominately relates to advances approved by the Treasurer to fund the Solar Homes and Power Saving Bonus initiatives, partially offset by the reallocation of costs from output to capital for the Renewable Certificate Purchasing initiative.</i>					

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.



## Productive and effective land management

This objective delivers effective management and governance of Victoria's public land to protect its social, economic and environmental values and maximise its use by all Victorians.

The department works with statutory agencies, committees and local governments to ensure that: land is productive and is used in a sustainable manner; infrastructure on public land and in coastal environments is appropriate and well managed; the condition of marine, coastal and estuarine environments is protected, maintained and improved; and key biodiversity assets, priority habitats and ecological processes are healthy and secure.

The department also provides quality land information services, including comprehensive and accessible spatial information, to support integrated planning and decision making, and ensure confidence in the integrity and efficiency of the property system. The department provides policy advice to government on the best use of government land. The department also provides assurance on the integrity, impartiality and accountability of government land transactions by analysing each transaction and working with agencies to ensure land is transacted in accordance with legislation, policy and probity standards.

### Progress towards achieving this objective

#### Context

Victoria's public land, including its parks, forests, coasts and Crown land reserves, has significant economic, environmental, cultural and recreational values. Managing public land effectively is pivotal in protecting high-end environmental and biodiversity values, yet it is being impacted by three major interacting pressures: climate change, human population growth and the demands of supporting human lifestyles.

Our public land estate provides economic benefits for regional communities and supports key ecosystem services and recreational opportunities. This includes the management of 3.14 million hectares of state forest, and policy guidance for a further 3.98 million hectares of parks and conservation reserves. National Parks Regulations provide for the preservation and protection of the natural and cultural heritage values of the parks within the meaning of the *National Parks Act 1975*. Public land is managed in partnership with Traditional Owners and registered Aboriginal parties, and aims to maintain their connection to Country, recognise the knowledge and culture of the

appointed land managers, and incorporate Aboriginal knowledge into the management of the land and natural environment.

#### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

On 12 September 2018 the *Parks Victoria Act 2018* came into effect, establishing Parks Victoria (PV) as a more independent and autonomous land management agency. The Victorian State Budget 2018-19 delivered over \$70 million over four years to PV, and \$20 million ongoing funding to secure 130 full-time employees in regional Victoria, and to ensure stable and ongoing funding to deliver core park management services in regional Victoria.

Each year, PV measures and rates bay and park assets to inform asset investment and maintenance, renewal and replacement. In 2018-19, 70 per cent of bay and 87 per cent of park assets were rated in average to excellent condition. Protection of Aboriginal cultural heritage is a key pillar of PV's *Managing Country Together Framework*. An *Aboriginal Cultural Heritage Plan* has been drafted to clarify PV's objectives for protecting and conserving Aboriginal cultural heritage across the parks estate.

The *Victoria's Great Outdoors* program provides Victorians with more opportunities to enjoy the great outdoors – making family holidays more affordable by cutting camping fees, delivering new camping grounds, upgrading facilities, hiking and 4WD tracks, and creating a new coastal park on Victoria's Bass Coast.

The *Weeds and Pests on Public Land* program provides funding for the management of weeds and pests in priority locations to maximise biodiversity outcomes. The program funded landscape-scale weed and pest projects, focusing on protecting Victoria's biodiversity. The *Peri-Urban Weed Management Partnerships* (PMWP) program provided funding for the management of weeds in Melbourne's urban fringe. It operates as a matching funds partnership between the state and local governments with PV as a key delivery partner.

New parks in Cranbourne, Werribee and Kororoit Creek, and protection of Anglesea Heath, delivered on essential open space and biodiversity conservation outcomes in Melbourne's growth corridors, including meeting Commonwealth statutory requirements. The park locations and boundaries were considered by a Regional Park Standing Advisory Committee, who provided recommendations to the Minister for Planning. This initiative also delivered on the election commitment to incorporate Anglesea Heath into the Great Otway National Park.

The Victorian Government is undertaking a major program to modernise the state's RFAs and the forest management system they accredit. In addition to delivering modernised RFAs by March 2020, DELWP will deliver:

- a vision for the future management of our public forests
- a strategy for the management of state forests
- legislative and regulatory reform of timber harvesting operations
- development of new forest management plans across the state, including greater integration across tenures and between forest and fire management.

A long-standing legacy of contaminated public land presents an ongoing challenge for DELWP to improve the state's ability to ensure safe access and use of public land. DELWP is implementing the State Government-funded initiative to assess 10 high-risk contaminated land sites and remediate three of these sites. Assessments have been completed at three sites. DELWP works with the EPA and other partner agencies to manage Victoria's contaminated public land portfolio.

The new Penguin Parade Visitor Centre opened at Phillip Island on 23 July 2019. Funding for the new Visitor Centre was announced in the 2016-17 Victorian State Budget. The department contributed \$48.2 million with Phillip Island Nature Parks contributing \$10 million. The project involved replacing the 1988 Visitor Centre facility with a larger and better equipped centre that has a smaller environmental footprint.

The Zoos Victoria's Kids Free policy was introduced in 2011 and provides free access to Melbourne Zoo, Healesville Sanctuary and Werribee Open Range Zoo for children under the age of 16 on weekends, Victorian public holidays and school holidays. The *Kids Free policy* promotes engagement with the community, provides affordable recreational activities for families, and facilitates positive education outcomes for children. The policy has been re-introduced in 2019-20.

Ongoing implementation of the *Marine and Coastal Reforms Transition Plan* supported the transition to stronger marine and coastal management in Victoria, providing the tools to address the long-term challenges and meet evolving public expectations. The reforms also help to address the findings of the 2018 Victorian Auditor-General's Office (VAGO) report, *Protecting Victoria's Coastal Assets*. The *Marine and Coastal Act 2018*, passed in August 2018, provides an integrated and coordinated approach to planning and managing the marine and coastal environment.

In May 2019, the first meeting of a new Sea Country Co-Governance Group was held on Gunditjmara land at the Tyrendarra Indigenous Protected Area Visitor Centre. This co-governance group will bring together coastal Traditional Owners with representatives from the Victorian Marine and Coastal Council and DELWP to guide the management of Sea Country.

**Indicator: Efficient provision of timely and authoritative land administration and property information services**

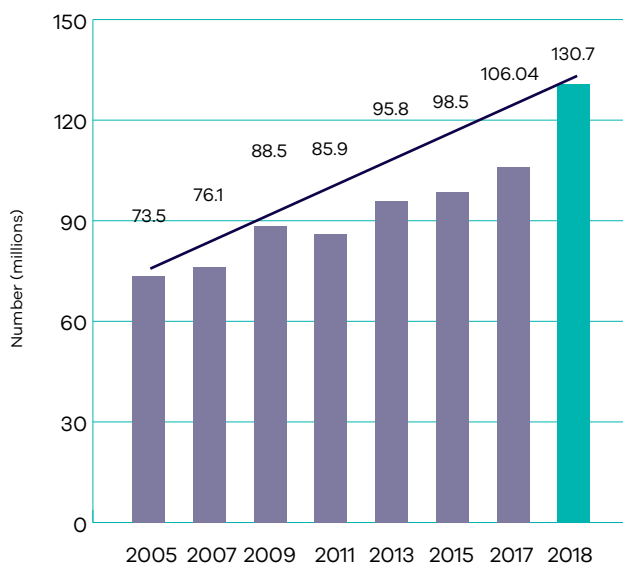


DELWP, through LUV, supports economic development by providing land administration and property information services to property buyers and sellers, conveyancers, lawyers, financial institutions, surveyors, developers and councils.

In August 2018, Victorian Land Registry Services (VLRS) received a 40-year concession granted by the Victorian Government for the land title and registry functions of LUV. DELWP continued to deliver priority services such as ownership of land registry data, valuations for State Government property transactions, surveys for major government infrastructure projects and delivery of VicMap data services.

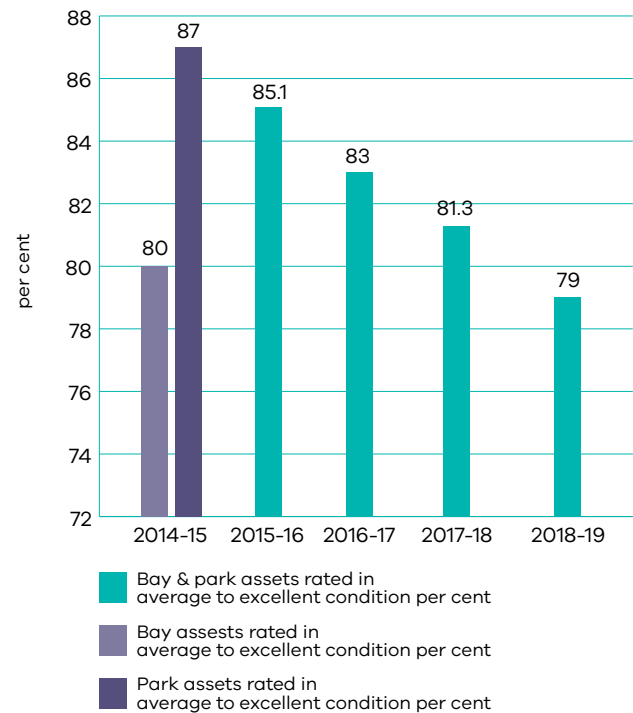
Performance against a range of key land administration and property information service deliverables continued at a high standard resulting in DELWP and VLRS maintaining the efficient provision of timely and authoritative land administration and property information services in 2018-19.

**Indicator: Number of visits to the public land estate managed by the department's portfolio agencies (Parks Victoria)**



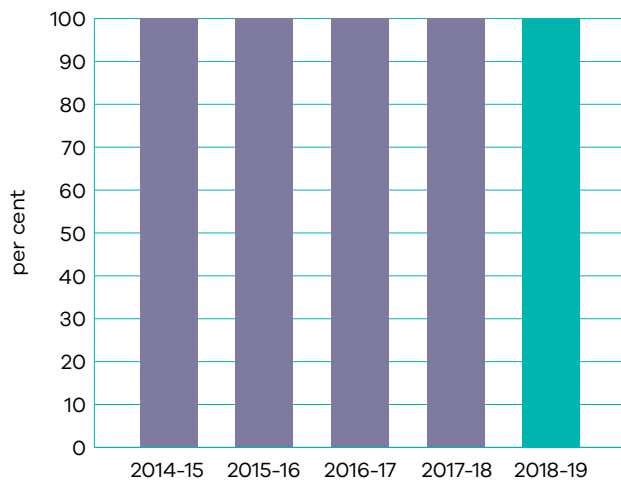
In the 2018-19 Visitor Number Monitor biennial survey, the PV estate received 130.7 million visitors, against a target range of 99-101 million. This was an increase on the 2017-18 report. The 130.7 million visitors to PV's estate is evidence of the community choosing to make use of the natural, built and cultural assets within the estate and the experiences these assets provide. While available data does not cover all public land across Victoria, data is available for iconic sites (including Zoos Victoria, Royal Botanic Gardens, Alpine Resorts and Phillip Island Nature Park) and parks and reserves managed by PV. Visitors to State forests have not been included as the number of visitors to State forests is an estimate only.

**Indicator: Bay and park assets rated in average to excellent condition**



PV manages one of the most diverse park and waterway networks in the world. The network contains natural and cultural resources that provide a wide range of benefits to the environment, the community and the economy. Each year, PV measures the bay and park assets to inform asset investment and maintenance. In 2018-19, 79 per cent of bay and park assets were rated on average to excellent condition. The lower than targeted result is due to closures of several piers and jetties across the state that were damaged by storms. Restoration works are still ongoing. PV is working with the Department of Transport on funding bids to replace priority assets and are working with the department on a forward asset strategy.

**Indicator: Consistent and timely provision of government land transaction approvals and advice**



The provision of government land transaction approvals and advice continued at a consistent and timely standard. The number of title searches and dealings registered was lower than in 2017-18, due to movement in property market activity. 2.45 million title searches were conducted, against a target of 2.4 million and 883,916 property transactions occurred in 2018-19 against a target of 870,000. The target for new titles created within three weeks or 15 business days was consistently met in 2018-19.

## Output performance measures

### Land Use Victoria

This output delivers high quality and authoritative land administration and property information services, including the registration of property transactions under the Torrens system, survey, valuation and property sales and planning and property certificates.

The performance measures below compare targets and actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Planning certificates issued *	number (000)	67.7	60	12.8%	✓
<i>The 2018-19 result is higher than the 2018-19 target due to property search activity remaining consistently high, despite a downturn in property market activity.</i>					
Property transfers, discharge of mortgages and registration of new mortgages	number (000)	883	870	1.5%	✓
Proportion of title searches supplied (remotely) online *	per cent	99.9	98	1.9%	✓
Property reports generated online	number (million)	4.2	3.9	7.9%	✓
<i>Performance for this measure is above target. Final data indicates a total of 4.2 million property reports were generated online. A total of 2.3 million reports were generated in March 2019 alone due to a bulk download of reports from an external source.</i>					
Title searches supplied *	number (000)	2,450	2,400	2.1%	✓
<b>Quality</b>					
Audited Vicmap digital map base not requiring correction	per cent	99.4	98	1.4%	✓
Government owned properties sold, bought or leased within 10 per cent of valuation	per cent	80	80	0.0%	✓
Strategic Land Use Assessments delivered within agreed timeframes	per cent	80	80	0.0%	✓

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Timeliness</b>					
Delivery of updated Vicmap Foundation Data within one week	per cent	96	98	(2.0%)	✓
Land dealings registered within five days	per cent	99.5	95	4.7%	✓
New titles (subdivisions) created within three weeks	per cent	95	95	0.0%	✓
Update transactions for the Vicmap digital map base processed within the required timeframes	per cent	99.5	98	1.5%	✓
<b>Cost</b>					
<b>Total output cost</b>	\$ million	203.2	171.6	18.4%	■
<i>The higher than budgeted output cost predominately relates to increased funding from the commercialisation of Land Use Victoria.</i>					

Note:

- \* VLRS provided these services from 27 September 2018.
- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

### Management of Public Land and Forests

This output provides for the improved stewardship of Victoria's forests, coasts and Crown land reserves. Through this output, the department manages the natural, built and historic assets on public land responsibly, and incorporates management of public land in partnership with statutory agencies, committees of management and local government.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Crown land leases directly managed by the department	number	720	720	0.0%	✓
Crown land licenses directly managed by the department	number	45,300	45,000	0.7%	✓
Participants in Coastcare activities	number	10,500	10,000	5.0%	✓
Visitors to the Royal Botanic Gardens in Melbourne and Cranbourne	number (million)	2.3	1.6-2	15.0%	✓
<i>Performance for this measure is above target due to increases in visitor programs at both sites, and likely due to the green oasis effect (people seeking out gardens in hot weather) during the long hot summer.</i>					
Specimens curated in the State Botanical Collection	number	43,677	30,000	45.6%	✓
<i>Performance for this measure is above target due to the additional recruitment of four temporarily-funded Database Officers, funded by philanthropic Foreign Collection Project. Also, increased staff database numbers enabled the processing of a higher volume of specimens received on donation/exchange and from Bush Blitz fieldtrips.</i>					



Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
Visitors to Zoos Victoria at Melbourne, Werribee and Healesville	number (million)	2.76	2.66	3.8%	✓
Coastal protection infrastructure projects delivered	number	0	2	(100.0%)	■

Performance is below target due to implementation delays in complex technical designs and stakeholder engagement. Implementation of one project was completed in July 2019 (Lakes Entrance Seaway Central Boat Harbour) and the final project will be delivered in December 2019 (Ocean Grove).

Beaches renourished in Port Phillip Bay	number	0	4	(100.0%)	■
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Performance is below target due to detailed implementation planning that occurred at the start of this program, resulting in the approved rescoping of works able to be undertaken. Factors such as highly variable weather conditions, delivery costs and stakeholder impacts (due to closing beaches) led to the expectation that two beaches would be renourished in 2018-19. Both projects are underway and are expected to be delivered in Spring 2019.

Contaminated crown land sites assessed/prepared for remediation	number	2	2	0.0%	✓
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#### Quality

Investigations of alleged non-compliance with the Code of Practice for Timber Production undertaken in accordance with the Environment Compliance Policy and associated procedures	per cent	100	100	0.0%	✓
Preharvest surveys of areas planned for timber harvesting completed	per cent	84	80	5.0%	✓
Publicly elected Committees of Management that have a current statutory appointment	per cent	90	90	0.0%	✓
Recreational facilities in state forests with a life expectancy greater than five years	per cent	77	75	2.7%	✓

#### Timeliness

Rent reviews of Department-managed Crown land leases undertaken within specified time frames	per cent	94	95	(1.1%)	○
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#### Cost

<b>Total output cost</b>	<b>\$ million</b>	<b>212.5</b>	<b>198.3</b>	<b>7.2%</b>	<b>■</b>
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The higher than budgeted output cost predominately relates to advances approved by the Treasurer to fund the Alpine Resorts and the timing of payments from the Parks and Reserves Trust account.

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

## Parks Victoria

This output provides for the improved stewardship of Victoria's parks. Through this output, PV manages the development and protection of natural, cultural and community assets for safe enjoyment and sustainable use by all Victorians. PV works to ensure the state's park assets are managed efficiently and effectively.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Area treated to minimise the impact of pest plants, pest animals and over abundant native animals in parks managed by PV	hectares (000)	1,514	1,100	37.6%	✓
<i>Performance is above target, as delivery of Biodiversity 2037 invasive species control programs and a change to a more robust reporting system led to a higher than anticipated result.</i>					
Visits to national, state, urban and other terrestrial parks	number (million)	79.1	54-55	43.8%	✓
<i>Performance for this measure is above target due to several factors including the biennial park visitation survey being extended to include mobile phone users as well as landline users. Surveyed mobile phone users were significantly more likely to have visited a metropolitan parks, resulting in a more accurate estimate and the target being exceeded. The new methodology is expected to increase the result for future years and therefore targets will be adjusted.</i>					
Visits to piers and jetties	number (million)	51.6	45-46	12.2%	✓
<i>Performance is above target due to the increase in visitation to bays in 2018-19.</i>					
Total area of estate managed by Parks Victoria	hectares (000)	4,111	4,104	0.2%	✓
<b>Quality</b>					
Significant built bay assets managed by Parks Victoria rated in average to excellent condition	per cent	70	80	(12.5%)	■
<i>Performance for this measure is below target due to funding from Transport for Victoria and project completion only being confirmed for the Seaford and Kerferd Road piers.</i>					
Significant built park assets managed by Parks Victoria rated in average to excellent condition	per cent	87	88	(1.1%)	○
<b>Cost</b>					
Total output cost	\$ million	189.1	188.7	0.2%	✓

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

## Safe and sustainable water resources

This objective increases the efficiency of supply and use of water in cities and towns and improves environmental conditions of waterways to ensure Victoria has safe and sustainable water resources to meet future urban, rural and environmental needs.

DELWP works in partnership with water corporations, catchment management authorities, government agencies, industry, Traditional Owners and the community to balance the economic, environmental and social values of water. This helps to deliver secure water supplies, greener and liveable cities and towns, and healthy waterways and aquifers.

### Progress towards achieving this objective

#### Context

Water is a public resource that is central to the Victorian community, powering industries and economy, improving quality of life, Aboriginal culture and heritage, and supporting the natural environment. A drier climate, growing population and a transforming economy is increasing the demand for water from industrial, residential and agricultural users, as well as the maintenance of Victorian liveability, recreational and Aboriginal values. 2018-19 water conditions continued to worsen across Victoria, with east and central Gippsland entering drought and the north west and northern parts of the state experiencing dry conditions. In addition, two bushfires over the 2018-19 summer period burnt part of Melbourne's water catchments.

The management of our water resources requires adapting to changes in demand, population growth and associated urban development. As Victoria's population grows, healthy waterways remain essential for the plants and animals that live in them, and with a growing population comes the challenge of additional stormwater pollution runoff.

### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

In improving Victoria's preparedness for, and response to, climate change and the impacts of drought, DELWP delivered Victoria's first statewide climate adaptation plan. The plan builds the water sector's resilience and helps people working in the water sector to apply climate change adaptation in business decision making. In early December 2018, the department commenced a *Drought Employment Program* offering opportunities for drought affected farmers to earn supplementary income for completing weed control and revegetation works on public land in the Wellington and East Gippsland Shire Council areas.

The Victorian Government is investing \$200 million over four years to improve waterway health across regional Victoria. Since 2016-17, the program has undertaken a total of 32,000 hectares of vegetation works including tree planting, weed control and the installation of fencing alongside more than 1,500 kilometres of waterways. These works delivered significant recreational, cultural and economic benefits for Victorian communities and improved habitat for many threatened species such as the Macquarie Perch and Growling Grass Frog.

Approximately 470 GL of environmental water has been delivered to 210 sites across Victoria. This has led to environmental improvements, including the return of platypus to the Mackenzie River, downstream of the Grampians-Gariwerd National Park in areas where they have not been recorded since the Millennium Drought.

Catchment management authorities have established 274 partnerships with regional stakeholders to deliver integrated catchment management and undertaken over 109,000 hectares of environmental works and management services to improve the health and resilience of catchments. Twelve Leadership Development Grants were awarded to aspiring future leaders in catchment management across three categories: Women in Leadership, Aboriginal Leadership and Innovation.

*Water for Victoria* recognises the importance of recreation on and around water for Victorian communities. In September 2018, the *Bringing Water Back to Green Lake* (Sea Lake) project was completed. By repairing the lake bed, Green Lake will once again be a valued community retreat and important visitor destination attracting people to the local area.

Liveability Victoria International (LVI) actively promoted Victoria's liveability sectors including water, planning and urban design, clean-tech and environment protection to international markets through knowledge exchange programs and trade missions to China, India, Singapore and Vietnam in partnership with Global Victoria. LVI supported the establishment of an industry-led Victorian Cleantech Cluster, which was officially launched in June 2019.

The *Aboriginal Water Program* is supporting Aboriginal Victorians and communities to reconnect to water for cultural, economic, customary and spiritual purposes. Seven new projects totalling \$1.6 million were developed to restore water for Country, support better understanding of water policy frameworks and planning, and provide employment for more Aboriginal Water Officers. Representation of Aboriginal Victorians on CMA and water corporation boards has continued to grow, from zero in 2015 to eight in 2019.

DELWP commenced Victoria's first long-term water resource assessment to determine any long-term availability changes, and if changes have occurred, whether there has been a disproportionate impact on water available for consumptive use or the environment. Undertaken in consultation with water corporations and other technical expertise, the assessment will also determine if there is a decline in waterway health.

A draft review of the Central Region *Sustainable Water Strategy* (SWS) was available for public consultation in July and August 2018. The feedback received was incorporated into the final report that summarises the delivery of the actions within the SWS, highlights lessons learnt and outlines issues for consideration in a future sustainable water strategy.

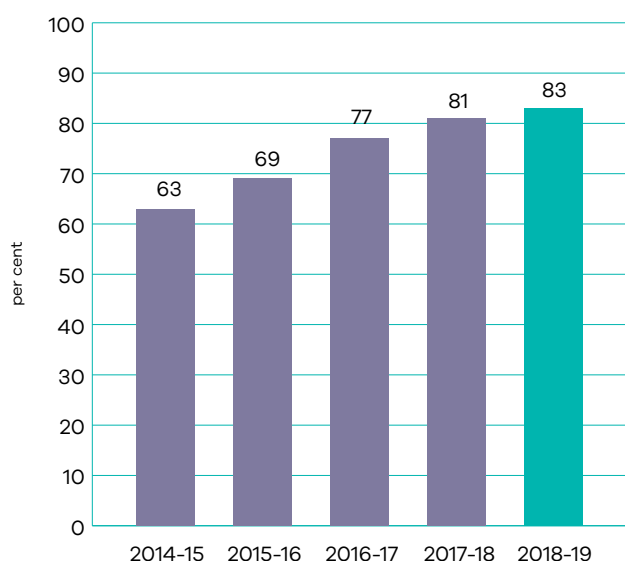
In October 2018, the *Water Grid Partnership Biennial Statement* was released to the public and industry partners. The *Water Grid Partnership* was established to oversee the operation of Victoria's water grid and create a forum for delivering the best possible solutions to Victoria's water security challenges. The Victorian desalination plant is a key part of the grid, helping to build resilience and avoid the social and economic costs of water restrictions on households, businesses and farmers. The Government ordered 15 GL of water from the plant for the 2018-19 supply period. Melbourne households did not face additional charges on their water bills for this year as the water order was funded from the sale of surplus Renewable Energy Certificates.

In November 2018, Southern Rural Water completed construction of 11 kilometres of pipeline under the *Macalister Irrigation District Phase 1B Modernisation project*. By the end of the current winter works period, approximately 90 per cent of construction will have been completed for this \$60 million project. Only 65 kilometres out of the total 1,065 kilometres pipeline under the South West Loddon Rural Water Supply project remains to be completed and work on all 13 pump stations is now underway. The project is expected to be completed and fully operational by November 2019.

Victoria led the development of socio-economic criteria to assess potential projects in the Murray-Darling Basin. The criteria were agreed at the Murray-Darling Basin Ministerial Council meeting in December 2018. The criteria provide certainty to regional communities that any additional water recovery above the Basin Plan's 2,750 GL target meet the socio-economic test.

DELWP delivered *Victoria's Water Resource Plans* on time to the Commonwealth Government. Informed by 43 written submissions from the public, the plans are a critical component of the *Murray-Darling Basin Plan* to demonstrate how Victoria will meet Basin Plan requirements from 1 July 2019 on sustainable diversion limits, environmental watering, water quality, Aboriginal water values and uses, groundwater trade and addressing risks to water resources.

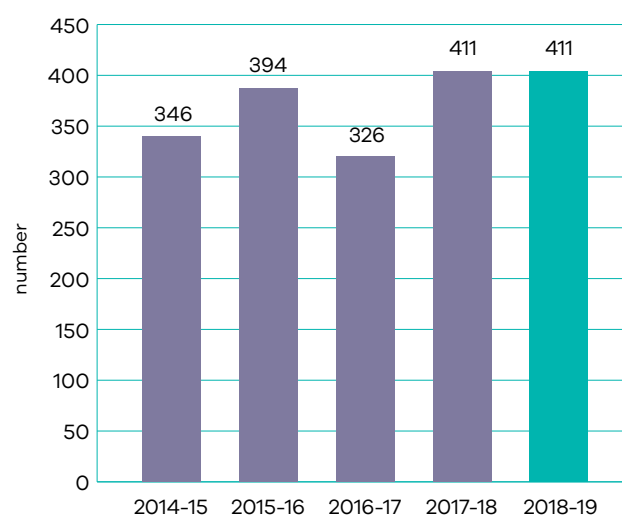
**Indicator: Proportion of properties completely connected to the modernised irrigation delivery system (in the Goulburn Murray, Macalister, Werribee and Bacchus Marsh irrigation districts)**



The \$2 billion Goulburn-Murray Water (GMW) Connections project is the most significant investment in modernising irrigation infrastructure in Australia. The project is over 80 per cent complete and has treated 14,108 meter outlets, decommissioned 1,294 kilometres of channel, and remediated or modernised 2,477 kilometres of channel. The project has also enabled Victoria to recover 279 GL water savings towards its obligations under the *Murray-Darling Basin Plan*.

DELWP is also providing oversight to \$260 million of other water security projects delivered by rural water corporations across Victoria. Modernisation across the Werribee, Bacchus Marsh and Macalister irrigation districts is continuing, while the *Lance Creek Water Security Project* was completed in November 2018.

**Indicator: Number of river reaches/wetlands with maintained or improved environmental condition**



Environmental condition was maintained or improved at 411 river reaches and wetlands across regional Victoria over 2018-19. These locations received a range of on-ground works and watering programs undertaken annually by catchment management authorities and their partners. In 2018-19, waterway improvement activities included:

- riparian vegetation works undertaken across 12,540 hectares to improve the health and resilience of waterways
- works undertaken at 92 sites to improve in-stream health
- water for the environment delivered to 210 sites to meet environmental objectives.

In 2018-19, DELWP administered the third year of a four year, \$200 million regional waterway investment program, providing statewide coordination and support to on-ground CMA delivery.

## Output performance measures

### Effective Water Management and Supply

This output develops policies, provides strategic advice and oversees regulatory systems and institutional arrangements to effectively manage Victoria's water resources. Through this output, the department delivers on-ground environmental programs to improve the health of waterways; water industry reform, governance and performance oversight; integrated water management; sustainable irrigation programs; and makes water resource information accessible to enable informed decision-making.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Area of waterway vegetation works undertaken to improve the health and resilience of waterways	hectares	12,540	9,000	39.3%	✓
<i>Performance is above target due to the dry and favourable seasonal conditions experienced across Victoria, particularly in the second half of 2018-19 with an extended summer and dry autumn. This allowed on ground works to be conducted for a longer period than expected. Increased landowner interest in undertaking riparian works also contributed to the high result.</i>					
Cumulative water savings (permanent reduction in irrigation distribution system delivery losses) realised through water recovery projects	megalitres	841,969 (estimate)	839,574	(0.3%)	✓
<i>Results for this performance measure will not be available until after the completion of the water savings audit in late 2019. Current estimates indicate the result will be within 5 per cent of target.</i>					
Sites with environmental water managed to meet environmental objectives	number	210	160	31.1%	✓
<i>The number of sites watered in 2018-19 is higher than the target due to prudent use of water held in reserve from previous years and efficiencies achieved through coordination of deliveries of environmental water held by other states and the Commonwealth.</i>					
Cumulative other Victorian retail water entitlements (including licences to take and use water and other miscellaneous entitlements) recorded in the water register as the authoritative record	per cent	97	> 97	0.0%	✓
People engaged to increase the knowledge/capacity of water management, including in citizen science programs	number	18,882	18,000	4.9%	✓
Schools signed up to Schools Water Efficiency Program (SWEP)	number	1,152	1,150	0.2%	✓
Sites where works have been undertaken to improve in stream health	number	92	80	15.0%	✓
<i>Performance is above target due to the dry and favourable seasonal conditions experienced across Victoria, particularly in the second half of 2018-19 with an extended summer and dry autumn. This allowed on ground works to be conducted for a longer period than expected. Increased landowner interest in undertaking riparian works also contributed to the high result.</i>					
Partnerships established and maintained to deliver integrated catchment management with the community	number	274	170	61.2%	✓
<i>Performance is above target due to a significant uptake from parties signing landholder management agreements to implement onground works, in part due to the dry and favourable conditions to undertake works, and an increase in formal organisational partnerships to improve joint planning and delivery of catchment management. All CMAs forged significant partnerships with Traditional Owner organisations and Aboriginal community organisations.</i>					



Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
Environmental works and management services to improve the health and resilience of catchments	hectares	109,631	4,006	2636.7%	✓
<i>Performance is above target due to achieving unanticipated changes to pest and weed management and other management practices on large broadacre private landholdings in the Mallee and Gippsland regions. This level of leveraging from private landholders (where agreements with relatively few landholders have secured changes across significantly large private landholdings) were not anticipated in original program planning. The target for 2019-20 has been increased accordingly.</i>					
Water information products (including annual water accounts, water resource condition reports and water monitoring materials) delivered for greater accountability in sustainable water resource management	number	6	6	0.0%	✓
<b>Quality</b>					
Compliance with the salinity management actions agreed in the Murray Darling Basin Agreement	per cent	100	100	0.0%	✓
Bulk and environmental entitlement records publicly available	per cent	100	100	0.0%	✓
<b>Timeliness</b>					
Statutory obligations of Water Corporations and Catchment Management Authorities complied with, including annual reports, audits and corporate plans	per cent	100	100	0.0%	✓
<b>Cost</b>					
<b>Total output cost</b>	\$ million	375.3	416.2	(9.8%)	■
<i>The lower than budgeted output cost is predominantly the result of a rephase for Tranche 3 of the Victorian Farm Modernisation project, as well as reallocation of costs from output to capital for the Goulburn Murray Water Connection project.</i>					

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

## A quality built environment

This objective plans for the future growth and transformation of cities and regions, and provides leadership and advice on heritage protection and the built environment. It delivers streamlined, fair and transparent planning, building and heritage systems.

The department recognises the link between the natural and built environment in the quality of our lives, and works to accommodate population growth while maintaining world class liveability and protecting our heritage for future generations.

### Progress towards achieving this objective

#### Context

Victoria's population growth is exceeding projections. Our role in planning, building and heritage systems is essential to help manage that growth and change. Victoria's current population of around 6.5 million will increase to 11.2 million by 2056. Greater Melbourne is expected to increase from 5.0 million people to 9.0 million over this time, and Victoria's regions from 1.5 million to 2.2 million. This will bring an increased demand for improved access to safe and inclusive public spaces and neighbourhoods, effective protection of cultural and natural heritage and improving our housing infrastructure and employment opportunities.

By delivering programs that address the future growth and transformation of Victoria's cities and regions, DELWP can lead Victorian cities and regions to deliver positive outcomes for everyone who lives, works, invests in and visits Victoria.

### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

*Plan Melbourne* sets the vision of how we will develop over the next 30 years. It guides the growth of the city to ensure we do not just grow bigger, but we become more sustainable and liveable. It addresses global sustainable development challenges in our city, and its vision, outcomes and directions are consistent with the United Nations SDGs for the year 2030. The plan also ensures that while Melbourne grows, its best features are protected and enhanced.

Implementation of *Plan Melbourne* is progressing well with the first *Plan Melbourne Report on Progress 2018* released in May 2019. To ensure the greatest chance of success, *Plan Melbourne* is being delivered through a partnership approach with government, businesses and the community and greater transparency with the progress report detailing the status of each of the 112 actions so far.

DELWP has delivered significant reform of the building system, including further implementation of the recommendations from the Victorian Cladding Taskforce. Victoria is widely considered a national leader on combustible cladding issues. Victoria has led the way with the development of a Risk Assessment Tool being used across the country. The Risk Assessment Tool was developed by the Victorian Government and fire safety experts, and is used to consistently assess the risk of combustible external facades on multi-storey buildings.

The *Building Amendment (Registration of Building Trades and Other Measures) Act 2018* received Royal Assent on 25 September 2018, and delivers a number of important reforms, including establishing a new framework for registration of building sub-contractors, financial arrangements for the rectification of non-compliant combustible cladding, and a register of swimming pools and spas.

DELWP has continued to review and update regulations for the building and plumbing industries with the *Plumbing Regulations 2018* coming into operation on 18 November 2018. These regulations continue many of the existing requirements, but also delivered several important reforms to further strengthen health and safety outcomes for Victorian consumers.

DELWP's Smart Planning program delivered major reform to the planning system with the implementation of the new *Planning Policy Framework* on 31 July 2018. The Framework streamlined the planning provisions, reduced permit triggers and taken thousands of pages out of planning schemes. DELWP implemented a new digital planning permit system for Ministerial permits, implemented the digital lodgement and tracking system for planning scheme amendments and translated the Victoria Planning provisions into digital form.

DELWP played a critical role in facilitating major transport infrastructure and city-shaping projects to meet the Government's ambitious infrastructure program. The planning system has a direct impact on the government's ability to facilitate delivery of major transport infrastructure projects and significant urban renewal sites. DELWP facilitated major infrastructure projects with assessments and approval processes such as the *Level Crossing Removal Program* and *Melbourne Metro Tunnel*.

Victoria is home to several unique and sensitive landscapes that are highly valued for their environmental, social, cultural and economic assets. These areas are under increasing pressure for development because of their attractiveness, accessibility and proximity to our cities, and are being protected for future generations. In August 2018, the Macedon Ranges became the first area to be declared under the *Planning and Environment Amendment (Distinctive Areas and Landscapes) Act 2018*, protecting the area from over development.

DELWP continues to provide support to revitalise Central Geelong to redefine itself to attract investment, deliver employment opportunities and provide a lifestyle that makes people want to live in the city centre and visit often. Ten projects have been completed so far, ending the year with Civic Precinct walking tours for community members to ask questions and leave suggestions on Geelong's future central workplace.

DELWP also continues to support the repair and conservation of 'at risk' heritage places and objects for future generations. Twenty-three more projects were successful in round 3 of the *Living Heritage Grants Program* and provided a total of \$2.4 million for urgent conservation works or studies to these places.

The *Better Apartments Design Standards* were introduced to improve the liveability and sustainability of apartments across Victoria. The Apartment Design Advisory Service supports industry and local government in the roll out of the apartment design standards and provides feedback on their operation. This will continue to improve the quality of new apartment developments to achieve more sustainable, liveable and compact cities.

DELWP is undertaking an *Inclusionary Housing Pilot* on six surplus government land parcels as part of the housing strategy, *Homes for Victorians*. The pilot will deliver a mix of social, affordable and market housing and a minimum of 100 new social housing homes, to better meet the housing needs of Victorians by utilising surplus government land.

### Indicator: Improved liveability, sustainability and inclusiveness of public spaces and neighbourhoods <sup>(i)</sup>

Note: This is a new indicator for 2018-19.

A key role of DELWP is to create liveable, inclusive and sustainable communities, as we work to accommodate population growth while responding to climate change and protecting our natural environment, infrastructure and heritage.

*Plan Melbourne* sets the vision of how we will develop over the next 30 years and is structured around six outcomes that are critical to achieving our vision of maintaining our status as a global city of opportunity and choice. *Plan Melbourne* will provide housing choice in locations close to jobs and services and have an integrated transport system that connects people to jobs and services.

This is supported through two of the key *Plan Melbourne* outcomes:

- Creating affordable and accessible housing by delivering more housing affordability and choice with more of the housing needed delivered in the right locations
- Connecting communities by creating a city of 20-minute neighbourhoods, supported by the *20-Minute Neighbourhoods* pilot program to build pedestrian friendly neighbourhoods - measured by the distance of 800 metres.

DELWP reports on this indicator through the below two measures:

Outcome measures	2018-19 Result*
Increase the number of households within 800 metres of services and transport	24,000
Increased supply and diversity of housing in locations identified for growth and change	39,000

\*results are estimates and subject to revision

In line with *Plan Melbourne* principles, the first measure shows the increase in dwellings in and around Activity Centres, close to the Principle Public Transport Network (PPTN) and train stations.

The supply and diversity of housing is measured through the increased development in and around Activity Centres, close to the Principle Public Transport Network (PPTN) and train stations and includes areas identified for growth and change in Precinct Structure Plans broadhectare development.

### Indicator: Effective protection of cultural and natural heritage <sup>(i)</sup>

Note: This is a new indicator for 2018-19.

Victorians have a strong love of the state's heritage places and objects. Our valued heritage objects and places need to be conserved and protected for the enjoyment of current and future generations. DELWP works with our key partners to reduce harm to Victoria's significant heritage places and objects.

The protection of our heritage is supported through the *Heritage Act 2017* that introduced a streamlined processes and enforcement tools to ensure Victoria's significant heritage places and objects are appropriately protected into the future. Any registered place, object, historic shipwreck or historic archaeological site is of special cultural heritage significance to the State of Victoria and legally protected to help ensure it survives for future generations to appreciate.

DELWP reports on this indicator through the below two measures:

Outcome measures	2018-19 Result
Places and objects protected and managed by the Victorian Heritage Register	43
Number of incidents of unauthorised works to State listed heritage places and objects	10

- (i) DELWP previously reported on the departmental objective indicators "Efficient provision of timely and authoritative information on population and land use" and "Efficient administration of Victoria's planning, building and heritage systems". These have been reviewed and updated to better reflect the outcomes to be achieved

## Output performance measures

### Planning, Building and Heritage

This output delivers programs to address the future growth and transformation of cities and regions through: strategic and integrated land use planning; urban development, design and renewal; land supply; heritage conservation and management; and regulatory reform. Through this output, the department administers the statutory responsibilities of the Minister for Planning and provides for fair and transparent planning, building and heritage systems.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures <sup>(i)</sup>	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Local governments undertaking work to support strategic planning for coastal settlements and areas	number	15	15	0.0%	✓
Places or objects assessed for the Victorian Heritage Register	number	43	45	(4.4%)	O
Research published: demographic and spatial trends	number	5	5	0.0%	✓
Conservation projects funded for 'at risk' State significant heritage places and objects	number	23	15	53.3%	✓
<i>Performance is above target due to additional funding from the Living Heritage Program being provided, allowing a higher number of projects to be funded than originally expected. The target for 2019-20 has been increased to reflect the expectation this trend will continue.</i>					
Building permits inspected by the Victorian Building Authority to identify use of non-compliant cladding materials	per cent	7.7	5	54.0%	✓
<i>Performance is above target due to additional building permit inspections being undertaken as part of this program, following Ministerial approval in March 2018.</i>					
Building audits undertaken by the Victoria Building Authority to identify use of non-compliant cladding materials	number	638	275	132.0%	✓
<i>Performance is above target due to detailed project planning for this new program resulting in the Victorian Building Authority being able to deliver a significantly larger output than expected. The target for 2019-20 has been increased to reflect the expectation this trend will continue.</i>					
Projects approved through the Streamlining for Growth program that benefit councils	number	91	40	127.5%	✓
<i>Performance is above target as the grants approved through the selection process were of below average cost, allowing a higher number of projects to be approved.</i>					

Output performance measures <sup>(i)</sup>	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quality</b>					
Environment effects statements, referrals and assessments are completed effectively and within the timeframes necessary to meet targets in the Ministerial Guidelines	per cent	79	70	12.9%	✓
<i>Performance is above target largely due to draft Environment Effects Statements' scoping requirements being approved by a delegate rather than the Minister for Planning.</i>					
Proportion of planning applications that proceed through the VicSmart process within 10 days	per cent	16	15	6.7%	✓
<i>Performance is above target due to the implementation of Smart Planning reforms.</i>					
Planning Scheme Amendments that are correct upon submission for approval	per cent	50	60	(16.7)	■
<i>Performance is below target due to the timing of approved changes to the implementation and transition of the new Amendments Tracking System. Performance is expected to improve as users become increasingly familiar with new systems and processes.</i>					
<b>Timeliness</b>					
Average number of days to issue an archaeological consent	days	4	30	86.7%	✓
<i>Performance is above target due to improvements to administrative processes for the assessment of archaeological consents.</i>					
Average number of days to issue heritage certificates	days	7	7	0.0%	✓
Heritage permits issued within initial 60 day statutory timeframes	per cent	97	90	7.8%	✓
<i>Performance is above target due to improvements to administrative processes for the assessment of permits applications.</i>					
Median number of days taken by the department to assess a planning scheme amendment	days	62	25	(148.0%)	■
<i>The target of 25 days has not been achieved due to the increased number of planning scheme amendments being assessed by the department. The median number of days is taking longer than 25 days, as the volume of state critical infrastructure and renewable energy projects has added to the number of local council amendments for processing. New workload structures, management processes and systems are being implemented to address this.</i>					
Urban Development Program Report on analysis of supply, consumption and adequacy of residential and industrial land completed	date	Jun 2019	Feb 2019	(33.3%)	■
<i>The Urban Development Program Report was released in June 2019, rather than the target date of February 2019, due to the annual release of required source information from the Australian Bureau of Statistics being delayed to later in the year. The target for 2019-20 has been amended to June 2020 in line with this change.</i>					
State population projections completed to inform State Budget delivery	date	Jan 2019	Feb 2019	8.3%	✓
<i>State population projections were completed early in January 2019 rather than the target date of February 2019, due to the early availability of stakeholders for consultation.</i>					

Output performance measures <sup>(i)</sup>	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
Victoria in Future population projection data to support infrastructure and service delivery planning published	date	July 2019	Jun 2019	(8.3%)	■
<i>Victoria in Future (VIF) was published in July 2019 rather than the target date of June 2019. Population projections were updated to reflect the most recent ABS and Census data and was prepared for timely release by June 2019, however the final VIF required additional validation before release.</i>					
Planning permit applications for new wind farms (excluding call-ins) prepared for determination within 45 days after completion of public notice and receipt of council response to public notice	per cent	50	70	(28.6%)	■
<i>Performance is below target as two out of four applications (Naroghid and Alberton) breached the 45 day target. Delays were experienced due to additional Commonwealth approvals that were required and an additional stakeholder request seeking more time for the Minister for Planning to decide the planning permit.</i>					
Precinct Structure Plans completed to enable rezoning of land with the capacity to deliver a total of 40 000 lots	date	Dec 2018	Dec 2018	0.0%	✓
<b>Cost</b>					
<b>Total output cost</b>	\$ million	358.6	340.3	5.4%	■
<i>The higher than budgeted output cost predominately relates to an increase in expenditure for the Growth Areas Infrastructure Contribution funded programs.</i>					

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

(i) These output performance measures reflect the transfer of Fishermans Bend to DJPR because of MoG changes that came into effect on 1 January 2019.



## Sustainable and effective local governments

This objective supports effective and efficient local governance and service provision, and supports communities to manage change and growth at a local level.

The department works with local governments to support the delivery of services and infrastructure and build stronger communities across the state.

### Progress towards achieving this objective

#### Context

Councils are key partners with the government in working to improve the lives of Victorians. The 79 councils across Victoria provide a fundamental role in delivering essential services, infrastructure and governance to all Victorians, to create vibrant, sustainable and inclusive communities.

The sector employs approximately 50,000 people, represents 6.5 million residents, and delivers \$8.5 billion in services and \$2.2 billion in infrastructure annually. Councils also manage over \$102.1 billion in vital public assets. Victoria is unique in recognising local government in the Victorian Constitution as a distinct and independent tier of government. Investing in council performance delivers a substantial return for the community.

#### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

LGV continues to work with councils to ensure responsible and accountable local government services. The proposed Local Government Bill 2019 leads on from a comprehensive review of the *Local Government Act 1989*, which was informed by extensive engagement with councils, ratepayers, stakeholders and the wider community. It builds on the reforms presented in 2018 and will deliver a more modern legislative framework.

In April 2019, a panel was appointed to lead the review of the local government rating system and released the terms of reference for the review. Consultation for the local government rating system review is underway with opportunities for public engagement and submissions. The review will conclude in March 2020 when the panel provides their recommendations.

The 'Know Your Council' website is now in its fourth year of providing Victorians with a broad range of performance data on Victoria's 79 councils including planning permits, financial performance, roads, governance and waste collection. Informed by input from councils, peak bodies and community members, the *Local Government Performance Reporting Framework Strategic Directions Paper 2018-21*, released in January 2019, explores opportunities to improve how Victorian councils report their performance.

The *Growing Suburbs Fund* supports councils and communities in outer suburban areas to improve local facilities such as parks, community centres, children's centres, town centres, swimming pools, and cultural facilities. During 2018-19, the fund approved applications for 45 community infrastructure priorities that will improve the amenity, liveability and resilience of interface communities, support connections, enhance services and provide local jobs.

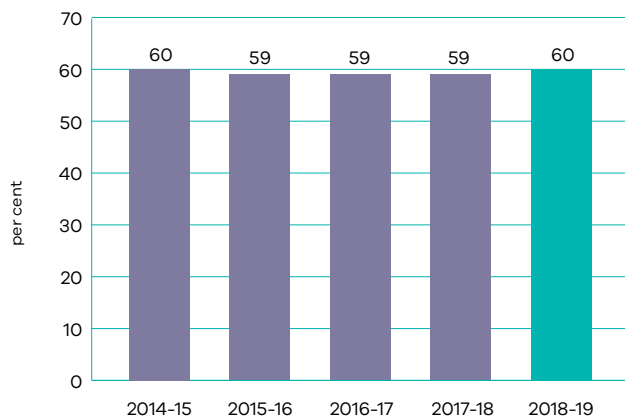
Rural and regional councils are vital contributors to the productivity and wellbeing of vibrant rural communities. The department provides support to rural and regional councils through the Finance and Accounting Support Team (FAST) program, which aims to improve financial sustainability through direct expert support and funding to allow councils to explore collaboration opportunities. During 2018-19, 25 rural and regional councils explored opportunities for shared services or collaborative procurement with assistance from the FAST program.

The *Rural Councils Transformation Program* (RCTP) also provides opportunities for rural and regional councils to pursue and implement shared service arrangements on a much larger scale. The RCTP funded four major transformation of service delivery projects to improve the financial sustainability of rural and regional councils. In June 2019, \$20 million in grants was awarded to major transformation initiatives to be delivered by 19 rural councils.

The *Roadside Weeds and Pests Management Program* funded 56 rural and interface councils responsible for managing lengths of rural roadsides in 2018-19 with \$5.4 million in funding. Roadsides provide a means for weeds and pests to spread throughout Victoria, threatening agricultural production, environmental assets and a major concern for private land managers.

DELWP continues to provide strong support for emergency management in local government to ensure safer and more resilient communities. Phase two of the *Councils and Emergencies* project is underway to evaluate councils' emergency management capability and capacity based on the identified needs and risk profile of each individual municipality. Data from the evaluation will be used to develop strategies to improve councils' capacity and capability and provide evidence-based information to enable all agencies and government to share the responsibility of emergency management.

**Indicator: Satisfaction with the performance of councils as measured through the Local Government Community Satisfaction Survey**



The Local Government Community Satisfaction Survey is a statewide telephone survey that collects direct feedback from the community about councils, with 63 councils participating in 2018-19. The overall performance score of 60 exceeds the 2017-18 result by one index point and reflects 49 per cent of participants rating overall performance of their council as either good or very good.

Councils in the metropolitan group (index score of 67) perform significantly higher than the average for councils statewide on the measure of overall performance. Average ratings for councils in the rural and regional council groups are significantly lower than the state average. Overall statewide ratings for most core measures in 2018-19 are generally stable or have increased by one index point compared to statewide results in 2017-18.

Customer service achieved the highest statewide index score (index score of 71), which is an improvement of one point from the 2017-18 result. Satisfaction with sealed local roads increased the most, jumping three index points from its 2017-18 score to an index score of 56. Perceptions of sealed local roads increased significantly in all areas across the state.

Art centres and libraries continue to be areas where councils perform the strongest. In 2018-19, a total of \$48.8 million was provided to support public library services through the *Public Libraries Funding Program*, the *Premiers' Reading Challenge Book Fund* and the *Living Libraries Infrastructure Program*. These programs allow libraries to continue to provide a wide range of services to the Victorian community.

Emergency and disaster management is another area where councils are also rated higher than other service areas. The most significant decline in 2018-19 related to waste management services, which decreased by two index points since 2017-18 to an index score of 68.

## Output performance measures

### Local Government

This output delivers activities in partnership with the local government sector to support effective and efficient local governance, leadership, infrastructure and service provision. Through this output, the department administers programs to support local governments to increase accountability and provide support to the Victoria Grants Commission.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Meetings held annually with Victorian councils regarding the Victoria Grants Commission financial assistance grants allocation model	number	19	19	0.0%	✓
Meetings held with Local Government Mayoral Advisory Panel	number	4	4	0.0%	✓
Victorian councils participating in emergency management planning in collaborative partnerships as part of the Municipal Emergency Management Enhancement Groups	per cent	100	80	25.0%	✓
<i>Performance is above target due to all councils collaborating with at least one neighbouring council on emergency management planning, reflecting a strong culture of knowledge sharing and collaboration within the local government sector.</i>					
<b>Quality</b>					
Average council satisfaction rating with the specific financial assistance support provided through the Local Government Financial and Accounting Support Team	scale (1-10)	8.8	8	9.4%	✓
<i>Performance is above target due to improvements made to support services provided by the Local Government Financial and Accounting Supporting Team, based on council feedback received in 2017-18.</i>					
New policy and program initiatives with an accompanying comprehensive community and stakeholder engagement strategy	per cent	100	80	25.0%	✓
<i>Performance is above target due to an increased focus for all new policy and program initiatives to include comprehensive community and stakeholder engagement strategies. The target for 2019-20 has been increased to 100 per cent accordingly.</i>					
Submissions that fully meet the objectives within the Growing Suburbs Fund program guidelines	per cent	70	70	0.0%	✓
Submissions that fully meet the objectives within the Rural and Regional Councils Transformation – Regional Collaboration Fund program guidelines	per cent	100	90	11.1%	✓
<i>Performance is above target due to the work undertaken by LGV to support councils in preparing business cases for funding submissions, to ensure program objectives were fully met.</i>					
Councils with approved roadside weeds and pests control plan	number	56	56	0.0%	✓

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Timeliness</b>					
Victoria Grants Commission allocations finalised to support the completion of council budgets within statutory timeframes	per cent	100	100	0.0%	✓
Municipal Emergency Resource Program grant payments made within 21 days of completion of agreed milestones in the funding agreement	per cent	100	100	0.0%	✓
Public Library Services grant payments made within 21 days of completion of agreed milestones in the funding agreement	per cent	100	100	0.0%	✓
Roadside Weeds and Pests program grant payments made within 21 days of completion of agreed milestones in the funding agreement	per cent	100	100	0.0%	✓
Projects completed in accordance with approved milestones within the Growing Suburbs Fund funding agreements	per cent	84	80	4.5%	✓
<b>Cost</b>					
<b>Total output cost</b>	\$ million	159.0	163.8	(2.9%)	✓

Note:

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

## Reduced impact of major bushfires and other emergencies on people, property and the environment

This objective delivers an integrated approach to reducing the risk of bushfires and other emergencies to protect people, property and the environment.

The department works together with land and fire managers and with the community to plan and deliver bushfire management across public and private land, using world leading science to manage fire and ecosystems.

### Progress towards achieving this objective

#### Context

Bushfire risk is growing as populations increase and communities multiply in the highest risk areas. This is further complicated by the trends of intensified summer heat, dryness and other associated climate change effects that increase bushfire frequency and severity. They can leave lingering impacts on community health, the economy, the environment, social, and individual mental health. With increasing severity and frequency come increasing annual costs of disasters, which due to the unpredictable nature of the events, can only be estimated.

Almost a third of our growing population live in regional Victoria and the number of visitors to our coasts and rural areas continues to grow, exposing even more people to the threat of bushfires. Bushfires over the past decade have highlighted the need to build community resilience and to adopt a risk-based approach in managing emergencies, where government, community and business work together to protect people, property and the environment.

### Performance trends and key initiatives

The key government initiatives to deliver on this outcome include:

This season, DELWP and partner agencies responded to 2,083 fires across 218,502 hectares. The hectares burnt was 40 per cent above the 10-year average, and the fires occurred in areas that provide Victorians with services such as clean drinking water, timber, recreation and cultural connection.

Victoria experienced the warmest summer season and hottest start to the year on record. Several bushfires and storms commenced in the south-east of the state on 30 January 2019, predominantly affecting the Baw Baw, Latrobe and Wellington local government areas (for bushfires) and Campaspe, Cardinia, Macedon Ranges, Mitchell and South Gippsland (for storms). Compounding this, there were lightning strikes across eastern Victoria in late February and early March resulting in more than 290 reported grass, scrub and bush fires, with four major fires in the east. These major fires at Bunyip, Licola, Dargo and Yinnar South significantly impacted surrounding communities. The fires burned for 13 days prior to being controlled on 12 March 2019.

Despite the prolonged extreme weather conditions and multiple campaign fires, 90 per cent of bushfires were contained at first attack. This can be attributed to the increasing effectiveness of rapid first attack operations and early detection of fires. Enhanced preparedness activities also ensured that resources were adequately placed to respond to fires in line with seasonal conditions and bushfire risk assessments for the fire season.

Campfires still represent a significant bushfire risk on public land and are a primary cause of bushfires. This was a focus for the summer media campaign and campsite patrolling operations contributed to a significant part of DELWP's bushfire prevention strategy. In 2018-19, DELWP and partner agencies responded to 691 unattended campfires, which accounted for 39 per cent of the 2,083 fires responded to.

In January 2019, night firebombing tactics were used for the first time in Australia at the Rosedale fire. Two helicopters undertook surveillance of the fire area in the afternoon to understand the terrain, determine any obstacles and the ability to operate from suitable water supplies near the fire.

More than 250 personnel from NSW, SA, QLD, WA and the ACT supported the firefighting effort in Victoria through a range of roles including firefighting, incident management teams, air operations and fire behaviour roles.

February 2019 marked the 10th Anniversary of the 2009 Victorian bushfires. The anniversary was important to the large number of DELWP staff who were involved in the fire response and subsequent recovery. Many staff attended the State Memorial event that was held at Melbourne's Royal Exhibition Building, with many more staff attending local commemorative events.

The *Forest Fire Operations Officer Traineeships program* continued in 2018-19. This program targets disadvantaged youth from culturally and linguistically diverse backgrounds (including those from Aboriginal and Torres Strait islander descent). DELWP now has eight trainees who are gaining hands-on, practical training to be Forest and Fire Operations Officers, as well a Certificate III in Conservation and Land Management.

DELWP and partner agencies completed 31 out of the 76 highest priority burns across the state. This focussed activity meant that residual risk remains below the 70 per cent target. Analysis shows that with no bushfires or planned burning, residual risk would have increased to 70 per cent.

Several DELWP staff attended the National Indigenous Fire Workshop, which celebrates cultural fire knowledge and practice. This year's event was co-hosted by the Yorta Yorta people and held along the Dhungala (Murray River) at Barmah National Park. In partnership with Traditional Owners, DELWP also launched the *Victorian Traditional Owner Cultural Fire Strategy* to guide cultural fire management on Country in partnership.

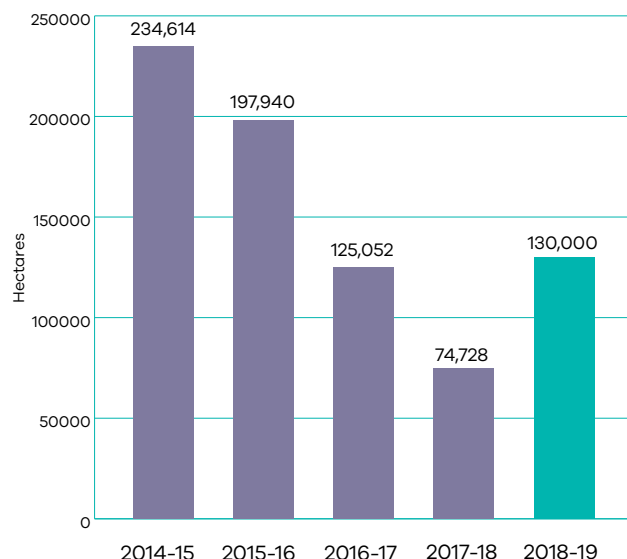
The *Joint Fuel Management Program* is the first ever state-wide program of works to manage fuel on public and private land. It is a significant step in implementing the *Safer Together program*, working towards an integrated and risk focussed bushfire management approach. It demonstrates DELWP's and its partner agencies commitment to working as one sector, planning and delivering fuel management activities across public and private land.

**Indicator: Percentage of bushfires contained at first attack and/or under five hectares to suppress bushfires promptly, keep bushfires small and minimise loss**



Of the 2,083 fires in 2018-19, 94 per cent of fires on public land were contained at less than five hectares in size (against a target of 80 per cent) and 90 per cent of fires were contained 'first attack' or by 0800 hours the day after detection (against a target of 80 per cent). This result can be attributed to the increasing effectiveness of rapid first attack operations and early detection of fires. Enhanced preparedness activities also ensured that resources were adequately placed to respond to fires in line with seasonal conditions and bushfire risk assessments for the fire season. Importantly there was no loss of human life over the 2018-19 fire season. Performance against these measures is heavily influenced by external circumstances beyond DELWP's control, including seasonal weather conditions and weather on the day.

**Indicator: Area treated through planned burning and other treatments to maintain the statewide bushfire risk at or below 70 per cent**



As part of the Victorian Government's bushfire management strategy *Safer Together*, DELWP has set a statewide target to maintain bushfire residual risk at, or below, 70 per cent. This means the risk of a major fire, like Black Saturday, would be reduced by about a third.

The *Safer Together* approach means that local communities, property holders and land and fire agencies are more involved in decision making about bushfire management all year round. This new approach sees our management moving from a hectare target for planned burns, to a risk reduction target for bushfire management. It means a more integrated approach across public and private land, with fuel management being just one in a range of different management actions we will take to protect lives, homes, jobs and the environment.

The timing of fuel reduction activities is indicative and may change in response to weather conditions. This means that activities may be carried out in any year over the three-year period. For example, burns may be brought forward from 2019–20 and ignited during 2018–19 if conditions are favourable, or may be delayed if weather conditions aren't suitable, or to reflect other environmental changes such as bushfires, drought.

As at 30 June 2019, DELWP and its partners had treated approximately 130,000 hectares of public land using planned burning and a further 11,000 hectares using mechanical treatment, resulting in a bushfire residual risk of 67 per cent.

**Indicator: Percentage of agreed departmental emergency management obligations met on time and to standard**



The departmental emergency management obligations have been met on time and to standard, meeting its accountabilities under the Emergency Management Manual of Victoria. The department has fulfilled its obligations as a support agency assisting VicSES and Emergency Management Victoria through the provision of Incident Management Team resources placed at Incident Control Centres, Regional Control Centres and within the State Control Centre.

**Indicator: The economic impact of fire prevention and preparedness investment**

DELWP continues to work on a model that will measure the economic impact of fire prevention and preparedness investment, alongside developing associated methodology for implementation. The project is reviewing current cost-benefit analysis and cost-loss projects and research undertaken in wildfire management in different jurisdictions; an evaluation of different approaches and the types of direct and indirect costs to include, as well as an assessment of data sources and gaps.



## Output performance measures

### Fire and Emergency Management

This output plans and delivers integrated bushfire management. Through this output, the department works with land and fire managers to plan and deliver bushfire management across public and private land; involves local communities in decision making, drawing on local values and insights to promote resilience; invests in science and partnerships to build knowledge of the relationship between fire and the environment to better manage risk; monitors and assesses the impact and effectiveness of fire management operations; ensures its workforce is effectively trained and prepared; and maintains a strategic road network to facilitate fire and emergency related activities and provide access for the community, timber and tourism industries.

The performance measures below compare targets and expected or actual results from the delivery of programs and services as part of this output:

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quantity</b>					
Community-based bushfire management plans prepared for high risk communities	number	5	5	0.0%	✓
Bushfire management engagement plans developed and implemented for high risk communities	number	12	12	0.0%	✓
Length of strategic fire access roads and fuel breaks treated to manage safety risks posed by dangerous trees	km	1,000	1,500	(33.3%)	■
<i>Performance is below target due to the new delivery model for the Reducing Bushfire Risk program, which integrates dangerous tree removal, vegetation management and roading maintenance. This measure has been replaced in 2019-20 by a new measure providing a more complete view of the program (specifically forest access and egress) rather than focusing on one area of performance (dangerous trees).</i>					
Personnel with accreditation in a fire and emergency management role	number	2,278	2,100	8.5%	✓
<i>Performance is above target due to the longer campaign fire season providing increased opportunities for staff to be deployed to fire roles and therefore gain accreditation.</i>					
State forests roads (Category 1) and bridges (on Category 1 roads) with documented inspections and/or maintenance programs to meet regulatory obligations	per cent	100	100	0.0%	✓
Statewide bushfire risk is maintained at or below the target	per cent	67 (estimate)	70	5.7%	✓
<i>Performance exceeds the target due to completion of the highest priority planned burns across the state. The amount of area impacted by bushfire also contributed to the result.</i>					
Stakeholder and community forums on bushfire management and planned burning held	number	12	12	0.0%	✓

Output performance measures	Unit of measure	2018-19 actual	2018-19 target	Performance variation	Result
<b>Quality</b>					
Fires contained at less than five hectares to suppress fires before they become established, minimising impact	per cent	94	80	17.5%	✓
<i>Performance is above target due to increased patrolling, detection and reporting of unattended campfires. A total of 2,083 fires were responded to in 2018-19. Unattended campfires represent approximately 39 per cent of the total and highlights the bushfire ignition potential that was successfully prevented. The high result is also due to the increasing effectiveness of rapid first attack operations and early detection of fires. Enhanced preparedness activities ensured that resources were adequately placed to respond to fires, in line with seasonal conditions and bushfire risk assessments for the fire season.</i>					
Personnel accredited to serve in a senior capacity (level 2 or 3) in a fire and emergency management role	number	402	315	27.6%	✓
<i>Performance is above target due to the longer campaign fire season providing increased opportunities for staff to be deployed to fire roles and therefore gain accreditation. An additional Intelligence role was also incorporated. This is a new role under Australasian Inter-service Incident Management System (AIIMS) 4.</i>					
<b>Timeliness</b>					
Assessment of model of cover completed to assess resource requirements and availability	date	Dec 2018	Dec 2018	0.0%	✓
Fire operation plans completed	date	Sep 2018	Sep 2018	0.0%	✓
Fires contained at first attack to suppress fires before they become established, minimising impact	per cent	90	80	12.5%	✓
<i>Performance is above target due to increased patrolling, detection and reporting of unattended campfires. A total of 2,083 fires were responded to in 2018-19. Unattended campfires represent approximately 39 per cent of the total and highlights the bushfire ignition potential that was successfully prevented. The high result is also due to the increasing effectiveness of rapid first attack operations and early detection of fires. Enhanced preparedness activities ensured that resources were adequately placed to respond to fires, in line with seasonal conditions and bushfire risk assessments for the fire season.</i>					
Readiness and response plans completed prior to the upcoming fire season	date	Oct 2018	Oct 2018	0.0%	✓
<b>Cost</b>					
<b>Total output cost</b>	<b>\$ million</b>	<b>568.4</b>	<b>400.9</b>	<b>41.8%</b>	■
<i>The higher than budgeted output cost predominately relates to Treasurer's Advances approved for fire suppression and additional aviation resources for Forest Fire Management Victoria.</i>					

- ✓ Performance target achieved or exceeded.
- Performance target not achieved – within 5 per cent variance.
- Performance target not achieved – exceeds 5 per cent variance.

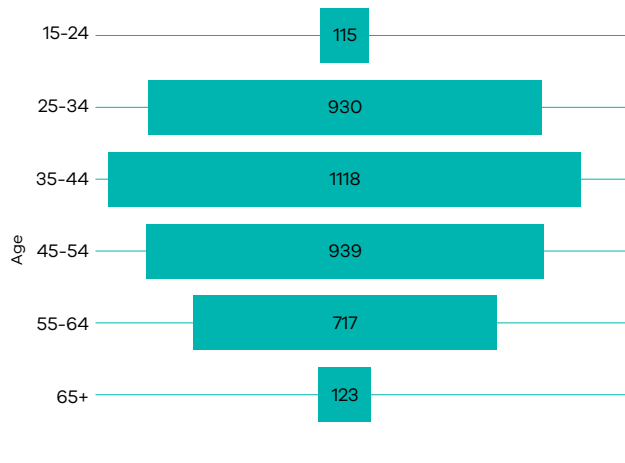
- (i) On 1 January 2019, the Office for Suburban Development was transferred from DELWP to the new Department of Jobs, Precincts and Regions as part of MoG changes.
- (ii) On 1 January 2019, the administration of Growth Areas Infrastructure Contribution transferred from the Office for Suburban Development to LGV as part of MoG changes.

# Our people

Our aspiration is to have a workforce that reflects the communities in which we operate and live. We are committed to fostering a culture where our employees are provided with opportunities to develop, where they are valued for their contribution, and can work flexibly and safely to deliver great value and services to Victorian communities and stakeholders.

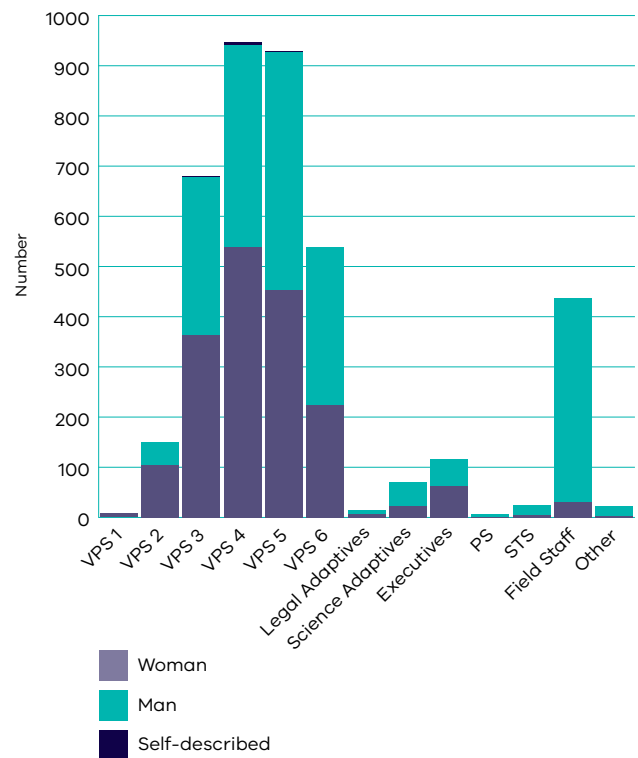
As at 30 June 2019, DELWP employed 3,942 FTE staff, for a total headcount of 4,201 staff in 82 locations across Victoria.

## Distribution by age (FTE)

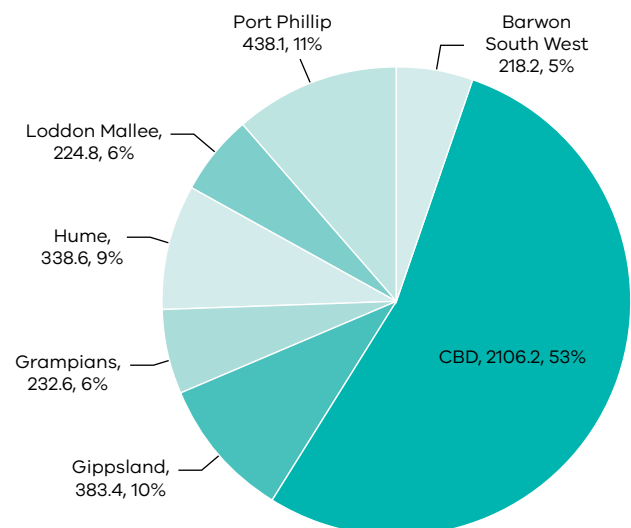


The largest age cohort is staff between 35-44 years of age, accounting for 28.36 per cent of total FTE. The majority of staff are ongoing, representing 79.78 per cent of DELWP FTE. Reflecting the availability of flexible employment options, 17.03 per cent of ongoing staff undertake part-time working arrangements. 17.75 per cent of our total FTE have been employed in the VPS between 10 to 14 years, while almost half (44.03 per cent) of FTE staff have less than five years VPS employment.

## Distribution by classification and gender (FTE)



## Distribution by region (FTE)



DELWP is geographically distributed across Victoria, with 53.43 per cent of staff working in the Melbourne CBD and other significant staff populations in the Port Phillip (11.11 per cent) and Gippsland (9.73 per cent) regions.

Additional information on DELWP's workforce profile is available at Appendix 3

## Our culture and values

How we work and interact with each other, our ministers, stakeholders and the community is as important as the outcomes we achieve for the government and the Victorian community. Our values speak to the way we work – in teams, as leaders and as individuals. From Graduates to Senior Executives, these values articulate clear expectations for the attitudes and behaviours required to deliver for our community.



### Teamwork

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We will respect and welcome different perspectives

We will listen to others, give and actively seek constructive feedback

We will lead, empower and trust others

We will support and constructively challenge our colleagues

We are flexible when dealing with change and ambiguity



### Ownership

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We will create a safe environment that encourages people to show initiative, learn from mistakes and grow

We will support, trust, equip and empower people to make decisions

We will value the experience and ideas of our people

We will take pride in our work and the organisation, leading by example

We will own our actions and decisions that are made



### Wellbeing and safety

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We will create an environment where it is ok to speak up and where issues can be raised and resolved constructively

We will each take personal responsibility for our own wellbeing and safety, and that of our colleagues

We will lead by example and be an active role model in how we treat ourselves and others

We will think before acting, be caring, supportive and show empathy towards others



### Service excellence

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We will set clear objectives, be honest, transparent and timely

We will take pride in our professional service delivery and engender excellence into everything we do

We will look for opportunities to connect and work together to provide better service outcomes

We will encourage innovation and different ways of working to improve service delivery

We will understand the customer and community needs by stepping into their shoes

## Diversity and inclusion

Becoming a diverse and inclusive organisation enables us to learn from each other, grow our understanding and find new and innovative ways of delivering for the community.

### Acknowledgement and celebration

DELWP builds awareness and a shared understanding of our diverse community through participation and support of a broad range of events. These events include:

- Reconciliation Week
- Carers' week
- International Women's Day
- Cultural Diversity Week
- International Day Against Homophobia, Transphobia and Biphobia
- R U OK Day.

### Munganin-Gadhaba

DELWP's Aboriginal Inclusion Plan, *Munganin-Gadhaba*, aims to ensure recognition and respect for Aboriginal people's cultural and customary rights and interests, and that this is incorporated into management of the land and built environment.

The name *Munganin-Gadhaba* is from the Taungurung language and means 'achieve together'. Supporting the *Munganin-Gadhaba Aboriginal Inclusion Plan* is the *Munganin-Gadhaba Aboriginal Employment Plan 2016-2020*, which is focussed on attracting and recruiting talented Aboriginal people across DELWP, and increasing the overall employment and participation of Aboriginal people. Initiatives that contributed to *Munganin-Gadhaba* in 2018-19 include:

- DELWP's *Aboriginal Flag Flying Policy*
- a unique Aboriginal Cultural Identity – *Mirring* – a commissioned artwork created by Thomas Day in collaboration with our Aboriginal staff – that is now being used on buildings, vehicles and other DELWP equipment
- the new *Aboriginal Language Use Policy and Guidelines*
- the growth of the *Munganin-Gadhaba* Aboriginal Staff Network
- scholarships in post-graduate and bachelor level qualifications to support Aboriginal staff and

community members in reaching their potential. One scholarship recipient is completing their 2nd year in a Graduate Diploma in Land and Sea Country at Deakin University.

Thirty-seven Aboriginal staff attended the June 2019 DELWP Aboriginal Staff Conference 'Languages, Treaty, Truth' held in Gunaikurnai Country. Staff participated in fourteen workshops across the two-day event. These workshops focused on sharing learnings and experiences across regions, building mentoring relationships, key strategy and policy updates, workforce development and exploring the roles of Treaty and Self-Determination within DELWP.

DELWP has made a commitment to contributing to Victorian Government's progress to Treaty, and is a member of the Inter-departmental Committee that was established to prepare government in its response to Treaty.

The *Aboriginal Procurement Strategy* was finalised and launched in December 2018 in partnership with Supply Nation. With an annual procurement target of 1% from Victorian Aboriginal businesses from 2019-20, the Strategy was developed to:

- build relationships with Aboriginal businesses
- streamline procurement processes for the engagement of Victorian Aboriginal businesses
- develop economic and commercial capacity of Aboriginal businesses
- promote goods and services and all construction-related procurement provided by Aboriginal businesses to our diverse department.

DELWP, in partnership with Supply Nation, held an Aboriginal tradeshow in April 2019. Victorian government departments and DELWP staff were invited to attend the two tradeshow that highlighted a range of goods and services offered by Aboriginal businesses. In 2018-19, DELWP spent around \$850,000 with 18 Aboriginal businesses from Supply Nation's list of approved vendors, up from around \$100,000 in the previous year.

The *Munganin-Gadhaba* Aboriginal Inclusion Plan will be refreshed to reflect the goals, objectives, measures and guiding the principles of Self Determination contained within the Victorian Aboriginal Affairs Framework 2018-2023 and meet the intended outcomes under the Governments Self Determination Reform Framework reform domains (People, Systems, Outcomes and Accountabilities to provide guidance for government on what it means to enable self-determination under each reform domain.

## Leadership gender equity

DELWP remains focussed on strengthening gender equity within the department, and continues to lead from the top of the organisation with women making up more than 50 per cent of our executive.

Workforce inclusion policy initiative	Target	Actual progress in 2017-18	Actual progress in 2018-19
Gender profile at executive levels <sup>(i)</sup>	Executive Officers: 50 per cent women; 50 per cent men by 2019	Executive Officers: 54 per cent women; 46 per cent men	Executive Officers: 55 per cent women; 45 per cent men

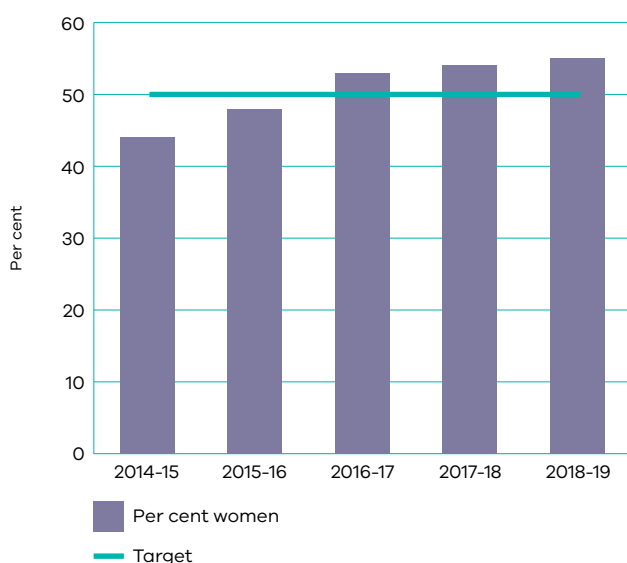
Notes:

(i) The self-described category is nil for this entity

In February 2019, DELWP launched its refreshed *Gender Equity Framework and Gender Equity Action Plan*. Achievements from the Action Plan include:

- the launch of a new sexual harassment policy and guideline to promote a safe, inclusive and positive workplace
- the pilot of the *Safe and Respectful Workplace program*, including training, workshops and events
- a gender pay gap review indicating an overall gender-based pay gap of 0.1 per cent and a gap of less than 2 per cent across all grade levels.

### Gender profile at executive level



## Lesbian, Gay, Bisexual, Transgender and Gender Diverse, Intersex and Queer communities

DELWP is proud to be recognised as an LGBTIQ inclusive employer, being named a Bronze Employer in the Australian Workplace Equality Index for the third year in a row.

Key to this achievement is Place of Pride, our statewide network for LGBTIQ employees and allies. The network developed and implemented a comprehensive LGBTIQ inclusion action plan, coordinating DELWP's involvement in community events, like Midsumma and ChillOut, and consulting with People and Culture to ensure our policies and programs explicitly include LGBTIQ people.

DELWP continues to offer access to an LGBTIQ-specific employee assistance program and is a member of Pride in Diversity, a not-for-profit organisation supporting workplace inclusion.

## Multiculturalism

Our staff network Multicultural@DELWP continues to strengthen and work together to encourage, support and celebrate our multicultural and multifaitth workforce, and the work we do in partnership with our multicultural communities. Multicultural@DELWP led a series of celebrations across the department for Harmony Day and Cultural Diversity Week, including a 'Living Library' where each day of the week speakers from different cultural backgrounds shared their experiences. DELWP staff also gathered for a special meal to celebrate Iftar – the breaking of the fast during Ramadan.

## Abilities

DELWP released its *Access and Inclusion Plan* in December 2018. This plan translates DELWP's values into actions and will enable us to become:

- a disability and diversity-aware organisation
- more sensitive to the needs of those with differing abilities
- more accepting of, and compassionate for, the differences.

Formed in 2018-19, DELWP's All Abilities Network has quickly become a place for people of all abilities to support disability inclusion and awareness. This is done by advocacy, raising awareness, building disability confidence and promoting career development opportunities. DELWP is a Gold Member of the Australian Network on Disability.

## Life stages

DELWP supports an Emerging Professionals Network that promotes networking and development for young (and young in career) professionals. This is run in conjunction with the DJPR, with more than 840 people in the network.

We recruited eight Youth Cadet Scheme cadets in 2018-19 and one trainee in the Youth Employment Scheme. Our Graduate programs recruited 27 graduates, including 12 from general VPS graduates and 15 Science and Planning graduates.

An online forum has been started for mature age staff called Age is an Asset. The vision of the group is to support DELWP to be an employer where mature age employees can flourish professionally, feel fulfilled and balance work and out of work commitments.

## Flexible work

All DELWP staff can access flexible working arrangements while continuing to deliver business outcomes. Our February 2019 Diversity and Inclusion Census results told us 94 per cent of respondents had used one or more flexible work options in the last 12 months. Over 75 per cent of respondents believed they had the flexibility required to manage work and caring responsibilities. DELWP was identified as enabling flexible work by 82.5 per cent of respondents.

In April 2019, DELWP launched its *Mastering Flexible Teams program*, supporting managers to ensure they have the skills and confidence to manage a flexible workforce.

## Developing our people

### Employment and conduct principles

The department applies the public sector values and employment principles as set out in the *Public Administration Act 2004*, including the application of merit and equity principles when appointing staff.

The selection processes ensure the applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountability without discrimination. Employees have been correctly classified in workforce data collections.

### People Matter Survey

Each year DELWP staff are asked to participate in the People Matter Survey, which is conducted by the Victorian Public Sector Commission. For 2018-19, 66 per cent of our total workforce participated in the survey, which is the highest rate DELWP has received for the survey. The response rate for 2017-18 was 52 per cent. With the additional 14 per cent of staff completing the survey, in 2019 we will have a rigorous set of results to continue to inform our *People Strategy* and its associated work program.

### Capability development and training

This year we continued our strategic focus on large scale workforce capability uplift across our four priority themes:

- managing and leading people
- community at the centre
- core business skills in government (digital capability, policy, project management)
- diversity and inclusion.

To support this uplift, we continued with the 2017-18 workforce capability program and designed, piloted and delivered an additional seven new programs to support these themes. The most popular development sessions provided training on digital literacy, management and leadership, policy and project management, and Aboriginal cultural awareness and safety.

To support new starters and inform them of DELWP's values from day one, DELWP launched a new face-to-face induction program during 2018-19. Three successful induction events were held with around 350 new staff participating. These quarterly inductions provide an opportunity for new starters to learn about the department, its values and future directly from our greatest asset: our staff.



## Workplace relations

During the year, DELWP managed several organisational change management programs including:

- transfer of Solar Homes from Sustainability Victoria to the department
- commercialisation of Land Registry Services within LUV
- establishment of the Energy Group
- establishment of the Office of the Conservation Regulator
- establishment of the Strategy and Performance Division.

The department also provides general advice to its portfolio statutory authorities.

The department has constructive working relationships with both the Community and Public Sector Union and the Australian Workers' Union. During 2018–19, the department recorded no time lost through industrial disputes.

## Wellbeing and safety

The department is committed to supporting employee health and safety, and mental health and wellbeing as part of the WoVG Strategy, *Leading the Way*. By developing the culture, skills and environment that empowers workers to raise, recognise and address these issues, we are building a safe and resilient workforce that is better equipped to achieve our objectives and vision.

A Wellbeing and Safety management system is in place across the department and continues to be refined and improved. In addition to organisational-wide plans, all groups and regions within the department developed local *Wellbeing and Safety action plans* in consultation with their Regional and Local Safety Consultative Committees. In 2018–19, DELWP reviewed its *Critical Incident Management System*. A Critical Incident Training Package was finalised and delivered to newly-appointed Critical Incident Controllers, Functional Team Leaders and other staff over a two-day period in June 2019.

Our 2018–19 safety and wellbeing highlights include:

- the annual Health and Safety Representatives (HSR) forum, recognising the contribution of HSRs to the workplace and developing innovative safety improvement concepts
- promoting mental health and wellbeing through support for RU OK Day and Mental Health week
- revising our *Safety and Wellbeing Induction* program and processes
- releasing videos to support safe driving for our fire operational staff
- our improved injury management processes, including the stretch and flex program, a revised *Fit for Fire* program and improved reporting on Safety and Wellbeing training
- support for staff wellbeing via the *Employee Assistance Program* and our employee-driven *Peer Support Program*
- monitoring and evaluating staff safety with more than 360 site and field audits across Victoria, resulting in more than 700 corrective actions and safety improvements across the state

## 8 Nicholson Street Incident

On 22 August 2018, an electrical fire began on the fourth floor of 8NS, East Melbourne, DELWP's main CBD location. The fire started outside of regular work hours and did not result in any injury. However, the building could not be occupied for several months. In the months following the fire, DELWP's top priority was ensuring the safety and wellbeing of staff while maintaining service delivery to communities.

Staff were kept up-to-date on developments via four all staff briefings, 36 all staff updates, 23 newsroom stories and 26 videos over four weeks. Additional office space was sourced for 1,500 staff at multiple locations across the CBD and regions.

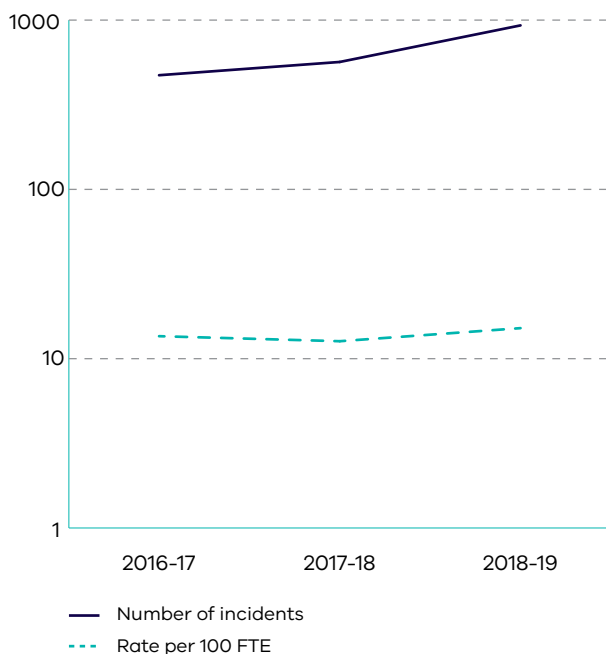
Ongoing logistical support was provided for staff movements; cleaning and repair of the building; additional security; and relocating and supporting three ministerial offices. DELWP increased wellbeing support available to staff through briefings provided by health and safety representatives, fire wardens and first aiders, and delivered more than 500 new fire and safety inductions for staff returning to 8NS and other locations.

## Incident management

Incidents across the department increased by 3.1 per 100 FTE in 2018-19. Incidents include injuries and near misses. In real terms, the increase equates to 193 additional reported incidents compared with the previous year. The number of incidents that resulted in injury also increased. This was mainly attributed to the increased fire season activity for 2018-19. FFM Vic staff attended 2,083 fires in the 2018-19 bushfire season (compared to 1,603 in 2017-18). These fires affected 218,502 hectares of public land, including 15 fires that were greater than 1,000 hectares. There were 272 FFM Vic bushfire and fuel management FTE staff deployed in 2018-19, almost double the number deployed in 2017-18 (151). Increased awareness of incident reporting by staff was also a contributing factor to the higher result.

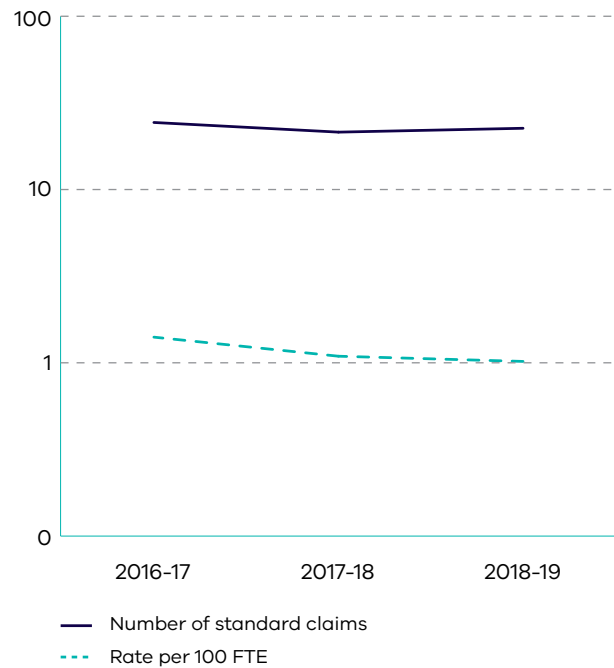
There were 27 notifiable incidents that occurred across the department. Notifiable incidents are those that require the OHS Regulator to be notified if they occur.

**Figure 1: Number of incidents and rate per 100 FTE**



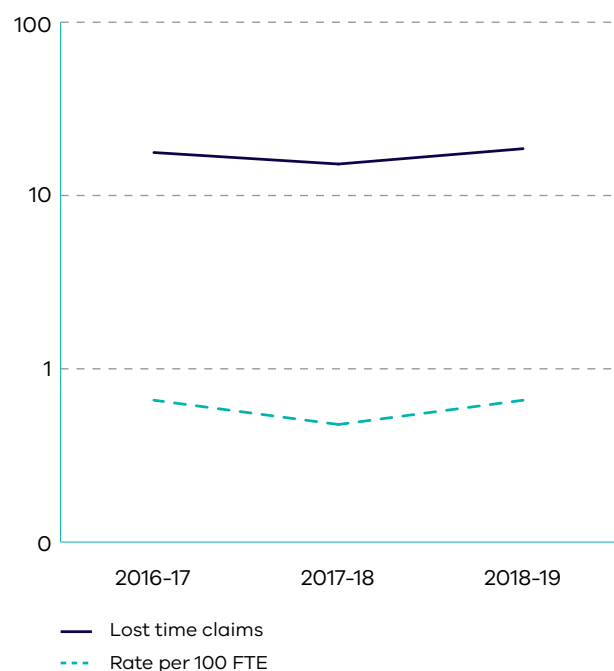
The number of claims rose in 2018-19 mainly due to an active fire season in the Gippsland region. There were no common themes as all injuries differed in their bodily location and severity. The department continues to investigate and monitor the effectiveness of programs and supports that are in place to address those hazards which give rise to injuries resulting in claims.

**Figure 2: No of standard claims and rate per 100 FTE**



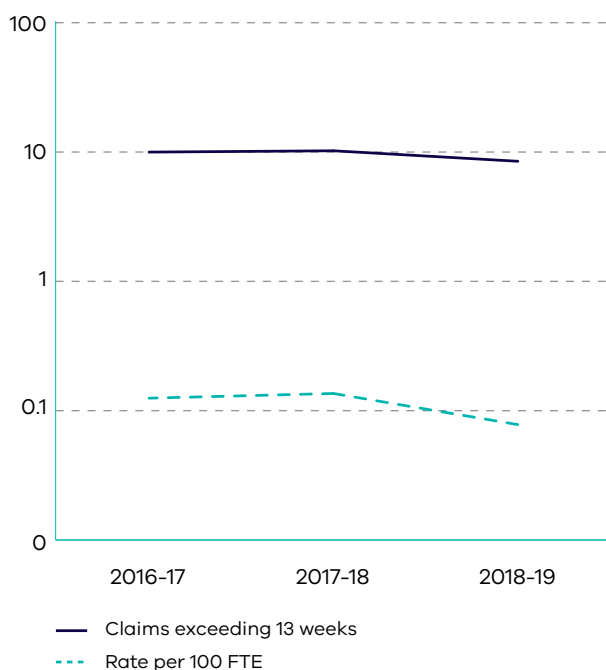
While the department continues to increase the number of workplace support services and plans prior to claim, the total number of WorkCover claims lodged increased in 2018-19. This increase is attributed to the increased fire activity throughout the fire season.

