

Annual Report 2018



The Victorian Government proudly acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely. We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us. We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

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 2018.

John Bradley

Secretary
Department of Environment, Land, Water and Planning
12 September 2018



Photo credits:

G-Wagon training © Katrina Castles 2018

Orange-bellied parrot 'Black Red S' at the Western Treatment Plant
© Sarah Agterhuis 2018

Yarra River at night © Simon Haber 2018

Tarradale Viaduct, Victorian Heritage Register H1595 © Martin Zweep 2018

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Secretary's message



The Department of Environment, Land, Water and Planning (DELWP) has had a very active and productive year, achieving great outcomes for Victorian communities. In 2017-18 we continued to work closely with communities to deliver across our portfolios of Environment, Energy and Climate Change, Water, Planning, Suburban Development and Local Government.

DELWP continues to lead in responding to climate change and moving towards a zero-emission, climate-ready and sustainable economy and community. The *Climate Change Act 2017* commenced, setting out world-leading legislation to drive action across the government and economy. Victoria's renewable energy industry has grown significantly in response to portfolio initiatives, with 1,551 megawatts of wind farms and 67 megawatts of large-scale solar already in operation, and another 1,441 megawatts of wind farms and 266 megawatts of large-scale solar under construction (as at 30 June 2018). This year also saw the commencement of two large-scale batteries as part of the energy storage initiative and the opening of the Victorian Renewable Energy Auction Scheme.

DELWP anticipated the early start to the fire season by commencing seasonal project firefighters and firefighting aircraft earlier than usual. We attended more than 1,550 fires impacting more than 64,000 hectares. While the number of fires increased, much less land was affected due to the work of our staff protecting people, property and the environment. This reflects *Safer Together*, moving from a hectare target of planned burning, to a risk reduction target. It also involves a more integrated approach to bushfire management across public and private land.

Victoria's environmental protections were significantly improved this year with the release of the *Living with Wildlife Action Plan*, which aims to support the conservation and protection of wildlife populations and welfare, whilst also protecting human health and safety, biodiversity, property and livelihoods. This will ensure Victoria's natural environment is preserved for future generations.

The department made significant progress implementing the second year of *Water for Victoria*. This included delivering on the record \$222 million investment in waterway and catchment health, modernising irrigation districts, and leading on gender equity across the water sector. We also: developed guidelines for assessing the impact of climate change on water supplies; launched Australia's first Integrated Water Management forums across metro and regional Victoria to lead innovative approaches to managing water, including stormwater harvesting and recycled water; and expanded the water grid to provide water security to communities. Melbourne households are also saving money on their water bills, with water corporations responsible for 95 per cent of Victorian households proposing stable or falling average water bills. We have also made significant headway in progressing a balanced Murray-Darling Basin Plan.

At the start of 2018, China introduced new trade measures limiting the import of recycling materials. Although 86 per cent of our recyclables are already processed in Victoria, DELWP worked to mitigate the impact on our recycling system. A \$13 million assistance package was developed to support councils and industries to adjust to the new market conditions. A recycling industry taskforce was also established to develop the *Recycling Industry Strategy Plan*, which is now being implemented.

Within the department, we established the Aboriginal Inclusion Support Branch. This branch is responsible for providing leadership, culturally sound advice and strategic direction to guide and support DELWP in partnering and meaningfully engaging with Traditional Owners and Aboriginal Victorians. The branch is also responsible for the implementation of our *Munganin-Gadhaba* Inclusion Plan. In December 2017, we launched the *Munganin-Gadhaba Action Plan* identifying the 11 actions necessary to achieve our outcomes.

We work to create liveable, sustainable places and thriving natural environments throughout Victoria and we are committed to partnering with and supporting local communities at place. In June 2018, the most significant change to the Victorian Planning Provisions since their creation in the 1990s was made in Amendment VC148. This streamlined planning provisions and schedules, and reduced the size of planning schemes by 5,000 pages. More than 46,000 planning permit applications were issued through Victoria's planning system, totalling approximately \$34.3 billion in proposed works.

The new *Apartment Design and Urban Design Guidelines* were released to provide clear and consistent rules for development. In our regions, the establishment of the Rural and Regional Councils Sustainability Reform Program report identified the barriers and challenges for our rural and regional councils, proposing long-term solutions to financial and operational sustainability.

We introduced innovation in our customer contact centre to deliver on our community charter. Our online media centre provides customers and the community with easy access to our announcements, events, social media and videos – helping us to be available, to speak and listen, and to take action for the community.



John Bradley

Secretary

Department of Environment, Land, Water and Planning

12 September 2018

Summary of outcomes

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 2017-18 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. Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs
8. Sustainable and effective local governments
9. 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 50.

Listed below are a few of the key initiatives and projects delivered for Victorian communities in 2017-18:

Zero emission, climate-ready economy and community

- Provided Victoria with a world-leading legislative foundation to manage climate change risks, maximise opportunities from decisive action, and drive the transition to a climate resilient community and economy with net-zero emissions by 2050, through **the commencement of the Climate Change Act 2017** on 1 November 2017.
- **Opened the Victorian Renewable Energy Auction Scheme (VREAS)**, Australia's largest renewable energy auction scheme. This will support achievement of the Victorian Renewable Energy Targets of 25 per cent of electricity from renewable energy by 2020 (from 2005 levels), and 40 per cent by 2025. Under VREAS, the Victorian Government will award commercial contracts in support of up to 650 MW of new renewable energy generation in Victoria.

- **Commenced construction on the \$350 million, 204 MW Bulgana Green Power Hub.** This will power the expansion of **Stawell's Nectar Farms**, becoming the world's first crop farm to be powered by renewable energy and supporting the state's targets of 15 to 20 per cent reduction in greenhouse gases by the year 2020.

Healthy, resilient and biodiverse environment

- **Supported the introduction of the Environment Protection Act 2017 to Parliament**, receiving Royal Assent on 24 October 2017. This was the first of two phases of environment protection legislative reform to overhaul the 47-year-old *Environment Protection Act 1970*. The second bill was introduced into Parliament on 19 June 2018.
- **Secured a \$13 million temporary relief package** to help councils affected by China's decision to stop the import of low quality mixed recyclable materials. The assistance will fast track infrastructure upgrades in the short term. To assist the recycling industry reset in the medium to long-term, the Government will also establish a recycling industry taskforce to develop a strategic plan for industry transition.
- **Announced the ban of single-use, lightweight plastic shopping bags** from 2019 to help protect our environment. Public consultation from more than 8,000 submissions during the community consultation period found more than 96 per cent of submissions supported a ban.
- **Released the Living with Wildlife Action Plan**, which aims to support the welfare, conservation and protection of wildlife populations, while also protecting human health and safety, biodiversity, property and livelihoods.
- **Launched the Orange-bellied Parrot Recovery Program** to support the survival of the parrot, which currently number only 50 in the wild in Victoria. The program supports the establishment of a flock of captive-bred birds in the wild, to attract wild parrots to join and accompany them during their summer migration.

Reliable, efficient, accessible, safe and sustainable energy services

- **Released the Government's interim response** to the *Independent Review of the Electricity and Gas Retail Markets in Victoria*. The department has already progressed a number of the recommendations, **allocating \$1 million to run an energy brokerage service pilot** to reach up to 10,000 vulnerable households to help them find cheaper, more suitable energy offers.
- **Launched the Power Savings Bonus program** incentivising Victorian households to compare electricity deals for a limited period on Victoria's Energy Compare website with a \$50 bonus. The Victorian Energy Compare website allows customers to search the best energy retail offers on the market for their household needs, typically saving them around \$330 a year. The \$50 incentive is aimed at helping Victorian families get a better deal from power companies.
- **Commenced construction of two large-scale batteries** as part of the most sophisticated energy storage initiative in Australia. Located in Kerang and Warrenheip in western Victoria, the batteries are a \$25 million investment in maintaining a reliable and affordable energy supply in Victoria as the grid transitions to a clean energy future.
- **Released the Energy Efficiency and Productivity Strategy** which supports Victoria's investment in smarter energy usage. This strategy is designed to meet increased demand in energy, mitigate the impact of rising energy costs on low income households and businesses, and reduce greenhouse gas emissions by 34 million tonnes between now and 2030.
- **Launched the Victorian Energy Policy Centre** in collaboration with Victoria University. The Centre's principal output is well researched ideas and assessments that will directly impact on the quality of policy and delivery outcomes in Victoria's energy industry over the next two to five years.

Productive and effective land management

- Introduced the *Parks Victoria Act 2018* to Parliament, receiving Royal Assent on 5 June 2018. **This will re-establish Parks Victoria as a more independent and autonomous land management agency.**
- **Passed the Marine and Coastal Act 2018**, which will facilitate the protection of the coastline and the capacity to address the long-term challenges of climate change, population growth and ageing coastal structures.
- **Released the new Port Phillip Bay (Western Shoreline) and Bellarine Peninsula Ramsar Site Management Plan**, a seven-year blueprint designed to protect and enhance Victoria's internationally acclaimed wetlands.
- **Passed landmark legislation to protect the Macedon Ranges** with the *Distinctive Areas and Landscapes Act 2017*. The new legislation protects the iconic and historic Macedon Ranges region by declaring the Ranges a distinctive area – strengthening planning controls and protecting the region from inappropriate development.
- **Extended the Regional Forest Agreements** in East Gippsland, Central Highlands and North East until 2020. This will support the protection of thousands of hectares of old growth forest, which are crucial to the habitat of threatened species.
- **Released the Lake Bullen Merri Management Plan** to protect the natural geological and hydrological environment of the lake coupled with the cultural heritage values embedded in the region, whilst also supporting recreational activities at the lake.
- **Released the Government Land Use Policy** to improve the delivery of public value for Victorian communities from the state government's land portfolio.
- **Launched the map-based website, GovMap, providing Victorian government users** with core information about government land.

Safe and sustainable water resources

- DELWP made significant achievements in **advancing the Victorian government's affordability agenda** and worked with water corporations to ensure that Victoria maintains its position as having the lowest average household water bills in Australia.
- **Launched the first five of the Flagship Waterways** investments across the state. These are large-scale restoration projects made possible through the Victorian Governments record \$222 million investment into waterway and catchment health
- **Launched the Basin Plan Environmental Report Card** that shows the progress made for fish, waterbirds and vegetation since the Murray-Darling Basin Plan was established, such as the return of Silver Perch to the Goulburn and Campaspe rivers for the first time in 10 years.
- **Supported Victorian State Emergency Services** in their emergency responses to floods using the award winning FloodZoom modelling application and enabled Catchment Management Authorities to fulfil their statutory functions in a standardised, transparent and efficient manner.
- **Developed the Yarra River Protection (Willip-gin Birrarung murrn) Act 2017** jointly with the Wurundjeri Tribe Land Council – making it the first co-titled Act in Victorian Parliament history, with part of the pre-ambles written in Woi-wurrung to provide Traditional Owners a permanent voice in the governance and protection of the Yarra River. The Act guides the Yarra Strategic Plan, which is being brought to life by the 50-year community vision for the Yarra River – released on 31 May 2018 it is the first of its kind for an urban waterway in Australia.
- Appointed Rueben Berg as the **first Aboriginal Water Commissioner to the Victorian Environmental Water Holder**. The new Commissioner has extensive experience in the Victorian water industry and a strong understanding of, and passion for, Aboriginal affairs.
- **Started the re-watering trial of the Bolin Bolin Billabong in Bulleen** in partnership with the Manningham City Council, the Victorian Environmental Water Holder and the Wurundjeri people, to help rehabilitate the area and strengthen important cultural and ecological values.