**Figure 3: Lost time claims and rate per 100 FTE**



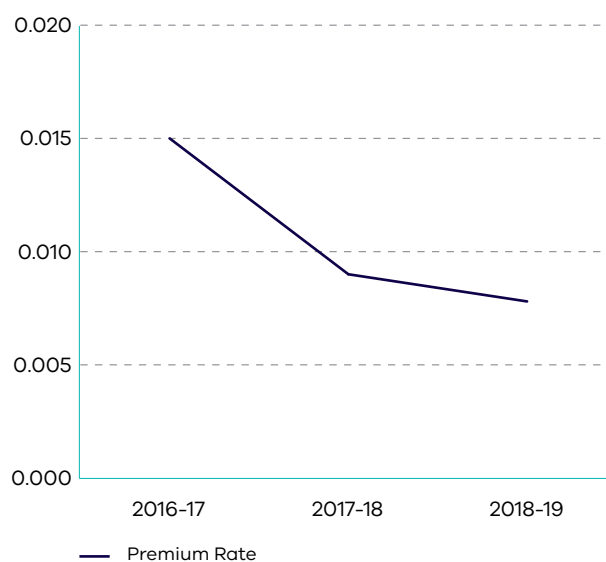
Although there was a slight increase of lost time claims during 2018-19, there has been a significant decrease in the number of WorkCover claims exceeding 13 weeks.

**Figure 4: Claims exceeding 13 weeks and rate per 100 FTE**



This means that the time taken to recover from a workplace injury and return to work has reduced. This has positive productivity impacts for all stakeholders.

**Figure 5: DELWP premium rate 2016-2019**



The department's WorkCover premium rate continued to decrease in 2018-19. This is due to the continuing provision of workplace support plans, early intervention approaches and the work of the Workplace Services Branch to facilitate the offer of suitable duties, which all contribute to decreased claims costs.

### Grievances

In 2018-19, the department received 52 new grievances with no grievances being carried over from the previous financial year. The table below shows grievances by outcome:

#### 2018-19: Grievances by outcome

Outcome	Number
Withdrawn	4
Not substantiated	9
Partially substantiated	1
Substantiated	18
Rejected	18
Open	2
<b>Total</b>	<b>52</b>

### Further information

Additional information on the department's performance against key OHS performance indicators is located at Appendix 4.

# Financial review

## Five-year financial summary

	2019 \$'000	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
Income from government <sup>(i)</sup>	1,987,429	1,603,784	1,513,215	1,223,155	1,340,615
Total income from transactions	2,976,910	2,319,590	2,183,659	1,688,819	1,802,945
Total expenses from transactions	2,800,466	2,165,945	1,987,133	1,667,768	1,479,411
Net result from transactions <sup>(ii)</sup>	176,464	153,645	196,526	21,051	323,534
Net result for the period	186,546	316,965	188,390	(33,732)	326,533
Net cash flow from operating activities	17,991	134,556	171,344	140,057	311,435
<b>Total assets</b>	<b>9,029,020</b>	<b>11,664,496</b>	<b>10,115,917</b>	<b>9,817,526</b>	<b>8,581,597</b>
<b>Total liabilities</b>	<b>416,018</b>	<b>382,475</b>	<b>346,599</b>	<b>283,616</b>	<b>295,858<sup>(iii)</sup></b>

Notes:

- (i) Income from government includes both output and special appropriations.
- (ii) The 'net result from transactions' is identical to the 'net operating balance' for the general government sector.
- (iii) The comparative amounts in the five-year financial summary are not restated for the MoG changes, which are outlined in the section below.

## Current year financial review

### Overview

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the department.

In 2018-19, DELWP recorded a net result from transactions of \$176.5 million, which was \$22.8 million greater than in 2017-18.

### Notes on Machinery of Government changes

In December 2018, the Government issued an Administrative Order restructuring some of its activities via MoG changes. As part of the MoG restructure, the Office for Suburban Development and the Fishermans Bend Taskforce were transferred out from DELWP to the newly created DJPR.

## Financial performance and business review

In 2018-19, DELWP recorded a higher net result from transactions, due to the increase in revenue of \$657.3 million, exceeding the increase in total expenditure from transactions of \$634.5 million.

The increase in total income is predominantly due to increases in output appropriations, special appropriations and the initial recognition of derivative financial instruments.

The increase in output appropriations to increases in recurrent operating funding are primarily related to: Fire and Emergency Management, \$139.5 million; Energy, \$122.1 million; and Local Government output groups, \$45.2 million.

Increased special appropriations related to increased appropriation applied to Growth Area Infrastructure Contribution (GAIC) during 2018-19. GAIC is payable by landowners developing urban communities in growth areas within the municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham. Sales of land for development increased in 2018-19, leading to an increase in revenue.

Increase in income from derivative financial instruments was due to the initial recognition of the Victorian Renewable Energy Auction Scheme.

The expenditure increase of \$634.5 million is primarily represented by an increase in grants and other transfers of \$363.3 million, supplies and services of \$194.8 million and employee expenses of \$73.4 million.

Increase in current year grant expense is predominately due to:

- increases in payments from the Growth Areas Public Transport Fund \$23.1 million
- an increase in the Building New Communities Fund via GAIC from \$31.2 million in 2017-18 to \$141.7 million in 2018-19
- the level of grants paid from the Sustainability Fund for Greener Government Building Program, \$16.0 million
- payments to SV for sustainability programs increased from \$17.6 million in 2017-18 to \$49.6 million in 2018-19
- Local Government output payments to local governments from the Growing Suburbs Fund 2018-19 Supplementary Round of \$46.9 million
- the Energy output payments for the Solar Homes Program, \$70.0 million; Power Savings Bonus, \$18.9 million; and Solar Homes Transition, \$7.5 million.

The increase in supplies and services is predominantly due to:

- the Fire and Emergency Management output incurring increased costs of \$84 million, primarily due to an increase in bushfire activities
- payments to Victorian Land Registry Services, \$76.6 million
- transfer of payments to Goulburn-Murray Water (GMW) for Stage 2 of the Connections Project from the DELWP controlled entity to the administered entity increased by \$30.1 million.

The rise in employee expenses of \$73.4 million is driven by a number of factors, including:

- the paid FTE for the department increased from 3,660 at the 30 June 2018 to 3,942 per page 256 at 30 June 2019, an increase of 279. The groups with the most significant increases were: Forest, Fire and Regions, 165 (including field service staff and project fire fighters), the former Energy, Environment and Climate Change, 39, and Corporate Services, 54
- increase in bushfire activities
- EBA for VPS staff, 3.2 per cent increase from 1 July 2018 to 30 June 2019.

Other economic flows for 2018-19 resulted in a gain of \$10.1 million, a movement of \$153.2 million compared to the gain of \$163.3 million for 2017-18.

- The movement is due to a gain of 19 million in 2018-19 in the net gain on non-financial assets, which has decreased by 143.3m from a gain of \$162.4 millions in 2017-18 in the net recognition of non-financial assets. This was driven by large recognition of Crown land records being transferred to the Victorian Online Title System in the prior period. As this exercise is now complete, the net recognition of non-financial asset has dropped significantly.
- Other movement relates to the net gains and losses on financial statement. The movement is primarily due to the holding loss on financial assets through the profit and loss relating to investments held for the Sustainability Fund of (\$3.8 million) being less than the gain of \$5.0 million for 2017-18.

## Financial position – balance sheet

DELWP's net assets decreased by \$2.6 billion (22.7 per cent) from last year to \$8.7 billion.

Total assets decreased by \$2.5 billion to \$9 billion. The primary contributor to the decrease was a \$3.0 billion transfer of various buildings, structures and land. Assets valued at \$2.8 billion were transferred to Parks Victoria (PV), a result of changes in the *Parks Victoria Act 2018*. The Act re-establishes PV as an independent statutory authority with separate financial reporting arrangements. The remaining transfers included \$190 million to Caulfield Racecourse Reserve Trust, \$28 million to VicRoads and \$25 million to local councils.

The above transfer was offset by an increase in DELWP's financial assets of \$252.3 million. This movement consisted of an increase of Cash and Deposits of \$493 million, Derivative asset of \$285.2 million and Receivables of \$74 million, with an offsetting decrease in Investments and other financial assets of \$600.0 million.

The increase of \$493.0 million was primarily due to the consolidation of all term deposits and managed investment deposits at call with Westpac as part of the Centralised Banking System (CBS). This resulted in an increase of \$465.6 million in deposits at call. The remaining increase of \$27 million relates to increase in Funds held in trust.

The increase in Receivables primarily related to an increase in the amounts owing from the Victorian Government of \$36.3 million associated with increased appropriation revenue. Increases were also recorded for the Municipal and Industrial Landfill Levy receivable from EPA and Landfill operators of \$27.2 million and a general increase in trade debtors of \$6.7 million.

The decrease in Investments and other financial assets occurred as a result of decrease in the balances held in long term investments with Treasury Corporation of Victoria (TCV) of \$309.4 million and Victoria Funds Management Corp. (VFMC) of \$290.6 million. All funds have been transferred to CBS per requirements under the Standing Directions.

Total liabilities increased by \$33.5 million primarily due to an increase in payables of \$12.5 million, provisions of \$15.6 million and interest-bearing liabilities of \$3.7 million.

The increase in payables is primarily related to an increase in accrued grants and transfers of \$49.5 million. This predominately relates to accrued grants of \$29.4 million to the EPA from the Municipal and Industrial Landfill Levy Trust, \$7.9 million for Melbourne Water relating to 2018-19 fire suppression costs and \$7.7 million for the Solar Homes program. The increase was partially offset by a repayment of \$20.4 million towards the s.37 advance for the Powerline Bushfire Safety Program and \$3.9 million for the public acquisitions overlay scheme. Trade creditors decreasing by \$6.2 million as payments are made, and accrued capital payments decreasing by \$10.4 million predominately for the Wonthaggi Desalination Plant and the Smart Planning Program.

The increase in interest-bearing liabilities was driven by the replacement of Landcruisers with G-Wagons. The G-Wagons have a greater capital value than the vehicles they have replaced and different lease terms leading to increased motor vehicle lease liabilities

The increase in provisions mainly relates to increases in the provision of annual leave of \$2.1 million and provision for long service leave of \$11.3 million in line with rise in FTE numbers and Enterprise Bargaining Agreement increase for VPS staff, and increases in the provision for Large Scale Generated Certificates to be surrendered of \$0.5 million. The increase was partially offset by a reduction in the provision for land remediation of \$2.9 million.

## Cash flows

DELWP's net cash inflow from operating activities decreased by \$116.6 million to \$17.9 million. This decrease in cash reflects DELWP's net result from transactions for the year, adjusted for the impact of non-cash items such as depreciation.

## Subsequent events

### ***Establishment of Cladding Safety Victoria***

Following the announcement by the Premier and Minister for Planning on 16 July 2019, the department will commence the pre-construction activities and manage cladding rectification for 15 priority buildings in the short term, and work with the Victorian Building Authority to support the newly created Cladding Safety Victoria. The Victorian Government has established Cladding Safety Victoria with a funding commitment of \$300 million to provide support and guidance to building owners and occupants of buildings with combustible cladding, particularly where rectification work is required to reduce risks to an acceptable level.

### ***Transition of Solar Homes Program from Sustainability Victoria to DELWP***

The Solar Homes program will help Victorian households manage cost of living associated with electricity prices, increase the State's renewable electricity generation and reduce its greenhouse gas emissions, while creating good jobs in the solar industry. Solar Homes was launched in August 2018 as a one-year program delivered by Solar Victoria, a newly established business unit in SV.

The Victorian Government has committed to expanding the program to 10 years and will assist Victorians by installing solar panels, batteries or hot water systems on 770,000 houses across the state. As part of the Solar Homes program a loan scheme will commence in July 2019. This will allow Victorians to access the benefits of renewable energy at no up-front cost.

Solar Victoria transferred to DELWP on 1 July 2019. This enables the Solar Homes program to benefit from the department's strong governance, risk management and policy capability.

**Departmental controlled expenses from transactions by output**

DELWP payments for outputs (controlled)	\$'000	Per cent
Planning, Building and Heritage	360,527	12.9
Environment and Biodiversity	91,926	3.3
Statutory Activities and Environment Protection	359,007	12.8
Land Use Victoria	203,102	7.3
Management of Public Land and Forests	218,610	7.8
Effective Water Management and Supply	502,977	18.0
Local Government	158,133	5.6
Climate Change	15,819	0.6
Suburban Development	7,147	0.3
Parks Victoria	150,148	5.4
Fire and Emergency Management	566,166	20.2
Energy	166,885	6.0
<b>Total</b>	<b>2,800,446</b>	<b>100</b>

**Financial governance**

The department diligently exercises its various financial management obligations which include compliance with the provisions of the *Financial Management Act 1994*, the *Standing Directions 2018* under the *Financial Management Act 1994 (Standing Directions)* and taxation legislation.

The department's compliance with the Standing Directions is formally assessed at 30 June each year. The department prepares and publishes in its annual report a public attestation of its material compliance with direction requirements. There is also a rolling internal audit program in place to review the department's compliance with the Standing Directions.

The department also maintains financial policies and procedures to ensure good governance, effective internal controls and consistency with financial reporting. These documents are reviewed annually and updated as appropriate to ensure ongoing relevance and conformance to external reporting requirements.

Financial transactions are subject to regular compliance reviews by the Financial Compliance team within the Finance division. Compliance reviews include Financial Data Quality Assurance reviews and Purchasing Card transaction reviews.

Exceptions identified during the compliance reviews are reported to the Executive Director, Finance and the department's Risk and Audit Committee. Manual checks are supplemented with the use of interrogation software that allows full analysis of 100 per cent of the department's financial transactions.

Governance of Financial Management (GOFM) training is mandatory for all new financial delegates. Refresher GOFM training is to be undertaken every four years for financial delegations to be maintained. Governance and integrity training is available online and compulsory for all staff.

Leadership teams throughout the department actively participate in financial management. Financial compliance continues to be embedded into work practices. Regular communication of the requirements will continue through financial forums and daily work practices.

These activities form part of the department's commitment to championing a culture of integrity within the public sector.

**Budget portfolio outcome statements**

A comparison of the budget portfolio outcome statements for the department, as published in the 2018-19 Budget Paper No. 5, and the actual results for the year can be found at Appendix 2.



## Attestation for financial management compliance with Ministerial Standing Directions 5.1.4

### Department of Environment, Land, Water and Planning Financial Management Compliance Attestation Statement

I, John Bradley (Secretary), certify that the Department of Environment, Land, Water and Planning (DELWP) has complied with the applicable Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* and Instructions.

DELWP's Risk and Audit Committee has verified this.



John Bradley  
Secretary  
Department of Environment, Land, Water and Planning  
Melbourne  
19 September 2019

# Office-based environmental performance

## Office-based environmental impacts

DELWP's Environment Management System (EMS) was set up to meet government requirements under Financial Reporting Directive 24D (FRD24D). It enables the department to monitor environmental performance over time and to seek further ways to reduce environmental impacts.

The EMS objectives include:

- reducing greenhouse gas emissions
- reducing the amount of waste, and maximising the amount of reused and recycled resources
- ensuring new capital works incorporate environmentally sustainable principles
- making environmentally sound purchasing decisions for capital items and consumables
- encouraging staff to reduce environmental impacts through behaviour change
- communicating environmental performance through regular reporting
- adopting an environmental management system aligned to ISO14001 enabling continual environmental improvement across the department.

DELWP reports against a range of indicators for energy and water consumption, transportation, waste generation, paper purchasing, green procurement and greenhouse gas emissions. Data is captured through consumption reports, surveys and audits at DELWP sites.

FRD24D only requires departments to report energy (with associated emissions) and water consumption for sites classified as offices. DELWP reports well beyond the scope of FRD24D environmental reporting, with the inclusion of all the following from the DELWP accommodation portfolio across Victoria:

- offices
- airbases
- depots
- fire towers
- laboratories
- office / depots
- radio masts
- research centres
- warehouses.

While the office elements of environmental reporting can be more clearly managed, the operational environmental impacts can be dictated by seasonal events. For example, the level of fire response activities will heavily influence our operational impacts.

DELWP reports environmental data from 1 April – 31 March each year to allow for a full reporting year and provide greater accuracy for the annual report. The program is independently audited biennially by an environmental auditor appointed under the *Environment Protection Act 1970*.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
DELWP FTE	3,942	3,660	3,346	3,092	2,960
DELWP Office FTE	2,705	2,504	2,306	2,089	1,983
DELWP Office NLA (m <sup>2</sup> )	54,373	47,860 <sup>(i)</sup>	52,814 <sup>(i)</sup>	51,100 <sup>(i)</sup>	51,100 <sup>(i)</sup>
Number of DELWP Office sites	19	15	18	20	20

Note:

- (i) Figures corrected to include updated information for Wodonga.
- (a) The reportable site list excludes residences and sites where DELWP staff are located within another department's facility.
- (b) Non-DELWP staff accommodated within a DELWP managed facility are counted towards the DELWP are used for reporting calculations.
- (c) DELWP office tenancy net lettable area (NLA) details are used for report calculations. NLA is calculated as per the *Property Council of Australia Method of Measurement for Lettable Area 1997*.

## Key achievements against the 2014-15 baseline year

Between the baseline year of 2014-15 and the end of 2018-19, DELWP has achieved the following improvements in environmental performance:

- 36 per cent reduction in FRD24D greenhouse gas emissions
- 10 per cent reduction in energy consumption
- 11 per cent reduction in water consumption
- 19 per cent reduction in waste generation
- 8 per cent reduction in paper purchasing.

These achievements in efficiency have all been met in the context of increasing staff numbers.

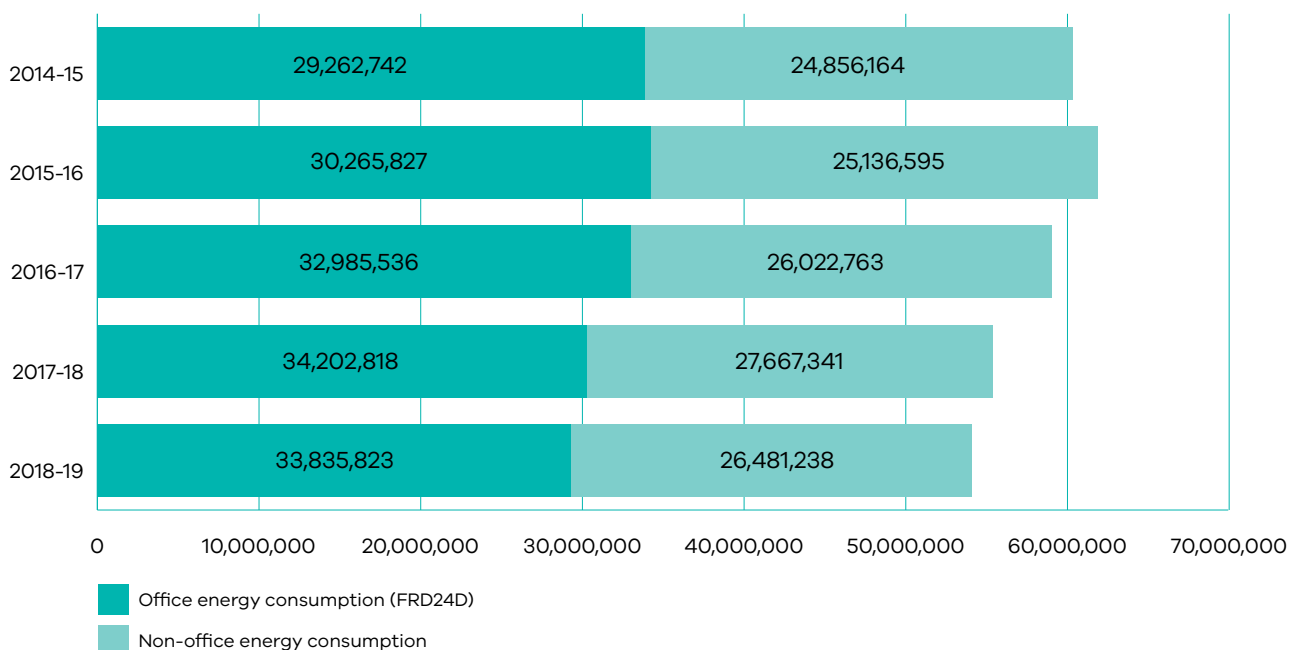
## Green Team program

The *Green Team* program aims to promote awareness of environmental objectives by encouraging positive environmental behaviours across the department. A group of approximately 200 *Green Team* volunteers help develop, implement and refine a range of site-based initiatives and activities aimed at raising staff awareness to improve environmental performance.

## Energy consumption

Energy consumption has fallen significantly at our Alexandra, Casterton, Heywood and Heidelberg locations over time with the installations of solar Photo Voltaic systems. Total energy consumption (E1) has decreased 10 per cent from the 2014-15 baseline, mainly due to moving into newly fitted out floors at 2 Lonsdale Street in 2017.

### E1 Total building energy consumption (MJ)



### Actions undertaken:

- All accommodation changes follow DELWP environmental building design standards to reduce both energy consumption and dependency on the grid. This includes the installation of PV solar panels for all new builds and significant rebuilds as standard practice.
- 326 kW of Photo Voltaic solar panels are now installed at 15 DELWP sites. In addition, solar panels for hot water have been installed at many sites.
- LED lighting upgrades (both partial and full) were undertaken at 48 DELWP sites.
- Participation in the global 'Earth Hour' event to promote and improve office energy efficiency.

### Future objectives:

- A further program to install Photo Voltaic solar panels at 11 DELWP sites in 2019.
- DELWP will continue to evaluate energy use across the regions and continue to reduce overall energy consumption with associated emissions.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
E1. Total energy usage segmented by primary source (MJ) <sup>(i)</sup>	54,118,906	55,402,422 <sup>(ii)</sup>	59,008,299 <sup>(ii)</sup>	61,870,159 <sup>(ii)</sup>	60,317,061
Electricity (MJ)	41,338,479	43,281,978	45,768,663	47,454,924	46,566,264
Natural gas (MJ)	11,755,245	11,203,611	12,423,934	13,699,558	12,889,718
LPG (MJ) <sup>(iii)</sup>	1,025,181	916,833	815,703	715,677	861,079
Office energy consumption (MJ) <sup>(iv)</sup>	29,262,742	30,265,827	32,985,536	34,202,818	33,835,823
Non-Office energy consumption (MJ) <sup>(iv)</sup>	24,856,164	25,136,595	26,022,763	27,667,341	26,481,238
E2. Total greenhouse gas emissions from energy consumption (tonnes CO <sub>2</sub> -e)	10,768	11,758	12,587	17,283	17,971
Electricity (tonnes CO <sub>2</sub> -e)	10,050	11,078	11,846	16,477	17,204
Natural gas (tonnes CO <sub>2</sub> -e)	652	621	689	759	712
LPG (tonnes CO <sub>2</sub> -e)	66	59	52	46	56
Office greenhouse gas emissions from energy consumption (tonnes CO <sub>2</sub> -e) <sup>(iv)</sup>	5,767	6,702	8,956	9,617	10,050
Non-office greenhouse gas emissions from energy consumption (tonnes CO <sub>2</sub> -e) <sup>(iv)</sup>	5,000	5,056	3,632	7,666	7,921
E3. Percentage of electricity purchased as Green Power <sup>(v)</sup>	25%	22%	22%	0%	0%
Green Power (MJ)	10,414,022	9,483,241	9,930,826	0	0
E4. Units of office energy used per FTE (MJ/FTE)	10,819	12,089	14,303	16,373	17,061
E5. Units of office energy used per office area (MJ/m <sup>2</sup> )	538	632	625	669	662
Cumulative installed solar Photo Voltaic systems (kW)	325.94	300.49 <sup>(vi)</sup>	76.39	76.39	76.39
Cumulative number of sites with solar Photo Voltaic systems	15	15 <sup>(vi)</sup>	7	7	7

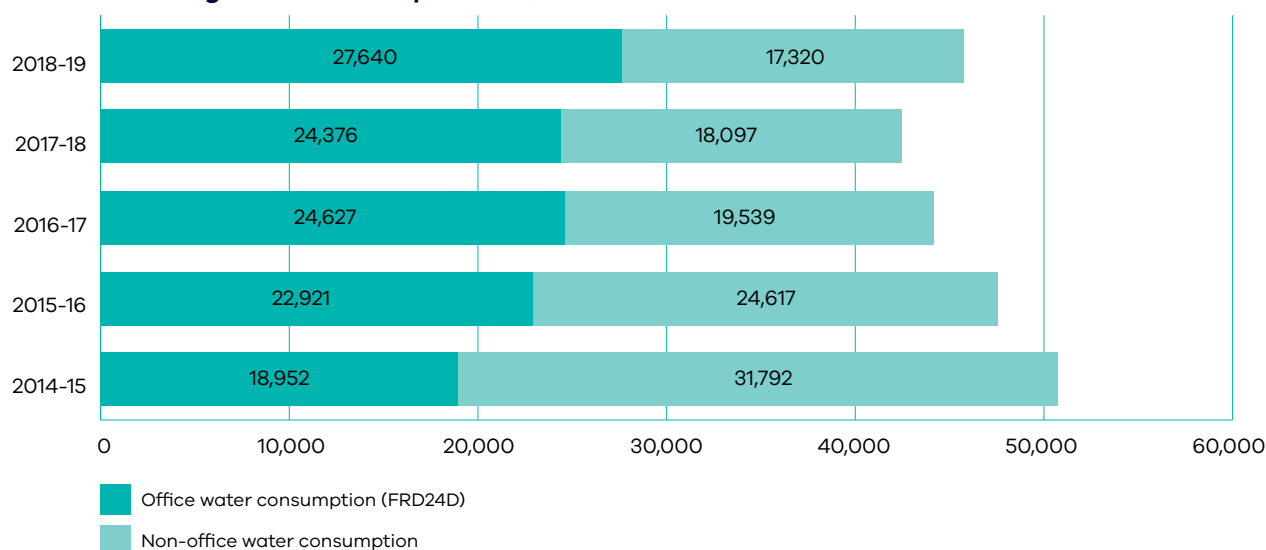
Note:

- (i) Energy data is sourced directly from the Government energy suppliers.
- (ii) These figures have been updated to include previously unavailable data primarily at 8 Nicholson Street and 2 Lonsdale Street for comparative purposes.
- (iii) This figure is based on LPG canisters purchased. Canisters can remain unused for long periods of time.
- (iv) Under FRD24D, departments are only required to report energy consumption and emissions for offices. DELWP reports beyond this, by including sites classified as non-offices.
- (v) DELWP has committed to purchasing 25 per cent Green Power at regional sites and 100 per cent Green Power at CBD sites on all department-managed accounts. Green power cannot be purchased when DELWP shares utility accounts with other government tenants or when accounts are managed externally.
- (vi) Figures updated to include installations at Barwon Downs and Edenhope.

## Water consumption

Although there has been an increase in water consumption this year owing to higher staff numbers, total water consumption (W1) has decreased by 11 per cent against the 2014-15 baseline. This is mainly due to water efficiency measures at regional sites including the ongoing water tracking through the VicFacilities portal.

### W1 Total building water consumption (kL)



### Actions undertaken:

- DELWP continues to track daily water consumption across 32 sites through the VicFacilities portal. This has enabled faults to be identified in advance of billing data.
- Water storage tanks have been installed at 47 DELWP sites to help reduce the demand for mains water.

### Future objectives:

- DELWP will continue to evaluate water use across the regions and remains committed to reducing overall water consumption.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
W1. Total water consumption (kilolitres) <sup>(i)</sup>	44,959	42,472 <sup>(ii)</sup>	44,166 <sup>(iii)</sup>	47,538 <sup>(iii)</sup>	50,744 <sup>(iii)</sup>
Office water consumption (kilolitres) <sup>(iii)</sup>	27,640	24,376	24,627	22,921	18,952
Non-office water consumption (kilolitres) <sup>(iii)</sup>	17,320	18,097	19,539	24,617	31,792
W2. Units of office water used per FTE (kilolitres/FTE)	10.2	9.7	10.7	11.0	9.6
W3. Units of office water used per office area (kilolitres/m <sup>2</sup> )	0.5	0.5	0.5	0.4	0.4

Note:

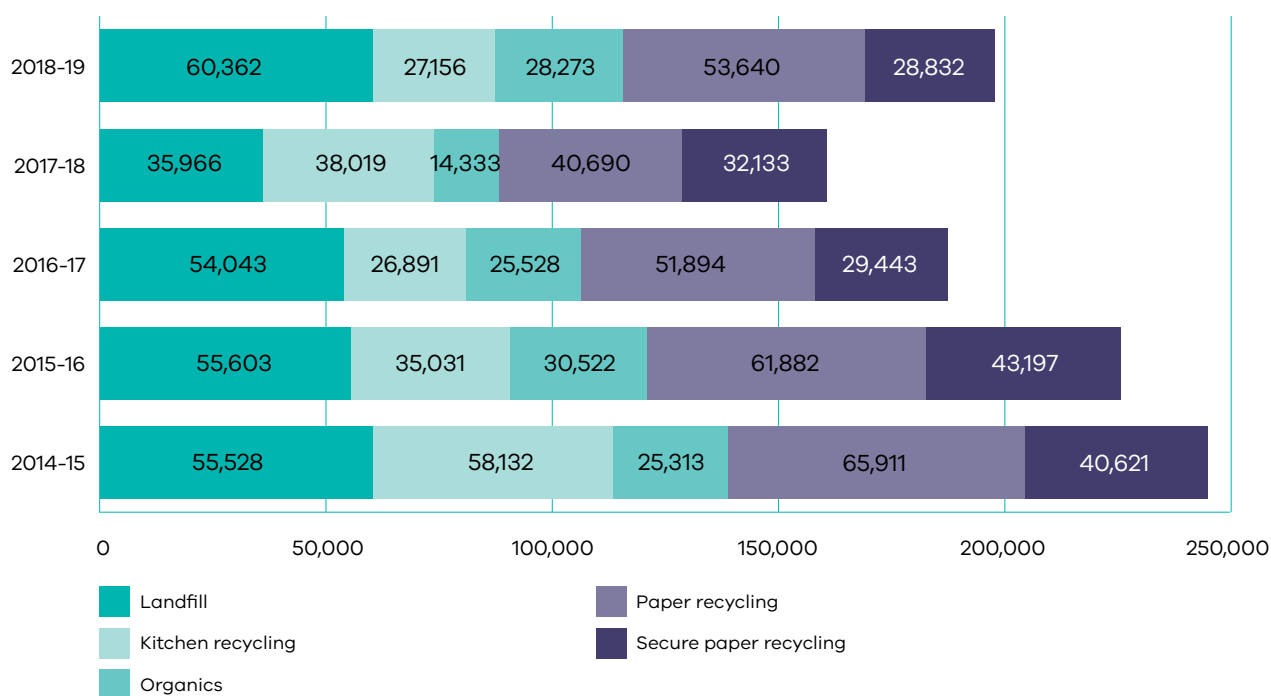
- (i) Water data is sourced directly from water corporations, building managers or estimated where data is unavailable. Water consumption for multi-tenanted CBD sites (and some regional offices) is taken as a proportion of the total building water consumption. When a single water meter covers the whole building, data fluctuations are out of the control of DELWP. With the temporary evacuation of 8 Nicholson Street, there was an increase in short-term leasing of multi-tenanted CBD sites, resulting in a reported increase in office water consumption.
- (ii) These figures have been updated to include previously unavailable data for comparative purposes.
- (iii) Under FRD24D, departments are only required to report water consumption for offices. DELWP reports beyond this, by including sites classified as non-offices.

## Waste and recycling

In accordance with WoVG reporting, DELWP waste and recycling data is calculated from annual audits over sample one-day audits at 10 locations across Victoria, and then extrapolated to cover all DELWP FTEs. These locations account for 44 per cent total staff are located. Due to FRD24D methodology, data can be subject to significant fluctuations, as illustrated in the graph below.

Significantly, the total waste (Ws1) has decreased 19 per cent on the 2014-15 baseline.

### Ws1 Total office waste and recycling (kg per year)



### Actions undertaken:

- DELWP diverted 3,120 kilograms of metal, plastics, batteries, mobile phones and stationery through the Green Collect recycling scheme.
- Green Team volunteers managed a reusable coffee cup campaign at DELWP sites to reduce coffee cup waste.
- DELWP continues to participate in the take-away coffee cup recycling scheme at 8 Nicholson Street.
- All redundant IT equipment is collected, securely wiped and repurposed throughout the wider community.
- Excess office furniture and fit-out materials continue to be reused and recycled, reducing waste generated by office moves across all sites.
- Green Team volunteers manage soft plastics recycling at many DELWP sites throughout the state.
- All office sites participate in used toner cartridge recycling collections.

**Future objectives:**

- DELWP will continue to participate in a range of additional voluntary recycling schemes.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
Ws1. Total units of waste disposed of by destination (kg) <sup>(i)</sup>	198,263	161,141	187,799	226,236	245,235
Landfill (kg)	60,362	35,966	54,043	55,603	55,258
Comingled recycling (kg)	27,156	38,019	26,891	35,031	58,132
Paper and card (kg)	53,640	40,690	51,894	61,882	65,911
Secure documents (kg)	28,832	32,133	29,443	43,197	40,621
Organics (kg)	28,273	14,333	25,528	30,522	25,313
Ws2. Total units of waste disposed of per FTE by destination (kg/FTE)	50.3	44.0	56.1	73.2	82.9
Landfill (kg/FTE)	15.3	9.8	16.2	18.0	18.7
Comingled recycling (kg/FTE)	6.9	10.4	8.0	11.3	19.6
Paper and card (kg/FTE)	13.6	11.1	15.5	20.0	22.3
Secure documents (kg/FTE)	7.3	8.8	8.8	14.0	13.7
Organics (kg/FTE)	7.2	3.9	7.6	9.9	8.6
Ws3. Recycling rate (%)	70%	78%	71%	75%	77%
Ws4. Greenhouse gas emissions associated with waste (tonnes CO <sub>2</sub> -e)	92	61	86	82	72
Green Collect donations (kg)	3,120	10,298	5,435	1,940	1,739

Note:

(i) The ten locations for the one-day audit are:

- Alexandra office/depot
- Bairnsdale office
- Benalla office/depot
- Bendigo office/depot
- East Melbourne head office
- Geelong office
- Heidelberg research centre
- Knoxfield office/depot
- Orboast office
- Traralgon office.

FRD24D reporting requires that waste and recycling data be collated for kitchens and stationery rooms only. Through signage and behaviour change, DELWP can influence the proportions of waste and recycling to some extent. However, DELWP has limited influence or control over the total volume of kitchen waste and recycling as this primarily consists of items that staff bring to the workplace.



## Travel and transport

A busier suppression and burning season, along with a change in operational vehicles, contributed to increased fleet vehicle travel for this reporting year (T1). Air travel continues to decline (T5) and all related flight emissions have been offset.

### Actions undertaken:

- Completion of the Digital First program enabled greater collaboration and efficiency in the way staff work. DELWP aims to minimise travel whenever possible and staff are also encouraged to utilise public transport options.
- DELWP continues to purchase air travel offsets.
- The Bicycle User Group continues to be widely promoted to help increase the profile of cycling across the department.

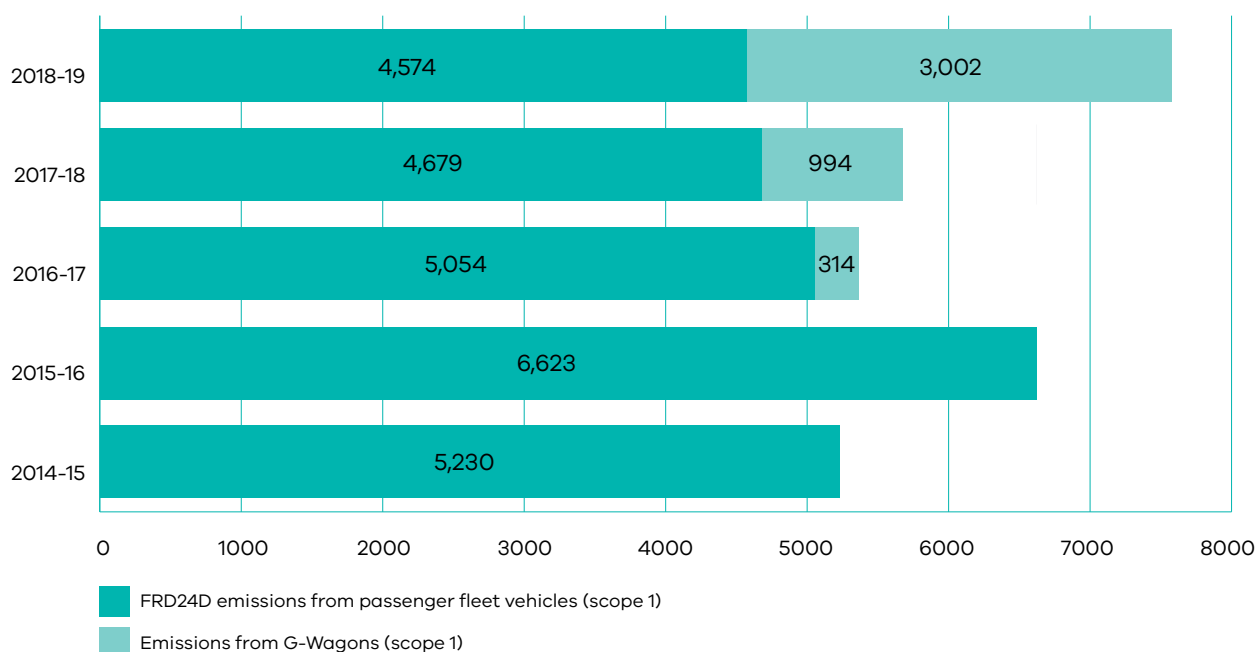
### Future objectives:

- DELWP will continue to offset air travel emissions and further investigate the option of offsetting vehicle travel emissions.
- DELWP will investigate adding Electric Vehicles (EVs) into the existing vehicle fleet when current leases expire. A staff fact sheet around switching to EVs has been produced to help progress this objective.

### Vehicle travel <sup>(a)</sup>

FRD24D vehicle emissions (T3) decreased 13 per cent this year on the 2014-15 baseline, although total vehicle emissions have increase 45 percent this year on the 2014-15 baseline.

### T3 Total fleet vehicle emissions (tonnes CO<sub>2</sub> equivalent)



Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
T1. Total energy consumption by fleet vehicles (MJ)	107,589,204	80,619,938	76,294,160	94,186,266	74,970,028
Diesel (passenger vehicles)	53,554,540	53,734,033	64,164,354	80,103,555	65,047,047
Diesel (G-Wagons) <sup>(iii)</sup>	42,583,633	14,100,412	4,459,422	0	0
LPG	0	89,573	547,429	707,646	895,201
Unleaded	9,352,352	10,395,796	5,184,952	12,042,793	6,587,010
Hybrid	2,098,679	2,300,124	1,938,003	1,332,272	2,440,770
T2. Total distance travelled by fleet vehicles (km)	19,807,710	17,560,180	17,199,178	18,278,487	17,404,314
Diesel (passenger vehicles)	11,149,497	11,356,179	13,227,545	14,191,626	13,081,859
Diesel (G-Wagons) <sup>(iii)</sup>	4,819,523	1,749,127	788,697	0	0
LPG	0	65,280	177,763	223,232	416,924
Unleaded	3,155,480	3,080,699	1,722,479	2,643,659	2,343,571
Hybrid	683,210	1,308,895	1,282,694	1,219,970	1,561,960
T3. Total greenhouse gas emissions from fleet vehicles (tonnes CO <sub>2</sub> -e)	7,576	5,673	5,368	6,623	5,230
FRD24D greenhouse gas emissions with G-Wagons excluded (tonnes CO <sub>2</sub> -e)	4,574	4,679	5,054	6,623	5,230
Diesel (passenger vehicles)	3,776	3,788	4,524	5,647	4,547
Diesel (G-Wagons) <sup>(iii)</sup>	3,002	994	314	0	0
LPG	0	6	34	44	54
Unleaded	652	725	361	839	458
Hybrid	146	160	135	93	170
T4. Greenhouse gas emissions from fleet vehicles per 1000km (tonnes CO <sub>2</sub> -e)	0.38	0.32	0.31	0.36	0.30
Diesel (passenger vehicles)	0.34	0.33	0.34	0.40	0.35
Diesel (G-Wagons) <sup>(iii)</sup>	0.62	0.57	0.40	N/A	N/A
LPG	N/A	0.08	0.19	0.19	0.13
Unleaded	0.21	0.24	0.21	0.32	0.20
Hybrid	0.21	0.12	0.11	0.08	0.11

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
Total owned vehicles	1,002	949	951	848	864
Diesel (passenger vehicles)	539	587	635	666	703
Diesel (G-Wagons) <sup>(ii)</sup>	266	188	144	0	0
LPG	0	2	7	11	13
Unleaded	137	119	115	145	92
Hybrid	60	53	50	26	56

Explanatory notes:

- (i) DELWP reports on operational vehicles including some of those required to respond to emergencies. The data also includes usage from the Shared Services Provider. Data was obtained from fuel purchase records, lease data for vehicles and VicFleet. Accuracy is dependent on staff completing vehicle log sheets.
- (ii) The total number of vehicles in service increased by approximately 30 per cent in the last reporting year. Additionally, many of the total number of vehicles in the previous report had been new to service so may have only been operational for a short period, resulting in data not capturing use for a full year. Operational use of all vehicles this year has been significantly higher than previously, with a complex and extended suppression and burning season including multiple level three incidents. The Ultra-light G-Wagon tankers (replacing older Landcruisers) have a much greater payload, which results in increased fuel usage. Reported figures can be expected to continue to increase annually for the immediate future. Without the operational G-Wagons, the fleet vehicle emissions would be 4,574 (tonnes CO<sub>2</sub>-e).

## Air travel <sup>(i)</sup>

All DELWP emissions from air travel have been offset since July 2016.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
T5. Total distance travelled by aero-plane (km)	2,321,459	2,356,292	2,376,764	2,942,129	3,171,978
Greenhouse gas emissions from air travel (tonnes CO <sub>2</sub> -e)	454	534	672	812	850
Offsets purchased for Greenhouse gas emissions from air travel (tonnes CO <sub>2</sub> -e)	454	534	496	0	0
Greenhouse gas emissions from air travel (tonnes CO <sub>2</sub> -e) after deduction of offsets	0	0	176	812	850

Explanatory notes:

- (i) Air travel data is sourced from the government travel agent, Corporate Travel Management (CTM).

**Staff travel <sup>(i)</sup>**

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
T6. CBD staff: Percentage using sustainable transport to get to work	97%	96%	95%	89%	89%
T6. Metro staff: Percentage using sustainable transport to get to work	22%	16%	21%	18%	30%
T6. Regional staff: Percentage using sustainable transport to get to work	21%	17%	20%	22%	22%

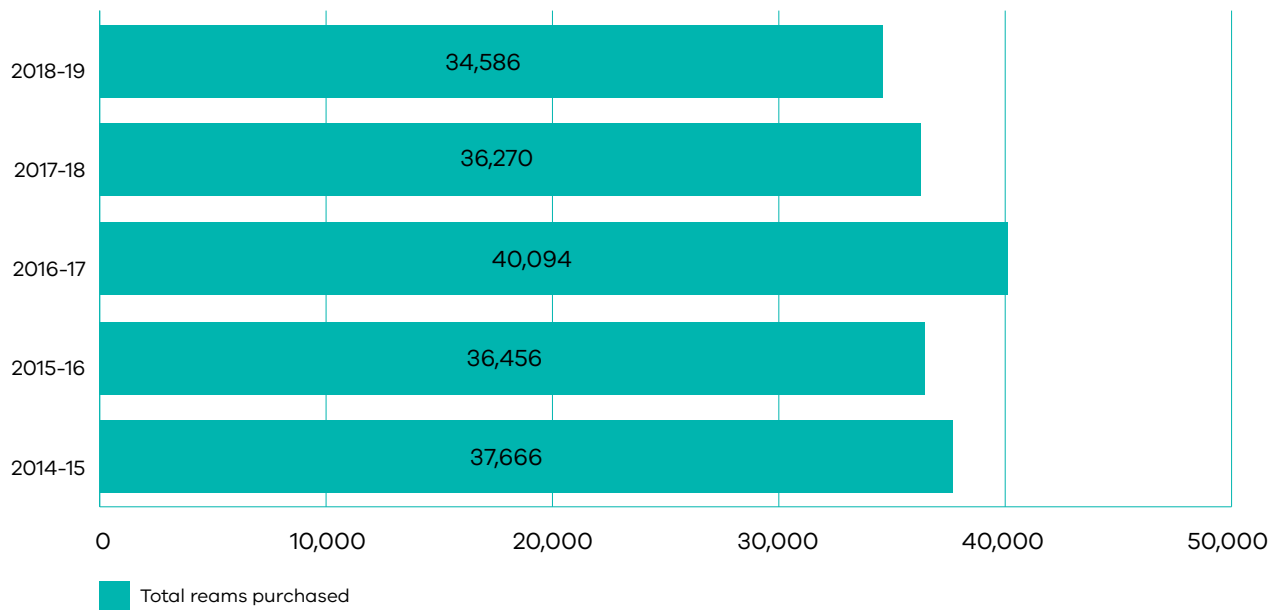
Explanatory notes:

(i) Staff travel data is sourced from the annual travel survey in 2019 which received a 34 per cent staff response rate.

## Paper consumption

Total paper purchasing (P1) has decreased by 8 per cent this year (on the 2014-15 baseline) mainly due to reduced paper purchasing across DELWP CBD sites. Office paper purchasing efficiency (P2) has also shown a marginal improvement this year.

### P1 Total units of A4 equivalent copy paper purchased (reams)



### Actions undertaken:

- The Green Team continue to raise awareness of the volume of paper purchasing through staff behaviour change tools.
- Completion of the three-year Digital First program has enabled greater collaboration and efficiency in the way staff work.
- The default A4 white printer paper has 100 per cent recycled content.
- DELWP continues to make sure that staff can utilise the 100 per cent recycled paper wherever possible, by replacing old and outdated printers.

**Future objectives:**

- DELWP is still committed to the delivery of swipe card printing across all sites to reduce the amount of printer paper wastage.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
P1. Total units of A4 equivalent copy paper purchased (reams) <sup>(i)</sup>	34,586	36,270	40,094	36,456	37,666
P2. Units of A4 equivalent copy paper used per FTE (reams/FTE)	8.8	9.9	12.0	11.8	12.7
P3. 75-100% recycled content <sup>(ii)</sup>	97.9%	98.2%	96.4%	86.3%	81.7%
P3. 50-74% recycled content	0%	0%	0.2%	2.6%	3.4%
P3. 0-49% recycled content	2.1%	1.8%	3.4%	11.1%	14.9%
Greenhouse gas emissions from paper purchasing (tonnes CO <sub>2</sub> -e)	131	137	152	136	139

Explanatory notes:

- (i) DELWP paper purchasing is calculated using data from the government stationery supplier, Complete Office Supplies (COS). Out of this total paper use, 63 per cent is consumed by the CBD offices.
- (ii) Restrictions are now in place to prevent any white paper being purchased with less than 100 per cent recycled content. All coloured paper available for purchasing continues to have no recycled content.

## Greener procurement

### Actions undertaken:

- The Procurement Governance Group provides internal procurement advice to support and strengthen environmental procurement practices. Departmental templates for tendering and contracting incorporate requirements for tenders to demonstrate their environmental credentials and allow tender evaluation teams to weight and score this as a separate assessment criterion, where relevant.
- Staff seeking approval from the Chief Procurement Officer for procurement greater than \$150,000 are requested to advise how sustainability was considered in the evaluation process and to provide reasons if this was not the case.
- DELWP will continue to consider the environment when procuring stationery, IT equipment, fleet vehicles and office furniture.
- The default A4 white printer paper has 100 per cent recycled content.
- 75 per cent of printing jobs through Finsbury Green have used printers with a minimum two-star (out of five) environmental rating. This is a scheme established by Finsbury Green (who hold the state purchasing contract) to help improve environmental printing standards across the industry.

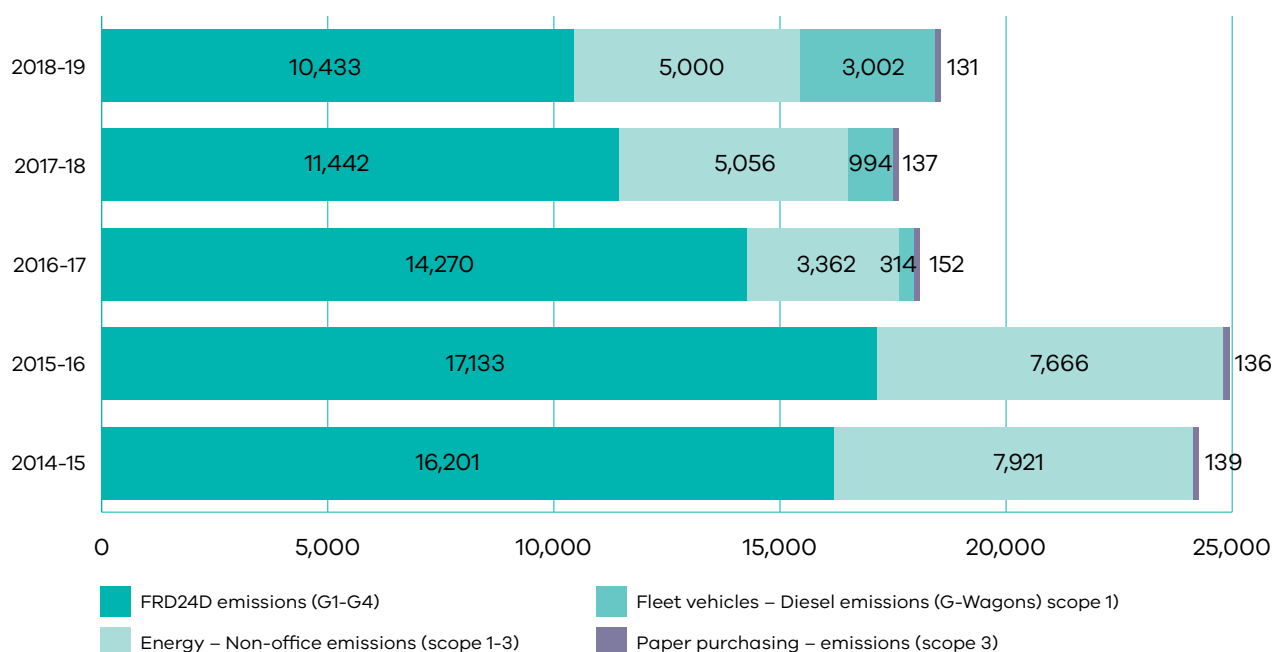
### Future objectives:

- DELWP will continue to consider the environment when procuring stationery, IT equipment, fleet vehicles and office furniture.

## Greenhouse gas emissions

DELWP has reduced FRD24D greenhouse gas emissions by 36 per cent this year on the 2014-15 baseline meeting the Victorian Government TAKE2 climate change pledge to reduce emissions by 30 per cent (on the 2014-15 baseline) by 2020 one year ahead of target. This result has been achieved mainly by the purchase of green power and air travel offsets alongside the ongoing installation of Photo Voltaic solar panels at DELWP sites.

### DELWP total greenhouse gas emissions (tonnes of CO<sub>2</sub> equivalent)





**Actions undertaken:**

- DELWP has an emissions reduction plan in place with further interim targets in place to reduce emissions.
- 326 kW of Photo Voltaic solar panels are now installed at 15 DELWP sites. In addition, solar panels for hot water have been installed at many sites.
- LED lighting upgrades (both partial and full) have been undertaken at 48 DELWP sites.
- DELWP has continued purchasing Green Power and air travel offsets.

**Future objectives:**

- A further program to install Photo Voltaic solar panels at 11 DELWP sites in 2019.
- DELWP remains committed to becoming carbon neutral by 2050.

Indicator	2018-19	2017-18	2016-17	2015-16	2014-15
FRD24D greenhouse gas emissions (tonnes CO <sub>2</sub> -e)	10,433	11,442	14,270	17,133	16,201
Total greenhouse gas emissions including FRD24D emissions (tonnes CO <sub>2</sub> -e) <sup>(i)</sup>	18,567	17,630	18,368	24,935	24,262
<b>FRD24D emissions (tonnes CO<sub>2</sub>-e)</b>					
G1. Energy - Office Emissions (After Green Power reductions) (scope 1-3)	5,767	6,702	8,956	9,617	10,050
G2. Fleet vehicles - Emissions (scope 1)	4,574	4,679	5,054	6,623	5,230
G3. Air travel - Emissions (After Offsets) (scope 3)	0	0	176	812	850
G4. Building waste - Emissions (scope 3)	92	61	86	82	72
<b>Other reported emissions (tonnes CO<sub>2</sub>-e) <sup>(ii)</sup></b>					
Energy - Non-Office Emissions (scope 1-3)	5,000	5,056	3,632	7,666	7,921
Fleet vehicles - Diesel Emissions (G-Wagons) (scope 1)	3,002	994	314	0	0
Paper purchasing - Emissions (scope 3)	131	137	152	136	139

Explanatory notes:

- (i) The total greenhouse gas emissions include FRD24D emissions (G1-G4), and emissions from non-office sites, operational G-Wagons and paper purchasing.
- (ii) These emissions are beyond the current scope of FRD24D reporting.

# Legislative and other information

## Major Entities

### Energy, Environment and Climate Change

Environment Protection Authority  
Parks Victoria  
Energy Safe Victoria  
Sustainability Victoria  
Commissioner for Environmental Sustainability  
Zoological Parks and Gardens Board  
Royal Botanic Gardens Board Victoria  
Trust for Nature (Victoria)  
Budj Bim Council  
Dhelkunya Dja Land Management Board  
Gunaikurnai Traditional Owner Land Management Board  
Yorta Traditional Owner Land Management Board  
Barwon South West Waste and Resource Recovery Group  
Gippsland Waste and Resource Recovery Group  
Goulburn Valley Waste and Resource Recovery Group  
Grampians Central West Waste and Resource Recovery Group  
Loddon Mallee Waste and Resource Recovery Group  
North East Waste and Resource Recovery Group  
Metropolitan Waste and Resource Recovery Group  
Falls Creek Alpine Resort Management Board  
Mount Buller and Mount Stirling Alpine Resort Management Board  
Mount Hotham Alpine Resort Management Board  
Southern Alpine Resort Management Board  
Phillip Island Nature Park Board of Management  
Caulfield Racecourse Reserve Trust  
Director of National Parks  
Alpine Resorts Coordinating Council  
Marine and Coastal Council  
National Parks Advisory Council  
Victorian Environmental Assessment Council  
Electric Line Clearance Consultative Committee  
Victorian Electrolysis Committee  
Reference Areas Advisory Committee  
Scientific Advisory Committee

Committees of Management (various) <sup>(i)</sup>  
Trustees for Crown land reserves <sup>(ii)</sup>  
Ministerial advisory committees (various)

### Planning

Victorian Planning Authority  
Heritage Council  
Architects Registration Board of Victoria and Panel List  
Surveyors Registration Board of Victoria  
Geographic Place Names Advisory Panel  
Growth Areas Infrastructure Contribution Hardship Relief Board  
Victorian Building Authority  
Building Advisory Council  
Building Appeals Board  
Building Regulations Advisory Committee  
Plumbing Advisory Council  
Royal Exhibition Building World Heritage Area Steering Committee  
Planning panels and advisory committees established under the *Planning and Environment Act 1987* (various)  
Environmental Effects Inquiries established under the *Environmental Effects Act 1978* (various)

### Local Government

Victoria Grants Commission  
Councillor Conduct Panel List  
Local Government Ministerial Mayors Advisory Panel  
Panels of Administrators for local government councils

### Water

Barwon Region Water Corporation  
Central Gippsland Region Water Corporation  
Central Highlands Region Water Corporation  
City West Water Corporation  
Coliban Region Water Corporation  
East Gippsland Region Water Corporation  
Gippsland and Southern Rural Water Corporation  
Goulburn-Murray Rural Water Corporation  
Goulburn Valley Region Water Corporation  
Grampians Wimmera Mallee Water Corporation  
Lower Murray Urban and Rural Water Corporation  
Melbourne Water Corporation

North East Region Water Corporation  
 South East Water Corporation  
 South Gippsland Region Water Corporation  
 Wannon Region Water Corporation  
 Western Region Water Corporation  
 Westernport Region Water Corporation  
 Yarra Valley Water Corporation  
 Victorian Catchment Management Council  
 Corangamite Catchment Management Authority  
 East Gippsland Catchment Management Authority  
 Glenelg Hopkins Catchment Management Authority  
 Goulburn Broken Catchment Management Authority  
 Mallee Catchment Management Authority  
 North Central Catchment Management Authority  
 North East Catchment Management Authority  
 Port Phillip and Westernport Catchment Management Authority  
 West Gippsland Catchment Management Authority  
 Wimmera Catchment Management Authority  
 Victorian Environmental Water Holder  
 Birrarung Council

Border Groundwater Agreement Review Committee

Note:

- (i) There are approximately 1,200 Crown land committees of management in the DELWP portfolio. Major committees of management include: Phillip Island Nature Park Board of Management, Barwon Coast Committee of Management, Bellarine Bayside Foreshore Committee of Management, Great Ocean Road Coast Committee, Otway Coast Committee, Working Heritage, and Winton Wetlands Committee of Management.
- (ii) There are approximately 60 trustees for Crown land reserves.

## Acts administered

### Minister for Energy, Environment and Climate Change

*Aboriginal Lands Act 1991*

The Act is jointly and severally administered with the Minister for Aboriginal Affairs.

*Alpine Resorts Act 1983*

*Alpine Resorts (Management) Act 1997*

*Catchment and Land Protection Act 1994*

The Act is jointly and severally administered with the Minister for Water

*Caulfield Racecourse Reserve Act 2017*

*Climate Change Act 2017*

Except certain provisions jointly administered with the Premier and jointly and severally administered with the Minister for Solar Homes.

*Coastal Management Act 1995*

This Act was repealed on 1 August 2018.

*Commissioner for Environmental Sustainability Act 2003*

*Conservation, Forests and Lands Act 1987*

Except certain provisions jointly administered with the Minister for Fishing and Boating and jointly and severally administered with the Minister for Water or jointly administered with, jointly or severally administered with, or solely administered by, the Minister for Agriculture.

*Crown Land (Reserves) Act 1978*

Except certain provisions or Crown Allotments administered by the Premier, the Assistant Treasurer, the Minister for Finance, the Minister for Ports / the Minister for Ports and Freights, the Minister for Sport / Minister for Tourism, Sport and Major Events, the Minister for Corrections and the Minister for Health.

*Cultural and Recreational Lands Act 1963*

*Dental Hospital Land Act 2011*

*Electricity Industry Act 2000*

*Electricity Safety Act 1998*

*Energy Safe Victoria Act 2005*

*Environment Protection Act 1970*

*Environment Protection Act 2017*

*Flora and Fauna Guarantee Act 1988*

Except certain provisions jointly administered with the Minister for Agriculture.

*Forests Act 1958*

Except certain provisions jointly administered with the Minister for Agriculture or solely administered by the Minister for Agriculture.

*Fuel Emergency Act 1977*

*Gas Industry Act 2001*

*Gas Safety Act 1997*

*Geelong Lands (Steampacket Place) Act 1996*

*Geelong Market Site Act 1983*

*Heritage Rivers Act 1992*

*Land Act 1958*

Except certain provisions or Crown Allotments jointly administered with the Assistant Treasurer

or the Minister for Finance, or administered by the Assistant Treasurer, the Minister for Finance, the Attorney-General, the Minister for Corrections, the Minister for Health, the Special Minister of State, the Minister for Ports / the Minister for Ports and Freight, Minister for Roads and Road Safety and the Minister for Creative Industries.

*Land Conservation (Vehicle Control) Act 1972*

Section 3 is jointly administered with the Minister for Agriculture.

*Land (Further Miscellaneous Matters) Act 1990*

*Land (Goonawarra Golf Course) Act 1988*

*Land (Miscellaneous Matters) Act 1988*

*Land (Miscellaneous Matters) Act 2005*

*Land (Reservations and other Matters) Act 1997*

*Land (Reservations and other Matters) Act 1999*

*Land (Revocation of Reservations – Metropolitan Land) Act 2016*

*Land (Revocation of Reservations – Regional Victoria Land) Act 2016*

*Land (Revocation of Reservations) Act 2008*

*Land (Revocation of Reservations) Act 2012*

*Land (Revocation of Reservations) Act 2016*

*Land (Revocation of Reservations and Other Matters) Act 2009*

*Land (Revocation of Reservations) (Convention Centre Land) Act 2008*

*Land (St. Kilda Sea Baths) Act 2000*

*Land (St Kilda Triangle) Act 2006*

*Lands (Miscellaneous Matters) Act 1984*

*Marine and Coastal Act 2018*

*Melbourne and Olympic Parks Act 1985*

Sections 24-28 only, the Act is otherwise administered by the Premier, the Minister for Priority Precincts and the Minister for Tourism, Sport and Major Events / Minister for Sport and Minister for Tourism and Major Events.

*Melbourne (Yarra Park) Land Act 1980*

Except sections 8 and 18 which are jointly and severally administered with the Minister for Priority Precincts.

*National Electricity (Victoria) Act 2005*

*National Environment Protection Council (Victoria) Act 1995*

*National Gas (Victoria) Act 2008*

*National Parks Act 1975*

*Parks and Crown Land Legislation (Mount Buffalo) Act 2010*

*Parks Victoria Act 1998*

This Act was repealed on 12 September 2018.

*Parks Victoria Act 2018*

*Pipelines Act 2005*

*Pollution of Waters by Oil and Noxious Substances Act 1986*

Sections 8, 9, 10, 11, 12, 13, 18, 19, 20, 21, 22, 23, 23B, 23D, 23E, 23G, 23J, 23K, 23L and 24E. Sections 30 and 47 are jointly administered with the Minister for Ports / Minister for Ports and Freight. The Act is otherwise administered by the Minister for Ports / Minister for Ports and Freight.

*Queen Victoria Market Lands Act 1996*

*Reference Areas Act 1978*

*Renewable Energy (Jobs and Investment) Act 2017*

Except sections 8 and 10 which are jointly and severally administered with the Minister for Solar Homes.

*Royal Agricultural Show-grounds Act 1931*

*Royal Agricultural Showgrounds Act 2003*

*Royal Botanic Gardens Act 1991*

*Royal Children's Hospital (Land) Act 2007*

*Royal Women's Hospital Land Act 2012*

*Safety on Public Land Act 2004*

*South Melbourne Land Act 1986*

*Southgate Project Act 1994*

*State Electricity Commission Act 1958*

Section 107 only, the Act is otherwise administered by the Treasurer.

*State Owned Enterprises Act 1992*

Division 2 of Part 2 in so far as it relates to the Victorian Plantations Corporation. The Act is otherwise administered by the Assistant Treasurer, the Minister for Multicultural Affairs, the Minister for Water and the Treasurer.

*Sustainable Forests (Timber) Act 2004*

Part 2, section 45, Division 1 of Part 6 and Part 8. Sections 3, 22, 23(1) and 24 and Part 9 are jointly administered with the Minister for Agriculture and the Act is otherwise administered by the Minister for Agriculture.

*Sustainability Victoria Act 2005*

*Swan Hill Pioneer Settlement Authority (Repeal) Act 1994*

*Temperance Halls Act 1958*

*University of Melbourne Land Act 2000*

*Victorian Conservation Trust Act 1972*

*Victorian Energy Efficiency Target Act 2007*

*Victorian Environmental Assessment Council Act 2001*

*Victorian Plantations Corporation Act 1993*

*Victorian Renewable Energy Act 2006*

*Water Industry Act 1994*

Parts 4, 4A, 7 and 8.

Section 184 is administered jointly and severally with the Minister for Water and the Act is otherwise administered by the Minister for Water.

*Wildlife Act 1975*

Except for certain provisions jointly administered with the Minister for Agriculture or administered solely by the Minister for Agriculture.

*Zoological Parks and Gardens Act 1995*

## **Minister for Local Government**

*City of Greater Geelong Act 1993*

Except Part 5 which administered by the Minister for Planning.

*City of Melbourne Act 2001*

*Libraries Act 1988 –*

Part 4 and section 53 in so far as it relates to Part 4. The Act is otherwise administered by the Minister for Creative Industries.

*Local Government Act 1989*

Except certain provisions administered by the Attorney-General, the Special Minister of State, the Minister for Roads / Minister for Roads and Road Safety, or the Minister for Planning.

*Local Government (Brimbank City Council) Act 2009*

*Local Government (Central Goldfields Shire Council) Act 2017*

*Local Government (Greater Geelong Regional Council) Act 2016*

*Local Government (Rural City of Wangaratta) Act 2013*

*Local Government (South Gippsland Shire Council) Act 2019*

*Municipal Association Act 1907*

*Municipalities Assistance Act 1973*

*Prahran Mechanics' Institute Act 1899*

*Victoria Grants Commission Act 1976*

## **Minister for Planning**

*Architects Act 1991*

*Building Act 1993*

*Building and Construction Industry Security of Payment Act 2002*

*Casino Control Act 1991*

Sections 128H-128L, except section 128K(2). The Act is otherwise administered by the Assistant Treasurer and the Minister for Consumer Affairs, Gaming and Liquor Regulation.

*City of Greater Geelong Act 1993*

Part 5 only. The Act is otherwise administered by the Minister for Local Government.

*Electronic Conveyancing (Adoption of National Law) Act 2013*

*Electronic Conveyancing National Law (Victoria)*

*Environment Effects Act 1978*

*Geographic Place Names Act 1998*

*Heritage Act 2017*

*Instruments Act 1958*

Only in so far as it relates to the functions of the Registrar-General and the management of the Office of the Registrar-General. The Act is otherwise administered by the Attorney-General.

*Local Government Act 1989*

Part 8B only. The Act is otherwise administered by the Attorney-General, the Minister for Local Government, the Minister for Roads and the Special Minister of State.

*Nudity (Prescribed Areas) Act 1983*

*Planning and Environment Act 1987*

Except Part 9B which is jointly and severally administered with the Treasurer.

*Planning and Environment (Planning Schemes) Act 1996*

*Project Development and Construction Management Act 1994*

Section 46, Part 7, and Part 5A in so far as Part 5A relates to the exercise of powers and functions under Part 9A of the *Planning and Environment Act 1987*. The Act is otherwise administered by the Premier, the Assistant Treasurer, the Minister for Priority Precincts, the Minister for Transport Infrastructure, the Minister for Major Projects and the Minister for Finance.

*Property Law Act 1958*

Only in so far as it relates to the functions of the Registrar-General and the management of the Office of the Registrar-General. The Act is otherwise administered by the Attorney-General.

*Residential Tenancies Act 1997*

Part 14 only. The Act is otherwise administered by the Attorney-General, the Minister for Consumer Affairs, Gaming and Liquor Regulation, the Minister for Disability, Ageing and Carers and the Minister for Housing.

*South Yarra Project (Subdivision and Management) Act 1985*

*Subdivision Act 1988*

Except Part 5, section 43 (in so far as it relates to Part 5) which are administered by the Minister for Consumer Affairs, Gaming and Liquor Regulation.

*Survey Co-ordination Act 1958*

*Surveying Act 2004*

*Transfer of Land Act 1958*

Only in so far as it relates to the functions of the Registrar of Titles and the management of the Office of Titles. The Act is otherwise administered by the Attorney-General.

*Valuation of Land Act 1960*

Except Divisions 1 and 2 of Part III, Divisions 4 and 5 of Part III where they relate to the determination of appeals by a Land Valuation Division of the Victorian Civil and Administrative Tribunal and Part IV in so far as it relates to the administration of the above provisions which are administered by the Attorney-General.

*Victorian Planning Authority Act 2017*

Except section 36 which is jointly and severally administered with the Minister for Priority Precincts.

**Minister for Solar Homes**

*Climate Change Act 2017*

Part 4, Division 1 of Part 5 and section 97 which are jointly and severally administered with the Minister for Energy, Environment and Climate Change. The Act is otherwise administered by the Minister for Energy, Environment and Climate Change and the Premier.

*Renewable Energy (Jobs and Investment) Act 2017*

Sections 8 and 10 which are jointly and severally administered with the Minister for Energy, Environment and Climate Change. The Act is otherwise administered by the Minister for Energy, Environment and Climate Change.

**Minister for Suburban Development**

*Development Victoria Act 2003*

Division 2 of Part 2, Part 3 (except section 5JB(5)), Part 6 and Part 7 were jointly and severally administered with the Minister for Major Projects from 1 July 2018 to 31 December 2018 due to MoG changes which took effect from 1 January 2019. The Act is otherwise administered by the Minister for Major Projects and the Minister for Priority Precincts.

**Minister for Water**

*Catchment and Land Protection Act 1994*

The Act is jointly and severally administered with the Minister for Energy, Environment and Climate Change.

*Conservation, Forests and Lands Act 1987*

In so far as it relates to the exercise of powers for the purposes of the *Catchment and Land Protection Act 1994* the powers are jointly and severally administered with the Minister for Energy, Environment and Climate Change. The Act is otherwise administered by the Minister for Agriculture, the Minister for Energy, Environment and Climate Change and the Minister for Fishing and Boating.

*Groundwater (Border Agreement) Act 1985*

*Murray-Darling Basin Act 1993*

*State Owned Enterprises Act 1992*

Division 2 of Part 2 in so far as it relates to the Water Training Centre. The Act is otherwise administered by the Assistant Treasurer, the Minister for Finance, the Minister for Energy, Environment and Climate Change, the Minister for Multicultural Affairs and the Treasurer.

*Water Act 1989*

Except section 324 which is jointly and severally administered with the Minister for Fishing and Boating.

*Water (Commonwealth Powers) Act 2008*

*Water Efficiency Labelling and Standards Act 2005*

*Water Industry Act 1994*

Except section 184 which is jointly and severally administered with the Minister for Energy, Environment and Climate Change and Parts 4, 4A, 7 and 8 which are administered by the Minister for Energy, Environment and Climate Change.

*Yarra River Protection (Wilip-gin Birrarung murron) Act 2017*



## Land Titles and Registry Functions of Land Use Victoria

On 23 May 2018, the Legislative Council passed a motion requiring the Standing Committee on Environment and Planning (Committee) to inquire into the proposed long-term lease of the titles and registry functions of LUV. The Committee tabled its report in Parliament on 7 August 2018. In its report the Committee made 14 recommendations. In responding to the recommendations, the Government agreed to publish in the DELWP Annual Report, key performance indicators for public facing services provided by VLRS, reported data breaches and payments made and revenue collected through statutory fees.

The key performance measures below compare the targets in the Operating Concession Deed and the actual results from the delivery of services provided by VLRS. VLRS provided these services from 27 September 2018.

Output performance measures	Unit of measure	2018–19 actual (from 27/09/2018)	2018–19 target	Performance variation (%)	Result
<b>Timeliness</b>					
Availability of call centre in the land registration business	per cent	100	100	0	✓
Availability of call centre in the Landata business	per cent	100	100	0	✓
Timeliness of calls answered in the land registration business	per cent	90	90	0	✓
Timeliness of calls answered in the Landata business	per cent	94	90	4	✓
Timeliness of response to enquiries from the public in the Landata business where direct contact is made	per cent	100	99	1	✓
Timeliness of providing information to State arising from Freedom of Information (FOI) requests	per cent	100	99	1	✓
Availability of online title searches	per cent	100	99	1	✓
Delivery of online title search products	per cent	100	99	1	✓
Timeliness of online planning certificate delivery	per cent	100	99	1	✓

There have been no reported data breaches.

The total of statutory fees collected and paid into consolidated revenue in 2018–19 was \$386 million.

VLRS receives revenue from statutory and non-statutory search services and a service fee for registration services. In 2018–19 VLRS received \$76.4 million from statutory fees and \$24.8 million from non-statutory fees.



## Implementation of the Local Jobs First Policy

From 15 August 2018, the Local Jobs First Act 2003 replaced the *Victorian Industry Participation Policy Act 2003*. The *Local Jobs First Act 2003* requires public bodies and departments to report on the implementation of the Local Jobs First Policy (LJFP) which encompasses both the *Victorian Industry Participation Policy* (VIPP) and the Major Projects Skills Guarantee (MPSG). Departments and public bodies are required to apply the LJFP in all procurement activities over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

### Contracts commenced

During 2018-19, the department commenced 22 contracts totalling \$150.4 million to which a VIPP Plan or *Local Industry Development Plan* (LIDP) was required.

During 2018-19, the department commenced 10 contracts with local content ranging from 20 to 100 per cent to which a VIPP Plan or LIDP was not required as the procurement activity was local by nature.

During 2018-19, the department commenced no contracts that were international by nature to which a VIPP Plan was not required.

During 2018-19, seven small- to medium-sized businesses were engaged as either the principal contractor or as part of the supply chain.

During 2018-19, three contracts in Metropolitan Melbourne commenced to which a VIPP Plan was required, with an estimated local content committed ranging from 5 to 82 per cent.

During 2018-19, nine contracts commenced to which a VIPP Plan was required, occurred in regional Victoria, with an estimated local content committed ranging from 29 to 100 per cent.

The total VIPP Plan or LIDP commitments achieved as a result of contracts completed include:

- local content ranging from 99 to 100 per cent of the total value of the contracts
- 13 new jobs and 38 retained jobs
- 10 new apprenticeships and seven retained Apprenticeships

### Contracts completed

During 2018-19, the department completed six contracts totalling \$7.9 million to which a VIPP or LIDP was required.

During 2018-19, the department completed one contract in Metropolitan Melbourne and one contract in regional Victoria to which a VIPP or LIDP Plan was required. Both contracts achieved 100 per cent local content.

During 2018-19, four contracts were completed in regional Victoria to which a VIPP or LIDP Plan was not required, with local content achieved ranging from 99 to 100 per cent.

The total VIPP Plan or LIDP commitments achieved as a result of contracts commenced include:

- local content ranging from five to 100 per cent of the total value of the contracts
- 15 new jobs and 128 retained jobs
- eight new apprenticeships and 21 retained apprenticeships
- five new traineeships and four retained traineeships

### Reporting on grants provided or design contracts

There are seven conversations with the Industry Capability Network that correspond with the registration and issue of an Interaction Reference Number.

## Consultancies

In 2018-19, there were 61 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2018-19 in relation to these consultancies was \$3.45 million (excluding GST). Details of individual consultancies are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

In 2018-19, there were seven consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2018-19 in relation to these consultancies was \$0.14 million (excluding GST).

## Disclosure of major contracts

During 2018-19, the department entered into three contracts greater than \$10 million in value. Details of the contracts are published on the Victoria Government's contracts publishing system and can be viewed online ([www.tenders.vic.gov.au](http://www.tenders.vic.gov.au)).

## Disclosure of government advertising expenditure

In 2018-19, there were three government advertising campaigns with a total media spend of \$100,000 or greater (exclusive of GST). The details of each campaign are outlined below.

Campaign name	Start / end date	Advertising (media expenditure) (\$ ex GST)	Creative and campaign development expenditure (\$ ex GST)	Research and evaluation expenditure (\$ ex GST)	Print and collateral expenditure (\$ ex GST)	Other campaign expenditure (\$ ex GST)	Total
Planned Burns	September 2018 – March 2019	\$281,000	\$0	\$0	\$0	\$0	\$281,000

*The Planned Burns campaign is a public safety campaign that runs yearly to advise communities of planned burns in their areas.*

Take Charge – Victorian Energy Compare	Jan 2018 – July 2018	\$550,000	\$0	\$0	\$0	\$0	\$550,000
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*The Take Charge campaign is an external campaign that points Victorians to the Government's Victorian Energy Compare website so they can compare energy prices and find the best deal for them.*

Power Saving Bonus	July 2018 – February 2019	\$2.5M	\$0	\$0	\$0	\$0	\$2.5M
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*The Power Saving Bonus campaign is an external campaign to promote a government incentive to use the Victorian Energy Compare energy comparison site to find the best energy deal on the market.*

## Details of Information and Communications Technology expenditure

ICT expenditure refers to the department's costs in providing business enabling ICT services. It comprises Business As Usual (BAU) ICT expenditure and Non Business As Usual (Non-BAU) ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing the department's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

**For the 2018-19 reporting period, the department had a total ICT expenditure of \$152.9 million with the details shown below:**

Business As Usual (BAU) (Total) \$'000	Non Business As Usual (non BAU) (Total = Operational expenditure and Capital Expenditure) \$'000	Operational expenditure \$'000	Capital expenditure \$'000
109,008	43,967	33,605	10,361

Note:

Further detail on ICT Reporting standards and guidelines can be found at [www.enterprisesolutions.vic.gov.au](http://www.enterprisesolutions.vic.gov.au).

Total ICT expenditure = ICT BAU expenditure + ICT Non BAU expenditure.

## Freedom of Information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by the department. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by a department. This comprises documents both created by the department or supplied to the department by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the department is available on the department's website under its Part II Information Statement.

The Act allows a department to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to a department in-confidence.

From 1 September 2017, the Act was amended to reduce the FOI processing time for requests received from 45 to 30 days. However, when external consultation is required the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times.

If an applicant is not satisfied by a decision made by the department, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

### Making a request

FOI requests must be made in writing. A request can be submitted online at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) or by sending a written request to:

Freedom of Information  
Department of Environment, Land, Water and Planning  
PO Box 500  
EAST MELBOURNE Victoria 8002

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

An application fee of \$29.60 applies. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

Access to documents can also be obtained through a written request to the department's Freedom of Information team, as detailed in s17 of the *Freedom of Information Act 1982*.

The department's FOI Unit can be contacted on 9637 8331 or by email: [foi.unit@delwp.vic.gov.au](mailto:foi.unit@delwp.vic.gov.au)

### FOI statistics and timeliness

For the period from 1 July 2018 to 30 June 2019, the department received 175 new FOI requests. They came from:

	Number	Per cent (%)
Individuals	81	46
Members of Parliament	31	18
Lawyers	27	15
Journalists	7	4
Community groups	19	11
Companies	10	6

For the same period, the department made decisions on 131 requests. Twenty of these requests were received during prior financial years. The outcomes were:

	Number	Per cent (%)
Full access granted	56	43
Partial access granted	58	44
Access denied	6	5
No relevant documents found	11	8

The processing time for the FOI requests is shown below, with an average of 32 days.

	Number	Per cent (%)
Within statutory timelines	122	93
1-45 days overdue	6	5
46 days or more overdue	3	2

The department closed 35 requests, including five received during the previous financial year, with the outcomes shown below:

	Number
Request not processed <sup>(i)</sup>	31
Unreasonable diversion	4

Request not processed includes: all requested documents released outside the Act; request withdrawn by applicant; deposit not paid.

The department also responded to an additional 34 requests, including four received during the previous financial year, with the outcomes shown below:

	Number
Invalid request <sup>(i)</sup>	15
Transferred	19

Notes:

- (i) Application fee not paid or request terms unclear and applicant did not provide clarification.

### Further Information:

Further information regarding the operation and scope of FOI can be obtained from the *FOI Act*, regulations made under the *FOI Act* and [www.foi.vic.gov.au](http://www.foi.vic.gov.au).

## Freedom of Information Commissioner

### Reviews

Notification of six requests for a review of an FOI decision were received from the OVIC between 1 July 2018 and 30 June 2019. Three reviews are complete. Three are awaiting a decision.

### Complaints

The department was advised by OVIC of six complaints made about the processing of applicants' FOI requests, or decisions that no relevant documents were identified. Five complaints have been closed. One is awaiting a decision.

## Victorian Civil and Administrative Tribunal

One application for a review of an FOI decision was made to the Victorian Civil and Administrative Tribunal during this reporting period. This matter was settled prior to hearing.

## Planning

DELWP is responsible for managing the state's planning, heritage and building systems. This includes driving the implementation of Plan Melbourne and developing policies to support resilient communities, administering statutory planning responsibilities, and facilitating urban development.

There is an extensive amount of information available on DELWP's planning and heritage websites – [www.planning.vic.gov.au](http://www.planning.vic.gov.au) and [www.heritage.vic.gov.au](http://www.heritage.vic.gov.au) provide single points of access for planning and heritage information. This includes policies, information, services and forms. DELWP has also introduced a new urban design guideline website [www.urban-design-guidelines.planning.vic.gov.au](http://www.urban-design-guidelines.planning.vic.gov.au) that provides urban design guidelines in an interactive format.

All Victorian planning schemes including exhibited and approved amendments are published on the planning website. The *Minister's Planning Permit Application Register Online* provides access to up-to-date information on the status of permit applications where the Minister for Planning is the Responsible Authority. The *Planning Property Report* provides easy access to planning scheme information for any property in Victoria, including property details like zoning and overlay controls, and state heritage information where it applies to land. The report can be accessed from the website or from the VicPlan interactive mapping tool. Planning publications, including all documents incorporated into Victorian planning schemes, can be found in the new Resource Library on the Planning website. New search pages also provide easy access to planning panels and advisory committees, and to information about projects that have been referred to the department for environmental impact assessment.

For assistance with finding information, using any of our web services or general planning enquiries, please contact the DELWP Customer Contact Centre on 136 186 (local call cost).

For more detailed information about planning scheme amendments, please contact the relevant DELWP regional office or email: [planning.schemes@delwp.vic.gov.au](mailto:planning.schemes@delwp.vic.gov.au).

## Compliance with the Protected Disclosure Act 2012

The *Protected Disclosure Act 2012* (the Act) encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The department does not tolerate improper conduct by employees, nor reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The department will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

### Reporting Procedures

Disclosures of improper conduct or detrimental action by the department or any of its employees may be made to any of the following department personnel:

- Secretary of the department
- Protected Disclosure Coordinator or Protected Disclosure Officer
- manager or supervisor of the discloser
- manager or supervisor of the person who is the subject of the disclosure.
- Sheryn Anderson, Protected Disclosure Coordinator  
Department of Environment, Land, Water and Planning  
PO Box 500,  
EAST MELBOURNE VIC 3002  
Telephone: 1800 903 877  
email: protected.disclosures@delwp.vic.gov.au

Alternatively, disclosures may also be made directly to the Independent Broad-based Anti-corruption Commission (IBAC):

IBAC  
Level 1, North Tower 459 Collins Street  
MELBOURNE VIC 3000

GPO Box 24234  
Melbourne Victoria 3001  
Telephone: 1300 735 135  
Website: [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

### Further information

The Protected Disclosure Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by the department or any of its employees and/or officers, are available on the department's website.

Disclosures under the <i>Protected Disclosure Act 2012</i>	2018-19 number	2017-18 number
The number of disclosures made by an individual to the department and notified to the Independent Broad-based Anti-corruption Commission.	0	0

Further information about protected disclosures can be found on the department's website at [www.delwp.vic.gov.au](http://www.delwp.vic.gov.au).

## Compliance with the Carers Recognition Act 2012

DELWP has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*.

At DELWP we are working to support all of our carers, including those who are parents. We aim to make the role of carer one that is valued within and by the organisation. Linking to National Carers Week, Secretary John Bradley hosted an event with keynote speaker Prue Gilbert, CEO of Grace Papers. Along with a panel of staff, the event focussed on the different reasons people access flexibility in their roles caring for self, others and the community and how they manage to balance their varied lives.

Consideration is given to the carer relationship principles set out in the Act when setting policies and providing services. DELWP's strong support for staff working flexibly, is one such way of supporting carers. Of those employees who work flexibly, 40 per cent do so to assist them to care for children, with an additional 1.9 per cent using flexible work to care for their grandchildren. We also know that almost 14 per cent of people work flexibly to help care for parents or other older people, with another 2.1 per cent of our staff using flexible work to support their role of carer for a person with disability.

Parents and carers communicate with each other via our internal social media channel. News and information is shared on this channel regarding opportunities for parents and carers, such as participation in school holiday programs.

Our support of carers of people with disability continued to be enhanced during the year via DELWP's All Abilities Network – the network was established to support our staff with disability, as well as carers of those with disability. This was particularly evident in the attendance of many parents and carers to our World Autism Awareness Day event held on 2 April – a 'lunch and learn' session, to hear from some of our staff with autism about their experiences of autism in the workplace.

## Compliance with the Disability Act 2006

DELWP has taken all practical measures to comply with its obligations under the Act.

The *DELWP Access and Inclusion Plan 2018-2020* translates our values into actions and aims to enable us to become a disability and diversity aware organisation that's sensitive to the needs of those with differing abilities and accepting of, and compassionate for, the differences within all people.

We embrace diversity, and this plan brings us another step closer to becoming an organisation where people with disability form strong relationships within the department, whether they be employees or community members.

With more than 2 per cent of our people working flexibly to manage their disability, our approach to flexible work is reducing barriers for employment.

Our website complies with the Web Content Accessibility Guidelines Version 2.0 (WCAG) AAA standard, meaning our customers and community have access to the information they need. DELWP is committed to the principles of open and inclusive government, including providing accessible digital content and services to all Victorians regardless of disability, culture or environment.

Our All Abilities staff network is supported by two senior executive sponsors, supporting advocates within the network to have their voices clearly heard at all levels of the organisation.

Guided by our *Access and Inclusion Plan*, DELWP initiated its first diversity and inclusion census in February, providing us with more detailed data about how people identify with disability and whether they require, and have access to, workplace adjustments. Our *Workplace Adjustment policy* is in draft and will be released later in 2019.

## Compliance with the Building Act 1993

DELWP complies with the *Building Act 1993*, the Building Regulations 2006 and associated statutory requirements and amendments. Either an Occupancy Permit or a Certificate of Final Inspection, endorsed by a Registered Building Surveyor Practitioner, is obtained for new facilities or upgrades to existing facilities, and building permits issued where required.

Major works projects commenced or completed in 2018-19 include:

- 8 Nicholson Street tenancy upgrades
- Dangerous Goods and Hazardous Substances Storage upgrades at Horsham, Nowa Nowa and Heyfield
- Heidelberg boat and storage upgrade
- Benalla office and amenities upgrade
- Briagalong depot upgrade
- Erica shed replacement
- Ovens depot upgrade and construction of new wash-bay facilities
- construction of G-wagon accommodation facilities at various regional sites
- Mount Rowan office and depot development
- Tallangatta office and depot development
- expansion of solar panel Installations at additional 11 sites including Swifts Creek, Altona North, Heyfield, Noojee, Colac, Knoxfield, Bairnsdale, Erica, Anglesea, Benalla and Ovens.

## Maintenance of buildings in a safe and serviceable condition

DELWP's leased portfolio is managed by the DTF's Shared Service Provider (SSP). DELWP also has a facilities management contract with Jones Lang LaSalle (JLL), for 151 of its owned portfolio assets. The owned portfolio includes offices, combined office/depot sites, depots, residences, airbases and fire lookout towers. SSP and JLL are responsible for maintaining the buildings in a safe and serviceable condition and for providing the annual essential safety measures report for the assets, along with annual condition assessments. Quality assurance, performance measures and governance are incorporated into the contract to ensure that contract requirements are met and standards maintained.

Detailed condition audits of all occupied sites are conducted every five years.



## Compliance with the Caulfield Racecourse Reserve Act 2017

The *Caulfield Racecourse Reserve Act 2017* became effective in November 2017. On 1 August 2018, pursuant to Section 2(3) of the Act, management was vested in the Caulfield Racecourse Reserve Trust. Trustees were appointed effective 1 August 2018. Section 32 of the Act provides for DELWP to include in its annual Report of Operations for each financial year, details regarding the use of the Caulfield Racecourse Reserve for the purposes of recreation and for public park purposes during that year.

Uses of the Caulfield Racecourse Reserve for the purposes of recreation and for public park purposes for the period August 2019 - June 2019 include:

- Hamerkaz Community Festival held on 21 March 2019

In addition to the above, the reserve is open to the public every day of the year (except race days), from 9:45 am to sunset.

## Compliance with the Local Government Act 1989

### Annual Reports 2017-18

Councils and regional library corporations are required to submit annual reports within three months of the end of the financial year or such longer period as the Minister for Local Government may permit in a particular case, pursuant to the *Local Government Act 1989*.

Sections 133(4) and 196(7) of the Act require the Secretary of the department to report any council or regional library's failure to submit its annual report within the time allowed.

No Council was late in submitting their annual report for 2017-18.

### Budgets 2018-19

Councils and regional library corporations are required to submit annual budgets within 28 days of the end of the financial year or such longer period as the Minister for Local Government may permit in a particular case, pursuant to the *Local Government Act 1989*.

Sections 130(6) and 196(7) of the Act require the Secretary of the department to report any council or regional library's failure to submit its adopted budget within the time allowed.

The following councils were late in submitting their budget for 2018-19:

- Loddon Shire Council
- Mitchell Shire Council
- Southern Grampians Shire Council
- Yarra City Council.

The following regional library corporations were late in submitting their budget for 2018-19:

- Geelong Regional Library Corporation
- West Gippsland Regional Library Corporation.

## Compliance with the Heritage Act 2017

### Protocol for disclosure of interests

Part 4 of Schedule 1 of the *Heritage Act 2017* deals with disclosure of interests in respect to matters considered by Heritage Council and committees established by the Heritage Council.

A member of the Heritage Council, a member of a Heritage Council committee established under s13 of the Act or the Executive Director of Heritage Victoria must disclose direct or indirect pecuniary interest in respect to contracts or matters being considered by the Heritage Council.

A *Protocol for Disclosure of Interests* (approved by the Heritage Council in October 2013) has been developed to support application of this part of the Act.

Disclosures are recorded in the minutes of the meetings of the Heritage Council.

## Compliance with DataVic Access Policy

In August 2012, the Victorian Government released the *DataVic Access Policy*, which enables the sharing of government data at no, or minimal, cost to users. At the end of 2018-19, DELWP had released more than 3,700 web mapping services and datasets in a variety of formats under the Policy.

Consistent with the DataVic Access policy, all data tables included in this Annual Report will be available at [www.data.vic.gov.au/](http://www.data.vic.gov.au/) in electronic readable format.



## National Competition Policy

Under the National Competition Policy (NCP), the guiding legislative principle is that legislation, including future legislative proposals, should not restrict competition unless it can be demonstrated that:

- the benefits of the restriction to the community as a whole outweigh the costs
- the objectives of the legislation can only be achieved by restricting competition.

The department continues to comply with the requirements of the NCP.

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The department is working to ensure Victoria fulfils its requirements on competitive neutrality reporting for technological based businesses against the enhanced principles as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

## Compliance with the *Planning and Environment Act 1987*

The Growth Areas Infrastructure Contribution (GAIC) was introduced under Part 9B of the *Planning and Environment Act 1987* (the Act) in 2010, to respond to the challenges facing new and growing communities in growth areas within the municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham. Under section 201RH of the Act, Part 9B is to be read together with the *Taxation Administration Act 1997*.

GAIC is payable by landowners (GAIC liable entity (GLE)) developing urban communities on land within the growth areas that have been rezoned since 2005, and after certain events associated with urban development have been undertaken; including the sale of land, subdividing land and applying for a building permit. GAIC rates for each financial year are adjusted in accordance with section 201SG of the Act.

### GAIC rates per hectare of contribution area

Land Type	Year Ended 30 June 2019 (\$)	Year Ended 30 June 2018 (\$)
Type A	97,360	95,440
Type B1, B2 & C	115,640	113,360

GAIC levies part of the value uplift of the land as a contribution to the delivery of state-funded infrastructure necessary for the successful development of the land into a new community.

GAIC is collected by the State Revenue Office (SRO), including any interest applicable and any refunds made, then paid into the Consolidated Fund by section 201SZJ of the Act. Under section 201V(2) of the Act, these funds are periodically drawn down equally into the two special purpose funds; the Growth Areas Public Transport Fund (GAPTF) and the Building New Communities Fund (BNCF).

More information is available on the DELWP, Victorian Planning Authority (VPA) and SRO websites.

## Who administers GAIC?

Under the general and supplementary administrative orders issued by the Premier in 2017, the Minister for Planning and the Treasurer are jointly and separately responsible for the administration of GAIC under the provisions in Part 9B of the Act.

The Minister for Planning's role under the Act is to authorise projects for funding under both the GAPTF and BNCF. The Treasurer's approval is required for all expenditure from the GAPTF, and for expenditure amounts over \$2 million from the BNCF.

As a result of MoG changes the Office for Suburban Development (OSD) moved to DJPR on 1 January 2019. For the six months of the 2018-19 financial year the administrative responsibility of the GAIC program was the responsibility of OSD. LGV within DELWP became responsible for managing the commitment and expenditure of GAIC funds from 1 January 2019.

LGV also invests GAIC funds not immediately required in approved interest earning government accounts through Treasury Corporation of Victoria. All interest so earned is returned to the GAIC funds in proportion to the amount invested.

When considering applications for expenditure of GAIC funds, LGV consults with the GAIC inter-departmental panel comprising of the DELWP Planning Group, DTF and the VPA. Each year, the inter-departmental panel makes recommendations to the Minister for Planning, who then authorises projects for final approval by the Treasurer. GAIC projects can also be allocated through the State Budget, which are subject to the same final authorisation and approval process.

Administrative responsibilities for other aspects of GAIC are shared between DELWP, DTF, SRO, and the VPA. The SRO maintains a record of those properties which fall within GAIC areas and is responsible for assessing outstanding GAIC liability and interest, then collecting those GAIC amounts when due. The SRO is reimbursed for its expenses from the GAPTF.

DELWP Planning Group is responsible for GAIC policy, legislation, GAIC reductions and exemptions, and the Hardship Relief Board (HRB) appointments. The VPA is responsible for the management of GAIC work-in-kind (WIK) agreements, investigating any planning and zoning anomalies that may be raised as they relate to GAIC, and preparing staged payment arrangements (SPA) for landowners subdividing land in Melbourne's growth areas. The VPA also provides secretariat support to the HRB.

Under section 45 of the *Financial Management Act 1994* and section 201VC of the Act, the VPA and DELWP are required to report annually on the operation of GAIC.

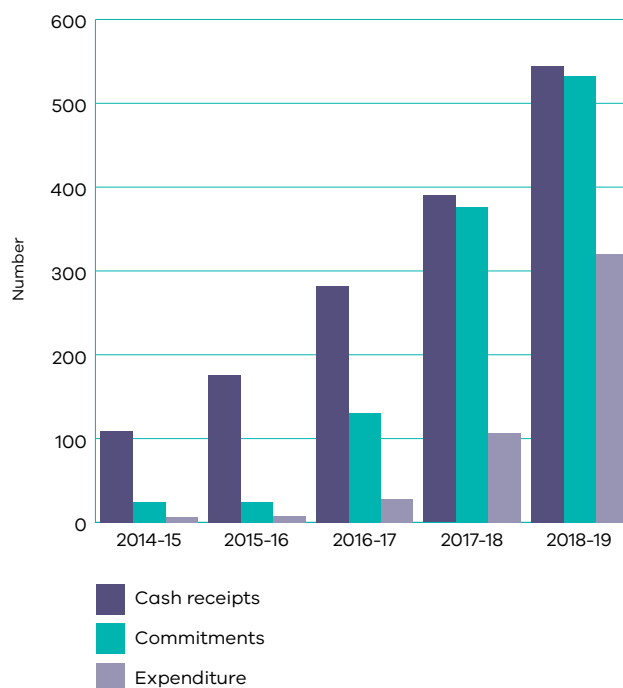
## GAIC Financial Summary – Inception to 30 June 2019

Since its commencement in 2010, GAIC has collected \$543.77 million in cash and earned a total interest of \$16.92 million on investment. To date, the total income of both the GAPTF and the BNCF is \$560.69 million.

A total of \$319.72 million has been expended on projects across the BNCF and the GAPTF, with 67 per cent of this (\$212.91 million) expended in the 2018-19 financial year.

The graph below shows the financial position from the 2013-14 to 2018-19 financial years. The graph and the table below indicate that the 2018-19 financial year has been the most significant year for GAIC to date in relation to the income received and expenditure.

### Accumulated cash receipts and expenditure as at 30 June 2019 (in Millions \$)



**Accumulated cash receipts and expenditure as at 30 June 2019<sup>(i)</sup>**

	Accumulated cash receipts (\$)	Accumulated Committed <sup>(iii)</sup> (\$)	Committed/ cash receipts <sup>(iii)</sup> (%)	Expenditure <sup>(iv)</sup> (\$)	Expenditure/ cash receipts <sup>(v)</sup> (%)	Uncommitted <sup>(vi)</sup> (\$)
Position at 30 June 2019	543,771,876	458,114,779	84	319,721,508	59	85,431,942

Notes:

- (i) This table does not include interest received since GAIC was established
- (ii) Committed funds include expenditure and SRO costs
- (iii) Percentage of committed cash receipts compared to cash receipts.
- (iv) Expenditure includes SRO expenses
- (v) Percentage of expenditure compared to cash receipts.
- (vi) Uncommitted funds include interest earned from investments in Treasury Corporation of Victoria term deposits, at a rate of approximately 1.9 per cent per annum.

**2018-19 Year in review**

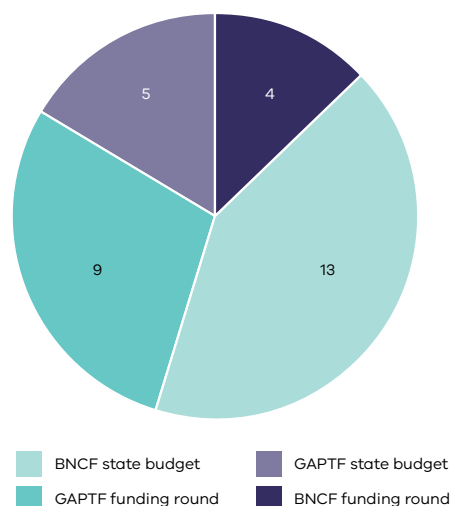
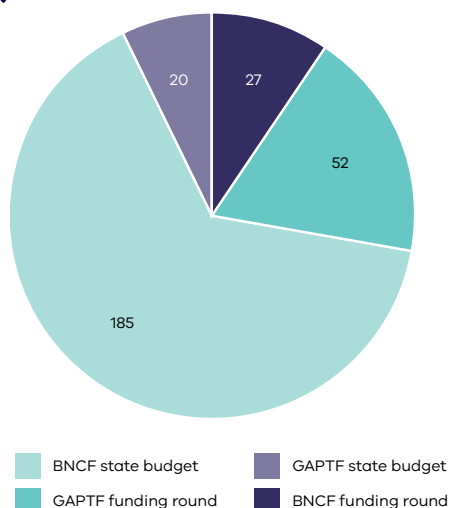
The net cash receipts from GAIC increased to \$150.09 million from \$112.15 million, an increase of 34 per cent. This sees the total cash receipts since the inception of GAIC total \$543.77 million. This resulted in \$75.04 million being transferred to each of the GAIC trust funds. A further \$4.21 million was earned in interest, bringing the total combined income to \$154.29 million in 2018-19.

The 2018-19 financial year has seen further gains on the significant growth observed in GAIC expenditure over the previous financial year. On the back of record commitments in 2017-18, total expenditure in the year ending 30 June 2019 reached \$212.91 million on projects addressing priorities in education, health, public transport and other infrastructure in Melbourne's growth council areas. The SRO was paid \$0.54 million in 2018-19 cover its expenses, bringing total payments to date \$4.10 million or \$0.51 million per annum on average.

As at 30 June 2019, a cumulative total of \$319.72 million has been paid out of the GAIC funds since its establishment. Full details of project payments and commitments in 2018-19 are provided later in this report.

**2018-19 Total GAIC project allocation**

\$284.61 million of GAIC funds was committed to 31 new projects in the 2018-19 financial year under both the 2018-19 Victorian State Budget (\$205 million) and the annual GAIC Funding Round (\$79.61 million).

**Number of Approved Projects in 2018-19****Total Value of Approved Projects in 2018-19 (in \$m)**

## 2018-19 State Budget Allocations

The 2018-19 Victorian State Budget committed \$205 million from GAIC to 18 projects. These projects were subsequently approved by the Minister for Planning and the Treasurer.

A total of \$185 million was committed to 13 projects under the BNCF, with a further \$20 million allocated to five projects under the GAPTF.

2018-19 BNCF State Budget Project	2018-19 BNCF State Budget \$'000	2018-19 GAPTF State Budget Project	2018-19 GAPTF State Budget \$'000
Clyde North East Pro- posed P6 Construction	20,800	Metro Bus - Casey	3,300
Casey Fields Proposed P6 Construction	20,100	Metro Bus - Wyndham	800
Botanic Ridge Proposed P6 Construction	3,000	Parking and amenity improvements - Sunbury Station	3,000
Clyde North P6 land acquisition	15,700	Parking and amenity improvements - Craigie- burn Station	11,000
Clyde Primary school - site extension	4,700	Parking and amenity improvements - Epping Station	1,900
Cranbourne West special school	32,100	<b>Total</b>	<b>20,000</b>
Thoroughbred P6 land acquisition	15,700		
Craigieburn South Proposed 7-12	24,000		
Merrifield West P6 Land Acquisition	11,300		
Cobblebank 7-12 land acquisition	16,200		
Grassland P6 land acquisition	11,300		
Woollahra P6 land acqui- sition	9,100		
Greening the Pipeline Werribee early works	1,000		
<b>Total</b>	<b>185,000</b>		

## 2018-19 Funding round

The 2018-19 funding round resulted in \$79.61 million committed across 13 projects. This funding round was assessed by an inter-departmental panel, with representatives from DELWP, DTF and the VPA. The recommendations of the Panel were provided by the Minister for Suburban Development to the Minister for Planning. The following projects were subsequently approved by the Minister for Planning and the Treasurer.

A total of \$27.29 million was committed to four projects under the BNCF, with a further \$52.2 million allocated to nine projects under the GAPTF.

2018-19 BNCF Funding Round Project	2018-19 BNCF Funding Round \$'000
Berwick-Cranbourne Rd Intersection PAO land acquisition	3,800
Clyde North Fire Station construction	8,520
Casey Field Regional Soccer	5,000
Kalkallo P6 Land	9,970
<b>Total</b>	<b>27,290</b>

2018-19 GAPTF Funding Round Project	2018-19 GAPTF Funding Round \$'000
Cranbourne Station car parking in Casey	4,800
Sunbury Railway Station car parking extension	7,000
Clyde North-Berwick bus route	4,300
Clyde-Berwick bus route	3,700
Merrifield-Craigieburn bus route	8,920
Melton-Toolern bus route	3,500
Aintree-Rockbank bus route	2,700
Tarneit West bus route	10,200
Truganina bus route	7,200
<b>Total</b>	<b>52,320</b>

The amount of GAIC triggered and received in the financial year ended 30 June 2019 is shown in table below.

### Summary of GAIC transactions for the year ended 30 June 2019

	Transaction value for 30 June 2019 (\$)	Transaction value for 30 June 2018 (\$)
GAIC payments <sup>(i)</sup>	149,864,532	104,654,162 <sup>(iii)</sup>
Interest received (associated with GAIC payments)	3,907,632	3,860,724
Less: WIK (prior year reversal) <sup>(iii)</sup>	(3,600,000)	-
GAIC refunds	0	(114,697)
Net cash GAIC receipt <sup>(iv)</sup>	150,172,164 <sup>(v)</sup>	108,400,189
WIK Fulfilment- SPA	22,753,115	3,553,384
WIK fulfilment -SPA interest	351,405	46,616
Total GAIC Revenue	173,276,684	112,146,216

#### Notes

- (i) The GAIC cash receipts paid into the Consolidated Fund by the SRO, after interest received with the GAIC Payments and refunds made within the Fund. It does not include interest received once the monies are in the GAIC Funds, this is reported separately in the table above. GAIC revenue received includes payments that were subsequently refunded and excludes GAIC interest received.
- (ii) This figure was not published in the 2017-18 DELWP annual report.
- (iii) GAIC receipts have been reduced by \$3.6 million for incorrect accounting treatment of the Truganina P6 school land WIK from the previous year.
- (iv) This total does not include an adjustment relating to an understatement of \$0.08 million warrant for special appropriations.
- (v) Differs to SRO report due to 2017-18 reversal of \$3.6 million for incorrect accounting treatment of the Truganina P6 school land WIK and \$0.08 million warrant understatement.

Significant GAIC liability has also been accrued in the form of Staged Payment Agreements (SPA) and from the deferral of GAIC. These funds remain unpaid and will be received by the SRO in future years in accordance with the SPAs or the next GAIC event in the case of deferral of GAIC.

### GAIC Deferrals and Future Payments

	Transaction value for 30 June 2019 (\$)	Transaction value for 30 June 2018 (\$)
GAIC deferred <sup>(i)</sup>	12,598,720	138,493,959
Staged payment arrangements <sup>(ii)</sup>	249,181,474	98,734,516
Net staged payments outstanding <sup>(iii)</sup>	235,610,326	143,461,970

#### Notes

- (i) Deferrals arise from purchase transactions whereby the liable party elects to defer all, or part of their GAIC liability until the next GAIC event. Should the liable party elect to defer part of the liability, then a payment of the non-deferred portion of the total liability is due. The reported total GAIC deferred for the year is the total amount elected to have been deferred during the financial year. Some of those amounts may have subsequently been paid or have been converted into staged payment arrangements (SPA).
- (ii) When GAIC is due, the landowner can elect to pay 30 per cent upfront and enter a SPA for the balance of the 70 per cent of their liability. The Minister for Planning, or the Chief Executive Officer of the VPA under delegated authority up to \$10 million, approves each SPA. The SRO is responsible for processing approved SPA.
- (iii) The outstanding amounts in relation to an approved SPA are progressively reduced in accordance with the agreed payment arrangements and increased by applicable interest.

**GAIC cash receipts made and expenditure paid out in each Growth Area (not including WIK fulfilment)**

Growth Area	Total GAIC receipts from 1 July 2010 to 30 June 2018 (\$)	Cash receipts for year ended 30 June 2019 (\$)	Total Cash receipts for as at 30 June 2019 (\$)	Total commitments made by 30 June 2019 (\$)	Proportion of receipts (%)	Total paid out as at 30 June 2019 (\$) <sup>(iii)</sup>	Proportion paid as at 30 June 2019 (%) <sup>(iv)</sup>
Cardinia	0	5,332,406	5,332,406	7,378,506	138	6,075,634 <sup>(iii)</sup>	114
Casey	123,918,161	26,002,601	149,920,762	173,110,448	115	110,273,425	74
Hume	91,099,083	32,198,176	123,297,259	108,046,747	88	63,642,186	52
Melton	84,418,098	30,699,319	115,117,417	88,499,890	77	76,310,028	66
Mitchell	626,704	0	626,704	4,049,855	647	4,054,334 <sup>(iii)</sup>	647
Whittlesea	2,733,559	10,768,055	13,501,614	20,857,011	183	19,851,543 <sup>(iii)</sup>	147
Wyndham	90,888,611	45,087,103	135,975,714	56,397,478	41	39,514,359	29
<b>TOTAL</b>	<b>393,684,215</b>	<b>150,087,661<sup>(i)</sup></b>	<b>543,771,876</b>	<b>458,339,934</b>	<b>84</b>	<b>319,721,509</b>	<b>59</b>

## Notes

(i) Difference between SRO revenue and DELWP cash received indicated above relates to an understatement of \$84,503 to '2018-19 warrant for special appropriations.'

(ii) Includes SRO expenses \$4.10 million.

(iii) Reported under section 201VC(b) of the Act.

(iv) Includes SRO expenses paid in proportion to GAIC funds received per growth area.

(v) Funds that have been committed in Cardinia, Mitchell and Whittlesea will be GAIC revenue to be collected from these areas in the future.

**Building New Communities Fund by Growth Area for the year ended 30 June 2019**

At 30 June 2019, the BNCF has a total cash balance of \$69.37 million, with existing commitments for projects totalling \$103.45 million.

These projects have projected future cash outflows across the forward years to 2022-23. As a result, the BNCF is currently over allocated based on its current cash position by \$34.08 million as at 30 June 2019.

Growth Area	Opening fund balance as at 1 July 2018 (\$)	Interest earned for the year to 30 June 2019 (\$)	Amount paid into the fund for the year to 30 June 2019 (\$)	Amount paid from the fund for the year to 30 June 2019 (\$)	Balance of the fund as at 30 June 2019 <sup>(i)</sup> (\$)	Commitments yet to be paid (\$)	Balance yet to be committed (\$)
Cardinia	(2,000,000)	0	2,666,240	3,237,500	(2,571,260)	1,100,000	(3,671,297)
Casey	58,808,662	109,161	13,001,480	89,065,000	(17,145,697)	48,680,000	(65,825,876)
Hume	34,629,280	314,927	16,099,311	32,322,743	18,720,774	28,400,000	(9,679,448)
Melton	31,695,474	348,175	15,349,872	23,400,000	23,993,521	10,900,000	13,093,309
Mitchell	(3,545,371)	0	0	80,000	(3,625,371)	0	(3,625,371)
Whittlesea	(5,067,985)	0	5,384,102	0	316,117	1,020,000	(703,957)
Wyndham	36,573,075	611,666	22,542,825	10,047,339	49,680,227	13,350,000	34,530,953
<b>TOTAL</b>	<b>151,093,135</b>	<b>1,383,929</b>	<b>75,043,830</b>	<b>158,152,582</b>	<b>69,368,312</b>	<b>103,450,000</b>	<b>(34,081,688)</b>

## Note

(i) Reported under section 201VC(b) of the Act

### Allocations and payments made from Building New Communities Fund for the year ended 30 June 2019

Details in relation to funds allocated to projects that were completed in previous financial years can be found in the relevant annual report. Actual project costs may vary from the original allocation. If no further amounts are due to be paid during or after the 2018-19 year, the project is treated as complete and not shown in the table.

Allocated to	Growth area	Purpose	Amount allocated <sup>(i)</sup> (\$)	Amount paid to 30 June 2018 (\$)	Amount paid in year to 30 June 2019 (\$)	Amount not yet paid as at 30 June 2019 (\$)
DET <sup>(ii)</sup>	Cardinia	Timbertop (Officer NW) P6 School	3,237,500	0	3,237,500	0
DHHS <sup>(iii)</sup>	Cardinia	Pakenham Ambulance Station	1,100,000	0	0	1,100,000
DET	Casey	School building projects and land acquisitions	118,225,000	0	81,825,000	36,400,000
DHHS	Casey	Clyde North Ambulance Station	1,200,000	0	1,200,000	0
VicRoads	Casey	Casey Active Transport Improvements	2,500,000	1,500,000	500,000	500,000
VicRoads	Casey	Berwick-Cranbourne Rd and Hardy's Road land acquisition	3,800,000	0	3,040,000	760,000
CFA <sup>(iv)</sup>	Casey	Clyde North Fire Station construction	8,520,000	0	0	8,520,000
City of Casey	Casey	Casey Fields Regional Soccer Centre	5,000,000	0	2,500,000	2,500,000
DHHS	Hume	Ambulance Stations	2,700,000	0	1,500,000	1,200,000
VicRoads	Hume	Vineyard Road Shared Use Path	1,011,407	900,000	111,407	0
DET	Hume	Hume Early Access Kindergartens	2,500,000	1,575,000	925,000	0
DET	Hume	School Building Projects and land acquisitions	52,620,000	0	27,850,000	24,770,000
DHHS	Melton	Melton Ambulance Stations	6,800,000	0	1,500,000	5,300,000
DET	Melton	School Building Projects	27,500,000	0	21,900,000	5,600,000
DET	Mitchell	Mandalay Community Centre	1,600,000	1,520,000	80,000	0
PV	Whittlesea	Merri Creek Marran Baba Parklands	1,700,000	680,000	0	1,020,000
DHHS	Wyndham	Ambulance Stations	3,000,000	0	1,500,000	1,500,000
CFA	Wyndham	Fire Stations	7,500,000	0	0	7,500,000
VicRoads	Wyndham	Wyndham Active Transport Improvements	797,339	500,000	247,339	50,000
DET	Wyndham	Wollhara P6 School	11,600,000	0	7,300,000	4,300,000
DELWP	Wyndham	Greening the Pipeline Early Works and Design	1,000,000	0	1,000,000	0



Allocated to	Growth area	Purpose	Amount allocated <sup>(i)</sup> (\$)	Amount paid to 30 June 2018 (\$)	Amount paid in year to 30 June 2019 (\$)	Amount not yet paid as at 30 June 2019 (\$)
DET	Hume	Merrifield South WIK supplementary payment	5,500,000 <sup>(v)</sup>	0	1,936,335	3,563,665
DET	Wyndham	Truganina P6 School Land	2,500,000	0	0	2,500,000
<b>Total Current Projects</b>			<b>271,911,246</b>	<b>6,675,000</b>	<b>158,152,581</b>	<b>107,083,665</b>

Notes:

These allocations are made net of GST.

(i) Represents revised amount allocated across all projects

(ii) Department of Education and Training (DET)

(iii) Department of Health and Human Services (DHHS)

(iv) Country Fire Authority (CFA)

(v) Merrifield South WIK supplementary payment revised amount listed. Initial approved project by Minister for Planning - \$5.5m.

### Growth Areas Public Transport Fund by Growth Area for the year ended 30 June 2019

The Growth Areas Public Transport Fund (GAPTF) has a total cash balance at 30 June 2019 of \$173.11 million, with existing commitments from projects totalling \$37.48 million.

This leads to the GAPTF being under committed by \$133.83 million at 30 June 2019.

Growth area	Opening fund balance as at 1 July 2018 (\$)	Interest earned for the year to 30 June 2019 (\$)	Amount paid into the fund for the year to 30 June 2019 (\$)	Amount paid from the fund for the year to 30 June 2019 (\$)	Balance of the fund as at 30 June 2019 (\$)	Commitments yet to be paid (\$)	Balance yet to be committed (\$)
Cardinia	0	20,545	2,666,203	805,293	1,881,456	224,898	1,656,557
Casey	61,493,710	1,008,391	13,001,301	13,838,728	61,664,673	14,780,193	46,884,480
Hume	42,635,691	723,548	16,099,088	14,472,323	44,986,004	16,518,275	28,467,729
Melton	7,703,504	240,922	15,349,659	5,074,208	18,219,877	1,777,298	16,442,579
Mitchell	224,187	3,703	0	621	227,268	2,925	224,344
Whittlesea	(10,014,127)	0	5,384,028	1,913,399	(6,543,498)	63,037	(6,606,535)
Wyndham	46,161,639	826,730	22,543,551	18,654,905	50,877,016	4,114,666	46,762,350
<b>TOTAL</b>	<b>148,204,604</b>	<b>2,823,839</b>	<b>75,043,830</b>	<b>54,759,477</b>	<b>171,312,797</b>	<b>37,481,292</b>	<b>133,831,504</b>

## Allocations and payments made from the Growth Area Public Transport Fund for the year ended 30 June 2019

Details in relation to funds allocated to projects that were completed in previous financial years can be found in the relevant annual report. Actual project costs may vary from the original allocation. If no further amounts are due to be paid during or after the 2018-19 year, the project is treated as complete and not shown in the table.

Allocated to	Growth area	Purpose	Amount allocated <sup>(i)</sup> (\$)	Amount paid to 30 June 2018 (\$)	Amount paid in year to 30 June 2019 (\$)	Amount not yet paid as at 30 June 2019 (\$)
LXRA <sup>(ii)</sup>	Cardinia	Pakenham Bus Interchange	1,000,000	0	800,000	200,000
PTV <sup>(iii)</sup>	Casey	Cranbourne Railway Station	992,292	1,311,800 <sup>(iv)</sup>	0	(319,508)
PTV	Casey	Merinda Park Railway Station	9,000,000	10,000	990,000	8,000,000
DoT <sup>(v)</sup>	Casey	Cranbourne East Railway Station	3,000,000	0	3,000,000	0
DoT	Casey	Metro Bus Service Improvements - Casey	3,300,000	0	3,300,000	0
PTV	Hume	Craigieburn Railway Station	3,638,083	3,265,283	0	372,800
DoT	Hume	Craigieburn Station Improvement Works	11,000,000	0	9,350,000	1,650,000
DoT	Hume	Sunbury Station Improvement Works	3,000,000	0	3,000,000	0
PTV	Melton	Toolern Railway Station - early works	6,800,000	6,788,358	0	11,642
PTV	Melton	Toolern Railway Station - Station	26,900,000	26,900,000	0	0
PTV	Whittlesea	Donnybrook Railway Station	4,000,000	4,000,000	0	0
DoT	Whittlesea	Wollert Rail Corridor	3,800,000	0	3,800,000	0
DoT	Whittlesea	Epping Station Improvement Works	1,900,000	0	1,900,000	0
DoT	Wyndham	Metro Bus Service Improvements - Wyndham	800,000	0	800,000	0
DoT	Casey	Cranbourne Railway Station improvements	4,800,000	0	0	4,800,000
DoT	Hume	Sunbury Station Improvement Works 1	7,000,000	0	2,000,000	5,000,000
PTV	Casey	Clyde North - Berwick bus route	4,300,000	0	3,440,000	860,000
PTV	Casey	Clyde - Berwick bus route	3,700,000	0	2,960,000	740,000
PTV	Hume	Merrifield - Craigieburn bus route	8,920,000	0	0	8,920,000
PTV	Melton	Melton - Toolern bus route	3,500,000	0	2,800,000	700,000

Allocated to	Growth area	Purpose	Amount allocated <sup>(i)</sup> (\$)	Amount paid to 30 June 2018 (\$)	Amount paid in year to 30 June 2019 (\$)	Amount not yet paid as at 30 June 2019 (\$)
PTV	Melton	Rockbank - Aintree bus route	2,700,000	0	2,160,000	540,000
PTV	Wyndham	Tarneit West 182 bus route	10,200,000	0	8,160,000	2,040,000
PTV	Wyndham	Truganina 152 bus route	7,200,000	0	5,760,000	1,440,000
State Revenue Office	N/A			3,561,079	539,477	
<b>Total Current Projects and Expenditure</b>			<b>131,450,375</b>	<b>45,836,520</b>	<b>54,759,477</b>	<b>34,954,934</b>

Notes:

- (i) Represents revised amount allocated across all projects.
- (ii) Level Crossing Removal Authority (LXRA).
- (iii) Public Transport Victoria (PTV).
- (iv) Cranbourne railway station refund of \$319,508 is expected to be received in 2019-20.
- (v) On 1 January 2019, MoG changes were implemented by the Victorian Government, under which the Department of Economic Development, Jobs, Transport and Resources became DJPR and the Department of Transport (DoT).

### GAIC Hardship Relief Board

The GAIC Hardship Relief Board (HRB) meets when required to consider applications for hardship relief. During the year ended 30 June 2019 the HRB made no decisions on hardship applications and at that date there were no active applications before the HRB.

### GAIC Work-In-Kind

A Work-In-Kind (WIK) agreement with the Minister for Planning may be entered into by a person liable to pay GAIC, under which they agree to provide land and/or works (construction of state infrastructure) instead of a cash payment, to meet the GAIC liability in whole or in part. Each WIK agreement and supplementary payment valued at \$2 million or more are approved by the Treasurer and agreed to or authorised by the Minister for Planning.

During the year ended 30 June 2019 three WIK agreements were approved to acquire priority school sites and there are two WIK agreements that have not been completed.

Details and current WIK agreements, and guidelines and model agreement links are available on the VPA website [www.vpa.vic.gov.au](http://www.vpa.vic.gov.au).

## Current Work-in-Kind Agreements

Receiving agency	Growth area	Purpose <sup>(i)</sup>	Estimated value of agreement <sup>(iii)</sup> (\$)	GAIC credit to 30 June 2018 (\$)	Supplementary payment made to 30 June 2018 (\$)	GAIC credit in year to 30 June 2019 (\$)	Supplementary payments made in year to 30 June 2019 (\$)	Value not agreed or amount not paid as at 30 June 2019 (\$)
DET	Melton	Melton South P6 school	6,300,000	0	0	6,300,000	0	0
DET	Hume	Merrifield South P6 School land	7,830,000 <sup>(iii)</sup>	0	0	3,444,105	1,936,335	2,430,000 (inc up to 3,544,105 BNCF)
DET	Melton	Rockbank North P6 school land	8,200,000	0	0	8,200,000	0	0
DET	Whittlesea	Hayes Hill P6 school land	5,365,005	0	0	5,365,005	0	0
DET	Wyndham	Truganina P6 school land	7,300,000 <sup>(iv)</sup>	3,600,000	0	0	0	3,700,000 (inc approx. 2,500,000 BNCF)
<b>TOTAL</b>			<b>34,995,005</b>	<b>3,600,000</b>	<b>0</b>	<b>23,309,110</b>	<b>1,936,335</b>	<b>6,130,000</b>

## Notes

- (i) Some WIKs may require a supplementary payment from GAIC funds, with the fund shown in parenthesis (refer to appropriate BNCF or GAPTF projects table above for approved maximum amount, with actual amounts expected to be less).
- (ii) Agreed values are determined according to the terms of each WIK at the time an assessment is made and may be used by the GAIC liable entity to meet the whole or part of their GAIC liability.
- (iii) The Merrifield South P6 school land is also approved for a supplementary payment of up to \$5.5 million as the value of the land exceeds the liability.
- (iv) The Truganina South P6 school land is approved for a supplementary payment of up to \$2.5 million as the value of the land exceeds the liability.

Several other GAIC WIK agreements are under negotiation. If approved, these GAIC WIKs will result in a reduction in future revenues as the land is provided in lieu of a cash payment. Some SPAs may be modified as a result.

## Water Resource Assessment Program

Under Section 22 (1) of the *Water Act 1989* (the Act), the Minister for Water is required to ensure that a continuous program of assessment of the water resources of the state is undertaken. Under Section 22 (2), the water resources assessment program must provide for the collection, collation, analysis and publication of information about:

- (a) the availability of water, including surface water and groundwater
- (ab) use of one water source as a substitute for another water source
- (ac) the environmental water reserve
- (b) the disposal of wastewater (including trade waste, sewage and saline water)
- (c) the use and re-use of water resources
- (d) floodwaters
- (e) drainage and waterway management
- (f) water quality (including salinity)
- (g) in-stream uses of water
- (ga) current and historic levels of allocation and use of surface water and groundwater
- (gb) current and historic condition of waterways and aquifers
- (h) anything else that the Minister decides is appropriate.

Section 26 of the Act requires DELWP to report annually on these areas.

DELWP provides information on Victoria's water resources through a range of comprehensive reporting mechanisms, including the *Monthly Water Report* published on the DELWP website, the *Water Measurement Information System* and *Victorian Water Register* websites, and the *Victorian Water Accounts* (VWA).

The VWA is an annual statewide summary of Victoria's water resources, documenting water availability and providing assessments of rainfall, streamflow and groundwater levels, as well as information on water storages and reuse of treated wastewater. Information on water taken for consumptive use, as well as water set aside for environmental purposes, is provided in the context of the Victorian water allocation framework, which sets out entitlements to water.

The VWA sources key data from the state's surface water and groundwater monitoring networks, and draws on information from water businesses, DELWP, the Essential Services Commission, the Murray-Darling Basin Authority and catchment management authorities. The VWAs are published annually in hard copy and are available online on the *Victorian Water Register* website [www.waterregister.vic.gov.au](http://www.waterregister.vic.gov.au).

The *Victorian Water Register* is a public register of all water-related entitlements in Victoria used to report on the allocation and use of the state's water resources. The register holds water shares recorded by the Victorian Water Registrar and records of licences and delivery shares. It records water allocations and tracks and reconciles volumes of water entitlements by water system and trading zone. The *Victorian Water Register* website can also be used to generate statistics and reports on levels of use, directions of trade, and prices paid for water.

All water monitoring data collected by DELWP and its partners is made accessible on the *Water Measurement Information System*, available at [data.water.vic.gov.au](http://data.water.vic.gov.au).

As well as these reporting tools, there are numerous processes in place to collect and provide specific information as required under the Act. These are briefly summarised below, with references to sites and resources containing further and more detailed information.

### a) Availability of water

#### **Surface water**

The state's surface water resources assessment network includes 868 sites that were monitored in 2018-19 through three regional water monitoring partnerships. These partnerships comprise 45 public and private organisations that procure their monitoring requirements under this program. The partnerships include state government departments, water corporations, catchment management authorities, local councils (with a flood function), the Bureau of Meteorology and the Murray-Darling Basin Authority.

Surface water monitoring services are procured by DELWP on behalf of the regional water monitoring partnerships to ensure efficiency and statewide consistency in data quality.

The program delivers legislative obligations under Section 22 of the *Water Act 1989* and Section 126 of the *Commonwealth Water Act 2007* and contributes to a range of business needs across the partnership including:

- operational decision making
- compliance reporting
- flood warning
- statewide policy development for water resources
- river health management
- reporting for the monthly water report, the annual water quality reports and the longer-term water quality trend reports.

All surface water data collected through the partnerships, summary reports on historical longer-term trends of surface water quality and the current status water quantity are available on the *Water Measurement Information System* ([data.water.vic.gov.au](http://data.water.vic.gov.au)) and the *Monthly Water Report* on the DELWP website: [www.delwp.vic.gov.au](http://www.delwp.vic.gov.au).

## Groundwater

Victoria's State Observation Bore Network (SOBN) is underpinned by a program that involves quarterly monitoring of around 1,400 bores. This monitoring program is jointly managed by DELWP and the rural water corporations.

All groundwater data is available via the *Water Measurement Information System*. Summary reports on historical longer-term trends in groundwater levels across the state are available on the Water and Catchments website ([www.water.vic.gov.au](http://www.water.vic.gov.au)). Information on groundwater use and trends is also provided in the annual *Victorian Water Accounts*.

Accurate monitoring data is crucial for the sustainable management of groundwater resources and can help resolve management issues, questions or disputes raised by groundwater users. Groundwater management strategies, statutory management plans and local management plans have been prepared covering almost all groundwater catchments within Victoria.

Strategies and plans are developed in consultation with local stakeholders including the community, groundwater users, environmental representatives and relevant government departments and statutory authorities.

The strategies and plans explain the current understanding of the resource, management objectives and the management arrangements, caps on licensed use of groundwater, and they also include requirements for metering, monitoring and review, and if required, restrictions to ensure the availability of groundwater. In most areas, where caps have been set, the water is fully allocated. This means new groundwater users must trade with an existing licence holder to obtain access.

### *a) Use of one water source as a substitute for another water source*

Under *Ministerial Reporting Direction 03*, water corporations are required to provide information in their annual reports on how they are promoting the integrated and sustainable use of water resources in their region. This includes projects undertaken in-line with targets set in the entity's corporate plan to deliver water recycling, water conservation, sustainable and resilient water services systems and Sustainable Water Strategies. Water corporations' annual reports are tabled in Parliament and available on the water corporations' websites.

### *b) Environmental water reserve*

DELWP oversees the *Victorian Environmental Water Program* and works in conjunction with the *Victorian Waterway Management Program* (see Section e) to maintain or improve the condition of Victoria's rivers, estuaries and wetlands, through provision and protection of water for the environment. The program is delivering priority actions from the Victorian Government's Water Plan, *Water for Victoria*, including responding to climate change, management of environmental water, strengthened monitoring and reporting, clear and transparent environmental water charging arrangements, Aboriginal inclusion in the water sector, and strong governance. The program is a partnership between catchment management authorities, the Victorian Environmental Water Holder (VEWH), water corporations and other delivery partners.

The Environmental Water Reserve (EWR) is the legal term for water set aside for the environment under the *Water Act 1989*. The EWR comprises of, or is contributed to, by:

- entitlements for the environment that are called either bulk entitlements or environmental entitlements
- the operation of caps on licensed consumptive water use (such as sustainable diversion limits or permissible consumptive volumes) and conditions on consumptive bulk entitlements, licences and permits, and as set out in management plans.

In regulated systems, environmental water consists of environmental entitlements, environmental bulk entitlements and various operational conditions on consumptive water use (noting that under some of these conditions, the water is not exclusively for the environment – for example, passing flow requirements). The environmental entitlements and environmental bulk entitlements refer to water usually held in and released from storages. The VEWH holds these entitlements on behalf of the Minister for Water. The VEWH is an independent statutory body responsible for making decisions on the most efficient and effective use of Victoria's environmental water entitlements.

The VEWH documents potential watering actions in its annual seasonal watering plan, informed by seasonal watering proposals prepared by each of the catchment management authorities and Melbourne Water. The VEWH then commits water throughout the year via seasonal watering statements which authorise waterway managers to use environmental water.

The VEWH is established under Part 3AA of the *Water Act 1989*. Further details about the VEWH, including its annual report, can be found on its website: [www.vewh.vic.gov.au](http://www.vewh.vic.gov.au).

At 30 June 2018 the VEWH Water Holdings comprised 22 entitlements, three water shares and three entitlements held in trust on behalf of the Murray-Darling Basin Authority. Further information on the entitlements held by the VEWH can be found on the VEWH website: [www.vewh.vic.gov.au](http://www.vewh.vic.gov.au).

During 2018-19, environmental water was managed to meet environmental objectives at 137 Index of Stream Condition river reaches and 73 wetlands, including:

- Thomson, Macalister, Latrobe, Tanja and Snowy rivers and the lower Latrobe wetlands (Sale Common, Dowd Morass and Heart Morass) in Gippsland
- Yarra, Tarago, Werribee and Moorabool rivers, Jacksons Creek and the lower Barwon wetlands (Hospital Swamps and Reedy Lake) in central Victoria
- Wimmera, MacKenzie and Glenelg rivers and Burnt and Mount William creeks in western Victoria
- 46 wetlands delivered via the Wimmera-Mallee Pipeline
- Goulburn, Ovens, Campaspe and Loddon rivers, Broken Creek
- wetlands and waterways within the Living Murray icon sites – Barmah Forest, Hattah Lakes, Lindsay, Mulcra and Wallpolla Islands and Gunbower Forest, and
- an additional 21 northern wetlands that are included in the Goulburn, Broken, Loddon, central and lower Murray systems in northern Victoria.

Highlights of water delivery actions from 2018-19 include:

- the largest pumping delivery to Hattah Lakes ever – over 110 GL and water reached the highest point on the floodplain since the 1990s, watering very stressed Black Box trees
- winter passing flows in the Thomson River were modified through a co-operative arrangement with VEWH, Southern Rural Water and Melbourne Water to accrue extra environmental water that was used to support native fish spawning and recruitment in spring and summer
- the first environmental water deliveries to Bolin Billabong in the Yarra catchment helped wetland vegetation communities and supported Aboriginal cultural values.

Full details of 2018-19 environmental watering activities will be provided in the Reflections annual watering booklet and annual report developed by VEWH. These will be available on the VEWH website: [www.vewh.vic.gov.au](http://www.vewh.vic.gov.au).

In unregulated rivers, environmental water is protected through conditions on licences and bulk entitlements, caps or through statutory water management plans and non-statutory local management plans. Water corporations are responsible for ensuring that these conditions are met. During 2018-19, environmental water was protected through input into numerous reviews in unregulated systems. Other environmental water highlights include:

- river and wetland monitoring (through the Victorian Environmental Flows Monitoring and Assessment Program (VEFMAP) and the Wetland Monitoring and Assessment Program (WetMAP)) showed the importance of water for the environment for stimulating movement of fish into wetlands and up rivers, with the native Tupong moving more than 330 kilometres up the Glenelg River from the estuary mouth due to a combination of environmental flows, removal of fish barriers and installation of fish habitat in the river
- monitoring also showed that good management of environmental flows supports growth and recruitment of native vegetation in wetlands, in river channels and on banks



- progressing *Water for Victoria* Action 3.7 to develop clear, transparent and equitable charging arrangements for environmental water storage and delivery
- DELWP coordination of a WoVG submission to the Environment, Natural Resources and Regional Development Committee Inquiry into the management, governance and use of environmental water
- drafting of the Long-Term Water Resources Assessment, as required under the *Water Act 1989*.
- implementing Chapter 8 of the *Murray-Darling Basin Plan (Basin Plan Environmental Watering Plan)* with the VEWB and catchment management authorities
- securing \$29 million of Commonwealth funding for the pre-construction stage of the Victorian Murray Floodplain Restoration Project. The Project includes environmental works at nine sites in northern Victoria, including Gunbower National Park, Guttrum and Benwell State Forests, Burra Creek, Nyah Park, Vinifera Park, Belsar-Yungera Island, Hattah Lakes North, Wallpolla Island and Lindsay Island.

### **c) Disposal of wastewater (including trade waste, sewage and saline water)**

All urban water corporations are required to report on wastewater disposals, as part of the report of operations in their annual reports. The performance report includes indicators related to financial, service delivery and environmental performance. Specific wastewater indicators are prepared for reliability of collection services, quality of disposal and management. The annual reports are tabled in Parliament and available on water corporation websites.

### **d) Use and re-use of water resources**

See section a) b) above, 'The use of one water source as a substitute for another water source'. All urban water corporations are required to report on total use of alternative water sources such as recycled wastewater and stormwater reuse as part of the report of operations in their annual reports. The performance report includes indicators related to environmental performance for effluent re-use and greenhouse gas emissions. The annual reports are tabled in Parliament and available on water corporation websites.

### **e) Floodwaters**

DELWP is the lead agency for coordination of floodplain management in Victoria. The Victorian Floodplain Management Strategy (VFMS) was launched in 2016 following extensive consultation. The strategy supports communities to identify flood risks for their area and prioritise investment in risk mitigation.

To achieve the actions and outcomes of the VFMS at the regional and local level, Regional Floodplain Management Strategies (RFMS) were completed for Victoria's catchment management regions. These strategies were developed in 2017-18 by catchment management authorities in partnership with local councils, the Victorian State Emergency Service and other agencies. DELWP provided guidance and other tools for assessing flood risks assisting the community to understand their tolerance for those risks. The RFMSs have identified more than 400 priority flood mitigation actions for mitigating the effects of flooding for Victorian communities. DELWP assists catchment management authorities and municipalities to improve their knowledge of areas of flood risk and ensure that new development is compatible with the flood risk.

The latest flood mapping and flood behaviour data was readily available to flood response agencies for more than 70 local communities thanks to the Victorian Government's FloodZoom tool, which provides flood response agencies with timely access to credible data about flood behaviour, heights, extents and impacts.

FloodZoom is the authoritative source of flood behaviour data and intelligence for agencies when responding to and monitoring flood events. Ongoing investment in flood studies across the State together with improvements to the application has greatly improved timeframes for VICSES to predict the extent and potential consequence of a flood at particular locations. FloodZoom brings together:

- flood-related behaviour information, such as historic and modelled flood extents, depths, flood levels, study reports and observed flood impacts
- real-time and historical rain and streamflow records
- flood forecasts, flood mapping and property data such as floor heights.

In addition, FloodZoom now incorporates a business as usual tool "Planning module" to assess and streamline land use planning applications and permits for locations subject to inundation. This functionality serves to ensure that analysts retain skills and that data is maintained as current and accurate through non-flood years and hence provides confidence in modelling products during



flood response. The Flood Intelligence Platform also contains algal, dam and risk management modules designed to assist catchments management authorities and water corporations. A key initiative within the algal module enables sampling data to be loaded in real time from laboratories which improves accuracy and timeliness of data for water corporations and emergency responders.

#### ***f) Drainage and waterway management***

DELWP oversees the *Victorian Waterway Management Program* that aims to maintain or improve the condition of Victoria's rivers, estuaries and wetlands. The program is a partnership between state government, regional agencies and authorities, other management partners (such as Traditional Owners) and local communities.

As part of the program, DELWP is responsible for establishing the state policy framework for waterway management. Regional implementation is led by waterway managers from the catchment management authorities, and Melbourne Water in Port Phillip and Westernport via their Regional Waterway Strategies.

Through *Water for Victoria*, the Victorian Government is investing \$222 million over four years to improve the health of waterways and catchments. This includes onground works to implement the Regional Waterway Strategies, funding to speed up riparian works as part of the *Regional Riparian Action Plan* and significant investment to support the Gippsland Lakes Coordinating Committee with on-ground works and community engagement.

Funding provided by the Victorian Government in 2018-19 for improving the health of Victoria's waterways has been invested by catchment management authorities according to agreed works programs. The delivery of projects and services through these works programs is tracked and reported annually.

Major drainage systems in the Melbourne region are the responsibility of Melbourne Water, managed under their *Waterways and Drainage Strategy* and reported against in the Melbourne Water Annual Report.

A report card assessing progress against statewide waterway management targets was published in late 2018. It demonstrates that all ten targets are on track or exceeded at the midpoint for the Victorian Waterway Management Strategy. This significant progress demonstrates what can be achieved through large scale investment in waterway health.

#### ***g) Water quality (including salinity)***

Water quality monitoring was conducted at 401 partnership sites across the state in 2018-19. A range of water quality parameters are either continuously monitored or sampled at regular intervals from these sites, and cover a range of physical, chemical, nutrient, metal, anion, cation, organic load and algal analyses. Data from the monitoring network is made publicly available through the *Water Measurement Information System*.

#### ***h) In-stream uses of water***

Refer to section a) c) above, 'Environmental Water Reserve', for details regarding the in-stream use of water.

#### ***i) Current and historic levels of allocation and use of surface water and groundwater***

The *Victorian Water Accounts* provides a comprehensive annual overview of the state's water resources. This includes providing an annual statewide and system pictures of water availability and use for each of Victoria's 29 river basins and 20 groundwater catchments, and for each of the state's rural and urban distribution systems

The 2018-19 accounts are expected to be completed in the second half of 2019 and will be published on the Victorian Water Register website. Comprehensive historic information on allocations and water use is also available in Water Accounts and State Water Reports dating back to 2003-04.

#### **Surface water**

In 2018-19 below average rainfall was received across most of Victoria. For the declared systems seasonal allocations for high reliability water shares reached 100 per cent in all the systems except for Broken, Werribee and the Wimmera-Mallee Pipeline Product. Seasonal allocations for low reliability water shares reached 100 per cent in the Bullarook system 35 per cent in the Macalister Irrigation District.

Unregulated surface water may be used for domestic and stock, which is unlicensed, and irrigation, commercial or urban use, which all require a licence. Unregulated surface water user access will be restricted using rosters or bans to ensure available water is shared equally between users and the environment. Licences to take unregulated surface water may be all year licences or winterfill. Winterfill licences in Victoria are issued now for take during the months of July - October only. In 2018-19 a peak of 100 streams were restricted during the winter and the number of unregulated streams subject to restrictions during the summer months reached a peak of 163 in February 2019.

## Groundwater

Seasonal restrictions are announced in accordance with the groundwater management plans developed for Water Supply Protection Areas (WSPAs) and Groundwater Management Areas (GMAs). A restriction may be used to reduce the risks from falling groundwater levels; allow the resource to be shared between all users; or recognise and reduce the social and environmental costs of lowering groundwater levels.

In 2018-19, restrictions on groundwater use were in place in West Wimmera Neuarpur sub-zone 1 (80 per cent), Loddon Highlands WSPA Newlyn Zone (75 per cent) and in Deutgam WSPA (50 per cent).

### *j) Current and historic condition of waterways and aquifers*

DELWP is reviewing and improving Victoria's existing waterway health monitoring programs to have a greater focus on monitoring the changes that result from management actions – an action in *Water for Victoria*. Management interventions should eventually result in improvements to overall waterway resource condition. Statewide surveillance monitoring programs such as the Index of Stream Condition (ISC) provide information about the overall condition of Victoria's waterways and guide state policy and regional investment programs. Three previous ISC assessments have been undertaken. A key lesson from these assessments is that changes in resource condition in response to management interventions may take many decades to emerge as the benefits of management interventions accumulate and ecological systems have time to recover. *Water for Victoria* acknowledges that the full benefits of investments to improve waterway health may not be realised for 30 years or more. Responses to management interventions need to be measured at relevant scales and assessed against specific management targets. As such, the schedule of surveillance monitoring is currently under revision.

The first statewide Index of Estuary Condition assessment commenced in 2017 and is due for reporting in 2020. The results of the third and most recent ISC assessment were released during 2013 and are available at the *Index of Condition System* (ICS): [ics.water.vic.gov.au](https://ics.water.vic.gov.au). The results from the most recent statewide wetland assessment that looked at 827 wetlands are also available at: [ics.water.vic.gov.au](https://ics.water.vic.gov.au).

Aquifer condition is monitored through Victoria's State Observation Bore Network. See section (a) 'Availability of Water – Groundwater' for more information.

## Sustainable Water Strategies

Regional SWSs are a legislative requirement under Division 1B of the *Water Act 1989* and fulfil Victoria's commitment under the National Water Initiative to carry out open, statutory-based water planning. Four SWSs covering the state were produced between 2006 and 2011. These strategies set out long-term plans to secure each region's water future, identifying threats to water supply and quality in the region and identifying policies and actions to help water users, water corporations and catchment management authorities manage and respond to those threats over the next 50 years.

The first strategies completed were the Central Region SWS in 2006 and the Northern Region SWS in 2009. The Gippsland Region SWS and the Western Region SWS were completed in November 2011. A total of 300 actions were identified in the four SWSs to enable the objectives of each strategy to be achieved. Implementation of actions was largely the responsibility of DELWP, water corporations, catchment management authorities, DPJR and partners and stakeholders.

A stocktake of SWS actions identified that of these 300 actions, nearly 86 per cent are now complete. Of the remaining actions, many have been partly implemented, while others are to be implemented through other policies, particularly through the State's Water Plan, *Water for Victoria*, or through implementation of the Murray-Darling Basin Plan.

*Water for Victoria* commits to maintaining Victoria's planning framework, including the role of SWSs. It states that DELWP will undertake an assessment of each SWS at the five-year mark, with these assessments informed by annual monitoring and reporting.

In response to *Water for Victoria*, DELWP has:

- released the Central Region SWS review report in October 2018 (Action 8.7)
- incorporated Traditional Owner representation on the Central Region SWS review Consultative Committee (Action 8.7)
- released five-yearly assessments of the Gippsland Region and Western Region SWSs (Action 8.7)
- tabled the Water Amendment Bill 2019 to better align processes to review SWSs and to undertake long-term water resource assessments and any resulting reviews (Action 8.8).

In addition, DELWP will (Action 8.7):

- ensure an appropriate range of climate change scenarios are used to inform future SWSs
- consider opportunities for achieving shared benefits, including those related to recreational values, in reviews of SWSs
- include representation of Traditional Owners in consultative committees for SWSs.

More information on the SWSs and further details on the status of each individual SWS action is available on the DELWP website.

### Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by the department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

- a. a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- b. details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- c. details of publications produced by the entity about itself, and how these can be obtained
- d. details of changes in prices, fees, charges, rates and levies charged by the entity
- e. details of any major external reviews carried out on the entity
- f. details of major research and development activities undertaken by the entity
- g. details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- h. details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- i. details of assessments and measures undertaken to improve the occupational health and safety of employees
- j. a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes

- k. a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- l. details of all consultancies and contractors including:
  - i) consultants/contractors engaged;
  - ii) services provided; and
  - iii) expenditure committed to for each engagement.

To ensure the department is meeting its accountability and compliance requirements, some of this additional information has been included in the Annual Report, where relevant.

The information is available on request from the DELWP Customer Contact Centre on 136186, via email [customerservice@delwp.vic.gov.au](mailto:customerservice@delwp.vic.gov.au) or on the internet at [www.delwp.vic.gov.au](http://www.delwp.vic.gov.au).



# Financial Statements 30 June 2019

## How this report is structured

The Department of Environment, Land, Water and Planning (DELWP) has presented its audited general purpose financial statements for the financial year ended 30 June 2019 in the following structure to provide users with the information about the department's stewardship of resources entrusted to it.

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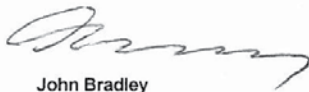
### Accountable Officer's and Chief Finance Officer's declaration

The attached financial statements for the Department of Environment, Land, Water and Planning have been prepared in accordance with Directions 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2019 and financial position of the department at 30 June 2019.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 19 September 2019.



**John Bradley**

Secretary  
Department of Environment, Land, Water and Planning  
Melbourne  
19 September 2019



**Xavier Hinckson**

Executive Director, Finance  
Department of Environment, Land, Water and Planning  
Melbourne  
19 September 2019



## Independent Auditor's Report

### *To the Secretary of the Department of Environment, Land, Water and Planning*

<b>Opinion</b>	<p>I have audited the financial report of the Department of Environment, Land, Water and Planning (the department) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2019</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• Accountable Officer's and Chief Finance Officer's declaration.</li></ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the department as at 30 June 2019 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the Audit Act 1994 which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the Auditor's Responsibilities for the Audit of the Financial Report section of my report.</p> <p>My independence is established by the Constitution Act 1975. My staff and I are independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Key audit matters</b>	<p>Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.</p>



Key audit matter	How I addressed the matter
<b>Long term procurement of the Victorian Desalination Plant (VDP) using a private public partnership (PPP) agreement and Melbourne Water Corporation contracts</b> Note 4.2 <i>Administered (non-controlled) items</i>	
<b>Finance lease receivable: \$3.718 billion</b> <b>Interest bearing liabilities: \$3.716 billion</b> <b>VDP commitment disclosures:</b> <ul style="list-style-type: none"> <li>→ minimum future lease payments: \$3.718 billion</li> <li>→ other commitments: \$4.270 billion</li> </ul> I considered this to be a key audit matter because: <ul style="list-style-type: none"> <li>→ the finance lease liability and future VDP commitments are financially significant</li> <li>→ the contractual rights and obligations are complex</li> <li>→ the finance lease and commitments model is highly complex, involves significant management judgement and is underpinned by various subjective assumptions</li> <li>→ the accounting for and disclosures related to the VDP are inherently complex with limited relevant authoritative accounting guidance</li> <li>→ small changes to some contractual terms and conditions (for example—refinancing requirements) significantly impact the liability carrying value</li> <li>→ the VDP's commitment disclosures involve significant management judgements and estimates, which led to amendments in prior years.</li> </ul>	My key procedures included: <ul style="list-style-type: none"> <li>→ gaining an understanding of key current year contract changes</li> <li>→ engaging a subject matter expert to assist in obtaining sufficient, appropriate audit evidence for the finance lease liability and commitment disclosures, including the:               <ul style="list-style-type: none"> <li>– appropriateness of re-financing adjustments</li> <li>– reasonableness and consistency of the finance lease model assumptions</li> <li>– identification of model or assumption changes</li> <li>– reasonableness of model inputs, with specific reference to underlying data and supporting documentation (i.e. contracts, water orders)</li> <li>– model's computational accuracy</li> <li>– appropriateness of all VDP related financial report disclosures as required by AASB 117 <i>Leases</i>.</li> </ul> </li> <li>→ evaluating our subject matter expert's report, including assessing it for consistency with other audit evidence obtained, the relevance and reasonableness of the expert's work, and concluding it was adequate for our audit needs.</li> <li>→ assessing the adequacy and completeness of disclosures.</li> </ul>
<b>Recognition and measurement of land asset fair values</b> Note 5 - <i>Key assets available to support output delivery and commitments</i>	
<b>Fair value estimate of land assets: \$5.164 billion.</b> I consider this to be a key audit matter because: <ul style="list-style-type: none"> <li>→ the fair value of land is financially significant to the department</li> <li>→ of significant prior year audit adjustments</li> <li>→ a significant transaction occurred transferring \$2.792 billion of land assets to Parks Victoria</li> <li>→ DELWP's ongoing Crown Land reconciliation project may identify new undisclosed balances, including coastal assets</li> <li>→ property market movements fluctuate</li> <li>→ the AASB 13 <i>Fair Value Measurement</i> (AASB 13) standard and the Assistant Treasurer issued Financial Reporting Direction 103H <i>Non-current physical assets</i> (FRD 103H) both require extensive financial report disclosures.</li> </ul>	My key audit procedures included: <ul style="list-style-type: none"> <li>→ gaining an understanding of the process used by DELWP to reconcile and value previously unidentified land parcels</li> <li>→ gaining an understanding of DELWP's process and methodology used to transfer \$2.792 billion of land to Parks Victoria</li> <li>→ performing substantive audit procedures on the reconciliation between DELWP's land records and the records in the Victorian On-Line Title System</li> <li>→ performing substantive audit procedures to verify the accuracy and completeness of the land transferred to Parks Victoria, and assessing it against the requirements of FRD 119A <i>Contributions by Owners</i></li> <li>→ performing substantive audit procedures on management's fair value assessment of the land and assessing it against the FRD 103H requirements.</li> <li>→ assessing the adequacy and completeness of disclosures.</li> </ul>

Key audit matter	How I addressed the matter
<p><b>Fair value estimate of the contract for difference (CFD) derivative financial instruments associated with the Victorian Renewable Energy Auction Scheme (VREAS) support agreements</b></p> <p><i>Note 2.3.5 – Income from initial recognition of derivative assets</i></p> <p><i>Note 8.1 – Derivative assets</i></p>	
<p><b>Initial recognition income from derivative financial assets: \$285 million</b></p> <p><b>Derivative financial assets: \$285 million</b></p> <p>I considered this to be a key audit matter because the:</p> <ul style="list-style-type: none"> <li>→ derivative financial asset and revenue balances are financially significant to the department</li> <li>→ model is highly complex and involves significant management judgements, underpinned by various subjective assumptions accounting</li> <li>→ recognition and measurement requirements of AASB 9 <i>Financial Instruments</i> and AASB 13 <i>Fair Value Measurement</i> are complex</li> <li>→ derivative financial asset's fair value estimate relies on management's use of an external valuation expert</li> <li>→ derivative financial asset's fair value estimates are sensitive to small changes in key model assumptions</li> <li>→ derivative transaction was new this year and is the first of its kind for the department</li> <li>→ the applicable accounting standards AASB 13 <i>Fair Value Measurement</i> and AASB 7 <i>Financial Instrument: Disclosures</i> both require extensive financial report disclosures.</li> </ul>	<p>My key procedures included:</p> <ul style="list-style-type: none"> <li>→ obtaining an understanding of management's approach to estimating the derivative financial asset's fair value</li> <li>→ assessing the competence and capability of management's expert engaged to assist with the valuation process</li> <li>→ engaging a subject matter expert to assist us in obtaining sufficient appropriate audit evidence, including: <ul style="list-style-type: none"> <li>– the appropriateness of the fair value model</li> <li>– the reasonableness and consistency of the model assumptions</li> <li>– the reasonableness of all model inputs, including the underlying data and supporting documentation</li> <li>– the model's computational accuracy</li> </ul> </li> <li>→ evaluating our subject matter expert's report, including assessing it for consistency with other audit evidence obtained, the relevance and reasonableness of the expert's work, and concluding it was adequate for our audit needs.</li> <li>→ assessing management's approach to the estimation uncertainty of the fair value estimate, including: <ul style="list-style-type: none"> <li>– challenging management's key assumption for the forecast of wholesale electricity prices</li> <li>– developing a point estimate to evaluate the fair value estimate</li> </ul> </li> <li>→ assessing the adequacy and completeness of disclosures.</li> </ul>
<p><b>Secretary's responsibilities for the financial report</b></p>	<p>The Secretary of the department is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Secretary is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
<p><b>Auditor's responsibilities for the audit of the financial report</b></p>	<p>As required by the Audit Act 1994, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.</p>

**Auditor's responsibilities for the audit of the financial report (continued)**

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

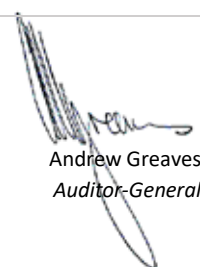
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary
- conclude on the appropriateness of the Secretary's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the department to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Secretary regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Secretary, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. I describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

MELBOURNE  
23 September 2019



Andrew Greaves  
Auditor-General

## Comprehensive operating statement for the financial year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>Income from transactions</b>			
Output appropriations	2.2, 2.2.1	1,837,341	1,491,577
Special appropriations	2.2, 2.2.2	150,088	112,207
Sale of goods and services	2.3.1	100,111	85,123
Municipal and Industrial Landfill Levy	2.3.2	240,930	228,995
Metropolitan Parks Improvement Rate	2.3.3	174,378	183,051
Grants	2.3.4	161,334	187,040
Interest	7.1.2	26,022	16,926
Initial recognition income from derivative financial instruments	2.3.5	285,202	0
Other income		1,504	14,671
<b>Total income from transactions</b>		<b>2,976,910</b>	<b>2,319,590</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1.1	(516,274)	(442,731)
Grants and other transfers	3.1.2	(1,285,468)	(922,113)
Supplies and services	3.1.3	(835,728)	(640,947)
Other operating expenses	3.1.4	(8,084)	(8,215)
Depreciation and amortisation	5.1.3	(60,307)	(58,256)
Capital asset charge	5.1.4	(93,451)	(92,892)
Interest expense	7.2.2	(1,134)	(791)
<b>Total expenses from transactions</b>		<b>(2,800,446)</b>	<b>(2,165,945)</b>
<b>Net result from transactions</b>		<b>176,464</b>	<b>153,645</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets	5.5	18,992	162,466
Net gain/(loss) on financial instruments	9.2	(4,252)	4,872
Other gains/(losses) from other economic flows	9.2	(4,658)	(4,018)
<b>Total other economic flows included in net result</b>		<b>10,082</b>	<b>163,320</b>
<b>Net result</b>		<b>186,546</b>	<b>316,965</b>
<b>Other economic flows – other comprehensive income</b>			
Items that will not be classified to net result			
Net change in physical asset revaluation surplus	5.7.1	172,101	1,215,788
<b>Total other economic flows – other comprehensive income</b>		<b>172,101</b>	<b>1,215,788</b>
<b>Comprehensive result</b>		<b>358,647</b>	<b>1,532,753</b>

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

## Balance sheet as at 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>Assets</b>			
<b>Financial assets</b>			
Cash and cash deposits	7.1	1,200,305	707,296
Derivative financial instruments	8.1	285,202	0
Receivables	6.1	470,824	396,812
Investments and other financial assets	5.4	0	599,956
<b>Total financial assets</b>		<b>1,956,331</b>	<b>1,704,064</b>
<b>Non-financial assets</b>			
Inventories	6.4	14,535	17,583
Non-financial physical assets classified as held for sale	5.2	18,195	26,253
Property, plant and equipment	5.1	6,915,380	9,716,636
Intangible assets	5.3	65,338	58,363
Prepayments	6.3	59,241	141,597
<b>Total non-financial assets</b>		<b>7,072,689</b>	<b>9,960,432</b>
<b>Total assets</b>		<b>9,029,020</b>	<b>11,664,496</b>
<b>Liabilities</b>			
Payables	6.2	204,440	191,943
Interest bearing liabilities	7.2	47,408	43,698
Provisions	3.1.1(a), 6.5	160,264	144,628
Derivative financial instruments	8.1	708	0
Other liabilities		3,198	2,206
<b>Total liabilities</b>		<b>416,018</b>	<b>382,475</b>
<b>Net assets</b>		<b>8,613,002</b>	<b>11,282,021</b>
<b>Equity</b>			
Accumulated surplus		3,223,073	780,824
Physical asset revaluation surplus	5.7.1	5,355,857	7,976,161
Contributed capital		34,072	2,525,036
<b>Net worth</b>		<b>8,613,002</b>	<b>11,282,021</b>

Commitments for expenditure 3.2, 5.6

Contingent assets and contingent liabilities 8.2

The balance sheet should be read in conjunction with the notes to the financial statements.

## Statement of changes in equity for the financial year ended 30 June 2019

	Notes	Accumulated surplus/ (deficit) \$'000	Physical asset revaluation surplus \$'000	Contributions by owner \$'000	Total \$'000
<b>Balance at 1 July 2017</b>		<b>463,859</b>	<b>6,760,373</b>	<b>2,545,086</b>	<b>9,769,318</b>
Net result for the year		316,965	0	0	316,965
Other comprehensive income for the year	5.7.1	0	1,215,788	0	1,215,788
Additions to Net Asset Base	2.2.1	0	0	134,386	134,386
Capital contributions of assets <sup>(i)</sup>		0	0	(49,308)	(49,308)
Net capital contributions transferred to portfolio entities	5.7.2	0	0	(105,128)	(105,128)
<b>Balance at 30 June 2018</b>		<b>780,824</b>	<b>7,976,161</b>	<b>2,525,036</b>	<b>11,282,021</b>
Net result for the year		186,546	0	0	186,546
Other comprehensive income for the year	5.7.1	0	172,101	0	172,101
Reclassification of physical asset revaluation reserve to Accumulated surplus	5.7.1	2,792,405	(2,792,405)	0	0
Additions to Net Asset Base	2.2.1	0	0	139,428	139,428
Reclassification of accumulated surplus to Contributions by owner		(536,702)		536,702	0
Capital contributions of assets <sup>(i)</sup>		0	0	(3,061,738)	(3,061,738)
Cash capital contributions transferred to portfolio entities	5.7.2	0	0	(101,772)	(101,772)
Administrative restructure – net assets transferred	4.3	0	0	(3,584)	(3,584)
<b>Balance at 30 June 2019</b>		<b>3,223,073</b>	<b>5,355,857</b>	<b>34,072</b>	<b>8,613,002</b>

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Note:

- (i) The total movement of \$3.061 billion (2018: \$49 million) relates to the transfer of various buildings, structures and land, of which \$2.8 billion was transferred to Parks Victoria under the *Parks Victoria Act 2018*, refer to Note 5.1.2 Reconciliation of movements in carrying values and Note 5.7.1 Physical asset revaluation surplus. The remaining transfers, made under FRD 119a *Transfers through contributed capital*, include \$190 million to Caulfield Racecourse Reserve Trust, \$28 million to Vic Roads and \$25 million to local councils.

## Cash flow statement for the financial year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from government		2,111,959	1,684,903
Receipts from other entities		482,186	510,633
Goods and Services Tax recovered from the Australian Tax Office (ATO) <sup>(i)</sup>		27,299	49,246
Interest received		24,451	20,401
<b>Total receipts</b>		<b>2,645,895</b>	<b>2,265,183</b>
<b>Payments</b>			
Payments of grants and other transfers		(1,238,615)	(936,688)
Payments to suppliers and employees		(1,294,716)	(1,100,274)
Capital asset charge payments	5.1.4	(93,451)	(92,892)
Interest and other costs of finance paid		(1,122)	(773)
<b>Total payments</b>		<b>(2,627,904)</b>	<b>(2,130,627)</b>
<b>Net cash flows from operating activities</b>	7.1.1	<b>17,991</b>	<b>134,556</b>
<b>Cash flows from/(used in) investing activities</b>			
Net movement in investments		599,956	180,647
Purchases of non-financial assets		(144,238)	(68,432)
Sales of non-financial assets		19,724	11,019
<b>Net cash flows from/(used in) investing activities</b>		<b>475,442</b>	<b>123,234</b>
<b>Cash flows from/(used in) financing activities</b>			
Cash from activity transferred out – Machinery of Government (MOG) changes	4.3	(3,485)	0
Payment of capital contribution – Machinery of Government (MOG) changes	4.3	(99)	0
Owner contributions by State Government	2.2.1	139,428	134,386
Payments of capital contributions	5.7.2	(101,772)	(105,128)
Repayments of finance leases		(10,793)	(6,379)
Proceeds from/(repayments of) advances		(23,703)	(8,707)
<b>Net cash flows from/(used in) financing activities</b>		<b>(424)</b>	<b>14,172</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>493,009</b>	<b>271,962</b>
Cash and cash equivalents at the beginning of the financial year		707,296	435,334
<b>Cash and cash equivalents at the end of the financial year</b>	7.1	<b>1,200,305</b>	<b>707,296</b>

The cash flow statement should be read in conjunction with the notes to the financial statements.

Note:

(i) Goods and Services Tax recovered from the ATO is presented on a net basis.



## Note 1. About this report

The Department of Environment, Land, Water and Planning (the department) is a Government department of the State of Victoria, established on 1 January 2015 after Machinery of Government changes were implemented by the Victorian Government. It is an administrative agency acting on behalf of the Crown.

Its principal address is:  
Department of Environment, Land, Water and Planning  
8 Nicholson Street  
East Melbourne Victoria 3002

A description of the nature of the department's operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

### Basis of preparation

These financial statements are in Australian dollars and prepared using the historical cost convention, except for:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and any subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value
- the fair value of any other asset is generally based on its depreciated replacement value.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the department.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The judgement and assumptions used to determine the type of joint arrangement in which the department had an interest during the reporting period are disclosed in:

- Note 4.2 *Administered (non-controlled) items*,
- Note 4.2.3 *Investments in joint operation*,

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1.5 *Fair value determination*)
- the impairment of non-financial assets (refer to Note 5.1.3 *Depreciation, amortisation and impairment*)
- the estimated useful lives over which non-financial assets are depreciated
- the estimation of amounts required to be provisioned or disclosed as contingent liabilities (refer to Note 4.2 *Administered (non-controlled) items* and 8.2 *Contingent assets and contingent liabilities*)
- assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.1.1(a) *Employee benefits in the balance sheet*).
- the estimation of the fair value of derivative financial instruments (refer to Note 2.3.5 *Initial recognition Income from derivative financial instruments* and Note 8.3 *Fair value determination*)

These financial statements cover the department as an individual reporting entity and include all the controlled activities of the department.

Consolidated financial statements have not been prepared as the department does not control any other entities under AASB 10 *Consolidated Financial Statements*.

There are no administrative offices of the department that require inclusion in this report.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

### **Compliance information**

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in these financial statements, please refer to Note 9.10 *Glossary of technical terms*.

### **Comparative amounts**

Where the presentation or classification of items in the financial statement's changes, the comparative amounts are also reclassified unless it is impractical to do so. The nature, amount and reason for the reclassification are also disclosed. If the reclassification affects an item on the balance sheet, a third statement of financial position is also presented.

## Note 2. Funding delivery of our services

### Introduction

The department's purpose is to shape and support liveable, inclusive and sustainable communities, and thriving natural environments across Victoria by: listening, working alongside and partnering with the community in everything we do; leveraging the connectivity between our portfolios to respond to the impacts of climate change in a productive, collaborative and coordinated way; maximising opportunities for attracting investment and jobs through supporting the development of new, low-carbon industries; and protecting, enhancing and strengthening our State's liveability and protecting our natural environment, infrastructure and heritage for future generations.

The department contributes to the Victorian Government's commitment to a stronger, fairer, better Victoria by supporting our natural and built environment, to ensure economic growth and liveable, sustainable and inclusive communities that are resilient to the impacts of climate change.

To enable the department to fulfil its objectives and provide outputs as described in Note 4, it receives income (predominantly accrual based parliamentary appropriations). The department also receives fees for various goods and services.

### Structure

- 2.1 Funding delivery of our services
- 2.2 Appropriations
  - 2.2.1 Summary of compliance with annual parliamentary appropriations
  - 2.2.2 Summary of compliance with special appropriations
  - 2.2.3 Annotated Income agreements
- 2.3 Income from transactions
  - 2.3.1 Sale of goods and services
  - 2.3.2 Municipal and Industrial Landfill Levy
  - 2.3.3 Metropolitan Parks Improvement Rate
  - 2.3.4 Grants
  - 2.3.5 Initial recognition income from derivative financial instruments

### 2.1 Funding delivery of our services

Income is recognised to the extent that it is probable that the economic benefits will flow to the department and the income can be reliably measured at fair value. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes. All amounts of income over which the department does not have control are disclosed as administered income (see Note 4.2.1).

### 2.2 Appropriations

Appropriated income becomes controlled and is recognised by the department when it is appropriated from the Consolidated Fund by the Victorian Parliament and applied to the purposes defined under the *Appropriation (2018-2019) Act 2018*.

### Output appropriations

Income from the outputs the department provides to the government is recognised when those outputs have been delivered and the relevant minister has certified delivery of those outputs in accordance with specified performance criteria.

The department has access to various parliamentary appropriations income under the *Appropriation (2018-2019) Act 2018*, the *Administrative Arrangements Act 1983* and under sections of the FMA (sections 29, 30 and 32). Details of the various parliamentary appropriations received by the department for the year are outlined in Note 2.2.1 *Summary of compliance with annual parliamentary appropriations*.

### Special appropriations

Under section 28 of the FMA, income is recognised when the amount appropriated for that purpose is due and payable by the department.

## 2.2.1 Summary of compliance with annual parliamentary appropriations

The following table discloses the details of the various parliamentary appropriations received by the department for the year. In accordance with accrual output-based management procedures 'Provision for outputs' and 'Additions to net assets' are disclosed as 'Controlled' activities of the department. Administered transactions are those that are undertaken on behalf of the state over which the department has no control or discretion.

	Appropriation (2017-2018) Act		Administrative Arrangements Act 1983		Financial Management Act 1994					Total	
	Annual appropriation \$'000	Advance from Treasurer \$'000	Section 4 \$'000	Section 28 \$'000	Section 29 \$'000	Section 30 \$'000	Section 32 \$'000	Section 35 \$'000	parliamentary authority \$'000	Appropriation applied \$'000	Variance \$'000
<b>As at 30 June 2019</b>											
<b>Controlled</b>											
Provision of outputs <sup>(i)</sup>	1,300,487	365,218	(5,817)	0	172,003	13,018	8,072	0	1,852,981	1,837,341	15,640
Additions to Net Assets Base (ATNAB) <sup>(ii)</sup>	145,413	0	0	0	26,290	(13,018)	0	0	158,685	139,428	19,257
<b>Administered</b>											
Payments made on Behalf of the State (POBOS) <sup>(iii)</sup>	648,687	0	0	0	0	0	0	0	648,687	631,024	17,663
POBOS – State contribution under the Murray Darling Basin Act 1993	28,128	0	0	0	0	0	0	0	28,128	28,128	0
<b>Total</b>	<b>2,122,715</b>	<b>365,218</b>	<b>(5,817)</b>	<b>0</b>	<b>198,293</b>	<b>0</b>	<b>8,072</b>	<b>0</b>	<b>2,688,481</b>	<b>2,635,921</b>	<b>52,560</b>
<b>As at 30 June 2018</b>											
<b>Controlled</b>											
Provision of outputs <sup>(i)</sup>	1,257,098	73,780	0	0	184,706	(925)	66,800	16,510	1,597,969	1,491,577	106,392
ATNAB <sup>(ii)</sup>	119,546	0	0	0	24,260	(4,260)	3,000	5,500	148,046	134,386	13,660
<b>Administered</b>											
POBOS <sup>(iii)</sup>	620,154	1,700	0	0	0	0	0	0	621,854	613,145	8,709
POBOS – State contribution under the Murray Darling Basin Act 1993	21,800	0	0	0	0	5,185	0	0	26,985	26,985	0
<b>Total</b>	<b>2,018,598</b>	<b>75,480</b>	<b>0</b>	<b>0</b>	<b>208,966</b>	<b>0</b>	<b>69,800</b>	<b>22,010</b>	<b>2,394,854</b>	<b>2,266,093</b>	<b>128,761</b>

## Variance Analysis

### (i) Provision of outputs

The variance of \$15.6 million predominately relates to the department's request to carryover output appropriation into 2019-20 for the following initiative: Land Registration Services are funded via annotated income agreements as permitted by section 29 of the *Financial Management Act 1994* (FMA). Due to the commercialisation of Land Use Victoria, a carryover request has been submitted for the Treasurer's consideration to support new links established between State based systems and that of the commercial operator.

### (ii) Addition to Net Assets Base (ATNAB)

The 2019 variance of \$19.3 million primarily relates to the cashflow of ATNAB funding available in 2018-19 for use in the future years for the following four initiatives:

- The Mitiamo and District Reticulated Water Supply project due to ongoing negotiations with the Commonwealth to secure the funding required to assist in drought proofing farms in northern Victoria

- The Protecting the Surf Coast and Bellarine program due to delays associated with the government election
- The Land Compensation program due to lower than anticipated land compensation claims in 2018-19, and
- The Revitalising Central Geelong initiative due to ongoing negotiations for the settlement of two properties.

### (iii) Payments made on Behalf of the State (POBOS)

The 2019 variance primarily relates to lapsing appropriations for the Victorian Desalination Project due to the lower than anticipated indexation rates used to calculate the annual service payments. Further revision to POBOS relates to the revised water order decision for annual water allocations.

## 2.2.2 Summary of compliance with special appropriations

		Appropriation Applied	
Authority	Purpose	2019 \$'000	2018 \$'000
Output special appropriations			
Section 201V of the <i>Planning and Environmental Act 1987</i>	Growth Area infrastructure contributions.	150,088	112,207
Section 28 of the <i>Financial Management Act 1994</i>	Appropriation for borrowing against future appropriation	0	0
Total special appropriations		150,088	112,207

### 2.2.3 Annotated Income agreements

The department is permitted under section 29 of the *Financial Management Act 1994* (FMA) to have certain income annotated to the annual appropriation. The income which forms part of a section 29 agreement is recognised by the department and the receipts paid into the Consolidated Fund as an administered item. At the point of income recognition, section 29 provides for an equivalent amount to be added to the annual appropriation.

The following is a listing of the FMA section 29 annotated income agreements approved by the Treasurer:

Note	2019 \$'000	2018 \$'000
<b>Commonwealth specific purpose payments – output</b>		
BushBroker	143	135
Cleaning up the Yarra - Installation of Litter Traps	0	106
Constraints Measure Project Business Case Development	0	100
Murray Darling Basin Plan Implementation	6,800	6,800
Murray Darling Basin Plan Sustainable Diversion Limits	1,567	0
National Landcare Programme Regional Allocations	0	21,583
National Water Infrastructure Development Fund - Feasibility Studies	90	1,756
Victorian Farm Modernisation	0	2,352
<b>Total Commonwealth specific purpose payments – output</b>	<b>8,600</b>	<b>32,832</b>
<b>Commonwealth specific purpose payments – capital</b>		
National Partnership Agreement for the National Water Infrastructure Development Fund	23,800	15,000
<b>Total Commonwealth specific purpose payments – capital</b>	<b>23,800</b>	<b>15,000</b>
<b>Capital items</b>		
Property Administration and Systems	2,490	9,260
<b>Total capital items</b>	<b>2,490</b>	<b>9,260</b>
<b>User charges, or sales of goods and services</b>		
Landata	7,519	32,547
Land Registration Services	47,397	93,267
Land Use Victoria – Land Registry Commercialisation	76,641	0
Land Use Victoria – Transitional Service Arrangement	4,144	0
Mapping	391	565
Miscellaneous Industry Contributions	227	277
Goulburn-Murray Water Connections Project Stage 1	9,770	7,535
Parks user fees and Werribee Mansion	13,063	10,443
Queenscliff Harbour Redevelopment	150	135
Revenue retained on behalf of the Environmental Protection Authority	684	594
VICMap	1,012	4,451
Water Register – Planning	313	241
Water Register – State	2,092	1,819
<b>Total user charges, or sales of goods and services</b>	<b>163,403</b>	<b>151,874</b>
<b>Total annotated income agreements</b>	<b>2.2.1 198,293</b>	<b>208,966</b>

## 2.3 Income from transactions

### 2.3.1 Sale of goods and services

	2019 \$'000	2018 \$'000
<b>Sale of goods and services</b>		
Rendering of services	99,650	84,091
Sales of goods and livestock	461	1,032
<b>Total sale of goods and services</b>	<b>100,111</b>	<b>85,123</b>

Income from the rendering of services is recognised by reference to the stage of completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the department.

Under the stage of completion method, income is recognised by reference to the successful completion of milestones in individual contracts in each annual reporting period.

In the event that funds are received in advance and the provision of services is incomplete at the reporting date, the value of the incomplete portion is recognised as unearned income for the period and classified as a liability.

Income from the sale of goods is recognised when:

- the department no longer has any of the significant risks and rewards of ownership of the goods transferred to the buyer
- the department no longer has continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold
- the amount of income, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured
- it is probable that the economic benefits associated with the transactions will flow to the department.

### 2.3.2 Municipal and Industrial Landfill Levy

Municipal and Industrial Landfill Levies of \$240.930 million (2018: \$228.995 million) were recognised on an accrual basis in accordance with AASB 118. Levies received during the year are recorded against the year the revenue was earned. Levies for which landfill operators have not submitted returns at the end of the financial year are recorded as a receivable from the Environmental Protection Authority, the agent collecting levies on the department's behalf.

### 2.3.3 Metropolitan Parks Improvement Rate

The Metropolitan Parks Improvement Rate, commonly known as the 'parks charge', is an annual levy on all commercial and residential properties in the Melbourne and metropolitan areas. The parks charge is billed and collected by the three metropolitan retail water corporations and is paid directly into the Parks and Reserves Trust Account controlled by the department on behalf of the Minister for Energy, Environment and Climate Change.

The *Water Industry Act 1994* determines how the parks charge is to be levied. For 2018-19 the minimum charge was levied at the rate of \$77.10 (2018: \$75.85) and the rate in the dollar of Net Annual Value was 0.460 cents (2018: 0.453 cents).

In accordance with AASB 1004 the Metropolitan Parks Improvement Rate of \$174.378 million (2018: \$183.051 million) is recognised as income when it is received.

The *Water Industry Act 1994* requires that money collected be spent on controlling, developing and managing open space, parks, waterways and bays within the metropolitan area. During the 2018-19 financial year, a total of \$166.623 million was disbursed from the trust (in 2017-18, \$140.779 million was disbursed for the full financial year) for the following activities:

- Park management services in the metropolitan area including the management of bays, maintenance and construction of park assets. These include National and State parks, Zoological parks, State gardens and the Shrine of Remembrance
- Purchase of public open space for conservation, recreation, leisure or tourism
- Management and maintenance of public beaches and renourishment works.

The disbursements are disclosed in Note 3.1.2 *Grants and other transfers*.



### 2.3.4 Grants

	2019 \$'000	2018 \$'000
<b>Grants</b>		
Specific purpose grants	113,642	163,901
General purpose grants	47,692	23,139
<b>Total grants</b>	<b>161,334</b>	<b>187,040</b>

Grant income arises from transactions in which a party provides goods, services, assets or labour or a party extinguishes a liability to the department without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipts and sacrifice of approximately equal value may occur, but only by coincidence. For non-reciprocal grants, the department recognises revenue when the grant is receivable or received.

Grants can be received as general purpose grants which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be received as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Some grants are reciprocal in nature (i.e. equal value is given back by the recipient of the grant to the provider). The department recognises income when it has satisfied its performance obligations under the terms of the grant.

Grants payable by the Commonwealth Government are recognised as income when the department gains control over the contribution. Where such grants are payable into the Consolidated Fund, they are reported as administered income. For reciprocal grants, the department is deemed to have assumed control when it has satisfied its performance obligations under the grants. For non-reciprocal grants, the department is deemed to have assumed control when the grant is receivable or received. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

### 2.3.5 Initial recognition income from derivative financial instruments

	2019 \$'000	2018 \$'000
<b>Initial recognition income from derivative financial instruments</b>		
Initial recognition Income from derivative financial instruments	285,202	0
<b>Total income from derivative financial instruments</b>	<b>285,202</b>	<b>0</b>

The department entered into contracts for 15 years to support the construction of renewable energy generators to feed into the National Electricity Market (NEM). The department will pay the proponent a fixed amount for every unit of energy supplied onto the NEM and the proponent will pay the department the floating electricity price for the energy supplied. The future settlements of Contract for Differences and large-scale generation certificates (LGCs) from/to proponents are classified as financial derivative instruments. Income recognised represents the fair value of the expected future settlements at the initial recognition.

DELWP has initially recognised the Contract for Differences derivative instrument at 30 June 2019 and measured the fair value of the instrument based on the best available information as per AASB 9 and 13. Refer to note 8 for more information about the judgements and assumptions used in measuring the fair value determination of derivative financial instruments.

Management have assessed the nature of the contractual arrangements of the contracts for difference with specific reference to the IMF GFS Manual (paragraph 3.19).

Initial recognition of the contracts is treated as a "transaction" for the purposes of annual financial statements on the basis that it is an interaction between two entities by mutual agreement in respect to which no cash flows take place on effective date. The absence of cash flows and the estimated measurement of the fair value of the derivative meet the defining characteristics of a non-monetary transaction under AASB 1049.

Based on the assessment, the initial recognition of the derivatives is disclosed as an operating income item included in the net operating result. Refer to note 8. *Risks, contingencies and valuation judgements* for more detailed information on derivative financial instruments.

## Note 3. The cost of delivering services and commitments

### Introduction

This section provides an account of the expenses incurred by the Department in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded. Note 4 discloses aggregated information in relation to the income and expenses by output.

### Structure

- 3.1 Expenses incurred in delivering of services
  - 3.1.1 Employee expenses in the comprehensive operating statement
    - 3.1.1(a) Employee benefits in the balance sheet
    - 3.1.1(b) Superannuation
  - 3.1.2 Grants and other transfers
  - 3.1.3 Supplies and services
  - 3.1.4 Other operating expenses
  - 3.1.5 Remuneration of auditors
- 3.2 Operating expenditure commitments (other than public private partnerships)

### 3.1 Expenses incurred in delivering of services

#### 3.1.1 Employee expenses in the comprehensive operating statement

	2019 \$'000	2018 \$'000
<b>Employee expenses</b>		
Salaries and wages	<b>(391,245)</b>	(333,060)
Post-employment benefits		
Defined contribution superannuation expense	<b>(32,422)</b>	(26,951)
Defined benefit superannuation expense	<b>(5,018)</b>	(4,667)
Termination benefits	<b>(1,682)</b>	(5,836)
Leave expenses (annual leave and long service leave)	<b>(58,566)</b>	(46,248)
Other on-costs (fringe benefits tax, payroll tax and workcover levy)	<b>(27,341)</b>	(25,969)
<b>Total employee expenses</b>	<b>(516,274)</b>	(442,731)

Employee expenses include all costs relating to employment including salaries and wages, fringe benefits tax, leave entitlements, termination payments, defined benefit superannuation plans, defined contribution superannuation plans and WorkCover premiums.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The department recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### 3.1.1(a) Employee benefits in the balance sheet

	2019 \$'000	2018 \$'000
<b>Current provision for employee benefits</b>		
<b>Employee benefits – annual leave <sup>(i)</sup></b>		
Unconditional and expected to settle within 12 months	33,810	32,795
Unconditional and expected to settle after 12 months <sup>(ii)</sup>	565	620
<b>Employee benefits – long service leave <sup>(i)</sup></b>		
Unconditional and expected to settle within 12 months	61,047	58,306
Unconditional and expected to settle after 12 months <sup>(ii)</sup>	16,058	15,344
<b>Employee benefits – earned emergency recreation leave</b>		
Unconditional and expected to settle within 12 months	2,677	1,871
<b>Total current provision for employee benefits</b>	<b>114,157</b>	108,936
<b>Provisions for oncosts:</b>		
Unconditional and expected to settle within 12 months	15,440	14,717
Unconditional and expected to settle after 12 months <sup>(ii)</sup>	2,631	2,527
<b>Total provisions for on-costs</b>	<b>18,071</b>	17,244
<b>Total current provisions for employee benefits</b>	<b>132,228</b>	126,180
<b>Non-current provisions for employee benefits</b>		
Employee benefits <sup>(i)(ii)</sup>	12,340	5,909
On-costs <sup>(ii)</sup>	1,953	935
<b>Total non-current provisions for employee benefits</b>	<b>14,293</b>	6,844
<b>Total provisions for employee benefits</b>	<b>146,521</b>	133,024

Note:

- (i) Provisions for employee benefits consist of amounts for annual leave, long service leave and earned emergency relief leave accrued by employees, not including on-costs.
- (ii) The amounts disclosed are discounted to present values.