A quality built environment

- **Launched VicPlan**, a state-wide map to locate any site in Victoria with direct links to planning rules, producing accurate and updated information for 7,000 Victorians a month.
- **Established the Victorian Cladding Taskforce** to investigate and address non-compliant cladding on Victorian buildings and released the Victorian Cladding Taskforce Chairs' interim report which identified the extent of combustible cladding on buildings and a range of recommendations.
- **Prepared the amendments to the *Planning and Environment Act 1987*** which came into operation on 1 June 2018, to facilitate the provision of affordable housing as part of development applications.
- **Implemented Stage 2 of the Smart Planning reforms**, which included VC Amendment 148 – the biggest change to the Victoria Planning Provisions since their creation in the 1990s.
- **Released new Apartment Design and Urban Design Guidelines** for Victoria to help state agencies, local councils, developers and consumers better understand recent improvements to design standards. The new guidelines provide clear and consistent rules for apartment development while allowing for innovation and design excellence.
- The new ***Heritage Act 2017* commenced on 1 November 2017**. Developed from public consultation, this introduced streamlined processes and enforcement tools to ensure Victoria's significant heritage places and objects are appropriately protected.
- **Released the draft framework and planning controls that will guide the development of Fishermans Bend**, Australia's largest urban renewal project covering approximately 480 hectares in the heart of Melbourne.

Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs

- Allocated funding to 40 community infrastructure projects in Melbourne's 10 interface councils through the Growing Suburbs Fund **to support the infrastructure needs of outer suburban communities.**
- **Released the first set of Five Year Plans for Jobs, Services and Infrastructure** for the six metropolitan regions. The plans, subtitled 'initial investment plans' detailed the State Government's strategic and investment priorities across Melbourne's six metropolitan regions.
- **Held six inaugural annual Metropolitan Partnerships assemblies**, providing the opportunity for Partnerships to have a meaningful discussion with communities about what matters to them.

Sustainable and effective local governments

- **Amended the Valuation of Land Act 1960** to centralise and annualise rating and tax valuations with the Valuer-General. This means the three million valuations undertaken by councils every two years are now made by the Valuer-General every year, resulting in more current, consistent and transparent valuations.
- **Introduced the Local Government Bill 2018** into Parliament following three years of consultation with the community. The bill repeals and replaces the *Local Government Act 1989* and will usher in landmark reforms. These changes will modernise the previous Act and provide greater flexibility in dealing with councillors who are doing the wrong thing.
- Continued the four-year Anzac commemorative naming project, which resulted in **more than 100 individual roads named, as well as four features and one locality**. Fifty-six roads and features dedicated to veterans were renamed and given a higher level of recognition.
- **Opened the Bunjil Place Library in Narre Warren.** The library is located in the new \$126 million Casey Cultural Centre Bunjil Place and received a \$750,000 grant from the Living Libraries Infrastructure program. A further 13 councils across Melbourne and regional Victoria have been allocated grants to improve their library facilities and services.

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

- **Delivered the Councils and Emergencies Position Paper** with the objective of understanding the emergency management capability and capacity of local governments.
- **Undertook a direct campaign on social media** to raise awareness of planned burning operations to minimise the impact of major bushfires on the community.
- **Strengthened air monitoring in the Latrobe Valley** with new air monitoring equipment that improves the EPA's ability to locate and watch smoke plumes.
- **A record number of female forest firefighters** joined Forest Fire Management Victoria for the 2017-18 fire season to help tackle fires and keep Victorians safe.

About DELWP

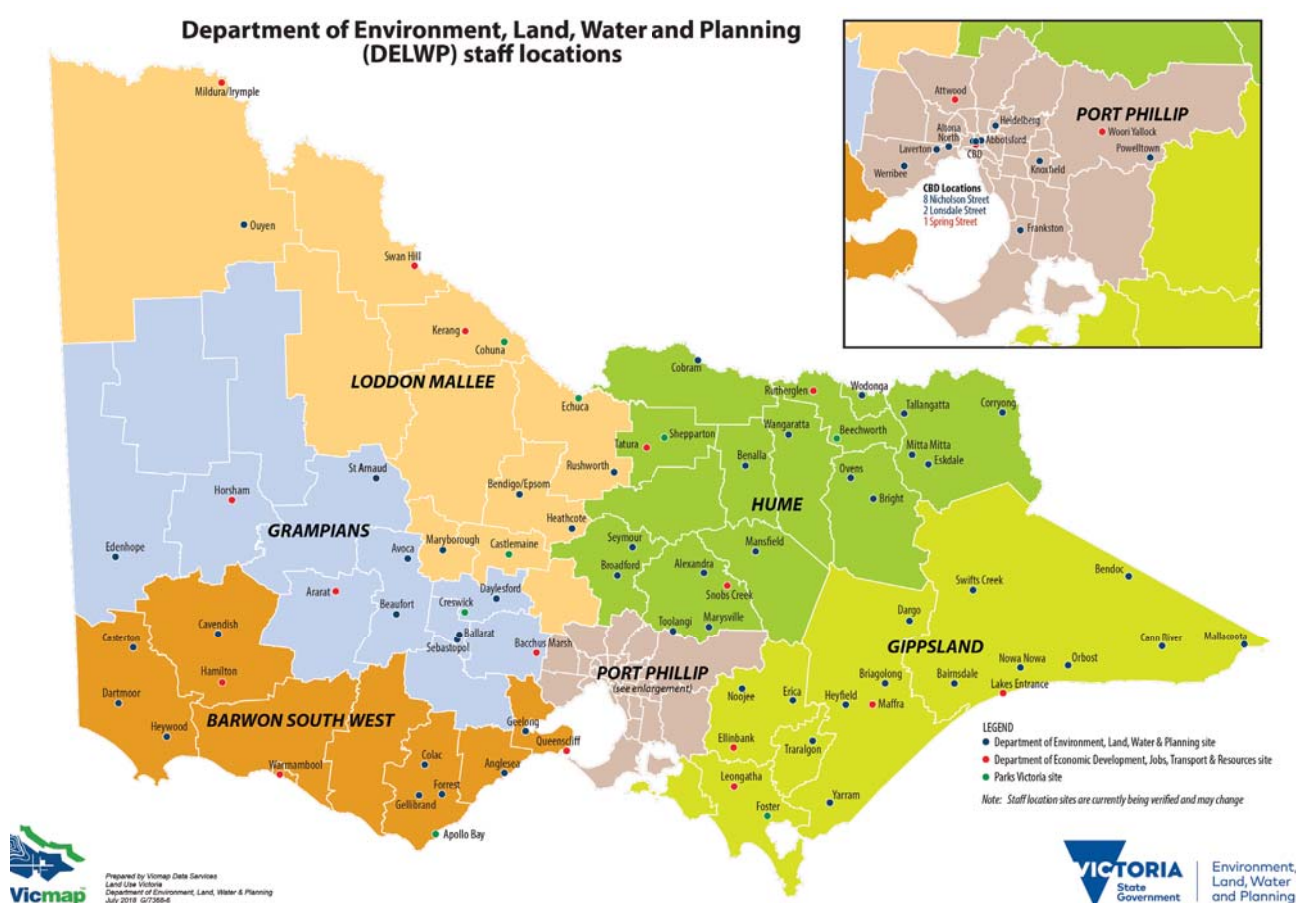
DELWP's purpose is to support liveable, inclusive and sustainable communities and thriving natural environments. The community is at the centre of everything we do.