### Reconciliation of movement in on-cost provision

	2019 \$'000
<b>Balance at 1 July 2018</b>	<b>18,179</b>
Additional provisions recognised	3,670
Reductions arising from payments/other sacrifices of future economic benefits	(1,796)
Unwind of discount and effect of changes in the discount rate	(32)
<b>Balance at 30 June 2019</b>	<b>20,021</b>
Current	18,071
Non-current	1,953
<b>Total provision for on-cost</b>	<b>20,024</b>

### **Salaries, wages and annual leave**

Liabilities for salaries and wages (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provisions as current liabilities, because the department does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, and annual leave are measured at:

- nominal value – if the department expects to wholly settle within 12 months
- present value – if the department does not expect to wholly settle within 12 months.

### **Earned emergency recreation leave**

Earned Emergency Recreation Leave (EERL) is provided to staff for the management of long-term fatigue that can result from extended involvement in emergency management over a 12-month period.

EERL is accrued based on overtime and standby performed outside of normal hours when the Emergency Provision in Appendix 6 of the VPS Agreement 2016 has been enacted. EERL is calculated each calendar year, from 1 January to 31 December.

EERL is classified as a current liability and measured at the nominal value as the department expects the liability to be wholly settled within 12 months of reporting date.

### **Long service leave**

Unconditional long service leave (LSL) is disclosed as a current liability, even where the department does not expect to settle the liability within 12 months, because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if the department expects to wholly settle within 12 months
- present value – if the department does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow (refer to Note 9.2 *Other economic flows included in net result*).

### **Employee on-costs**

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

### 3.1.1(b) Superannuation

The amount recognised in the comprehensive operating statement in relation to superannuation is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The defined benefit plan provides benefits based on years of service and final average salary.

The department does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in their annual financial statements the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's annual financial statements for more detailed disclosures in relation to these plans.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the department are listed in the above table as follows:

	Paid contribution for the year		Contribution outstanding at year end	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Fund</b>				
<b>Defined benefit plans:</b>				
Emergency Services Superannuation Scheme	<b>5,018</b>	4,582	<b>129</b>	85
<b>Defined contribution plans:</b>				
Victorian Superannuation Fund – Vic Super Scheme	<b>19,914</b>	18,311	<b>510</b>	338
Various other	<b>11,572</b>	8,151	<b>297</b>	151
<b>Total superannuation contributions</b>	<b>36,504</b>	31,044	<b>936</b>	574

Note:

The bases for contributions are determined by the various schemes.

All employees of the department are entitled to varying levels of benefits on retirement, disability or death. Some superannuation plans provide defined benefits based on years of service and final average salary. The others are classified as contribution schemes. Contributions by the department of a minimum of 9.50 percent (2018: 9.50 percent) of employee's wages and salaries are legally enforceable on the department.

The above amounts were measured as at 30 June of each year or in the case of employer contributions they relate to the years ended 30 June.

### 3.1.2 Grants and other transfers

	2019 \$'000	2018 \$'000
<b>Grants and other transfers</b>		
Grants to portfolio agencies	(642,981)	(485,217)
Grants to catchment management authorities	(79,176)	(113,564)
Grants to non-portfolio agencies	(257,765)	(109,865)
Grants to the Commonwealth, other state, territory and local governments	(181,824)	(127,071)
Grants to private individuals, businesses and non-profit organisations	(122,947)	(88,385)
Other grants and transfers	(775)	1,989
<b>Total grants and other transfers</b>	<b>(1,285,468)</b>	<b>(922,113)</b>

Grants and other transfers are contributions of the department's resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

Grants can either be operating or capital in nature. Grants that are capital in nature are treated as contributed capital transfers.

Grant expenses are recognised in the reporting period in which they are paid or payable. Grants can take the form of money, assets, goods, services or forgiveness of liabilities.

### 3.1.3 Supplies and services

	2019 \$'000	2018 \$'000
<b>Supplies and services</b>		
Community awareness and publicity	(8,472)	(5,326)
Contract and professional services	(412,702)	(289,958)
Equipment maintenance and hire	(101,951)	(50,926)
Statutory fees, learning and development costs and general expenses	(164,582)	(146,302)
Insurance expenses	(17,610)	(17,751)
IT costs	(30,174)	(32,466)
Other expenses	(19,431)	(12,563)
Motor vehicle costs	(6,945)	(11,353)
Office and accommodation	(44,309)	(43,322)
Payments for shared services	(14,344)	(15,682)
Postage and telephone	(15,208)	(15,298)
<b>Total supplies and services</b>	<b>(835,728)</b>	<b>(640,947)</b>

Supplies and services generally represent the day-to-day running costs that are incurred in the normal operations of the department. Supplies and services are recognised as an expense in the reporting period in which they are incurred.

### 3.1.4 Other operating expenses

	2019 \$'000	2018 \$'000
<b>Other operating expenses</b>		
Operating lease expenses	(2,004)	(766)
Cost of goods sold/provided	(5,517)	(5,290)
Research and development costs immediately expensed	(510)	(80)
Settlement of litigation	(15)	(2,079)
Other operating expenses (i)	(38)	0
<b>Total other operating expenses</b>	<b>(8,084)</b>	<b>(8,215)</b>

Note:

- (i) Other operating expenses related to Ex-gratia expenses and Fair value of assets and services provided free of charge or for nominal consideration. Ex-gratia expenses are the voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the department or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Operating lease expenses (including contingent rentals) are recognised on a straight-line basis over the lease term, except where another systemic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

### 3.1.5 Remuneration of auditors

	2019 \$'000	2018 \$'000
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	447	392
<b>Total remuneration of auditors</b>	<b>447</b>	<b>392</b>



### 3.2 Operating expenditure commitments (other than public private partnerships)

Operating commitments represents future expenditure arising from contracts and include commitments for future good and services and operating leases.

Operating leases predominantly relate to office and other facilities with lease terms of between two to 15 years, some with options to extend the lease. Some operating lease contracts contain annual market review clauses.

Other operating leases consist mainly of aircraft leases relating to fire bombing services. Such leases have terms of one to five years.

The department does not have an option to purchase the leased assets at the expiry of the lease period.

These operating commitments are recorded below at nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	2019 \$'000	2018 \$'000
<b>Operating commitments payable</b>		
Not later than one year	133,828	146,732
Later than one year but no later than five years	151,892	81,467
Later than five years	11,839	13,117
<b>Total operating commitments</b>	<b>297,559</b>	<b>241,316</b>
<b>Operating lease commitments payable</b>		
Not later than one year	16,465	19,143
Later than one year but no later than five years	55,555	79,122
Later than five years	52,812	94,709
<b>Total operating lease commitments</b>	<b>124,832</b>	<b>192,974</b>
 <b>Total operating expenditure commitments (inclusive of GST)</b>	 <b>422,391</b>	 <b>434,290</b>
Less GST recoverable from the Australian Taxation Office	(38,399)	(33,297)
<b>Total operating expenditure commitments (exclusive of GST)</b>	<b>383,992</b>	<b>400,993</b>

## Note 4. Disaggregated financial information by output

### Introduction

The department is predominately funded by accrual based parliamentary appropriations for the provision of outputs. This section provides a description of the departmental outputs performed during the year ended 30 June 2019 along with the objectives of those outputs.

This section disaggregates income that enables the delivery of service (described in Note 2) by output and records the allocation of expenses incurred (described in Note 3) also by output.

The aggregation in this section also provides information on controlled and administered items in connection with these outputs.

The distinction between controlled and administered items is drawn on whether the department has the ability to deploy the resources in question for its own benefit (controlled items) or whether it does so on behalf of the State (administered). The department remains accountable for transactions involving administered items, but it does not recognise these items in its primary financial statements.

The department is administering the desalination project arrangements on behalf of the state and therefore recognises the associated income, expenses, assets, liabilities and off balance sheet disclosures as administered items.

Other administered items include fees from land title transactions, environmental contributions from Victorian water businesses, the state's share of the Murray-Darling Basin Authority's jointly controlled assets, proceeds from the sale of administered surplus land and buildings, and grants provided by the Commonwealth to assist the State Government in meeting general or specific delivery obligations.

Judgement is required in allocating income and expenses to specific outputs, including judgements made in making allocations for shared services expenses and corporate costs such as insurance expenses. Allocation of expenses are made on a percentage basis in line with the delivery of the output.

### Structure

- 4.1 Departmental outputs
  - 4.1.1 Description and objectives
  - 4.1.2 Controlled income and expenses
  - 4.1.3 Controlled assets and liabilities
- 4.2 Administered (non-controlled) items
  - 4.2.1 Administered income and expenses
  - 4.2.2 Administered assets and liabilities
  - 4.2.3 Investment in joint operation
  - 4.2.4 Victorian Desalination Project
- 4.3 Restructure of administrative arrangements

## 4.1 Departmental outputs

### 4.1.1 Description and objectives

A description of the nine departmental outputs performed during the year ended 30 June 2019, and the objectives of these outputs, is summarised below.

#### *A quality built environment*

##### **Objective**

This objective plans for the future growth and transformation of cities and regions and provides leadership and advice on heritage protection and the built environment. It delivers streamlined, fair and transparent planning, building and heritage systems.

##### **Planning, Building and Heritage**

This output delivers programs to address the future growth and transformation of cities and regions through strategic and integrated land use planning; urban development, design and renewal; land supply; heritage conservation and management and regulatory reform. Through this output, the department administers the statutory responsibilities of the Minister for Planning and provides for fair and transparent planning, building and heritage systems.

#### *Healthy, resilient and biodiverse environment*

##### **Objective**

This objective leads the development and implementation of strategic regulation and investment in environmental and natural resource programs across Victoria, investment and regulation.

##### **Environment and Biodiversity**

This output leads the development and implementation of strategic, whole of government environmental policy and delivers investment, regulatory and research functions that support Victoria's diverse and resilient ecosystems.

##### **Statutory Activities and Environmental Protection**

This output effectively regulates pollution through statutory and non-statutory tools and settings, conducts enforcement activities and undertakes environmental condition monitoring and research. These activities protect and improve the environment to support a liveable and prosperous state by delivering clean air, healthy waterways, safe land, less waste and minimal disturbances from noise and odour for Victorians.

#### *Productive and effective land management*

##### **Objective**

This objective delivers effective management and governance of Victoria's public land to protect its social, economic and environmental values and maximise its use by all Victorians.

##### **Land Use Victoria**

This output delivers high quality and authoritative land administration and property information services, including the registration of land titles under the Torrens system, survey, valuation and property sales and planning and property certificates.

##### **Management of Public Land and Forests**

This output provides for the improved stewardship of Victoria's forests, coasts and Crown land reserves. Through this output, the department manages the natural, built and historic assets on public land responsibly, and incorporates management of public land in partnership with statutory agencies, committees of management and local government.

##### **Parks Victoria**

This output provides for the improved stewardship of Victoria's parks. Through this output, Parks Victoria manages the development and protection of natural, cultural and community assets for safe enjoyment and sustainable use by all Victorians. Parks Victoria works to ensure the state's park assets are managed efficiently and effectively.

#### *Safe and sustainable water resources*

##### **Objective**

This objective increases the efficiency of supply and use of water in cities and towns and improves environmental conditions and waterways to ensure Victoria has safe and sustainable water resources to meet future urban, rural and environmental needs.

##### **Effective Water Management and Supply**

This output develops policies, provides strategic advice and oversees regulatory systems and institutional arrangements to effectively manage Victoria's water resources. Through this output, the department delivers on-ground environmental programs to improve the health of waterways; water industry reform, governance and performance oversight, sustainable irrigation programs and makes water resource information accessible to enable informed decision-making.

### *Sustainable and effective local governments*

#### **Objective**

This objective supports effective and efficient local governance and service provision and supports communities to manage change and growth at a local level.

#### **Local Government**

This output delivers activities in partnership with the local government sector to support effective and efficient governance and service provision. Through this output, the department administers programs to support local governments, increase their accountability and provide support to the Victoria Grants Commission.

### *Reduced impact of major bushfires and other emergencies on people, property and the environment*

#### **Objective**

This objective delivers an integrated approach to reducing risk of bushfires to protect people, property and the environment.

#### **Fire and Emergency Management**

This output plans and delivers integrated bushfire management. Through this output, the department works with land and fire managers to plan and deliver bushfire management across public and private land; involves local communities in decision making, drawing on local values and insights to promote resilience; invests in science and partnerships to build knowledge of the relationship between fire and the environment to better manage risk; monitors and assesses the impact and effectiveness of fire management operations; ensures its workforce is effectively trained and prepared; and maintains a strategic road network to facilitate fire and emergency-related activities and provide access for the community, timber and tourism industries.

### *Reliable, efficient, accessible, safe and sustainable energy services*

#### **Objective**

This objective delivers leading programs on renewable energy, improving energy efficiency and productivity. It also provides policy advice to government on the delivery of reliable, efficient, accessible, safe and sustainable energy services to households and business consumers.

#### **Energy**

This output advocates for the provision of reliable, efficient, accessible, safe and sustainable energy services through state-based energy programs, including renewable energy development, energy efficiency improvement and facilitation of new investment.

### *Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs*

#### **Objective**

This objective coordinates government activities to ensure that Melbourne is prosperous and that the benefits of growth are shared fairly.

#### **Suburban Development**

This output delivers activities to engage with all levels of government, business and community sectors to manage Melbourne's growth, to better meet the communities' needs for jobs, services and infrastructure and maintain and strengthen Melbourne's status as one of the world's most liveable cities.

### *Zero emission, climate-ready economy and community*

#### **Objective**

This objective leads a whole of government response to climate change, including reducing greenhouse gas emissions, adapting to the impacts of a warmer climate, and supporting the economic and social transition to a net-zero emissions and climate resilient future.

#### **Climate Change**

This output leads the development and implementation of strategic, whole of government climate change policy and programs that contribute to Victoria's 2050 target of net-zero emissions.

#### 4.1.2 Controlled income and expenses

	Planning, Building and Heritage <sup>(i)</sup>		Environment and Biodiversity <sup>(i)</sup>		Statutory Activities and Environmental Protection <sup>(i)</sup>	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Income from transactions</b>						
Output appropriations	145,793	130,620	66,251	61,322	836	484
Special appropriations	150,088	112,207	0	0	0	0
Sale of goods and services	6,219	138	39,823	47,361	68	0
Municipal and Industrial Landfill Levy	0	0	0	0	240,930	228,995
Metropolitan Parks Improvement Rate	0	0	0	0	0	0
Grants	3,036	3,125	649	536	2,239	0
Interest	4,215	4,853	0	0	18,199	9,103
Initial recognition income from derivative financial instruments	0	0	0	0	0	0
Other income	71	6	91	104	447	22
<b>Total income from transactions</b>	<b>309,422</b>	<b>250,949</b>	<b>106,814</b>	<b>109,323</b>	<b>262,719</b>	<b>238,604</b>
<b>Expenses from transactions</b>						
Employee expenses	(45,772)	(40,220)	(51,102)	(43,124)	(1,024)	(654)
Grants and other transfers	(266,278)	(119,097)	(52,232)	(48,968)	(205,904)	(141,005)
Supplies and services	(32,032)	(32,582)	17,876	20,797	(152,079)	(123,426)
Other operating expenses	42	(199)	(894)	(985)	0	0
Depreciation and amortisation	(1,124)	(916)	(2,869)	(2,621)	0	0
Capital asset charge	(15,359)	(15,494)	(2,601)	(2,272)	0	0
Interest expense	(4)	(8)	(104)	2	0	0
<b>Total expenses from transactions</b>	<b>(360,527)</b>	<b>(208,516)</b>	<b>(91,926)</b>	<b>(77,171)</b>	<b>(359,007)</b>	<b>(265,085)</b>
<b>Net result from transactions</b>	<b>(51,105)</b>	<b>42,433</b>	<b>14,888</b>	<b>32,152</b>	<b>(96,288)</b>	<b>(26,481)</b>
<b>Other economic flows included in net result</b>						
Net gain/(loss) on non-financial assets	(130)	(7,169)	(109)	859	0	0
Net gain/(loss) on financial instruments	7	4	220	(148)	(3,802)	5,037
Other gains/(losses) from other economic flows	(197)	(160)	(374)	(271)	0	0
<b>Total other economic flows included in net result</b>	<b>(320)</b>	<b>(7,325)</b>	<b>(263)</b>	<b>440</b>	<b>(3,802)</b>	<b>5,037</b>
<b>Net result</b>	<b>(51,425)</b>	<b>35,108</b>	<b>14,625</b>	<b>32,592</b>	<b>(100,090)</b>	<b>(21,444)</b>
<b>Other economic flows – other comprehensive income</b>						
<b>Items that will not be classified to net result</b>						
Changes in physical asset revaluation surplus	0	10,391	0	0	0	0
<b>Total other economic flows – other comprehensive income</b>	<b>0</b>	<b>10,391</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive result</b>	<b>(51,425)</b>	<b>45,499</b>	<b>14,625</b>	<b>32,592</b>	<b>(100,090)</b>	<b>(21,444)</b>

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Operational and budgetary objectives and performance against objectives' section.

#### 4.1.2 Controlled income and expenses (continued)

	Land Use Victoria <sup>(i)</sup>		Management of Public Land and Forests <sup>(i)</sup>		Effective Water Management and Supply <sup>(i)</sup>		Local Government <sup>(i)</sup>	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Income from transactions</b>	<b>191,485</b>	<b>158,499</b>	<b>157,592</b>	<b>141,637</b>	<b>282,798</b>	<b>327,418</b>	<b>147,818</b>	<b>102,664</b>
Output appropriations	0	0	0	0	0	0	0	0
Special appropriations	31,447	19,023	3,057	2,940	10,622	11,005	1,949	5
Sale of goods and services	0	0	0	0	0	0	0	0
Municipal and Industrial Landfill Levy	0	0	174,378	73,141	0	0	0	0
Metropolitan Parks Improvement Rate	8	0	56	2,594	115,944	165,884	4,710	(60)
Grants	0	0	2,206	1,593	335	432	0	0
Interest	0	0	0	0	0	0	0	0
Initial recognition income from derivative financial instruments	0	0	0	0	0	0	0	0
Other income	0	1	100	604	246	30	0	10,582
<b>Total income from transactions</b>	<b>222,940</b>	<b>177,523</b>	<b>337,389</b>	<b>222,509</b>	<b>409,945</b>	<b>504,769</b>	<b>154,477</b>	<b>113,191</b>
<b>Expenses from transactions</b>								
Employee expenses	(51,453)	(48,248)	(55,435)	(44,644)	(63,426)	(58,902)	(8,034)	(7,854)
Grants and other transfers	(403)	(103)	(72,828)	(75,493)	(154,051)	(167,029)	(145,758)	(89,473)
Supplies and services	(149,171)	(71,915)	(56,288)	(48,896)	(278,220)	(257,951)	(4,205)	(2,026)
Other operating expenses	(170)	695	(13)	(1,334)	(195)	(1,065)	7	(42)
Depreciation and amortisation	(1,018)	(1,116)	(14,969)	(14,311)	(4,864)	(4,280)	(110)	(80)
Capital asset charge	(859)	(771)	(19,104)	(18,809)	(2,214)	(2,374)	(31)	(18)
Interest expense	(28)	(15)	27	(182)	(7)	(11)	(2)	(1)
<b>Total expenses from transactions</b>	<b>(203,102)</b>	<b>(121,473)</b>	<b>(218,610)</b>	<b>(203,669)</b>	<b>(502,977)</b>	<b>(491,612)</b>	<b>(158,133)</b>	<b>(99,494)</b>
<b>Net result from transactions</b>	<b>19,838</b>	<b>56,050</b>	<b>118,779</b>	<b>18,840</b>	<b>(93,032)</b>	<b>13,157</b>	<b>(3,656)</b>	<b>13,697</b>

	Land Use Victoria <sup>(i)</sup>		Management of Public Land and Forests <sup>(i)</sup>		Effective Water Management and Supply <sup>(i)</sup>		Local Government <sup>(i)</sup>	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Other economic flows included in net result</b>								
Net gain/(loss) on non-financial assets	(53)	40	22,690	167,658	(985)	(143)	(23)	(2)
Net gain/(loss) on financial instruments	10	(7)	23	(14)	(1)	(1)	0	1
Other gains/(losses) from other economic flows	(89)	(82)	(870)	(646)	(1,311)	(1,344)	(35)	(17)
<b>Total other economic flows included in net result</b>	<b>(132)</b>	<b>(49)</b>	<b>21,843</b>	<b>166,998</b>	<b>(2,297)</b>	<b>(1,488)</b>	<b>(58)</b>	<b>(18)</b>
<b>Net result</b>	<b>19,706</b>	<b>56,001</b>	<b>140,622</b>	<b>185,838</b>	<b>(95,329)</b>	<b>11,669</b>	<b>(3,714)</b>	<b>13,679</b>
<b>Other economic flows – other comprehensive income</b>								
<b>Items that will not be classified to net result</b>								
Changes in physical asset revaluation surplus	0	0	172,101	1,205,397	0	0	0	0
<b>Total other economic flows – other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>172,101</b>	<b>1,205,397</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive result</b>	<b>19,706</b>	<b>56,001</b>	<b>312,723</b>	<b>1,391,235</b>	<b>(95,329)</b>	<b>11,669</b>	<b>(3,714)</b>	<b>13,679</b>

Note:

(i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Operational and budgetary objectives and performance against objectives' section.

#### 4.1.2 Controlled income and expenses (continued)

	Climate Change <sup>(i)</sup>		Suburban Development <sup>(i)</sup>		Parks Victoria <sup>(i)</sup>	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Income from transactions</b>						
Output appropriations	19,808	14,808	6,947	7,722	69,638	59,644
Special appropriations	0	0	0	0	0	0
Sale of goods and services	636	26	4	20	24	0
Municipal and Industrial Landfill Levy	0	0	0	0	0	0
Metropolitan Parks Improvement Rate	0	0	0	0	0	109,910
Grants	964	177	0	0	12,352	6,000
Interest	0	0	0	0	0	0
Income from derivative financial instruments	0	0	0	0	0	0
Other income	0	897	(75)	171	0	0
<b>Total income from transactions</b>	<b>21,408</b>	<b>15,908</b>	<b>6,876</b>	<b>7,913</b>	<b>82,014</b>	<b>175,554</b>
<b>Expenses from transactions</b>						
Employee expenses	(17,048)	(13,660)	(2,266)	(2,986)	(400)	0
Grants and other transfers	(9,679)	(10,984)	(4,195)	(2,800)	(188,237)	(178,377)
Supplies and services	11,317	13,521	(673)	(1,177)	38,535	(310)
Other operating expenses	16	(110)	(2)	(27)	5	0
Depreciation and amortisation	(270)	(151)	(9)	(6)	(32)	0
Capital asset charge	(154)	(94)	(3)	0	(19)	0
Interest expense	(1)	0	1	(1)	0	0
<b>Total expenses from transactions</b>	<b>(15,819)</b>	<b>(11,478)</b>	<b>(7,147)</b>	<b>(6,997)</b>	<b>(150,148)</b>	<b>(178,687)</b>
<b>Net result from transactions (net operating balance)</b>	<b>5,589</b>	<b>4,430</b>	<b>(271)</b>	<b>916</b>	<b>(68,134)</b>	<b>(3,133)</b>
Net gain/(loss) on non- financial assets	(128)	10	2	0	(16)	0
Net gain/(loss) on financial instruments	0	0	1	(1)	0	0
Other gains/(losses) from other economic flows	(170)	(88)	(4)	0	(21)	0
<b>Total other economic flows included in net result</b>	<b>(298)</b>	<b>(78)</b>	<b>(1)</b>	<b>(1)</b>	<b>(37)</b>	<b>0</b>
<b>Net result</b>	<b>5,291</b>	<b>4,352</b>	<b>(272)</b>	<b>915</b>	<b>(68,171)</b>	<b>(3,133)</b>
<b>Items that will not be classified to net result</b>						
Changes in physical asset revaluation surplus	0	0	0	0	0	0
<b>Total other economic flows – other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive result</b>	<b>5,291</b>	<b>4,352</b>	<b>(272)</b>	<b>915</b>	<b>(68,171)</b>	<b>(3,133)</b>

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Operational and budgetary objectives and performance against objectives' section.



#### 4.1.2 Controlled income and expenses (continued)

	Fire and Emergency Management <sup>(i)</sup>		Energy <sup>(i)</sup>		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Income from transactions</b>						
Output appropriations	561,838	422,355	186,537	64,404	1,837,341	1,491,577
Special appropriations	0	0	0	0	150,088	112,207
Sale of goods and services	5,715	4,563	547	42	100,111	85,123
Municipal and Industrial Landfill Levy	0	0	0	0	240,930	228,995
Metropolitan Parks Improvement Rate	0	0	0	0	174,378	183,051
Grants	128	27	21,248	8,757	161,334	187,040
Interest	992	945	75	0	26,022	16,926
Initial recognition income from derivative financial instruments	0	0	285,202	0	285,202	0
Other income	373	2,253	251	1	1,504	14,671
<b>Total income from transactions</b>	<b>569,046</b>	<b>430,143</b>	<b>493,860</b>	<b>73,204</b>	<b>2,976,910</b>	<b>2,319,590</b>
<b>Expenses from transactions</b>						
Employee expenses	(197,082)	(164,350)	(23,232)	(18,089)	(516,274)	(442,731)
Grants and other transfers	(29,531)	(27,784)	(156,372)	(61,000)	(1,285,468)	(922,113)
Supplies and services	(243,739)	(159,351)	12,951	22,369	(835,728)	(640,947)
Other operating expenses	(6,900)	(5,089)	20	(59)	(8,084)	(8,215)
Depreciation and amortisation	(34,880)	(34,686)	(162)	(89)	(60,307)	(58,256)
Capital asset charge	(53,018)	(52,993)	(89)	(67)	(93,451)	(92,892)
Interest expense	(1,015)	(575)	(1)	0	(1,134)	(791)
<b>Total expenses from transactions</b>	<b>(566,165)</b>	<b>(444,828)</b>	<b>(166,885)</b>	<b>(56,935)</b>	<b>(2,800,446)</b>	<b>(2,165,945)</b>
<b>Net result from transactions</b>	<b>2,881</b>	<b>(14,685)</b>	<b>326,975</b>	<b>16,269</b>	<b>176,464</b>	<b>153,645</b>
<b>Other economic flows included in net result</b>						
Net gain/(loss) on non-financial assets	42	996	(2,298)	217	18,992	162,466
Net gain/(loss) on financial instruments	(2)	1	(708)	0	(4,252)	4,872
Other gains/(losses) from other economic flows	(1,489)	(1,347)	(98)	(63)	(4,658)	(4,018)
<b>Total other economic flows included in net result</b>	<b>(1,449)</b>	<b>(350)</b>	<b>(3,104)</b>	<b>154</b>	<b>10,082</b>	<b>163,320</b>
<b>Net result</b>	<b>1,432</b>	<b>(15,035)</b>	<b>323,871</b>	<b>16,423</b>	<b>186,546</b>	<b>316,965</b>
<b>Other economic flows – other comprehensive income</b>						
<b>Items that will not be classified to net result</b>						
Changes in physical asset revaluation surplus	0	0	0	0	172,101	1,215,788
<b>Total other economic flows – other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>172,101</b>	<b>1,215,788</b>
<b>Comprehensive result</b>	<b>1,432</b>	<b>(15,035)</b>	<b>323,871</b>	<b>16,423</b>	<b>358,647</b>	<b>1,532,753</b>

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Operational and budgetary objectives and performance against objectives' section.

#### 4.1.3 Controlled assets and liabilities

	Planning, Building and Heritage		Environment and Biodiversity		Statutory Activities and Environmental Protection	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Assets</b>						
<b>Financial assets</b>						
Cash and deposits	258,773	205,599	98,166	100,077	429,665	161,308
Derivative financial instruments	0	0	0	0	0	0
Receivables	22,777	23,180	27,045	21,744	142,562	115,900
Investments and other financial assets	0	11,231	0	0	0	368,278
<b>Total financial assets</b>	<b>281,550</b>	<b>340,010</b>	<b>125,211</b>	<b>121,821</b>	<b>572,227</b>	<b>645,486</b>
<b>Non-financial assets</b>						
Inventories	7	7	25	40	0	0
Non-financial physical assets classified as held for sale	3,442	16,488	169	60	0	0
Property, plant and equipment	194,995	175,356	57,919	36,442	0	0
Intangible assets	18,038	13,186	4,433	5,292	0	0
Prepayments	8	419	53	580	(1)	0
<b>Total non-financial assets</b>	<b>216,490</b>	<b>205,456</b>	<b>62,599</b>	<b>42,414</b>	<b>(1)</b>	<b>0</b>
<b>Total assets</b>	<b>498,040</b>	<b>545,466</b>	<b>187,810</b>	<b>164,235</b>	<b>572,226</b>	<b>645,486</b>
<b>Liabilities</b>						
Payables	8,594	19,946	5,982	9,110	60,408	31,809
Interest bearing liabilities	408	395	4,273	4,726	0	0
Provisions	12,252	14,069	19,097	17,559	144	51
Derivative financial instruments	0	0	0	0	0	0
Other liabilities	135	2,017	241	14	0	0
<b>Total liabilities</b>	<b>21,389</b>	<b>36,427</b>	<b>29,593</b>	<b>31,409</b>	<b>60,552</b>	<b>31,860</b>
<b>Net assets</b>	<b>476,651</b>	<b>509,039</b>	<b>158,217</b>	<b>132,826</b>	<b>511,674</b>	<b>613,626</b>

#### 4.1.3 Controlled assets and liabilities (continued)

	Land Use Victoria		Management of Public Land and Forests		Effective Water Management and Supply	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Assets</b>						
<b>Financial assets</b>						
Cash and deposits	31,927	16,789	231,033	53,152	57,966	78,156
Derivative financial instruments	0	0	0	0	0	0
Receivables	29,651	22,219	48,495	36,474	74,768	75,427
Investments and other financial assets	0	0	0	69,554	0	0
<b>Total financial assets</b>	<b>61,578</b>	<b>39,008</b>	<b>279,528</b>	<b>159,180</b>	<b>132,734</b>	<b>153,583</b>
<b>Non-financial assets</b>						
Inventories	369	368	1,758	1,919	47	58
Non-financial physical assets classified as held for sale	40	18	7,837	7,738	594	298
Property, plant and equipment	11,579	10,835	5,677,859	8,531,519	131,791	136,708
Intangible assets	23,601	18,331	308	269	0	0
Prepayments	(18)	173	508	1,655	58,441	135,217
<b>Total non-financial assets</b>	<b>35,571</b>	<b>29,725</b>	<b>5,688,270</b>	<b>8,543,100</b>	<b>190,873</b>	<b>272,281</b>
<b>Total assets</b>	<b>97,149</b>	<b>68,733</b>	<b>5,967,798</b>	<b>8,702,280</b>	<b>323,607</b>	<b>425,864</b>
<b>Liabilities</b>						
Payables	10,766	6,084	10,815	20,636	31,256	27,857
Interest bearing liabilities	1,528	1,468	4,291	5,000	104	1,016
Provisions	15,985	15,617	20,638	16,412	21,328	19,593
Derivative financial instruments	0	0	0	0	0	0
Other liabilities	286	47	535	(3)	839	66
<b>Total liabilities</b>	<b>28,565</b>	<b>23,216</b>	<b>36,279</b>	<b>42,045</b>	<b>53,527</b>	<b>48,532</b>
<b>Net assets</b>	<b>68,584</b>	<b>45,517</b>	<b>5,931,519</b>	<b>8,660,235</b>	<b>270,080</b>	<b>377,332</b>

#### 4.1.3 Controlled assets and liabilities (continued)

	Local Government		Climate Change		Suburban Development	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Assets</b>						
<b>Financial assets</b>						
Cash and deposits	5,150	9,211	23,184	17,088	(143)	785
Derivative financial instruments	0	0	0	0	0	0
Receivables	4,341	2,971	9,853	5,501	1,035	186
Investments and other financial assets	0	0	0	0	0	0
<b>Total financial assets</b>	<b>9,491</b>	<b>12,182</b>	<b>33,037</b>	<b>22,589</b>	<b>892</b>	<b>971</b>
<b>Non-financial assets</b>						
Inventories	1	(1)	6	4	0	0
Non-financial physical assets classified as held for sale	16	4	77	20	2	0
Property, plant and equipment	1,408	808	5,902	2,920	123	(16)
Intangible assets	0	0	0	0	0	0
Prepayments	1	34	24	180	0	(1)
<b>Total non-financial assets</b>	<b>1,426</b>	<b>845</b>	<b>6,009</b>	<b>3,124</b>	<b>125</b>	<b>(17)</b>
<b>Total assets</b>	<b>10,917</b>	<b>13,027</b>	<b>39,046</b>	<b>25,713</b>	<b>1,017</b>	<b>954</b>
<b>Liabilities</b>						
Payables	761	596	2,702	2,581	(104)	126
Interest bearing liabilities	173	234	33	51	13	(16)
Provisions	2,911	2,579	4,525	3,211	(517)	936
Derivative financial instruments	0	0	0	0	0	0
Other liabilities	22	1	109	4	3	0
<b>Total liabilities</b>	<b>3,867</b>	<b>3,410</b>	<b>7,369</b>	<b>5,847</b>	<b>(605)</b>	<b>1,046</b>
<b>Net assets</b>	<b>7,050</b>	<b>9,617</b>	<b>31,677</b>	<b>19,866</b>	<b>1,622</b>	<b>(92)</b>

#### 4.1.3 Controlled assets and liabilities (continued)

	Parks Victoria		Fire and Emergency Management	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Assets</b>				
<b>Financial assets</b>				
Cash and deposits	(77,705)	0	102,480	42,138
Derivative financial instruments	0	0	0	0
Receivables	1,367	44	92,211	81,284
Investments and other financial assets	0	0	0	50,893
<b>Total financial assets</b>	<b>(76,338)</b>	44	<b>194,691</b>	174,315
<b>Non-financial assets</b>				
Inventories	1	0	12,317	15,173
Non-financial physical assets classified as held for sale	9	0	674	301
Property, plant and equipment	718	0	829,657	819,986
Intangible assets	0	0	18,958	21,285
Prepayments	4	0	208	3,214
<b>Total non-financial assets</b>	<b>732</b>	0	<b>861,814</b>	859,959
<b>Total assets</b>	<b>(75,606)</b>	44	<b>1,056,505</b>	1,034,274
<b>Liabilities</b>				
Payables	2,777	6,620	33,950	17,641
Interest bearing liabilities	(2)	0	36,538	30,778
Provisions	176	0	55,811	48,239
Derivative financial instruments	0	0	0	0
Other liabilities	13	0	952	57
<b>Total liabilities</b>	<b>2,964</b>	6,620	<b>127,251</b>	96,715
<b>Net assets</b>	<b>(78,570)</b>	(6,576)	<b>929,254</b>	937,559

#### 4.1.3 Controlled assets and liabilities (continued)

	Energy		Total
	2019 \$'000	2018 \$'000	2019 \$'000
Assets			
Financial assets			
Cash and deposits	39,809	22,993	1,200,305
Derivative financial instruments	285,202	0	285,202
Receivables	16,719	11,882	470,824
Investments and other financial assets	0	0	0
Total financial assets	341,730	34,875	1,956,331
Non-financial assets			
Inventories	4	3	14,535
Non-financial physical assets classified as held for sale	5,335	1,326	18,195
Property, plant and equipment	3,429	2,078	6,915,380
Intangible assets	0	0	65,338
Prepayments	13	126	59,241
Total non-financial assets	8,781	3,533	7,072,689
Total assets	350,511	38,408	9,029,020
Liabilities			
Payables	36,533	48,937	204,440
Interest bearing liabilities	49	46	47,408
Provisions	7,914	6,362	160,264
Derivative financial instruments	708	0	708
Other liabilities	63	3	3,198
Total liabilities	45,267	55,348	416,018
Net assets	305,244	(16,940)	8,613,002

## 4.2 Administered (non-controlled) items

In addition to the specific departmental operations which are controlled and included in the financial statements (balance sheet, comprehensive operating statement, cash flow statement and statement of changes in equity), the department administers or manages other activities and resources on behalf of the state. The transactions and balances relating to these activities are reported as administered items in this note.

### 4.2.1 Administered income and expenses

	Planning, Building and Heritage		Environment and Biodiversity		Land Use Victoria	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered income from transactions</b>						
Appropriations – payments on behalf of the State (POBOS)	0	0	0	0	0	0
Interest	0	0	1	1	0	0
Sales of goods and services	1,761	1,762	371	412	91,584	32,832
Royalties, land leases and licences	0	0	933	966	0	0
Land Titles income	0	0	0	0	385,412	421,361
Environmental contribution	0	0	0	0	0	0
Grants	0	0	0	106	0	0
Jointly controlled assets received free of charge	0	0	0	0	0	0
Intangible assets received free of charge	0	0	0	0	0	0
Fair value of land received from third party	0	0	0	0	0	0
Other income	23	23	44	39	11	12
<b>Total administered income from transactions</b>	<b>1,784</b>	<b>1,785</b>	<b>1,349</b>	<b>1,524</b>	<b>477,007</b>	<b>454,205</b>
<b>Administered expenses from transactions</b>						
Grants and other transfers	0	0	0	0	(24,775)	0
Finance lease interest expense	0	0	0	0	0	0
Other expenses	(15,698)	0	0	0	(33)	0
Depreciation of jointly controlled assets	0	0	0	0	0	0
Other expenses associated with jointly controlled assets	0	0	0	0	0	0
Payments into the consolidated fund	(11,793)	(5,018)	(1,343)	(1,647)	(3,252,097)	(451,739)
<b>Total administered expenses from transactions</b>	<b>(27,491)</b>	<b>(5,018)</b>	<b>(1,343)</b>	<b>(1,647)</b>	<b>(3,276,905)</b>	<b>(451,739)</b>
<b>Total administered net result from transactions (net operating balance)</b>	<b>(25,707)</b>	<b>(3,233)</b>	<b>6</b>	<b>(123)</b>	<b>(2,799,898)</b>	<b>2,466</b>
Net gain/(loss) on non-financial assets	(9,888)	1,799	59	(4)	(11)	(4,909)
Net gain/(loss) on financial instruments	0	0	(4)	(1)	(2)	(5)
<b>Total administered other economic flows included in net result</b>	<b>(9,888)</b>	<b>1,799</b>	<b>55</b>	<b>(5)</b>	<b>(13)</b>	<b>(4,914)</b>
<b>Administered net result</b>	<b>(35,595)</b>	<b>(1,434)</b>	<b>61</b>	<b>(128)</b>	<b>(2,799,911)</b>	<b>(2,448)</b>
<b>Administered comprehensive result</b>	<b>(35,595)</b>	<b>(1,434)</b>	<b>61</b>	<b>(128)</b>	<b>(2,799,911)</b>	<b>(2,448)</b>

#### 4.2.1 Administered income and expenses (continued)

	Management of Public Land and Forests		Effective Water Management and Supply		Local Government	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered income from transactions</b>						
Appropriations – payments on behalf of the State (POBOS)	0	0	659,152	640,130	0	0
Interest	0	0	427,683	431,577	0	0
Sales of goods and services	2,661	1,802	147,957	133,393	0	0
Royalties, land leases and licences	7,927	7,085	0	2	0	0
Land Titles income	0	0	0	0	0	0
Environmental contribution	0	0	156,609	111,943	0	0
Grants	0	0	0	21,583	605,490	590,618
Jointly controlled assets received free of charge	0	0	641	2,902	0	0
Intangible assets received free of charge	0	0	0	0	0	0
Fair value of land received from third party	0	8,000	0	0	0	0
Other income	103	92	156	192	4	2
<b>Total administered income from transactions</b>	<b>10,691</b>	<b>16,979</b>	<b>1,392,198</b>	<b>1,341,722</b>	<b>605,494</b>	<b>590,620</b>
<b>Administered expenses from transactions</b>						
Grants and other transfers	0	0	(28,128)	(28,685)	(605,490)	(590,618)
Finance lease interest expense	0	0	(427,008)	(431,711)	0	0
Other expenses	(10,958)	(6,779)	19,817	13,040	0	0
Depreciation of jointly controlled assets	0	0	(10,329)	(10,348)	0	0
Other expenses associated with jointly controlled assets	0	0	0	0	0	0
Payments into the consolidated fund	(12,637)	(24,001)	(795,340)	(788,132)	(9)	(4)
<b>Total administered expenses from transactions</b>	<b>(23,595)</b>	<b>(30,780)</b>	<b>(1,240,988)</b>	<b>(1,245,836)</b>	<b>(605,499)</b>	<b>(590,622)</b>
<b>Total administered net result from transactions (net operating balance)</b>	<b>(12,904)</b>	<b>(13,801)</b>	<b>151,210</b>	<b>95,886</b>	<b>(5)</b>	<b>(2)</b>
<b>Administered other economic flows included in net result</b>						
Net gain/(loss) on non-financial assets	(1,138)	(6,025)	(7,913)	11,863	7	0
Net gain/(loss) on financial instruments	109	938	890	0	0	0
<b>Total administered other economic flows included in net result</b>	<b>(1,029)</b>	<b>(5,087)</b>	<b>(7,023)</b>	<b>11,863</b>	<b>7</b>	<b>0</b>
<b>Administered net result</b>	<b>(13,933)</b>	<b>(18,888)</b>	<b>144,187</b>		<b>107,749</b>	<b>2</b>
<b>Administered comprehensive result</b>	<b>(13,933)</b>	<b>(18,888)</b>	<b>144,187</b>	<b>107,749</b>	<b>2</b>	<b>(2)</b>



#### 4.2.1 Administered income and expenses (continued)

	Climate Change		Suburban Development		Parks Victoria	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered income from transactions</b>						
Appropriations – payments on behalf of the State (POBOS)	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Sales of goods and services	0	0	0	0	11,382	10,497
Royalties, land leases and licences	0	0	0	0	2,399	1,866
Land Titles income	0	0	0	0	0	0
Environmental contribution	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Jointly controlled assets received free of charge	0	0	0	0	0	0
Intangible assets received free of charge	0	0	0	0	0	0
Fair value of land received from third party	0	0	0	0	0	0
Other income	20	13	0	0	2	0
<b>Total administered income from transactions</b>	<b>20</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>13,783</b>	<b>12,363</b>
<b>Administered expenses from transactions</b>						
Grants and other transfers	0	0	0	0	0	0
Finance lease interest expense	0	0	0	0	0	0
Other expenses	0	0	0	0	0	0
Depreciation of jointly controlled assets	0	0	0	0	0	0
Other expenses associated with jointly controlled assets	0	0	0	0	0	0
Payments into the consolidated fund	(44)	(21)	(1)	0	(12,262)	(10,920)
<b>Total administered expenses from transactions</b>	<b>(44)</b>	<b>(21)</b>	<b>(1)</b>	<b>0</b>	<b>(12,262)</b>	<b>(10,920)</b>
<b>Total administered net result from transactions (net operating balance)</b>	<b>(24)</b>	<b>(8)</b>	<b>(1)</b>	<b>0</b>	<b>1,521</b>	<b>1,443</b>
<b>Administered other economic flows included in net result</b>						
Net gain/(loss) on non-financial assets	35	0	1	0	4	0
Net gain/(loss) on financial instruments	0	0	0	0	0	0
<b>Total administered other economic flows included in net result</b>	<b>35</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>0</b>
<b>Administered net result</b>	<b>11</b>	<b>(8)</b>	<b>0</b>	<b>0</b>	<b>1,525</b>	<b>1,443</b>
<b>Administered comprehensive result</b>	<b>11</b>	<b>(8)</b>	<b>0</b>	<b>0</b>	<b>1,525</b>	<b>1,443</b>

#### 4.2.1 Administered income and expenses (continued)

	Fire and Emergency Management		Energy		Total
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2018 \$'000
<b>Administered income from transactions</b>					
Appropriations – payments on behalf of the State (POBOS)	0	0	0	0	640,130
Interest	0	0	0	0	431,578
Sales of goods and services	3	3	155	115	180,816
Royalties, land leases and licences	17	23	0	0	9,942
Land Titles income	0	0	0	0	421,361
Environmental contribution	0	0	0	0	111,943
Grants	0	0	0	0	612,307
Jointly controlled assets received free of charge	0	0	0	0	2,902
Intangible assets received free of charge	0	0	0	0	0
Fair value of land received from third party	0	0	0	0	8,000
Other income	177	192	76	86	651
<b>Total administered income from transactions</b>	<b>197</b>	<b>218</b>	<b>231</b>	<b>201</b>	<b>2,419,630</b>
<b>Administered expenses from transactions</b>					
Grants and other transfers	0	0	0	0	(619,303)
Finance lease interest expense	0	0	0	0	(431,711)
Other expenses	0	0	0	76	6,337
Depreciation of jointly controlled assets	0	0	0	0	(10,348)
Other expenses associated with jointly controlled assets	0	0	0	0	0
Payments into the consolidated fund	(408)	(349)	(234)	(272)	(1,282,103)
<b>Total administered expenses from transactions</b>	<b>(408)</b>	<b>(349)</b>	<b>(234)</b>	<b>(196)</b>	<b>(2,337,128)</b>
<b>Total administered net result from transactions (net operating balance)</b>	<b>(211)</b>	<b>(131)</b>	<b>(3)</b>	<b>5</b>	<b>82,502</b>
<b>Administered other economic flows included in net result</b>					
Net gain/(loss) on non-financial assets	(43)	(978)	20	0	1,746
Net gain/(loss) on financial instruments	0	0	0	0	932
<b>Total administered other economic flows included in net result</b>	<b>(43)</b>	<b>(978)</b>	<b>20</b>	<b>0</b>	<b>2,678</b>
<b>Administered net result</b>	<b>(254)</b>	<b>(1,109)</b>	<b>17</b>	<b>5</b>	<b>85,180</b>
<b>Administered comprehensive result</b>	<b>(254)</b>	<b>(1,109)</b>	<b>17</b>	<b>5</b>	<b>85,180</b>

#### **4.2.1 Administered income and expenses (continued)**

##### ***Appropriations – payments on behalf of the State***

Appropriation income is recognised on an accrual basis for the provision of outputs delivered through Payments on Behalf of the State (POBOS).

##### ***Interest***

Interest income from finance leases is recognised to reflect a constant periodic rate of return on the state's net investment in finance leases.

##### ***Sales of goods and services***

Income from sales of goods and services is recognised by reference to the stage of completion of the services being performed and when the department no longer has any of the significant risks and rewards of ownership of the goods transferred to the buyer.

The consideration received from the Victorian Land Registry Services (VLRS) for the commercialisation of the land titles and registry functions of Land Use Victoria (LUV) has been recognised as a license in line with AASB 118 Revenue and has been recognised as unearned revenue (Note 4.2.2. *Administered assets and liabilities*). The income will be recognised proportionally over the service period of 40 years and disclosed as "Sales of goods and service".

##### ***Royalties, land leases and licences***

Income from royalties, leases and licences of Crown land is recognised on an accrual basis in accordance with the terms of the relevant agreements.

##### ***Land Titles income***

On 27 August 2018, the VLRS became responsible for providing the services of land titles and registry functions of Land Use Victoria (LUV) on behalf of the State of Victoria.

The land titles fees collected by the VLRS will be recognised on behalf of the state on an accrual basis when services are provided.

##### ***Environmental contribution***

Water authorities are required to contribute towards initiatives to improve the sustainable management of water. These contributions are collected through the Environmental Contribution Levy and recognised as revenue when the department has the right to receive them on behalf of the state in accordance with AASB 1004 *Contributions*.

##### ***Grants***

The department's administered grants mainly comprise funds provided by the Commonwealth to assist the state government in meeting general or specific service delivery obligations, primarily for the purpose of aiding the financing of the operations of the recipient, capital purposes and/or for on passing to other recipients. The department also receives grants for on passing from other jurisdictions. The department does not have control over these grants, and the income is not recognised in the department's financial statements. Grant revenue is recognised on an accrual basis.

##### ***Jointly controlled assets received free of charge***

On behalf of the state, the department jointly controls assets of the Murray-Darling Basin Authority. Jointly controlled assets received free of charge give rise to revenue, which is recognised on an accrual basis.

##### ***Other income***

Amounts disclosed as other income include fines, donations, regulatory fees and charges, refunds and reimbursements and other miscellaneous income.

Regulatory fees and charges, and refunds and reimbursements are recognised at the time of billing. Donations and other miscellaneous income are recognised when received.

The department does not gain control over assets arising from administered fines, consequently no income is recognised in the department's financial statements. The department collects these amounts on behalf of the state. Accordingly, the amounts are disclosed as income.

#### 4.2.2 Administered assets and liabilities

	Planning, Building and Heritage		Environment and Biodiversity		Land Use Victoria	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered financial assets<sup>(i)</sup></b>						
Cash	43	24	152	110	174	12
Receivables	1,532	1,278	2,974	2,179	14,787	9,837
Finance lease receivables	0	0	0	0	0	0
Intangible assets held for sale	0	0	0	0	0	0
<b>Total administered financial assets</b>	<b>1,575</b>	<b>1,302</b>	<b>3,126</b>	<b>2,289</b>	<b>14,961</b>	<b>9,849</b>
<b>Administered non-financial assets</b>						
Share of jointly controlled assets	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0
<b>Total administered non-financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total administered assets</b>	<b>1,575</b>	<b>1,302</b>	<b>3,126</b>	<b>2,289</b>	<b>14,961</b>	<b>9,849</b>
<b>Administered liabilities<sup>(ii)</sup></b>						
Creditors and accruals	(96)	30	(496)	(68)	2,753	371
Unearned income <sup>(iii)</sup>	0	0	1	1	2,802,693	195
Interest-bearing liabilities	0	0	0	0	0	0
Other liabilities	0	0	0	0	0	0
<b>Total administered liabilities</b>	<b>(96)</b>	<b>30</b>	<b>(495)</b>	<b>(67)</b>	<b>2,805,446</b>	<b>566</b>
<b>Total administered net assets</b>	<b>1,671</b>	<b>1,272</b>	<b>3,621</b>	<b>2,356</b>	<b>(2,790,485)</b>	<b>9,283</b>

Note:

- (i) The state's investment in all its controlled entities is disclosed in the administered note of DTF's financial statements. This includes the investment in DELWP's portfolio entities.
- (ii) DTF discloses the net liability related to defined benefit superannuation plans as an administered liability in its financial statements, on behalf of the state as the sponsoring employer. Refer to DTF's financial statements for more detailed disclosures in relation to these plans.
- (iii) The State has recognised the upfront consideration received from the Victorian Land Registry Services (VLRS) for the commercialisation of the land titles and registry functions of Land Use Victoria (LUV) as unearned income in line with AASB 118 *Revenue*, refer to Note 4.2.2(a) Land titles and registry functions of Land Use Victoria. The upfront consideration received from VLRS is treated as unearned revenue and recognised proportionally over the service period of 40 years

#### 4.2.2 Administered assets and liabilities (continued)

	Management of Public Land and Forests		Effective Water Management and Supply		Local Government	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered financial assets<sup>(i)</sup></b>						
Cash	223	133	43,379	42,424	8	3
Receivables	13,539	11,810	79,444	86,416	272	138
Finance lease receivables <sup>(iii)</sup>	0	0	3,718,118	4,069,724	0	0
Intangible assets held for sale	0	0	16,749	50,000	0	0
<b>Total administered financial assets</b>	<b>13,762</b>	<b>11,943</b>	<b>3,857,690</b>	<b>4,248,564</b>	<b>280</b>	<b>141</b>
<b>Administered non-financial assets</b>						
Share of jointly controlled assets	0	0	886,121	874,390	0	0
Intangible assets	0	0	107,307	49,844	0	0
<b>Total administered non-financial assets</b>	<b>0</b>	<b>0</b>	<b>993,428</b>	<b>924,234</b>	<b>0</b>	<b>0</b>
<b>Total administered assets</b>	<b>13,762</b>	<b>11,943</b>	<b>4,851,118</b>	<b>5,172,798</b>	<b>280</b>	<b>141</b>
<b>Administered liabilities<sup>(ii)</sup></b>						
Creditors and accruals	(1,114)	(129)	62,323	57,422	(47)	(5)
Unearned income	6,075	6,609	2,547	12,484	0	0
Interest-bearing liabilities <sup>(iii)</sup>	0	0	3,715,572	4,067,013	0	0
Other liabilities	0	0	16,749	0	0	0
<b>Total administered liabilities</b>	<b>4,961</b>	<b>6,480</b>	<b>3,797,191</b>	<b>4,136,919</b>	<b>(47)</b>	<b>(5)</b>
<b>Total administered net assets</b>	<b>8,801</b>	<b>5,463</b>	<b>1,053,927</b>	<b>1,035,879</b>	<b>327</b>	<b>146</b>

Note:

- (i) The state's investment in all its controlled entities is disclosed in the administered note of DTF's financial statements. This includes the investment in DELWP's portfolio entities.
- (ii) DTF discloses the net liability related to defined benefit superannuation plans as an administered liability in its financial statements, on behalf of the state as the sponsoring employer. Refer to DTF's financial statements for more detailed disclosures in relation to these plans.
- (iii) The transition impact of first-time adoption of AASB 9 on Administered Comprehensive Operating Statement and Balance Sheet has been summarised in Note 4.2.2(c) Financial instruments specific disclosures.

#### 4.2.2 Administered assets and liabilities (continued)

	Climate Change		Suburban Development		Parks Victoria	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered financial assets<sup>(i)</sup></b>						
Cash	37	13	1	0	5	0
Receivables	1,329	706	29	0	3,428	1,587
Finance lease receivables	0	0	0	0	0	0
Intangible assets held for sale	0	0	0	0	0	0
<b>Total administered financial assets</b>	<b>1,366</b>	<b>719</b>	<b>30</b>	<b>0</b>	<b>3,433</b>	<b>1,587</b>
<b>Administered non-financial assets</b>						
Share of jointly controlled assets	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0
<b>Total administered non-financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total administered assets</b>	<b>1,366</b>	<b>719</b>	<b>30</b>	<b>0</b>	<b>3,433</b>	<b>1,587</b>
<b>Administered liabilities<sup>(ii)</sup></b>						
Creditors and accruals	(232)	(27)	(5)	0	268	144
Unearned income	0	0	0	0	0	0
Interest-bearing liabilities	0	0	0	0	0	0
Other liabilities	0	0	0	0	0	0
<b>Total administered liabilities</b>	<b>(232)</b>	<b>(27)</b>	<b>(5)</b>	<b>0</b>	<b>268</b>	<b>144</b>
<b>Total administered net assets</b>	<b>1,598</b>	<b>746</b>	<b>35</b>	<b>0</b>	<b>3,165</b>	<b>1,443</b>

Note:

- (i) The state's investment in all its controlled entities is disclosed in the administered note of DTF's financial statements. This includes the investment in DELWP's portfolio entities.
- (ii) DTF discloses the net liability related to defined benefit superannuation plans as an administered liability in its financial statements, on behalf of the state as the sponsoring employer. Refer to DTF's financial statements for more detailed disclosures in relation to these plans.

#### 4.2.2 Administered assets and liabilities (continued)

	Fire and Emergency Management		Energy		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered financial assets<sup>(i)</sup></b>						
Cash	327	203	22	10	44,371	42,932
Receivables	11,598	10,764	787	516	129,719	125,231
Finance lease receivables	0	0	0	0	3,718,118	4,069,724
Intangible assets held for sale	0	0	0	0	16,749	50,000
<b>Total administered financial assets</b>	<b>11,925</b>	<b>10,967</b>	<b>809</b>	<b>526</b>	<b>3,908,957</b>	<b>4,287,887</b>
<b>Administered non-financial assets</b>						
Share of jointly controlled assets	0	0	0	0	886,121	874,390
Intangible assets	0	0	0	0	107,307	49,844
<b>Total administered non-financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>993,428</b>	<b>924,234</b>
<b>Total administered assets</b>	<b>11,925</b>	<b>10,967</b>	<b>809</b>	<b>526</b>	<b>4,902,385</b>	<b>5,212,121</b>
<b>Administered liabilities<sup>(ii)</sup></b>						
Creditors and accruals	(2,023)	(405)	(134)	(19)	61,197	57,314
Unearned income	3	3	0	0	2,811,319	19,292
Interest-bearing liabilities	0	0	0	0	3,715,572	4,067,013
Other liabilities	0	0	0	0	16,749	0
<b>Total administered liabilities</b>	<b>(2,020)</b>	<b>(402)</b>	<b>(134)</b>	<b>(19)</b>	<b>6,604,837</b>	<b>4,143,619</b>
<b>Total administered net assets</b>	<b>13,945</b>	<b>11,369</b>	<b>943</b>	<b>545</b>	<b>(1,702,452)</b>	<b>1,068,502</b>

Note:

- (i) The state's investment in all its controlled entities is disclosed in the administered note of DTF's financial statements. This includes the investment in DELWP's portfolio entities.
- (ii) DTF discloses the net liability related to defined benefit superannuation plans as an administered liability in its financial statements, on behalf of the state as the sponsoring employer. Refer to DTF's financial statements for more detailed disclosures in relation to these plans.

#### Contingencies and commitments

Contingencies or commitments arising from the department's administered items are disclosed in Note 4.2.4 *Victorian Desalination Project*.

There are no contingencies or commitments arising from the department's interest in the joint operation (2018: Nil).

#### 4.2.2(a) Land titles and registry functions of Land Use Victoria

On 27 August 2018, following a competitive market engagement process, Victorian Land Registry Services (VLRS) was announced as the successful tenderer for the commercialisation of part of the land titles and registry functions of Land Use Victoria. VLRS is backed by First State Super, which is fully Australian-owned and one of Australia's largest superannuation funds.

VLRS commenced on 27 September 2018 (stage 1) and is responsible for part of Registration, Landata and Systems Branches of Land Use Victoria for a term of 40 years. The services have continued to be delivered to stakeholders, customers and clients in a seamless manner ensuring service delivery requirements are maintained and key performance indicators met. The second stage of the transition of services to VLRS is in November 2019. The Registrar of Titles has remained with the State and has retained all statutory obligations and powers. The Registrar of Titles is responsible for preserving the integrity and security of the land register and enforcing service standards. The State will also continue to own the land registry data and provide the State Guarantee of title.

The Operating Concession Deed (OCD) required VLRS to pay a Concession Licence Fee to the State of \$2.8 billion and was paid to the consolidated revenue via DELWP. This was received on 27 September 2018 and treated as a licence fee under AASB 118 and recognised as unearned revenue in Note 4.2.2. *Administered assets and liabilities*. The arrangement provides VLRS with access to the State Material Licence, which includes all State Data, Operating Manual, State Software, and the rights to provide operator and non-statutory services.

The State pays a Service Fee to VLRS for the services it provides being PO Registration services and Landata services and this has been disclosed as contract and professional services in Note 3.1.3 *Supplies and services*.

#### 4.2.3 Investments in joint operation

In respect of any interest in joint operations, the department recognises in the financial statements, its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities that it had incurred; its revenue from the sale of its share of the output from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly.

The department on behalf of the State has an investment in a joint operation, the Murray-Darling Basin Authority (MDBA) represented by the River Murray Operations and the Living Murray Initiative.

On 3 July 2008, the Commonwealth Government and the Governments of New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory (the participants) entered into the Intergovernmental agreement (IGA) for the *Murray-Darling Basin Reform* (the Reform IGA). The Reform IGA involved the government participants entering into a new *Murray-Darling Basin Agreement* (MDB Agreement) and the *Intergovernmental Agreement on Murray Darling Basin Reform – referral* (the Referral IGA).

The MDB Agreement essentially dissolved the Murray-Darling Basin Commission (MDBC) and established the Murray-Darling Basin Authority (MDBA), Ministerial Council, Basin Officials Committee and the Basin Community Committee. Under the revised arrangement, the participants have a joint interest in the infrastructure assets and water rights. The State of Victoria's interest in the arrangement is 26.67 percent.

The MDBA is an independent, expertise based statutory agency responsible for developing, implementing and monitoring the Basin Plans. The MDBA undertakes activities that support the sustainable and integrated management of the water resources of the Murray-Darling Basin in a way that best meets the social, economic and environmental needs of the Basin and its communities.

Two unincorporated joint arrangements were established under the MDBA to hold the assets on behalf of the participants through separate agreements called the "Asset Agreement for River Murray Operations Assets" (RMO) and the "Further Agreement on Addressing Over Allocation and Achieving Environmental Objectives in the Murray-Darling Basin – Control and Management of Living Murray Initiative Assets" (LMI). The principal place of the operation is in Australia. The participants are obliged to provide funding to the MDBA for the management of the RMO and LMI assets and operations.

The agreements in relation to the Murray Darling Basin Agreement joint arrangement require unanimous consent from all parties for all relevant activities. The participants own the infrastructure assets and water rights of the joint arrangements which are being managed through the RMO and LMI and there are no liabilities held for either RMO or LMI. The arrangement is therefore classified as a joint operation and the department recognises, on behalf of the state, its direct right to the jointly held assets, revenues and expenses based on the percentage interest.



Name of entity	Principal activity	Country of incorporation	Ownership interest	
			2019 %	2018 %
River Murray Operations	To undertake activities that support the sustainable and integrated management of water resources of the Murray-Darling Basin. RMO hold the infrastructure assets on behalf of the participants.	Australia	<b>26.67</b>	26.67
Living Murray Initiative	To improve the ecological condition of significant forests, wetlands and lakes along the River Murray. LMI holds the water entitlements on behalf of the participants.	Australia	<b>26.67</b>	26.67

#### Joint operations accounted for using the proportionate consolidation method

The State's interest in assets, liabilities, income, and expenses employed in the above joint operations is detailed below. The amounts are included in the administered financial statements under their respective asset and liability categories.

	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
	River Murray Operations		Living Murray Initiative	
<b>Non-current assets</b>				
Property, plant and equipment	<b>707,120</b>	704,661	<b>0</b>	0
Intangible assets	<b>1,086</b>	1,086	<b>177,916</b>	168,643
<b>Total non-current assets</b>	<b>708,206</b>	705,747	<b>177,916</b>	168,643
<b>Total assets</b>	<b>708,206</b>	705,747	<b>177,916</b>	168,643
<b>Income</b>	<b>641</b>	2,902	<b>9,272</b>	2,518
<b>Expenses</b>	<b>10,329</b>	10,662	<b>0</b>	0

#### **4.2.4 Victorian Desalination Project**

##### **4.2.4(a) Leases**

###### **Disclosures for lessees – finance lease liabilities**

###### ***Commissioned public private partnership – Victorian Desalination Project***

The State of Victoria entered into a 30-year Public Private Partnership (PPP) arrangement with the AquaSure consortium (AquaSure) on 30 July 2009. The Victorian Desalination Project was initiated to design, build and operate a desalination plant, transfer pipeline and 220 kV underground power cable capable of supplying 150 gigalitres of water per annum into the Melbourne network. Construction of the Victorian Desalination Project began in 2009 and the lease term commenced in 2012 upon successful commissioning. AquaSure is required to transfer the project assets to the state at the end of the project term for no additional payment by the state.

Under the arrangement, the state has an obligation to make Water Security Payments (WSPs) to the consortium provided the plant is maintained to the appropriate standard. The WSPs have two components: finance lease payments for the project assets (refer to Table 4.1 below) and other expenses for operating, maintenance and lifecycle costs (refer to Note 4.2.4(b)).

The state will also make Water Usage Payments (WUPs) for any water that is ordered and delivered to the required standard. Water can be ordered annually for flexible amounts from 0 to 150 gigalitres (in set increments).

The state's lease liability to AquaSure is offset by a sub-lease agreement between the department, on behalf of the state, and the Melbourne Water Corporation (refer to Table 4.2). Melbourne Water Corporation has recognised the finance lease asset.

The department does not control the income arising from this sub-lease and is required to pay receipts from the Melbourne Water Corporation into the state's consolidated fund. With consideration to the policy above, the department has classified the arrangement as administered.

As at 30 June 2019 AquaSure had produced the 15 GL for the 2018-19 water order. Furthermore, AquaSure has produced 6.9 GL of the 2019-20 water order prior to 30 June 2019. Under the provisions in the project deed AquaSure are permitted to bring forward the delivery of a water order if there has been an increase over and above the order for the previous year or where water orders are at 150 GL. The costs associated with this additional volume has been accrued in 2018-19 but the department is not liable to make payment to AquaSure until it is invoiced for this water in 2019-20.

On 18 March 2019 the Minister for Water issued the 2019-20 Supply Notice with a Required Annual Water Volume for 125GL in 2019-20 and non-binding forecasts of 100GL for 2020-21 and 125GL for 2021-22.

In October 2018, the state approved AquaSure to refinance its external debt. The refinancing resulted in the state being entitled to a refinancing benefit of \$59 million under the Victorian Desalination Plant Project Deed. The Victorian Desalination Plant Project Deed entitles the state to an adjustment to the water service payments in the original financial model to reflect the changes in refinancing costs incurred by AquaSure as per AASB 9. The refinancing gain is immediately recognised as a gain in the operating statement and reduces the future lease liability and interest expense profile. Previously the gain had been recognised over the remaining of the lease. Refer to 4.2.4 (c) (ii) for the transition adjustment relating to the adoption of AASB 9.

**Table 4.1: Victorian Desalination Project finance lease liability**

	Minimum future lease payments		Present value of minimum future lease payments	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Commissioned PPP related finance lease liabilities payable</b>				
Not later than one year	490,202	492,863	74,570	70,173
Later than one year but no later than five years	1,768,468	1,840,452	151,149	212,201
Later than five years	7,414,050	7,957,147	3,489,853	3,784,639
<b>Minimum future lease payments</b>	<b>9,672,720</b>	10,290,462	<b>3,715,572</b>	4,067,013
Less future finance charges	(5,957,148)	(6,223,449)	0	0
<b>Present value of minimum lease payments</b>	<b>3,715,572</b>	4,067,013	<b>3,715,572</b>	4,067,013

Included in administered liabilities as:

<b>Interest-bearing liabilities (Note 4.2.2)</b>	<b>3,715,572</b>	4,067,013
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**Disclosures for lessors – finance lease receivables**

**Victorian Desalination Project sub-lease**

A Statement of Obligations (SoO) issued to the Melbourne Water Corporation under section 4I of the Water Industry Act 1994 requires Melbourne Water Corporation to pay all monies as required by the state under the project deed with AquaSure. This arrangement gives rise to a finance lease receivable disclosed in Table 4.2. In addition, the project payments also include other commitments for operating, maintenance and lifecycle costs (refer to Table 4.5).

The department will transfer the Victorian desalination project assets to Melbourne Water Corporation at the end of the project contract term.

**Table 4.2: Victorian Desalination Project finance lease receivable**

	Minimum future lease receivables		Present value of minimum future lease receivables	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Finance lease receivables</b>				
Not later than one year	490,202	492,863	74,737	70,339
Later than one year but not later than five years	1,768,468	1,840,452	151,817	212,869
Later than five years	7,414,050	7,957,147	3,491,564	3,786,516
<b>Minimum future lease receivables</b>	<b>9,672,720</b>	10,290,462	<b>3,718,118</b>	4,069,724
Less unearned finance income	(5,954,602)	(6,220,738)	0	0
<b>Present value of minimum lease receivables</b>	<b>3,718,118</b>	4,069,724	<b>3,718,118</b>	4,069,724

Included in administered assets as:

<b>Finance lease receivables (Note 4.2.2)</b>	<b>3,718,118</b>	4,069,724
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#### 4.2.4(b) Commitments

##### PPP related commitments – Victorian Desalination Project

Under the PPP arrangement that the state entered into with AquaSure the state pays a base Water Security Payment, provided the plant is maintained to the appropriate standard, that includes other commitments for its operation, maintenance and lifecycle costs. The nominal amounts for the other commitments below represent the charges payable under the agreement at the end of the reporting period.

The Project Deed requires a minimum number of Renewable Energy Certificates (RECs) to be purchased to offset the electricity used by the plant. The number of RECs that are consumed will vary based on the volume of water produced by the plant. The number of banked RECs that remain at the end of the supply period will be controlled by the department.

In May 2017, the Minister for Water announced Melbourne households will not face additional charges on their water bills for the 2016-17 50 GL water order and the subsequent three minimum water orders. These orders will instead be funded from the sale of surplus banked Renewable Energy Certificates, which were previously purchased to offset power used by the plant with green energy, and were not fully utilised as no water orders were made until 2016.

As a result, the Minister has control of the banked RECs which are surplus to requirements of the project. The department recognises the RECs as an intangible asset. Refer to Note 4.2.1 *Administered income and expenses*, Note 4.2.2 *Administered asset and liabilities*.

**Table 4.3: Victorian Desalination Project PPP commitments**

	2019		2018	
Commissioned PPP – other commitments				
	Other commitments		Other commitments	
	Present value \$'000	Nominal value \$'000	Present value \$'000	Nominal value \$'000
Victorian Desalination Project	1,670,265	4,270,431	1,576,874	4,342,105
<b>Total</b>	<b>1,670,265</b>	<b>4,270,431</b>	1,576,874	4,342,105

Note:

- Refer to Note 4.2.4 for the finance lease liabilities for the Victorian Desalination Project. This note discloses only the other capital and operating and maintenance commitments for this project.
- Refer to Table 4.4 where net values are disclosed at nominal values, exclusive of GST.
- The present value of the 'Other commitments' have been discounted to 30 June of the respective financial years. The basis for discounting has been to take each 12 month period of cash flows and discount these cash flows at the end of the period using the annual discount rate. The discount rate used to present value the commitment is 9.99% which is the nominal pre-tax discount rate representative of the overall risk of the project at inception.
- The 'Other commitments' have been updated to reflect indexation factors, such as Consumer Price Index, Producer Price Index, Chemical Index, and Average Weekly Earnings Index. Commitments are updated for the change in actual amounts paid, and forecast percentage increases are based on the original forecasted indices and applied to the adjusted actual payments. This methodology has been applied to reduce volatility in the forecast 'Other commitments'.
- Net additional costs associated with the announcement of the 125 billion litres of water for 2019-20 financial year have been reflected in commitments for 2019 (2018: 15 billion litres of water). The announcement of the 100GL water order for 2020-21 and 125GL water order for 2021-22 are non-binding commitments and have not been included.

## Commitments payable

**Table 4.4: Victorian Desalination Project PPP other commitments payable**

	2019 \$'000	2018 \$'000
<b>PPP commitments payable – Victorian Desalination Project</b>		
<b>Other commitments</b>		
Not later than one year	246,417	148,914
Later than one year but no later than five years	610,662	595,729
Later than five years	3,413,352	3,597,462
<b>Total PPP commitments for expenditure (inclusive of GST)</b>	<b>4,270,431</b>	4,342,105
Less GST recoverable from the Australian Taxation Office	(388,221)	(394,737)
<b>Total commitments for expenditure (exclusive of GST)</b>	<b>3,882,210</b>	3,947,368

## Commitments receivable

**Table 4.5: Victorian Desalination Project PPP other commitments receivable**

	2019 \$'000	2018 \$'000
<b>PPP commitments receivable – Victorian Desalination Project</b>		
<b>Other commitments</b>		
Not later than one year	235,020	136,762
Later than one year but no later than five years	610,662	595,729
Later than five years	3,413,353	3,597,462
<b>Total commitments receivable (inclusive of GST)</b>	<b>4,259,034</b>	4,329,953
Less GST payable to the Australian Taxation Office	(387,185)	(393,632)
<b>Total commitments receivable (exclusive of GST)</b>	<b>3,871,849</b>	3,936,321

#### 4.2.4(c) Adjustments due to change in accounting policy

DELWP has elected to apply the limited exemption in AASB 9 paragraph 7.2.15 relating to transition for classification and measurement and impairment, and accordingly has not restated comparative periods in the year of initial application.

As a result:

- any adjustments to carrying amounts of financial assets or liabilities are recognised at beginning of the current reporting period with difference recognised in opening retained earnings; and
- financial assets and provision for impairment have not been reclassified and/or restated in the comparative period.

#### (i) Categories of financial instruments

On initial application of AASB 9 on 1 July 2018, DELWP's management has classified all its financial assets based on DELWP's business models for managing the assets. Refer to Note 8.1 for the changes in the categorisation of the DELWP's financial instruments.

The following table summarises the reclassification for Desalination Project related financial instruments upon adoption of AASB 9.

#### Financial instruments: Categorisation

	2019			2018		
	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total \$'000	Financial assets - loans and receivables \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
<b>Contractual financial assets</b>						
Finance lease receivable	3,718,118	0	3,718,118	4,069,724	0	4,069,724
<b>Contractual financial liabilities</b>						
Finance lease liability	0	3,715,572	3,715,572	0	4,067,013	4,067,013

(ii) **Adjustments to finance lease liability from previous refinancing gains & losses**

Impact on Administered assets and liabilities is illustrated with the following reconciliation between the carrying amounts under AASB 139 at 30 June 2018 and the balances reported under AASB 9 at 1 July 2018 for each affected balance sheet line item:

<b>Effective water management and supply</b>				
<b>Administered assets and liabilities</b>	<b>Notes</b>	<b>Amount at 30 June 2018</b>	<b>Other adjustments</b>	<b>Restated amount at 1 July 2018</b>
<b>Administered assets</b>				
Financial assets at fair value	4.2.2	4,069,724	(225,976)	3,843,748
<b>Total financial assets</b>		<b>4,069,724</b>	<b>(225,976)</b>	<b>3,843,748</b>
<b>Administered liabilities</b>				
Interest-bearing liabilities	4.2.2	(4,067,013)	225,976	(3,841,037)
<b>Total administered liabilities</b>		<b>(4,067,013)</b>	<b>225,976</b>	<b>(3,841,037)</b>
<b>Total administered net assets</b>		<b>0</b>	<b>0</b>	<b>0</b>

**Adjustment to the finance lease liability for previous refinancing gains and losses**

From 1 July 2018, AASB 9 has replaced the modification of debt guidance previously applied by DELWP under AASB 139.

On adoption of AASB 9, DELWP has adjusted the administered finance lease liability (decrease of \$225.9 million) and lease receivable (increase of \$225.9 million) for the Victorian Desalination Project as at 1 July 2018 to account for previous refinancing gains or losses on transition. The impact of this transition adjustment was made in the opening retained earnings at 1 July 2018.

Applying the modification of debt principles under AASB 139, DELWP previously recognised any refinancing gains or losses over the remaining life of the Victorian Desalination Project by adjusting the effective interest rate, on the basis that the terms and conditions of the facility remained largely unchanged. The modification did not impact on the lease liability position at the date of refinancing.

AASB 9 required that when a modification of debt resulting from re-financing is concluded to be not substantial then it is not treated as an extinguishment of debt and a recognition of a new liability. DELWP has assessed the refinancing as not substantial modification to debt and as such, AASB 9 required the resulting gain/ loss from refinancing to be recognised immediate in the net result. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

#### 4.2.4(d) Financial instrument specific disclosures

##### Financial instruments: Net holding gain/(loss) on financial instruments by category

	2019		2018	
	Total interest income/ (expense) \$'000	Total \$'000	Total interest income/ (expense) \$'000	Total \$'000
<b>Contractual financial assets</b>				
Financial assets at amortised cost	426,842	426,842	431,547	431,547
<b>Contractual financial liabilities</b>				
Financial liability at amortised cost	(427,008)	(427,008)	(431,711)	(431,711)

##### Financial risk management objectives and policies

The department is exposed to a number of financial risks, including credit risk, liquidity risk and market risk.

As a whole, the department's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

The main purpose in holding financial instruments is to prudentially manage the department's financial risks within the government policy parameters.

The department's main financial risks include credit risk, liquidity risk and interest rate risk. The department manages these financial risks in accordance with its financial risk management policy.

The department uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Risk and Audit Committee of the department.

##### Financial instruments: Credit risk

Credit risk refers to the possibility of the department's counter party defaulting on their contractual obligations resulting in financial loss to the department. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the department's contractual financial assets is minimal because the debtor is Melbourne Water Corporation. The SoO under section 41 of the *Water Industry Act 1994* requires Melbourne Water Corporation to pay all monies as required by the state under the project deed with AquaSure.

The carrying amount of contractual financial assets recorded in the financial statements represents the department's maximum exposure to credit risk without taking account of the value of any collateral obtained.



## Credit quality of contractual financial assets that are neither past due nor impaired

	2019		2018	
	Government agencies \$'000	Total \$'000	Government agencies \$'000	Total \$'000
<b>Contractual financial assets</b>				
Finance lease receivable	3,718,118	3,718,118	4,069,724	4,069,724

## Ageing analysis of contractual financial assets

		Not past due and not impaired \$'000	Past due but not impaired				
	Carrying amount \$'000		Less than 1 month \$'000	1–3 months \$'000	3 months –1 year \$'000	1–5 years \$'000	5 years + \$'000
<b>2019</b>							
Finance lease receivable	3,718,118	3,718,118	0	0	0	0	0
<b>2018</b>							
Finance lease receivable	4,069,724	4,069,724	0	0	0	0	0

## Financial instruments: Liquidity risk

Liquidity risk arises when the department is unable to meet its financial obligations as and when they fall due. The department operates under the government's fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The department's maximum exposure to liquidity risk is the carrying amounts of the interest bearing liabilities associated with the Desalination Project. The department manages its liquidity risk by ensuring that it has access to sufficient cash in the public account to meet its current liabilities.

The department's exposure to liquidity risk is deemed insignificant based on prior period data and current assessment of risk. Cash for unexpected events is generally sourced by drawing on amounts receivable from the Victorian government through the Public Account.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements, represents the department's maximum exposure to liquidity risk.

## Maturity analysis of contractual financial liabilities

			Maturity dates				
	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1–3 months \$'000	3 months –1 year \$'000	1–5 years \$'000	5 years + \$'000
<b>2019</b>							
Finance lease liability	3,715,572	9,672,721	42,057	79,967	368,179	1,768,468	7,414,050
<b>2018</b>							
Finance lease liability	4,067,013	10,290,462	42,042	80,953	369,868	1,840,452	7,957,147

## Financial instruments: Market risk

The department's exposures to market risk are primarily through interest rate risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

### Interest rate risk

The department's interest bearing liabilities are managed by AquaSure. The interest rate risk is mitigated by hedging of the debt and bonds. Interest rates are fixed at the inception of the lease and refinancing options are subject to approval by the Minister for Finance. The department's exposure to interest rate risk is set out below.

### Interest rate exposure of financial instruments

	Weighted average interest rate %	2019			2018		
		Carrying amount '000	Interest rate exposure		Carrying amount \$'000	Interest rate exposure	
			Fixed interest rate \$'000	Weighted average interest rate %		Fixed interest rate \$'000	Weighted average interest rate %
Financial assets							
Finance lease receivable	11.28	3,718,118	3,718,118	10.45	4,069,724	4,069,724	
Financial liabilities							
Finance lease liability	11.29	3,715,572	3,715,572	10.46	4,067,013	4,067,013	

### 4.2.4(d) Fair value determination of financial assets and liabilities

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The department categorises financial instruments as Level 2 given significant inputs are observable.

The department currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value.

### Fair value of financial instruments

	2019		2018	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
<b>Contractual financial assets</b>				
Finance lease receivable	3,718,118	3,718,118	4,069,724	4,069,724
<b>Contractual financial liabilities</b>				
Finance lease liability	3,715,572	3,715,572	4,067,013	4,067,013

#### 4.3 Restructure of administrative arrangements

In December 2018, the Government issued an administrative order restructuring some of its activities via machinery of government changes. As part of the machinery of government restructure, the Office of Suburban Development and the Fishermans Bend Taskforce were transferred out from DELWP to the newly created Department of Jobs, Precincts and Regions (DJPR), effective from 1 January 2019.

The net asset transfer from the department as a result of the administrative restructure is recognised in the balance sheet at the carrying amount of those assets in the balance sheet immediately before the transfer.

The net assets transferred were treated as a contribution of capital by the State.

	2019
	\$'000
<b>The following assets and liabilities were transferred out to DJPR:</b>	
<b>Assets</b>	
Cash and deposits	3,485
Receivables	3,715
<b>Liabilities</b>	
Payables	306
Provisions	3,310
<b>Net assets transferred at the date of transfer</b>	<b>3,584</b>

## Note 5. Key assets available to support output delivery and commitments

### Introduction

The department controls property, plant, equipment and other assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the department to be utilised for the delivery of those outputs.

The determination of fair value of non-financial assets requires significant judgement to be applied (including methodologies and assumptions). Changes in assumptions could have a material impact on the fair value of the assets being valued.

### Structure

- 5.1 Property, plant and equipment
  - 5.1.1 Carrying value by Government purpose group classification
  - 5.1.2 Reconciliation of movements in carrying values
  - 5.1.3 Depreciation, amortisation and impairment
  - 5.1.4 Capital asset charge
  - 5.1.5 Fair value determination
- 5.2 Non-financial physical assets classified as held for sale
  - 5.2.1 Fair value determination
- 5.3 Intangible assets
- 5.4 Investments and other financial assets
  - 5.4.1 Ageing analysis of investments and other financial assets
- 5.5 Net gain/(loss) on non-financial assets
- 5.6 Capital expenditure commitments
- 5.7 Equity
  - 5.7.1 Physical asset revaluation surplus
  - 5.7.2 Net capital contributions transferred to portfolio entities

## 5.1 Property, plant and equipment

	2019 \$'000	2018 \$'000
<b>Land</b>		
Freehold land		
At fair value	183,723	167,701
<b>Total freehold land</b>	<b>183,723</b>	<b>167,701</b>
Crown land		
Land and unused roads at fair value	3,178,903	3,359,791
National parks at fair value	12,366	1,232,993
State forests at fair value	1,569,714	1,580,415
Conservation reserves at fair value	77,062	760,544
Metropolitan parks at fair value	39,377	883,348
Land used for operational purposes at fair value	47,037	47,123
<b>Total crown land</b>	<b>4,924,459</b>	<b>7,864,214</b>
Land purchase in progress		
Freehold land	0	0
Crown land	56,038	78,035
<b>Total land purchase in progress</b>	<b>56,038</b>	<b>78,035</b>
<b>Total land</b>	<b>5,164,220</b>	<b>8,109,950</b>
<b>Buildings and structures</b>		
At fair value	674,099	644,757
Less accumulated depreciation	(60,479)	(43,112)
<b>Total buildings and structures</b>	<b>613,620</b>	<b>601,645</b>
<b>Roads</b>		
At fair value	1,011,976	882,350
Less accumulated depreciation	(41,371)	(27,483)
<b>Total roads</b>	<b>970,605</b>	<b>854,867</b>
<b>Plant and equipment</b>		
At fair value	171,828	156,893
Less accumulated depreciation	(108,293)	(102,922)
<b>Total plant and equipment</b>	<b>63,535</b>	<b>53,971</b>
<b>Motor vehicles</b>		
Motor vehicles under finance lease at fair value	64,008	55,971
Less accumulated amortisation	(17,751)	(15,998)
<b>Total motor vehicles</b>	<b>46,257</b>	<b>39,973</b>
<b>Total plant and equipment</b>	<b>109,792</b>	<b>93,944</b>
<b>Assets under construction at cost</b>		
Buildings and structures	47,286	38,486
Plant and equipment	6,157	14,226
<b>Total assets under construction at cost</b>	<b>53,443</b>	<b>52,712</b>
<b>Historic and cultural assets</b>		
At fair value	3,700	3,518
<b>Total historic and cultural assets</b>	<b>3,700</b>	<b>3,518</b>
<b>Total property, plant and equipment</b>	<b>6,915,380</b>	<b>9,716,636</b>

### 5.1.1 Carrying value by Government purpose group classification <sup>(i)</sup>

	Public Safety and Environment <sup>(ii)</sup>		Public Administration <sup>(ii)</sup>		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Land	4,989,301	7,951,135	174,919	158,815	5,164,220	8,109,950
Buildings and structures	595,155	586,228	18,465	15,417	613,620	601,645
Roads	970,605	854,867	0	0	970,605	854,867
Plant and equipment	109,341	93,533	451	411	109,792	93,944
Assets under construction at cost	51,970	51,586	1,473	1,126	53,443	52,712
Historic and cultural assets	1,944	1,758	1,756	1,760	3,700	3,518
<b>Net carrying amount of property, plant and equipment</b>	<b>6,718,316</b>	<b>9,539,107</b>	<b>197,064</b>	<b>177,529</b>	<b>6,915,380</b>	<b>9,716,636</b>

Note:

- (i) Property, plant and equipment are classified by the 'purpose' for which the assets are used, according to one of six purpose groups based upon government purpose classifications under the Financial Reporting Direction 103G *Non-Financial Assets*. All assets in a purpose group are further sub categorised according to the asset's 'nature' (i.e. buildings, plant etc.), with each sub category being classified as a separate class of asset for financial reporting purposes.
- (ii) The department's assets have been categorised into Public Safety and Environment and Public Administration. The nature of the assets includes public order and safety, community amenities, recreation and culture and general public services. All property, plant and equipment under the Public Administration purpose group were revalued in the 2016-17 financial year in accordance with Financial Reporting Direction 103F *Non-financial physical assets*.

### 5.1.2 Reconciliation of movements in carrying values

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metropolitan parks \$'000	Land used for operational purposes \$'000	Land purchase in progress structures \$'000	Buildings and structures \$'000	Roads equipment \$'000	Plant and Assets under construction \$'000	Historic and cultural assets \$'000	Total \$'000
<b>Balance at 1 July 2017</b>	163,235	2,705,457	1,049,610	1,365,255	636,763	752,593	40,882	84,698	602,479	868,563	82,346	3,491	8,401,755
Additions	0	27	0	0	0	0	0	1,089	895	970	24,348	0	63,706
Disposals	0	0	0	0	0	0	0	0	0	0	(6,733)	0	(6,733)
Reclassification to asset classified as held for sale	(10,496)	(7,520)	0	0	0	0	0	0	0	0	196	0	(17,820)
Net transfers in/(out) – free of charge	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital contributions (to)/from owners													
Transfers (to)/from other government entities	0	359	0	0	(21,301)	(8,354)	(360)	0	4,076	0	0	0	(25,580)
Transfers to administered entity for disposal	(1,660)	(18,174)	0	0	0	(24)	0	0	(5,000)	0	(111)	0	(24,969)
Transfers to third parties <sup>(i)</sup>	0	1,386	(163)	0	0	0	0	0	0	0	0	0	1,223
Net transfers in/(out) – from other categories	0	(2,463)	6,806	(343)	5,309	(9,309)	0	0	18,520	(925)	12,856	27	700
Revaluation increments/ (decrements)	16,698	548,538	171,771	223,624	109,688	140,461	6,609	0	2,850	0	0	0	1,220,239
Recognition/(derecognition), (write-down) of assets	(76)	132,181	4,969	(8,121)	30,085	7,981	(8)	(7,752)	(68)	0	27	0	158,948
Depreciation expense (refer to Note 5.1.3)	0	0	0	0	0	0	0	0	(22,107)	(13,741)	(18,985)	0	(54,833)
<b>Balance at 30 June 2018</b>	167,701	3,359,791	1,232,993	1,580,415	760,544	883,348	47,123	78,035	601,645	854,867	93,944	3,518	9,716,636

Note:

(i) Land transferred to third parties is treated as a return of equity via administered expenses as per the requirements of FRD 117A Contributions of Existing Non-Financial Assets to Third Parties.

### 5.1.2 Reconciliation of movements in carrying values (continued)

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metropolitan parks \$'000	Land used for operational purposes \$'000	Land purchase progress structures \$'000	Buildings and structures \$'000	Roads equipment \$'000	Plant and Assets under construction \$'000	Historic and cultural assets \$'000	Total \$'000
<b>Balance at 1 July 2018</b>	<b>167,701</b>	<b>3,359,791</b>	<b>1,232,993</b>	<b>1,580,415</b>	<b>760,544</b>	<b>883,348</b>	<b>47,123</b>	<b>78,035</b>	<b>601,645</b>	<b>854,867</b>	<b>93,944</b>	<b>52,712</b>	<b>9,716,636</b>
Additions	0	313	0	0	0	0	0	30,528	2,249	5,035	31,614	0	123,230
Disposals	0	0	0	0	0	0	0	0	(1,453)	0	(8,431)	0	(9,884)
Reclassification to asset classified as held for sale	(4,438)	957	0	0	0	0	(46)	0	0	0	(1,215)	0	(4,742)
Net transfers in/(out) – free of charge	0	(27)	0	0	0	0	0	0	0	0	0	0	(27)
Capital contributions (to)/from owners													
Transfers (to)/from other government entities <sup>(i)</sup>	0	(162,675)	(1,206,923)	0	(721,071)	(864,411)	0	0	(56,076)	0	0	0	(3,011,156)
Transfers to third parties <sup>(ii)</sup>	(15,698)	(10,953)	0	0	0	0	0	0	0	0	0	0	(26,651)
Net transfers in/(out) – from other categories	32,974	(28,653)	(14,377)	513	36,214	25,882	(28)	(52,525)	38,390	45	12,770	(51,205)	0
Revaluation increments/ (decrements)	3,254	(7,951)	(584)	(1,422)	(851)	(5,419)	(14)	0	55,849	124,546	0	182	167,590
Recognition/(derecognition) write-on/ (write-down) of assets	(70)	28,101	1,257	(9,792)	2,226	(23)	2	0	(2,850)	0	(1)	(1,555)	17,295
Depreciation expense (refer to Note 5.1.3)	0	0	0	0	0	0	0	0	(24,134)	(13,888)	(18,889)	0	(56,911)
<b>Balance at 30 June 2019</b>	<b>183,723</b>	<b>3,178,903</b>	<b>12,366</b>	<b>1,569,714</b>	<b>77,062</b>	<b>39,377</b>	<b>47,037</b>	<b>56,038</b>	<b>613,620</b>	<b>970,605</b>	<b>109,792</b>	<b>3,700</b>	<b>6,915,380</b>

Note:

- (i) The movement of \$3.0 billion is mainly represented by the transfer of land and buildings assets (\$2.792 billion) to Parks Victoria as a result of the introduction of the Parks Act 2018 (the Act). Under the Act, Parks Victoria becomes the responsible land manager for National parks, Conservation reserves, Metropolitan parks and numerous unreserved and reserved Crown land. The associated built assets located within these parks were also transferred and are under the direct management of Parks Victoria. The remaining balance of \$190 million reflects the transfer of reserved Crown land to the Caulfield Racecourse Reserve Trust as result of the *Caulfield Racecourse Reserve Act 2017* and \$28 million of reserved Crown land transferred to VicRoads.
- (ii) Land transferred to third parties is treated as a return of equity via administered expenses as per the requirements of FRD 117A *Contributions of Existing Non-Financial Assets to Third Parties*.