We focus on caring for and protecting the environment while helping to respond to climate change through risk mitigation and adaptation strategies to help Victoria thrive in a changing world. We recognise the intrinsic link that the built and natural environment has with the quality of our lives. We work to accommodate population growth while maintaining world class liveability and protecting our natural environment, infrastructure and heritage. We assist local governments to support people, communities and growth at the local level.

Our individual and collective expertise and diversity across energy, environment, climate change, water, planning, suburban development and local government are essential to our success. 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.

DELWP employs more than 3,000 staff in 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.

Figure 1: Staff locations



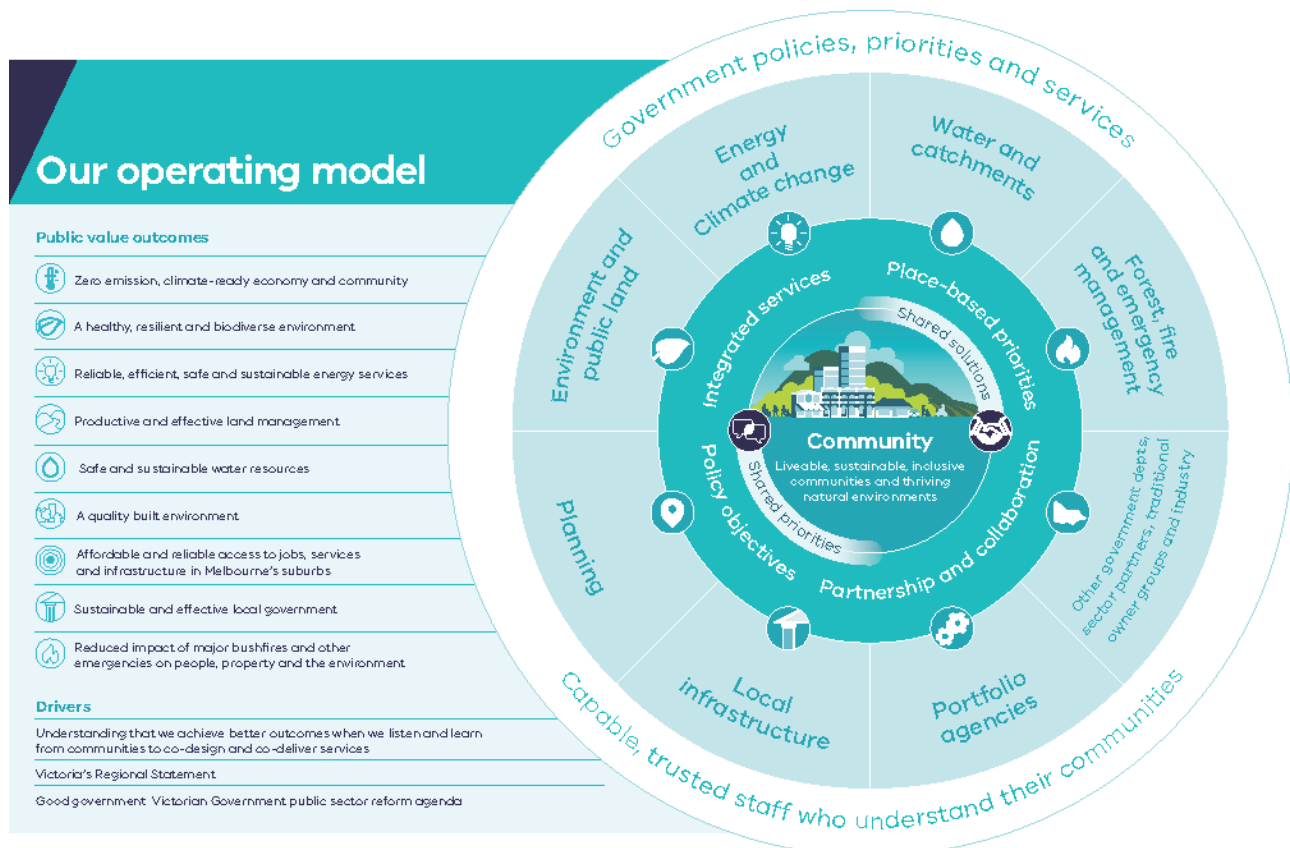
Our community charter and operating model

To make a positive and lasting economic, social and environmental impact, we need to understand and meet the needs of the communities we serve. We recognise that communities are diverse and we will work to deliver services that support liveable, inclusive and sustainable communities and thriving natural environments.

Our community charter describes what Victorians can expect from the department and is our promise to Victorians to:

- **be available** – to be visible in local communities, to make sure we are easy to contact with our information available in a variety of different ways, and to be flexible in adapting our approach according to local needs
- **speak and listen** – to listen and understand the different views and needs, to be honest about what's driving our priorities, what we can and cannot do, and to be clear and purposeful in what we do
- **take action** – talk to the community, to respond quickly to issues and feedback, to be consistent in decisions and to close the loop, informing communities about the outcomes of projects.

Figure 2: Our operating model



Our partners and stakeholders

The charter guides our interactions with communities. This includes connecting with local networks to build capacity and improve our engagement. This continuous improvement helps us achieve our objectives regarding our shared environment and improves outcomes for local communities. We work closely with a wide range of stakeholders, including:

- **Native Title Holders** – We work to ensure Native Title Holders, as Traditional Owners, are recognised through recognition and settlement agreements, and land management agreements. We also partner and work closely with registered Aboriginal parties. These partnerships ensure Traditional Owners and registered Aboriginal parties maintain a strong connection to Country while working collaboratively with DELWP on policy, planning, and approvals relating to activities managed by us and our portfolio partners.
- **Aboriginal Victorians** – We work alongside Aboriginal Victorians to manage the public land estate and its natural values. Through Traditional Owner Land Management Boards and other forms of joint management, Victoria's Traditional Owners are our partners in managing public land and water and in creating a shared vision for managing natural and cultural values. In their strong connection to Country, Aboriginal communities have many interests and roles within environment, land, water, planning, heritage, energy and local government and communities.
- **Community groups** – We work to build better relationships, involve the community to reach decisions through Engage Victoria and improve engagement between community members and DELWP staff to enhance liveability and decrease bushfire risk. We will continue to support participation in environmental works and activities by a diverse range of local community groups through Landcare and other not-for-profit and volunteer organisations.
- **Portfolio partners** – We collaborate with a wide range of portfolio partners to create liveable, inclusive and sustainable communities. Our activities to protect the natural environment and ensure reliable ecosystem services are delivered through a range of public sector entities, including the Environment Protection Authority, Parks Victoria, Sustainability Victoria, Royal Botanic Gardens, Zoos Victoria, Trust for Nature, water corporations, the Victorian Environmental Water Holder, catchment management authorities, Phillip Island Nature Park, Alpine Resorts Coordinating Council, Alpine resort management boards, tourism organisations, and waste and resource recovery groups. We partner with a wide range of statutory bodies to protect and enhance the built environment. These include Development Victoria, the Victorian Building Authority, the Victorian Planning Authority, the Heritage Council of Victoria and the Office of the Victorian Government Architect.
- **Metropolitan Partnerships** – We have established six Metropolitan Partnerships across Melbourne's regions. These bring together State, Local and Commonwealth governments, plus industry and community leaders, to identify opportunities for driving improved social, economic and environmental outcomes and to advise government on actions that can make a positive difference to the liveability and prosperity of Melbourne's suburban communities.
- **Regional Partnerships** – We work with the nine Regional Partnerships across the state, which brings DELWP together with public, private and community sectors to consult and engage with communities year-round to identify priorities for their regions, and to develop collaborative solutions to local problems.
- **Victorian councils** – In accordance with the *Victorian State-Local Government Agreement*, we work with Victoria's 79 councils to support effective local governance, plan for growth and provide infrastructure. We administer the *Local Government Act 1989* to support councils and peak bodies build the sector's capacity to plan and deliver services and infrastructure.
- **Victorian Government departments and agencies** – We work with all departments in joint strategic planning and infrastructure development. We work with Emergency Management Victoria, Victoria Police and other emergency management agencies to prepare for, respond to and recover from natural disasters and other emergency events. We continue to work with Energy Safe Victoria, the Essential Services Commission, national institutions, the Australian Energy Regulator, the Australian Energy Market Operator and the Australian Energy Market Commission to ensure efficient, sustainable, reliable and safe energy services for households and businesses in Victoria.
- **Commonwealth Government** – We work with the Commonwealth to deliver major infrastructure projects, support national agreements and initiatives as developed by the Council of Australian Governments (COAG) and portfolio-based national ministerial councils including the COAG Energy Council and its Senior Committee of Officials.

- **Industry and business** – We work with industry and businesses to identify and facilitate opportunities for improving the state’s productivity, attract new investment and generate jobs and growth. This includes engaging the private sector on infrastructure planning and delivery, attracting investment in innovative renewable energy generation technologies, supporting energy efficiency for small and medium businesses, delivering sustainable industrial and housing development, as well as improving regulatory processes and streamlining the state’s planning, building and heritage systems.
- **Ministerial advisory bodies** – We work with ministerial advisory bodies across our portfolio areas of responsibility. These include the Victorian Coastal Council, Victorian Environment Assessment Council, a range of advisory committees established by Planning Panels, a Four-Wheel Drive Advisory Committee, and a Local Government Mayoral Advisory Panel.
- **Peak bodies and academia** – We work with statewide organisations, industry bodies, policy institutes, and universities, including RMIT and Melbourne University. These relationships encompass research, policy development, program implementation and funding support. Our key partners include VicWater, Cooperative Research Centre for Water Sensitive Cities, Victorian Mineral Water Committee, the Municipal Association of Victoria, Victorian Local Governance Association, Federation of Victorian Traditional Owner Corporations, Law Institute of Victoria, Planning Institute of Australia, Victorian Planning and Environmental Law Association, Urban Development Institute of Australia, Property Council, Australian Property Institute, land surveying, conveyancing, and planning and environmental organisations.
- **International engagement** – We continue to strengthen our ties with international government agencies. We are exchanging knowledge across our portfolios on liveability and sustainability initiatives, on managing the challenges of population growth and climate change, and to influence international practice and to inform our own performance in local government.

Our culture and values

At DELWP, we believe our culture reflects how we approach our work, make decisions and interact with each other. It is driven by our values and impacts how things get done at work, how we make decisions, how we solve problems, how we create and innovate, how we work together and how we succeed as a department.

Together, we have identified an agreed set of behaviours, which bring to life our values of Service excellence, Teamwork, Ownership, and Wellbeing and Safety. By embodying these values, we create a high performing, positive culture that makes DELWP a great place to work. The *Victorian Public Service Values and Code of Conduct* sets the expectations of how we behave as public servants.