## Measurement

All non-financial physical assets are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a Machinery of Government change are transferred at their carrying amount.

Property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements of commitments made in relation to the intended use of the asset). Note 5.1.5 includes more details in connection with fair value determination.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of directly attributable variable and fixed overheads.

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

The initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The department capitalises expenditure on individual items of \$5,000 (2018: \$5,000) or more, and records these as non-financial assets.

Aggregate expenditure on items that will, when completed, result in non-financial assets that provide future economic benefits is recognised as construction in progress.

## Freehold land

Freehold land consists of land held or being acquired for the purpose of various government objectives such as planning for community open spaces and delivering other public and environmental purposes.

## Crown land

The department's Crown land holdings include land being held or being acquired for the following Crown land categories.

## Land and unused roads

Reserved and unreserved land acquired and held by the department for future reservation purposes. Unused roads consist of roads that have been closed for public purposes.

## National and metropolitan parks

The area of public land set aside as national and metropolitan parks, which include state parks, wilderness parks, and other parks established under

the *National Parks Act 1975*, comprises a diverse range of Crown land parcels permanently reserved for the benefit of the public.

## State forests

State forests include Crown land parcels managed to balance a variety of uses. These uses include conserving flora and fauna, protecting water catchments and water supply, providing timber for sustainable forestry, protecting landscape, archaeological and historic values, and providing recreational and educational opportunities.

## Conservation reserves

Land conservation reserves include Crown land parcels set aside for conservation of specific ecosystems, animal and plant species, geomorphological features, and significant historical and cultural qualities.

## Land used for operational purposes

Crown land used for operational purposes for delivering the department's objectives. This includes various operational depots around the State of Victoria.

## Buildings and structures

Consist of buildings and structures used to achieve the departments objectives. This includes departmental depot sites, fire towers, bores, crossings and leasehold improvements.

## Plant and equipment

Consist of vehicles, workshops and other field and office equipment.

## Roads

The roads, tracks and trails managed by the department are defined as Rural Class 5 and are sub-divided into five sub-classes as follows:

- 5A Primary roads: all-weather road, predominantly two lanes and mainly sealed
- 5B Secondary roads: all-weather two lane road, formed and gravelled or single lane sealed road with gravel shoulders
- 5C Minor roads: generally all-weather, single lane two-way unsealed formed road, usually lightly gravelled
- 5D Access roads: substantially single lane, two-way, generally dry weather formed (natural materials) road
- 5E Tracks and trails: predominantly single lane, two-way earth tracks (unformed) at or near the natural surface level. Costs are expensed as incurred, because these tracks and trails have a useful life of less than one year.

### Assets under construction

Consist of cost relating to the construction of building and structures in progress.

### Historic and cultural assets

The department also hold historic and cultural assets that the department intends to preserve because of their unique historical, cultural or environmental attributes.

### 5.1.3 Depreciation, amortisation and impairment

Depreciation is an expense that arises from the consumption through wear or time of a produced physical asset. Intangible assets are amortised. These expenses are classified as a 'transaction' and so reduces the 'net result from transactions'.

All items of property, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. Exceptions to this rule are items under operating leases, assets under construction, assets held for sale and land.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The following estimated useful lives for the different asset classes for current and prior years are used in the calculation of depreciation:

Asset class	Useful life
Buildings and structures	5 to 100 years
Building leasehold improvements	Term of lease (1 to 15 years)
Roads	80 years
Finance leased motor vehicle assets	Term of lease (1 to 15 years)
Plant and equipment	3 to 42 years
Intangible assets	3 to 10 years

Historic and cultural assets have been assessed to have an indefinite useful life, they are tested for impairment whenever there is an indication that the asset may be impaired.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

	2019 \$'000	2018 \$'000
<b>Depreciation and amortisation</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	(24,128)	(21,862)
Buildings leasehold improvements	(6)	(245)
Roads	(13,888)	(13,741)
Finance leased motor vehicle assets	(8,220)	(7,839)
Plant and equipment	(10,669)	(11,146)
Total depreciation of property, plant and equipment	(56,911)	(54,833)
<b>Intangible assets</b>		
Software	(3,396)	(3,423)
Total amortisation of intangible assets	(3,396)	(3,423)
<b>Total depreciation and amortisation</b>	<b>(60,307)</b>	<b>(58,256)</b>

### **Impairment**

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset, if previous fair value gains were recorded in physical asset revaluation surplus account.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most non financial assets is measured at the higher of depreciated replacement cost and fair value less cost to sell. Recoverable amount for other non financial assets is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less cost to sell.

### **5.1.4 Capital asset charge**

Capital asset charge of \$93.451 million (2018: \$92.892 million) is a charge levied by DTF on the written-down value of controlled non-current physical assets in a department's balance sheet which aims to attribute to agency outputs the opportunity cost of capital used in service delivery and provide incentives to departments to identify and dispose of underutilised or surplus assets in a timely manner.

The capital asset charge is calculated on the budgeted carrying amount of applicable non-financial physical assets.

### 5.1.5 Fair value determination

#### Fair value measurement hierarchy of property, plant and equipment

	Carrying amount	Fair value measurement at end of financial year using:		
	\$'000	Level 1 <sup>(i) (ii)</sup> \$'000	Level 2 <sup>(i) (ii)</sup> \$'000	Level 3 <sup>(i) (ii)</sup> \$'000
<b>2019</b>				
<b>Land at fair value</b>				
Non specialised land				
Freehold land	174,919	0	174,919	0
Specialised land				
Freehold land	8,804	0	0	8,804
Crown land – Land and unused roads	3,178,903	0	0	3,178,903
Crown land – National parks	12,366	0	0	12,366
Crown land – State forests	1,569,714	0	0	1,569,714
Crown land – Conservation reserves	77,062	0	0	77,062
Crown land – Metropolitan parks	39,377	0	0	39,377
Crown land – Land used for operational purposes	47,037	0	0	47,037
Land purchases in progress	56,038	0	0	56,038
<b>Buildings and structures at fair value</b>				
Non specialised buildings and structures	18,465	0	18,465	0
Specialised buildings and structures	595,155	0	0	595,155
<b>Roads at fair value</b>				
Roads	970,605	0	0	970,605
<b>Plant and equipment at fair value</b>				
Plant and equipment	63,535	0	0	63,535
Motor vehicles under finance lease	46,257	0	46,257	0
<b>Historic and cultural assets at fair value</b>				
Artwork and historic assets	3,700	0	3,700	0

## Fair value measurement hierarchy of property, plant and equipment (continued)

	Carrying amount	Fair value measurement at end of financial year using:		
	\$'000	Level 1 <sup>(i) (ii)</sup> \$'000	Level 2 <sup>(i) (ii)</sup> \$'000	Level 3 <sup>(i) (ii)</sup> \$'000
<b>2018</b>				
<b>Land at fair value</b>				
Non specialised land				
Freehold land	158,815	0	158,815	0
Specialised land				
Freehold land	8,886	0	0	8,886
Crown land – Land and unused roads	3,359,791	0	0	3,359,791
Crown land – National parks	1,232,993	0	0	1,232,993
Crown land – State forests	1,580,415	0	0	1,580,415
Crown land – Conservation reserves	760,544	0	0	760,544
Crown land – Metropolitan parks	883,348	0	0	883,348
Crown land – Land used for operational purposes	47,123	0	0	47,123
Land purchases in progress	78,035	0	0	78,035
<b>Buildings and structures at fair value</b>				
Non specialised buildings and structures	15,417	0	15,417	0
Specialised buildings and structures	586,228	0	0	586,228
<b>Roads at fair value</b>				
Roads	854,867	0	0	854,867
<b>Plant and equipment at fair value</b>				
Plant and equipment	53,971	0	0	53,971
Motor vehicles under finance lease	39,973	0	39,973	0
<b>Historic and cultural assets at fair value</b>				
Artwork and historic assets	3,518	0	3,518	0

Note:

(i) Classified in accordance with the fair value hierarchy, refer to Note 8.3.

(ii) Assets under construction are excluded from the table above.

The measurement and classification of each class of property, plant and equipment is outlined below. There have been no transfers between levels during the period.

### *Non specialised land and buildings*

Non specialised land and buildings are valued using the market based direct comparison method. Under this method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value. For the sales analysed, an appropriate rate per square metre has been applied to the subject asset.

To the extent that non specialised land and buildings do not contain significant, unobservable price inputs, these assets are classified as Level 2.

The department's non specialised land and buildings relates to the Public Administration Purpose Group. An independent valuation of the department's non specialised land and buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach. The effective date of the valuations was 30 June 2018.

### *Specialised land*

The market based direct comparison method is used for specialised land although it is adjusted for a community service obligation (CSO) to reflect the specialised nature of the land being valued.

Valuation of the land was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land is classified as Level 3.

An independent valuation of the department's specialised land within the Public Safety and Environment Purpose Group was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuations was 30 June 2016. The department completes an annual assessment of fair value in accordance to Financial Reporting Directions 103H Non-financial physical assets. A managerial valuation was adopted for 30 June 2018.

### *Specialised buildings and structures*

For the department's majority of specialised buildings, the current replacement cost method is used. As depreciation adjustments are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the department's specialised buildings within the Public Safety and Environment Purpose Group was performed by the Valuer-General Victoria. The valuation was performed using the current replacement cost method. The effective date of the valuations was 30 June 2016.

Structures are valued using the current replacement cost method. This cost represents the replacement cost of the component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the current service capacity of the asset.

Where it has not been possible to examine hidden works, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the structures. The estimated cost of reconstruction includes structure services and finishes.

An independent valuation of the department's structures within the Public Safety and Environment Purpose Group was performed by the Valuer-General Victoria. The valuation was performed based on the current replacement cost of the assets. The effective date of the valuations was 30 June 2016. The department completes an annual assessment of fair value in accordance to Financial Reporting Directions 103H Non-financial physical assets. A managerial valuation was adopted for 30 June 2019.

### *Roads*

Roads are valued using the current replacement cost method. This cost represents the replacement cost of the component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the current service capacity of the asset. As depreciation adjustments are considered significant, unobservable inputs in nature, roads are classified as Level 3.

Where it has not been possible to examine hidden works, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the roads. The estimated cost of reconstruction includes structure services and finishes.

An independent valuation of the department's roads within the Public Safety and Environment Purpose Group was performed by the Valuer-General Victoria as at 30 June 2016. The valuation was performed based on the current replacement cost of the assets. The department completes an annual assessment of fair value in accordance to Financial Reporting Directions 103H Non-financial physical assets and a managerial valuation was adopted for 30 June 2019.

### ***Plant and equipment***

Plant and equipment is held at fair value. The department completes an annual assessment of fair value in accordance to Financial Reporting Directions 103H Non-financial physical assets and a managerial valuation was adopted for 30 June 2019.

When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the carrying amount. Given valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable, these assets are classified as Level 3.

### ***Motor vehicles under finance lease***

Motor vehicles are valued using the market direct comparison method. Under this valuation method, the vehicles are compared to recent comparable sales. To the extent that motor vehicles under finance lease have an exit price prescribed by the lessor at the start of the lease term, these assets are classified as Level 2 under the market approach.

### ***Historic and cultural assets***

Historic and cultural assets are valued using the market direct comparison method. Under this valuation method, the historic and cultural assets are determined by a comparison to similar examples of the artist's work in existence throughout Australia and research on prices paid for similar examples offered at auction or through art galleries in recent years.

To the extent that historic and cultural assets do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

An independent valuation of the department's historic and cultural assets was performed by the Valuer-General Victoria. The effective date of the valuations was 30 June 2017 for historic and cultural assets under the Public Administration Purpose Group and 30 June 2016 for the Public Safety and Environment Purpose Group. The department completes an annual assessment of fair value in accordance to Financial Reporting Directions 103H Non-financial physical assets and a managerial valuation was adopted for 30 June 2019.

### **Valuation techniques**

There were no changes in valuation techniques throughout the period to 30 June 2019.

For all assets measured at fair value, the current use is considered the highest and best use. The department conducted a fair value assessment for assets revalued at 30 June 2016 and 30 June 2017 to ensure there were no material movements from the carrying value.

### Reconciliation of Level 3 fair value movements

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metropolitan parks \$'000	Land used for operational purposes \$'000	Land purchase in progress \$'000	Buildings and structures \$'000	Roads \$'000	Plant and equipment \$'000	Total \$'000
<b>Balance at 1 July 2017</b>	<b>7,789</b>	<b>2,705,457</b>	<b>1,049,610</b>	<b>1,365,255</b>	<b>636,763</b>	<b>752,593</b>	<b>40,882</b>	<b>84,698</b>	<b>590,650</b>	<b>868,563</b>	<b>49,114</b>	<b>8,151,374</b>
Purchases/(sales)	0	27	0	0	0	0	0	1,089	895	970	3,237	6,218
Transfers in/(out) of Level 3 – assets classified as held for sale (Note 5.2)	(273)	(7,521)	0	0	0	0	0	0	0	0	(6)	(7,800)
Transfers in/(out) – free of charge	0	0	0	0	0	0	0	0	0	0	0	0
Transfers in/(out) – from other categories <sup>(i)</sup>	0	(19,251)	6,643	(343)	5,311	(9,333)	0	0	14,067	(925)	12,856	9,025
Depreciation expense	0	0	0	0	0	0	0	0	(21,268)	(13,741)	(11,146)	(46,155)
	7,516	2,678,712	1,056,253	1,364,912	642,074	743,260	40,882	85,787	584,344	854,867	54,055	8,112,662
<b>Gains/(losses) recognised in net result</b>												
Recognition/(derecognition), write-on/(write-down) of assets	(75)	132,183	4,969	(8,121)	30,083	7,981	(8)	(7,752)	(68)	0	27	159,219
	(75)	132,183	4,969	(8,121)	30,083	7,981	(8)	(7,752)	(68)	0	27	159,219
Gains/(losses) recognised in other economic flows – other comprehensive income												
Revaluation increments/(decrements)	1,445	548,538	171,771	223,624	109,688	140,461	6,609	0	2,850	0	0	1,204,986
	1,445	548,538	171,771	223,624	109,688	140,461	6,609	0	2,850	0	0	1,204,986
<b>Transfers in/(out) through contributions by owner</b>												
Transfers in/(out) – Machinery of Government transfers	0	0	0	0	0	0	0	0	0	0	0	0
Transfers in/(out) – other capital contributions	0	358	0	0	(21,301)	(8,354)	(360)	0	(898)	0	(111)	(30,666)
	0	358	0	0	(21,301)	(8,354)	(360)	0	(898)	0	(111)	(30,666)
<b>Balance at 30 June 2018</b>	<b>8,886</b>	<b>3,359,791</b>	<b>1,232,993</b>	<b>1,580,415</b>	<b>760,544</b>	<b>883,348</b>	<b>47,123</b>	<b>78,035</b>	<b>586,228</b>	<b>854,867</b>	<b>53,971</b>	<b>9,446,201</b>

Note:

(i) Net transfers from assets under construction.

Assets under construction are excluded from the table above.



## Reconciliation of Level 3 fair value movements (continued)

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metropolitan parks \$'000	Land used for operational purposes \$'000	Land purchase in progress \$'000	Buildings and structures \$'000	Roads \$'000	Plant and equipment \$'000	Total \$'000
<b>Balance at 1 July 2018</b>	<b>8,886</b>	<b>3,359,791</b>	<b>1,232,993</b>	<b>1,580,415</b>	<b>760,544</b>	<b>883,348</b>	<b>47,123</b>	<b>78,035</b>	<b>586,228</b>	<b>854,867</b>	<b>53,971</b>	<b>9,446,201</b>
Purchases/(sales)	0	313	0	0	0	0	0	30,528	2,249	5,035	7,537	45,662
Transfers in/(out) of Level 3 – assets classified as held for sale (Note 5.2)	(13)	957	0	0	0	0	(46)	0	0	0	0	898
Transfers in/(out) – free of charge	0	(27)	0	0	0	0	0	0	219	0	0	192
Transfers in/(out) – from other categories <sup>(i)</sup>	0	(28,653)	(14,377)	513	36,214	25,882	(28)	(52,525)	34,837	45	12,771	14,679
Depreciation expense	0	0	0	0	0	0	0	0	(23,629)	(13,888)	(10,667)	(48,184)
<b>Gains/(losses) recognised in net result</b>	<b>8,873</b>	<b>3,332,381</b>	<b>1,218,616</b>	<b>1,580,928</b>	<b>796,758</b>	<b>909,230</b>	<b>47,049</b>	<b>56,038</b>	<b>599,904</b>	<b>846,059</b>	<b>63,612</b>	<b>9,459,448</b>
<b>Gains/(losses) recognised in other economic flows – other comprehensive income</b>	<b>(69)</b>	<b>28,101</b>	<b>1,257</b>	<b>(9,792)</b>	<b>2,226</b>	<b>(23)</b>	<b>2</b>	<b>0</b>	<b>(2,850)</b>	<b>0</b>	<b>(1)</b>	<b>18,851</b>
Recognition/(derecognition), (write-down) of assets	(69)	28,101	1,257	(9,792)	2,226	(23)	2	0	(2,850)	0	(1)	18,851
<b>Gains/(losses) recognised in other economic flows – other comprehensive income</b>	<b>0</b>	<b>(7,951)</b>	<b>(584)</b>	<b>(1,422)</b>	<b>(851)</b>	<b>(5,419)</b>	<b>(14)</b>	<b>0</b>	<b>55,849</b>	<b>124,546</b>	<b>0</b>	<b>164,154</b>
Revaluation increments/ (decrements)	0	(7,951)	(584)	(1,422)	(851)	(5,419)	(14)	0	55,849	124,546	0	164,154
<b>Transfers in/(out) through contributions by owner</b>	<b>0</b>	<b>(10,953)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(10,953)</b>
Transfers in/(out) – third party	0	(10,953)	0	0	0	0	0	0	0	0	0	(10,953)
Transfers in/(out) – other capital contributions	0	(162,675)	(1,206,923)	0	(721,071)	(864,411)	0	0	(57,748)	0	(76)	(3,012,904)
	0	(173,628)	(1,206,923)	0	(721,071)	(864,411)	0	0	(57,748)	0	(76)	(3,023,857)
<b>Balance at 30 June 2019</b>	<b>8,804</b>	<b>3,178,903</b>	<b>12,366</b>	<b>1,569,714</b>	<b>77,062</b>	<b>39,377</b>	<b>47,037</b>	<b>56,038</b>	<b>595,155</b>	<b>970,605</b>	<b>63,535</b>	<b>6,618,596</b>

Note:

(i) Net transfers from assets under construction.

Assets under construction are excluded from the table above.

## Description of significant unobservable inputs to Level 3 valuations

2019 and 2018	Valuation technique	Significant Unobservable Inputs
Specialised land	Market approach	Community Service Obligation adjustment
Specialised buildings	Current replacement cost	Direct cost per square metre Useful life of specialised buildings
Specialised structures	Current replacement cost	Cost per structure Useful life of specialised structures
Roads	Current replacement cost	Cost per kilometre Useful life of roads
Plant and equipment	Current replacement cost	Cost per unit Useful life of plant and equipment

## 5.2 Non-financial physical assets classified as held for sale

	2019 \$'000	2018 \$'000
<b>Non-financial physical assets classified as held for sale</b>		
Land held for sale	10,796	24,048
Finance lease motor vehicles held for sale	2,108	893
Large scale generation certificates held for sale	5,291	1,312
<b>Total non-financial physical assets classified as held for sale</b>	<b>18,195</b>	<b>26,253</b>

Land held for sale represents land deemed surplus to the needs of the State and sale is highly probable within the next 12 months.

Finance lease motor vehicles held for sale represent vehicles identified for immediate disposal and subsequent sale in their current condition through the VicFleet disposal process. It is anticipated that these disposals will be completed within the next 12 months.

During the year, the department received large scale generation certificates in relation to agreements signed under the Renewable Certificates Purchasing Initiative. These certificates are held for sale as it is expected that the certificates will be sold to retailers within the next 12 months.

### Measurement of non-financial physical assets

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is considered as met only when

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

Once classified as held for sale these non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs of disposal, and are not subject to depreciation.

### 5.2.1 Fair value determination

#### Fair value measurement hierarchy of non-financial physical assets classified as held for sale

	Carrying amount \$'000	Fair value measurement at end of financial year using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
2019				
Land held for sale	10,796	0	10,796	0
Finance lease motor vehicles held for sale	2,108	0	2,108	0
Large scale generation certificates held for sale	5,291	5,291	0	0
Total	18,195	5,291	12,904	0
2018				
Land held for sale	24,048	0	24,048	0
Finance lease motor vehicles held for sale	893	0	893	0
Large scale generation certificates held for sale	1,312	1,312	0	0
Total	26,253	1,312	24,941	0

There have been no transfers between levels during the period. There were no changes in valuation techniques throughout the period to 30 June 2019.

Land held for sale is measured at the lower of carrying amount and fair value less costs to sell. The market based direct comparison method is used to value land held for sale. Valuation of the land is determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the land being valued.

Motor vehicles held for sale are carried at fair value less costs of disposal. To the extent that non-financial physical assets classified as held for sale do not contain significant, unobservable price inputs, these assets are classified as Level 2 under the market approach.

Large scale generation certificates held for sale are carried at cost. Given there is an active market for the certificates, these assets are classified as Level 1.

### Note 5.3 Intangible assets

	2019 \$'000	2018 \$'000
<b>Software</b>		
At cost	42,257	41,987
Less accumulated amortisation	(18,118)	(14,722)
	24,139	27,265
Construction in progress – at cost <sup>(i)</sup>	41,199	31,098
<b>Total software</b>	<b>65,338</b>	58,363
<b>Total intangible assets</b>	<b>65,338</b>	58,363

Note

(i) The major component of the carrying amount of software under development is the Land Use Victoria's Government Land Information Service.

When the recognition criteria in AASB 138 *Intangible Assets* are met, purchased and internally generated intangible assets are initially recognised at cost.

Where expenditure exceeds \$300,000 (2018: \$300,000) on the development of software, the department recognises software as an intangible asset when ready for use and at the value of the total expenditure.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Intangible produced assets with finite useful lives, are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 10 years.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development..

	2019 \$'000	2018 \$'000
<b>Movements in carrying amounts</b>		
<b>Balance at 1 July</b>	<b>58,363</b>	39,598
Additions	<b>10,371</b>	22,888
Net transfers from other categories (Note 5.1.2)	<b>0</b>	(700)
Recognition/(derecognition), write-on/(write-down) of assets	<b>0</b>	0
Amortisation expense	<b>(3,396)</b>	(3,423)
<b>Balance at 30 June</b>	<b>65,338</b>	58,363

### ***Impairment of intangible assets***

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified

The policy in connection with testing for impairment is outlined in Note 5.1.3.

## 5.4 Investments and other financial assets

	2019 \$'000	2018 \$'000
<b>Current investments and other financial assets</b>		
<b>Term deposits:</b>		
Australian dollar term deposits greater than three months <sup>(i)</sup>	0	309,306
<b>Total current investments and other financial assets</b>	0	309,306
<b>Non-current investments and other financial assets</b>		
Investment in managed fund <sup>(i)</sup>	0	290,650
<b>Total non-current investments and other financial assets</b>	0	290,650
<b>Total investments and other financial assets</b>	0	599,956

Note:

- (i) The Centralised Banking System (CBS) was established on 5 November 2018, with all investments held in Treasury Corporation of Victoria and Victorian Financial Management Corporation transitioned to the CBS prior to 30 June 2019.

### 5.4.1 Ageing analysis of investments and other financial assets

	Carrying amount \$'000	Not past due and not impaired \$'000	Less than 1 month \$'000	1–3 months \$'000	3 months – 1 year \$'000	1–5 years \$'000
<b>2019</b>						
Term deposits greater than 3 months	0	0	0	0	0	0
Investment in managed fund	0	0	0	0	0	0
<b>Total</b>	0	0	0	0	0	0
<b>2018</b>						
Term deposits greater than 3 months	309,306	309,306	0	0	0	0
Investment in managed fund	290,650	290,650	0	0	0	0
<b>Total</b>	599,956	599,956	0	0	0	0

## 5.5 Net gain/(loss) on non-financial assets

	2019 \$'000	2018 \$'000
<b>Net gain/(loss) on non-financial assets</b>		
Net gain/(loss) on disposal of property, plant and equipment and large scale generation certificates held for sale	<b>2,678</b>	3,950
Net recognition/(derecognition) of non-financial assets <sup>(i)</sup>	<b>22,849</b>	167,013
Adjustment to inventory	<b>0</b>	(434)
Write-down of property, plant and equipment and intangible assets	<b>(6,535)</b>	(8,063)
<b>Total net gain/(loss) on non-financial assets</b>	<b>18,992</b>	162,466

Note:

- (i) The net recognition relates to a reconciliation of Crown land records on transition to the Victorian Online Title System (VOTS). VOTS will be used as the department's definitive source of Crown land data as it records the land manager data from the whole of Victorian Government Crown Land Reconciliation.

The net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

### *Net gain/(loss) on disposal of property, plant and equipment*

Any gain or loss on the disposal of property, plant and equipment is recognised at the date of disposal and is the difference between the proceeds and the carrying value of the asset at the time.

### *Recognition and derecognition of non-financial assets*

Land is recognised under the categories set out at Note 5.1 *Property, plant and equipment* when the department identifies specific parcels of land, park, forest or reserve that it controls and their cost can be reliably determined. The department considers relevant information, such as the purpose for which a particular parcel has been reserved, to determine the parcels of Crown land over which it has control and records this information in the Victorian Online Titles System. Where land has been received at no cost the fair value is determined by the Valuer-General Victoria.

Other government entities are able to change the status of Crown land through grants and reservations made under legislation that is not administered by either of the Ministers who hold portfolio responsibility (for example, Crown grants may be issued under the *Project Development and Construction Management Act 1994*). The department's policy is to recognise the effect of such changes when it is made aware of the change in status.

Land is derecognised when it is not eligible to be treated as a return of equity to other government entities or when the information is available in the Land Information Management System regarding changes to area size. Gains or losses on the recognition or derecognition of land are recognised in the net result (other economic flows).

### *Adjustment to inventory*

Movements in stock level as a result of the department's yearly stock take review or due to loss of service potential is recognised as a gain or loss to inventory balance.

### *Write-down of property, plant and equipment and intangible assets*

The department will recognise a write-down of property, plant and equipment and intangible assets when there is evidence that there is a change in the market or an equipment breakdown. This is identified through impairment and life reviews.

## 5.6 Capital expenditure commitments

Capital commitments for future expenditure arising from contracts and include construction of buildings, roads, structures and software and the purchase of plant, equipment and intangible assets. These commitments are recorded below at nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	2019 \$'000	2018 \$'000
<b>Capital expenditure commitments payable</b>		
Not later than one year	<b>43,735</b>	142,508
Later than one year but no later than five years	<b>104,782</b>	184,764
Later than five years	<b>50,923</b>	118,291
<b>Total capital expenditure commitments</b>	<b>199,440</b>	445,563
 <b>Total capital expenditure commitments (inclusive of GST)</b>	 <b>199,440</b>	 445,563
Less GST recoverable from the Australian Taxation Office	<b>(18,131)</b>	(28,922)
<b>Total capital expenditure commitments (exclusive of GST)</b>	<b>181,309</b>	416,641

## 5.7 Equity

### 5.7.1 Physical asset revaluation surplus

	2019 \$'000	2018 \$'000
<b>Physical asset revaluation surplus</b>		
Balance at 1 July	7,976,161	6,760,373
<i>Increment/(decrement) on revaluation during the year resulting from:</i>		
Freehold land	4,549	11,836
Buildings and structures	55,849	2,850
Roads	124,546	0
Historic and cultural assets	182	0
Crown land – Land used for operational purposes	3,508	6,609
Crown land – State forests	(1,422)	223,624
Crown land – Land and unused roads	(8,257)	548,949
Crown land – National parks	(584)	171,771
Crown land – Conservation reserves	(851)	109,688
Crown land – Metropolitan parks	(5,419)	140,461
<i>Total increment/(decrement) on revaluation during the year to be included in Operating Statement under other economic flows:</i>	172,101	1,215,788
<i>Reclassification of physical asset revaluation surplus for the transfer of non-current assets to Parks Victoria<sup>(i)</sup>:</i>	(2,792,405)	0
<b>Balance at 30 June</b>	<b>5,355,857</b>	<b>7,976,161</b>
<b>Net change in physical asset revaluation surplus</b>	<b>(2,620,304)</b>	<b>1,215,788</b>

Note:

- (i) Under FRD 119A *Transfer through contributed capital*, the department reclassified \$2.792 billion of asset revaluation reserve to the extent required to effect the distribution to Parks Victoria. This is as a result of the introduction of the *Parks Act 2018* in which Parks Victoria becomes the responsible land manager for National parks, Conservation reserves, Metropolitan parks and numerous unreserved and reserved Crown land.

#### *Nature and purpose of physical asset revaluation surplus*

The physical asset revaluation surplus is used to record increments and decrements on the revaluation of non-current physical assets.

### 5.7.2 Capital contributions transferred to portfolio entities

	2019 \$'000	2018 \$'000
<b>Net Capital contributions transferred to portfolio entities</b>		
Contributions to Parks Victoria	25,280	18,799
Contributions to water authorities	56,816	57,819
Contributions to Alpine Resorts Management Boards	0	315
Contributions to Environmental Protection Authority	0	0
Contributions to Zoological Parks & Gardens Board of Victoria	0	0
Contribution to Phillip Island Nature Park Board of Management	17,364	26,528
Contribution to Royal Botanic Gardens Victoria	2,312	1,667
<b>Total net capital contributions transferred to portfolio entities</b>	<b>101,772</b>	<b>105,128</b>



## Note 6. Other assets and liabilities

### Introduction

This section sets out those assets and liabilities that arose from the department's operations.

### Structure

- 6.1 Receivables
  - 6.1.1 Movement in the provision for doubtful debts
  - 6.1.2 Ageing analysis of contractual receivables
- 6.2 Payables
  - 6.2.1 Maturity analysis of contractual payables
- 6.3 Prepayments
- 6.4 Inventories
- 6.5 Other provisions
  - 6.5.1 Movement in other provisions

## 6.1 Receivables

	2019 \$'000	2018 \$'000
<b>Current receivables</b>		
<b>Contractual</b>		
Trade receivables <sup>(i)</sup> (Note 8.1.1)	31,101	24,499
Allowance for impairment losses of contractual receivables <sup>(i)</sup> (Note 8.1.3)	(27)	(295)
Accrued income <sup>(ii)</sup> (Note 8.1.1)	5,718	4,147
	<b>36,792</b>	28,351
<b>Statutory</b>		
Amounts owing from Victorian Government	223,751	200,259
Landfill levies receivable	142,521	115,357
Other receivables	161	0
GST input tax credit recoverable	11,663	9,725
	<b>378,096</b>	325,341
<b>Total current receivables</b>	<b>414,888</b>	353,692
<b>Non-current receivables</b>		
<b>Statutory</b>		
Amounts owing from Victorian Government	55,936	43,120
<b>Total non-current receivables</b>	<b>55,936</b>	43,120
<b>Total receivables</b>	<b>470,824</b>	396,812

Note:

- (i) The average credit period on sales of goods and services and for other receivables is 30 days. No interest is charged on trade debtors for the first 30 days from the date of the invoice. Thereafter, interest is charged at 10.0 percent (2018: 10.0 percent) on the outstanding balance of invoices relating to land licences. The interest rate is determined under the *Penalty Interest Rate Act 1983*. A provision has been made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. The movement in the allowance of \$(268,000) (2018: increase of \$136,000) was recognised in the operating result for the current financial year.
- (ii) No interest is charged on accrued receivables for the outstanding balance. An allowance is made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. No such allowance has been made in this financial year for accrued receivables.

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The Department holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The Department applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Details about the Department's impairment policies, the Department's exposure to credit risk, and the calculation of the loss allowance are set out in note 8.1.3

## 6.2 Payables

	2019 \$'000	2018 \$'000
<b>Current payables</b>		
<b>Contractual</b>		
Trade creditors <sup>(i)</sup>	13,836	20,076
Accrued grants and other transfers	83,617	34,156
Capital accruals	5,380	15,760
Other accrued expenses	63,341	60,909
Other payable <sup>(i)</sup>	1,829	3,261
	<b>168,003</b>	134,162
<b>Statutory</b>		
Advances from the Public Account <sup>(ii)</sup>	9,543	8,868
Taxes payables	2,695	3,853
	<b>12,238</b>	12,721
<b>Total current payables</b>	<b>180,241</b>	146,883
<b>Non-current payables</b>		
<b>Contractual</b>		
Grant liabilities <sup>(iii)</sup>	3,517	0
	<b>3,517</b>	0
<b>Statutory</b>		
Advances from the Public Account <sup>(ii)</sup>	20,682	45,060
	<b>20,682</b>	45,060
<b>Total non-current payables</b>	<b>24,199</b>	45,060
<b>Total payables</b>	<b>204,440</b>	191,943

Note:

- (i) The average credit period is 30 days. No interest is charged on the trade creditors or other payables for the first 30 days from the date of the invoice. Thereafter, interest may be charged at differing rates determined by the individual trade arrangements entered into.
- (ii) These advances are for varying terms and do not normally bear interest. The advances are unsecured and the term of the advance is usually agreed by the Minister at the time the advance was provided.
- (iii) DELWP entered into contracts to support the construction of renewable energy resources to feed into the National Electricity Market (NEM). As part of the contracts, proponents were able to opt into receiving an annual Base Payment. This option was taken by only one proponent.

Payables includes short and long term trade debt and accounts payable, grants, taxes and interest payable.

Payables consist of:

- Contractual payables, such as accounts payable and accruals, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the department prior to the end of the financial year that are unpaid
- Statutory payables, such as goods and services tax and fringe benefits tax payables, and advances from the Public Account, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Advances from the Public Account are made pursuant to section 37 of the *Financial Management Act 1994* and represent payments made in advance of receiving appropriation funding. These advances are recognised at the gross value of amounts owing and are not discounted to the present value of future cash flows.

## 6.2.1 Maturity analysis of contractual payables

	Carrying amount \$'000	Nominal amount <sup>(i)</sup> \$'000	Maturity dates				
			Less than 1 month \$'000	1 month – 3 months \$'000	3 months – 1 year \$'000	1–5 years \$'000	5+ years \$'000
2019							
Trade creditors	13,836	13,836	13,836	0	0	0	0
Accrued grants and other transfers	83,617	83,617	83,617	0	0	0	0
Capital accruals	5,380	5,380	5,380	0	0	0	0
Other accrued expenses	63,341	63,341	63,341	0	0	0	0
Other payables	1,829	1,829	1,829	0	0	0	0
Grant liabilities	3,517	4,521	0	0	0	1,115	3,406
<b>Total</b>	<b>171,520</b>	<b>172,524</b>	<b>168,003</b>	<b>0</b>	<b>0</b>	<b>1,115</b>	<b>3,406</b>
2018							
Trade creditors	20,076	20,076	15,407	145	34	4,489	1
Accrued grants and other transfers	34,156	34,156	34,156	0	0	0	0
Capital accruals	15,760	15,760	15,760	0	0	0	0
Other accrued expenses	60,909	60,909	60,909	0	0	0	0
Other payables	3,261	3,261	3,261	0	0	0	0
<b>Total</b>	<b>134,162</b>	<b>134,162</b>	<b>129,493</b>	<b>145</b>	<b>34</b>	<b>4,489</b>	<b>1</b>

Note:

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

## 6.3 Prepayments

	2019 \$'000	2018 \$'000
<b>Prepayment</b>		
Goulburn-Murray Water Corporation	58,069	132,282
Goulburn-Broken Catchment Management Authority	92	92
Other	1,080	9,223
<b>Total prepayments</b>	<b>59,241</b>	<b>141,597</b>

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

## 6.4 Inventories

	2019 \$'000	2018 \$'000
<b>Current inventories</b>		
<b>Supplies and consumables – at cost</b>		
Fire stores <sup>(i)</sup>	9,062	12,827
Seed bank	2,707	2,357
Publications held for distribution and other stores	2,424	2,044
	<b>14,193</b>	17,228
<b>Inventories held for distribution</b>		
Publications held for sale – at cost	342	355
<b>Total inventories</b>	<b>14,535</b>	17,583

Note:

- (i) Fire stores are items held to respond to fire and emergency situations. Items include fire retardant, phoscheck and personal protective equipment

Inventories include goods and other items held either for sale or for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

## 6.5 Other provisions

	2019 \$'000	2018 \$'000
<b>Current other provisions</b>		
Onerous lease contracts <sup>(i)</sup>	2,163	1,328
Provision for insurance deductibles	3,456	1,419
Provision for LGCs to be surrendered	522	0
Provision for land remediation	0	2,884
<b>Total current other provisions</b>	<b>6,141</b>	5,631
<b>Non-current other provisions</b>		
Onerous lease contracts <sup>(i)</sup>	7,602	4,023
Provision for insurance deductibles	0	1,950
<b>Total non-current other provisions</b>	<b>7,602</b>	5,973
<b>Total other provisions</b>	<b>13,743</b>	11,604

Note:

- (i) The provision for onerous lease contracts represents the present value of the future lease payments that the department is presently obligated to make in respect of onerous lease contracts under non-cancellable operating lease agreements, less income expected to be earned on the lease including estimated future sub-lease income, where applicable. The estimate may vary as a result of changes in the utilisation of the leased premises and sub-lease arrangements where applicable. The unexpired terms of the leases vary up to a maximum of 15 years.

Other provisions are recognised when the department has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The future sacrifice of economic benefits includes costs associated with onerous lease contracts, insurance claims, restoration and rehabilitation related to bushfire activities involving the department, and other environmental activities such as native vegetation offsets.

The amount recognised as a liability is the best estimate to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

#### 6.5.1 Movement in other provisions

	Onerous lease contracts \$'000	Insurance deductibles \$'000	LGS's to be surrendered \$'000	Land Remediation \$'000	Total \$'000
<b>Balance at 1 July 2018</b>	<b>5,351</b>	<b>3,369</b>	<b>0</b>	<b>2,884</b>	<b>11,604</b>
Additional provisions recognised	1,492	0	522	0	2,014
Reductions arising from payments/ other sacrifices of future economic benefits	0	0	0	(2,884)	(2,884)
Increase/(reductions) resulting from remeasurement or settlement without cost	2,961	87	0	0	3,048
Unwind of discount and effect of changes in the discount rate	(39)	0	0	0	(39)
<b>Balance at 30 June 2019</b>	<b>9,765</b>	<b>3,456</b>	<b>522</b>	<b>0</b>	<b>13,743</b>
Current	2,163	3,456	522	0	6,141
Non-current	7,602	0	0	0	7,602
<b>Balance at 30 June 2019</b>	<b>9,765</b>	<b>3,456</b>	<b>522</b>	<b>0</b>	<b>13,743</b>

## Note 7. How we financed our operations

### Introduction

This section provides information on the sources of finance utilised by the department during its operations, along with interest expenses, the cost of interest bearing liabilities and other information related to financial activities of the department.

This section includes disclosures of balances that are financial instruments and Note 8.1.1 provides additional, specific financial instrument disclosures.

### Structure

- 7.1 Cash flow information
  - 7.1.1 Reconciliation of net result for the period to net cash flow from operating activities
  - 7.1.2 Interest
- 7.2 Interest bearing liabilities
  - 7.2.1 Maturity analysis of Interest bearing liabilities
  - 7.2.2 Interest expense
- 7.3 Finance leases liabilities (department as lessee)
- 7.4 Trust account balances

### 7.1 Cash flow information

Cash and cash deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents includes cash and short term investments, as indicated in the reconciliation below.

Due to the State of Victoria's investment policy and government funding arrangements, the department does not hold a large cash reserve in its bank accounts. Cash received by the department from the generation of income is generally paid into the state's bank account, known as the Public Account. Similarly, any departmental expenditure, including those in the form of cheques drawn by the department for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that, the Public Account would remit to the department the cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by the department's suppliers or creditors.

Funds held in trust include cash and term deposits and include a number of trust accounts managed and controlled by the department. They include the Sustainability Fund Trust, Goulburn Murray Water Connections Project Trust, Melbourne Strategic Assessment Trust, Parks and Reserves Trust, Plant and Machinery Trust, Growth Areas Public Transport Fund and the Building New Communities Fund.

	2019 \$'000	2018 \$'000
<b>Cash and cash deposits</b>		
Cash at bank and on hand	(128)	(810)
Funds held in trust – cash	392,610	365,920
Funds held in trust – deposits on call and term deposits less than 3 months	807,823	342,186
<b>Total cash and deposits disclosed in the balance sheet</b>	<b>1,200,305</b>	<b>707,296</b>
<b>Balance as per cash flow statement</b>	<b>1,200,305</b>	<b>707,296</b>

### 7.1.1 Reconciliation of net result for the period to net cash flow from operating activities

	2019 \$'000	2018 \$'000
<b>Net result for the period</b>	<b>186,546</b>	316,965
<b>Non-cash movements</b>		
Depreciation and amortisation	60,307	58,256
Assets and services provided free of charge or for nominal consideration	0	0
Net (gain)/loss on disposal of property, plant and equipment and large scale generation certificates held for sale	(2,678)	(3,950)
Net (recognition)/de-recognition of non-financial assets	(22,849)	(167,013)
Write-down of property, plant, equipment, intangible assets and inventory	6,535	8,497
Net (gain)/loss on financial instruments	4,252	(4,872)
Loss from revaluation of investment in associates	0	0
Net loss arising from revaluation of long service leave and annual leave liabilities	204	490
Initial recognition income from financial derivative	(285,202)	0
Other provision discount rate adjustments	4,454	3,528
<b>Movements included in investing and financing activities</b>		
Share of associate's losses, excluding dividends	0	0
<b>Movements in assets and liabilities</b>		
(Increase)/decrease in receivables	(78,267)	(117,200)
(Increase)/decrease in inventories	3,048	1,649
(Increase)/decrease in prepayments	85,300	7,038
Increase/(decrease) in payables	47,315	23,987
Increase/(decrease) in provisions	10,977	7,023
Increase/(decrease) in other liabilities	(1,951)	158
<b>Net cash flows from operating activities</b>	<b>17,991</b>	134,556

### 7.1.2 Interest

	2019 \$'000	2018 \$'000
<b>Interest from financial assets not at fair value through profit or loss:</b>		
Interest on cash deposits and investments	26,022	16,926
<b>Total interest</b>	<b>26,022</b>	16,926

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.



## 7.2 Interest bearing liabilities

	2019 \$'000	2018 \$'000
<b>Current Interest bearing liabilities – secured <sup>(i)</sup></b>		
Non-PPP related finance lease liabilities – Motor vehicles	13,367	13,395
<b>Total current Interest bearing liabilities</b>	<b>13,367</b>	<b>13,395</b>
<b>Non-current Interest bearing liabilities – secured <sup>(i)</sup></b>		
Non-PPP related finance lease liabilities – Motor vehicles	34,041	30,303
<b>Total non-current Interest bearing liabilities</b>	<b>34,041</b>	<b>30,303</b>
<b>Total Interest bearing liabilities</b>	<b>47,408</b>	<b>43,698</b>

Note:

(i) Secured by the leased assets.

Interest bearing liabilities relate to motor vehicles leased through the VicFleet and Fleet Plus finance lease facilities.

Interest bearing liabilities are classified as financial instruments. All interest bearing liabilities are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The department classifies its interest bearing liabilities as financial liabilities at amortised cost subsequent to initial recognition.

During the current and prior year, there were no defaults and breaches.

### 7.2.1 Maturity analysis of Interest bearing liabilities

	Maturity dates						
	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1 month – 3 months \$'000	3 months – 1 year \$'000	1–5 years \$'000	5+ years \$'000
<b>2019</b>							
Finance lease liabilities	47,408	47,408	3,491	1,423	8,453	34,041	0
<b>Total</b>	<b>47,408</b>	<b>47,408</b>	<b>3,491</b>	<b>1,423</b>	<b>8,453</b>	<b>34,041</b>	<b>0</b>
<b>2018</b>							
Finance lease liabilities	43,698	43,698	4,374	1,914	7,107	30,303	0
<b>Total</b>	<b>43,698</b>	<b>43,698</b>	<b>4,374</b>	<b>1,914</b>	<b>7,107</b>	<b>30,303</b>	<b>0</b>

### 7.2.2 Interest expense

Interest expense is costs incurred in connection with finance lease and the wind back of interest relating to make good provisions.

Interest expense is recognised in the period in which it is incurred.

	2019 \$'000	2018 \$'000
<b>Interest expense</b>		
Interest on finance leases	(1,173)	(773)
Other interest expense	39	(18)
<b>Total interest expense</b>	<b>(1,134)</b>	<b>(791)</b>

### 7.3 Finance leases liabilities (department as lessee)

	Minimum future lease payments		Present value of minimum future lease payments	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Motor vehicle related finance leases liabilities payable</b>				
Not later than one year	14,801	14,685	13,367	13,395
Later than one year but no later than five years	35,899	32,780	34,041	30,303
<b>Minimum future lease payments</b>	<b>50,700</b>	47,465	<b>47,408</b>	43,698
Less future finance charges	(3,292)	(3,767)	0	0
<b>Present value of minimum lease payments</b>	<b>47,408</b>	43,698	<b>47,408</b>	43,698
<b>Included in the financial statements as:</b>				
Current finance lease liability (Note 7.2)			13,367	13,395
Non-current finance lease liability (Note 7.2)			34,041	30,303
<b>Total lease liabilities</b>			<b>47,408</b>	43,698

Note:

- Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.
- Finance lease liabilities include obligations that are recognised on the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 3.2.
- The finance leases disclosed above are exempt from GST.

The finance leases relate to motor vehicles leased through the VicFleet and Fleet Plus finance lease facilities. The lease term is the period over which the vehicle is to be leased. Generally, vehicles must be retained for three years or 60,000 kilometres for VicFleet vehicles and 15 years for FleetPlus vehicles, whichever occurs first. On disposal of the vehicle any profit or loss on sale is borne by the department. The weighted average interest rate implicit in the leases is 3.75% percent (2018: 3.82% percent).

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments are apportioned between the reduction of the outstanding lease liability and the periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement.

Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

## 7.4 Trust account balances

The department has responsibility for transactions and balances relating to trust funds held. No third party funds were held under management for either 2018–19 or 2017–18.

The following is a listing of trust account balances in cash, deposits and investments relating to trust accounts controlled and administered by the department.

	2019				2018			
	Balance at 1 July 2018 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2019 \$'000	Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000
Controlled trusts								
Cash, deposits and investments								
Albury Wodonga Land Transfer Operates under s19 of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives funding and earns interest for the appropriate management and protection of land transferred from the Albury Wodonga Corporation.	673	13	(51)	635	739	14	(80)	673
Building New Communities Fund Operates under s201VB of the <i>Planning &amp; Environment Act 1987</i> to provide assistance for capital works for state funded infrastructure in any growth areas.	151,093	76,707	(158,153)	69,647	131,564	58,911	(39,382)	151,093
Casino Area Works Trust Operates under schedule 5 of the <i>Casino (Management Agreement) (Amendment) Act 1996</i> to be applied to works for the general improvement of facilities in the Melbourne casino area.	483	9	0	492	477	6	0	483
Department Suspense Operates under s19(2) of the <i>Financial Management Act 1994</i> as a working account. It holds all generic unclaimed funds until they have been identified.	135	10	0	145	137	0	(2)	135
DTF VicFleet Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives funding and makes payments in relation to the government motor vehicle pool.	1,163	6,096	(6,054)	1,205	5,964	8,087	(12,888)	1,163
Goulburn Murray Water Connections Project Trust Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives fees and disburses payments in relation to the delivery of the Goulburn Murray Water connections and irrigations modernisation program.	20,680	109,495	(130,151)	24	29,775	160,710	(169,805)	20,680
Growth Areas Public Transport Fund Operates under s201VA of the <i>Planning &amp; Environment Act 1987</i> to provide assistance for the state funded public transport infrastructure works in any growth areas.	148,205	78,241	(55,308)	171,138	128,656	58,990	(39,441)	148,205
Melbourne Strategic Assessment Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives fees and disburses payments in relation to the delivery of the Melbourne Strategic Assessment Program.	51,702	22,683	(24,930)	49,455	26,746	31,758	(6,802)	51,702

		2019			2018				
		Balance at 1 July 2018 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2019 \$'000	Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000
Controlled trusts									
Cash, deposits and investments									
Municipal and Industrial Landfill Levy Trust Account	Operates under s19 of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives municipal and industrial landfill levies from the Environment Protection Authority as specified in s70E(2) of the <i>Environment Protection Act 1970</i> and manages payments to environmental agencies with the remaining balance transferred to the Sustainability Fund Trust Account.	0	213,765	(213,765)	0	0	218,633	(218,633)	0
Parks and Reserves Trust Account	Operates under s153A of the <i>Water Industry Act 1994</i> as a specific purpose operating account. It receives the Metropolitan Parks Improvement Rate and makes payments for the management and control of open spaces, parks and waterways in the metropolitan area.	113,070	176,978	(166,623)	123,425	69,447	184,402	(140,779)	113,070
Plant and Machinery Trust Account	Operates under s23 of the <i>Conservation, Forests and Lands Act 1987</i> as a specific purpose operating account. It receives funding and makes payments for the renewal, replacement, operation, maintenance and repair of plant and machinery.	68,274	7,689	(1,078)	74,885	78,358	1,085	(11,169)	68,274
Project Trust Account	Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives income and makes payments associated with services the department has been contracted to supply on a fee for service basis	215,233	757,119	(709,128)	263,224	181,555	211,254	(177,576)	215,233
Renewable Energy Certificate Purchasing Initiative Trust Account	Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It maintains a single point of administration for revenue holding, consultancy fee, administrative costs, staffing and training. It receives payments from the Sustainability Fund for implementing the Renewable Certificate Purchasing Initiative and for purchasing Large-scale Generation Certificates.	11,913	17,173	(7,094)	21,992	0	15,806	(3,893)	11,913
Revenue Suspense	Operates under s19(2) of the <i>Financial Management Act 1994</i> as a departmental account. It records all unknown revenue receipts; funds are held until receipts are identified.	4,708	0	(34)	4,674	4,800	0	(92)	4,708
Stores Suspense	Operates under s23 of the <i>Conservation, Forests and Lands Act 1987</i> as a specific purpose operating account. It receives funding and makes payments for the purchase of stores and the cost of manufacturing articles for stock.	7,146	4,257	(44)	11,359	4,180	3,318	(352)	7,146

	2019				2018			
	Balance at 1 July 2018 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2019 \$'000	Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000
<b>Controlled trusts</b>								
<b>Cash, deposits and investments</b>								
Sustainability Fund Trust Account Operates under s19 of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages grants fostering environmentally sustainable uses of resources, waste management best practice, greenhouse gas reduction and adapting to climate change.	511,327	89,008	(194,381)	405,954	551,073	115,429	(155,175)	511,327
Treasury Trust – Floods Operates under s19 of the <i>Financial Management Act 1994</i> as a shared operating account. It makes state funds available for the restoration of assets and public facilities damaged in floods.	2,257	44	(122)	2,179	2,855	0	(598)	2,257
<b>Total controlled trusts</b>	<b>1,308,062</b>	<b>1,558,784</b>	<b>(1,666,413)</b>	<b>1,200,433</b>	<b>1,216,326</b>	<b>1,068,403</b>	<b>(976,667)</b>	<b>1,308,062</b>

Administered trusts									
Cash, deposits and investments									
CH Barbour Forestry Foundation Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donations.	9	0	0	9	9	0	0	0	9
J Gilmore Farm Water Supply and Hanslow Cup Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donations.	45	0	0	45	44	1	0	0	45
Land Registry Commercialisation Trust Account Operates under s19(1) of the <i>Financial Management Act 1994</i> as a holding account. It manages funds, in accordance with the Concession Deed, collected by the Victorian Land Registry Services from customers following commercialisation of part of the State's land titles and registry functions.	0	359,320	(359,165)	155	0	0	0	0	0
Natural Disaster Relief Fund Operates under s19(2) of the <i>Financial Management Act 1994</i> as a holding account. It holds money supplied by the Commonwealth until required for expenditure in the case of any natural disasters.	115	0	0	115	115	0	0	0	115
Paid Parental Leave Treasury Trust Fund Operates under s19(2) of the <i>Financial Management Act 1994</i> as a working account. It receives funds from the Commonwealth to meet the eligible costs of parental leave for departmental employees.	38	20	0	58	38	0	0	0	38
Public Service Commuters' Club Operates under s19 of the <i>Financial Management Act 1994</i> as a working account. It services loans to staff for the purchase of yearly tickets and funds are recouped through staff salaries and wages.	(104)	5	0	(99)	(1)	0	(103)	(104)	
Securities Trust Fund Operates under s19 of the <i>Financial Management Act 1994</i> as a working account. It receives and holds bonds for use by third parties of public land.	15	1	0	16	38	2	(25)	15	
(Sidney Plowman Award Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donations.	24	0	0	24	24	0	0	24	

	2019				2018			
	Balance at 1 July 2018 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2019 \$'000	Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000
Administered trusts								
Treasury Trust Operates under s19(2) of the <i>Financial Management Act 1994</i> as a working account. It records the receipt and disbursement of unclaimed and unidentified monies such as unpresented cheques, surplus cash, unidentified remittances etc.	663	520	(128)	1,055	1,052	92	(481)	663
Victorian Desalination Project Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages and quarantines adjustment payments to AquaSure and any associated efficiencies and savings that arise relating to water orders placed with the Victorian Desalination Plant.	42,106	870	0	42,976	41,556	550	0	42,106
Victorian State Foresters' Association Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donations.	21	0	(4)	17	23	0	(2)	21
Total administered trusts	42,932	360,736	(359,297)	44,371	42,898	645	(611)	42,932

### Trust Accounts opened or closed by the department during 2019

The Land Registry Commercialisation Trust Account was opened during the year.

No Trust accounts were closed during the year.

### Treasury trust – Victorian floods

The state has made funds available for the restoration of assets and public facilities damaged in floods through the Treasury Trust Fund.

	2019 \$'000	2018 \$'000
<b>Treasury trust – Victorian floods</b>		
Cash at bank at 30 June	2,179	2,257
<b>Total funds under management</b>	<b>2,179</b>	<b>2,257</b>
<b>Treasury trust – Victorian floods</b>		
Opening balance	2,257	2,855
Contributions by the Victorian government	0	0
Other contributions	44	0
<b>Total receipts</b>	<b>44</b>	<b>0</b>
Payments to catchment management authorities	0	0
Payments to portfolio agencies	0	137
Payments to non-portfolio agencies	0	0
Payments to local governments	65	0
Other payments	57	461
<b>Total payments</b>	<b>122</b>	<b>598</b>
<b>Cash at bank 30 June</b>	<b>2,179</b>	<b>2,257</b>

### Third party funds under management

No third party funds were held under management for either 2018–19 or 2017–18.



## Note 8. Risks, contingencies and valuation judgements

### Introduction

The department is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instruments specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the department related mainly to fair value determination.

### Use of judgements and estimates

The calculation of the fair value of certain financial assets and liabilities require the judgements, estimates and assumptions relating to future events.

The estimates and assumptions made are based on previous experience and other factors that management considers reasonable in the circumstances, but that are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unexpected events or circumstances may arise. Furthermore, the Department, is subject to risks and uncertainties which may result in the actual amounts deviating from the estimates.

It may become necessary to change estimates made previously due to changes in the assumptions on which the previous estimates were based or due to knowledge or subsequent events.

Management revises the estimates and assumptions periodically and the effects of any changes are reflected through profit and loss if they only involve that period. If the revision involves both the current and the future periods, the change is recognised in the period in which the revision is made and in the related future periods.

### Structure

- 8.1 Financial instruments specific disclosures
  - 8.1.1 Financial instruments: Categorisation
  - 8.1.2 Financial instruments: Gain/(loss) on financial instruments by category
  - 8.1.3 Financial risk management objectives and policies
- 8.2 Contingent assets and contingent liabilities
- 8.3 Fair value determination
  - 8.3.1 Fair value determination of financial assets and liabilities

### Use of judgements

Management considers that the input data estimates relating to wholesale electricity price forecasts are the most significant estimations used in determining the fair value of derivative financial instruments.

Judgement was required in determining how to best obtain market data inputs for the fair value calculations. The Department elected to appoint a third party expert to provide price forecast data estimations.

### Use of estimate

The fair value of financial instruments is determined based on prices directly observable in the market, where available, or, for unlisted financial instruments, using specific valuation techniques (mainly based on present value) that maximize the use of observable market inputs. In circumstances where this is not possible, management assess the complexity of assumptions and methodologies used to estimate input data as complex and engage third party industry experts to assist with the development of the most appropriate range of estimations. In accordance with AASB 13, the Department includes a measurement of credit risk, both counterparty (Credit Valuation Adjustment or CVA) and its own (Debit Valuation Adjustment or DVA), to adjust the fair value of financial instruments for the corresponding amount of counterparty risk, using the method discussed in Note 8.3 Fair value determination. Changes in the assumptions made in estimating the input data could have an impact on the fair value recognized for those instruments.

One of the key areas of estimation involved in the valuation of the derivative financial instruments is the forecast wholesale electricity price. Management undertook a detailed process to understand the methodologies and assumptions used by external providers to determine the appropriate forecast to apply as part of the valuation.

## 8.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the department's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

From 1 July 2018, the Department applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

### Categories of financial assets under AASB 9

#### **Financial assets at amortised cost**

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Department to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Department recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

#### **Financial assets at fair value through net result**

Equity instruments that are held for trading as well as derivative instruments are classified as fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

However, as an exception to those rules above, the Department may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

### Categories of financial assets previously under AASB 139

**Loans, receivables and cash** are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). The Department recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

### Categories of financial liabilities under AASB 9 and previously under AASB 139

**Financial assets and liabilities at fair value through net result** are categorised at fair value through net result at trade date if they are classified as held for trading or designated as such upon initial recognition.

Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies. Financial instruments at fair value through profit and loss are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequent to initial recognition, any changes in fair value are recognised in the net result as other economic flows.

**Financial liabilities at amortised cost** are initially recognised on the date they originate. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in net result over the period of the interest-bearing liability, using the effective interest method (refer to Note 9.10 Glossary of technical terms).

Financial liabilities measured at amortised cost include all of the department's contractual payables and interest-bearing arrangements, but not statutory payables.

**Derivative financial instruments** are classified as fair value through net result. They are initially recognised at fair value on the date on which all contractual obligations under Conditions Precedent are met.

Initial recognition of off-market instruments may be delayed until such point in time when the Department is able to reliably estimate the fair value for those derivatives for which unobservable data inputs are used as part of the valuation techniques. DELWP has

initially recognised the Contract for Differences derivative instrument at 30 June 2019 and measured the fair value of the instrument based on the best available information as per AASB 9 and 13.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Any gains or losses arising from changes in the fair value of derivatives after initial recognition are recognised in the consolidated comprehensive operating statement as an 'other economic flow' included in the net result. The department entered into contracts to support the construction of renewable energy generators to feed into the National Electricity Market (NEM). The future settlements of Contract for Differences and large-scale generation certificates (LGCs) from/to proponents are classified as financial derivative instruments. Income recognised represents the fair value of the expected future settlements at the initial recognition.

#### **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the contractual rights to receive cash flows from the asset have expired; or
- the department retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the department has transferred its rights to receive cash flows from the asset and either:
  - a. has transferred substantially all the risks and rewards of the asset
  - b. has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the department has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the department's continuing involvement in the asset.

#### **Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

#### **Reclassification of financial instruments**

Subsequent to initial recognition, reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the Department's business model for managing its financial assets has changes such that its previous model would no longer apply.

However, the Department is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government departments are required to apply the PMF under the Standing Directions of the Assistant Treasurer 2018.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

### 8.1.1 Financial instruments: Categorisation

	2019				2018			
	Financial assets at amortised cost \$'000	Financial assets / liabilities designated at fair value through profit/loss \$'000	Financial liabilities at amortised cost \$'000	Total \$'000	Loans, receivables and cash \$'000	Financial assets / liabilities designated at fair value through profit/loss \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
<b>Contractual financial assets</b>								
<b>Cash and deposits</b>								
Cash, deposits on call and term deposits less than 3 months	1,200,305	0	0	1,200,305	707,296	0	0	707,296
<b>Receivables <sup>(ii)</sup></b>								
Trade receivables	31,101	0	0	31,101	24,204	0	0	24,204
Accrued income	5,718	0	0	5,718	4,147	0	0	4,147
<b>Investments and other contractual financial assets:</b>								
Term deposits greater than 3 months	0	0	0	0	309,306	0	0	309,306
Investment in managed fund	0	0	0	0	0	290,650	0	290,650
Derivative financial instruments <sup>(iii)</sup>	0	285,202	0	285,202	0	0	0	0
<b>Total contractual financial assets</b>	<b>1,237,124</b>	<b>285,202</b>	<b>0</b>	<b>1,522,326</b>	<b>1,044,953</b>	<b>290,650</b>	<b>0</b>	<b>1,335,603</b>
<b>Contractual financial liabilities</b>								
<b>Payables <sup>(ii)</sup></b>								
Trade creditors	0	0	13,836	13,836	0	0	20,076	20,076
Accrued grants and other transfers	0	0	83,617	83,617	0	0	34,156	34,156
Capital accruals	0	0	5,380	5,380	0	0	15,760	15,760
Other accrued expenses	0	0	63,341	63,341	0	0	60,909	60,909
Other payables	0	0	1,829	1,829	0	0	3,261	3,261
Other liabilities	0	0	3,198	3,198	0	0	2,206	2,206
<b>Borrowings</b>								
Finance lease liabilities	0	0	47,408	47,408	0	0	43,698	43,698
Grant liability <sup>(iv)</sup>	0	0	3,517	3,517	0	0	0	0
Derivative financial instruments <sup>(v)</sup>	0	708	0	708	0	0	0	0
<b>Total contractual financial liabilities</b>	<b>0</b>	<b>708</b>	<b>222,126</b>	<b>222,834</b>	<b>0</b>	<b>0</b>	<b>180,066</b>	<b>180,066</b>

Note:

- (i) The amount of receivables disclosed excludes statutory receivables (i.e. amounts owing from Victorian Government, landfill levies receivable and GST input tax credit receivable) totalling \$434.032 million (2018: \$368.461 million) – Refer to Note 6.1 *Receivables*.
- (ii) The amount of payables disclosed excludes statutory payables (i.e. amounts owing to Victorian Government for advances from the Public Account and taxes payable) totalling \$32.920 million (2018: \$57.781 million) – Refer to Note 6.2 *Payables*.
- (iii) The department entered into contracts to support the construction of renewable energy generators to feed into the National Electricity Market (NEM). The future settlements of Contract for Differences and large-scale generation certificates (LGCs) from/to proponents are classified as financial derivative instruments. Income recognised represents the fair value of the expected future settlements at the initial recognition.
- (iv) DELWP entered into contracts to support the construction of renewable energy resources to feed into the National Electricity Market (NEM). As part of the contracts, proponents will receive an annual base payment.
- (v) Market-to-market on forward sold large-scale generation certificates.

### 8.1.2 Financial instruments: Gain/(loss) on financial instruments by category

	2019			
	Net holding gain/(loss) \$'000	Total interest income/(expense) \$'000	Impairment loss \$'000	Total \$'000
<b>Contractual financial assets</b>				
Financial assets at amortised cost – other than on derecognition	0	4,198	0	4,198
Equity investments designated at fair value through profit/loss	(4,510)	7,644	0	3,134
<b>Total contractual financial assets</b>	<b>(4,510)</b>	<b>11,842</b>	<b>0</b>	<b>7,332</b>
<b>Contractual financial liabilities</b>				
Financial liabilities at amortised cost	0	1,173	0	1,173
<b>Total contractual financial liabilities</b>	<b>0</b>	<b>1,173</b>	<b>0</b>	<b>1,173</b>
	2018			
	Net holding gain / (loss) \$'000	Total interest income/(expense) \$'000	Impairment loss \$'000	Total \$'000
<b>Contractual financial assets</b>				
Financial assets designated at fair value through profit/loss	5,037	11,842	0	16,879
Financial assets – loans and receivables	0	8,305	136	8,441
<b>Total contractual financial assets</b>	<b>5,037</b>	<b>20,147</b>	<b>136</b>	<b>25,320</b>
<b>Contractual financial liabilities</b>				
Financial liabilities at amortised cost	0	(773)	0	(773)
<b>Total contractual financial liabilities</b>	<b>0</b>	<b>(773)</b>	<b>0</b>	<b>(773)</b>

The net holding gains or losses disclosed above are determined as follows:

- for cash and deposits, receivables and investments, the net gain or loss is calculated by subtracting any impairment recognised in the net result from the interest income
- for financial liabilities measured at amortised cost, the net gain or loss reflects the interest expense.
- for cash and cash equivalents and financial assets at amortised cost, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;
- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- for financial asset designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

### **8.1.3 Financial risk management objectives and policies**

The department is exposed to a number of financial risks, including credit risk, liquidity risk and market risk.

As a whole, the department's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed throughout the financial statement notes.

The main purpose in holding financial instruments is to prudently manage the department's financial risks within the government policy parameters.

The department's main financial risks include credit risk, liquidity risk and market risk. The department manages these financial risks in accordance with its financial risk management policy.

The department uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the accountable officer of the department.

#### **(a) Financial instruments: Credit risk**

Credit risk refers to the possibility of the department's counter party defaulting on their contractual obligations resulting in financial loss to the department. Credit risk is measured at fair value and is monitored on a regular basis.

The Department's credit risk arises from in-the-money receipts due from renewable energy generators (consisting of both the Contracts for Difference and the delivery of LGCs) and contractual financial assets in terms of which the Victorian Government is the main debtor. The present value of the future cash flows relating to in-the-money receipts are reflected on the balance sheet as a favourable derivative financial instrument (asset position).

Credit risk associated with contractual financial assets with the main debtor as the Victorian Government is considered minimal. For all other contractual financial assets other than those with government, credit assessments are required where \$5,000 or more of goods and services are provided. If a customer has a credit rating of less than a Triple-B rating, collateral security in the form of a bank guarantee or security deposit is obtained to reduce the department's credit risk exposure.

The Department determines its maximum exposure to credit risk relating to derivative financial instruments on each reporting date as the sum of the nominal values of all forecasted net cash receipts where the floating price due by the proponent exceeds the fixed price payable by the State over the remaining contract term. The Department manages its exposure to credit risk from derivative financial instruments contracted with unrated renewable energy generators by obtaining collateral security in the form of a bank guarantee or security deposit. Collateral is obtained annually in advance and is only valid for a year from issue date. The value of each year's collateral is determined as the estimate net cash inflows from proponents in the year.

					2019
	External credit rating	Maximum exposure \$'000	Collateral held \$'000	Collateral type	Net carrying value \$'000
<b>Contractual financial assets</b>					
Derivative financial instruments	Unrated	386,837 <sup>(i)</sup>	18,437	Bank guarantee	285,202 <sup>(ii)</sup>
<b>Total contractual financial assets</b>		<b>386,837</b>	<b>18,437</b>		<b>285,202</b>

(i) This represents the sum of all in-the-money cash receipts due in respect to the Contract for Difference.

(ii) The net carrying value of \$285,202 million represents a derivative asset position which is the net present value of the sum of all net cash receipts, net cash payments and LGCs. LGCs are not linked to cash flows as they will result in intangible assets upon receipt.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Department will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the department's maximum exposure to credit risk without taking account of the value of any collateral obtained.

#### Impairment of financial assets under AASB 9 – applicable from 1 July 2018

From 1 July 2018, the Department has been recording the allowance for expected credit loss for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Department's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.



### Contractual receivables at amortised cost

The Department applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Department has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Department's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Department determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as follows:

	Current	Less than 1 month	1-3 month	3 - 6 month	6 month - 1 year	1-5 years	Total
<b>1-Jul-18</b>							
<b>Expected loss rate - Public Bodies</b>	0%	0%	2.5%	5%	10%	15%	
<b>Expected loss rate - Individual / Commercial customers</b>	0%	2.5%	5%	10%	50%	100%	
Gross carrying amount of contractual receivables	18,762	3,647	1,556	152	96	286	24,499
<b>Loss allowance</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>8</b>	<b>19</b>	<b>244</b>	<b>295</b>

	Current	Less than 1 month	1-3 month	3 - 6 month	6 month - 1 year	1-5 years	Total
<b>30-Jun-19</b>							
<b>Expected loss rate - Public Bodies</b>	0%	0%	0%	0%	0%	0%	
<b>Expected loss rate - Individual / Commercial customers</b>	0%	0%	0.3%	0.6%	2.3%	65.6%	
Gross carrying amount of contractual receivables	19,739	4,028	6,300	605	250	63	30,985
<b>Loss allowance</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>17</b>	<b>27</b>

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

	2019 \$'000	2018 \$'000
<b>Balance at 1 July</b>	<b>295</b>	159
Opening retained earnings adjustment on adoption of AASB 9	<b>0</b>	0
<b>Opening Loss Allowance</b>		
Reversal of unused provision recognised in the net result	<b>0</b>	0
Reversal of provision of receivables written off during the year as uncollectible	<b>0</b>	0
Increase (decrease) in provision recognised in the net result	<b>(268)</b>	136
<b>Balance at 30 June</b>	<b>27</b>	295

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

### Statutory receivables at amortised cost

The Department's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses. No loss allowance recognised at 30 June 2018 under AASB 139. No additional loss allowance required upon transition into AASB 9 on 1 July 2018.

### (b) Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The Department operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Department is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. The Department manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets;
- careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- a high credit rating for the State of Victoria (Moody's Investor Services and Standard & Poor's triple-A, which assists in accessing debt market at a lower interest rate).

Cash for unexpected events is generally sourced from liquidation of available-for-sale financial investments.

The carrying amount detailed in Note 6.2.1, and the carrying amount of derivative financial instruments recorded in the following table represents the Department's maximum exposure to liquidity risk.

	2019			
	Up to 1 year \$'000	Between 1 to 5 years \$'000	5 Years or more \$'000	Total <sup>(i)</sup> \$'000
<b>Contractual financial liabilities</b>				
Derivative financial instruments	0	7,774	6,599	14,373

Note:

- (i) The amount disclosed in the above table is the nominal amount (except for the net carrying value). ii. The net carrying value of \$285,202 million represents a derivative asset position which is the net present value of the sum of all the net cash receipts, net cash payments and LGCs. LGCs are not linked to cash flows as they will result in intangible assets upon receipt.

(c) *Financial instruments: Market risk*

The department's exposures to market risk are primarily through interest rate and price risk with insignificant exposure to foreign currency risks. Objectives, policies and processes used to manage each of these risks are disclosed below.

**Sensitivity disclosure analysis and assumptions**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the department believes the following movements are 'reasonably possible' over the next 12 months (the cash rate is sourced from the Reserve Bank of Australia):

- a movement of 100 basis points up and down (2018: 100 basis points up and down) in market interest rates (AUD);
- a movement of 10 per cent up and 5 per cent down (2018: 10 per cent up and 5 per cent down) in the equity price risk (AUD) for the Capital Stable Fund portfolio mix; and
- a movement of 10 percent up and 10 per cent down in the large-scale generation certificate forward market prices.

The tables that follow show the impact on the department's net result and equity for each category of financial instrument held by the department at the end of the reporting period, if the above movements were to occur.

**Interest rate risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Department manages the fair value interest rate risks relating to the derivative financial instruments by placing a Payment Cap clause in its contractual agreements with proponents to limit the value of the Department's liability over the term of the contracts. The respective Payment Caps applied to contractual arrangements are determined as part of the Department's Auction tender processes and escalate at a fixed 4% per annum.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Department has minimal exposure to cash flow interest rate risks through cash and deposits in the Centralised Banking System (CBS). The CBS was established on 5 November 2018, with all funds transitioned to the CBS before 30 June 2019. The interest rate paid on surplus account balances are the cash rate plus 40 basis points and funds are all at call.

The department's interest bearing liabilities are motor vehicle leases. The department's motor vehicles leases are managed by VicFleet and Fleet Plus and interest rates are fixed at the inception of the lease.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the department's sensitivity to interest rate risk are set out in the table that follows.

## Interest rate exposure of financial instruments

	Weighted average effective interest rate	Interest rate exposure			
		Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000
2019					
Financial assets					
Cash and deposits					
Cash, deposits on call and term deposits less than 3 months	1.65%	1,200,305	0	807,823	392,482
Receivables					
Trade receivables <sup>(i)</sup>		31,074	0	0	31,074
Accrued income		5,718	0	0	5,718
Total financial assets		1,237,097	0	807,823	429,274
Financial liabilities					
Payables <sup>(ii)</sup>					
Trade creditors		13,836	0	0	13,836
Accrued grants and other transfers		83,617	0	0	83,617
Capital accruals		5,380	0	0	5,380
Other accrued expenses		63,341	0	0	63,341
Other payables		1,829	0	0	1,829
Other liabilities		3,198	0	0	3,198
Borrowings					
Finance lease liabilities	3.75%	47,408	47,408	0	0
Total financial liabilities		218,609	47,408	0	171,201

Note:

- (i) The amount of receivables disclosed excludes statutory receivables (i.e. amounts owing from Victorian Government, landfill levies receivable and GST input tax credit receivable) totalling \$434.032 million (2018: \$368.461 million) – Refer to Note 6.1 *Receivables*.
- (ii) The amount of payables disclosed excludes statutory payables (i.e. amounts owing to Victorian Government for advances from the Public Account and taxes payable) totalling \$32.920 million (2018: \$57.781 million) – Refer to Note 6.2 *Payables*.

## Interest rate exposure of financial instruments (continued)

	Weighted average effective interest rate	Interest rate exposure			
		Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non- interest bearing \$'000
2018					
Financial assets					
Cash and deposits					
Cash, deposits on call and term deposits less than 3 months	1.76%	707,296	193,350	148,836	365,110
Receivables <sup>(i)</sup>					
Trade receivables		24,204	0	0	24,204
Accrued income		4,147	0	0	4,147
Investments and other contractual financial assets					
Term deposits greater than 3 months	2.03%	309,306	309,306	0	0
Investment in managed fund	4.56%	290,650	83,998	145,615	61,037
Total financial assets		1,335,603	586,654	294,451	454,498
Financial liabilities					
Payables <sup>(iii)</sup>					
Trade creditors		20,076	0	0	20,076
Accrued grants and other transfers		34,156	0	0	34,156
Capital accruals		15,760	0	0	15,760
Other accrued expenses		60,909	0	0	60,909
Other payables		3,261	0	0	3,261
Other liabilities		2,206	0	0	2,206
Borrowings					
Finance lease liabilities	3.82%	43,698	43,698	0	0
Total financial liabilities		180,066	43,698	0	136,368

Note:

- (i) The amount of receivables disclosed excludes statutory receivables (i.e. amounts owing from Victorian Government, landfill levies receivable and GST input tax credit receivable) totalling \$434.032 million (2018: \$368.461 million) – Refer to Note 6.1 *Receivables*.
- (ii) The amount of payables disclosed excludes statutory payables (i.e. amounts owing to Victorian Government for advances from the Public Account and taxes payable) totalling \$32.920 million (2017: \$57.781 million) – Refer to Note 6.2 *Payables*.

## Interest rate risk sensitivity

		2019 Interest rate risk	
	Carrying amount \$'000	-1.0% (-100 basis points) Net result \$'000	+1.0% (100 basis points) Net result \$'000
Contractual financial assets:			
Cash and deposits <sup>(i)</sup>	1,200,305	(8,078)	8,078
Total impact		(8,078)	8,078
Contractual financial liabilities:			
Interest bearing liabilities <sup>(ii)</sup>	47,408	0	0
Total impact		0	0

		2018 Interest rate risk	
	Carrying amount \$'000	-1.0% (-100 basis points) Net result \$'000	+1.0% (+100 basis points) Net result \$'000
Contractual financial assets:			
Cash and deposits <sup>(i)</sup>	707,296	(1,488)	1,488
Investments	599,956	(1,456)	1,456
Total impact		(2,944)	2,944
Contractual financial liabilities:			
Interest bearing liabilities <sup>(ii)</sup>	43,698	0	0
Total impact		0	0

Note:

- (i) All cash and cash equivalents are held in Australian dollars. \$807.822 million (2018: \$148.836 million) cash and cash equivalents were held on deposit at variable interest rates. The remainder of the balance was held in non-interest bearing accounts. This item is not subject to any other identified risk sensitivities.
- (ii) Interest bearing liabilities relate to finance lease liabilities associated with motor vehicles. Each contract has interest fixed at the inception of the lease. This item is not subject to identified risk sensitivities.

## Foreign currency risk

The department had no exposure to foreign currency risk as at either 30 June 2019 or 30 June 2018.

## Price risk

The Department is exposed to market price risk through its derivative forward sale contracts of large-scale generation certificates with external market participants. The entering of forward sale contracts form part of the Department's risk management policies to ensure that potential losses on sale of excess large-scale generation certificates are limited to forward contract values, reducing exposure to significant market volatility resulting from the expected oversupply of large-scale generation certificates.

The department's sensitivity to price risk is set out below.

## Price risk sensitivity

		2019 Equity price risk	
		-10%	+10%
	Carrying amount \$'000	Fair value through profit/loss \$'000	Fair value through profit/loss \$'000
<b>Contractual financial assets:</b>			
Derivative financial instruments <sup>(i)</sup>	708	434	(434)
<b>Total impact</b>	<b>708</b>	<b>434</b>	<b>(434)</b>

Note:

(i) Market-to-market on forward sold large-scale generation certificates.

		2018 Equity price risk	
		-5%	+10%
	Carrying amount \$'000	Fair value through profit/loss \$'000	Fair value through profit/loss \$'000
<b>Contractual financial assets:</b>			
Investment <sup>(i)</sup>	290,650	(3,052)	6,104
<b>Total impact</b>	<b>290,650</b>	<b>(3,052)</b>	<b>6,104</b>

Note:

(i) Market-to-market on investments in the Victorian Funds Management Corporation Capital Stable Fund

## 8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statement and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

### Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

### Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations
  - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

	2019 \$'000	2018 \$'000
<b>Quantifiable contingent assets</b>		
Other	0	60
	<b>0</b>	<b>60</b>
<b>Quantifiable contingent liabilities</b>		
Damages claims	670	0
Public liability insurance claims <sup>(i)</sup>	910	585
Breach of contract	0	0
Other <sup>(ii)</sup>	5,550	36,643
	<b>7,130</b>	<b>37,228</b>

Note:

- (i) The public liability insurance claims relate to various personal expense matters resulting from serious injury and natural disasters.
- (ii) The other contingent liabilities relate to various planning application and compensation claims.

### Unquantifiable contingent assets

The department did not have any unquantifiable contingent assets in 2019 (2018: \$60,000).

### Unquantifiable contingent liabilities

The department has the following unquantifiable contingent liabilities.

#### Native Titles

There have been three native title claims made in relation to Victorian land and resources (2018: four native title claims). No material losses are anticipated in respect of any of these contingencies.



### 8.3 Fair value determination

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the department.

This section sets out information on how the department determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Contractual financial assets and liabilities at fair value through profit and loss
- Property, plant and equipment
- Non-financial physical assets classified as held for sale
- Investments accounted for using the equity method.

In addition, the fair values of liabilities which are carried at amortised cost, also need to be determined for disclosure purposes.

The department determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

#### Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The department determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each financial year.

#### How fair value disclosures are structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end
  - details of significant unobservable inputs used in the fair value determination.

This is divided between disclosures in connection with fair value determination for financial assets and liabilities (refer to Note 8.3.1) and non-financial physical assets (refer to Note 5.1.5 and Note 5.2.1).

#### 8.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Department currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2018-19 reporting period. These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	• Trade payables
• Trade receivables	• Other liabilities
• Accrued income	Interest bearing liabilities
Investments	• Finance lease liabilities
• Term deposits	

#### Financial assets and liabilities measured at fair value

	Carrying amount \$'000	Fair value measurement at end of reporting period using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>2019</b>				
Investment in managed fund	0	0	0	0
Derivative financial instruments	284,494	(708)	0	285,202
<b>2018</b>				
Investment in managed fund	290,650	0	290,650	0
Derivative financial instruments	0	0	0	0

There have been no transfers between levels during the period.

#### Derivative financial instruments:

The fair value of derivative instruments resulting from the forward sale of large-scale generation certificates are determined by the Department with reference to observable market prices of large-scale generation certificates currently trading in the market as at reporting date. These instruments are categorised as Level 1 for fair value purposes.

In the absence of an active market, the fair value of the Department's derivative contracts for difference and the LGCs receivable are valued using unobservable inputs such as wholesale electricity prices provided by an independent advisory firm and comparable risk free rates of zero coupon government bonds. In addition, assumptions are applied to forecast the renewable energy generation volumes over the life of the instrument. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are unobservable, the Department categorises these investments as Level 3.

## Reconciliation of Level 3 fair value movements

	Derivative financial instruments			Total
	2019	2018	2019	2018
Opening balance	0	0		0
Total gains or losses recognised in:				
Net result	284,494	0	284,494	0
Other comprehensive income	0	0	0	0
Settlements	0	0	0	0
<b>Closing balance</b>	<b>284,494</b>	<b>0</b>	<b>284,494</b>	<b>0</b>
<b>Total gains or losses for the period included in profit or loss for assets held at the end of the period</b>				

The fair value of derivative financial instruments is based on the discounted cash flow technique. The selection of variables requires significant judgement and therefore there is a range of reasonably possible assumptions in respect of these variables that could be used in estimating the fair value of derivatives. Significant inputs in applying this technique include contractual escalation rates as specified in the contractual arrangements with the proponents to be applied for cash flows and discount rates used.

## Description of Level 3 valuation techniques used and key inputs to valuation

	Valuation technique <sup>(i)</sup>	Significant unobservable inputs <sup>(i)</sup>	Sensitivity <sup>(i)</sup>	Range	Increase <sup>(iii)</sup> \$'000	Decrease <sup>(iii)</sup> \$'000
Financial Derivative Instruments	Discounted cash flow method	Wholesale electricity price forecasts	10%	\$46.65 – \$156.0 / MWh	121,900	(121,900)
		LGC price forecasts	10%	\$0 – 21.51 / MWh	6,045	(6,045)
		Discount rate - Risk free rates of zero coupon government bonds (2,3,5,10 years tenors)	1%	0.98% – 1.36%	(26,403)	29,887
		Credit value adjustment – Australian Corporate Bond Spreads and Yields FNFSBBB10M	1%	1.3406% – 1.8588%	(63,857)	63,771

Notes:

- (i) Illustrations on the valuation techniques, significant unobservable inputs and the related quantitative range of those inputs are indicative and should not be directly used without consultation with entities' independent valuer.
- (ii) Forward spot pool prices and renewable energy certificate prices provided by an independent advisory firm are applied as market prices are not readily observable for the corresponding term.

## Note 9. Other disclosures

### Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### Structure

- 9.1 Ex gratia expenses
- 9.2 Other economic flows included in net result
- 9.3 Subsequent events
- 9.4 Responsible persons
- 9.5 Remuneration of executive officers
- 9.6 Related parties
- 9.7 Other accounting policies
- 9.8 Australian Accounting Standards issued that are not yet effective
- 9.9 Style conventions
- 9.10 Glossary of technical terms

### 9.1 Ex gratia expenses

- (i) Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a writeoff) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

	2019 \$'000	2018 \$'000
<b>Net gain/(loss) on financial instruments</b>		
Voluntary payments <sup>(iii)</sup>	(9)	0
<b>Total ex gratia expenses <sup>(i)(ii)</sup></b>	<b>(9)</b>	<b>0</b>

Note:

- (i) includes ex gratia expenses for both individual items and in aggregate that are greater than or equal to \$5,000.  
(ii) The total for ex gratia expenses is also presented in 'other operating expenses' of Note 3.1.4 Other operating expenses.  
(iii) Payment to estate of former employee

### 9.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- disposals of financial assets and derecognition of financial liabilities
- the department's share of the associate's profit or loss as other economic flows
- realised and unrealised gains and losses on the revaluation of investments
- realised and unrealised gains and losses from revaluations of financial instruments at fair value
- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates
- re-measurement of other provisions.

Net gains/(losses) on non-financial assets are disclosed in Note 5.5.

	2019 \$'000	2018 \$'000
<b>Net gain/(loss) on financial instruments</b>		
Impairment of receivables <sup>(i)</sup>	258	(165)
Net gain/(loss) on disposal of financial assets through profit and loss account(ii)	0	0
Net gain/(loss) arising from the revaluation of financial assets at fair value – market risk <sup>(iii)</sup>	(4,510)	5,037
<b>Total net gain/(loss) on financial instruments</b>	<b>(4,252)</b>	4,872
<b>Other gains/(losses) from other economic flows</b>		
Loss from revaluation of investment in associates	0	0
Net loss arising from revaluation of employee benefits <sup>(iv)</sup>	(204)	(490)
Other provision discount rate adjustments	(4,454)	(3,528)
<b>Total other gains/(losses) from other economic flows</b>	<b>(4,658)</b>	(4,018)

Note:

- (i) This item represents the net increase in the provision for doubtful debts, the unilateral write off of bad debts and other debt from other economic flows
- (ii) This item represents the net loss arising from the fair value movement of the forward sale LGC contracts.
- (iii) This item represents the net gain arising from the investment in the Capital Stable Fund held with the Victorian Funds Management Corporation on behalf of the Sustainability Fund. The Capital Stable Fund is a managed fund that invests in a combination of cash, fixed income securities and Australian and international equities.
- (iv) This item represents revaluation loss due to changes in bond rates.

### 9.3 Subsequent events

#### Transition of Solar Homes Program from Sustainability Victoria to DELWP

The Solar Homes program will help Victorian households manage cost of living associated with electricity prices, increase the State's renewable electricity generation and reduce its greenhouse gas emissions, while creating good jobs in the solar industry. Solar Homes was launched in August 2018 as a one-year program delivered by Solar Victoria, a newly established business unit in Sustainability Victoria.

The Government has committed to expanding the program to 10 years and will assist Victorians by installing solar panels, batteries or hot water systems on 770,000 houses across the state. As part of the Solar Homes program a loan scheme will commence in July 2019. This will allow Victorians to access the benefits of renewable energy at no up-front cost.

Solar Victoria has been transferred to DELWP on 1 July 2019. This enables the Solar Homes program to benefit from the department's strong governance, risk management and policy capability.

On 28 August 2019, the Solar Home program announced an additional 23,000 Solar PV rebates of up to \$2,225 to be available for application across the financial year 2019/20.

#### Establishment of Cladding Safety Victoria

Following the announcement by the Premier and Minister for Planning on 16 July 2019, the department will commence the pre-construction activities and manage cladding rectification for 15 priority buildings in the short term, and work with the Victorian Building Authority to support the newly created Cladding Safety Victoria. The Victorian Government has established Cladding Safety Victoria with a funding commitment of \$300 million to provide support and guidance to building owners and occupants of buildings with combustible cladding, particularly where rectification work is required to reduce risks to an acceptable level.

## 9.4 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

### Names

The persons who held the positions of Ministers and Accountable Officers in the department are as follows:

Minister for Water	The Hon. Lisa Neville MP	1 July 2018 to 30 June 2019
Minister for Energy, Environment and Climate Change	The Hon. Lily D'Ambrosio MP	1 July 2018 to 30 June 2019
Minister for Solar Homes	The Hon. Lily D'Ambrosio MP	29 November 2018 to 30 June 2019
Minister for Planning	The Hon. Richard Wynne MP	1 July 2018 to 30 June 2018
Minister for Local Government	Ms Marlene Kairouz MP	1 July 2018 to 29 November 2018
Minister for Local Government	Mr Adem Somyurek MP	29 November 2018 to 30 June 2019
Secretary	Mr John Bradley	1 July 2018 to 30 June 2019

Remuneration received or receivable by the Accountable Officer in connection with the management of the Department during the reporting period was in the range: \$510,000 - \$520,000 (\$580,000 - \$590,000 in 2017-18).

### Acting arrangements

The Hon. James Merlino MP acted as the Minister for Energy, Environment and Climate Change Solar Homes during the period 24 December 2018 to 4 January 2019.

The Hon. Lily D'Ambrosio MP acted as Minister for Planning during the periods 16 to 20 July 2018 and 5 to 28 January 2019.

The Hon. Lisa Neville MP acted as Minister for Planning during the periods 1 to 4 January 2019, Minister for Energy, Environment and Climate Change during the period 17 to 26 April 2019.

The Hon. Richard Wynne MP acted as Minister for Water during the period 23 March to 9 April 2019 and 14 to 16 April 2019, Minister for Energy, Environment and Climate Change during the period 24 to 31 December 2018 and 16 April 2019, Minister Solar Homes during the period 16 to 26 April 2019.

The Hon. Gavin Jennings MLC acted as Minister for Energy, Environment and Climate Change during the period 1 to 4 January 2019.

Terry Garwood acted as the Secretary during the period 9 to 17 July 2018.

Lee Miezi acted as the Secretary during the period 10 to 28 April 2019.

## 9.5 Remuneration of executive officers

The number of executive officers, other than ministers and the accountable officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include superannuation contributions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave and deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

	2019 \$'000	2018 \$'000
<b>Remuneration of executive officers</b>		
Short-term employee benefits	22,559	18,429
Post-employment benefits	2,067	1,637
Other long-term benefits	492	400
Termination benefits	1,322	270
<b>Total remuneration of executive officers <sup>(i)(iii)</sup></b>	<b>26,440</b>	<b>20,736</b>
<b>Total number of executives</b>	<b>136</b>	<b>120</b>
<b>Total annualised employee equivalent (AEE) <sup>(ii)</sup></b>	<b>109.5</b>	<b>91.4</b>

Note

- (i) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the department under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 9.6).
- (ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.
- (iii) Remuneration for staff who have acted in executive positions over two months have been included in the table above.

## 9.6 Related parties

The department is a wholly owned and controlled entity of the State of Victoria. Related parties of the department include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

### Significant transactions with government related entities

The following transactions are considered to be related parties with significant transactions with the department.