Our contribution to a liveable and inclusive Victoria can be achieved by building a positive culture that drives excellence through strong leadership, capability, diversity, collaboration, and innovation. DELWP's People strategy provides us with the

roadmap for the evolution of our organisation and a guide to how we must work to achieve our goals. Our People Committee was established in December 2017 and provides guidance and support in the delivery of our people strategy outcomes.

We strive to be an inclusive workplace where our people reflect the communities we serve. The more diverse we become, the more effective we can be in delivering the policies and programs our community wants and needs.

DELWP is developing partnerships to increase opportunities for Aboriginal employment, cultural wellbeing and economic prosperity, while bringing knowledge of Country to our management of land, water, and the natural landscape and built environments. Our vision is to increase the self-determination and involvement of Aboriginal Victorians in decision-making in Victoria and in our work towards economic growth and liveable, sustainable, and inclusive communities.

Teamwork

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

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.

Wellbeing and Safety

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

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's and communities needs by stepping into their shoes.

Our Ministers



Minister for Water Coordinating Minister for DELWP

The Hon. Lisa Neville MP was appointed as the Minister for Water in 2016 and became Victoria's first female Minister for Police.

Ms Neville was elected as the Member for Bellarine in 2002.



Minister for Local Government (September 2017 onwards)

The Hon. Marlene Kairouz was appointed Minister for Local Government in 2017, and is also Minister for Consumer Affairs,

Gaming and Liquor Regulation since June 2016.

Ms Kairouz was elected Member for Kororoit in 2008.



Minister for Energy, Environment and Climate Change and Minister for Suburban Development

The Hon. Liliana (Lily) D'Ambrosio MP was appointed Minister for Energy, Environment and Climate Change

and Minister for Suburban Development in 2016.

Ms D'Ambrosio was elected to the Lower House seat of Mill Park in 2002.

Minister for Local Government (December 2014 - September 2017)

The Hon. Natalie Hutchins MP was appointed Minister for Local Government in 2014 and is also Minister for Aboriginal Affairs, Minister for Women, Minister for Family Violence and Minister for Industrial Relations.

Ms Hutchins was elected Member for Sydenham in 2014.



Minister for Planning

The Hon. Richard Wynne MP was appointed Minister for Planning in 2014.

Mr Wynne was elected Member for Richmond in 1999.



Parliamentary Secretary for Water and Parliamentary Secretary for Energy, Environment and Climate Change

Anthony Carbines MP was appointed Parliamentary Secretary for the Environment in 2014. In July 2016, he was appointed Parliamentary Secretary for Water and Parliamentary Secretary for Energy, Environment and Climate Change.

Mr Carbines was elected Member for Ivanhoe in 2010.

Our executive

The department is led by the Secretary who reports to the ministers listed.

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 diverse expertise in the electricity, gas, water and resources sectors and has partnered with national and international stakeholders in natural resource management, conservation and sustainability. He has a record of transformational leadership with successful initiatives in business process improvement, workforce renewal, cultural change and systems integration.

John was also CEO of Queensland Water Commission 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 Masters of Business Administration from the Queensland University of Technology.

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

Helen Vaughan is the Deputy Secretary, Water and Catchments. She has previously worked in executive roles as Regional Director, most recently for DELWP in south-western Victoria, and for the former Department of Environment and Primary Industries (DEPI) and Department of Sustainability and Environment (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.

Kathryn Anderson **Deputy Secretary, Corporate Services**

Kathryn Anderson is the Deputy Secretary, Corporate Services. Kathryn is responsible for the delivery of people and culture, finance, strategy, performance, legal services, 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 ICT shared services agency.

Kathryn holds a Bachelor of Arts from the University of Queensland and a Graduate Certificate in Business from the 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 Local Government Victoria, Land Use Victoria and the Office for Suburban Development to deliver services and infrastructure that will help build stronger communities across the state.

Terry has been a career public servant for nearly 40 years and has served in several Commonwealth and Victorian public service 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. He is a National Fellow of the Institute of Public Administration and was awarded a Public Service Medal in the 2018 Queen's Birthday Honours.

Christine Wyatt
Deputy Secretary, Planning

Christine Wyatt is the Deputy Secretary, Planning. Christine was appointed the role in 2014 in the former Department of Transport, Planning and Local Infrastructure (DTPLI).

Christine is responsible for leading the state's planning, building and heritage systems. Christine previously worked in consulting where she led planning and assessment for some of the largest infrastructure projects in Australia, including the Victorian Desalination Project, Peninsula Link and the Melbourne Urban Growth Boundary Strategic Assessment.

Christine is a board member of Development Victoria. She was previously Deputy Chair of Places Victoria, former board member of the Victorian Planning and Environmental Law Association.

Christine brings over 30 years of experience in urban and environmental planning throughout Australia and internationally, encompassing government liaison, statutory and strategic planning, policy development and formulation, environmental impact assessment, environmental management, and implementation of stakeholder communication strategies.

Christine holds a Bachelor of Town and Regional Planning and a Masters in Environmental Studies from the University of Melbourne and a graduate member of the Australian Institute of Company Directors.

Kylie White
Deputy Secretary, Energy, Environment and Climate Change

Kylie White was appointed the Deputy Secretary, Energy, Environment and Climate Change 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 Victorian Public Service, 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.

Lee Miezis
Deputy Secretary, Forest, Fire and Regions

Lee is the Deputy Secretary, Forest, Fire and Regions Group. Lee was appointed as the Deputy Secretary on 31 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, he 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 DEPI and former DSE.

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

Our people

Our aspiration is to have a workforce that represents the communities in which we operate and live.

The department employs 3,660 full time equivalent staff, who work from more than 82 locations across Victoria.

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.

Developing our people

We prioritise the development of our people and agree the focus for development each year. We look for the right balance between technical and generalist skillsets. This year we implemented a program to create a large scale workforce capability improvement across 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 have designed, piloted and delivered more than 10 new programs to support these themes. Our staff participated in multiple development sessions including the top five below:

- Digital First training (1,306)
- Project management (790)
- Management and leadership programs (530)
- Policy workshop and policy forum (440)
- Aboriginal cultural awareness and safety (260)

The inaugural Policy Forum: “Better policy outcomes – tips and techniques for putting community at the centre” was run in coordination with the Department of Premier and Cabinet in May 2018.