The department receives parliamentary and special appropriation to draw funds out of the Consolidated Funds to be applied towards departmental outputs (see Note 2.2 *Appropriations* and 2.2.1 *Summary of compliance with annual parliamentary appropriation*) and income from government related entities such as grant income (see Note 2.3.4 *Grants*) and landfill levy (see Note 2.3.2 *Municipal and Industrial Landfill Levy*). In addition, the department oversees administered items on behalf of the state with reference to Payments made on behalf of the state (see Note 2.2 *Appropriations* and 2.2.1 *Summary of compliance with annual parliamentary appropriation*) and detailed in (Note 4.2 *Administered (non-controlled) items*).

The department transacts with other portfolio and government agencies through transactions such as grants (Note 3.1.2 *Grants and other transfers*), supplies and services (Note 3.1.3 *Supplies and services*) and capital appropriations (Note 5.7.2 *Net capital contribution transferred to portfolio entities*) in line with budgeted allocations.

The department held investments with Treasury Corporation Victoria and the Victorian Funds Management Corporation (Note 5.4 *Investments and other financial assets*).

The department has advances from government, such as those related to GST payments (required to account for timing differences). These advances are unsecured loans which bear no interest (see Note 6.2 *Payables*). In addition, the department leases motor vehicles for operating purposes from VicFleet (Note 7.2 *Interest bearing liabilities*).

## Other related parties

Key management personnel of the department include the Portfolio Ministers - The Hon. Lisa Neville MP, The Hon. Lily D'Ambrosio MP, The Hon. Richard Wynne MP, The Hon. Natalie Hutchins MP, The Hon. Marlene Kairouz MP, The Hon. Adam Somyurek MP; the Secretary John Bradley; the Deputy Secretaries and some members of the Executive Team, which includes:

- Deputy Secretary Corporate Services, Ms Kathryn Anderson.
- Deputy Secretary Water and Catchment, Ms Helen Vaughan.
- Deputy Secretary Local Infrastructure, Mr Terry Garwood.
- Deputy Secretary Planning, Mr Julian Lyngcoln (Christine Wyatt from 1 July 2018 to 28 February 2019).
- Deputy Secretary Environment and Climate Change, Ms Kylie White
- Deputy Secretary Energy, Ms Anthea Harris.
- Deputy Secretary Forest, Fire and Regions, Mr Lee Miezi.
- Director Victorian Desalination Project, Mr. Andrew Ogilvie (Ms Jenny Carbery from 1 July 2018 to 23 November 2018 and Rowan Keeble acting from 26 November 2018 to 27 April 2019).
- Chief Fire Officer, Chris Hardman (Darrin McKenzie acting from 1 July 2018 – 26 August 2018).
- Chief Executive Officer Solar Homes, Mr Stan Krpan (appointed 22 May 2019)

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Ministers' remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

	2019 \$'000	2018 \$'000
<b>Compensation of key management personnel</b>		
Short-term employee benefits	3,111	3,225
Post-employment benefits	219	223
Other long-term benefits	63	65
Termination benefits	112	0
<b>Total compensation of key management personnel</b>	<b>3,505</b>	<b>3,513</b>

Remuneration for staff who have acted in the executive position for over two months have been included in the table above.

## Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges.

Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the department, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

The Deputy Secretary Corporate Services is a board member of CenITex to which the department pays service fees and charges on normal commercial terms during the reporting period.

The Secretary is a board member of Infrastructure Victoria and there were no transactions entered into by the department during the reporting period.



## 9.7 Other accounting policies

### Accounting for goods and services tax (GST)

Income, expenses and non-financial assets and liabilities are recognised net of the amount of associated GST, except where the GST incurred is not recoverable from the taxation authority. In this case, the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Commitments for expenditure and contingent assets and liabilities are also stated inclusive of GST.

### 9.8 Australian Accounting Standards issued that are not yet effective

The following AASs become effective for reporting periods commencing after 1 July 2019:

AASB 1059 Service Concession Arrangements: Grantor;

AASB 16 Leases;

AASB 15 Revenue from Contract with Customers; and

AASB 1058 Income of Not-for-Profit Entities.

#### Service concession arrangements

Prior to the issuance of AASB 1059, there was no definitive accounting guidance in Australia for service concession arrangements, which include a number of public private partnership (PPP) arrangements. The AASB issued the new standard to address the lack of specific accounting guidance and based the content thereof broadly on its international equivalent: International Public Sector Accounting Standard 32: Service Concession Arrangements: Grantor.

For arrangements within the scope of AASB 1059, the public sector grantor will be required to record the asset(s) used in the service concession arrangement at current replacement cost in accordance with cost approach to Fair Value under AASB 13: Fair Value Measurement (AASB 13), with a related liability, which could be a financial liability, an accrued revenue liability (referred to as the "Grant Of A Right To The Operator" or GORTO liability) or a combination of both. The AASB recently announced a one-year deferral on the new accounting requirements for public sector grantors in service concession arrangements. As a result, AASB 1059 will apply to annual periods beginning on or after 1 January 2020, rather than 1 January 2019. However, the

Department intends to early adopt AASB 1059 in line with the original adoption date of 1 January 2019, i.e. the 2019-20 financial year.

The Department will apply the standard using a full retrospective approach to prior reporting periods from 1 July 2018 ("transition date"). As a result, all comparative information in the financial statements will be prepared as if AASB 1059 had always been in effect with a cumulative adjustment between the recognition of service concession assets and financial liabilities and/or GORTO liabilities recognised in accumulated surplus as at 1 July 2018.

The Department has identified one material service concession arrangements and has performed a detailed impact assessment. The potential impact in the initial year of application has been estimated as follows:

GORTO arrangements:

- increase in service concession assets (a subset of property, plant and equipment or intangible assets) of \$449 million,
- increase in related depreciation/amortisation of \$0.9 million,

#### Leases

AASB 16 Leases replaces AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases-Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases on the balance sheet by recording a Right-Of-Use (RoU) asset and a lease liability except for leases that are shorter than 12 months and leases where the underlying asset is of low value (deemed to be below \$10,000).

AASB 16 also requires the lessees to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset, and remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The amount of the remeasurement of the lease liability will generally be recognised as an adjustment to the RoU asset.

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The effective date is for annual reporting periods beginning on or after 1 January 2019. The Department intends to adopt AASB 16 in 2019-20 financial year when it becomes effective.

The Department will apply the standard using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information.

Various practical expedients are available on adoption to account for leases previously classified by a lessee as operating leases under AASB 117. The Department will elect to use the exemptions for all short-term leases (lease term less than 12 months) and low value leases (deemed to be below \$10,000).

In addition, AASB 2018-8 – Amendments to Australian Accounting Standards – Right-of-Use Assets (RoU) of Not-for-Profit Entities allows a temporary option for not-for-profit entities to not measure RoU assets at initial recognition at fair value in respect of leases that have significantly below-market terms, since further guidance is expected to be developed to assist not-for-profit entities in measuring RoU assets at fair value. The Standard requires an entity that elects to apply the option (i.e. measures a class or classes of such RoU assets at cost rather than fair value) to include additional disclosures. The Department intends to choose the temporary relief to value the RoU asset at the present value of the payments required (at cost).

The Department has performed a detailed impact assessment of AASB 16 and the potential impact in the initial year of application has been estimated as follows:

- increase in RoU of \$160 million;
- increase in related depreciation of \$28 million;
- increase in lease liability of \$160 million;
- increase in related interest of \$6 million, calculated using effective interest method; and
- decrease in rental expense of \$25 million.

## Revenue and Income

AASB 15 supersedes AASB 118 Revenue, AASB 111 Construction Contracts and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from an enforceable contract that imposes a sufficiently specific performance obligation on an entity to transfer goods or services. AASB 15 requires entities to only recognise revenue upon the fulfilment of the performance obligation. Therefore, entities need to allocate the transaction price to each performance obligation in a contract and recognise the revenue only when the related obligation is satisfied.

To address specific concerns from the 'not-for-profit' sector in Australia, the AASB also released the following standards and guidance:

AASB 2016-8 Amendments to Australian Accounting Standards – Australian implementation guidance for NFP entities (AASB 2016-8), to provide guidance on application of revenue recognition principles under AASB 15 in the not-for-profit sector.

AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public-Sector Licensors (2018-4), to provide guidance on how to distinguish payments receive in connection with the access to an asset (or other resource) or to enable other parties to perform activities as tax and non-IP licence. It also provides guidance on timing of revenue recognition for non-IP licence payments.

AASB 1058 Income of Not-for-Profit Entities, to supplement AASB 15 and provide criteria to be applied by not-for-profit entities in establishing the timing of recognising income for government grants and other types of contributions previously contained within AASB 1004 Contributions.

AASB 15, AASB 1058 and the related guidance will come into effect for not-for-profit entities for annual reporting periods beginning on or after 1 January 2019. The Department intends to adopt these standards in 2019-20 financial year when it becomes effective.

The Department will apply the standard using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information.

The Department has performed a detailed impact assessment of AASB 15 and AASB 1058 and has note that there are minimal potential impact for each of the major class of revenue and income in the initial year of application.

## 9.9 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

(xxx.x)	negative numbers
20xx	year period
20xx-xx	year period

The financial statements and notes are presented based on the illustration for a government department in the 2018-19 *Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the department's annual report.

## 9.10 Glossary of technical terms

### *Grants for onpassing*

All grants paid to one institutional sector (e.g. a state general government entity) to be passed on to another institutional sector (e.g. local government or a private nonprofit institution).

### *Intangible produced assets*

Refer to produced assets in this glossary.

### *Intangible non-produced assets*

Refer to non-produced asset in this glossary.

### *Joint ventures*

Joint ventures are contractual arrangements between the department and one or more other parties to undertake an economic activity that is subject to joint control and have right to the net assets of the arrangement. Joint control only exists when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

### *Net result*

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

### *Net result from transactions/net operating balance*

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

### *Net worth*

Net worth is assets less liabilities, which is an economic measure of wealth.

### *Non-financial assets*

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, road networks, land under roads, plant and equipment, cultural and heritage assets, intangible and biological assets.

### *Non-produced assets*

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

### *Other economic flows included in net result*

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets
- fair value changes of financial instruments and agricultural assets.

### *Other economic flows – other comprehensive income*

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows – other comprehensive income include:

- a. changes in physical asset revaluation surplus
- b. gains and losses on remeasuring available-for-sale financial assets.

### *Purpose group*

Non-financial physical assets are classified by the 'purpose' for which the assets are used, according to one of six 'Purpose Groups' based upon Government Purpose Classifications.

### *Produced assets*

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

### *Sales of goods and services*

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets

such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

### ***Taxation income***

Taxation income represents income received from the state's taxpayers and includes:

- levies (including the environmental levy) on statutory corporations in other sectors of government
- the Metropolitan Parks Improvement Rate
- other taxes, including landfill levies, licence and concession fees.

### ***Transactions***

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

# Appendices

## Appendix 1: Disclosure Index

The Annual Report is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of the department's compliance with statutory disclosure requirements.

### Ministerial Directions and Financial Report Directions

Legislation	Requirement	Page
<b>Report of operations</b>		
<i><b>Charter and purpose</b></i>		
FRD 22H	Manner of establishment and the relevant Ministers	15
FRD 22H	Purpose, functions, powers and duties	18
FRD 8D	Departmental objectives, indicators and outputs	22
FRD 22H	Key initiatives and projects	6
FRD 22H	Nature and range of services provided	18
<i><b>Management and structure</b></i>		
FRD 22H	Organisational structure	19
<i><b>Financial and other information</b></i>		
FRD 8D	Performance against output performance measures	22
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FRD 10A	Disclosure index	249
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FRD 22H	Summary of the financial results for the year	73
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FRD 22H	Major changes or factors affecting performance	73
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FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	100
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	103
FRD 22H	Statement on National Competition Policy	105
FRD 22H	Application and operation of the <i>Protected Disclosure 2012</i>	102
FRD 22H	Application and operation of the <i>Carers Recognition Act 2012</i>	102

Legislation	Requirement	Page
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FRD 22H	Details of consultancies under \$10 000	98
FRD 22H	Disclosure of government advertising expenditure	99
FRD 22H	Disclosure of ICT expenditure	99
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FRD 25C	Local Jobs First Policy disclosures	98
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SD 5.1.4	Attestation for compliance with <i>Ministerial Standing Direction</i>	77
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<b>Declaration</b>		
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<b>Other requirements under Standing Directions 5.2</b>		
SD 5.2.1 (a)	Compliance with Australian accounting standards and other authoritative pronouncements	136
SD 5.2.1 (a)	Compliance with Ministerial Directions	136
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<b>Other disclosures as required by FRDs in notes to the financial statements <sup>(i)</sup></b>		
FRD 9A	Departmental Disclosure of Administered Assets and Liabilities by Activity	150
FRD 11A	Disclosure of ex-gratia Expenses	148
FRD 13	Disclosure of Parliamentary Appropriations	138
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	143
FRD 103G	Non-Financial Physical Assets	184
FRD 110A	Cash Flow Statements	211
FRD 112D	Defined Benefit Superannuation Obligations	146

(i) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure

Legislation	
<i>Building Act 1993</i>	103
<i>Carers Recognition Act 2012</i>	102
<i>Caulfield Racecourse Reserve Act 2017</i>	104
<i>Electricity Industry Act 2000</i>	379
<i>Financial Management Act 1994</i>	2
<i>Freedom of Information Act 1982</i>	100
<i>Heritage Act 2017</i>	104
<i>Local Government Act 1989</i>	104
<i>Marine and Coastal Act 2018</i>	37
<i>Planning and Environment (Growth Areas Infrastructure Contribution) Act 2010</i>	105
<i>Protected Disclosure Act 2012</i>	102
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<i>Water Act 1989</i>	117

## Appendix 2: Budget portfolio outcomes

Operating Statement - Controlled	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
<b>Income from transactions</b>				
Output appropriations <sup>(i)</sup>	1,837	1,502	336	18%
Special appropriation	150	145	6	4%
Interest	26	12	14	53%
Sales of goods and services <sup>(ii)</sup>	102	43	59	58%
Grants <sup>(iii)</sup>	161	130	31	19%
Other income <sup>(iv)</sup>	577	296	282	49%
<b>Total income from transactions</b>	<b>2,854</b>	<b>2,128</b>	<b>726</b>	<b>25%</b>
<b>Expenses from transactions</b>				
Employee benefits <sup>(v)</sup>	520	463	57	11%
Depreciation and amortisation	60	53	7	12%
Interest expense	1	1	0	0%
Grants and other transfers <sup>(vi)</sup>	1,278	1053	225	18%
Capital asset charge	93	93	0	0%
Other operating expenses	724	718	6	1%
<b>Total expenses from transactions</b>	<b>2,677</b>	<b>2,381</b>	<b>296</b>	<b>11%</b>
<b>Net result from transactions (net operating balance)</b>	<b>177</b>	<b>(253)</b>	<b>430</b>	<b>243%</b>
<b>Other economic flows included in net result</b>				
Net gain/(loss) on non-financial assets	45	12	(9)	n/a
Net gain/(loss) on financial instruments and statutory receivables/payables	(4)	3	8	n/a
Other gains/(losses) from other economic flows	(5)	0	5	n/a
Total other economic flows included in net result	36	16	21	n/a
<b>Net result</b>	<b>213</b>	<b>(238)</b>	<b>451</b>	<b>211</b>



Operating Statement - Controlled	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
<b>Other economic flows – other comprehensive income</b>				
<b>Items that will not be classified to net result</b>				
Changes in non-financial assets revaluation reserve	172	0	172	n/a
Financial assets available for sale reserve:	0	0	0	n/a
Other	0	0	0	n/a
<b>Total other economic flows - other comprehensive income</b>	<b>172</b>	<b>0</b>	<b>172</b>	<b>n/a</b>
<b>Comprehensive result</b>	<b>385</b>	<b>(238)</b>	<b>574</b>	<b>162%</b>

Note:

- (i) The variance is predominantly driven by additional funding received for Fire Emergency response activities and the Homeowners Solar Panel Scheme.
- (ii) The variance is predominately driven by higher than anticipated revenue generated from the Native Vegetation Credit register, agency valuations and the Melbourne Strategic Assessment program.
- (iii) The variance predominately relates to grant revenue received from the General Government sector to deliver the New Technology Funding initiative and to provide funding to Parks Victoria for the sports and recreation opportunities in our parks capital initiative.
- (iv) The variance is predominately driven by the VRET. In August 2018, the department entered into contracts with six proponents to construct renewable energy generators to feed into the National Electricity Market. The increase in other income is due to the fair value of the expected future settlements at initial recognition for the contracts for difference and future settlements of large-scale generation certificate, that are required to be recognised as derivative financial instruments.
- (v) The variance is predominately driven by increased Fire Emergency response activities and activities to support the commercialisation of the land titles and registry functions of Land Use Victoria.
- (vi) The variance in grants and other transfers is predominantly driven by increases in:
  - grants disbursed for the Homeowners Solar Panel Scheme and Power Saving Bonus initiatives,
  - grants disbursed from the Municipal and Industrial Landfill Levy for the clean-up of the Waste Site Rehabilitation - Lara, and
  - grants disbursed from the Growth Area Public Transport Fund and Building New Communities Fund to support infrastructure development in Melbourne's growth corridors.

Balance Sheet - Controlled	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
<b>Assets</b>				
<b>Financial assets</b>				
Cash and deposits <sup>(i)</sup>	1,063	575	488	46%
Receivables <sup>(ii)</sup>	621	388	233	38%
Other financial assets <sup>(iii)</sup>	285	559	(274)	(96%)
Investments accounted for using the equity method	0	0	0	0%
<b>Total financial assets</b>	<b>1,969</b>	<b>1,522</b>	<b>447</b>	<b>23%</b>
<b>Non-financial assets</b>				
Inventories <sup>(iv)</sup>	15	22	(7)	(51%)
Non-financial assets classified as held for sale including disposal group assets <sup>(v)</sup>	18	26	(8)	(44%)
Property, plant and equipment <sup>(vi)</sup>	6,942	9,755	(2,814)	(41%)
Intangible assets	65	70	(5)	(7%)
Other <sup>(vii)</sup>	56	71	(14)	(26%)
<b>Total non-financial assets</b>	<b>7,096</b>	<b>9,945</b>	<b>(2,849)</b>	<b>(40%)</b>
<b>Total assets</b>	<b>9,066</b>	<b>11,467</b>	<b>(2,401)</b>	<b>(26%)</b>
<b>Liabilities</b>				
Payables	203	195	8	4%
Borrowings <sup>(viii)</sup>	48	36	12	25%
Provisions	164	143	21	13%
<b>Total liabilities</b>	<b>415</b>	<b>373</b>	<b>42</b>	<b>10%</b>
<b>Net assets</b>	<b>8,601</b>	<b>11,094</b>	<b>(2,443)</b>	<b>(28%)</b>
<b>Equity</b>				
Accumulated surplus/(deficit)	3,260	554	2,707	83%
Reserves	5,356	7,976	(2,620)	(49%)
Contributed capital	34	2,564	(2,530)	(7424%)
<b>Total equity</b>	<b>8,650</b>	<b>11,094</b>	<b>(2,493)</b>	<b>(28%)</b>

Note:

- (i) The increase in cash and deposits relates to the transfer of funds invested with the Treasury Corporation of Victoria and the Victorian Funds Management Corporation to the Centralised Banking System.
- (ii) The variance is primarily due to higher than expected levels of debtors and GST recoverable.
- (iii) The variance predominately relates to the transfer of funds invested in TCV and VFMC to the CBS, partially offset by recognition of the derivate financial instruments receivable for the Victorian Renewable Energy Target.
- (iv) The variance is due to a reduction in stock held in the fire stores, as stocks were consumed during the last fire season and not yet fully replenished.
- (v) The variance primarily relates to a decrease in land held for sale partly offset by recognition of the Renewable Energy Certificates held for sale.
- (vi) The variance primarily relates to the transfer of assets to Parks Victoria in accordance with revised control arrangements for land parcels and assets under the *Parks Victoria Act 2018*.
- (vii) The variance is primarily due to the timing of prepayments associated with accommodation refurbishments and upgrades.
- (viii) The variance is primarily due to borrowings linked to VicFleet and FleetPlus finance lease liabilities on motor vehicles.

Cash Flow Statement - Controlled	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
<b>Cash flows from operating activities</b>				
<b>Receipts</b>				
Receipts from Government	1,692	1,656	36	2%
Receipts from other entities <sup>(i)</sup>	635	559	76	12%
Goods and Services Tax recovered from the ATO	(2)	0	(2)	100%
Interest received <sup>(ii)</sup>	26	12	14	53%
Other receipts <sup>(iii)</sup>	293	13	280	96%
<b>Total receipts</b>	<b>2,644</b>	<b>2,240</b>	<b>405</b>	<b>15%</b>
<b>Payments</b>				
Payments of grants and other transfers <sup>(iv)</sup>	(1,359)	(1,155)	(204)	15%
Payments to suppliers and employees	(1,150)	(1,116)	(34)	3%
Goods and Services Tax paid to the ATO	(1)	0	(1)	100%
Capital asset charge	(93)	(93)	0	0%
Interest and other costs of finance	(1)	(1)	(1)	46%
<b>Total payments</b>	<b>(2,604)</b>	<b>(2,365)</b>	<b>(238)</b>	<b>9%</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>41</b>	<b>(125)</b>	<b>166</b>	<b>408%</b>
<b>Cash flows from investing activities</b>				
Net investment <sup>(v)</sup>	595	44	551	93%
Payments for non-financial assets <sup>(vi)</sup>	(138)	(169)	31	(23%)
Proceeds from sale of non-financial assets <sup>(vii)</sup>	20	12	7	37%
Net (purchase)/disposal of investments - policy purposes	0	0	0	0%
<b>Cash flows from investing activities</b>	<b>478</b>	<b>(112)</b>	<b>590</b>	<b>123%</b>
<b>Cash flows from financing activities</b>				
Owner contributions by State Government <sup>(viii)</sup>	34	104	(70)	(205%)
Repayment of finance lease	(4)	1	(4)	117%
Net borrowings <sup>(ix)</sup>	(203)	(9)	(194)	95%
<b>Cash flows from financing activities</b>	<b>(173)</b>	<b>95</b>	<b>(268)</b>	<b>155%</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>345</b>	<b>(142)</b>	<b>488</b>	<b>141%</b>
Cash and cash equivalents at the beginning of the financial year	1,063	717	346	33%
<b>Cash and cash equivalents at the end of the financial year</b>	<b>1,408</b>	<b>575</b>	<b>834</b>	<b>59%</b>

Note:

- (i) The variance is primarily associated with additional revenue collected from the Municipal Industrial Landfill Levy and grant revenue received from the General Government sector to deliver the New Technology Funding program and provide capital funding to Parks Victoria for the sports and recreation opportunities in our parks project.
- (ii) The variance is primarily due to additional interest income earned by the Sustainability Fund, Growth Area Public Transport Fund and the Building New Communities Fund due to higher than anticipated receipts collected during the 2018-19 financial year.
- (iii) The variance is primarily due to a favourable change in the price modelling for wholesale energy prices impacting the value of underlying Victorian Renewable Energy Target contract for difference derivative financial instruments.
- (iv) The variance is primarily driven by the level of grants and other transfers disbursed for the Homeowners Solar Panel Scheme and Power Saving Bonus initiatives, and disbursements from the Growth Area Public Transport Fund and Building New Communities Fund.
- (v) The variance is primarily due to the movement of investments from TCV and VFMC into the CBS.
- (vi) The variance is primarily due to the rephase of the Digital Cadastre Modernisation and Security of Water Supply - East Grampians and Mitiamo and District Regulated Water Supply initiatives.
- (vii) The variance is primarily due to higher than anticipated land sale proceeds.
- (viii) The variance is primarily due to equity contributions to Grampians Wimmera Mallee Water, Phillip Island Nature Park and Parks Victoria for capital works.
- (ix) The variance in net borrowings is primarily driven by the initial recognition of the derivative financial instruments receivable associated with the CFD for VRET.

Administered items statement	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
<b>Administered income</b>				
Appropriations - payments made on behalf of the State	659	677	(18)	(3%)
Fair value of assets and services received free of charge or for nominal consideration <sup>(i)</sup>	10	12	(2)	(21%)
Sales of goods and services	622	610	12	2%
Grants	605	603	2	0%
Interest	428	423	5	1%
Other income <sup>(ii)</sup>	318	280	38	12%
<b>Total administered income</b>	<b>2,642</b>	<b>2,605</b>	<b>37</b>	<b>1%</b>
<b>Administered expenses</b>				
Expenses on behalf of the State <sup>(iii)</sup>	137	156	(19)	(14%)
Grants and other transfers	658	621	37	6%
Payments into consolidated fund <sup>(iv)</sup>	4,086	1,406	2,680	66%
Interest and depreciation expense	437	423	15	3%
<b>Total administered expenses</b>	<b>5,319</b>	<b>2,606</b>	<b>2,713</b>	<b>51%</b>
<b>Income less expenses</b>	<b>(2,677)</b>	<b>(1)</b>	<b>(2,676)</b>	<b>100%</b>
<b>Other economic flows included in net result</b>				
Net gain/(loss) on non-financial assets	(28)	0	(28)	n/a
Net gain/(loss) on financial instruments and statutory receivables/payables	1	0	1	n/a
<b>Total other economic flows included in net result</b>	<b>(27)</b>	<b>0</b>	<b>(27)</b>	<b>n/a</b>
<b>Net result</b>	<b>(2,704)</b>	<b>(1)</b>	<b>(2,703)</b>	<b>n/a</b>
<b>Other economic flows – other comprehensive income</b>				
Asset revaluation reserve <sup>(v)</sup>	12	0	12	n/a
Other	0	0	0	n/a
<b>Total other economic flows - other comprehensive income</b>	<b>12</b>	<b>0</b>	<b>12</b>	<b>n/a</b>
<b>Comprehensive result</b>	<b>(2,692)</b>	<b>(1)</b>	<b>(2,691)</b>	<b>n/a</b>

Administered items statement	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
<b>Administered assets</b>				
Cash and deposits <sup>(vi)</sup>	379	1	377	100%
Receivables <sup>(vii)</sup>	3,513	4,124	(611)	(17%)
Other financial assets <sup>(viii)</sup>	0	42	(42)	n/a
Property, plant and equipment	707	705	2	0%
Intangible assets <sup>(ix)</sup>	286	182	105	37%
Non-financial assets classified as held for sale including disposal group assets <sup>(x)</sup>	17	50	(33)	(199%)
<b>Total administered assets</b>	<b>4,902</b>	<b>5,104</b>	<b>(201)</b>	<b>(4%)</b>
<b>Administered liabilities</b>				
Payables <sup>(xi)</sup>	2,889	76	2,813	97%
Borrowings <sup>(xii)</sup>	3,716	3,997	(281)	(8%)
<b>Total administered liabilities</b>	<b>6,605</b>	<b>4,073</b>	<b>2,532</b>	<b>38%</b>
<b>Net assets</b>	<b>(1,702)</b>	<b>1,031</b>	<b>(2,733)</b>	<b>161%</b>

Note:

- (i) The variance primarily relates to the write down of banked RECs committed for generation of the next water order from the Victorian Desalination Plant (VDP), partially offset by the reversal of an impairment loss relating to the Murray Darling Basin Authority's assets.
- (ii) The variance primarily relates to revenue received for on farm works carried out by the Goulburn Murray Water Corporation (GMW) in conjunction with GMW's financial contribution to the joint operations of Murray-Darling Basin Authority programs.
- (iii) The variance relates to the revised water order for the VDP from 50 gigalitres to 15 gigalitres.
- (iv) and (xi) The variance predominately relates to the upfront payment from the private operator associated with the commercialisation of the land titles and registry functions of Land Use Victoria (LUV). The associated cash receipt has been recognised on the balance sheet as unearned revenue and will be recognised as operating revenue over the 40-year term of the contract.
- (v) The variance relates to the revaluation of jointly controlled Murray-Darling Basin Authority infrastructure assets.
- (vi) The variance in cash and deposits partially relates to the transfer of invested funds from the TCV and the VFMC to the Centralised Banking System. Furthermore, a movement in the Inter-Entity Trust Fund from receivables has also contributed to the remaining variance.
- (vii) The variance primarily relates to adjustments to the finance lease receivable for the VDP in accordance with AASB 9 *Financial Instruments*. This is partially offset by movements between receivables and cash and deposits - Financial Accounting to provide commentary on variance.
- (viii) The variance primarily relates to the movement of the VDP trust investments with TCV to the CBS. The funds in trust are associated with AquaSure producing 46.1 GL of the 50 GL water order 2016-17. The funds will be held in trust until such time as there is reasonable certainty that any claims should arise against the State have been resolved.
- (ix) The variance primarily relates to the recognition of banked VDP RECs.
- (x) The variance primarily relates to a change in accounting treatment to utilise rather than sell banked VDP RECs to meet project requirements.
- (xii) The variance primarily relates to adjustments to the finance lease payable for the VDP in accordance with AASB 9 *Financial Instruments*.

Statement of Changes in Equity - Controlled	2018-19 Actuals (\$ million)	2018-19 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Opening accumulated surplus/(deficit)	791	791	0	0%
Net result	2,469	(238)	2,231	90%
<b>Closing accumulated surplus/(deficit)</b>	<b>3,260</b>	<b>554</b>	<b>2,707</b>	<b>83%</b>
Opening contribution by owners	2,525	2,525	0	0%
Net transaction with owners in their capacity as owners	(2,491)	39	(2,530)	102%
<b>Closing contribution by owners</b>	<b>34</b>	<b>2,564</b>	<b>(2,530)</b>	<b>(7424%)</b>
Opening physical asset revaluation reserve	7,976	7,976	0	0%
Movement in physical asset reserve	(2,620)	0	(2,620)	100%
<b>Closing physical asset revaluation reserve</b>	<b>5,356</b>	<b>7,976</b>	<b>(2,620)</b>	<b>(49%)</b>
Other reserve	0	0	0	0%
Movement in other reserve	0	0	0	0%
<b>Closing other reserve</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total equity</b>	<b>8,650</b>	<b>11,094</b>	<b>(2,443)</b>	<b>(28%)</b>

Note:

The 2018-19 published budget does not reflect the impact of MoG changes effective 01 January 2019 as these were not known at the time of the 2018-19 State Budget.

## Appendix 3: Comparative workforce data

The following table provides the head count and full-time staff equivalent (FTE) of all active public service employees of the department, employed in the last full pay period in June (2019), and in the last full pay period in June (2018) of the previous reporting period.

	June 2019							June 2018								
	All employees			Ongoing			Fixed term and casual		All employees			Ongoing			Fixed term and casual	
	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE
Gender																
Women	1996	1820	1070	474	1398	452	422	1869	1692	1038	461	1351	370		340	
Men	2194	2112	1672	87	1737	435	375	2000	1969	1604	80	1663	316		306	
Self-Described	11	10	6	3	8	2	2	0	0	0	0	0	0		0	
Total Employees	4201	3942	2748	564	3144	889	798	3869	3660	2642	541	3014	686		646	
Age																
15-24	117	115	54	2	55	61	60	92	84	45	7	48	40		37	
25-34	955	930	575	56	613	324	318	877	850	561	57	600	259		251	
35-44	1222	1118	712	280	908	230	210	1127	1029	668	255	842	204		187	
45-54	989	939	723	126	814	140	125	944	903	702	123	790	119		113	
55-64	764	717	592	79	648	93	69	718	691	582	77	636	59		54	
65+	154	123	92	21	106	41	17	111	102	84	22	98	5		4	
Total Employees	4201	3942	2748	564	3144	889	798	3869	3660	2642	541	3014	686		646	
VPS 1-6 grades	3544	3337	2277	550	2661	717	676	3346	3145	2214	527	2577	605		568	
VPS 1	9	9	2	1	3	6	6	2	2	0	0	0	2		2	
VPS 2	168	150	91	37	114	40	36	170	148	92	41	116	37		32	
VPS 3	718	680	495	90	555	133	125	714	676	520	94	582	100		94	
VPS 4	1009	946	610	152	713	247	233	950	892	604	151	707	195		185	
VPS 5	988	928	613	178	742	197	186	877	821	544	161	660	172		161	
VPS 6	562	539	402	80	462	80	77	550	529	393	66	442	91		87	
Science Adoptives	74	71	56	5	59	13	12	67	64	54	6	58	7		6	



	June 2019						June 2018								
	All employees			Ongoing			Fixed term and casual		All employees		Ongoing			Fixed term and casual	
	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	
Legal Adaptives	16	14	8	7	13	1	1	16	14	7	8	13	1	1	
Senior employees	146	144	125	11	134	10	10	130	129	108	8	115	14	14	
Senior Technical Specialist	24	24	16	0	16	8	8	23	23	14	0	14	9	9	
Principal Scientist	5	5	3	0	3	2	2	7	7	2	0	2	5	5	
Executives	117	116	106	11	115	0	0	100	99	92	8	99	0	0	
Field Staff	486	437	328	2	329	156	107	366	366	304	1	305	61	61	
Other	25	24	18	1	19	6	5	27	21	16	5	18	6	3	
Total employees	4201	3942	2748	564	3144	889	798	3869	3660	2642	541	3014	686	646	

## Notes:

- (i) Ongoing employees includes people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.
- (ii) FTE means full-time staff equivalent and is rounded to the nearest whole number.
- (iii) Employees reported with a classification of 'other' include the following categories: Trainee and Wild Dog Controllers.
- (iv) All figures reflect employment levels during the last full pay period in June each year.
- (v) Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies, and people who are not employees but appointees to a statutory office, as defined in the *Public Administration Act 2004*.
- (vi) Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies, and people who are not employees but appointees to a statutory office, as defined in the *Public Administration Act 2004*.
- (vii) Employees attached to the Commissioner for Environmental Sustainability are employees of the department Secretary and are included in the above figures.
- (viii) Employees attached to Sustainability Victoria are employees of the department Secretary and their numbers are included in the following tables. Employee numbers are also reported in their annual report.
- (ix) The Environment Protection Authority is a discrete agency within this portfolio that employs public servants independently of the department Secretary. The EPA is required to produce its own annual report. Employee numbers are published in the EPA annual report.

**Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff**

The following table discloses the annualised total salary for senior employees of the department, categorised by classification. The salary amount is reported as the full-time annualised salary.

Income band (salary)	Executives	STS	Principal Scientist	Senior Medical Advisor	Senior Regulatory Analyst	Other
< \$160,000	0	0	0	-	-	-
\$160,000 - \$179,999	27 <sup>(i)</sup>	7	3	-	-	-
\$180,000 - \$199,999	41 <sup>(ii)</sup>	9	1	-	-	-
\$200,000 - \$219,999	9	8	1	-	-	-
\$220,000 - \$239,999	20 <sup>(iii)</sup>	0	0	-	-	-
\$240,000 - \$259,999	7	0	0	-	-	-
\$260,000 - \$279,999	4	0	0	-	-	-
\$280,000 - \$299,999	3	0	0	-	-	-
\$300,000 - \$319,999	3	0	0	-	-	-
\$320,000 - \$339,999	0	0	0	-	-	-
\$340,000 - \$359,999	0	0	0	-	-	-
\$360,000 - \$379,999	0	0	0	-	-	-
\$380,000 - \$399,999	2	0	0	-	-	-
\$400,000 - \$419,999	0	0	0	-	-	-
\$420,000 - \$439,999	0	0	0	-	-	-
\$440,000 - \$459,999	0	0	0	-	-	-
\$460,000 - \$479,999	0	0	0	-	-	-
\$480,000 - \$499,999	0	0	0	-	-	-
<b>Total</b>	<b>116</b>	<b>24</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note:

The salaries reported above are for the full financial year, at a 1-FTE rate, and exclude superannuation.

(i) There are four employees employed on a part-time basis at 0.8 FTE rate and one employee at 0.89 FTE rate.

(ii) There are two employees employed on a part-time basis at a 0.9 FTE rate and one at 0.8 FTE rate.

(iii) There are two employees employed on a part-time basis at a 0.8 FTE rate and one at 0.93 FTE rate.

## Profile of Sustainability Victoria workforce

As at June 2019, SV employed 173 FTE staff across Victoria.

**Table 1: Details of employment levels in June 2018 and 2019**

June 2019												June 2018														
												All employees			Fixed term and casual			All employees			Ongoing			Fixed term and casual		
												Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE	Part-time (head-count)	Full-time (head-count)	Number (head-count)	FTE	Part-time (head-count)	Full-time (head-count)
Gender																										
Women		112	103.95	31	14	40.35	67	63.6	77	70.4	36	15	46.5	26	23.9											
Men		69	67.6	22	2	23.6	45	44	44	43.4	27	2	28.6	15	14.8											
Self-described		1	1	1		1			1	1	0	0	0	1	1											
Total employees		182	172.55	54	16	64.95	112	107.6	122	114.8	63	17	75.1	42	39.7											
Age																										
15-24		0	0	0	0	0	0	0	0	0	0	0	0	0	0											
25-34		44	43.2	9	2	10.4	33	32.8	26	25	10	3	12.2	13	12.8											
35-44		74	68.42	18	7	22.82	49	45.6	52	47.2	24	10	30.9	18	16.3											
45-54		37	34.13	12	7	16.73	18	17.4	25	23.8	15	3	17.2	7	6.6											
55-64		25	25	15	0	15	10	10	18	17.8	14	1	14.8	3	3											
65+		2	1.8	0	0	0	2	1.8	1	1	0	0	0	1	1											
Total employees		182	172.55	54	16	64.95	112	107.6	122	114.8	63	17	75.1	42	39.7											

Classification data	June 2019						June 2018					
	All employees			Ongoing			Fixed term and casual			All employees		
	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	FTE	Number (head-count)	Part-time (head-count)	FTE
<b>VPS 1-6 grades</b>												
VPS 1	0	0	0	0	0	0	0	0	0	0	0	0
VPS 2	3	3	0	0	0	3	3	0	0	0	0	0
VPS 3	14	13.8	3	0	3	11	10.8	5	4.8	2	1	2.8
VPS 4	45	39.85	9	7	13.25	29	26.6	31	28	13	6	16.9
VPS 5	91	87.9	31	5	34.7	55	53.2	64	60.6	31	7	36
VPS 6	22	21	11	4	14	7	7	18	17.4	13	3	15.4
<b>Senior employees</b>												
STS								0	0	0	0	0
PS								0	0	0	0	0
SMA								0	0	0	0	0
SRA								0	0	0	0	0
Executives	7	7				7	7	4	4	4	0	4
Other								0	0	0	0	0
<b>Total employees</b>	<b>182</b>	<b>172.55</b>	<b>54</b>	<b>16</b>	<b>64.95</b>	<b>112</b>	<b>107.6</b>	<b>122</b>	<b>114.8</b>	<b>6.3</b>	<b>17</b>	<b>75.1</b>
												<b>39.7</b>

Classification data

Notes:

- All figures reflect employment levels during the last full pay period in June of each year.
- FTE means full time staff equivalent and is rounded to the nearest whole number.
- All figures reflect employment levels during the last full pay period in June of each year.
- Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies.
- All employees have been correctly classified in workforce data collection aligned to the VPS classification structure.
- Employees attached to Sustainability Victoria are employees of the department Secretary. Employee numbers are also reported in their annual report.

## Executive officer data

For a department, an executive officer (EO) is defined as a person employed as an executive under Part 3 of the PAA. For a public body, an EO is defined as an executive under Part 3 of the PAA or a person to whom the Victorian Government's Policy on Executive Remuneration in Public entities applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of an EO does not include a statutory office holder or an accountable officer.

The following tables disclose the EOs of the department and its portfolio agencies for 30 June 2019:

- Table 1 discloses the total numbers of EOs for the department broken down by gender.
- Table 2 provides a reconciliation of executive numbers presented between the report of operations and Note 9.5 'Remuneration of executives' in the financial statements.

### Profile of DELWP Executive Officers: June 2019

**Table 1: Total number of EOs for the department, broken down into gender**

	All		Men		Women		Self-described	
Class	No.	Var.	No.	Var.	No.	Var.	No.	Var.
EO-1	3	2	2	2	1	0	0	0
EO-2	42	6	16	0	26	6	0	0
EO-3	71	9	34	5	37	4	0	0
<b>Total</b>	<b>116</b>	<b>17</b>	<b>52</b>	<b>7</b>	<b>64</b>	<b>10</b>	<b>0</b>	<b>0</b>

The number of executives in the Report of Operations is based on the number of executive positions that are occupied at the end of the financial year. **Note 9.5** in the financial statements lists the actual number of EOs and the total remuneration paid to EOs over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

**Table 2: Reconciliation of DELWP executive numbers**

		2019	2018
Less	Executives (Financial Statement Note 9.5)	133	118
	Accountable Officer (Secretary)	1	1
	Separations	16	18
	Leave without pay	1	1
	Long term acting arrangements	0	0
	<b>Total executive numbers at 30 June</b>	<b>117</b>	<b>100</b>

## Profile of Sustainability Victoria Executive Officers: June 2019

**Table 1: Total number of executive officers for Sustainability Victoria, broken down into gender**

	All		Men		Women		Self-described		Vacancy
Class	No.	Var.	No.	Var.	No.	Var.	No.	Var.	
EO-1	0	0	0	0	0	0	0	0	0
EO-2	0	0	0	0	0	0	0	0	1
EO-3	7	2	4	2	3	1	0	0	0
<b>Total</b>	<b>7</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>

**Table 2: Reconciliation of Sustainability Victoria executive numbers**

		2019	2018
Less	Executives	7	5
	Accountable Officer (Secretary)	0	0
	Separations	0	1
	Leave Without Pay	0	0
	Long term acting arrangements	0	1
	<b>Total executive numbers at 30 June</b>	<b>7</b>	<b>4</b>

## Executive numbers for the department's portfolio agencies

Organisation Name	June 2019					June 2018					Annual change	
	Woman	Man	Self-described	Total	Woman	Man	Self-described	Total	Woman	Man	Self-described	Total
Architects Registration Board of Victoria	0	1	0	1	1	0	0	1	-1	1	0	0
Barwon Asset Solutions Pty Ltd	0	1	0	1								
Barwon Coast Committee of Management	0	1	0	1	0	1	0	1	0	0	0	0
Barwon Region Water Corporation	6	4	0	10	10	9	0	19	-4	-5	0	-9
Barwon South West Waste and Resource Recovery Group	0	1	0	1	0	1	0	1	0	0	0	0
Bellarine Bayside Foreshore Committee of Management (Inc)	0	1	0	1	0	1	0	1	0	0	0	0
Capel Sound Foreshore Committee of Management Inc	0	0	0	0	0	0	0	0	0	0	0	0
Central Gippsland Region Water Corporation	2	6	0	8	1	5	0	6	1	1	0	2
Central Highlands Region Water Corporation	2	4	0	6	3	5	0	8	-1	-1	0	-2
City West Water Corporation	5	2	0	7	3	4	0	7	2	-2	0	0
Coliban Region Water Corporation	1	3	0	4	2	5	0	7	-1	-2	0	-3
Corangamite Catchment Management Authority	0	1	0	1	0	1	0	1	0	-1	0	-1
East Gippsland Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0
East Gippsland Region Water Corporation	0	3	0	3	0	4	0	4	0	-1	0	-1
Energy Safe Victoria	1	5	0	6	1	5	0	6	0	0	0	0
Environment Protection Authority	7	12	0	19	4	9	0	13	3	3	0	6
Falls Creek Alpine Resort Management Board	0	2	0	2	0	2	0	2	0	0	0	0
Gippsland and Southern Rural Water Corporation	1	3	0	4	2	5	0	7	-1	-2	0	-3
Gippsland Waste and Resource Recovery Group	0	1	0	1	0	1	0	1	0	0	0	0
Glenelg Hopkins Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0

Organisation Name	June 2019					June 2018					Annual change		
	Woman	Man	Self-described	Total	Woman	Man	Self-described	Total	Woman	Man	Self-described	Total	
Goulburn Broken Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0
Goulburn Murray Rural Water Corporation	2	3	0	5	0	7	0	7	2	-4	0	-2	
Goulburn Valley Region Water Corporation	2	5	0	7	1	3	0	4	1	2	0	3	
Goulburn Valley Waste and Resource Recovery Group	0	1	0	1	0	1	0	1	0	-1	0	-1	
Grampians Central West Waste and Resource Recovery Group	1	0	0	1	1	0	0	1	0	0	0	0	
Grampians Wimmera Mallee Water Corporation	2	3	0	5	2	3	0	5	0	0	0	0	
Great Ocean Road Coast Committee Inc	1	0	0	1	1	0	0	1	0	0	0	0	
Loddon Mallee Waste and Resource Recovery Group	1	0	0	1	1	0	0	1	0	0	0	0	
Lower Murray Urban and Rural Water Corporation	1	6	0	7	1	5	0	6	0	1	0	1	
Mallee Catchment Management Authority	1	0	0	1	0	0	0	0	1	0	0	1	
Melbourne Water Corporation	2	10	0	12	2	10	0	12	0	0	0	0	
Metropolitan Waste and Resource Recovery Group	0	1	0	1	0	0	0	0	0	1	0	1	
Mount Buller and Mount Stirling Alpine Resort Management Board	1	1	0	2	0	1	0	1	1	0	0	1	
Mount Hotham Resort Management Board	0	1	0	1	0	1	0	1	0	0	0	0	
North Central Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	
North East Catchment Management Authority	1	0	0	1	0	0	0	0	1	0	0	1	
North East Region Water Corporation	1	4	0	5	2	4	0	6	-1	0	0	-1	
North East Waste and Resource Recovery Group	1	0	0	1	1	0	0	1	0	0	0	0	
Parks Victoria	11	14	0	25	10	18	0	28	1	-4	0	-3	
Phillip Island Nature Park Board of Management	1	1	0	2	0	0	0	0	1	1	0	2	
Port Phillip and Westernport Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	



	June 2019					June 2018					Annual change		
Organisation Name	Woman	Man	Self-described	Total	Woman	Man	Self-described	Total	Woman	Man	Self-described	Total	
Royal Botanic Gardens Board	2	4	0	6	2	4	0	6	0	0	0	0	
South East Water Corporation	9	16	0	25	8	19	0	27	1	-3	0	-2	
South Gippsland Region Water Corporation	2	3	0	5	1	3	0	4	1	0	0	1	
Southern Alpine Resort Management Board	1	0	0	1	1	0	0	1	0	0	0	0	
Sustainability Victoria	3	2	0	5	0	1	0	1	3	1	0	4	
Trust for Nature (Victoria)	1	0	0	1	1	0	0	1	0	0	0	0	
Victorian Building Authority	8	7	0	15	5	10	0	15	3	-3	0	0	
Victorian Planning Authority	2	5	0	7	3	5	0	8	-1	0	0	-1	
Wannon Region Water Corporation	1	4	0	5	1	4	0	5	0	0	0	0	
West Gippsland Catchment Management Authority	0	1	0	1	0	2	0	2	0	-1	0	-1	
Western Region Water Corporation	2	4	0	6	2	5	0	7	0	-1	0	-1	
Westernport Region Water Corporation	1	3	0	4	1	3	0	4	0	0	0	0	
Wimmera Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	
Winton Wetlands Committee of Management	0	1	0	1	0	1	0	1	0	0	0	0	
Working Heritage Incorporated	0	1	0	1	0	1	0	1	0	0	0	0	
Yarra Valley Water Corporation	4	6	0	10	4	5	0	9	0	1	0	1	
Zoological Parks and Gardens Board	5	4	0	9	4	5	0	9	1	-1	0	0	
Total	95	166	0	261	82	185	0	267	13	-20	0	-7	

## Notes:

- (i) For the purpose of this table, Executive Officers are defined as employees who have significant management responsibility and receive a total remuneration package of \$182,070 or more.
- (ii) All figures reflect employment levels as at 30 June 2019 unless otherwise stated.
- (iii) Excluded are those on leave without pay or absent on secondment, external contractors / consultants and temporary staff employed by employment agencies.
- (iv) Highlighted agencies are either has not finalised or has not submitted their numbers.

## Appendix 4: Occupational Health and Safety Performance Measures

### OHS performance indicators

Description	Performance indicator	2016-17	2017-18	2018-19
<b>Incidents</b>				
	Incidents <sup>(i)</sup>	663	733	926
	Incident rate per 100 FTE <sup>(ii)</sup>	19.80	18.6	21.70
	Number of incidents requiring first aid	145	170	256
	Number of incidents requiring further medical treatment	124	113	132
	Percentage of investigations completed against the total no. of incidents reported	NA	NA	25%
WorkCover Claims	Number of standard claims <sup>(iii)</sup>	47	42	44
	Rate per 100 FTE	1.17	1.06	1.03
	Number of lost time claims	33	27	35
	Rate per 100 FTE	0.82	0.68	0.82
	Number of claims at 13 weeks	37	31	67
	Rate per 100 FTE	1.10	0.78	1.57
	Percentage of claims at 13 weeks against total number of claims	78.7%	73.8%	96%
	Number of claims exceeding 13 weeks <sup>(iv)</sup>	10	11	3
	Number of claims at 26 weeks	9	6	1
	Percentage of claims at 26 weeks against total number of claims	1.9%	1.4%	0.1%
Fatalities	Fatality claims	0	0	1 <sup>(iv)</sup>
Claim costs	Average cost per standard claim <sup>(v)</sup>	\$39,839	\$26,485	\$38,980
Absenteeism	Number of days absent due to sickness	N/A	N/A	29,808
	Rate per 100 FTE	N/A	N/A	799.26
Return to work (RTW)	Percentage of RTW arrangements initiated for claims less than 30 days	N/A <sup>(vi)</sup>	N/A <sup>(vi)</sup>	80.6
Legislative compliance	Number of WorkSafe Victoria Notices issued	N/A	N/A	0
	Rate of notices issued per inspector visit	N/A	N/A	0
	Number of prosecutions	N/A	N/A	0

Description	Performance indicator	2016-17	2017-18	2018-19
Management commitment	Evidence of safety and wellbeing policy statement, objectives, regular reporting to senior management and plans.	Completed	Completed	Completed
	Evidence of Safety and Wellbeing criteria in purchasing guidelines (including goods, services and personnel)	Completed	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups (DWG), health and safety representatives (HSR) and issue resolution processes (IRP)	Completed	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs and IRPs	Completed	Completed	Completed
Risk management	Percental of internal audits/ inspections conducted as planned	100%	100%	100%
	Number of Improvement Notices issued across the department by WorkSafe Inspector	N/A	N/A	0
	Number of issues identified and actioned arising from: <ul style="list-style-type: none"> <li>• internal audits;</li> <li>• HSR provisional improvement notices; and</li> <li>• WorkSafe notices</li> </ul>	Internal audits: 441 (whole number, not percentage)	Internal audits: 393 (whole number, not percentage)	Internal audits: 385 (whole number, not percentage) PINs: 0 WorkSafe notices: 0
Occupational Health and Safety Management System (OHSMS) development and improvement	Number of procedures developed and approved, and/or <sup>(vii)</sup>	N/A	N/A	Policy 5, 4 approved 1 approved procedure
	Number of procedures reviewed and refined <sup>(vii)</sup>	N/A	N/A	12 policies 25+ procedures
Training	Percentage of executive officers, managers and staff that have received OHS training <sup>(viii)</sup> .	Achieved	Achieved	

Description	Performance indicator	2016-17	2017-18	2018-19
	Induction	N/A	N/A	20%
	Executive officers training			28%
	Management training			69%
	Contractors, temps and visitors			Provided
	Percentage of HSRs trained			N/A
	Acceptance of role			17%
	Retraining (refresher)			36%
	Reporting of incident and injuries			–
Percentage of staff that have received Mental Health and Wellbeing Training	DELWP-wide	N/A	N/A	48%
	Executives (EO (Executive Officer) 1/2)	N/A	N/A	95%
	People Leaders (EO3/VPS 6)	N/A	N/A	85%
	Managers, Supervisors and employees (up to VPS 5)	N/A	N/A	40% <sup>(ix)</sup>
People Matter Survey results (or equivalent)	Percentage of response rates	NA	52%	66%

Note:

- (i) Data sourced from DELWP Safety Incident Management System (POSSUM).
- (ii) The incident and hazard rates based on 2018-19 FTE count represent March 2019.
- (iii) The data is sourced from the Victorian WorkCover Authority. The 2018-19 rate is based on FTE count at 30 June 2019. This excludes external contractors/consultants and temporary staff employed by employment agencies.
- (iv) DELWP acknowledges the tragic loss of an employee and continues to provide support for the employees family and work colleagues.
- (v) Data sourced from Victorian WorkCover Authority.
- (vi) This data is not available because, prior to 2018-19, data was collected on percentage of RTW arrangements initiated for claims less than 20 days.
- (vii) DELWP will be reviewing several the Safety and Wellbeing Performance measures and will take appropriate steps to implement improved reporting in line with the agreed VPS reporting measures. DELWP will aim to improve reporting on these measures in the next Annual Report.
- (viii) DELWP's training program for managers and supervisors, Leading Safety and Wellbeing in DELWP is also delivered to Executive Officers (E01/E02). Results for mental health and management training excludes those who are on extended leave or who have joined DELWP within the last 90 days. DELWP provides training on reporting of incidents through its induction program and training for managers supervisors and employees; Contingent (temp) workers are required to complete the same Safety and Wellbeing induction as its employees. DELWP maintains and monitors systems of work in place to orientate/induct contractors into DELWP.
- (ix) Rates include Fixed Term and Ongoing employees only. Project Fire Fighters have been excluded for this metric.

**The department's performance against mature OHS management measures<sup>(i)(ii)</sup>**

Measure	KPI	2016-17	2017-18	2018-19
Hazards	Number of hazards reported	173	164	189
	Rate per 100 FTE	5.17	4.48	4.4
Corrective actions	Number of corrective actions	583	952	652
	Percentage of corrective actions completed	61%	52.20%	77%
OHSMS <sup>(ii) (iii)</sup>	Number of OHSMS audits conducted	441	393	385
	Percentage of workplaces audited	N/A	N/A	N/A
OHSMS implementation <sup>(ii) (iii)</sup>	Percentage of an averaged OHSMS audit score	N/A	N/A	N/A
Management participation in audits <sup>(ii) (iii)</sup>	Percentage of managers that have participated in the total no. of workplace audits conducted	N/A	N/A	N/A
	Number of senior management participating in departmental OHSMS review and evaluation per two-year cycle	N/A	N/A	N/A
Mental health and wellbeing training <sup>(ii)</sup>	Number of mental health and wellbeing training initiatives/activities delivered	N/A	N/A	N/A
Percentage of senior leaders, people leaders and staff that have completed mental health and wellbeing training	Senior leaders training: (EO1/EO2)	N/A	N/A	95%
	People leaders training: (EO3/VPS 6)	N/A	N/A	85%
	Staff training: (Up to VPS 5)	N/A	N/A	40%

## Notes:

- (i) The VPS requires this table to be completed by departments and agencies identified as having an organisational OHS maturity of Foundation or above. DELWP is undertaking a comprehensive assessment of its Safety and Wellbeing Cultural Maturity and will report on this in next year's Annual Report.
- (ii) DELWP will review a suite of Safety and Wellbeing performance measures and take appropriate steps to implement improved reporting in line with the agreed VPS reporting measures. DELWP will report on these measures in the next Annual Report.
- (iii) The department actively monitors OHSMS implementation and effectiveness through a proactive and comprehensive program of audits undertaken by Safety and Wellbeing advisors, incident investigations; supervisors completing Job Safety Observations; DELWP designated workgroups undertaking worksite inspection programs. In addition, more formal audits will integrate elements of Safety and Wellbeing through internal audit. These are monitored by a suite of governance arrangements including DELWP's Safety Consultative Committee network including the peak consultative committee, the Departmental Safety Consultative Committee (DSCC), Risk and Audit Committee and SET.

## Appendix 5: Capital projects

The department and its related portfolio entities manage a range of capital projects to deliver services for government.

Information on the new and existing capital projects for departments and the broader Victorian public sector is contained in the most recent Budget Paper No. 4 *State Capital Program* which is available on the Department of Treasury and Finance's website.

During the year, the department completed the following capital projects with a Total Estimated Investment of \$10 million or greater. The details related to these projects are reported below:

**Table 1: Capital projects reaching practical completion during the financial year ended 30 June 2019**

Project Name	Original completion date	Latest approved completion date	Practical completion date	Reason for variance in completion dates	Original approved TEI (i) budget (\$ million)	Latest approved TEI budget (\$ million)	Actual TEI cost (\$ million)	Variation between actual cost and latest approved TEI budget	Reason for variance from latest approved TEI Budget
N/A									

**Table 2: Capital projects reaching financial completion during the financial year ended 30 June 2019<sup>(i)</sup>**

Project Name	Practical completion date	Financial completion date	Original approved TEI budget (\$ million)	Latest approved TEI budget (\$ million)	Actual TEI cost (\$ million)	Variation between actual cost and latest approved TEI	Reason for variance from latest approved TEI Budget
Land acquisition at Jacksons Hill (Sunbury)	June 2019	June 2019	20	20	20	0	N/A
Sports and recreation opportunities in our parks (metropolitan various)	June 2019	June 2019	18	18	18	0	N/A
Upgrade Land Victoria's property administration systems (metropolitan various) <sup>(ii)</sup>	June 2019	June 2019	27	17	17	0	The TEI has been revised to \$17.366 million due to the commercialisation of Land Use Victoria.

Note:

- (i) In the 2019-20 State Budget Papers, the National Water Infrastructure Development Fund – National Partnership Agreement was marked for financial completion by 30 June 2019. A variation to the bilateral schedule with the Commonwealth and agreement between the State and GW-M Water formally recognises the amended delivery schedule which now sees the project due for financial completion in December 2019.
- (ii) The Upgrade Land Victoria's property administration systems initiative was approved with an original approved TEI of \$27 million. Due to the commercialisation of Land Use Victoria, the TEI has been revised down to \$17 million with the completion date brought forward to quarter 4, 2018-19.

## Appendix 6: Disclosure of grants and transfer payments

Statutory Activities and Environment Protection - grant recipient	\$
Environment Protection Authority	114,120,748
Sustainability Victoria	50,140,133
Department of Treasury and Finance	20,220,000
Metropolitan Waste and Resource Recovery Group	7,193,722
Department of Jobs Precincts and Regions	3,450,000
Parks Victoria	2,098,000
Trust for Nature Victoria	1,620,000
Commissioner for Environmental Sustainability	1,447,000
Department of Health and Human Services	1,175,000
Grampians Central West Waste and Resource Recovery Group	967,983
Loddon Mallee Waste and Resource Recovery Group	921,070
Barwon South West Waste and Resource Recovery Group	807,211
Gippsland Waste and Resource Recovery Group	737,186
Goulburn Valley Waste and Resource Recovery Group	674,236
North East Waste and Resource Recovery Group	621,360
Gordon Recreation Reserve	50,000
Eskdale Caravan and Water Reserve Committee of Management	43,000
Murrindindi Shire Council	40,000
Branxholme Recreation Reserve	20,000
Hamilton-Coleraine Railway Line Committee	20,000
Port Franklin Public Purposes and Foreshore Committee	20,000
Shoreham Foreshore Reserve Committee of Management	20,000
Surf Coast Shire	20,000
Marnoo Memorial Park	18,000
Sandy Point Foreshore Committee of Management	18,000
Akoonah Park Committee of Management	16,500
Cape Clear Recreation Reserve	15,000
Crib Point Stony Point Foreshore Committee of Management Inc	15,000
Otway Coast Committee	15,000
Ouyen Inc	11,003

Statutory Activities and Environment Protection - grant recipient	\$
Balnarring Foreshore Parks and Reserves	10,000
Gippsland Plains Rail Trail Committee of Management	10,000
Gippsland Heritage Park - Old Gipps town	9,800
Cardinia Environment Coalition Inc	9,650
Inverloch Recreation Reserve Committee Inc	9,000
Whitecliffs - Camerons Bight Foreshore Reserves Com	9,000
Port Fairy to Warrnambool Rail Trail Committee	8,000
Great Southern Rail Trail (Leongatha-Yarram Rail Comm of Management)	6,500
Lake Buloke Recreation Reserve Committee	5,310
Merbein Golf Club	5,005
Advance Sea Lake Inc	5,000
Bendigo Agricultural Show Society Inc	5,000
Bendigo Field Naturalists Club	5,000
Friends of Kaweka Sanctuary Inc	5,000
Loddon Shire Council	5,000
Mandurang South Recreation Reserve Committee of Management	5,000
Sedgwick Public Hall Recreation and Conservation Reserves Committee	5,000
Torrumbarry Public Hall Reserve	5,000
Other < \$5,000	34,232
Cross Output Transfer (Climate Change)	(54,448)
Cross Output Transfer (Environment and Biodiversity)	(343,789)
Cross Output Transfer (Management of Public Land and Forests)	(389,357)
<b>Total</b>	<b>205,904,055</b>

Effective Water Management and Supply - grant recipient	\$
Goulburn-Murray Rural Water Corporation	34,860,278
Goulburn Broken Catchment Management Authority	11,640,216
North Central Catchment Management Authority	10,692,178
Melbourne Water	10,636,732
Corangamite Catchment Management Authority	9,799,009
East Gippsland Catchment Management Authority	8,971,400



Effective Water Management and Supply - grant recipient	\$
West Gippsland Catchment Management Authority	7,393,791
Southern Rural Water	7,285,000
Mallee Catchment Management Authority	6,829,943
Victorian Environmental Water Holder	6,240,000
Wimmera Catchment Management Authority	5,421,160
Glenelg-Hopkins Catchment Management Authority	5,129,018
North East Catchment Management Authority	4,551,165
Department of Economic Development Jobs Transport and Resources	3,053,000
Port Phillip and Westernport Catchment Management Authority	2,550,400
Coliban Water	2,389,440
Lower Murray Water	2,333,300
Yarra Valley Water	1,310,000
South East Water Corporation	1,010,000
Wyndham City Council	1,000,000
Djandak	804,591
City of Ballarat	688,000
Rural City of Wangaratta	590,000
Southern Grampians Shire Council	525,000
Loddon Shire Council	509,000
Victorian State Emergency Service.	500,000
Murray Lower Darling Rivers Indigenous Nations	496,758
Western Water	470,000
Mt Alexander Shire Council	464,808
Gunaikurnai Land and Waters Aboriginal Corporation	422,582
Wathaurung Aboriginal Corporation	330,090
Goulburn Murray Water	328,000
eWater Ltd	294,496
Barengi Gadjin Land Council Aboriginal Corporation	289,615
Taungurung Clans Aboriginal Corporation	270,776
Yorta Yorta Nation Aboriginal Corporation	247,666
Bureau of Meteorology	219,112

Effective Water Management and Supply - grant recipient	\$
Central Highlands Region Water Authority	199,600
Barwon Region Water Authority	190,000
Gunditj Mirring Traditional Owners Aboriginal Corporation	185,803
Bunurong Land Council Aboriginal Corporation	184,393
South Gippsland Water Corporation	179,294
City of Greater Geelong	157,000
East Gippsland Water	130,000
Gippsland Water	125,069
Bass Coast Shire Council	124,000
The University of Melbourne	120,000
City of Casey	100,000
Wurundjeri Land and Compensation Cultural Heritage Council Aboriginal Corporation	94,286
Environment Protection Authority Victoria	91,911
Moiria Shire Council	87,185
Wellington Shire Council	86,000
Federation of Victorian Traditional Owner Corporations	80,799
Pyrenees Shire Council	80,000
Wannon Water	80,000
Buloke Shire Council	79,550
Wurundjeri Tribe Land Compensation and Cultural Heritage Council Inc	75,000
Northern Grampians Shire Council	71,500
East Gippsland Shire Council	62,000
North East Region Water Corporation	60,000
Greening Australia Ltd	50,000
Melton Shire Council	50,000
Department of Agriculture and Water Resources Australia	49,378
City of Wodonga	48,000
Department of Jobs Precincts and Regions	45,455
Municipal Association of Victoria	45,455
Goulburn Valley Water Authority	44,000
City of Greater Bendigo	40,000

Effective Water Management and Supply - grant recipient	\$
Mildura Rural City Council	36,000
Yarriambiack Shire Council	34,400
Eastern Maar Aboriginal Corporation	33,727
Latrobe City Council	32,000
Strathbogie Shire Council	32,000
Balibo House Inc	30,000
Horsham Rural City Council	30,000
Warrnambool City Council	27,000
Alpine Shire Council	24,000
Central Goldfields Shire Council	24,000
Brimbank City Council	20,000
Colac Otway Shire Council	20,000
Moreland City Council	20,000
Towong Shire Council	20,000
Westernport Water	20,000
Golden Plains Shire Council	16,000
Indigo Shire Council	11,240
City West Water Ltd	10,000
Jennifer Emeny	8,428
Mansfield Shire Council	8,000
Jacqueline Salter	7,750
Surf Coast Shire	7,000
Danny Pettingill	6,724
Melinda Kennedy	5,600
Stormwater Industry Association of Victoria Inc	5,000
<b>Total</b>	<b>154,051,068</b>

Energy - grant recipient	\$
Sustainability Victoria	89,240,000
Power Saving Bonus	18,896,662
Powercor Australia Ltd	13,181,378

Energy - grant recipient	\$
Spotless Sustainability Services	12,250,298
Ausnet Electricity Services Pty Ltd	8,621,824
Australian Energy Market Commission	8,072,866
Solar Victoria - Sustainability Victoria	7,458,200
Victorian Renewable Energy Auction Scheme	3,516,826
Centre for New Energy Technologies	780,000
Department of the Environment	1,124,451
Victorian Building Authority	727,273
Chargefox Pty Ltd	1,650,000
Maroondah City Council	464,589
Grants to The Commonwealth	572,923
DNV GL Australia Pty Ltd	150,000
Hepburn Shire Council	245,000
NA Crowe Electrics	235,810
Nillumbik Shire Council	234,073
Energy Innovation Co-operative Ltd	116,400
The Environment Shop	215,255
Central Victorian Greenhouse Alliance	215,000
Switchdin Pty Ltd	200,000
Barwon Region Water Authority	175,000
Victorian Council of Social Services	169,305
Aalborg CSP	168,000
RMIT University	140,000
Ovida Pty Ltd	130,000
Victorian Underground Power	112,000
Totally Renewable Yackandandah Inc	105,809
Monash University	102,600
Delta Electronics (Australia) Pty Ltd	50,000
Origin Energy Limited	100,000
United Energy Distribution Pty Ltd	89,500
Maher Refrigeration and Electrical	85,363

Energy - grant recipient	\$
D A Phillips Pty Ltd	82,694
Holcim (Australia) Pty Ltd	75,000
Olex Australia Pty Ltd	75,000
Blue Devil Electrical	70,325
Pyrenees Shire Council	70,000
SECCCA	70,000
Altitude Electrical Pty Ltd	86,774
Clean Technology Partners Pty Ltd	65,326
AJ Page Electrical Pty Ltd	64,127
P and B Electrics Pty Ltd	66,470
Gippsland Climate Change Network Inc	55,000
GreenSync	54,886
Tom Vallance Electrical	53,330
Australian Wind and Solar	50,000
Yarra Ranges Council	50,000
McCallum Disability Services	49,500
Wellington Shire Council	49,381
Craig Muir Electrical Pty Ltd	48,172
Adam Cartwright Electrical	47,940
A Walker Solar and Electrical	47,711
Coopelec Pty Ltd	47,579
Gary Porter Electrical	46,057
Euroa Environment Group Inc	45,000
Rural Press Printing (Victoria) Pty Limited	44,355
Cowland Electrical Pty Ltd	43,121
Hillec Electrical Services	41,616
Rural City of Wangaratta	40,000
McDonald and Roberts Pty Ltd	39,986
Burra Electrical Services Pty Ltd	39,433
Geelong Sustainability Group Inc	38,500
Selectronic Australia Pty Ltd	37,500

Energy - grant recipient	\$
Indigo Shire Council	35,501
DN and RN Watson	32,235
Lectrix Pty Ltd	32,048
Iluka Resources Limited	30,306
Mil-Systems Pty Ltd	30,000
Mirboo North Community Shed Co-Operative Ltd	30,000
Malady Electrical Pty Ltd	25,456
Laser Electrical Portland	25,402
Australian Vietnamese Women's Association Inc	25,000
Committee for Ballarat	25,000
R&L Electrical Services	23,470
Wayne Justin Electrical Pty Ltd	23,438
Pollard's Electrical Contracting	22,124
Muraca Electrical	21,606
T F Gray Electrix Pty Ltd	21,080
Access Dynamics Electrical	20,227
Community Housing Federation of Victoria	20,195
East Gippsland Shire Council	20,000
IND Technology Pty Ltd	20,000
Renewable Albury Wodonga Energy Inc	16,877
Waremac Refrigeration and Electrical Contractors	16,325
Jake Martin	15,895
Fells Powerline and Electrical Pty Ltd	15,665
Steve Taylor Electrical	15,451
Trevor Butler Electrics Pty Ltd	15,180
MASG Renewables P1 Operations Pty Ltd	14,316
Darren Vickers Electrical Contractors	14,028
Simon Lucas Electrical Services Pty Ltd	13,780
DBH Electrical	13,257
AF Gason Pty Ltd	12,500
AIRAH (Australian Institute of Refrigeration, Air Conditioning and Heating)	12,500

Energy - grant recipient	\$
Bega Cheese Ltd	12,500
Composite Materials Engineering	12,500
Visy Packaging Pty Ltd	12,500
Grill'd Pty Ltd	12,325
City of Greater Bendigo	12,092
AJ and TD fort	11,323
Darebin City Council	11,198
Moreland Energy Foundation Ltd	11,000
Jelbart Electrical	10,097
Gauci's Electrics Pty Ltd	10,016
Southern Grampians Shire Council	10,000
Stony Creek Racecourse and Recreation Reserve	10,000
Other < \$5,000	54,478
Return of Funds	(15,590)
Cross Output Transfer (Parks Victoria)	(15,752,575)
<b>Total</b>	<b>156,371,915</b>

Parks Victoria - grant recipient	\$
Parks Victoria	172,484,661
Cross Output Transfer (Energy)	15,752,575
<b>Total</b>	<b>188,237,236</b>

Management of Public Land and Forests - grant recipient	\$
Zoological Parks and Gardens Board	24,908,000
Royal Botanic Gardens Victoria	20,827,000
Southern Alpine Resort Management Board	7,700,000
The University of Melbourne	2,118,099
Gunaikurnai Land and Waters Aboriginal Corporation	1,795,134
Parks Victoria	1,596,521
Latrobe City Council	1,129,215
Shrine of Remembrance	998,000
Department of Economic Development Jobs Transport and Resources	950,000
Yorta Yorta Nation Aboriginal Corporation	903,194
Gunaikurnai Traditional Owner Land Management Board	690,000
Dja Dja Wurrung Clans Aboriginal Corporation	490,448
Caulfield Racecourse Reserve Trust	402,279
Federation of Victorian Traditional Owner Corporations	389,126
Dhelkunya Dja	380,000
City of Kingston	334,239
Macedon Ranges Shire Council	332,600
Wellington Shire Council	282,397
City of Port Phillip	267,343
Barengi Gadjin Land Council	264,660
Four Wheel Drive Victoria	250,000
Gunditj Mirring Traditional Owners Aboriginal Corporation	245,000
National Trust of Australia (Victoria)	242,000
Surf Coast Shire	200,000
Bayside City Council	184,669
Bunurong Land Council Aboriginal Corporation	170,000
Hobsons Bay City Council	165,758
Banyule City Council	144,500
Department of Treasury and Finance	141,960
Mornington Peninsula Shire Council	129,434
Great Ocean Road Coast Committee of Management	125,085



Management of Public Land and Forests - grant recipient	\$
Victorian Plantation Corporation	125,000
Eastern Maar Aboriginal Corporation	120,000
Taungurung Clans Aboriginal Corporation	120,000
Wurundjeri Land and Compensation Cultural Heritage Council Aboriginal Corp	120,000
Moorabool Shire Council	118,744
Frankston City Council	108,548
Eskdale Caravan and Water Reserve Committee of Management	95,000
Djandak	77,273
Wyndham City Council	76,563
Baw Baw Shire Council	74,545
Chiltern Racecourse Recreation Reserve Committee of Management	70,429
Foresight Engineering Services Pty Ltd	68,594
Brimbank City Council	62,000
Cardinia Shire Council	62,000
City of Boroondara	62,000
City of Casey	62,000
City of Greater Dandenong	62,000
City of Maribyrnong	62,000
City of Melbourne	62,000
City of Whittlesea	62,000
Darebin City Council	62,000
Hume City Council	62,000
Knox City Council	62,000
Manningham City Council	62,000
Maroondah City Council	62,000
Melton City Council	62,000
Monash City Council	62,000
Moonee Valley City Council	62,000
Moreland City Council	62,000
Nillumbik Shire Council	62,000
Stonnington City Council	62,000

Management of Public Land and Forests - grant recipient	\$
Whitehorse City Council	62,000
Yarra City Council	62,000
Yarra Ranges Council	62,000
East Gippsland Shire Council	57,403
Odonata	56,818
Parklands Albury Wodonga	50,474
Kyabram Fauna Park	50,000
Wathaurung Aboriginal Corporation	50,000
Greening Australia Ltd	50,000
Rutherglen Historic Reserve Committee Inc	44,070
Ballan Recreation Reserve Committee of Management	40,000
Bass Coast Shire Council	35,987
Otway Coast Committee	35,723
Watchem Mechanics Institute Reserve	27,582
Gormandale Hall Committee Inc	27,145
Corinella Foreshore Reserve Inc	25,000
Daylesford Museum Reserve Committee	25,000
Barwon Coast Committee of Management	22,152
Borough of Queenscliffe	20,367
Hepburn Shire Council	20,000
Tyers Mechanics Hall Committee of Management Inc	20,000
Wurundjeri Tribe Land Compensation and Cultural Heritage Council Inc	20,000
Timberline Trees Pty Ltd	18,168
Blackwood Crown Reserves Committee	17,930
City of Greater Geelong	17,015
Capel Sound Foreshores Committee of Management Inc	16,665
Phillip Island Nature Park Board of Management	15,416
Glen Eira City Council	15,125
Bellarine Bayside Foreshore Committee Inc	14,829
Mandurang Recreation Reserve Committee of Management	14,600
Penshurst Memorial Hall	12,206

Management of Public Land and Forests - grant recipient	\$
Warrnambool City Council	11,218
Leneva Hall Reserve	10,168
Alpine Shire Council	10,000
Merrigum Memorial Hall Reserve	10,000
Tallangatta Public Hall Committee of Management	10,000
Badger Creek Hall Committee of Management	8,817
Cowwarr Recreation Reserve	8,600
Ballarat East Bowling Club Inc	7,700
Sandy Point Foreshore Committee of Management	7,200
Kamarooka Recreation Reserve Committee of Management	6,941
Trawalla Recreation Reserve	6,811
Dromana Foreshore Committee of Management Inc	6,530
Benjeroop Public Hall Inc	5,700
Romsey Mechanics Institute	5,376
Whitecliffs - Camerons Bight Foreshore Reserves Committee	5,146
Akoonah Park Committee of Management	5,000
Dooen Recreation Reserve Committee of Management	5,000
Gordon Recreation Reserve	5,000
Walkerville Foreshore Committee of Management	5,000
Other < \$5,000	83,489
Cross Output Transfer (Statutory Activities and Environment Protection)	389,357
Cross Output Transfer (Environment and Biodiversity)	100,000
<b>Total</b>	<b>72,828,086</b>

Fire and Emergency Management - grant recipient	\$
Parks Victoria	21,317,882
Country Fire Authority	2,893,670
The University of Melbourne	922,803
Department of Justice and Regulation	791,888
Melbourne Water	705,000
Environment Protection Authority	577,000

Fire and Emergency Management - grant recipient	\$
VicForests	488,616
Department of Premier and Cabinet	350,000
Bureau of Meteorology	199,756
Heytesbury District Landcare Network	187,736
Glenelg-Hopkins Catchment Management Authority	183,864
Cardinia Cultural Centre	81,250
Pyrenees Shire Council	80,000
Macedon Ranges Shire Council	73,920
Cardinia Shire Council	65,909
Southern Alpine Resort Management Board	60,000
Surf Coast Shire	55,000
Corangamite Shire Council	53,445
Yarra Ranges Council	50,000
Wellington Shire Council	45,773
Indigo Shire Council	44,600
City of Greater Bendigo	44,550
Mt Alexander Shire Council	41,008
Southern Grampians Shire Council	41,000
Life Saving Victoria	36,000
City of Wodonga	30,000
Mitchell Shire Council	29,810
Baw Baw Shire Council	26,000
Bushfire and Natural Hazards CRC Ltd	21,350
Warrnambool City Council	20,000
Firesticks Alliance Indigenous Corporation	13,049
<b>Total</b>	<b>29,530,878</b>

Environment and Biodiversity - grant recipient	\$
Sustainability Victoria	10,500,000
Parks Victoria	6,337,933
Mallee Catchment Management Authority	1,579,933

Environment and Biodiversity - grant recipient	\$
The University of Melbourne	1,501,117
Trust for Nature Victoria	1,477,945
VicForests	1,457,972
Goulburn Broken Catchment Management Authority	924,144
Deakin University	813,000
Cassinia Environmental	677,187
Zoological Parks and Gardens Board	662,970
Port Phillip and Westernport Catchment Management Authority	647,636
East Gippsland Catchment Management Authority	592,086
Melbourne Water	580,215
Mt Rothwell Biodiversity Solutions Pty Ltd	577,566
Yarra Ranges Council	543,610
Landcare Australia Ltd	503,972
West Gippsland Catchment Management Authority	501,486
Monash University	429,000
Wimmera Catchment Management Authority	404,768
North East Catchment Management Authority	367,986
City of Whittlesea	361,323
Glenelg-Hopkins Catchment Management Authority	359,086
Port Phillip Ecocentre Inc	357,128
Cardinia Shire Council	339,180
Nillumbik Shire Council	335,601
Conservation Volunteers Australia	334,152
Corangamite Catchment Management Authority	328,836
Nature Glenelg Trust	322,202
Mornington Peninsula Shire Council	303,751
Nargundy Pty Ltd	287,959
City of Casey	268,770
Tierra Land Holdings	256,103
Corrections Victoria	250,000
City of Greater Geelong	241,240

Environment and Biodiversity - grant recipient	\$
Timothy Jensz	239,524
Greening Australia Ltd	238,592
Brimbank City Council	238,000
Bushfire and Natural Hazards CRC Ltd	229,000
Gerrpart Holdings Pty Ltd	218,961
Tiverton Rothwell Partners Pty Ltd	203,178
City of Greater Dandenong	199,580
North Central Catchment Management Authority	194,086
Bass Coast Landcare Network Inc	192,008
Yarra Riverkeepers	191,150
Connecting Country (Mt Alexander Region) Inc	180,845
Department of Jobs Precincts and Regions	172,738
Knox City Council	169,296
RMIT University	162,752
Glenmore Biodiversity Pty Ltd	161,634
Carinya Ag Enterprises	159,710
Victorian Fisheries Authority	156,500
Federation of Victorian Traditional Owner Corporations	150,000
Hume City Council	147,690
Grant Flynn	145,582
Federation University Australia	142,337
Whitehorse City Council	141,570
Birdlife Australia	138,875
Darebin City Council	138,124
Active Seeds	135,841
Royal Botanic Gardens Victoria	133,750
Conservation Ecology Centre	133,300
Moreland City Council	131,247
David K Hung	129,838
Monash City Council	127,915
Frankston City Council	126,516

Environment and Biodiversity - grant recipient	\$
Project Platypus Inc	119,266
LM Buckley and PR Buckley	118,538
The Nature Conservancy Australia	116,151
Glen Eira City Council	115,591
Melton City Council	114,720
Richard Sealock	109,557
Barapa Land and Water	105,447
Dunkeld Pastoral Co Pty Ltd	105,260
City of Kingston	105,124
Banyule City Council	104,605
Goulburn Murray Water	104,000
City of Melbourne	103,500
Wyndham City Council	102,071
Manningham City Council	101,722
Bayside City Council	101,470
Friends of the Helmeted Honeyeater Inc	100,315
Maroondah City Council	100,307
Upper Barwon Landcare Network Inc	100,191
Victorian Aboriginal Corporation for Languages	100,000
Gunditj Mirring Traditional Owners Aboriginal Corporation	100,000
Victorian National Parks Association	99,677
JA Michelson and RJ Michelson	98,700
Moonee Valley City Council	97,318
Tania Kirby	96,479
Greening Australia - Victoria	95,000
City of Greater Bendigo	93,802
City of Ballarat	92,772
K and RJ Matthews Quarries Pty Ltd	92,600
Glen Goulburn	92,545
Stonnington City Council	92,246
Christiane Jaeger	91,229

Environment and Biodiversity - grant recipient	\$
The Trustee for Thurlgona Superannuation Fund	86,636
Fathom Pacific Pty Ltd	85,000
Reef Life Survey Inc	84,750
Game on Superannuation Fund	83,934
City of Port Phillip	83,608
Morison Alden Superannuation Pty Ltd	81,920
AD Colbert and JD Colbert	79,539
Werribee River Association Inc.	78,801
Wandobah Pastoral	76,830
Remember The Wild	74,978
Hobsons Bay City Council	73,309
Australian Marine Mammal Conservation Foundation	72,308
Perri Joseph	71,215
Latrobe City Council	69,540
Element Fox Pty Ltd	69,247
City of Maribyrnong	68,340
Phillip Island Nature Park Board of Management	66,700
Deep Lead Property Pty Ltd	62,983
RL Matthews	61,825
Greater Shepparton City Council	61,279
David and Ruth Marnie	61,263
DK and AK Merrett	59,134
Odonata	58,295
Northern Yarra Landcare Network	55,192
Benambra Dinner Plain Omeo Landcare Group	55,191
Wando River Landcare Group Inc	55,191
Wyuna Landcare Group Inc	55,191
Sustainable Living in the Mallee	55,191
West Gippsland Landcare Sub Network	55,191
Bunurong Land Council Aboriginal Corporation	54,545
Bland Dairies	54,230



Environment and Biodiversity - grant recipient	\$
Barongarook Landcare Group	53,845
Bellarine Landcare Group Inc	53,845
Blampied-Kooroocheang Landcare Group	53,845
East Gippsland Landcare Network Inc	53,845
Far East Victoria Landcare Inc	53,845
Gecko Clan Inc	53,845
Geelong Landcare Network	53,845
Glenaladale Landcare Group	53,845
Goulburn Murray Landcare Network Inc	53,845
H11 - H12 Community Action Group	53,845
Hamilton to Coleraine Railway Line Landcare Group	53,845
Heytesbury District Landcare Network	53,845
Hindmarsh Landcare Network	53,845
Hughes Creek Catchment Collaborative	53,845
Kiewa Catchment Landcare Group Inc	53,845
Kowree Farm Tree Group Inc	53,845
Laharum Landcare Group	53,845
Latrobe Catchment Landcare Network	53,845
Lismore Land Protection Group	53,845
Loddon Plains Landcare Network	53,845
Maffra and Districts Landcare Network	53,845
Manangatang Landcare Group	53,845
Merton Landcare Inc	53,845
Mid Ovens Landcare Consortium	53,845
Millewa Carwarp Landcare Group Inc	53,845
Mitta Valley Landcare Group Inc	53,845
Moorabool Landcare Network	53,845
Murrayville Landcare Group	53,845
Nullawil Landcare Group	53,845
Ovens Landcare Network	53,845
Rainbow and District Landcare Group	53,845

Environment and Biodiversity - grant recipient	\$
South Gippsland Landcare Network Inc	53,845
South West Environment Alliance	53,845
Southern Ranges Environment Alliance	53,845
Southwest Goulburn Landcare Inc	53,845
Strathewen Landcare Group	53,845
Surf Coast and Inland Plains Network	53,845
Tom's Creek Landcare Group Inc	53,845
Up2Us Landcare Alliance	53,845
Upper Campaspe Landcare Network Inc	53,845
Upper Goulburn Landcare Network	53,845
Upper Loddon and Avoca Landcare Network	53,845
Upper Mt Emu Creek Landcare Network	53,845
Western Port Catchment Landcare Network	53,845
Yarra Ranges Landcare Network	53,845
Yarram Yarram Landcare Network	53,845
Yarrilinks Inc	53,845
Upper Deep Creek Landcare Network	53,736
Upper Murray Landcare Network	53,724
Gunaikurnai Land and Waters Aboriginal Corporation	53,625
Mildura Rural City Council	53,610
Basalt to Bay Landcare Network	53,590
Rosemary McKenzie and John Brumby	53,469
Panyyabyr Landcare Group	53,355
Kara Kara Conservation Management Network Inc	51,783
Mornington Peninsula Landcare Network	51,475
S S S B Superannuation Fund	51,334
Dolphin Research Institute Ltd	50,792
Yarrowee Leigh Catchment Group Inc	50,087
Bellarine Catchment Network Inc	50,000
K and K Hooke	49,940
J Field and K Darling	49,534

Environment and Biodiversity - grant recipient	\$
Buloke and Northern Grampians Landcare Network	49,066
Wodonga Urban Landcare Network	48,864
City of Boroondara	48,706
Western Melbourne Catchments Network Inc	48,460
Snowy River Interstate Landcare Committee	48,395
Southern Otway Landcare Network Inc	48,191
Avon Landcare Group	47,916
Mt Hotham Alpine Resort Management Board	47,803
Monmott Farming Pty Ltd	47,367
Kaniva District Landcare	45,696
Robert Swinburn	45,309
Bush Heritage Australia	45,000
Dja Dja Wurrung Clans Aboriginal Corporation	45,000
Baw Baw Shire Council	44,749
Woody Yaloak Catchment Group	44,659
Tangaroa Blue Foundation Ltd	43,581
McCrae Homestead Coastal Group	43,444
Bass Coast Shire Council	43,335
Upper Hopkins Land Management Group	42,792
Macedon Ranges Shire Council	42,396
Mornington Environmental Association	42,062
Ballarat Environment Network Inc	42,000
Surf Coast Shire	41,040
Beach Patrol Australia Inc	41,010
Campaspe Shire Council	40,093
Michelle Eustice	39,231
Southern Grampians Shire Council	39,120
Mitchell Shire Council	38,344
Friends of Merri Creek Inc	37,498
Warrnambool City Council	35,746
Rural City of Wangaratta	34,838

Environment and Biodiversity - grant recipient	\$
Nepean Conservation Group	34,491
Wellington Shire Council	34,049
City of Wodonga	33,876
Djandak	33,753
DJ Baker-Gabb and JC Fitzherbert	33,750
Golden Plains Shire Council	32,941
Syer Stephen and Woodward Elisabeth	31,986
Moorabool Shire Council	31,616
Wandoon Estate Aboriginal Corporation	30,000
Murray Lower Darling Rivers Indigenous Nations	29,750
Whitecliffs - Camerons Bight Foreshore Reserves Committee	28,700
Windamara Aboriginal Corporation	28,100
Middle Yarra Landcare Network	27,596
Wooragee Landcare Group	27,109
Moiria Shire Council	26,476
Colac Otway Shire Council	21,970
South Gippsland Shire Council	21,312
GJ McNaughton Pastoral Co	20,873
Mandurang Strathfieldsaye Landcare Network	19,276
Mount Eliza Association for Environmental Care Inc	19,178
Glenelg Shire Council	18,733
Making A Difference (MAD) for the Merri Inc	16,877
Indigo Shire Council	16,740
Hepburn Shire Council	16,650
James Patrick Fowler	16,478
Willera Ag Pty Ltd	16,396
Aus Eco Solutions	16,364
Benalla Rural City Council	16,288
Mount Alexander Shire Council	16,151
Balcombe Estuary Reserves Group Mt Martha Inc (BERG Mt Martha)	15,730
Wathaurung Aboriginal Corporation.	15,000

Environment and Biodiversity - grant recipient	\$
Anne Lyon	14,845
Falls Creek Resort Management	14,769
Mid Loddon Sub-Catchment Management Group	14,678
Stephen Watson and Luke Elliott	14,024
Sharp Transport	13,968
Murrindindi Shire Council	13,724
Jeroen and Margaret Van Veen	13,251
Horsham Rural City Council	12,567
Landcare Victoria Inc	12,509
Central Goldfields Shire Council	12,462
Mansfield Shire Council	12,274
Moyne Shire Council	12,120
Ian Fraser	12,006
Corangamite Shire Council	11,933
Southern Rural Water	11,915
Fishcare Victoria Inc	11,750
Gannawarra Shire Council	11,670
Mt Buller and Mt Stirling Alpine Resort Management Board	11,657
WJ Dennis Pty Ltd	11,634
Northern Grampians Shire Council	11,580
Strathbogie Shire Council	11,140
DJ and MA Trigg	11,055
East Gippsland Shire Council	10,826
Spatial Information Systems Research Ltd (trading as Frontier SI)	10,000
Lady Forster Kindergarten	9,240
Frith Electrical and Air Conditioning Pty Ltd	9,173
Ararat Rural City Council	9,000
Cardinia Catchment Landcare Inc	8,150
Yorta Yorta Nation Aboriginal Corporation	7,865
Friends of Westgate Park	7,780
First Friends of Dandenong Creek Inc	7,500

Environment and Biodiversity - grant recipient	\$
CJ and SE Lewis	7,016
Towong Shire Council	6,902
Rotary Club of Drysdale Inc	6,606
Indig-We-Do	6,556
Victorian Environment Friends Network Inc	6,500
Loddon Shire Council	6,000
Pyrenees Shire Council	5,520
Yarriambiack Shire Council	5,400
Borough of Queenscliffe	5,334
Elmore Progress Association	5,000
Friends of Venus Bay Peninsula	5,000
Haas and Gray Indigenous Horticulture	5,000
Mt Toolebewong Landcare Group	5,000
The Royal Society of Victoria	5,000
Other < \$5,000	214,486
Return of Funds	(12,364)
Cross Output Transfer (Statutory Activities and Environment Protection)	343,789
Cross Output Transfer (Management of Public Land and Forests)	(100,000)
<b>Total</b>	<b>52,232,026</b>

Local Government - grant recipient	\$
Hume City Council	11,345,816
Nillumbik Shire Council	10,378,841
Yarra Ranges Council	9,140,643
Melton City Council	7,293,228
Wyndham City Council	6,522,108
City of Casey	6,107,239
Mitchell Shire Council	5,611,217
City of Whittlesea	5,608,726
Horsham Rural City Council	5,433,797
City of Ballarat	5,354,326

Local Government - grant recipient	\$
Wellington Shire Council	5,019,644
Mornington Peninsula Shire Council	4,795,613
Corangamite Shire Council	4,649,240
Cardinia Shire Council	4,157,986
Eastern Regional Libraries Corporation	2,727,982
Casey Cardinia Library Corporation	2,639,370
Yarra Plenty Regional Library Service	2,578,727
Geelong Regional Library Service	2,011,358
Moreland City Council	1,905,079
Whitehorse Manningham Regional Library Corporation	1,862,066
Stonnington City Council	1,467,308
North Central Goldfields Regional Library Corporation	1,378,824
Brimbank City Council	1,372,863
Bayside City Council	1,363,854
Monash City Council	1,290,127
City of Greater Dandenong	1,139,466
City of Kingston	1,130,198
City of Boroondara	1,099,959
Darebin City Council	1,091,747
Frankston City Council	1,042,361
City of Melbourne	983,415
Glen Eira City Council	968,412
West Gippsland Regional Library Corporation	947,547
Moonee Valley City Council	852,452
Goulburn Valley Regional Library Corporation	837,630
Corangamite Regional Library Corporation	802,511
Budja Budja Aboriginal Co-operative Inc	800,000
Greater Shepparton City Council	772,595
Latrobe City Council	729,341
Mildura Rural City Council	702,528
Hobsons Bay City Council	699,087

Local Government - grant recipient	\$
City of Port Phillip	680,883
Wimmera Regional Library Service	676,543
West Wimmera Shire Council	666,720
Yarra City Council	618,483
East Gippsland Shire Council	614,282
Gunditj Mirring Traditional Owners Aboriginal Corporation	600,000
Yorta Yorta Nation Aboriginal Corporation	598,367
City of Maribyrnong	590,037
Murrindindi Shire Council	574,535
Public Libraries Victoria Network Inc	570,409
Aboriginal Community Elders Services Inc	494,236
City of Wodonga	492,583
Moorabool Shire Council	471,721
Borough of Queenscliff	450,000
Glenelg Shire Council	438,503
Campaspe Shire Council	427,479
Macedon Ranges Shire Council	397,437
Central Goldfields Shire Council	382,032
Hepburn Shire Council	333,494
City of Greater Bendigo	326,615
Indigo Shire Council	319,125
Surf Coast Shire	311,187
Swan Hill Rural City Council	309,404
Alpine Shire Council	299,063
Southern Grampians Shire Council	288,162
Victorian Aboriginal Child Care Agency Co-operative Ltd	287,744
Aboriginal Housing Victoria	287,652
Mansfield Shire Council	265,046
Ararat Rural City Council	256,488
Buloke Shire Council	254,092
Gannawarra Shire Council	252,610



Local Government - grant recipient	\$
The Scout Association of Australia Victorian Branch	250,000
Benalla Rural City Council	245,109
Towong Shire Council	243,873
Manningham City Council	240,000
Pyrenees Shire Council	225,102
Gippsland Lakes Community Health Inc	220,000
Strathbogie Shire Council	215,785
Loddon Shire Council	205,746
Northern Grampians Shire Council	195,000
Rural City of Wangaratta	190,946
Wangaratta Rural City Council	177,682
Golden Plains Shire Council	161,658
Mount Alexander Shire Council	151,510
Girl Guides Victoria	150,000
Wurundjeri Land and Compensation Cultural Heritage Council Aboriginal Corporation	150,000
Moir Shire Council	144,941
City of Greater Geelong	140,345
South Gippsland Shire Council	130,687
Moyne Shire Council	123,500
Worawa Aboriginal College Ltd	121,750
Wandoo Estate Aboriginal Corporation	119,911
Dhauwurd-Wurrung Elderly and Community Health Service Inc	115,563
Baw Baw Shire Council	112,922
Aborigines Advancement League Inc	103,299
Municipal Association of Victoria	100,000
Willum Warrain Aboriginal Association Inc	90,020
Whittlesea City Council	89,224
Whitehorse City Council	81,000
Bass Coast Shire Council	76,526
Hindmarsh Shire Council	74,111
Warrnambool City Council	66,643

Local Government - grant recipient	\$
Murray Valley Aboriginal Co-operative	66,594
Balibo House Inc	50,000
Healesville Belonging Place	50,000
Worn Gundidj Aboriginal Co-operative	41,044
3Knd Kool 'N' Deadly	40,000
Baluk Arts	40,000
Bunurong Land Council Aboriginal Corporation	40,000
Elizabeth Morgan House Aboriginal Women's Service Inc	40,000
Goolum Goolum Aboriginal Co-operative Ltd	40,000
Moogji Aboriginal Council	40,000
Victorian Aboriginal Community Services	40,000
Victorian Aboriginal Health Service	40,000
Tyntyndyer Homestead Inc	39,920
Gunditjmara Aboriginal Co-operative Ltd	38,463
Njernda Aboriginal Corporation	38,304
Colac Otway Shire Council	37,228
Federation of Victorian Traditional Owner Corporations	36,000
Kirrip Aboriginal Corporation	33,096
Ballarat and District Aboriginal Co-operative Ltd	32,000
Connecting Home Ltd	20,360
Victorian Local Governance Association	20,000
Xanana Gusmao Reading Room	18,700
Vision Australia Ltd	12,500
Rotary Club of Melbourne Inc	12,150
Mechanics Institutes of Victoria	10,523
Knox City Council	10,000
Australia Timor Leste Friendship Network Facilitators Inc	6,044
Other < \$5,000	2,008
<b>Total</b>	<b>145,757,949</b>

Suburban Development - grant recipient	\$
Hume City Council	2,100,000
Yarra Ranges Council	1,000,000
Darebin City Council	535,000
Banyule City Council	232,500
Frankston City Council	178,000
City of Whittlesea	150,000
<b>Total</b>	<b>4,195,500</b>

Planning, Building and Heritage - grant recipient	\$
Department of Education and Training	144,973,835
Public Transport Victoria	29,380,000
Department of Economic Development, Jobs, Transport and Resources	23,850,000
Victorian Planning Authority	20,053,188
Victorian Building Authority	16,790,000
The Trades Hall and Literary Institute	7,000,000
Department of Health and Human Services	5,725,000
VicRoads	4,888,746
City of Casey	2,500,000
City of Greater Geelong	2,270,547
Abbotsford Convent Foundation	1,200,000
National Trust of Australia (Victoria)	942,500
Essendon Historical Society Moonee Ponds Court House Museum	790,000
City of Ballarat	736,000
Uniting Church in Australia Synod of Victoria and Tasmania	575,500
City of Maribyrnong	380,000
Heritage Council of Victoria	250,000
Melbourne Anglican Trust Corporation	241,000
City of Greater Bendigo	230,000
Royal Botanic Gardens Victoria	200,000
Barengi Gadjin Land Council	180,000

Planning, Building and Heritage - grant recipient	\$
Box Hill Cemetery	180,000
East Gippsland Shire Council	180,000
Warrnambool City Council	175,500
Scentre Shopping Centre Management (Victoria) Pty Ltd - Westfield Geelong	156,000
Department of Premier and Cabinet	150,000
Southern Grampians Shire Council	144,000
The Ballarat Diocesan Trustees	130,500
Mitchell Shire Council	130,000
Yarriambiack Shire Council	117,000
C Blunt Boatbuilder Pty Ltd	103,500
Tyntyndyer Homestead Incorporated	100,000
Catholic Diocese of Ballarat	90,000
Borough of Queenscliff	86,285
Moyne Shire Council	80,000
Yarra Valley Railway Inc	80,000
Deakin University	70,000
Murtoa Stick Shed Committee of Management	63,000
City of Melbourne	59,091
Quercus Beechworth	55,000
Balmoral Historical Society Inc	50,000
Buda Historic Home and Garden Inc	50,000
City of Whittlesea	50,000
City of Wodonga	50,000
Greater Shepparton City Council	50,000
La Mama Theatre	50,000
Moreland City Council	50,000
Swan Hill Rural City Council	50,000
Whitehorse City Council	50,000
Bendigo Trades Hall	42,000
Yarra Ranges Council	40,000

Planning, Building and Heritage - grant recipient	\$
Chowders Pty Ltd	37,500
Nillumbik Shire Council	35,000
Stonnington City Council	35,000
Camperdown Grandstand Restoration Committee Inc	33,000
Hepburn Shire Council	30,000
Latrobe City Council	30,000
Wellington Shire Council	26,000
Wandong History Group Inc	25,000
Brimbank City Council	20,000
Corangamite Shire Council	20,000
Kyneton Historical Society Inc	20,000
Maroondah City Council	20,000
Moir Shire Council	20,000
Moonee Valley City Council	20,000
Deaf Children Australia	15,000
Municipal Association of Victoria	15,000
Roman Catholic Trusts Corporation for the Diocese of Melbourne	13,200
Kilmore Court House Reserve Committee Inc	13,000
Victoria Walks	11,120
Cardinia Shire Council	10,683
CRC for Water Sensitive Cities	10,350
Golden Plains Shire Council	9,000
Mt Alexander Shire Council	7,500
Glenelg Shire Council	7,000
Macedon Ranges Shire Council	5,000
Psyche Bend Steam Pumping Station	5,000
Return of funds	(53,450)
<b>Total</b>	<b>266,278,094</b>

Land Use Victoria - grant recipient	\$
Spatial Information Systems Research Ltd (trading as Frontier SI)	260,000
Surveyors Registration Board of Victoria	100,000
Victorian Aboriginal Corp for Languages	20,000
Winyama Digital Solutions	20,000
Other < \$5,000	3,000
<b>Total</b>	<b>403,000</b>

Climate Change - grant recipient	\$
Barwon Coast Committee of Management	1,535,148
Environment Protection Authority (Victoria)	933,696
National Association of Charitable Recycling Organisations Inc	800,000
City of Greater Geelong	520,000
Monash University	473,560
Otway Coast Committee	336,066
Metropolitan Waste and Resource Recovery Group	332,727
The University of Melbourne	323,088
RMIT University	258,000
La Trobe University	210,000
City of Port Phillip	200,000
Committee for Ballarat	200,000
Forrest and District Community Group	200,000
Nature Glenelg Trust	200,000
Keep Victoria Beautiful	176,500
Warrnambool City Council	172,000
Swinburne University of Technology	138,500
Sustainability Victoria	135,630
City of Kingston	135,000
Macedon Ranges Shire Council	130,000
Department of Treasury and Finance	127,273
City of Wodonga	120,000
Moyne Shire Council	117,000

Climate Change - grant recipient	\$
Bass Coast Landcare Network Inc	114,406
Heytesbury District Landcare Network	110,000
Bellarine Bayside Foreshore Committee Inc	100,000
Kyabram Fauna Park	100,000
Closed Loop Environmental Solutions Pty Ltd	90,000
Geelong Sustainability Group Inc	90,000
Precision Agriculture Pty Ltd	85,000
Climate for Change	81,000
Hobsons Bay City Council	80,000
Country Fire Authority	78,000
Deakin University	75,760
Hepburn Shire Council	70,670
City of Greater Bendigo	65,000
Towong Shire Council	60,000
Wellington Shire Council	58,680
Whitecliffs - Camerons Bight Foreshore Reserves Committee	46,800
Southern Farming Systems	40,000
Grantville and Districts Foreshore Reserve Committee Inc	36,000
Mornington Peninsula Shire Council	35,000
Tarnagulla Alternative Energy Group Incorporated	35,000
Department of The Environment	31,554
McCrae Homestead Coastal Group	28,329
Great Ocean Road Coast Committee of Management	25,332
Sandy Point Foreshore Committee of Management	22,950
Seaspray Reserves Committee of Management Inc	22,000
Municipal Association of Victoria	20,000
Yarra City Council	20,000
Bellarine Catchment Network Inc	16,884
East Gippsland Shire Council	16,800
Bass Coast Shire Council	16,107
Carbon Market Institute Ltd	15,000

Climate Change - grant recipient	\$
Australian Marine Mammal Conservation Foundation	13,212
Seaside Scavenge	12,825
South Gippsland Shire Council	11,000
Victorian Wader Study Group	11,000
Friends of The Prom Inc	10,614
Department of Health and Human Services	10,000
Goulburn Broken Catchment Management Authority	10,000
Moogji Aboriginal Council	10,000
Warrnambool Coastcare Landcare Network	9,970
Horsham Rural City Council	9,000
Department of Justice and Regulation	7,700
Friends of Beware Reef Inc	7,217
Dromana Foreshore Committee of Management Inc	7,029
Anglican Earthcare Gippsland Inc	6,770
Friends of Mallacoota Inc	6,560
Borough of Queenscliff	6,300
Torquay Landcare Group Inc	6,140
Indigo Shire Council	5,000
Yarriambiack Shire Council	5,000
Other < \$5,000	12,755
Return of Funds	(14,415)
Cross Output Transfer (Statutory Activities and Environment Protection) Movement	54,448
<b>Total</b>	<b>9,678,586</b>



## Appendix 7: Environmental contributions

Legislation was passed in 2004 requiring water corporations to make an environmental contribution to fund initiatives that promote the sustainable management of water or address adverse water-related environmental impacts, equivalent to five per cent of urban authorities' revenues and two per cent of rural water authorities' revenues. Section 195 of the *Water Industry Act 1994* requires DELWP to report on the details of expenditure funded by environmental contributions in its annual report.

### Environmental Contribution Tranche 4

In 2016, the Victorian Government committed to a fourth tranche of the environmental contribution (EC4). The fourth tranche, which commenced on 1 July 2016, is expected to raise \$537.1 million over four years to fund delivery of the government's long-term water plan, *Water for Victoria*.

The table below displays all project expenditure funded by the fourth tranche of the environmental contribution in 2018-19. This brings total EC4 expenditure as at 30 June 2019 to \$402.9 million.

Program Title (EC4)	2018-19 Expenditure \$'000
<b>Output</b>	
Water for Victoria: Grid and markets	5,161
Water for Victoria: Promote innovation through cooperative Research Centre for Water Sensitive Cities'	500
Water for Victoria: Protect the beneficial uses of water	886
Integrated Catchment Management and partnerships with the community	4,880
Water for Victoria: Climate change	2,007
Water for Victoria: Protecting Ramsar Wetlands	500
Flood and emergency risk resilience	8,692
Improving the health of waterways in regional Victoria	52,298
Improving Victoria's preparedness and response to climate change and the impacts of drought	14
Realising the potential of the water grid	47
Water for Victoria: Entitlements and planning	17,999
Sustainable irrigation future initiative	14,840
Transforming cities and towns through efficient, integrated water management	(10)
Water for Aboriginal culture	400
Water for Victoria: Develop a rural drainage strategy	500
Regional Water Infrastructure: Irrigation	1,572
Water for Victoria: Resilient and liveable cities and towns	4,724
Water for Victoria: Recognising recreational values	1,014
Smarter use of water in our cities and towns	4,000

Program Title (EC4)	2018-19 Expenditure \$'000
Yarra River Action Plan: Next steps	1,250
Water Efficiency Program	1,000
Boosting recreational water use	1,595
Mitigating the risks of old dams and retarding basins	1,499
<b>Total Output Funding</b>	<b>125,368</b>
<b>Asset</b>	
Recycled irrigation water for Cranbourne Gardens	2,451
Non-potable irrigation water for Melbourne Gardens	1,222
Regional Water Infrastructure: Irrigation	11,616
Water for Victoria: Entitlements and planning	3,275
<b>Total Asset Funding</b>	<b>18,564</b>
<b>Payment on Behalf of State (POBOS)</b>	
POBOS- MDBA State Contribution	6,328
<b>Total POBOS Funding</b>	<b>6,328</b>
<b>Total Environmental Contribution (EC4)</b>	<b>150,260</b>

## Environmental Contribution Tranche 3

The previous third tranche of the environmental contribution (EC3) ceased collecting funds on 30 June 2016, generating a total of \$405.3 million. Most initiatives that were allocated funding under the third tranche have now been completed.

The table below displays project expenditure funded by the third tranche of the environmental contribution in 2018-19. This brings total EC3 expenditure as at 30 June 2019 to \$401.4 million, with \$7.5 million left to spend.

The 2016-17 State Budget allocated all remaining third tranche funding to several new projects to be delivered up until 2018-19. The annual expenditure of these projects will continue to be reported until their completion.

Program Title (EC3)	2018-19 Expenditure \$'000
<b>Output</b>	
Macalister	-
Water for Aboriginal Culture	2,000
Managing Rising Groundwater Risk in Bendigo	2,820
<b>Total Output Funding</b>	<b>4,820</b>
<b>Asset</b>	
Northern Towns Water Connection Project	7,100
<b>Total Asset Funding</b>	<b>7,100</b>
<b>Total Environmental Contribution (EC3)</b>	<b>11,920</b>

Further detail and progress reports on initiatives funded by the environmental contribution are available on the DELWP website.

## Appendix 8: Ministerial Statements of Expectation

Ministerial Statements of Expectations (SoEs) aim to improve regulatory governance and performance. The statements articulate the government's priorities and objectives for regulators. Regulators report annually on actions to fulfil these expectations.

The development of each statement is a collaborative effort. Consultation takes place with each regulator to ensure the statements are fit for purpose and consider the regulator's circumstances, including objectives, legislative basis, size of organisation, and current practices and processes.

In relation to SoEs, the department has two broad areas of regulatory responsibility – land, fire and environment, and planning. Regulatory powers and functions are allocated to the Minister for Energy, Environment and Climate Change, the Minister for Planning, and the Secretary of the department. In many cases these powers are delegated.

### Land, fire and environment

In June 2014, the then Minister for Environment and Climate Change wrote to the Secretary of the former DEPI, providing SoEs for the regulation of land, fire and environment activities. In its response to the Minister in July 2014, the department outlined a range of commitments and actions that would be implemented over the next one to two years. These commitments included:

- regulatory principles
- role clarity.

#### **Regulatory principles - Land, Fire and Environment improvement strategy**

Relevant areas	Improvement strategy	Targets
All former land, fire and environment regulatory areas	To work with other DELWP regulators to jointly develop a standard for measuring DELWP's performance in delivering the regulatory principles and report against the standard.	In progress

#### **2018-19 progress**

In 2018-19, DELWP established the Office of the Conservation Regulator (OCR) following an Independent Review of Timber Harvesting Regulation.

Victoria's Chief Conservation Regulator (CCR) leads the OCR and is responsible for DELWP's regulatory functions. The OCR will provide a central point of coordination and oversight for DELWP's regulatory functions including the natural environment, timber harvesting, public land use, fire prevention and biodiversity.

The OCR's early work has been focused on improvements to DELWP's regulatory performance and has included:

- development of a *DELWP Regulatory Framework and Operating Model* to build the effectiveness and consistency of our regulatory work
- development of an *OCR Engagement Strategy* and a *Compliance and Enforcement Policy*
- establishment of an Independent Advisory Panel to provide the CCR with independent expert advice on best practice approaches to regulation
- establishment of a Stakeholder Reference Group comprised of members who represent a range of perspectives in conservation and environment, including user groups. This group will provide representative advice and support to the CCR.

Baseline data relating to a range of forest, wildlife and land compliance activities continues to be collected and collated. This has been assisted through the development of OCR's interim case management system,

which aligns activities and actions to key regulatory risks. This information has been used to better define risk, to better understand how compliance activities contribute to achieving policy outcomes, and on implementation of the strategy and how this is influencing DELWP regulatory maturity.

### **Role clarity - Land, Fire and Environment improvement strategy**

Relevant areas	Improvement strategies	Targets
Beekeeping, native vegetation, wildlife, timber harvesting	Regulatory areas to review existing compliance monitoring and assurance regimes to ensure that regulatory objectives are being met.	In progress

### **2018-19 progress**

Existing strategies remain operational as roles and responsibilities have been allocated as part of restructure.

**Beekeeping:** The *Apiculture (beekeeping) on Public Land Policy and Standard Operating Procedures (2013)* set out compliance requirements for bee site licences on public land including parks, forests and reserves, governed under the *Land Act 1958*. DELWP's Apiculture on Public Land Engagement Group provides a regular forum for beekeepers and opportunities to clarify and improve land management and licence procedures.

**Native vegetation:** DELWP continues to support the effective and consistent application of the native vegetation removal regulations. We delivered 26 training sessions around the state attended by more than 700 local councils and regional officers and responded to more than 1,300 enquiries about the regulations, offset sites and the offset register. An online native vegetation protection tool was developed to help landholders who want to protect their land as an offset site. A second online search tool was developed for permit holders and others to search for their offset requirement and find matching offset sites to purchase from. These tools are a significant step forward to help permit holders secure required offsets and comply with the regulations.

**Tour operators:** DELWP has worked collaboratively with Parks Victoria (PV) to deliver a policy update to offer longer licences for businesses with a history of full compliance. There has been a significant uptake of the new, longer licence terms on land managed by DELWP and PV. In the period from July to December 2018, a total of 83 three-year licences were issued to operators previously on a one-year licence and six five-year licences issued to operators who previously held a three-year licence. This represents a total savings of \$5,370 across operators.

**Wildlife:** Legislation to amend the *Flora and Fauna Guarantee Act 1988* was introduced into Parliament in May 2018. The Flora and Fauna Guarantee Amendment Bill 2018 amended the Act to provide a modern and strengthened framework for the protection of Victoria's biodiversity, however, did not pass the Parliament prior to the final scheduled sitting day of the 58th Parliament of Victoria. The Flora and Fauna Guarantee Amendment Bill 2019 is currently being considered by Parliament and is consistent with the 2018 Bill with some minor and technical variations.

**Timber harvesting:** The *Code of Practice for Timber Production 2014* was reviewed and the three priority areas - construction and maintenance of coupe roads, construction and rehabilitation of waterway crossings and the protection of mandatory exclusion areas from the impacts of timber harvesting are all still relevant.

In 2018-19, DELWP developed a new and more accurate map of rainforest areas, which will significantly improve the identification and protection of rainforest from the impacts of timber harvesting operations.

## **Planning**

In June 2018, the Minister for Planning wrote to Heritage Victoria, providing an SoE for the period 1 July 2018 to 30 June 2020, to establish clear performance goals to reduce red tape and promote greater efficiency and effectiveness in the administration and enforcement of regulation.

The response to the Minister for Planning sets out how the improvements and targets will be met in 2018-2020.

**2018-19 progress**

Statement of Expectation Target	Progress	Status
Develop systems to improve access and streamlining of statutory approvals under the <i>Heritage Act 2017</i> .	<p>Heritage Victoria – as part of the <i>Smart Planning Program</i> – will create a single-entry point for all statutory approvals under the <i>Heritage Act 2017</i>.</p> <p>This system will make it quicker and easier to find information. The system will also enable online applications for permits for changes to heritage places and objects, consents for archaeological sites and nominations to the Victorian Heritage Register. It is anticipated that this system will be in operation by 30 December 2019.</p>	Work towards a single-entry point for statutory approvals under the <i>Heritage Act 2017</i> is progressing and is on track for delivery by December 2019.
Provide guidance for owners and managers of State-listed heritage places and objects, and historical archaeological sites, on requirements and processes under the <i>Heritage Act 2017</i> .	<p>Heritage Victoria, in partnership with the Office of the Victorian Government Architect and other stakeholders, will develop guidelines on tall buildings on heritage places. This will include, for example, information and recommendations on considering impacts on significant views; the use of facadism; the cantilevering or suspension of new buildings over heritage places; roof top, and rear and side additions; and appropriate scale, heights and set-backs. The guidelines will be published by December 2019.</p> <p>Heritage Victoria will also develop guidelines to support owners and managers maintain State listed heritage places. They will provide information and recommendations on security, fire protection, waterproofing, managing vacant buildings and other minimum requirements to ensure that heritage places do not fall into disrepair. The guidelines will be published by 30 June 2020.</p>	<p>Heritage Victoria is on track with its work with the Office of the Victorian Government Architect to develop tall building guidelines by December 2019.</p> <p>Heritage Victoria has completed an audit to inform new heritage policy and guidelines needs. It has completed a draft of <i>Maintenance and Repair of Places in the Victorian Heritage Register</i>. <i>Maintenance and Repair of Places on the Victorian Heritage Register</i> is on track to deliver guidelines by 30 June 2020.</p>
Develop a proactive approach to enforcement and compliance.	Heritage Victoria will develop an enforcement and compliance strategy. The strategy will provide a proactive approach to enforcement activities including strategic communication initiatives, partnerships with other regulatory bodies and community groups, and use of enforcement provisions in the <i>Heritage Act 2017</i> . The strategy will be in place by 30 June 2019.	Heritage Victoria has developed an enforcement and compliance strategy. This is available from the heritage pages of the DELWP website <a href="https://www.heritage.vic.gov.au/legislation/compliance-and-enforcement">https://www.heritage.vic.gov.au/legislation/compliance-and-enforcement</a>

Statement of Expectation Target	Progress	Status
<p>Improve transparency in decision-making under the <i>Heritage Act 2017</i>.</p>	<p>All permits where submissions have been received as part of permit advertisement processes will be published on Heritage Victoria's website by 30 July 2018.</p> <p>Heritage Victoria will develop guidelines to inform owners and managers of heritage places and objects when a permit or permit exemption is applicable by 30 June 2020. It will provide guiding principles and examples of different types of works undertaken to heritage places with appropriate outcomes.</p>	<p>Completed by 30 July 2018 and continues to be undertaken.</p> <p>Heritage Victoria is on track to develop guidelines for permit and permit exemptions by June 2020. Guiding principles for changes proposed to places in the Victorian Heritage Register have been developed and published to the DELWP website to provide a clear understanding of the principles that underpin decision making when considering changes to heritage places.</p>

## Appendix 9: Municipal and Industrial Landfill Levy Trust Account

Victoria applies a levy on each tonne of municipal and industrial waste disposed to Victorian landfills. The *Environment Protection Act 1970* (the Act) determines how municipal and industrial landfill levy revenue is to be managed and spent.

Under the Act, the Environment Protection Authority (EPA) is responsible for collecting municipal and industrial landfill levies and transferring them to the Municipal and Industrial Landfill Levy (MILL) Trust Account on a quarterly basis. The MILL Trust Account is held and managed by DELWP.

The Act specifies which government agencies may receive payments from the MILL Trust Account and requires that payments must be made in accordance with a determination made by the Minister for Energy, Environment and Climate Change.

In 2018-19, operating funding was provided to the EPA, SV, seven Waste and Resource Recovery Groups and the Commissioner for Environmental Sustainability. PV received funding for two 2015-16 Budget initiatives – Critical Infrastructure Renewal and New Facilities for Parks and Reserves; and two 2017-18 Budget initiatives – Unlocking the Benefits of Parks for All Victorians and Enhancing Victoria's liveability through improvements to the parks and reserves estate. In addition, Crown land managers also received funding relating to the New Facilities for Parks and Reserves initiative.

In 2018-19, \$214 million cash was received from the EPA and \$140 million was paid to legislated entities. The remaining cash balance of \$74 million was transferred to the Sustainability Fund Account in accordance with section 70F (2) of the Act (Table 1).

**Table 1 – Municipal and Industrial landfill levy cash flows**

	(\$ million)
Opening cash balance	0.00
Municipal and Industrial Landfill Levy funds transfer from Environment Protection Authority	213.77
Less: Total Agency Payments	140.23
<i>Environment Protection Authority</i>	81.06
<i>Sustainability Victoria</i>	21.65
<i>Waste and Resource Recovery Groups</i>	10.91
<i>Parks Victoria</i>	24.67
<i>Commissioner for Environmental Sustainability</i>	1.45
<i>Committees of Management</i>	0.50
Less: Balance transferred to the Sustainability Fund Account	73.54
<b>Closing cash balance</b>	<b>0.00</b>



In 2018-19, \$240.93 million in municipal and industrial landfill levies was recognised as revenue by the department in the period in which it was earned (refer to Note 2 of *Schedule A of the Financial Statements*). As the EPA transfers cash from landfill levies to the department six months after accrual recognition, in accordance with the Act, the timing difference creates a variance between the accrual and cash figures during any given financial year. Table 2 below provides a reconciliation of this difference.

**Table 2 – Reconciliation of Municipal and Industrial landfill levy accrual revenue to cash receipts**

	(\$million)
Municipal and Industrial Landfill Levy (accrual basis)	240.93
Add: Opening balance of receivable from Environment Protection Authority at 1 July 2018	115.36
Less: Closing balance of receivable from Environment Protection Authority at 30 June 2019	(142.52)
Municipal and Industrial Landfill Levy (cash receipts)	213.77

## Appendix 10: Sustainability Fund Account and Sustainability Fund Grants

The Sustainability Fund is established under section 70F of the *Environment Protection Act 1970* and receives money collected from MILL. After funds are distributed by the Minister for Energy, Environment and Climate Change to key environmental agencies including the EPA, SV and the seven Waste and Resource Recovery Groups, remaining revenue is transferred and held in the Sustainability Fund.

The purpose of the fund as defined by Section 70 of the *Environmental Protection Act 1970*, is to:

- foster environmentally sustainable uses of resources and best practices in waste management to advance the social and economic development of Victoria
- foster community action or innovation in relation to the reduction of greenhouse gas substance emissions or adaptation or adjustment to climate change in Victoria.

Funding allocations are made by the Premier and the Minister in accordance with the published Sustainability Fund Priority Statement and government policy.

A Sustainability Fund Committee has been established to support the strategic and accountable management of the Sustainability Fund so that it best utilises the landfill levy revenue collected in accordance with the legislated objectives above. DELWP has managed the Sustainability Fund since July 2015.

The table below provides details of the cashflow totals into and out of the Sustainability Fund Trust Account, including a detailed breakdown of payments to programs (Table 1).

**Table 1 – Sustainability Fund Trust Account cashflows**

	(\$ million)
<b>Opening cash balance</b>	<b>511.33</b>
Transfer from Municipal and Industrial Landfill Levy Trust Account	73.54
Investment revenue	14.91
Return of unexpended funds paid in prior years	0.55
<b>Total receipts</b>	<b>88.99</b>
2018-19 Illegal Dumping Strikeforce	2.24
<i>Bringing our Environment Protection Authority into the Modern Era</i>	5.32
<i>Clean-up of contaminated public land</i>	1.40
<i>Climate Change Innovation and Jobs: Virtual Centre for Climate Change</i>	3.12
<i>Climate Change Innovation and Jobs: Waste to Energy</i>	0.80
<i>Climate Ready Victorian Infrastructure: Critical Coastal Protection Assets</i>	4.46
<i>Climate Ready Victorian Infrastructure: Environmentally Sustainable Development Standards</i>	0.33
<i>Collaborative Council – Sustainability Fund Partnerships</i>	0.80
<i>Community driven action to protect Victoria's unique biodiversity</i>	3.62
<i>Contaminated Crown Land Assessment / Remediation</i>	4.22
<i>Driving Growth in Renewable Energy</i>	3.34
<i>Encouraging Resource Smart Victorian Schools</i>	2.15

	(\$ million)
<i>Energy Affordability: Putting Consumers First</i>	6.35
<i>Establishing plantations</i>	3.45
<i>Increasing support for Landcare</i>	4.61
<i>Increasing support for Trust for Nature</i>	1.62
<i>Investing in waste and resource recovery for a growing Victoria</i>	7.69
<i>Investing in waste and resource recovery for a growing Victoria - e-waste landfill ban</i>	10.50
<i>Jobs and Innovation in Resource Recovery: Household Chemical Collection</i>	0.50
<i>Jobs and Innovation in Resource Recovery: Leveraging private investment in infrastructure</i>	5.96
<i>Jobs and Innovation in Resource Recovery: Organics, education and market development strategies</i>	0.93
<i>Latrobe Valley Package: Energy efficiency initiative</i>	3.53
<i>Making Communities Climate Ready: Protection of priority Victorian beaches and foreshores</i>	0.05
<i>Meeting the Government's climate change obligations</i>	0.36
<i>Partnering with local government to address weeds and pests</i>	1.00
<i>Port Fairy landfill</i>	0.02
<i>Protecting Port Philip Bay and its beaches</i>	0.32
<i>Protecting Victoria's Environment: Biodiversity 2037</i>	22.05
<i>Recycling industry assistance package</i>	5.72
<i>Recycling Industry Strategic Plan</i>	5.10
<i>Reducing the environmental impact of plastic bags - transitioning to ban</i>	0.57
<i>Saving Energy, Growing Jobs</i>	6.66
<i>Science, Innovation and Excellence: Monitoring coastal flooding, erosion and land stability</i>	1.01
<i>Securing Our Energy Future: Solar trams</i>	4.68
<i>Securing Our modern Energy Future: Energy Efficiency and Productivity Strategy</i>	12.12
<i>Securing Our Modern Energy Future: Renewable Energy Action Plan</i>	19.15
<i>Solar Homes</i>	9.09
<i>Taking decisive action on climate change</i>	4.77
<i>Towards a healthy and resilient marine and coastal future</i>	3.81
<i>Understanding and Adapting to Climate Change: Adaptation Plan 2</i>	0.92
<i>Understanding and Adapting to Climate Change: Climate Change Framework</i>	3.19
<i>Victorian Litter Plan</i>	0.10

	(\$ million)
<i>Greener Government Buildings</i>	16.00
<i>Unexpended funds returned</i>	(0.18)
<i>Sustainability Fund operations</i>	0.89
<b>Total payments</b>	<b>194.37</b>
<b>Closing cash balance</b>	<b>405.95</b>

Note:

Under the standard terms of a funding agreement, any unexpended funds remaining after a program is completed must be returned to the Fund. The following programs returned unexpended funds at their conclusion:

- Building Victoria's Organics Strategy (\$89,873)
- Managing Victoria's Waste Materials: Illegal Dumping Strikeforce III (\$356,692)
- Threatened Species Protection (\$135,898)
- Biodiversity On-ground - Community Action Grants (\$39,204)
- Climate Change Grants 2015 (\$101,324).

## Sustainability Fund Grants 2018-19

### Program – Better Commercial Buildings Grant Program

Better Commercial Building Grants support commercial building owners, agents, tenants and facility managers to evaluate and implement building energy efficiency improvements.

Recipient	Project	Funding Support \$
456 Lonsdale St Pty Ltd as Trustee for Rosshandler Lonsdale St Trust	<b>Lonsdale St Trust - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	21,200
490 Spencer St Pty Ltd	<b>490 Spencer St Pty Ltd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	25,000
616 St Kilda Joint Venture – Primewest 607 Bourke	<b>616 St Kilda Joint Venture – Primewest 607 Bourke - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	20,000
616 St Kilda Joint Venture	<b>CBM Australia - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	20,000
Amora Hotel Riverwalk	<b>Amora Hotel Riverwalk - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	22,727
Best Western Apollo Bay	<b>Best Western Apollo Bay - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	2,440
BMG United Investments Pty Ltd	<b>BMG United Investments Pty Ltd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	5,000

Recipient	Project	Funding Support \$
CBM Australia	<b>CBM Australia - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	25,000
Developments Exhibition Pty Ltd	<b>Developments Exhibition Pty Ltd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	25,000
Garda Capital Limited	<b>Garda Capital Limited - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,870
Globe International	<b>Globe International - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	5,000
Hotel Lindrum	<b>Hotel Lindrum - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,000
Investec	<b>Investec - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	5,000
Marysborough golf club	<b>Marysborough golf club - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,237
Melbourne Marriott Hotel	<b>Melbourne Marriott Hotel - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	23,000
Northpoint	<b>Northpoint - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	25,000
Petherbrige Family Superannuation Fund (Upsndown Investments)	<b>Petherbrige Family Superannuation Fund (Upsndown Investments) - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,250
RACV Club	<b>RACV Club - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	5,000
RACV Centre Noble Park	<b>RACV Centre Noble Park - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	23,302
RACV Eagle House	<b>RACV Eagle House - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	22,270
RE Funds Management Pty Ltd	<b>RE Funds Management Pty Ltd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	20,000

Recipient	Project	Funding Support \$
Ross House Association	<b>Ross House Association - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	25,000
Salland Nominees	<b>Salland Nominees - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	5,000
Salta properties (West) - 37 Dunlop Rd	<b>Salta properties (West) - 37 Dunlop Rd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	22,772
Salta properties (West) - 1 Nexus	<b>Salta properties (West) - 1 Nexus - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	23,182
Salta properties (West) - 2 Nexus	<b>Salta properties (West) - 2 Nexus - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	22,772
Salta properties (West) - 4 Nexus	<b>Salta properties (West) - 4 Nexus - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	22,892
Small Giants	<b>Small Giants - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	2,273
Stockland Property Management Pty Ltd – Point Cook Shopping Centre	<b>Stockland Property Management Pty Ltd – Point Cook Shopping Centre - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,850
Stockland Property Management Pty Ltd – Traralgon Shopping Centre	<b>Stockland Property Management Pty Ltd – Traralgon Shopping Centre - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,850
Stockland Property Management Pty Ltd – Wendouree Shopping Centre	<b>Stockland Property Management Pty Ltd – Wendouree Shopping Centre - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	3,850
Taras Nominees - Richmond	<b>Taras Nominees - Richmond - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	18,600
Taras Nominees - Greensborough	<b>Taras Nominees - Greensborough - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	19,800
Victoria Gardens Development Pty Ltd	<b>Victoria Gardens Development Pty Ltd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	22,400

Recipient	Project	Funding Support \$
Wheelers Hill Shopping Centre	<b>Wheelers Hill Shopping Centre - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	20,000
Yarra Valley Lodge Pty Ltd	<b>Yarra Valley Lodge Pty Ltd - Better Commercial Buildings</b> Evaluate and undertake commercial building energy upgrades/improvements	23,000

### **Program – SV Business - Boosting Business Productivity**

The Boosting Business Productivity program supports industry associations, business networks and Registered Training Organisations to improve energy efficiency and to establish the foundation for a market shift in the efficient use of energy across the sector.

It also supports capability building for small and medium sized businesses (SMEs) through industry associations grants to support industry associations, business networks and Registered Training Organisations to build the knowledge and skills in energy efficiency among SMEs.

Recipient	Project	Funding Support \$
Australian Industry Group (Ai Group)	<b>Long Term Energy Efficiency Capability Program</b> Provide a multi-learning pathway on energy efficiency for SME manufacturers. Business employees will participate in work-shops, one on one mentoring and business coaching.	70,000
Australian Refrigeration Association	<b>Refrigeration Operational and Energy Performance Benchmarking</b> Install remote monitoring equipment on refrigeration systems in retail food services and instruct business operators on how to apply the data in managing energy use. The data collected will be used to benchmark the energy performance of refrigeration units.	60,000
Bayside City Council	<b>Golden Opportunities</b> Provide training and workshops in energy efficiency for operations managers of aged cared facilities in the City of Bayside.	\$5,000
Melbourne Polytechnic	<b>Next Generation Electricians</b> In partnership with Energy Skills Australia develop and pilot a new Certificate IV in Energy Management and Control to qualified electricians. The course will address skills gaps in energy management for mainstream electricians and provide a career pathway.	\$30,000
Nillumbik Shire Council	<b>Enabling Energy Efficiency</b> Develop an energy efficiency training package that will be delivered to operators of food service providers in the Shire of Nillumbik. The training package will include on-site energy audits and assistance to set energy-related goals.	\$5,180

Recipient	Project	Funding Support \$
Vegetable Growers Association of Victoria (AUSVEG VIC)	<b>Victorian Vegetable Growers Energy Efficiency Program</b> Provide vegetable growers with high energy use with onsite training and access to an online energy efficiency calculator. The project will benchmark energy use in the industry and support measurable energy saving outcomes for the participating growers.	\$45,500

### **Program – SV Business – Boosting Productivity Energy Assessment Grants**

Energy Assessment Grants support businesses spending over \$20,000 a year on energy, to commission a basic or detailed energy assessment to identify and implement energy improvements. A basic assessment looks at easy-to-implement, lower cost opportunities. The assessment focuses on projects providing under a two-year return investment. A detailed assessment goes into further details, demands a higher level of accuracy and can evaluate longer return on investment opportunities (up to five years and beyond).

Recipient	Project	Funding Support \$
Adaptalift (PC Investments)	<b>Energy Assessment - Adaptalift (PC Investments)</b> Basic Energy Assessment	2,000
Alba Cheese Pty Ltd	<b>Energy Assessment - Alba Cheese Pty Ltd</b> Detailed Energy Assessment	3,000
Apollo Bay Fishermen's Co-Operative Society Ltd	<b>Energy Assessment - Apollo Bay Fishermen's Co-Operative Society Ltd</b> Basic Energy Assessment	9,000
Apollo Bay Hotel	<b>Energy Assessment - Apollo Bay Hotel</b> Basic Energy Assessment	6,342
Ararat Abattoirs Pty Ltd	<b>Energy Assessment - Ararat Abattoirs Pty Ltd</b> Detailed Energy Assessment	12,500
Arcare Aged Care	<b>Energy Assessment - Arcare Aged Care</b> Detailed Energy Assessment	29,900
Asahi Premium Beverages Pty Ltd	<b>Energy Assessment - Asahi Premium Beverages Pty Ltd</b> Detailed Energy Assessment	8,250
Ausfresh Pty Ltd	<b>Energy Assessment - Ausfresh Pty Ltd</b> Detailed Energy Assessment	13,800
Australian Brewers Guild Pty Ltd	<b>Energy Assessment - Australian Brewers Guild Pty Ltd</b> Basic Energy Assessment	2,000
Ballarat Schnitzels Pty Ltd	<b>Energy Assessment - Ballarat Schnitzels Pty Ltd</b> Basic Energy Assessment	6,950.45
Bayley House	<b>Energy Assessment - Bayley House</b> Basic Energy Assessment	3,000
Bendigo Stadium Ltd	<b>Energy Assessment - Bendigo Stadium Ltd</b> Detailed Energy Assessment	10,840



Recipient	Project	Funding Support \$
Boge Elastmetall Australia	<b>Energy Assessment - Boge Elastmetall Australia</b> Basic Energy Assessment	2,000
Bombardier Transportation Australia Pty Ltd	<b>Energy Assessment - Bombardier Transportation Australia Pty Ltd</b> Detailed Energy Assessment	6,550
Bradwell Dairy Co Pty Ltd	<b>Energy Assessment - Bradwell Dairy Co Pty Ltd</b> Basic Energy Assessment	3,000
Britannia Metal Industries (Victoria) Pty Ltd	<b>Energy Assessment - Britannia Metal Industries (Vic) Pty Ltd</b> Detailed Energy Assessment and Materials Pilot	4,540
Britton Timbers Processing Pty Ltd (Premier Wood Machining Services)	<b>Energy Assessment - Britton Timbers Processing Pty Ltd (Premier Wood Machining Services)</b> Detailed Energy Assessment	3,275
Bromac Farming	<b>Energy Assessment - Bromac Farming</b> Detailed Energy Assessment	6,475.10
Burra Foods Pty Ltd	<b>Energy Assessment - Burra Foods Pty Ltd</b> Detailed Energy Assessment	3,000
Butler Market Gardens Pty Ltd	<b>Energy Assessment - Butler Market Gardens Pty Ltd</b> Detailed Energy Assessment	13,930
Caltex Australia Petroleum Pty Ltd	<b>Energy Assessment - Caltex Australia Petroleum Pty Ltd</b> Basic Energy Assessment	1,200
Campbell Australia Pty Ltd	<b>Energy Assessment - Campbell Australia Pty Ltd</b> Detailed Energy Assessment	14,277
Capilano Honey Ltd	<b>Energy Assessment - Capilano Honey Ltd</b> Basic Energy Assessment	5,000
Caps and Closures Pty Ltd	<b>Energy Assessment - Caps and Closures Pty Ltd</b> Detailed Energy Assessment	5,000
Catalent Australia Pty Ltd	<b>Energy Assessment - Catalent Australia Pty Ltd</b> Detailed Energy Assessment	2,999
Champion Pictures Pty Ltd	<b>Energy Assessment - Champion Pictures Pty Ltd</b> Detailed Energy Assessment	14,118.60
Christian Youth Camps Ltd	<b>Energy Assessment - Christian Youth Camps Ltd</b> Detailed Energy Assessment	3,000
Class Plastics Aust Pty Ltd	<b>Energy Assessment - Class Plastics Aust Pty Ltd</b> Detailed Energy Assessment	9,000
Colonial Brewing Co	<b>Energy Assessment - Colonial Brewing Co</b> Detailed Energy Assessment	3,000
Complete POD Solutions Pty Ltd	<b>Energy Assessment - Complete POD Solutions Pty Ltd</b> Detailed Energy Assessment	11,948.16
Composite Materials Engineering Pty Ltd (CME)	<b>Energy Assessment - Composite Materials Engineering Pty Ltd (CME)</b> Detailed Energy Assessment	10,765

Recipient	Project	Funding Support \$
Coolibah Herbs	<b>Energy Assessment - Coolibah Herbs</b> Detailed Energy Assessment	15,000
Corafeld Farms	<b>Energy Assessment - Corafeld Farms</b> Detailed Energy Assessment	6,200
Corrigan Produce Farms	<b>Energy Assessment - Corrigan Produce Farms</b> Detailed Energy Assessment	16,379.27
Croc's Playcentre and Café Narre Warren	<b>Energy Assessment - Croc's Playcentre and Café Narre Warren</b> Basic Energy Assessment	1,394
Crown Melbourne Ltd	<b>Energy Assessment - Crown Melbourne Ltd</b> Detailed Energy Assessment	7,600
CW Droppert and SH Jefford (Clydebank Dairy)	<b>Energy Assessment - CW Droppert and SH Jefford (Clydebank Dairy)</b> Detailed Energy Assessment	3,000
Dicky Bill Farming Pty Ltd	<b>Energy Assessment - Dick Bill Farming Pty Ltd</b> Detailed Energy Assessment	12,170
Denso Australia Pty Ltd	<b>Energy Assessment - Denso Australia Pty Ltd</b> Basic Energy Assessment	5,000
Ego Pharmaceuticals Pty Ltd	<b>Energy Assessment - Ego Pharmaceuticals Pty Ltd</b> Detailed Energy Assessment	14,582.50
Enviropacific Services Pty Ltd	<b>Energy Assessment - Enviropacific Services Pty Ltd</b> Detailed Energy Assessment	15,000
Eirenclare Farms	<b>Energy Assessment - Eirenclare Farms</b> Detailed Energy Assessment	7,352.28
Exquisite Pty Ltd	<b>Energy Assessment - Exquisite Pty Ltd</b> Detailed Energy Assessment	4,200
Faith Christian Church Inc	<b>Energy Assessment - Faith Christian Church Inc</b> Detailed Energy Assessment	6,820
Falls Creek Ski Lifts Pty Ltd	<b>Energy Assessment - Falls Creek Ski Lifts Pty Ltd</b> Detailed Energy Assessment	30,000
Flavorite Hydroponic Tomatoes Pty Ltd	<b>Energy Assessment - Flavorite Hydroponic Tomatoes Pty Ltd</b> Detailed Energy Assessment	12,000
Foamex Victoria Pty Ltd	<b>Energy Assessment - Foamex Victoria Pty Ltd</b> Detailed Energy Assessment	13,000
Forth Farm Produce Pty Ltd T/A Riverside Produce	<b>Energy Assessment - Forth Farm Produce Pty Ltd T/A Riverside Produce</b> Detailed Energy Assessment	11,380
Frangapane Farms	<b>Energy Assessment - Frangapane Farms</b> Detailed Energy Assessment	14,000

Recipient	Project	Funding Support \$
Fresh Fields Mushrooms Victoria Pty Ltd	<b>Energy Assessment - Fresh Fields Mushrooms Victoria Pty Ltd</b> Detailed Energy Assessment	8,355
Fronditha Care	<b>Energy Assessment - Fronditha Care</b> Detailed Energy Assessment	28,005
Gazzola Farms Pty Ltd	<b>Energy Assessment - Gazzola Farms Pty Ltd</b> Detailed Energy Assessment	9,000
Geelong Glass and Aluminium Pty Ltd	<b>Energy Assessment - Geelong Glass and Aluminium Pty Ltd</b> Detailed Energy Assessment	14,000
Gray Wigg Pty Ltd	<b>Energy Assessment - Gray Wigg Pty Ltd</b> Detailed Energy Assessment	9,071.10
Great Ocean Road Coast Committee Inc	<b>Energy Assessment - Great Ocean Road Coast Committee Inc</b> Detailed Energy Assessment	13,000
The Great Stupa Ltd	<b>Energy Assessment - The Great Stupa Ltd</b> Detailed Energy Assessment	8,344.10
Green Onions Pty Ltd	<b>Energy Assessment - Green Onions Pty Ltd</b> Basic Energy Assessment	5,000
Guzman Y Gomez	<b>Energy Assessment - Guzman Y Gomez</b> Basic Energy Assessment	10,000
Hayleycross Pty Ltd	<b>Energy Assessment - Hayleycross Pty Ltd</b> Detailed Energy Assessment	6,250
Homestyle Aged Care Services Pty Ltd	<b>Energy Assessment - Homestyle Aged Care Services Pty Ltd</b> Detailed Energy Assessment	6,000
Horsham Sports and Community Club	<b>Energy Assessment - Horsham Sports and Community Club</b> Detailed Energy Assessment	9,125
Hydraulic Pneumatic Pty Ltd	<b>Energy Assessment - Hydraulic Pneumatic Pty Ltd</b> Basic Energy Assessment	2,000
Idyll Wine Co Pty Ltd	<b>Energy Assessment - Idyll Wine Co Pty Ltd</b> Detailed Energy Assessment	393
IGA Cheltenham	<b>Energy Assessment - IGA Cheltenham</b> Detailed Energy Assessment	5,000
Indochinese Elderly Refugees Association Vic Inc	<b>Energy Assessment - Indochinese Elderly Refugees Association Vic Inc</b> Detailed Energy Assessment	5,125
Ingenia Ina Operations Pty Ltd	<b>Energy Assessment - Ingenia Ina Operations Pty Ltd</b> Detailed Energy Assessment	4,450
Innstay Serviced Apartments	<b>Energy Assessment - Innstay Serviced Apartments</b> Basic Energy Assessment	1,800
Input Fitness Health Club (Style @ Sur Pty Ltd)	<b>Energy Assessment - Input Fitness Health Club (Style @ Sur Pty Ltd)</b> Detailed Energy Assessment	3,000

Recipient	Project	Funding Support \$
Jalplas Pty Ltd	<b>Energy Assessment - Jalplas Pty Ltd</b> Detailed Energy Assessment	15,835.70
KFC Ararat	<b>Energy Assessment - KFC Ararat</b> Detailed Energy Assessment	8,750
Kingfield Galvanizing Pty Ltd	<b>Energy Assessment - Kingfield Galvanizing Pty Ltd</b> Detailed Energy Assessment	9,750
Manpak Pty Ltd	<b>Energy Assessment - Manpak Pty Ltd</b> Detailed Energy Assessment	12,400
Marand Precision Engineering Pty Ltd	<b>Energy Assessment - Marand Precision Engineering Pty Ltd</b> Detailed Energy Assessment	9,000
Mason Brothers Vegetable Farms	<b>Energy Assessment - Mason Brothers Vegetable Farms</b> Detailed Energy Assessment	5,910
MCC Corp Pty Ltd (MCC Meats)	<b>Energy Assessment - MCC Corp Pty Ltd (MCC Meats)</b> Detailed Energy Assessment	8,485
McDonald's Niddrie	<b>Energy Assessment - McDonald's Niddrie</b> Detailed Energy Assessment	4,290
Mildura Golf Resort	<b>Energy Assessment - Mildura Golf Resort</b> Detailed Energy Assessment	12,850
Moondarra Cheese Pty Ltd	<b>Energy Assessment - Moondarra Cheese Pty Ltd</b> Detailed Energy Assessment	3,000
Nando's Australia Pty Ltd	<b>Energy Assessment - Nando's Australia Pty Ltd</b> Detailed Energy Assessment	10,600
NCI Packaging (Tullamarine)	<b>Energy Assessment - NCI Packaging (Tullamarine)</b> Detailed Energy Assessment	3,000
NCI Packaging (Preston)	<b>Energy Assessment - NCI Packaging (Preston)</b> Detailed Energy Assessment	2,760.80
Neerim District Health Service	<b>Energy Assessment - Neerim District Health Service</b> Detailed Energy Assessment	3,000
New World Whisky Distillery Pty Ltd	<b>Energy Assessment - New World Whisky Distillery Pty Ltd</b> Detailed Energy Assessment	8,500
Nillumbik Community Health Service Ltd (healthAbility)	<b>Energy Assessment - Nillumbik Community Health Service Ltd (healthAbility)</b> Detailed Energy Assessment	2,250
Omniblend Pty Ltd	<b>Energy Assessment - Omniblend Pty Ltd</b> Detailed Energy Assessment	3,000
Pakenham and District Hospital Inc (Millhaven Lodge)	<b>Energy Assessment - Pakenham and District Hospital Inc (Millhaven Lodge)</b> Detailed Energy Assessment	1,250
Peter Schreurs and Sons	<b>Energy Assessment - Peter Schreurs and Sons</b> Detailed Energy Assessment	12,560

Recipient	Project	Funding Support \$
Planex Sales Pty Ltd	<b>Energy Assessment - Planex Sales Pty Ltd</b> Detailed Energy Assessment	3,000
Portikal Eleven	<b>Energy Assessment - Portikal Eleven</b> Detailed Energy Assessment	8,875.40
Precision Plating (Aust) Pty Ltd	<b>Energy Assessment - Precision Plating (Aust) Pty Ltd</b> Basic Energy Assessment	2,000
Prydes Confectionary Victoria Pty Ltd (Knoxfield site)	<b>Energy Assessment - Prydes Confectionary Victoria Pty Ltd (Knoxfield site)</b> Detailed Energy Assessment	2,547.70
Prydes Confectionary Victoria Pty Ltd (Broadmeadows site)	<b>Energy Assessment - Prydes Confectionary Victoria Pty Ltd (Broadmeadows site)</b> Detailed Energy Assessment	3,000
Quality Bakers Australia Pty Ltd (Goodman Fielder)	<b>Energy Assessment - Quality Bakers Australia Pty Ltd (Goodman Fielder)</b> Detailed Energy Assessment	12,080
Rawson Village, Hollowacare Forest Edge. Aveo and Chromagen	<b>Energy Assessment - Rawson Village, Hollowacare Forest Edge. Aveo and Chromagen</b> Basic Energy Assessments	13,000
Royal Automobile Club of Victoria (RACV) Ltd	<b>Energy Assessment - Royal Automobile Club of Victoria (RACV) Ltd</b> Detailed Energy Assessment	5,000
Rawson Caravan Park	<b>Energy Assessment - Rawson Caravan Park</b> Detailed Energy Assessment	5,000
Red Rooster Foods Pty Ltd	<b>Energy Assessment - Red Rooster Foods Pty Ltd</b> Basic Energy Assessment	4,125
Regis Aged Care Pty Ltd	<b>Energy Assessment - Regis Aged Care Pty Ltd</b> Detailed Energy Assessment	28,408
Robert Bosch (Australia) Pty Ltd	<b>Energy Assessment - Robert Bosch (Australia) Pty Ltd</b> Detailed Energy Assessment	20,000
Rutherford Orchards	<b>Energy Assessment - Rutherford Orchards</b> Basic Energy Assessment	5,000
Rutherglen IGA	<b>Energy Assessment - Rutherglen IGA</b> Basic Energy Assessment	7,930
Saputo Dairy Australia Pty Ltd	<b>Energy Assessment - Saputo Dairy Australia Pty Ltd</b> Detailed Energy Assessment	36,000
Schreurs and Sons	<b>Energy Assessment - Schreurs and Sons</b> Detailed Energy Assessment	19,545.45
Secura Lifestyle Shepparton East	<b>Energy Assessment - Secura Lifestyle Shepparton East</b> Basic Energy Assessment	2,000
Secura Lifestyle (Big 4 Borderland Wodonga)	<b>Energy Assessment - Secura Lifestyle (Big 4 Borderland Wodonga)</b> Basic Energy Assessment	5,000

Recipient	Project	Funding Support \$
Sims Group Australia Holdings Ltd (Sims Metal)	<b>Energy Assessment - Sims Group Australia Holdings Ltd (Sims Metal)</b> Detailed Energy Assessment	23,980
Southern Advanced Plants	<b>Energy Assessment – Smart Power Utilities</b> Basic Energy Assessment	3,200
South Coast Junior Aquatics	<b>Energy Assessment – South Coast Junior Aquatics</b> Basic Energy Assessment	5,000
South Food Group Pty Ltd (Casalingo Smallgoods)	<b>Energy Assessment - South Food Group Pty Ltd (Casalingo Smallgoods)</b> Detailed Energy Assessment	3,000
Sri Ananda Bhavan	<b>Energy Assessment - Sri Ananda Bhavan</b> Basic Energy Assessment	4,772.73
Steel Mains Pty Ltd	<b>Energy Assessment - Steel Mains Pty Ltd</b> Detailed Energy Assessment	7,281.33
Sterling Plating Pty Ltd	<b>Energy Assessment - Sterling Plating Pty Ltd</b> Basic Energy Assessment	5,000
Stokehouse Pty Ltd	<b>Energy Assessment - Stokehouse Pty Ltd</b> Detailed Energy Assessment	12,500
Stomping Ground Brewing Co Pty Ltd	<b>Energy Assessment - Stomping Ground Brewing Co Pty Ltd</b> Detailed Energy Assessment	2,869
Stuart Wines Company Pty Ltd	<b>Energy Assessment - Stuart Wines Company Pty Ltd</b> Detailed Energy Assessment	4,995
Sun Pharmaceutical Industries (Australia) Pty Ltd	<b>Energy Assessment - Sun Pharmaceutical Industries (Australia) Pty Ltd</b> Detailed Energy Assessment	6,397.50
Sunbury United Sporting Club	<b>Energy Assessment - Sunbury United Sporting Club</b> Detailed Energy Assessment	8,700
Suncorp Corporate Services Pty Ltd	<b>Energy Assessment - Suncorp Corporate Services Pty Ltd</b> Detailed Energy Assessment	2,250
Swan Hill Truck City, Ferntree Gully Holden, BP One Stop, Ferntree Gully Nissan, Knox Isuzu (Ferntree Gully Isuzu), Mildura Truck Centre, Shepparton Truck Centre, Swan Hill Kia, Swan Hill Toyota, Twin City Truck Centre and One Stop Car Wash	<b>Energy Assessment – Smart Power Utilities</b> Basic Energy Assessment	23,800
Tempo Foods	<b>Energy Assessment - Tempo Foods</b> Detailed Energy Assessment	9,900
The Delatite Hotel	<b>Energy Assessment - The Delatite Hotel</b> Detailed Energy Assessment	1,964

Recipient	Project	Funding Support \$
The Royal Melbourne Golf Club Inc	<b>The Royal Melbourne Golf Club Inc</b> Detailed Energy Assessment	10,700
The Dog Pty Ltd (Skinny Dog Hotel)	<b>Energy Assessment - The Dog Pty Ltd (Skinny Dog Hotel)</b> Detailed Energy Assessment	3,450
Trios Pty Ltd (Time out Melbourne)	<b>Energy Assessment - Trios Pty Ltd (Time out Melbourne)</b> Basic Energy Assessment	5,000
Value Heat Treatment	<b>Energy Assessment - Value Heat Treatment</b> Detailed Energy Assessment	9,000
Veli Velisha Fresh Produce Pty Ltd	<b>Energy Assessment - Veli Velisha Fresh Produce Pty Ltd</b> Detailed Energy Assessment	15,000
VicSpa, Portland Cool Store and Warragul Dry Cleaners	<b>Energy Assessment - VicSpa, Portland Cool Store and Warragul Dry Cleaners</b> Basic Energy Assessments	9,000
Viva Energy Australia Pty Ltd	<b>Energy Assessment - Viva Energy Australia Pty Ltd</b> Detailed Energy Assessment	10,931.80
Watermill Resources Pty Ltd	<b>Energy Assessments - Jamieson Caravan Park, The Boulevard Caravan Park, Stratford on the River Tourist Park, Eidon Pondage Caravan Park, Big 4 Castlemaine and Yarram Holiday Park</b> Basic Energy Assessment	23,978.63
Woodlands Golf Club	<b>Energy Assessment - Woodlands Golf Club</b> Detailed Energy Assessment	7,190
Yarra Glen Grand Hotel	<b>Energy Assessment - Yarra Glen Grand Hotel</b> Detailed Energy Assessment	8,450
Yering Station	<b>Energy Assessment - Yering Station</b> Detailed Energy Assessment	5,475

### **Program – SV Business – Boosting Productivity Materials Assessment Grant**

Materials assessment grants support businesses to engage a consultant to identify material efficiency improvements and opportunities to lower business costs and divert materials sent to landfill.

Recipient	Project	Funding Support \$
One Paper Industries Aus Pty Ltd	<b>One Paper Industries Aus Pty Ltd</b> Detailed Materials Assessment	10,000
Planex Sales Pty Ltd	<b>Planex Sales Pty Ltd</b> Detailed Materials Assessment	11,505
Treasury Wine Estates Vintners Ltd	<b>Treasury Wine Estates Vintners Ltd</b> Detailed Materials Assessment	9,883.64
Alba Cheese Pty Ltd	<b>Alba Cheese Pty Ltd</b> Detailed Materials Assessment	3,000

Recipient	Project	Funding Support \$
Don KRC	<b>Don KRC</b> Detailed Materials Assessment	9,880
Mitchell Harris Pty Ltd	<b>Mitchell Harris Pty Ltd</b> Detailed Materials Assessment	12,632.50
Nature's Best	<b>Nature's Best</b> Detailed Materials Assessment	6,000

### **Program – Non-Regulatory Support for E-Waste Landfill Ban**

This program informs Victorians of the environmental and health related impacts of e-waste and how to appropriately manage e-waste as well as engage stakeholders to support practical and effective design and implementation, and ensure that collection, storage, transportation and processing of e-waste is conducted to a high standard and provide support to build the capacity and capability of those managing e-waste.

Recipient	Project	Funding Support \$
Ararat Rural City Council	<b>Ararat Resource Recovery Centre</b> E-waste infrastructure upgrade	30,000
Ballarat City Council	<b>Ballarat Transfer Station</b> E-waste infrastructure upgrade	29,145
Barwon South West Waste and Resource Recovery Group	<b>Barwon South West Waste and Resource Recovery Group</b> E-waste education campaign grant	45,000
Bass Coast Shire Council	<b>Cowes Recycling Facility</b> E-waste infrastructure upgrade	28,695.30
Bass Coast Shire Council	<b>Wonthaggi Transfer Station</b> E-waste infrastructure upgrade	28,695.30
Bass Coast Shire Council	<b>Grantville Resource Recovery Centre</b> E-waste infrastructure upgrade	28,695.30
Baw Baw Shire Council	<b>Lardner Transfer Station</b> E-waste infrastructure upgrade	80,000
Baw Baw Shire Council	<b>Neerim South Transfer Station</b> E-waste infrastructure upgrade	67,068
Baw Baw Shire Council	<b>Trafalgar Transfer Station</b> E-waste infrastructure upgrade	71,248
Bayside City Council	<b>Bayside Waste and Recycling Centre</b> E-waste infrastructure upgrade	30,000
Bayside City Council	<b>Bayside City Council</b> E-waste education campaign grant	5,000
Boroondara City Council	<b>Boroondara City Council</b> E-waste education campaign grant	6,965



Recipient	Project	Funding Support \$
Brimbank City Council	<b>Brimbank City Council Detox Centre</b> E-waste infrastructure upgrade	20,507.70
Brimbank City Council	<b>Brimbank City Council</b> E-waste education campaign grant	7,000
Buloke Shire Council	<b>Birchip Landfill</b> E-waste infrastructure upgrade	27,716.18
Buloke Shire Council	<b>Sea Lake Resource Recovery Facility</b> E-waste infrastructure upgrade	19,750.26
Campaspe Shire Council	<b>Mt Scobie Environment Centre</b> E-waste infrastructure upgrade	26,940
Campaspe Shire Council	<b>Echuca Environment Centre</b> E-waste infrastructure upgrade	28,080
Campaspe Shire Council	<b>Rushworth Transfer Station</b> E-waste infrastructure upgrade	29,880
Campaspe Shire Council	<b>Rochester Transfer Station and Resource Recovery</b> E-waste infrastructure upgrade at	15,405
Cardinia Shire Council	<b>Cardinia Shire Council</b> E-waste education campaign grant	7,000
Central Goldfields Shire Council	<b>Carisbrook Transfer Station</b> E-waste infrastructure upgrade	30,000
City of Darebin	<b>City of Darebin</b> E-waste education campaign grant	7,000
City of Greater Dandenong	<b>City of Greater Dandenong</b> E-waste education campaign grant	6,895
City of Greater Geelong	<b>Drysdale Resource Recovery Centre and Transfer Station</b> E-waste infrastructure upgrade	30,000
City of Greater Geelong	<b>North Geelong Resource Recovery Centre</b> E-waste infrastructure upgrade	30,000
Colac Otway Shire Council	<b>Alvie Transfer Station</b> E-waste infrastructure upgrade	1,181.78
Corangamite Shire Council	<b>Corangamite (Naroghid) Regional Resource Recovery</b> E-waste infrastructure upgrade	30,000
Corangamite Shire Council	<b>Timboon Transfer Station and Resource Recovery</b> E-waste infrastructure upgrade	30,000
East Gippsland Shire Council	<b>Bairnsdale Resource Recovery Centre</b> E-waste infrastructure upgrade	30,000
East Gippsland Shire Council	<b>Bruthen Transfer Station</b> E-waste infrastructure upgrade	30,356.40

Recipient	Project	Funding Support \$
East Gippsland Shire Council	<b>Mallacoota Transfer Station</b> E-waste infrastructure upgrade	27,319.01
East Gippsland Shire Council	<b>Omeo Recycling and Recovery Transfer Centre</b> <b>E-waste infrastructure upgrade</b>	18,146.38
East Gippsland Shire Council	<b>Orbost Transfer Station</b> E-waste infrastructure upgrade	16,946.65
Frankston City Council	<b>Frankston Regional Recycling and Recovery Centre</b> E-waste infrastructure upgrade	30,000
Gannawarra Shire Council	<b>Kerang Transfer Station</b> E-waste infrastructure upgrade	34,467
Gannawarra Shire Council	<b>Cohuna Transfer Station</b> E-waste infrastructure upgrade	34,492
Gippsland Waste and Resource Recovery Group	<b>Gippsland Waste and Resource Recovery Group</b> E-waste education campaign grant	30,000
Golden Plains Shire Council	<b>Rokewood Transfer Station</b> E-waste infrastructure upgrade	79,240
Goulburn Valley Waste and Resource Recovery Group	<b>Goulburn Valley Waste and Resource Recovery Group</b> E-waste education campaign grant	30,000
Grampians Central West Waste and Resource Recovery Group	<b>Grampians Central West Waste and Resource Recovery Group</b> E-waste education campaign grant	60,000
Greater Bendigo City Council	<b>Eaglehawk Recovery and Sales Yard</b> E-waste infrastructure upgrade	29,700
Greater Bendigo City Council	<b>Heathcote Transfer Station</b> E-waste infrastructure upgrade	21,600
Greater Bendigo City Council	<b>Strathfieldsaye Transfer Station</b> E-waste infrastructure upgrade	29,700
Hepburn Shire Council	<b>Creswick Transfer Station and Resale Centre</b> E-waste infrastructure upgrade	26,625
Hepburn Shire Council	<b>Daylesford Transfer Station and Resale Centre</b> E-waste infrastructure upgrade	26,625
Hindmarsh Shire Council	<b>Dimboola Transfer Station</b> E-waste infrastructure upgrade	30,000
Hindmarsh Shire Council	<b>Nhill Transfer Station</b> E-waste infrastructure upgrade	30,000
Hobsons Bay City Council	<b>Hobsons Bay City Council</b> E-waste education campaign grant	3,150
Hume City Council	<b>Hume City Council</b> E-waste education campaign grant	6,958

Recipient	Project	Funding Support \$
Indigo Shire Council	<b>Beechworth Transfer Station</b> E-waste infrastructure upgrade	28,907
Indigo Shire Council	<b>Rutherglen Transfer Station</b> E-waste infrastructure upgrade	26,419
Knox City Council	<b>Knox City Council</b> E-waste education campaign grant	7,000
Knox Transfer Station	<b>Wesburn Recovery and Waste Transfer Station</b> E-waste infrastructure upgrade	7,024
Loddon Mallee Waste and Resource Recovery Group	<b>Loddon Mallee Waste and Resource Recovery Group</b> E-waste education campaign grant	25,500
Loddon Shire Council	<b>Boort landfill and recycle</b> E-waste infrastructure upgrade	27,570
Loddon Shire Council	<b>Inglewood Transfer Station</b> E-waste infrastructure upgrade	17,328
Macedon Ranges Shire Council	<b>Woodend Transfer Station</b> E-waste infrastructure upgrade	27,447
Macedon Ranges Shire Council	<b>Kyneton Transfer Station</b> E-waste infrastructure upgrade	29,874
Macedon Ranges Shire Council	<b>Romsey Resource Recovery and Transfer Station</b> E-waste infrastructure upgrade	26,580
Mansfield Shire Council	<b>Mansfield Resource Recovery Centre</b> E-waste infrastructure upgrade	29,194
Maribyrnong City Council	<b>Maribyrnong City Council</b> E-waste education campaign grant	7,000
Melbourne City Council	<b>Melbourne City Council</b> E-waste education campaign grant	7,000
Mitchell Shire Council	<b>Broadford Transfer Station</b> E-waste infrastructure upgrade	30,000
Mitchell Shire Council	<b>Wallan Transfer Station</b> E-waste infrastructure upgrade	30,000
Moira Shire Council	<b>Cobram Resource Recovery Centre</b> E-waste infrastructure upgrade	30,000
Moira Shire Council	<b>Nathalia Transfer Station</b> E-waste infrastructure upgrade	30,000
Moira Shire Council	<b>Numurkah Transfer Station</b> E-waste infrastructure upgrade	30,000
Moira Shire Council	<b>Yarrawonga Transfer Station</b> E-waste infrastructure upgrade	30,000

Recipient	Project	Funding Support \$
Monash City Council	<b>Monash City Council</b> E-waste education campaign grant	7,000
Moonee Valley City Council	<b>Moonee Valley Transfer Station</b> E-waste infrastructure upgrade	100,000
Moorabool Shire Council	<b>Bacchus Marsh Transfer Station</b> E-waste infrastructure upgrade	29,995
Moorabool Shire Council	<b>Ballan Transfer Station</b> E-waste infrastructure upgrade	18,387
Mornington Peninsula Shire Council	<b>Mornington Transfer Station</b> E-waste infrastructure upgrade	28,430
Mornington Peninsula Shire Council	<b>Rye Resource Recovery Centre</b> E-waste infrastructure upgrade	27,630
Mornington Peninsula Shire Council	<b>Tyabb Transfer Station</b> E-waste infrastructure upgrade	25,738
Mornington Peninsula Shire Council	<b>Mornington Peninsula Shire Council</b> E-waste education campaign grant	6,965
Mount Alexander Shire Council	<b>Maldon Transfer Station</b> E-waste infrastructure upgrade	22,500
Mount Hotham Alpine Resort Management Board	<b>Mt Hotham Resource Recovery Centre</b> E-waste infrastructure upgrade	15,000
Moyne Shire Council	<b>Killarney Transfer Station</b> E-waste infrastructure upgrade	30,000
Moyne Shire Council	<b>Mortlake Transfer Station and Resource Recovery Facility</b> E-waste infrastructure upgrade	30,000
Mt Buller Mt Stirling Resort Alpine Management Board	<b>Mt Buller Transfer Station</b> E-waste infrastructure upgrade	29,250
Murrindindi Shire Council	<b>Kinglake Transfer Station</b> E-waste infrastructure upgrade	29,850
Murrindindi Shire Council	<b>Alexandra Resource Recovery Centre</b> E-waste infrastructure upgrade	29,850
Nillumbik Shire Council	<b>Nillumbik Shire Council</b> E-waste education campaign grant	7,000
North East Waste and Resource Recovery Group	<b>North East Waste and Resource Recovery Group</b> E-waste education campaign grant	50,000
Northern Grampians Shire Council	<b>St Arnaud Transfer Station and Landfill</b> E-waste infrastructure upgrade	30,000
Northern Grampians Shire Council	<b>Stawell Transfer Station</b> E-waste infrastructure upgrade	30,000

Recipient	Project	Funding Support \$
Port Phillip City Council	<b>Port Phillip Transfer Station (the Depot)</b> E-waste infrastructure upgrade	14,217
Pyrenees Shire Council	<b>Avoca Transfer Station</b> E-waste infrastructure upgrade	80,000
Pyrenees Shire Council	<b>Beaufort Transfer Station</b> E-waste infrastructure upgrade	79,804
Pyrenees Shire Council	<b>Snake Valley Transfer Station</b> E-waste infrastructure upgrade	20,000
Strathbogie Shire Council	<b>Euroa Transfer Station</b> E-waste infrastructure upgrade	26,384
Strathbogie Shire Council	<b>Nagambie Transfer Station</b> E-waste infrastructure upgrade	12,553
South Gippsland Shire Council	<b>Koonwarra Transfer Station Koonwarra</b> E-waste infrastructure upgrade	30,000
South Gippsland Shire Council	<b>Foster Transfer Station</b> E-waste infrastructure upgrade	30,000
South Gippsland Shire Council	<b>Korumburra Transfer Station</b> E-waste infrastructure upgrade	30,000
South Gippsland Shire Council	<b>Mirboo North Transfer Station</b> E-waste infrastructure upgrade	30,000
South Gippsland Shire Council	<b>Venus Bay Transfer Station</b> E-waste infrastructure upgrade	30,000
Southern Grampians Shire Council	<b>Hamilton Resource Recovery Centre</b> E-waste infrastructure upgrade	100,000
Stonnington City Council	<b>Stonnington Waste Transfer Station</b> E-waste infrastructure upgrade	7,500
Surf Coast Shire Council	<b>Lorne Transfer Station and Resource Recovery Facility</b> E-waste infrastructure upgrade	20,000
Surf Coast Shire Council	<b>Winchelsea Transfer Station</b> E-waste infrastructure upgrade	30,000
Swan Hill Rural City Council	<b>Swan Hill Big Green Shed</b> E-waste infrastructure upgrade	30,000
Swan Hill Rural City Council	<b>Robinvale Landfill and transfer station</b> E-waste infrastructure upgrade	30,000
Towong Shire Council	<b>Tallangatta Transfer Station</b> E-waste infrastructure upgrade	30,000
Towong Shire Council	<b>Corryong Resource Recovery Centre</b> E-waste infrastructure upgrade	30,000

Recipient	Project	Funding Support \$
Wangaratta Rural City Council	<b>Wangaratta Transfer Station</b> E-waste infrastructure upgrade	29,494
Wellington Shire Council	<b>Yarram Transfer Station and Resource Recovery Facility</b> E-waste infrastructure upgrade	30,000
Wellington Shire Council	<b>Heyfield Transfer Station</b> E-waste infrastructure upgrade	30,000
Wellington Shire Council	<b>Maffra Resource Recovery Centre</b> E-waste infrastructure upgrade	30,000
Wellington Shire Council	<b>Stratford Transfer Station and Resource Recovery Facility</b> E-waste infrastructure upgrade	30,000
Wellington Shire Council	<b>Kilmany Transfer Station</b> E-waste infrastructure upgrade	30,000
Whittlesea City Council	<b>Whittlesea City Council</b> E-waste education campaign grant	7,000
Wodonga City Council	<b>Wodonga Waste Transfer Station</b> E-waste infrastructure upgrade	29,700
Wyndham City Council	<b>Wyndham Transfer Station</b> E-waste infrastructure upgrade	30,000
Wyndham City Council	<b>Wyndham City Council</b> E-waste education campaign grant	6,895
Yarra City Council	<b>Clifton Hill Recycling Drop-off Centre</b> E-waste infrastructure upgrade	27,000
Yarra Ranges Shire Council	<b>Yarra Ranges Shire Council</b> E-waste education campaign grant	6,363
Yarriambiack Shire Council	<b>Murtoa Transfer Station and Resource Recovery Centre</b> E-waste infrastructure upgrade	17,250
Yarriambiack Shire Council	<b>Hopetoun Transfer Station</b> E-waste infrastructure upgrade	17,250
Yarriambiack Shire Council	<b>Warracknabeal Landfill and Resource Recovery Centre</b> E-waste infrastructure upgrade	17,250

### Program – Leverage Local Government Action to Reduce Emissions

The program assists resource constrained local governments from regional and rural Victoria to outline their greenhouse gas (GHG) emissions profiles, implement actions to reduce their GHG emissions and reduce their operating costs.

Recipient	Project	Funding Support \$
Ararat Rural City Council	<b>Detailed energy audits on four council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Ararat Municipal Office Building, Ararat Fitness Centre, Ararat Library and the Ararat Gum San Chinese Heritage Museum.	23,800
Bass Coast Shire Council	<b>Renewable energy upgrade</b> This project installed a 100kw solar photo voltaic system at the Wonthaggi Civic Centre.	58,460
Benalla Rural City Council	<b>Detailed energy audits on council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at the Sir Edward Weary Dunlop Learning Centre, Benalla Performing Arts and Convention Centre, Benalla Art Gallery, Benalla Rural City Council Depot, Benalla Senior Citizens Centre and the Benalla Town Hall.	24,600
Benalla Rural City Council	<b>Energy efficiency and renewable energy upgrades</b> Upgrades are being undertaken at Benalla Art Gallery, Sir Edward Weary Dunlop Learning Centre, Benalla Senior Citizens Centre and Benalla Town Hall.	25,470
Buloke Shire Council	<b>Detailed energy audits on 10 council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Donald Kindergarten, Donald Shire Office, Birchip Shire Hall, Charlton Shire Office, Charlton Infant Welfare Centre, Charlton Preschool/Kindergarten, Donald Swimming Pool, Sea Lake Senior Citizens Clubrooms, Wycheproof Recreation Reserve Community Pavilion and the Wycheproof Shire Offices.	19,330
Buloke Shire Council	<b>Energy efficiency and renewable energy upgrades</b> To upgrade facilities at Birchip Community Leisure Centre, Nullawil Community Complex, Sea Lake Community Centre, Wycheproof Recreation Pavilion, Charlton Kindergarten, Charlton Shire Offices, Donald Shire Offices, Donald Swimming Pool, Sea Lake Senior Citizens and Wycheproof Shire Offices.	37,185
Central Goldfields Shire	<b>Detailed energy audits on five council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Maryborough Municipal Office, Maryborough Resource Centre and Library, Maryborough Indoor Recreation Centre, Maryborough Children's Centre and Maternal Health Centre and Maryborough Shire Depot.	13,908

Recipient	Project	Funding Support \$
Colac Otway Shire Council	<b>Detailed energy audits on nine council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at the Colac Bluewater Fitness Centre, Colac Otway Performing Arts and Cultural Centre, Rae Street Council Office (Colac), Gellibrand Street Council Office (Colac), Apollo Bay Harbour, Colac Service and Operations Depot, Nelson Street Council Office (Apollo Bay), Colac Visitor Information Centre and Great Ocean Road Visitor Information Centre (Apollo Bay).	22,626
East Gippsland Shire Council	<b>Detailed energy audits on eight council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Lakes Entrance Aquadome, Paynesville Football/Netball/Cricket Club, Bairnsdale City Oval, Orbost Customer Service Centre and Library, the Council Corporate Centre in Bairnsdale, Bairnsdale Aquatic and Recreation Centre, East Gippsland Art Gallery (Bairnsdale) and the Paynesville customer service centre and library.	25,000
Gannawarra Shire Council	<b>Detailed energy audits on seven council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Kerang Memorial Hall, Kerang Library, Cohuna Pre-school, Koondrook Senior Citizens Hall, Kerang Swimming Pool, Cohuna Swimming Pool and the Cohuna Visitors Centre.	11,970
Gannawarra Shire Council	<b>Energy efficiency and renewable energy upgrades</b> Energy efficiency and renewable energy upgrades at Cohuna Gateway, Cohuna Pre-School, Kerang Library, Koondrook Senior Citizens, Kerang Memorial Hall, Cohuna Pool and Kerang Pool.	68,227
Glenelg Shire Council	<b>Energy efficiency upgrades</b> Lighting upgrades, insulation and draft sealing at Portland Administration Centre, Portland Pool, Fawthrop Community Centre and Portland Arts Centre.	15,157
Horsham Rural City Council	<b>Detailed energy audits on four council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Horsham Civic Centre, Horsham Town Hall, Horsham Library and Horsham Aquatic Centre.	7,468
Hindmarsh Shire Council	<b>Detailed energy audits on six council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Nhill Council Offices, Dimboola Recreation Reserve, Nhill Memorial Community Centre, Dimboola Swimming Pool, Nhill Early Years Centre and Jeparit Recreation Reserve.	12,977



Recipient	Project	Funding Support \$
Loddon Shire Council	<b>Detailed energy audits on 21 council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at the Wedderburn Council Office, the Serpentine Council Office, Wedderburn Operations Centre, Serpentine Council Depot, Pyramid Hill Council Depot, Wedderburn Senior Citizens Centre, Inglewood Senior Citizens Centre/Pre-school/Maternal Child Health, Boort Senior Citizens Centre, Pyramid Hill Senior Citizens Centre, Wedderburn Pre-School, East Loddon Pre School, Pyramid Hill Pre School, Boort Pre School, Wedderburn Community Centre, Boort Resource and Information Centre, Pyramid Hill Memorial Hall and Boort Memorial Hall.	24,570
Murrindindi Shire Council	<b>Detailed energy audits on 14 council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Council's Headquarter Offices (Alexandra), Alexandra Library, Alexandra Shire Hall and Council Chambers, UGFM Community Radio Headquarters, Council Storage Room, Kinglake Office and Library, Yea Office and Library, Maternal and Child Health and Early-Childhood Centres (in Yea and Marysville), Municipal swimming pools (in Eildon, Marysville, Alexandra and Yea), Marysville Community Centre and VIC/Arts and Tourism Hub in Marysville.	10,000
Northern Grampians Shire Council	<b>Additional lighting upgrades</b> Upgrades at St Arnaud Senior Citizens Centre and St Arnaud Children's Precinct.	5,000
Northern Grampians Shire Council	<b>Detailed energy audits on five council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at St Arnaud Town Hall/administration centre, St Arnaud Childcare Centre, St Arnaud Senior Citizens Centre, Stawell Senior Citizens Centre as well as Stawell Sports and Aquatic Centre.	9,960
Northern Grampians Shire Council	<b>Energy efficiency and renewable energy upgrades</b> Upgrades are being undertaken at four council-owned sites, St Arnaud Children's Precinct, St Arnaud Senior Citizens Centre, St Arnaud Town Hall and Stawell Senior Citizens Centre.	59,085
Pyrenees Shire Council	<b>Detailed energy audits on four council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Pyrenees Shire Offices, Beaufort Resource Centre, Goldfields Community Complex and the Avoca Information Centre.	12,660
Southern Grampians Shire Council	<b>Detailed energy audits on four council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Hamilton Indoor Leisure and Aquatic Centre, Business Centre Art Gallery and Library complex, Council Chamber and Offices, Council Works Depot.	13,500

Recipient	Project	Funding Support \$
Strathbogie Shire Council	<b>Detailed energy audits on ten council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Council Offices, Euroa, Nagambie Recreation Reserve, Euroa Swimming Pool, Nagambie Lakes Regatta Centre, Violet Town Works Depot, Euroa Senior Citizens Centre, Avanel Recreation Reserve, Euroa Works Depot and Saleyards, Blayney Lane Park lighting in Nagambie, Avanel Swimming Pool and four pump audits in Euroa and Nagambie.	23,908
Strathbogie Shire Council	<b>Energy efficiency and renewable energy upgrades</b> Upgrades are being undertaken at University of the Third Age Clubhouse, Euroa Civic Centre, Nagambie Regatta Centre, Nagambie Recreation Reserve and Euroa Pool.	25,000
Swan Hill Rural City Council	<b>Detailed energy audits on 13 council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Swan Hill Performing Arts and Conference Centre, Nyah Outdoor Swimming Pool, Manangatang Outdoor Swimming Pool, Swan Hill Outdoor Swimming Pool, Swan Hill Showgrounds Leisure Centre, Robinvale Swimming Pool and Leisure Centre, Swan Hill Indoor Sports Centre, Nyah Recreation Reserve Community Centre, Manangatang Community Centre, Lake Boga Community Centre, Swan Hill Regional Art Gallery, Swan Hill Depot MECC Office and the Ultima Recreation Reserve Community Centre Mud Hut.	24,610
Towong Shire Council	<b>Detailed energy audits on 15 council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Corryong Visitor Information Centre, Corryong Kindergarten, Corryong Maternal Child Health, Corryong Council Office/Library, Corryong Innovation Spaces, Corryong Pool, Corryong Works Depot, Corryong Airbase Multi-function Building, Man from Snowy River Museum, Tallangatta Old Kindergarten, Tallangatta Towong Council Office, Tallangatta Depot, Tallangatta Integrated Community Centre, Tallangatta Pool Kiosk/Pump Shed, Tallangatta Senior Citizens, Tallangatta Visitor Information Centre.	10,000
West Wimmera Shire Council	<b>Detailed energy audits on 14 council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Council Edenhope Offices, Council Kaniva Offices, Enterprise Business Centre, Edenhope Kindergarten, Edenhope Kindergarten, Edenhope Senior Citizens Centre, Goroke Pre-School Centre, Kaniva Caravan Park, Kaniva Library, Kaniva Kindergarten, Kaniva Town Hall, Kaniva Tourist Information Centre, Kaniva Depot and Kaniva Neighbourhood House.	21,471
Yarriambiack Shire Council	<b>Detailed energy audits on six council-owned facilities</b> The energy audits were to identify projects to reduce greenhouse gas emissions and energy costs at Gateway BEET (Business Education Employment Training) Hopetoun, Hopetoun Caravan Park, Warracknabeal Child Care Centre, Warracknabeal Caravan Park, Warracknabeal Depot and the Murtoa Caravan Park.	19,258

Recipient	Project	Funding Support \$
Yarriambiack Shire Council	<b>Energy upgrades at two sites</b> The grant supported installation of lighting upgrades at Yarriambiack Shire Office (incorporating the Warracknabeal Shire Offices, Library and Technical Service Office), and the Warracknabeal Leisure Centre.	7,651
Yarriambiack Shire Council	<b>Energy efficiency upgrade</b> Upgrades on the heating, ventilation and air conditioning system at the Warracknabeal Shire offices.	24,000

### **Program – Litter and Illegal Dumping grants**

Litter and illegal dumping grants support land managers to address the issues of littering in retail areas affecting waterways and the illegal dumping of waste in green spaces.

Recipient	Project	Funding Support \$
Baw Baw Shire Council	<b>Security Poles and Cameras to help Reduce Illegal Dumping</b> Purchase and install camera poles and high-quality security cameras at illegal dumping hot spots.	3,000
Cardinia Shire Council	<b>Reducing Illegally Dumped Rubbish through CCTV and Signage</b> Purchase and install surveillance cameras at local dumping hot spots and install metal signs advising of monitoring at sites.	5,000
Corangamite Shire Council	<b>Lismore Street Litter Cleanup</b> Conduct litter audits. Purchase and install compactable litter bins and develop and implement an education campaign.	3,000
Greater Shepparton City Council	<b>Bin It for A Greater Shepparton</b> Conduct litter audits of retail precincts, install signage and develop campaign messages.	4,000
Greater Shepparton City Council	<b>Changing Illegal Dumping Behaviour</b> Purchase and install surveillance cameras at green space hotspots, install signage, develop campaign messages.	7,000
Kingston City Council	<b>Don't Waste Our Green Wedge</b> Purchase and install a surveillance camera to monitor hot spot dumping areas. Design a media campaign to raise awareness of illegal dumping sites. Design and implement a primary school engagement activity. Organise waste tour for residents and develop an illegal dumping educational resource that will be given to residents and commercial operators located in the hot spot areas.	7,850
Yarra City Council	<b>Keeping a Retail Strip Litter Free</b> Conduct visual litter audits, install signage on recycling bins and develop campaign messages	7,000

**Program – Victorian Litter Innovation Fund**

The Victorian Litter Innovation Fund grants support the Victorian community to deliver innovative solutions that prevent and reduce the impact of litter and illegal dumping through a partnership approach.

Recipient	Project	Funding Support \$
Gannawarra Shire Council	<b>Murray River Parks Litter Reduction</b> Technology to improve communication with visitors and install physical signage at entrances to parks	2,000
Macedon Ranges Shire Council	<b>Pick Up or Pay</b> Installation of infrastructure at hot spots identified within the shire for surveillance.	2,400

**Program – Resource Recovery Infrastructure Fund**

This program facilitates investment in waste and resource recovery infrastructure to increase materials recovery in Victoria. This will lead to an increase in jobs and the rate of resource recovery.