People matter survey

Each year staff are asked to participate in the People Matter Survey. This year, 52 per cent of our total workforce participated in the survey. Based on a comparison of this year’s survey with those of previous years we have improved levels of satisfaction, engagement and commitment since 2016 across most groups.

We have made good progress in both our support of mental health and wellbeing, in our understanding of the *Charter of Human Rights*, and improvement across a range of psychological health in workplace responses.

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 based on the key selection criteria and other accountability without discrimination. Employees have been correctly classified in workforce data collections.

Diversity and inclusion

The department is committed to building an inclusive workplace that utilises the full potential of employees, embraces difference and uses diversity of thought as a catalyst for innovation and improved service delivery for Victorian communities.

We are creating an organisation where our people feel proud of who they are and feel safe to be themselves at work.

Acknowledgement and celebration

DELWP builds awareness and shared understanding of our diverse community through participation and support of a broad range of events. These include: Reconciliation Week; National Aboriginal and Islanders Observance Committee Week (NAIDOC); Carers week; International Day for People with a Disability; International Women’s Day; Victoria Against Violence, Human Rights Day; Midsumma Festival; the Pride March; Cultural Diversity Week; International Day Against Homophobia, Transphobia and Biphobia; ChillOut, R U OK Day and Wear it Purple Day.

Key achievements for the year

Munganin-Gadhaba

DELWP’s Aboriginal Inclusion Plan, *Munganin-Gadhaba*, aims to ensure recognition and respect for Aboriginal peoples’ culture and traditions are incorporated into management of the land and built environment. The plan reflects the key principles of the Victorian Aboriginal Affairs Framework 2013-18, including:

- establishing collaborative relationships with Traditional Owners and Aboriginal Victorians
- Caring for Country
- Self-Determination.

A key step for Aboriginal inclusion in DELWP has been the establishment of the Aboriginal Inclusion Support Branch (AISB). The AISB is responsible for the implementation of *Munganin-Gadhaba* and providing leadership, culturally sound advice and strategic direction to guide and support DELWP to genuinely partner and meaningfully engage with Traditional Owners and Aboriginal Victorians.

In December 2017, the AISB launched the *Munganin-Gadhaba* Action Plan. This plan identifies 11 actions under the three key outcome areas to achieve Aboriginal inclusion. Key AISB projects and actions for delivery throughout 2018 include:

- the release DELWP's Aboriginal flag flying policy
- the publication of statements acknowledging Victoria's aboriginal community on all DELWP on-line platforms
- the establishment of the Natural Resource Management Collaborative Body
- the development of DELWP's cultural safety framework
- the establishment of DELWP's Aboriginal engagement framework
- the review of DELWP's Aboriginal procurement policies.

Other achievements across the department to deliver on the *Munganin-Gadhaba* outcomes (Recognition and Respect, Opportunity and Prosperity and Participation and Collaboration) include the formation of the first Water for Country Project Control group and issuing of the first Aboriginal Water Grants in Victoria.

DELWP's Aboriginal Employment Plan 2016-2020 continues to strengthen our relationships with Traditional Owners and Aboriginal communities across the state to provide employment, training and business opportunities to Aboriginal people in Victoria. A range of actions were taken including:

- The *Munganin-Gadhaba* Aboriginal Staff Network have moved to a self-determining governance structure with the appointment of an Aboriginal staff steering committee. The steering committee successfully delivered a two-day Aboriginal staff conference in March 2018.
- Scholarships in post-graduate and bachelor level qualifications continue to be sponsored to support Aboriginal staff and community members in reaching their potential.

- Accessing intergovernmental capability building programs to support and develop the careers of Aboriginal staff has been a key focus. Also nominating Aboriginal staff for participation in a pilot future Aboriginal leader program.
- An Aboriginal cultural safety program has also been successfully piloted as part of the development of the Aboriginal cultural safety framework.

Gender equity

DELWP remains focussed on building greater gender equity within the department. With more than 50 per cent of our executive who are women, we are leading from the top. Alongside other Victorian leaders, our Secretary John Bradley took the Gender Equality Pledge in March 2018 – a public declaration to support gender equality at DELWP. The Secretary has also joined the Male Champions of Change program to build on the work already underway at DELWP and the Victorian community to bring about and maintain gender equality.

Our ability to support our people who are carers, and particularly parents, was enhanced when in November 2017, we launched Parenting@DELWP, a program designed to support all our parents as they transition onto, and back from, parental leave.

Workforce inclusion policy initiative	Target	Actual progress in 2016-17	Actual progress in 2017-18
Gender profile at executive levels ¹	Executive Officers: 50 per cent women; 50 per cent men by 2019	Executive Officers: 53 per cent women; 47 per cent men	Executive Officers: 54 per cent women; 46 per cent men

(i) Note that the self-described category is NIL in for this year.

Lesbian, Gay, Bisexual, Transgender and Intersex community

DELWP is proud to have again achieved a Bronze Employer Ranking in the Australian Workplace Equality Index for our work in 2017. This is the national benchmarking instrument for LGBTI workplace inclusion and our second year receiving this ranking.

DELWP continues to offer an independent LGBTI employee assistance program along with offering 'LGBTI awareness in the workforce' and 'LGBTI Ally' training staff.

Multiculturalism

Our staff network is now well established to encourage, support and celebrate our multicultural workforce and the work we do in partnership with our multicultural communities. Multicultural@DELWP supported celebrations across the department for Cultural Diversity Week and Harmony Day. This year DELWP staff also gathered for a weekly meal to celebrate the breaking of the fast during Ramadan – the Iftar gatherings were supported by many staff in May and June 2018.