Recipient	Project	Funding Support \$
30xy Group Pty Ltd	<b>Wet Recycling System</b> A wet recycling system will allow 30xy/Reclaim to recover 100% of solid waste and over 95% of water from waste collected as food waste and street sweepings, diverting 24,700 tonnes of solid material and 13,000 tonnes of organic waste from landfill per annum.	3,000
Advanced Circular Polymers Pty Ltd (ACP)	<b>Flexible Plastic Diversion Project</b> ACP aims to increase the diversion of flexible plastic from landfill by over 10,000 tonnes per annum through the development of an advanced recycling facility in Somerton, Victoria. The facility will introduce innovative techniques and a vertically integrated approach to plastics recycling.	175,000
Australian Paper Recovery Pty Ltd	<b>Waste Paper Recover System</b> Installation of sorting and compaction equipment for waste paper will have the capacity of processing 39,000 tonnes per annum.	305,000
Back Again Recycling Pty Ltd	<b>Construction and Demolition Waste Recovery Centre</b> Creation of a Construction and Demolition (C&D) waste recovery centre will target the residential construction industry. The project will process up to 95,000 tonnes in the first year.	500,000
Benalla Rural City Council	<b>Modernised Resource Recovery Transfer Station</b> The Benalla Rural City Council will construct a modern Resource Recovery Transfer Station.	20,000
Bingo Waste Services Pty Ltd	<b>Braeside Recycling Centre</b> A technically advanced Recycling Centre will be established in Braeside to process mixed solid inert commercial and industrial (C&I) and C&D waste and putrescible garden waste. The Centre aims to divert approximately 80,000 tonnes per annum of target waste streams in its first year of operation.	3,000

Recipient	Project	Funding Support \$
Bullock Proof Energy	<b>Biosolid Waste Recovery Centre</b> Bullock Proof Energy will fund the enabling works of an on-farm biodigester of biosolid waste to turn into electricity for on-farm use and supply to the grid.	10,000
Campaspe Shire Council	<b>Kerbside Food and Garden Organics Collection Service</b> Campaspe Shire Council will arrange for a new opt-in kerbside food and garden organics collection service to 2,000 new households and add food organics to the existing 6000 residents with a garden organics collection service. This will result in a food and garden organics collection service to around 8,000 residents in the municipality.	160,000
Campaspe Shire Council	<b>Polystyrene, Cardboard and Plastic Recovery Sites</b> This project will purchase four compactors to be installed at two sites, Mt Scobie Resource Recovery Centre (RRC) and Echuca RRC. This will result in one Expanded Polystyrene and one cardboard/flexible plastic/rigid plastic compactor at each site to increase the recovery of these materials and reduce the transport costs of non-compacted materials.	71,144
Camperdown Compost Company	<b>Organic Waste and Composting System</b> Camperdown Compost is facilitating a complete site transformation of its Blind Creek Road facility in consultation with global compost leader Compost Systems Austria. This transformation will bring it into line with the world's best operators in organic waste receipt and composting.	10,000
Casafico	<b>Weather and Acoustic Testing</b> Casafico will contract with CSIRO and Ian Bennie and Associates to undertake full-scale weather and acoustic tests of the Polystat Fire Panel.	15,200
Circular Food	<b>Plant Facility Development</b> Circular Food will fund the research and development necessary to enable the organisation to develop a pilot plant facility and later a full-scale commercial plant in Somerton.	5,245
Close the Loop	<b>Soft Plastics Recovery</b> Close the Loop will acquire new equipment and undertake further product testing to enable the use of soft plastics waste as an asphalt additive.	10,000
Cleanaway Waste Management Ltd	<b>Clayton Resource Recovery Centre Upgrade</b> Cleanaway Waste Management will upgrade the Clayton Resource Recovery Centre. This presents an opportunity to recover an additional 15,400 tonnes per annum.	5,000
CMA Ecocycle Pty Ltd	<b>Battery Recycling Program</b> This project will deliver a Victorian-wide solution for recycling all types of batteries by establishing a collection system that works alongside the company's current business services, capturing as many batteries as possible, whilst making the recycling process as easy as practically possible. The new plant will be custom built with some pre-sorting, automatic-sorting and manual sorting.	250,000

Recipient	Project	Funding Support \$
Commercial Tippers Pty Ltd	<b>Recycling Sortation Facility</b> Commercial Tippers, in conjunction with Smart Recycling, will plan to build a C&D and C&I Sortation Facility. The facility will accept up to 160,000 tonnes per annum of material.	360,000
enrich360 Pty Ltd	<b>Organic Waste Compost Program</b> enrich360 is a waste recovery and certification program. Eighteen targeted customers (eg restaurants, hospitals) of wholesale fruit and vegetable supplier Yarra Valley Farms will be supplied food organic dehydration units. These will convert all organic waste into compost feedstock which will be collected by the Yarra Valley Farms distributor when they make their deliveries. The graded enrich360 certification system will enable participating restaurants to flag their sustainability credentials with customers.	98,000
Future Metals Recyclers Melbourne Pty Ltd	<b>Cardinia Transfer Station Resource Recovery</b> Upgrade of the Cardinia Transfer Station will improve the current site layout, infrastructure and site resource recovery. Improve operations will increase patronage and the tonnage of materials recycled at the site.	455,000
Greater Shepparton City Council	<b>Plastic, Cardboard and Paper Recovery</b> Installation of new bins at Ardmona and Murchison Resource Recovery Centre to allow for the recovery of rigid and soft plastics, cardboard and paper.	8,000
iGas Operations Pty Ltd	<b>Waste Recovery Facility</b> The project will develop a scalable Waste to Energy facility at the Maddingley Brown Coal site. The facility is being designed to process 100,000 tonnes per annum of waste.	200,000
Integrated Recycling Pty Ltd	<b>Recycled Plastic Railway Sleeper Program</b> Integrated Recycling will build the first stage of the Duratrack composite recycled plastic sleeper production line with a capacity to produce between 50,000 and 80,000 recycled plastic railway sleepers per year.	5,000
Knox Transfer Station	<b>Refuse Derived Fuel Program</b> Knox Transfer Station Recycling will establish a Process Engineered Fuel (PEF) manufacturing facility at the Knox Transfer Station. PEF is a Refuse Derived Fuel used to provide heat to cement kilns and is used as a substitute for fossil fuels. The residual waste from current kerbside hard waste and mattresses recycling operations would be sorted, shredded, screened, bailed and wrapped to produce the PEF. After PEF production, the cardboard, wood, ferrous and non-ferrous metals would still be recycled. No residual waste would be sent to landfill.	40,000
McMahons Pty Ltd	<b>Waste Carpet Recovery and Reprocessing Equipment</b> Funds will support the acquisition and customisation of new equipment to expand McMahons' ability to recover and reprocess waste carpets into the FibreSand product for use on turfs and horse training tracks.	33,000
Melton City Council	<b>Melton Recycling Facility Upgrade</b> Funds will be used to upgrade the Melton Recycling Facility.	150,000

Recipient	Project	Funding Support \$
Mitchell Shire Council	<b>Hildene Resource Recovery Centre</b> The Council will develop a new RRC which will be established on Council-owned land, adjacent to Mitchell Landfill in Hildene. It will provide equitable waste management and resource recovery services and infrastructure, that prioritise and facilitate waste minimisation, resource reuse and recovery over disposal. The project will provide a better practice RRC for the population of Seymour and its surrounds to encourage and facilitate the diversion of greater volumes of waste from landfill.	40,000
Moirra Shire Council	<b>Industrial Waste Recovery</b> The project will enable industrial waste sorting at the Cobram Resource Recovery Facility. Commercial waste accounts for 45% (6000 tonnes) of waste disposed at the landfill. The project aims to divert 3000 tonnes of this material from landfill. This includes materials such as soft plastics, cardboard, dirt, concrete, metals and timber.	60,000
National E Waste Alliance Pty Ltd	<b>Electronics Drop-Off Points</b> The National E-Waste Alliance, in collaboration with WDEA (a disability employment enterprise), will establish a network of collection points across the Western districts of Victoria to permit the drop-off of end of life electronics not covered under the Federal National Television and Computer Recycling Scheme (this will complement the current E-waste infrastructure funding program).	3,000
Outlook (Victoria) Inc	<b>Resource Recovery Facility</b> The project will establish a new Resource Recovery Facility within the western suburbs of Melbourne in an appropriate industrial use zone.	1,000
Pinegro Products Pty Ltd	<b>Gippsland Region Compost Facility</b> Funds will be used to design, build and operate a best-practice, enclosed tunnel compost facility for the Gippsland Region that enables the maximum amount of waste to be diverted from landfill and positively re-used as a renewable resource. The composting facility will operate under a climate-controlled system which will manage leachate waters and reduce odour.	20,000
Plascorp	<b>Recycling Broken PVC Pipe</b> Plascorp will install a granulator and a microniser to recycle broken PVC pipe from sites into new PVC piping product for non-pressure applications.	63,255
Poly Pac Recycling	<b>PET/ HDPE / LDPE plastic recycling</b> New facility for PET/ HDPE / LDPE plastic recycling will be created to prepare materials for downstream remanufacturing.	20,000
Polymer Processes Pty Ltd	<b>Plastic Washing Equipment</b> Polymer Processes will commission plastic washing equipment that can accept a wider range of plastic materials. Upgrading the treatment of wastewater from the wash plant, resulting in the production of higher-grade outputs. The new equipment will increase processing capacity by 800 kilograms per hour for plastics.	325,000



Recipient	Project	Funding Support \$
Reground Pty Ltd	<b>Coffee Ground Recovery Capacity Expansion</b> Funds will go towards infrastructure to allow an expansion of the current collection of spent coffee grounds from retail and manufacturing venues. They will also institute a concurrent flexible plastics recycling collection.	18,000
Polymer Holdings	<b>Plastics Reprocessing Capacity</b> Polymer Holdings will install and commission a Genox V600 Vision Series Single Shaft Shredder, a conveyer belt and other supporting equipment to enable reprocessing of locally sourced plastics waste.	5,000
Polymeric Powders Company Pty Ltd	<b>Tyre Recovery Program</b> Utilising the company's existing patents for creating tyre crumb derived Polymeric Powder from end-of-life tyres, new tyre crumb derived Polymeric Powder / Polyolefin composite material pellets will be produced to be sold to the manufacturers of high-quality composite material pipes for use in the large volume Irrigation Pipes and Sewerage Pipes markets.	65,000
Polytrade Pty Ltd	<b>Material Recycling Facility Expansion</b> Polytrade's Dandenong Materials Recycling Facility processes domestic and commercial recycling, including glass. This project will install machinery to colour sort and clean the 3-8mm fraction into saleable products with guaranteed markets. 22,000 tonnes per annum of saleable product will be recovered and diverted from landfill, as well as 56,000 tonnes recovered from existing glass stockpiles.	275,000
Polytrade Recycling	<b>Material Recycling Facility Expansion</b> The installation of three plastic sorting machines to reprocess 10,400 tonnes annually of mixed plastics sourced from domestic recycling, into commercially saleable plastic products.	130,000
Repeat Plastics Australia Pty Ltd (Replas)	<b>Post-Consumer Waste Re-processing</b> Repeat Plastics Australia will install new proven re-processing equipment to allow Replas to recycle more post-consumer waste.	10,000
Repurpose-It Pty Ltd	<b>Waste Treatment Facility</b> Repurpose-It will establish a state-of-the-art washing facility which will utilise world's best practice technologies in the processing of typically untreatable waste streams currently being sent to landfill.	355,000
ReSource Pty Ltd	<b>Battery Recovery and Processing</b> ReSource Pty will expand their existing plant to increase capacity and widen the range of batteries which can be processed along with installing an automatic mechanical and optical sorting line for maximum sorting purity.	5,000
RPM Pipes	<b>Plastics Processing Facility Expansion</b> A large shredder will be added to the existing plastics processing facility to automatically and continuously process large plastic articles without pre-cutting by hand, which then makes them suitable for further processing through the existing washing system.	14,000



Recipient	Project	Funding Support \$
RPM Pipes	<b>Recycled Plastic Research and Development</b> Funds will be used to support RPM's purchase of equipment and research and development to develop civil pipes made from 100 per cent recycled plastic.	40,000
Sims Recycling Solutions	<b>E-Waste Processing Facility</b> Funds will go towards a state-wide collection system for end of life electrical and electronic waste (e-waste) and batteries and processing facility.	3,000
Tambo Waste Pty Ltd	<b>Upgrade Material Recovery Facility</b> Funds will be used to upgrade existing material recovery facility to include equipment to reduce contamination of PPC and increased capacity by 5,000 tonnes annually.	47,000
Towong Shire Council	<b>Priority Material Diversion Program</b> Through upgrades to the Corryong RRC and the Tallangatta Transfer Station, the project will increase the diversion of priority materials for landfill by up to 30%. These materials include rigid and soft plastics, e-waste, glass, timber and cardboard. The project will see the establishment of two resale shops, establishment of public access to recycling skips at Corryong RRC and improving storage practices and capacity of priority materials at both facilities.	15,000
Wangaratta Rural City Council	<b>Organics Processing Facility</b> Funds will be used to construct an organics processing facility.	181,250
Warrnambool City Council	<b>Kerbside Organic Waste Collection Service</b> The Warrnambool City Council will introduce a new kerbside food organics and garden organics collection service to over 15,000 households. The project and resultant ongoing service will generate a reduction of waste to landfill of potentially 8,500 tonnes per annum.	291,000
Western Composting Technology Pty Ltd	The plant capacity increase will include infrastructure upgrades including a composting tunnel. These upgrades will increase the overall capacity of the facility which will divert an additional 4,500 tonnes per annum of commercial food waste from landfill to meet growing demand for food waste recovery in the Barwon South West region and provide capacity to process another 9,500 tonnes of food and garden organics from kerbside collections. An additional 4,000 tonnes of food waste will be sourced from commercial collections in the Barwon South West Waste and Resource Recovery Group area, with the remaining 500 tonnes per year from food-related commercial services businesses such as restaurants, cafes, fast-food outlets and hotels etc. in the area.	170,302.39

Recipient	Project	Funding Support \$
Yarra City Council	<b>Kerbside Food Waste Collection Service</b> The project aims to demonstrate the benefits of a localised closed loop solution to recovering and composting food waste while reducing the overall amount of material Yarra sends to landfill. Yarra City Council will provide a kerbside food waste collection service to 5,000 residents to recover and process 910 tonnes of priority materials at a local in-vessel composting facility. Resulting compost will be used in parks and available to residents. A community education and engagement campaign will support success.	105,000
Yarriambiack Shire Council	<b>Increased Recyclables Collection</b> Upgrades to the Warracknabeal Transfer Station will allow for increased recyclables collection including agricultural soft plastics such as grain bags and tarpaulins.	35,000

#### **Program – Victorian Market Development Strategy for Recovered Resources**

Sustainable Victoria is looking to support research, development and demonstration projects that can increase the quantity of recycled products being sold in Victoria. There are often barriers that restrict the uptake of products made from recycled materials, such as a lack of appropriate specifications and standards or the need for specific testing and approvals or product demonstration trials. This funding seeks to support organisations in overcoming these barriers.

Recipient	Project	Funding Support \$
ARRB Group Ltd	<b>Crumb rubber asphalt in local government roads</b> Develop a VicRoads specification that allows use of crumb rubber in asphalt for use in local roads.	55,000
Downer EDI Works	<b>Field trial – soft plastic and glass in asphalt road</b> Construct a demonstration road using recycled soft plastics, glass and toner cartridge in asphalt.	67,226
Hermetia Biosystems Pty Ltd	<b>Recycled glass technology for cost effective access covers</b> Establish a demonstration facility to convert up to 100 tonnes of food waste per day into protein meal and fertiliser products.	120,000
RMIT University	<b>Low density polyethylene and crumb rubber in asphalt</b> Develop a performance-based classification system of plastic and rubber-modified bitumen. This would mean that the inclusion of recycled content is determined by performance rather than percentage.	25,000
Swinburne University of Technology	<b>Demonstration trial of plastics and glass in concrete footpath</b> Use previously Sustainable Victoria funded Research and Development results to demonstrate the performance of plastics and glass in concrete footpaths.	40,000
Swinburne University of Technology	<b>Developing a VicRoads specification for local roads</b> Develop a VicRoads specification for local roads that permits the use of crushed glass, concrete and brick.	100,000

Recipient	Project	Funding Support \$
Swinburne University of Technology	<b>Recycled Plastics in Concrete Void Former</b> Undertake material characterisation of recycled plastics (supplied by GT Recycling) and injection moulding flow analysis, to understand performance in the Robovoid (concrete) void former.	55,000
The University of Melbourne	<b>Lightweight concrete R&amp;D project</b> Construct a demonstration site at a Level Crossing Removal Authority project site to trial the glass fines as a sand replacement in concrete in a real-world application.	50,000
The University of Melbourne	<b>Permeable pavements using recycled aggregates</b> Trial a permeable pavement (reducing run off and flooding), using recycled concrete, brick, glass, plastics and rubber, under real traffic conditions (via a demonstration project).	40,000
Yarra City Council	<b>Understanding benefits in separating glass at the kerbside</b> Trial a separate glass collection with approximately 1,300 residents and using the collected glass in asphalt to demonstrate performance in municipal road construction.	25,000

#### **Program – Waste Education – Love Food, Hate Waste Program**

Love Food Hate Waste Local Activity grants support local government organisations, waste and resource recovery groups, community organisations and education institutions to deliver activities aimed at raising awareness of the problem of food waste, and how to avoid it.

Recipient	Project	Funding Support \$
Melbourne Farmers Markets	<b>Love Food Hate Waste Hub on Wheels</b> Co-branded mobile food waste information hub to hold interactive workshops at the University of Melbourne Farmers Market.	1,995
Whitehorse City Council	<b>Quest to Find DUELI's Best Waste-Free Masterchef</b> "Waste-free Masterchef" program. Food waste cooking competition, recipe book and promotion.	500
Worawa Aboriginal College Limited	<b>Connecting to Tucker - Walking in Two Worlds in the Garden</b> Food waste education program, establish a kitchen garden and program to integrate the project across the school curriculum and programs.	1,500

**Program – Waste Education - Regional Litter Plan Program**

Regional Litter Plan grants support the Victorian Waste and Recovery Groups to develop Regional Litter Plans to address local litter issues, defined using the multicriteria analysis tool (Litter Scorecard).

Recipient	Project	Funding Support \$
Barwon South West Waste and Resource Recovery Group	<b>Barwon South West Waste and Resource Recovery Group</b> Develop Regional Litter Plan.	22,500
Goulburn Valley Waste and Resource Recovery Group	<b>Gippsland WRRG, Goulburn Valley WRRG, Loddon Mallee WRRG and North East WRRG</b> Develop four Regional Litter Plans across four waste and resource recovery regions.	90,000
Grampians Central West Waste and Resource Recovery Group	<b>Grampians Central West Waste and Resource Recovery Group</b> Develop Regional Litter Plan.	22,500
Metropolitan Waste and Resource Recovery Group	<b>Metropolitan Waste and Resource Recovery Group</b> Develop Regional Litter Plan.	22,500

**Program – Waste Strategies Implementation**

The program aims to establish strong end-markets for recovered products to support increased investment in waste and resource recovery sector across Victoria, provide higher quality products to industry to support the growth of end-markets and to provide a consistent approach to waste education and litter prevention activities to support a reduction in waste generation and litter.

Recipient	Project	Funding Support \$
Australian Organics Recycling Association (AORA)	<b>Soil Workshop</b> Deliver a workshop to update stakeholders on a Sustainability Victoria funded review and amendment of <i>Australian Standard 4419 Soils for Landscaping and Garden Use</i> .	2,000
Biomix Pty Ltd	<b>Recycled Organics Demonstration Site</b> Establish and manage a recycled organics demonstration site. The site demonstrates the beneficial use of recycled organics in broadacre agriculture.	19,750
Elmore Compost and Organics	<b>Elmore Subsoil Project</b> Develop a subsoil compost applicator design and establishment of a subsoil amelioration demonstration near Elmore.	20,000
Falkiner Ag Pty Ltd	<b>Freshwater Subsoil Project</b> Establish a recycled organics subsoil amelioration demonstration site at Freshwater, near Geelong. The site demonstrates subsoil amelioration as a beneficial use of recycled organics in Agriculture.	4,000
Hawkins Ag	<b>Winchelsea Subsoil Project</b> Design and purchase of a subsoil compost applicator and establishment of a subsoil amelioration demonstration site near Winchelsea.	50,000

Recipient	Project	Funding Support \$
Port Phillip and Western-port CMA	<b>Recycled Organics Market Development for Vineyards</b> Develop, produce and distribute a tool for recycled organic market development in Vineyards. The tool is an educational tool that calculates the volume of compost required for mulching around grape vines.	11,542.50
Resilience Farming	<b>Compost Innovation</b> Purchase a specialised composter that can produce compost with innovative feedstocks, such as waste plaster board and seaweed. This allows the recipient to make specialised compost for agricultural use.	50,000
The University of Melbourne	<b>Subsoil Ameliorant Applicator Improvement</b> Improve a Grains Research and Development Corporation subsoil ameliorant applicator. The machine was used to establish a recycled organics demonstration site at the University of Melbourne Dookie Campus.	30,000

**Program – Biodiversity On-Ground Action (Tranche 2) – Biodiversity Response Planning Grants**

Biodiversity Response Planning is a planning approach to biodiversity conservation in Victorian, designed to strengthen alignment, collaboration and participation between government agencies, Traditional Owners, non-government agencies and the community.

Recipient	Project	Funding Support \$
Arthur Rylah Institute	<b>Aquatic Predator Control for Biodiversity Gain in Headwater Streams: Upper Morwell River</b> Supporting the <i>Morwell Galaxias</i> in the headwaters of the Morwell River by removing aquatic predators and increasing suitable predator-free habitat.	33,700
Arthur Rylah Institute	<b>Aquatic Predator Control and Translocations for Biodiversity Gain in Headwaters Streams: East Gippsland Forests</b> Translocating six species of upland native galaxiids from West to East Gippsland and removing aquatic predators.	137,200
Arthur Rylah Institute	<b>Aquatic Predator Control and Translocation for Biodiversity Gain in Headwater Streams – North of the Great Dividing Range</b> Removing predators and undertaking translocation 'top up' for a species of upland native galaxiid in the North East Forests and Alps area, north of the Great Dividing Range.	163,450
Arthur Rylah Institute	<b>Aquatic Predator Control and Translocation for Biodiversity Gain in Headwater Streams – South of the Great Dividing Range</b> Supporting three species of upland native galaxiids in the north east forests and alps area, south of the Great Dividing Range by removing predators and locating suitable translocation sites.	104,804

Recipient	Project	Funding Support \$
Ballarat Environment Network Inc.	<b>Building Blocks for Biodiversity in the Bannockburn Region</b> Improving the long-term condition and diversity of 500 ha of endangered natural temperate grasslands, plains grassy woodland and creek line tussock grassland in the Bannockburn region of the Victorian Volcanic Plains bioregion through weed and fox control and rabbit-proof fence installation.	149,500
Barapa Land and Water	<b>Reedy Lakes, Mobilising Barapa Land and Water</b> Protecting and enhancing habitat suitability of 200 ha of Grassy Woodlands for fauna (including Carpet Python, Fat Tailed Dunnart, Bearded Dragons, Bush Stone Curlew and Sand Goanna) and flora ( <i>Buloke</i> , <i>Dianella spp.</i> , <i>Acacia oswaldii</i> , <i>Leucochrysum molle</i> , <i>Eragrostis setifolia</i> , <i>Mairena aphylla</i> ).	554,592
Bass Coast Landcare Network	<b>Building the Bass Coast Bio Links</b> This project will improve habitat and reduce predator threats to Southern Brown Bandicoot, Growling Grass Frog, Swamp Skink, Swift Parrot, Orange Bellied Parrot, Powerful Owl and Swamp Antechinus across 1,212 ha of private land and 448 ha of public land.	413,319
Cardinia Shire Council	<b>Cannibal Creek Catchment Biodiversity Project</b> Reducing the impact of weeds, deer and fox in remnant vegetation in the Cannibal Creek Catchment, south of Bunyip State Park, working across both private and public land.	320,000
City of Whittlesea	<b>Whittlesea Integrated Pest Animal Management and Monitoring Program</b> Managing and monitoring pest across 20,000 ha of high strategic biodiversity value areas on both public and private land to support Brush-tailed Phascogale and endangered ecological vegetation class Wet Verge Sedge land.	450,000
Connecting Country (Mount Alexander Region) Inc	<b>Remnant Rescue: Restoring Woodland Bird Habitat in Central Victoria</b> Protecting and restoring priority woodland bird habitat across 100 ha of private and public land. The project will incorporate a combination of landholder education, weed and rabbit control, revegetation and property covenants to achieve long-term habitat protection.	333,500
Conservation Ecology Centre	<b>Expanding and Strengthening the Otway Ark</b> A recovery program which incorporates best practice monitoring with ongoing fox and pig control.	486,060
Conservation Volunteers Australia	<b>Little Desert Landscape-Scale Ecosystem Enhancement Initiative: Project 1 - Fox, Weed and Rabbit Control</b> Collaborative engagement with landholders to control foxes on private land bordering the Little Desert National Park, where complementary expanded pest control work is being undertaken by Parks Victoria.	516,500
Corangamite Catchment Management Authority	<b>Connected Landscapes - Connecting Landholders to Biodiversity on the Victorian Volcanic Plain</b> Protecting, enhancing and restoring over 1,000 ha of threatened native grassland, grassy woodland and related habitats across the Victorian Volcanic Plain, with a focus on private land.	462,000

Recipient	Project	Funding Support \$
Deakin University	<b>Victorian Coastal Wetland Restoration</b> Restoring 600 ha of critical wetland habitat on private and public land, including Ramsar sites and places of Aboriginal cultural heritage significance. This will support recovery of some of Victoria's most endangered plants and animals.	590,000
Department of Environment, Land, Water and Planning	<b>Management to Improve Habitat for Threatened Mammal Species in the Upper Snowy River</b> Undertaking new and existing predator management techniques, supporting Southern Brush-Tailed Rock Wallaby genetic rescue through supplementation and delivering targeted threat abatement and threatened species recovery monitoring in the Upper Snowy River.	450,000
Department of Environment, Land, Water and Planning	<b>Landscape-Scale Conservation of Threatened Invertebrates of the Western Strzeleckis</b> Protecting and restoring habitat for 30 colonies of Giant Gippsland Earthworm (GGE) and three threatened species of burrowing crayfish. The project will develop a cost-effective and non-destructive method for surveying burrowing crayfish and create detailed species lists for revegetation of GGE habitat.	417,058
Department of Environment, Land, Water and Planning	<b>Glenelg Pine</b> This project will result in the scaled and integrated restoration of stringybark woodlands by mechanically and manually removing pine wildlings.	600,000
Department of Environment, Land, Water and Planning	<b>Threat Mitigation for Biodiversity</b> Undertaking predator control, ecological burning and creating a second Victorian population of Eastern Bristlebird across 3,500 ha of land within Croajingolong National Park.	320,000
Department of Environment, Land, Water and Planning	<b>Fox Control - Mt Disappointment</b> Decreasing fox numbers and predation on threatened fauna species, including the Growling Grass Frog and Greater Glider in the Mt Disappointment area.	165,000
Department of Environment, Land, Water and Planning	<b>Rodent-Free Gabo Island</b> Removing introduced rodents (Brown Rats and House Mice) from Gabo Island to support a safer breeding location for seabirds.	220,000
Department of Environment, Land, Water and Planning	<b>Lake Tyers Deer Management</b> The East Gippsland Rainforest Conservation Management Network plan to connect landowners and public-land managers with accredited shooters in a coordinated response to regulate deer populations and monitor outcomes. A unique, scientifically informed control system will be trialled.	500,000
Department of Environment, Land, Water and Planning	<b>Glenelg Ark Project - Next Phase</b> Facilitating the recovery of native mammal populations at risk from predation by foxes and feral cats across 17,000 ha in far South-West Victoria.	420,000



Recipient	Project	Funding Support \$
Department of Environment, Land, Water and Planning	<b>Key threats to Native Grassland Linear Reserves on the Victorian Volcanic Plains</b> Improving the quality and connectedness of natural temperate grasslands on the Victorian Volcanic Plains by reducing critical threats from priority weeds across 1,420 ha.	374,500
Enhancing Biodiversity at Dutson Downs	<b>West Gippsland Catchment Management Authority</b> Comprehensive pest control across 6,000 ha to support species including the New Holland Mouse, Green and Golden Bell Frog, Wellington Mint-bush, Dwarf Kerraung and the Trailing Hop-bush.	165,000
Glenelg Hopkin Catchment Management Authority	<b>Pine Wildling Control in Brown Stringy Bark Woodlands</b> Removing pine wildlings from brown stringy bark woodlands. This is a critical feeding habitat for red-tailed black cockatoos and a range of other native flora and fauna species.	314,000
Goulburn Broken	<b>Ribbons of Blue and Sashes of Green: Linking Box Woodlands and Ironbark Forests</b> Protecting, revegetating and enhancing 13,600 ha of habitat to provide long-term support for a range of threatened species including Regent Honeyeater, Swift Parrot, Squirrel Glider and Woodland Bird Community.	1,412,296
Goulburn Broken Catchment Management Authority	<b>Linking Lower Goulburn to Barmah Private Land Works</b> Improving vegetation connections between the Lower Goulburn and Barmah National Parks by revegetating, fencing, and controlling weeds, foxes and rabbits on 40 ha of private land. This will improve habitat for threatened species, including Bush-Stone Curlew, Grey-Crown Babbler, Squirrel Glider and Tree Goanna.	343,200
Greening Australia	<b>Increasing Biodiversity Benefits Across the Ramsar Western District Lakes</b> Enhancing native vegetation within the Victorian Volcanic Plains Western District Ramsar Lakes, by partnering with public and private landholders to coordinate weed and predator management across 1,000 ha over 3 years.	160,000
Greening Australia Victoria	<b>Increasing Critical Food Supply for the Endangered South-Eastern Red-Tailed Black Cockatoo</b> Establishing 70,000 Stringybark trees across 700 ha determined through spatial prioritisation to increase critical food supply for this species.	260,000
Greening Australia Victoria	<b>Increasing Critical Food Supply for the Endangered South-Eastern Red-Tailed Black-Cockatoo</b> Establishing 30,000 Stringybark trees across 500 ha determined through spatial prioritisation to increase critical food supply for this species.	120,067
Hindmarsh Landcare Network	<b>Building Biolinks along the Lawloit Range</b> Re-establishing, restoring and de-stocking 100 ha of semi-arid woodland. This includes threatened Grey Box-Buloke Grassy Woodland Community and habitat for species within the listed threatened Victorian Temperate Woodland Bird Community.	118,000



Recipient	Project	Funding Support \$
Mallee Catchment Management Authority	<b>Mallee Parks: The Cowangie Connection</b> Undertaking targeted, integrated pest control across 159,974 ha to support a nationally recognised catchment in the Mallee Region.	900,000
Mallee Catchment Management Authority	<b>Conserving Biodiversity within a Peri-Urban Landscape</b> Targeted rabbit and weed control and supplementary planting to address key threats to 8,527 ha of priority habitat within the Cardross Lakes system.	200,000
Mallee Catchment Management Authority	<b>Annuello and Wandown: Enhancing Mallee to Murray Biolinks</b> Targeted and integrated invasive species control program to enhance the condition and connectivity of 49,567 ha of the Murray River Scroll Belt Region.	400,000
Mallee Catchment Management Authority	<b>Safeguarding the Hattah Ramsar Lakes and Raak Plain Catchment Areas</b> Targeted and integrated invasive species control program to enhance the condition and connectivity of 2,500 ha of land within the Raak Plains and Hattah Lakes Catchment which includes nationally recognised wetlands.	220,000
Mallee Catchment Management Authority	<b>Improving Conservation of the Southern Mallee Dunefields</b> Targeted and integrated invasive species control program to enhance the condition and connectivity of 12,000 ha of ecologically unique, priority habitat within the Wathe and Bronzewing Dunefields.	200,000
Mallee Catchment Management Authority	<b>Controlling Feral Cats in the Mallee for Improved Management Outcomes</b> Reducing predation impacts by undertaking cat control across 10,000 ha of land within Hattah-Kulkyne National Park and Big Desert State Park. This project will assess current control strategies to support improved predator management.	735,900
Mallee Catchment Management Authority	<b>Robinvale to Nyah: Conserving Robinvale Plain and Murray Fan Bioregions</b> Delivering a targeted and integrated invasive species control program to enhance the condition and connectivity of 17,005 ha of priority habitat within the Robinvale Plains and Murray Fan Bioregions.	708,300
Mallee Catchment Management Authority	<b>Tyrrell: Preserving an Ancient Salina Landscape</b> Targeted and integrated invasive species control program to address key threats to 30,559 ha of priority habitat including the Lakes: Tyrrell, Wahpool and Timboram and associated creeklines.	450,000
Mount Hotham Alpine Resort Management Board	<b>Protecting Biodiversity in Victoria's Alpine Resorts; Pest Plants and Predator Control</b> Building the capacity of Victoria's Alpine Resort Management Boards to deliver best practice predator and weed control over 3,550 ha of public land at Falls Creek and Mount Hotham Alpine Resorts.	159,000
Nature Glenelg Trust	<b>Permanent Restoration of Long Swamp</b> Permanently restoring a Ramsar convention listed wetland habitat in Long Swamp to secure future sustainable water management across up to 1,057 ha of public land.	195,000

Recipient	Project	Funding Support \$
Nature Glenelg Trust	<b>Landscape Wetland Restoration Program</b> Hydrological restoration of 100 ha of Seasonal Herbaceous Wetlands of the Temperate Lowland Plains and other key wetland habitat for Brolga, Growling Grass Frogs, Corangamite Water Skink, Australasian Bittern and migratory bird species such as Latham's Snipe.	140,000
Nillumbik Shire Council	<b>Improving Animal Populations and Habitat Connectivity between Watsons Creek and the Yarra River</b> Enhancing connected habitat for threatened plants and animals from Watsons Creek to the Yarra River by controlling deer, foxes and weeds on private and public land. This will benefit Phascogales, Dunnarts and a range of threatened orchids.	450,000
North East Catchment Management Authority	<b>Enhancing Connectivity in the Kiewa Catchment</b> Protecting and restoring 268 ha of priority habitat in the Kiewa Valley. This project will include stock exclusion, revegetation, woody weed control and integrated rabbit control to support threatened woodland birds and mammals.	329,300
Parks Victoria	<b>Grampians Sallow Wattle Control</b> Restricting growth of sallow wattle to protect herb-rich woodlands and species (e.g. Grampians Duck Orchid). The project will also develop a native food enterprise using Sallow Wattle Seed through a partnership with Barengi Gadjin Land Council.	647,445
Parks Victoria	<b>Grampians Introduced Predators (Feral Cats)</b> Feral cat control to complement a 22-year investment in fox control in the Grampians.	275,000
Parks Victoria	<b>Otway landscape pest plant management</b> Protecting the significant biodiversity values of the Otway landscape by containing and controlling 41,000 ha of highly invasive pest plant species	495,000
Parks Victoria	<b>Protecting and Enhancing the Biodiversity of the Murray Scroll Belt</b> Protecting and enhancing threatened flora and fauna species across 80,000 ha of semi-arid woodlands, riverine and wetlands in the Murray Scroll Belt of far-north-western Victoria, by invasive species control and revegetation	763,700
Parks Victoria	<b>Restoration and Protection of High Value Habitat</b> Protecting and enhancing 152,000 ha of semi-arid woodlands in Wyperfeld National Park and adjacent State forests and conservation reserves, by controlling rabbits, feral goats, foxes and weeds and improving breeding conditions for the vulnerable Major Mitchell's Cockatoo.	550,000
Parks Victoria	<b>Protecting and Enhancing the Biodiversity of Hattah and the Eastern Murray Sunset Country</b> Protecting 26,000 ha of the Hattah Ramsar wetlands, semi-arid woodlands and the fauna located at these sites including threatened species by controlling feral pigs, goats, rabbits, foxes and weeds.	869,000
Parks Victoria	<b>Glenelg - Mt Napier Goat Control</b> Local eradication of goats from Mt Napier in collaboration with adjoining landholders, community volunteers and Traditional Owners.	98,000

Recipient	Project	Funding Support \$
Parks Victoria	<b>Protecting and Enhancing the Grasslands, Woodlands and Marshes of the Lower Avoca Plains</b> Protecting and enhancing 7,800 ha of private and public land within the Kerang Lakes Ramsar Site. The project will focus on controlling invasive species, improving grassland biomass management and undertaking revegetation.	870,000
Parks Victoria	<b>Managing the Impacts of Transformative Coastal Weeds in Far East Gippsland</b> Controlling and containing high priority weed infestations at coastal areas of high ecological value on the Far East Gippsland coastline.	450,000
Parks Victoria	<b>Protecting and Enhancing the Semi-Arid Woodlands of Taparoo in North-West Murray Sunset National Park</b> Protecting and enhancing 180,000 ha of threatened semi-arid woodlands, and numerous threatened flora and fauna species in the Taparoo region of Murray Sunset National Park, through intensive rabbit, goat and transformer weed control.	350,000
Parks Victoria	<b>Wimmera River Biolink and Pest Plant and Animal Control Project</b> Undertaking remnant woodland re-establishment, restoration and protection works across 200 ha of private land and rabbit control works within 16,200 ha of the Wimmera River, Lake Hindmarsh, the Lake Albacutya Corridor and the Buloke Grassy Woodlands. This will support the threatened Victorian Temperate Woodland Bird Community and Grey Box.	316,360
Parks Victoria	<b>Protecting and Enhancing the Grasslands, Woodlands and Wetlands of the Patho Plains</b> Enhancing and restoring Northern Plains Grasslands, Buloke Woodlands, Seasonal Herbaceous Wetlands and a diverse range of threatened flora and fauna species and bird communities across 4,080 ha of public and 1,070 ha of private land. The project will control invasive species, improve grassland biomass management and undertake revegetation.	780,000
Parks Victoria	<b>Extirpation of Sambar Deer from Wilsons Promontory</b> Extirpating a small population of Sambar Deer in Wilsons Promontory National Park to improve the condition of waterways, vegetation and soil in the area.	230,000
Parks Victoria	<b>Protecting and Enhancing the Barmah and Lower Goulburn Red Gum Forests, Wetlands and Floodplains</b> Controlling pigs, goats and woody weeds to protect the Barmah Ramsar Site, red gum forests, wetlands, floodplains and Moira grass plains across 31,000 ha of public land in the Lower Goulburn and Barmah National Parks.	370,755
Parks Victoria	<b>Mitigating the threat of Ox-Eye Daisy on North East Forests and Alps</b> Surveying for mapping and controlling the highly invasive Ox-Eye Daisy in the Alpine National Park to protect alpine grasslands, sub-alpine woodlands and other threatened habitats.	300,000

Recipient	Project	Funding Support \$
Parks Victoria	<b>Managing the Immigration of Foxes into Wilsons Promontory National Park</b> Controlling and managing foxes at Wilsons Promontory National Park to protect the small mammal species of the Yanakie Isthmus habitat.	180,000
Parks Victoria	<b>Developing Control Options for Feral Cats at Wilsons Promontory to Improve On-Ground Management Capability</b> Developing and testing strategies and control tools to improve management capabilities and provide standards for the control of feral cats at Wilsons Promontory National Park.	500,000
Parks Victoria	<b>Managing Feral Pigs in the Eastern Borderlands</b> Controlling pigs in the Eastern Forests borderlands to protect a range of environmental, cultural and social assets.	900,000
Parks Victoria	<b>Mitigating Impacts of Invasive Herbivores on Alpine Wetlands</b> Fencing areas of priority wetlands and alpine peatlands to protect them from feral horses, deer and pigs.	190,000
Parks Victoria	<b>Managing Feral Cats in the Victorian Alps</b> Controlling feral cats in priority areas associated with threatened Mountain Pygmy-Possum habitat in the Victorian Alps.	275,000
Port Phillip and Westernport Catchment Management Authority	<b>Deepening Connections – Engaging Communities and Enhancing Habitat of the Deep Creek</b> Engaging private landowners in pest control across 6,700 ha of habitat to protect threatened species including Platypus, Growling Grass Frog and Plains Grassy Woodland in Deep Creek and the surrounding plains south of Darraweit Guim.	452,710
Port Phillip and Westernport Catchment Management Authority	<b>Peaks to Plains: Enhancing and Connecting the You Yang Ranges and Werribee Plains</b> Enhancing 7,000 ha of habitat for threatened species and ecological communities by undertaking a coordinated rabbit, goat and weed control program.	454,182
Trust for Nature	<b>Iconic Estates - Box Ironbark, Northern Plains and Slopes</b> Protecting 130 ha of Victoria's most important habitat on private land.	164,612
Trust for Nature	<b>Conservation Management of Private Land Enclaves in the Far Eastern Forests</b> Removing foxes and controlling weeds to improve 4,000 ha of warm temperate rainforest and protect threatened mammals in the Eastern Forests.	747,000
Trust for Nature	<b>Iconic Estates – Port Phillip and Westernport</b> Permanently protecting 100 ha of Victoria's most important habitat on private land.	209,346
Trust for Nature	<b>Iconic Estates - North East Forests and Alps</b> Permanently protecting 60 ha of Victoria's most important habitat on private land in the North-East Foothills and Alps.	75,196

Recipient	Project	Funding Support \$
Trust for Nature	<b>Iconic Estates - Murray River</b> Permanently protecting 300 ha of Victoria's most important habitat on private land.	401,474
Trust for Nature	<b>Lurg Hills to North East Foothills Connections</b> Strengthening connectivity conservation from the biodiversity, re-vegetation and recovery stronghold of the Lurg Hills through to the North East Foothills; adding to a landscape-scale conservation network linking the Warby Ranges, Winton Wetlands and Lurg Hills to the North East foothills and alps.	372,000
Trust for Nature	<b>Iconic Estates - Glenelg / Grampians</b> Permanently protecting 300 ha of Victoria's most important habitat on private land.	292,770
Trust for Nature	<b>Iconic Estates - Eastern Forests</b> Permanently protecting 200 ha of Victoria's most important habitat on private land.	297,843
Trust for Nature	<b>Iconic Estates – Victorian Volcanic Plains (VVP)/Great Otway National Park</b> Permanently protecting 200 ha of the Victorian Volcanic Plain and Great Otway National Park's most important habitat on private land.	385,365
Trust for Nature	<b>Iconic Estates - Permanent Protection in Wimmera</b> Permanent protecting 250 ha of Victoria's most important habitat on private land.	161,974
Upper Barwon Landcare Network	<b>Enhancing and Protecting Biodiversity Values in the Otway Plains</b> Protecting and promoting biodiversity in high value areas of the Otway Plains by applying best practice management to remove exotic invasive weeds in partnership with local landholders and land managers.	135,000
West Gippsland Catchment Management Authority	<b>Enhancing Biodiversity at the Bunurong Coastal Landscape</b> Pest control project to protect over 16,000 ha which supports approximately thirty threatened fauna species, seventeen migratory bird species and ten threatened flora species.	1,062,000
Wimmera CMA	<b>Western Victorian Woodlands Phase 4</b> A large-scale threat abatement project to improve the biodiversity conservation outcomes for a range of key flora and fauna species.	500,000
Yarra Ranges Shire Council	<b>Birds 2 Butterfields Habitat Corridor Improvements</b> Improving habitat and connectivity for the critically endangered helmeted honeyeater beyond Yellingbo Nature Conservation Reserve, by fencing remnant vegetation and controlling weeds and deer.	449,000

### **Program – Biodiversity On-Ground Action (Tranche 2) - Traditional Owner and Aboriginal Victorian Group Grants**

The program enables work with Traditional Owners and Aboriginal Victorians to include Aboriginal values and traditional ecological knowledge in biodiversity planning and management, supporting aboriginal access to biodiversity for economic development and building capacity to increase Aboriginal participation in biodiversity management.

Recipient	Project	Funding Support \$
Barapa Land and Water	<b>Kilter Rural on Barapa Country</b> Undertaking forestry gardening to build Traditional Owner knowledge of ecology, pest control and revegetation.	30,000
Barengi Gadjin Land Council Aboriginal Corporation	<b>Traditional Management and Restoration of Roadside Grassland for Cultural Practices</b> Restoring indigenous herbs and grasses along a section of the Wail Polkemmet Road near the Barengi Gadjin Land Council Wail Nursery site.	29,840
Bendigo and District Aboriginal Co-operative	<b>Bendigo Aboriginal Community Garden</b> Constructing a community garden to educate the Aboriginal community about basic horticulture.	17,752
Bunurong Land Council Aboriginal Corporation	<b>Integration of cultural ecological theory</b> Preparing a pilot project area at Cape Woolamai to apply cultural ecological theory into conservation management practice.	30,000
Bunurong Land Council Aboriginal Corporation	<b>Managing Murnong</b> Adopting traditional ecological knowledge of managing country to implement conservation management measures for Murnong.	30,000
Dhudhuroa Waywurro NAC	<b>Dhudhuroa Native Plant Documentation and Signage at Canyon Walk, Bright</b> Dhudhuroa Traditional Owners will share cultural knowledge of native plants found in the Bright Canyon Walk by erecting signage describing these plants and incorporating Dhudhuroa language.	30,000
Dhudhuroa Waywurro NAC	<b>Dhudhuroa Cultural Native Plant Nursery and Language Naming</b> Dhudhuroa Traditional Owners will share cultural knowledge of native plants found in the region between Harrietville and Mount Beauty by identifying and documenting these in the Dhudhuroa language, in addition to developing a native nursery.	30,000
Dja Dja Wurrung Enterprises - Trading as Djandak	<b>Capturing Country</b> Supporting Dja Dja Wurrung Traditional Owners to install remote cameras on country to provide vital information on species interactions in a post-fire environment. This information will provide insights into the relationship between Djandak Waa and native fauna.	29,550
Gunaikurnai Land and Waters Corporation	<b>Moogji Aboriginal Council Nursery Project</b> Developing cultural heritage and botanical knowledge of traditional Gunaikurnai use of the land along the Mitchell River along with an ethnobotanical survey. Information will be shared with the Gunaikurnai community and natural resource management agencies in Gippsland. This knowledge will improve capacity to deliver joint management of the Mitchell River National Park	30,000

Recipient	Project	Funding Support \$
Gunaikurnai Land and Waters Corporation	<b>Gunaikurnai grassland restoration through reintroduction of traditional burning</b> Re-establishing Gunaikurnai knowledge of grassland management and reintroducing traditional burning practice in Gippsland to enhance the health of the grasslands and regenerate rare and threatened flora species. Knowledge will be shared with Gunaikurnai communities and natural resource management agencies in Gippsland.	30,000
Gunditj Mirring Traditional Owners Aboriginal Corporation	<b>Tae Rak (Lake Condah) and the Darlots Creek System</b> Developing a fish monitoring program at Tae Rak (Lake Condah) and the Darlots Creek system. Gunditj Mirring Traditional Owners Aboriginal Corporation will hold a workshop for elders to discuss, map and assess these culturally significant wetlands.	30,000
Gunditj Mirring Traditional Owners Aboriginal Corporation	<b>Indigenous partnerships in Victoria – using culturally significant aquatic species and new technology to build joint knowledge and partnerships</b> Working with DELWP research staff and Gunditj Mirring to document the migratory routes of adult Australian eels using archival pop-up satellite tags. This project will provide valuable training opportunities in traditional practices and current survey methods to support approaches to co-managing resources into the future.	30,000
Moogji Aboriginal Council East Gippsland Inc	<b>Moogji Pest Management Program</b> Undertaking a fox baiting system at 130 sites across Far East Gippsland. This project will complement the existing Southern Ark Project and will build capacity of the Natural Resources Management Team.	30,000
Moogji Aboriginal Council East Gippsland Inc	<b>Moogji Aboriginal Council Nursery Project</b> Working closely with the Natural Resources Management Team to identify plants, develop cultural knowledge of native plants and propagating seeds to build the skills and capacity of the Aboriginal community within Orbost and the broader district.	30,000
Petaurus Education Group Inc.	<b>A Pathway for Cultural and Biodiversity Enhancement in Baranduda, an Urban Landscape</b> Enabling Traditional Owners and St Francis of Assisi Primary School, Baranduda to share cultural biodiversity values and physical spaces while working to improve remnant vegetation.	29,725
Tati Tati, through the Murray Lower Darling Rivers Indigenous Nations	<b>Margooya Lagoon cultural and biodiversity assessment project</b> Supporting Traditional Ecological Knowledge to inform wetland and biodiversity management by documenting cultural values, watering objectives and knowledge of the biodiversity of Margooya Lagoon a culturally significant wetland near Robinvale.	29,730
Wadawurrung (Wathaurung Registered Aboriginal Party based in Ballarat)	<b>Wadawurrung Knowledge Exchange</b> Working together with the Moorabool Landcare Network and Wadawurrung to create opportunities to engage Landcare specialists to develop training and insights into knowledge gaps in land management. This project will build on Wadawurrung's biodiversity capacity, which will also benefit stakeholders requiring Wadawurrung engagement for a range of diverse and challenging biodiversity-related projects.	30,000



Recipient	Project	Funding Support \$
Wandoon Estate Aboriginal Corporation	<b>Coranderrk: Connecting to country by understanding and managing our land</b> Improving community understanding of biodiversity at Coranderrk, adopting indigenous and non-indigenous methods to manage land and waterways and training presenters to educate visitors to Coranderrk on land management.	30,000
Winda Mara Aboriginal Corporation	<b>Kooreelah Wildlife Corridor</b> Protecting 7 ha of remnant streamside vegetation to develop a wildlife corridor linking Dergholm State Forest and Glenelg River. This will provide an important link for species including the endangered red-tailed black cockatoo. Winda-Mara staff will be trained in fencing, seed collection and planting local indigenous species and sharing traditional ecological knowledge.	29,216
Winda Mara Aboriginal Corporation	<b>Fauna Survey and monitoring Project Tyrendarra and Budj Bim Indigenous Protected Areas</b> Fauna monitoring protocols will be developed and undertaken across each Indigenous Protected Area within Tyrendarra. Budj Bim rangers will be trained to use fauna monitoring and surveying equipment, playing a lead role in collecting data to inform monitoring protocols.	28,100
Wooragee Landcare Group	<b>Traditional Fire knowledge as a tool for Landcare in the North East of Victoria</b> Bringing together landholders and Traditional Owners to improve native vegetation condition by adopting traditional fire knowledge practices and land management philosophies.	29,820

### **Program – Coastal Environments Program - Coastal Public Access and Risk Grants**

The Coastal Public Access and Risk Grant initiative provides financial assistance to Victorian coastal Crown land managers to reduce coastal risk and improve public access. 2018-19 is the second year of a two-year funding commitment, with up to \$1 million available in grants each year.

Recipient	Project	Funding Support \$
Bass Coast Shire Council	<b>Cowes East Foreshore: Erosion Management Planning</b> Conduct research into coastal processes to inform future management interventions.	25,000
Borough of Queenscliffe	<b>Beach Condition and Hazard Identification Assessment</b> Conduct audit of beach hazards and recommend appropriate safety signage.	7,000
DELWP/East Gippsland Shire Council	<b>Bullock Island pedestrian and vehicle separation and demarcation works</b> Formalise pedestrian access with bollards and signage.	16,800
Dromana Foreshore Committee of Management Inc.	<b>Fire Management Plan for LaTrobe Reserve Dromana</b> Prepare fire management plan for site.	7,810



Recipient	Project	Funding Support \$
Grantville and District Foreshore Committee	<b>Reduction of Public Risk from steel debris and Improve Erosion Prevention</b> Remove failed beach infrastructure, including buried steel reinforcement bar.	40,000
Great Ocean Road Coast Committee Inc.	<b>Anglesea Beach Access ramp</b> Remove current degraded ramp and build re-aligned beach access.	150,000
Great Ocean Road Coast Committee Inc.	<b>Coastal and Terrestrial Process Dynamics in Anglesea Bay</b> Conduct research into coastal processes to inform future management interventions.	28,147
Kingston City Council	<b>Bay Trail Continuation</b> Contribute to extension of bay trail to remove users from main roads.	150,000
Mornington Peninsula Shire Council	<b>Mornington/Mt Martha cliffside fence upgrade – Phase two</b> Continue upgrade of fencing along cliff sections.	35,000
Moyne Shire Council	<b>Bourne Avenue Access Ramp, East Beach, Port Fairy</b> Build re-aligned beach access ramp.	100,000
Otway Coast Committee	<b>Kennett River Holiday Park Fire Hose Reels</b> Replace fire hose reels in line with Australian standards.	4,480
Otway Coast Committee	<b>Skenes Creek Beach Accesses</b> Rebuild access stairs and ramp damaged in storm.	18,018
Otway Coast Committee	<b>Wye River Boardwalk</b> Repair unsafe structure including bearers and treads.	3,990
Sandy Point Foreshore Committee of Management Inc.	<b>Sandy Point Boardwalk Extension and Roy Henderson Path Upgrade</b> Extend boardwalk to reduce impact on primary dune and up-grade path to facilitate safe pedestrian access.	25,500
Seaspray Reserve Committee of Management Inc.	<b>Seaspray foreshore path and crossover Surf Club to Creek</b> Extend path to separate pedestrians from main road.	20,000
Warrnambool City Council	<b>Lady Bay Investigation and Decommission</b> McGennas and Worm Bay Access – community consultation and removal of unsafe infrastructure.	9,900
Warrnambool City Council	<b>Landscape Master Plan for Levys Point and Spooks</b> Identify risks and options for beach access points.	20,000
Warrnambool City Council	<b>Shipwreck beach Access</b> Reconstruct beach access.	93,400
Warrnambool City Council	<b>Surfside beach Access</b> Reconstruct beach access.	46,700
WhiteCliffs to Camerons Bight Foreshore Reserve Committee of Management	<b>Stairway Replacement and Coastal Erosion Mitigation</b> Re-build beach access stairs and rebuild retaining walls.	52,000

**Program – Coastal Environments Program - Coastcare Victoria Community Grants**

The Coastcare Victoria Community Grants support community organisations to take practical local action to protect and enhance the coastal and near-shore marine environment. The grants support the conservation of coastal and marine ecosystems and environments across the State through rehabilitation, restoration and preventative conservation actions.

Recipient	Project	Funding Support \$
Beach Patrol 3280	<b>Stop the POP (Plastic Ocean Pollution)</b> Reduce plastics from entering oceans with source reduction plans for five marine debris plastic items.	14,793
Bellarine Bayside Fore-shore Committee of Management	<b>Northern Bellarine Red-Capped Plover Community Education</b> Community engagement, monitoring, data collection and habitat improvement to protect the Red-capped plover.	14,200
Bellarine Landcare Group	<b>Coastal and Inland Plants: Booklets for the Bellarine Peninsula.</b> Update and reprint pocket size field guides for management and conservation of native flora.	14,120
Bellarine Catchment Network	<b>Creating our Future Coast-carers</b> Empowering the broader community in taking a conscious and active role in reducing environmental pressures.	9,700
Earthcare St Kilda Inc	<b>St Kilda Penguin Visitor App</b> Multi-lingual tourist information and citizen science app for visitors to the St Kilda Little Penguin colony.	10,000
East Gippsland Rainforest Conservation Management Network	<b>Chinaman's Creek Rainforest Recovery</b> Improve ecological condition and public appreciation for critically endangered littoral rainforest.	13,475
Frankston Beach Association Inc.	<b>Wells Street to Beach Street Foreshore Rehabilitation Project</b> Rehabilitate approximately 10,000sq m of degraded coastal dune.	10,000
Friends of Beware Reef	<b>Macro video footage of marine mammals</b> Upgrade equipment to record educational macro video footage on Gippsland Lakes Project.	3,608
Friends of Earimil Bluff (MEAFEC)	<b>Protecting, extending and interpreting biodiverse botanical reference area Earimil Bluff</b> Extend habitat corridor to protect biodiverse Red Bluff Coastal Headland Scrub.	6,457
Friends of Chinamans Creek Inc.	<b>Chinamans Swamp Skink Habitat Restoration Project</b> Protect and enhance the Swamp Skink habitat at Chinamans Creek and Rosebud Foreshore.	9,966
Friends of Flinders Coastline Inc.	<b>Coastal Flinders Restoration Project</b> Restore coastal vegetation at Flinders, Mornington Peninsula National Park.	9,975
Friends of the Prom Inc.	<b>Sea Spurge Removal Stage 2: Restoring Hooded Plover Habitat at Squeaky Beach</b> Remove the invasive weed Sea Spurge ( <i>Euphorbia paralias</i> ) from Squeaky Beach in Wilsons Promontory National Park.	4,750

Recipient	Project	Funding Support \$
Friends of Mallacoota	<b>Rehabilitate Gabo Island</b> Removal of threats to vulnerable native flora species and flora survey work.	3,280
Friends of Williams Roade Beach (Mt. Eliza Association for Environmental Care)	<b>Furthering resilience at steep locations &amp; enhancing site understanding of scouts, Mt. Eliza Foreshore</b> Ongoing restoration in 2.85ha of foreshore-habitat.	\$6,231
Harmers Haven Residents and Ratepayers Group – Friends of Harmers Haven	<b>Continuation of Successful Sea Spurge Control on Primary Dunes at Harmers Haven</b> Extend control of the invasive coastal weed Sea Spurge ( <i>Euphorbia paralias</i> ) at Harmers Haven.	12,957
Harmers Haven Residents and Ratepayers Group – Friends of Harmers Haven	<b>Eradicating Cape Honey Flower at Harmers Haven</b> Eradicate Cape honey-flower ( <i>Melianthus major</i> ) at Harmers Haven.	9,365
Gippsland Plains CMN	<b>Eagle Point enhancement and education</b> Control several high threat weeds in a coastal area of Redgum forest.	14,275
Jan Juc Coast Action	<b>Caring for Jan Juc's heathlands</b> Continued eradication of highly invasive <i>Gazania</i> from 40ha coastal reserve.	15,000
Killarney Coastcare Group	<b>Belfast Coastal Reserve Spring Planting 2019</b> Revegetation of Belfast Coastal Reserve with local school students.	5,190
Making a Difference for the Merri Landcare group	<b>Woollen Mill Riparian Restoration - Merri River</b> Weed management and revegetation of Merri River frontage salt wedge estuaries.	5,445
McCrae Homestead Coastal Group Inc	<b>Protecting Coastal Banksia woodland and revegetating degraded spaces- McCrae foreshore</b> Removal of invasive weeds to strengthen connectivity, biodiversity, habitat and local amenity.	9,912
MESAC - Marine Education Science and Community Centre Inc	<b>MESAC - Who are we and why are we important to our oceans and community?</b> Hold a series of diverse inclusive activities to raise awareness of marine environmental issues.	10,000
North Geelong Secondary School Green Action Project	<b>The Green Action Project/ North Geelong Secondary School</b> Work readiness program for students aged 15-18 years to conserve and preserve coastal environments.	9,662
Safety Beach Foreshore Landscape Committee Inc.	<b>Coast Care Safety Beach 2019-20</b> Revegetate and manage weeds in selected dune areas and adjacent foreshore areas.	8,462
South West Environmental Education Inc.	<b>Fawthrop Lagoon Restoration and Revegetation Project</b> Restore Fawthrop Lagoon Reserve to a high valued wildlife habitat with endemic vegetation.	4,574

Recipient	Project	Funding Support \$
Torquay Landcare Group Inc	<b>Spring Creek our hidden jewel</b> Protecting the biodiversity of the tidal reach of the Spring Creek corridor.	3,070
Victorian National Parks Association	<b>Great Victorian Fish Count</b> Largest annual marine citizen science event in Victoria engages hundreds of volunteers to collect fish data.	9,938
Victorian Wader Study Group Inc	<b>Sustaining long-term studies of waders and terns in South Eastern Australia</b> Gather comprehensive scientific data on waders and terns throughout Victoria on a long-term basis.	5,500
Warrnambool Coastcare Landcare Network	<b>Thunder Point Coastal Reserve Conservation Project 2019</b> Citizen science monitoring of the Little Penguin colony in Thunder Point Coastal Reserve.	10,000

### **Program – Collaborative Council – Sustainability Fund Partnership Program**

Provisions of matched funding of up to \$75,000 to groups of councils to collaborate with each other on a joint business case or feasibility study to achieve positive business and environmental outcomes.

Recipient	Project	Funding Support \$
Darebin City Council	<b>Local Government Power Purchasing Agreement commercial services model</b> Independently assessing the commercial aspects underpinning the business case (undertaken separately), providing future governance frameworks and additional engagement activities designed to support all members of the Local Government Power Purchasing Agreement Project to make an informed decision on future participation	75,000
Glen Eira City Council	<b>Feasibility Study for Shared Services enabling Council collection and management of general, organic and recyclable waste</b> Developing a feasibility study for the establishment of a Council-led collaborative recycling, organics and waste collection contract for Multi-Unit Developments and Small to Medium Enterprise businesses across the Cities of Glen Eira and Port Phillip	60,000
Greater Bendigo City Council	<b>Lighting the Regions Major Roads Project</b> Scoping options for the eighteen councils in the Lighting the Regions project group to deliver the major road lighting bulk changeover program from 2019-20, as well as the residential lighting replacement for the City of Ballarat	74,000
Hume City Council	<b>Local Government Climate Adaptation Research-Practice Hub</b> Investigating and piloting a collaborative climate change adaptation research and practice hub. To meet the research and peer learning needs of local government through coordinating research development, delivery, and knowledge sharing of local governments with support from universities	73,000

Recipient	Project	Funding Support \$
Mitchell Shire Council	<b>Development of a Resource Recovery Centre Fire Risk Assessment tool</b> Developing a replicable RRC Fire Risk Assessment tool that can be utilised by councils to identify fire hazards and risks. It includes the Resource Recovery Centre Fire Risk Assessment of each of the thirty-six RRCs in the Goulburn Valley region and the development of a Resource Recovery Centre Site Fire Management Plan template	30,000
South Gippsland Shire Council	<b>Charging Gippsland for Future Transport - Electric Vehicle Infrastructure</b> Developing a feasibility study into the optimal location, types, and feasibility of council investment in, electric vehicle (EV) charging infrastructure. Involving all six Gippsland region councils, the project will examine the planning and asset management implications and considerations resulting from the looming demand for EV charging infrastructure	\$30,000
Strathbogie Shire Council	<b>Carbon Crunching Councils: Resourcing Greenhouse Inventory Management</b> Developing a business case for an ongoing shared service that manages Council utilities, and greenhouse gas information, management, and reporting. The business case will test 'proof of concept' for the utility management component of the greenhouse gas emissions inventory	32,480
Swan Hill Rural City Council	<b>From Waste to Growth - transforming organic waste to usable resource</b> Developing a business plan for a regional composting facility to allow councils to transform agricultural, industrial, commercial and household organic waste into a resource. The plan will address all aspects of establishing a successful enterprise: financial, technical, markets, supplies, logistics, management model, community response and long-term viability	36,000
Wangaratta Rural City Council	<b>Main Road Lighting Efficiency Business Case</b> Investigating the upgrade of main road streetlights across the Hume region to energy efficient globes to reduce energy costs and greenhouse gas emissions. It includes a business case and assessment of the financial viability and payback periods to consider future staged implementation	30,500
Wodonga City Council	<b>Sustainable Design Assessment in the Planning Process - Subdivisions</b> Developing a State-wide Assessment Framework for Subdivisions to facilitate construction of resource-efficient dwellings and resilient neighbourhoods. This includes implementation pathways for regional and metropolitan councils to use in trials, demonstration projects and provide resources for implementation through Council Planning Schemes	75,000

### Program – Energy Storage Initiative

The program funds the deployment of two battery storage projects (minimum capacity of 20 megawatts) in western Victoria. The projects will strengthen the Victorian electrical system by improving reliability and security of the electricity network and drive the development of clean technologies.

Recipient	Project	Funding Support \$
Spotless Sustainability Services	<b>Energy Storage Initiative – Ballarat Energy Storage System (BESS)</b> Grant funding to procure, build and operate a large utility scale lithium ion battery. The project has delivered a 30 megawatt hour battery at the Ballarat terminal station, a key point in the North West electrical network to increase reliability and stability	12,250,000

### Program – Microgrid Demonstration Initiative – Round 1

The Microgrid Smart trial program facilitates innovative market driven commercial microgrid demonstration projects to enable lower energy cost, more reliable power and reduced emission to support Victoria's transition to a low carbon economy.

The first round of grants supports the development and implementation of microgrid demonstration projects to address key microgrid sector challenges and contribute to the unlocking of the sector in Victoria.

Recipient	Project	Funding Support \$
Euroa Environment Group	<b>Euroa Microgrid</b> The Euroa Microgrid project will demonstrate the economic opportunities for shared renewable energy and battery assets in communities. It will reduce the local demand for electricity from the grid and reduce the need for seasonal diesel generators. The community of Euroa will demonstrate an economic alternative for local renewable generation for network operators.	680,000
Monash University	<b>Microgrid Electricity Market Operator</b> This project seeks to establish a Microgrid Electricity Market Operator, managing 100% renewable-powered microgrids and unlocking new value for customers. Following market assessment and the implementation of a business and transition plan operational market trials will be undertaken. This will produce a roadmap for new business establishment in Victoria.	441,450
Origin Energy Ltd	<b>Origin Energy Virtual Power Plant Project</b> The project will demonstrate strategies to address the challenges of deploying distributed generation assets and their current economics by coordinating a Virtual Power Plant (VPP). The VPP will deliver benefits to customers by unlocking value derived from collaborating with networks to reduce network loads, to increase resilience and to provide tariff differentiation. This cloud-based project will distribute power from up to 650 customers with solar photovoltaics (PV) and batteries during peak periods. The VPP will boost grid stability by discharging power from solar PV and batteries located at homes and commercial and industrial sites to reduce their power bills.	4,500,000

Recipient	Project	Funding Support \$
Ovida Pty Ltd	<b>Community Energy Hubs demonstration</b> The project will install shared solar PV and battery systems at three multi-tenanted buildings in Melbourne. This will demonstrate how residential and commercial tenants can access and share renewable energy resources to reduce household energy costs. The scheme will allow interested tenants to opt-in and reduce the amount of electricity purchased from the electricity grid.	980,000
SwitchDin Pty Ltd	<b>Birchip Cropping Group Microgrid demonstration</b> The project will deliver a microgrid that will include solar PV and battery storage at Birchip Cropping Group's local facility. This will provide a working demonstration of microgrid technology and its ability to lower energy costs and improve energy reliability for the region's farmers.	210,000
Totally Renewable Yackandandah (TRY)	<b>TRY Constrained SWER Microgrid Demonstration</b> This project will establish a microgrid in Yackandandah to help cut energy bills for local residents and help the community achieve their 100 per cent renewable energy target. The project will increase the number of houses with solar PV and batteries on a Single Wire Earth Return (SWER) powerline and include control technology to manage network security.	380,389

### **Program – Microgrid Demonstration Initiative – Round 2**

As the second grant round of the Microgrid Demonstration Initiative, the Latrobe Valley Microgrid Program supports the development and implementation of a microgrid project located in the Latrobe Valley with the aim of lowering the cost of energy for local businesses and encouraging investment in the region.

Recipient	Project	Funding Support \$
Ovida Pty Ltd	<b>Solar Partnering Around Regional Communities</b> The Solar Partnering Around Regional Communities project will deliver up to 75 microgrids across the region in multi-tenanted sites and is expected to lower energy prices by up to 25 percent for participating businesses, supporting the transition of the Latrobe Valley to a low-emission economy	3,000,000

### Program – Recycling Services Temporary Relief Funding Program

The Victorian Government has committed to support the recycling industry and local governments through an injection of temporary funding to councils and alpine resort boards to support their recycling systems.

Recipient	Project	Funding Support \$
Falls Creek Alpine Resort Management Board	<b>Falls Creek Alpine Resort Management Board</b> Grant to cover a portion of the price rises in the period 1 June 2018 to 30 September 2018 directly associate with kerbside recycling services	14,769
Mt Buller and Mt Stirling Alpine Resort Management Board	<b>Mt Buller and Mt Stirling Alpine Resort Management Board</b> Grant to cover a portion of the price rises in the period 1 June 2018 to 30 September 2018 directly associate with kerbside recycling services	11,657
Mt Hotham Alpine Resort Management Board	<b>Mt Hotham Alpine Resort Management Board</b> Grant to cover a portion of the price rises in the period 1 June 2018 to 30 September 2018 directly associate with kerbside recycling services	4,803
Southern Grampians Shire Council	<b>Southern Grampians Shire Council</b> Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associate with kerbside recycling services	39,120

### Program – Understanding and Adapting to Climate Change – Productive Partnerships

The objectives of this program are to build strategically important local and international partnerships to share knowledge, expertise and resources to assist Victoria on its pathway to net zero emissions by 2050 and to climate resilience. It will also assist in the delivery of Victoria's climate change policy agenda as outlined in the Victorian Climate Change Framework and required under the *Climate Change Act 2017*.

Recipient	Project	Funding Support \$
Climate Group	<b>Under2 Coalition</b> Supporting Victoria's engagement in international and subnational activities, events and forums through membership in Under2 Coalition. The Under2 Coalition is a coalition of state and regional governments committed to supporting the efforts of nations and delivering the goals of the Paris Agreement	21,000
Carbon Market Institute (CMI)	<b>6th Australasian Emissions Reduction Summit</b> Gold Sponsorship of the Carbon Market Institute's 6th Australasian Emissions Reduction Summit. This brings leading businesses and governments together to discuss the challenges and opportunities involved in accomplishing the transition to a thriving low carbon economy	15,000



### Program – Peri-Urban Weed Management Partnerships

This is a partnership grant with local government to manage landscape-scale management of weeds on public land assets. The Peri-Urban Weed Management Partnerships Program is a collaboration between nineteen government or partner agencies, twenty-two community groups and over 3,000 private landholders to protect key biodiversity assets in Melbourne's peri-urban areas from high risk weeds.

Recipient	Project	Funding Support \$
Brimbank City Council	<b>Maribyrnong Valley Connection</b> Joint project with Maribyrnong and Hume City Councils to protect biodiversity values in the Maribyrnong valley	165,000
City of Greater Dandenong	<b>Lower Dandenong Creek</b> Joint project with the Cities of Greater Dandenong and Knox to improve and protect biodiversity values in Dandenong Creek and the adjacent Police Paddocks	122,900
Mornington Peninsula Shire Council	<b>Mornington Peninsula Weed Control</b> To improve and protect habitat at the Police Point Bushland Reserve, Point Nepean National Park and Arthurs Seat State Park	122,900
Nillumbik Shire Council	<b>Rivers to Ranges</b> Joint project between the Shire of Nillumbik and the Cities of Whittlesea and Manningham to protect biodiversity values within the Kinglake-Warrandyte-Plenty River Bio link	157,582
Shire of Cardinia	<b>Cardinia Creek Riparian Rehabilitation</b> Joint project between the Shire of Cardinia and City of Casey to improve and protect biodiversity values in the Cardinia Creek system	150,000
Yarra Ranges Council	<b>Dandenong Ranges Weed Removal</b> Joint project between the Shire of Yarra Ranges and Knox City Council to improve and protect biodiversity values in the Dandenong, Dodson's and Sassafras Creek headwaters	122,900

### Program – Marine Environment Targeted Actions

This program facilitates strategic partnerships to improve marine habitats and species of conservation concern.

Recipient	Project	Funding Support \$
Gunaikurnai Land and Waters Corporation	<b>On-Country Marine and Coastal Program</b> This project will result in a reduction of critical threats to sea birds. This will enhance the biodiversity of over 354 km <sup>2</sup> of the Ramsar-listed Gippsland Lakes marine ecosystem. Management actions will improve species resilience for the Pelican and the Musk Duck, totemic species for Gunai Kurnai people	249,500

Recipient	Project	Funding Support \$
National Centre for Coast and Climate	<b>Optimal Management of Overabundant Sea Urchins in Victoria</b> The project will fill key knowledge gaps in the understanding of urchin biology and develop an urchin management plan to assist future on-ground action. Removal of overabundant urchins from 32.5 ha of reef will assist in revegetating barren reefs	620,000
Phillip Island Nature Parks	<b>Reducing pollution from marine environment users to reduce marine waste and marine mammal entanglements</b> The project aims to address the socio-economic threats presented by marine plastics to the Bass Strait. Plastic waste contributes to the death of marine life, degrades habitat and presents a public health hazard via bioaccumulated human ingestion. This project implements practical immediate solutions such as providing bins to commercial fishing vessels in return for a commitment to improved practices	44,100
Victorian Fisheries Authority	<b>Restoring Marine habitat and biodiversity in Eastern Victoria</b> The project will restore temperate reef habitat and biodiversity by reducing sea urchin encroachment in Eastern Victoria. This will help to recover the reef kelp canopy and algal understory. These habitats provide protection and food for a diverse range of fish and crustaceans	200,000

### Program – Victorian Coastal Monitoring Program

This program facilitates the development of strategic partnerships to undertake coastal erosion assessments.

Recipient	Project	Funding Support \$
Deakin University	<b>Improving Coastal Erosion Assessments of Victoria's Open Coast</b> This project will determine shoreline and adjacent marine subtidal sediment dynamics across 15 priority locations of Victoria's open coasts. The project includes a major citizen science component to monitor shorelines. It will model and forecast changes to the coastal zone in response to climate change and sea level rise scenarios	1,500,000
Deakin University	<b>Nearshore Wave Climate Monitoring Project</b> Four wave spotter buoys will be deployed in nearshore waters off priority open coastal locations such as Port Fairy, Apollo Bay and Inverloch to improve coastal erosion modelling and forecasting	45,000
Monash University	<b>Improving Erosion Assessments for Victoria</b> This project will improve the understanding of the dynamics of sediment shoreline dynamics in Western Port Bay. The project includes re-mapping of the regions' coastal acid sulphate soils and citizen science monitoring of mangroves and saltmarsh communities in response to sedimentary changes	450,000
The University of Melbourne	<b>Coastal Waves and Sea Level Study</b> The project will collect data from three large offshore wave buoys. This will allow significant downscaling of the future wave climate and sea level rise predictions in Victoria's jurisdictional waters over the next 50 to 100 years.	850,000

### Program – Support for Landcare

Victorian Junior Landcare and Biodiversity grants focus on projects that address threats to biodiversity, for example restoring and enhancing habitat, undertaking pest control or educating young Victorians about their natural environment.

Recipient	Project	Funding Support \$
Landcare Australia	<b>Victorian Junior Landcare and Biodiversity Grants process</b> Landcare Australia was engaged to manage the Victorian Junior Landcare and Biodiversity Grants process (including applications, assessments and reporting) and overseeing 123 projects in 2018-19.	453,972

### Program – Virtual Centre for Climate Change Innovation

The grants support action, innovation and collaboration between businesses, industry, researchers and government to reduce greenhouse gas emissions and adapt to climate change.

Recipient	Project	Funding Support \$
Bass Coast Landcare Network Inc.	<b>Climate Change Land Capability and Capacity</b> This project will enable Southern Gippsland farmers to respond to climate change challenges by providing the agricultural sector with twelve detailed case study action plans. Specific climate resilient opportunities for innovation and diversification will be documented to inform climate change decision-making.	254,236
City of Greater Bendigo	<b>Commercial Organics Diversion Trial</b> The City will provide organic waste material diversion outlets for the Greater Bendigo community that cannot be serviced by the current fortnightly kerbside organics collection. This trial will enable gaps in urban residential organics kerbside collection to be addressed.	73,000
Climate for Change	<b>Conversations for Change</b> Work with locals to develop and deliver resources for peer to peer communication to build greater acceptance of climate change and the changes it necessitates and improve trust and willingness within the community to work together towards a just transition.	123,000
ClimateWorks Australia	<b>Electric vehicle ready local government fleets</b> This project will enable local governments to increase electric vehicle (EV) uptake in their fleets. Working with Municipal Association of Victoria and the EV industry, we will identify demand for EVs across local government fleets, provide supporting information for fleet managers and recommend an innovative procurement model for bulk purchase of EVs and related infrastructure.	90,000
Closed Loop Environmental Solutions	<b>CLO'ey: a food waste processor for home or office</b> The funds will be used for the design, legal set up and commercialisation of Generation two CLO'ey. CLO'ey converts food waste into nutrient rich soil conditioner in only 24 hours, minimising the need for transport or expensive infrastructure. CLO'ey can be deployed in home or office environments where unprocessed food waste separation is undesirable.	300,000

Recipient	Project	Funding Support \$
Deakin University	<b>Fridge off grid</b> Energy consumption from refrigerators alone costs Australian households over \$1.2 billion per year. This project will reduce expenses, power consumption and greenhouse gas emissions by removing refrigerators from the grid through development of a portable solar panel and power storage unit for use where conventional solar panels are not applicable.	56,552
Forrest and District Community Group	<b>The Forrest Gateway to the Otways – assessing feasibility, building collaboration</b> This project will explore the feasibility and options of implementing 'Forrest Gateway to the Otways Collaborative Research and Learning Facility and Fire Refuge'. This will include the technical assessment and design options for fire refuge; the feasibility of a co-located, community driven, collaborative climate research and interactive learning facility. It will also develop an economically and socially sustainable business model for the site led by a community organisation.	250,000
Geelong Sustainability Group Inc.	<b>Climate safe rooms</b> This project will trial the delivery of an energy-efficient room that remains comfortable in both summer and winter extremes, fully insulated and draught-proofed with high efficiency air-conditioning and small solar system to offset running costs, in existing homes of participating vulnerable residents.	300,000
Heytesbury District Landcare Network	<b>Keeping carbon on the farm</b> This pilot project provides a suite of activities that dairy farmers and other primary producers undertake to reduce their greenhouse gas emissions and better prepare for climate change. These activities include revegetation, carbon-sequestering soil amelioration trials and energy reduction strategies.	146,582
La Trobe University	<b>Increasing soil carbon sequestration in dryland grazing systems</b> La Trobe University will work with farmers to test the addition of compost and undertake timed grazing to improve soil biology. This will potentially increase soil carbon sequestration, enhance soil water moisture, reduce emissions and increase farmers resilience to climate change.	300,000
Monash University	<b>Big data analytic approach to assessing impacts of harmful temperatures on wheat crops in northern Victoria: regional economic impacts and opportunities for adaptation</b> The funds will be used to analyse the current and future impacts of extreme daily-temperatures on the wheat economy in north-western Victoria. Through engagement with farmers and the use of innovative-big-data models and statistical techniques, the economic costs/benefits of different options within an adaptation framework will be assessed.	300,000

Recipient	Project	Funding Support \$
Monash University	<b>Victorian TV Weather Presenters as Climate Change Communicators</b> The Climate Change Communication Research Hub at Monash will develop and test an operational structure which brings together University researchers, weather presenters, climate scientists, and commercial TV networks to deliver easy-to-visualise climate science segments to TV audiences by trusted sources.	287,636
Nature Glenelg Trust	<b>Wannon River floodplain restoration: Demonstrating practical climate change mitigation action</b> The Upper Wannon River floodplain surrounding Walker Swamp was modified through past agricultural land use. This project will create a community demonstration site for sustainable floodplain restoration and management. The artificial drainage will be reversed to restore wetland habitats for threatened species and buffer the site against climate change.	300,000
Precision Agriculture Pty Ltd	<b>Demonstrating fertiliser management for emissions reduction in Victorian dairy industry</b> The project will demonstrate on five dairy farms how variable rate application of fertiliser can reduce the amount of free nitrogen leading to a reduction in Nitrous Oxide (N <sub>2</sub> O) released from farms in Gippsland. The aim is to grow adoption of precision agriculture for reduced GHG emissions. The project model will have national application.	125,000
RMIT University	<b>A rapidly deployable fire protective system for firefighters</b> The increasingly warmer and drier climate in Victoria will increase the occurrence of bush fires. This project explores a deployable protection system that is designed for firefighters. It is an origami system that can be unfolded in seconds into a dome which protects a person against the deadly radiant heat and embers.	78,066
RMIT University	<b>Enhanced Indoor Air Quality for improving the Well-being of Vulnerable Populations in Victoria</b> This project aims to enhance the indoor air quality for vulnerable populations through the application of fresh filtered air ventilation in schools and aged care facilities. The results will develop new evidence aimed at improving the well-being and educational outcomes of young children and quality of life and resilience of older Australians, assisting in climate change adaptation.	270,000
RMIT University	<b>Self-sensing flood resilient smart roads</b> The project will explore the implementation of self-sensing flood resilient smart roads that automatically recognise the amount of water on the road surface and alert authorities and emergency services in real time about the magnitude and exact location of the flooding. This will support the quick initiation of contingency plans.	78,000

Recipient	Project	Funding Support \$
Southern Farming Systems	<p><b>Minimising emissions from timing and placement of nitrogen in high rainfall cropping</b></p> <p>Nitrogen use efficiency can be improved by deep banding ammonia-based fertiliser, but none of the research has been undertaken in the high rainfall zone of southern Victoria. This project aims to establish if this research is valid in the Victorian environment and whether the technique can reduce nitrous oxide emissions, denitrification and nitrate leaching in these areas.</p>	77,000
Tarnagulla Alternative Energy Group	<p><b>Tarnagulla Community Based Emergency Management Study</b></p> <p>This grant funds a detailed study of community strengths and challenges to inform a resilience plan that will support the community in managing future natural disasters which are increasing due to climate change.</p>	50,000
The University of Melbourne	<p><b>Bay Beach Resilience to Climate Change</b></p> <p>The beaches of the Bellarine are currently eroding. Traditional models cannot predict their future stability because intertidal rocky outcrops interfere with sand movement. The project will combine the latest field technology (drones and wave probes) with citizen science to predict beach movement to allow coastal managers to be climate change ready.</p>	54,020
The University of Melbourne	<p><b>Growing Landscape Carbon- An Online Brokerage Platform for Integrating Trees in Rural Landscapes</b></p> <p>This project will develop an online brokerage platform to facilitate investment in tree growing for various economic and environmental benefits, harnessing a range of policy incentives with the overarching goal of increasing carbon abatement through the integration of trees in rural landscapes.</p>	252,800
The University of Melbourne	<p><b>Nature-based innovations to help coastal communities adapt to climate change</b></p> <p>Combining advanced manufacturing with innovative community engagement, the project will trial eco-engineered mangrove planters as an adaptive and socially accepted solution to coastal defence.</p>	299,580
Wodonga City Council	<p><b>Putting the Wodonga community solar business case into action</b></p> <p>The Wodonga Community Solar project will implement an innovative working example of a community renewable energy model, that provides benefits to the entire community, including helping adaptation for low income households.</p>	199,000

## Appendix 11: Feed-in tariff data

### Annual Reporting information provided by Victorian distribution businesses

The *Electricity Industry Act 2000* requires Victorian electricity distribution businesses to provide an annual report on the premium feed-in tariff (PFiT) scheme as a condition of their licence to distribute electricity.

Distribution businesses must report on:

- the number of qualifying solar energy generation facilities connected, on the reporting day, to a distribution system operated by that licensee
- the aggregate installed or name-plate generation capacity of qualifying solar energy generation facilities connected, on the reporting day, to a distribution system operated by that licensee
- the total amount of qualifying solar energy generation electricity conveyed, in the 12 months prior to the reporting day, along a distribution system operated by that licensee.

Note:

- a. Reporting for the PFiT scheme is on an annual basis. The reporting day is 31 December of each year.
- b. Aggregate energy exports have been converted to kilowatt hours (kWh) where reported in megawatt hours (MWh) and all installed capacity and aggregate energy export data has been rounded up to the nearest whole number.
- c. Distribution businesses were previously required to report on the transitional feed-in tariff (TFiT) scheme. This is not required any longer because the scheme expired on 31 December 2016.

### PFiT reporting as at 31 December 2018

	AusNet Services	Jemena	Powercor	CitiPower	United Energy
Number PFiT Customers	29,779	8,186	29,340	3,465	18,005
Installed capacity (kW)	61,148	14,043	60,547	6,027	31,388
Aggregate energy exports (kWh)	42,110,339	9,819,573	44,638,000	3,816,000	20,633,000

### Quarterly reporting information as provided by relevant Victorian retailers

The *Electricity Industry Act 2000* requires Victorian electricity retailers with more than 5,000 customers (relevant retailers) to provide a quarterly report on the general feed-in tariff scheme as a condition of their licence to sell electricity.

Relevant retailers must report on:

- the number of small renewable energy generation facilities from which electricity was generated and sold to the licensee in the three months prior to the reporting day
- the total amount of electricity generated by means of small renewable energy generation facilities and purchased by the licensee in the three months prior to the reporting day.

The general feed-in tariff scheme includes the generally available feed-in tariff scheme only.

Note:

- a. The generally available feed-in tariff scheme has been in place for new customers since 1 January 2013.
- b. Aggregate energy exports have been converted to kilowatt hours (kWh) where reported in megawatt hours (MWh) and all installed capacity and aggregate energy export data has been rounded up to the nearest whole number.
- c. Previously, the general feed-in tariff scheme included the standard feed-in tariff (SFiT) scheme as well as the generally available feed-in tariff scheme. The SFiT scheme expired on 31 December 2016.

### 30 June 2019 report

	Number of systems where exports generated and sold to retailer for previous 3-month period	Total amount generated and purchased from these systems for previous 3-month period (kWh)
1st Energy	1,192	587,175
AGL	48,753	35,202,787
Alinta Energy	20,071	14,709,183
Amaysim/Click Energy	5,941	4,116,908
EnergyAustralia	53,688	23,052,888
GloBird Energy	3,987	2,140,009
Lumo Energy	23,314	10,759,946
M2 Energy (includes Dodo Power and Gas and Commander Power and Gas)	4,082	3,163,755
Momentum Energy	14,355	6,836,873
Origin Energy	60,533	38,433,658
People Energy	204	117,970
Powerdirect	5,374	4,132,679
Powershop	12,728	5,165,401
Red Energy	30,216	21,892,945
Simply Energy	26,216	11,286,229
Sumo Power	6,242	3,265,725
Tango Energy	10,879	2,505,618



**31 March 2019 report**

	Number of systems where exports generated and sold to retailer for previous 3-month period	Total amount generated and purchased from these systems for previous 3-month period (kWh)
1st Energy	1,020	894,365
AGL	45,399	47,858,994
Alinta Energy	18,584	19,353,810
Amaysim/Click Energy	5,002	5,704,959
EnergyAustralia	52,806	44,782,770
GloBird Energy	4,070	4,253,884
Lumo Energy	19,787	16,445,719
M2 Energy (includes Dodo Power and Gas and Commander Power and Gas)	4,408	4,628,587
Momentum Energy	12,921	12,026,768
Origin Energy	59,078	53,169,267
People Energy	258	179,550
Powerdirect	4,995	5,678,154
Powershop	11,787	10,143,138
Red Energy	28,567	28,102,803
Simply Energy	25,614	21,475,718
Sumo Power	6,219	5,119,708
Tango Energy	9,804	6,255,748

**31 December 2018 report**

	Number of systems where exports generated and sold to retailer for previous 3-month period	Total amount generated and purchased from these systems for previous 3-month period (kWh)
1st Energy	1,157	783,583
AGL	42,689	37,496,162
Alinta Energy	17,537	13,853,754
Amaysim/Click Energy	4,419	4,809,531
EnergyAustralia	52,081	43,779,897
GloBird Energy	3,950	3,781,365
Lumo Energy	20,628	15,122,285
M2 Energy (includes Dodo Power and Gas and Commander Power and Gas)	5,571	4,496,020
Momentum Energy	11,954	10,737,266
Origin Energy	57,414	42,024,336
People Energy	178	163,690
Powerdirect	4,627	4,622,539
Powershop	11,198	9,627,539
Red Energy	27,969	24,326,915
Simply Energy	23,761	14,405,058
Sumo Power	5,755	4,290,897
Tango Energy	8,004	5,008,300

**30 September 2018 report**

	Number of systems where exports generated and sold to retailer for previous 3-month period	Total amount generated and purchased from these systems for previous 3-month period (kWh)
1st Energy	1,136	330,551
AGL	41,241	16,678,458
Alinta Energy	14,075	4,806,709
Amaysim/Click Energy	3,891	1,645,943
EnergyAustralia	52,674	24,949,079
GloBird Energy	3,719	1,588,645
Lumo Energy	18,970	7,606,092
M2 Energy (includes Dodo Power and Gas and Commander Power and Gas)	4,950	2,220,504
Momentum Energy	12,053	5,650,043
Origin Energy	58,710	21,869,360
People Energy	193	72,270
Powerdirect	4,265	1,962,271
Powershop	10,717	5,076,000
Red Energy	27,054	11,382,484
Simply Energy	23,607	11,178,482
Sumo Power	5,246	1,761,774
Tango Energy	5,629	2,260,356

## Appendix 12: Acronyms

AAS	Australian Accounting Standards	GAIC WIK	Growth Areas Infrastructure Contribution works-in-kind
AIIMS	Australasian Inter-service Incident Management System	GMW	Goulburn-Murray Water
APU	Accredited Purchasing Unit	GOFM	Governance of Financial Management
ARI	Arthur Rylah Institute for Environmental Research	HSR	Health and Safety Representative
CFA	Country Fire Authority	IBAC	The Independent Broad Based Anti-corruption Commission
CMA	Catchment Management Authority	ICT	Information and Communications Technology
COAG	Council of Australian Governments	IGEM	Inspector-General for Emergency Management
CTM	Corporate Travel Management	IPAA	Institute of Public Administration Australia
DEDJTR	Department of Economic Development, Jobs, Transport and Resources	ISO	International Organisation for Standardisation
DELWP	Department of Environment, Land, Water and Planning	LGBTI	Lesbian, Gay, Bisexual, Transsexual and Intersex
DEPI	Department of Environment and Primary Industries	LJFP	Local Jobs First Policy
DJPR	Department of Jobs, Precincts and Regions	MILL	Municipal and Industrial Landfill Levy
DPC	Department of Premier and Cabinet	MoG	Machinery of Government
DPCD	Department of Planning and Community Development	N/A	Not Applicable
DSDBI	Department of State Development, Business and Innovation	NAIDOC	National Aboriginal and Islanders Observance Committee
DSE	Department of Sustainability and Environment	OHS	Occupational Health and Safety
DTF	Department of Treasury and Finance	PAA	<i>Public Administration Act (2004)</i>
EO	Executive Officer	PFF	Project Firefighter
EPA	Environment Protection Authority	PGC	Procurement Governance Committee
EPN	Emerging Professionals Network	PiD	Pride in Diversity
EWR	Environmental Water Reserve	SES	State Emergency Service
FFMVic	Forest Fire Management Victoria	SET	Senior Executive Team
FMCF	Financial Management Compliance Framework	SGV	Surveyor-General Victoria
FOI	Freedom of Information	SoE	Ministerial Statement of Expectation
FRD	Financial Reporting Direction	SV	Sustainability Victoria
FTE	Full-Time Equivalent	VCAT	Victorian Civil and Administrative Tribunal
GAIC	Growth Areas Infrastructure Contribution	VEWH	Victorian Environmental Water Holder
		VGW	Valuer-General Victoria
		VGPB	Victorian Government Purchasing Board

VPA	Victorian Planning Authority
VPS	Victorian Public Service
VRET	Victorian Renewable Energy Target
VWA	Victorian Water Accounts
WoVG	Whole of Victorian Government

**Units of measure**

L	Litre
GL	Gigalitre
MJ	Megajoules
ML	Megalitre
Ha	Hectare
NLA	Net Lettable Area
Ws1	Total waste
Ws2	Waste efficiency
kWh	Kilowatt hours