Access and inclusion

In 2018 DELWP engaged in an extensive staff consultation process to build DELWP's Disability Action Plan, which will be known as DELWP's Access and Inclusion Plan to be released early 2018-19. The DELWP Enablers Network for DELWP staff with a disability, carers of people with a disability, and allies was established in May 2018 with the objective to influence access and inclusion for people with a disability at DELWP.

Life stages

DELWP supports a Young Professionals Network that promotes networking and development for young (and young in career) professionals. This is run in conjunction with the Department of Economic Development, Jobs, Transport and Resources, with more than 560 people in the network.

In early 2018 our Graduate programs recruited a total of 26 graduates. The retention rates since 2015 for the graduate programs exceeds 90 per cent.

During 2017-18, DELWP conducted research into identified age-related issues, challenges and solutions for DELWP's mature age staff. Recommendations have been included in DELWP's People Strategy.

Flexible work

All staff can access flexible working arrangements while continuing to deliver business outcomes. By understanding that work is just one component of our people's lives, we support them to be their best at work. Our March 2018 flexibility survey results told us 79 per cent of employees are working flexibly. In December 2017, we launched an online job-sharing tool to help our people connect and to create effective pairs to share a job.

Wellbeing and safety

At DELWP we protect the wellbeing and safety of our people. The department actively supports the physical and psychological wellbeing of our people and promotes a healthy workplace by maintaining safe systems of work.

Our commitment to wellbeing and safety is based on four key pillars: Lead, Understand, Act and Improve, which are reflected in the *Safety and Wellbeing Strategic Framework*.

DELWP continues to strengthen its commitment to our core values of wellbeing and safety with the adoption of the *Victorian Public Sector Mental Health and Wellbeing Charter*. The Charter's vision is to enhance the mental health and wellbeing of our people by embedding mental health and safety risk management into our workplace and having our senior leaders champion mental health and wellbeing across the department.

Wellbeing programs

DELWP is committed to creating a mentally healthy workplace, focusing on actions that protect, promote and address the mental health and wellbeing of our staff.

Mental health and wellbeing training, guided by the Victorian public-sector requirements, has been developed to embed support of mental health and wellbeing into how we do our business and build the capabilities of our executives, managers and supervisors and all staff.

The department continues to invest in support services that provide options for staff needing assistance. With 84 ongoing trained Peer Supporters and an annual use of 8.2 new referrals per 100 employees, our staff utilise the support services available.

Safety programs

DELWP undertook more than 360 site and field audits across the state during 2017-18, resulting in over 700 corrective actions and safety improvements across our Regional and Metropolitan divisions.

Information and system improvements have been made to safety and wellbeing documents and processes. These developments ensure that our systems continue to reflect legislative requirements, are relevant to the department, meet departmental business requirements, are achievable and sustainable by users across the state and are user friendly.

Key achievements:

- Leadership in the establishment of the Mental Health Charter
- Integrated the organisational incident management system into the Cloud environment
- Developed and implemented the organisational incident management system into an App environment
- Delivered the Annual Health and Safety Representative Forum
- Enhanced the framework for managing safety and wellbeing in Metro Regions, including key improvements to the consultative structure and budget framework
- Nearly three quarters of all managers and supervisors have completed Leading Safety and Wellbeing training in DELWP
- Over two thirds of all managers and supervisors have completed Psychological First Aid training.

Workplace relations

During the year, the department supported the business through 12 organisational change management programs including the Planning group, Local Government Victoria, Corporate Services group and Energy, Environment and Climate Change group.

DELWP also processed portfolio statutory authorities' enterprise agreements through to government approval, and provided general industrial advice and assistance. In 2017-18, 10 management logs and 15 final agreements were processed through to government approval.

The department recorded no industrial relations incidents that resulted in lost time in 2017-18.

Grievances

In 2017-18, the department received 24 new grievances with no grievances being carried over from the previous financial year. The table below shows grievances by outcome:

2017-18: Grievances by outcome

Outcome	Number
Withdrawn	3
Not substantiated	1
Partially substantiated	0
Substantiated	13
Rejected	6
No further action required	1
Open	0
Total	24

Workplace Incidents

In 2017-18, the department had 733 incidents, 70 higher than 2016-17. This is an incident rate decrease of 1.2 per cent per 100 FTE.

OHS performance indicators ⁽ⁱ⁾

Description	Performance indicator	2015-16	2016-17	2017-18
Incidents and hazards ⁽ⁱ⁾				
	Incidents	746	663	733
	Lost time incidents	98	80	76
	Hazards	215	170	161
	Incident rate per 100 FTE ⁽ⁱⁱ⁾	21.03	19.80	18.6
WorkCover ⁽ⁱⁱⁱ⁾				
Claims	Number of standard claims	49	47	42
	Rate per 100 FTE	1.22	1.17	1.06
	Standard claims with lost time	35	33	27
	Rate per 100 FTE	0.87	0.82	0.68
Fatalities	Number of fatalities	0	0	0
Claim costs	Average cost per claim (\$)	47,277	39,839	26,485
Return to work (RTW)	Percentage of RTW arrangements initiated for claims exceeding 20 days per 100 FTE	70.6	72.2	83.3
Management commitment	Evidence of safety and wellbeing policy, strategy, regular reporting to senior management, safety criteria in purchasing guidelines	Achieved	Achieved	Achieved
Consultation and participation	Designated work group structure, health and safety representatives (HSR) and issue resolution procedure in place	Achieved	Achieved	Achieved
Risk management	Internal audits/inspections conducted as planned Reporting of incidents and injuries Investigation of incidents and corrective actions initiated	Achieved	Achieved	Achieved
Training	Safety and Wellbeing Induction Job Safety Planning HSR training Management training	Achieved	Achieved	Achieved

Note:

(i) Data sourced from DELWP Safety Incident Management System (POSSUM).

(ii) The incident and hazard rates based on 2017-2018 FTE count represents March 2018 figures of 3943.20 FTE which includes the majority of Project Firefighters.

(iii) The data is sourced from the Victorian WorkCover Authority. The 2017-18 rate is based on FTE count at 30 June 2018. This excludes external contractors/consultants and temporary staff employed by employment agencies.

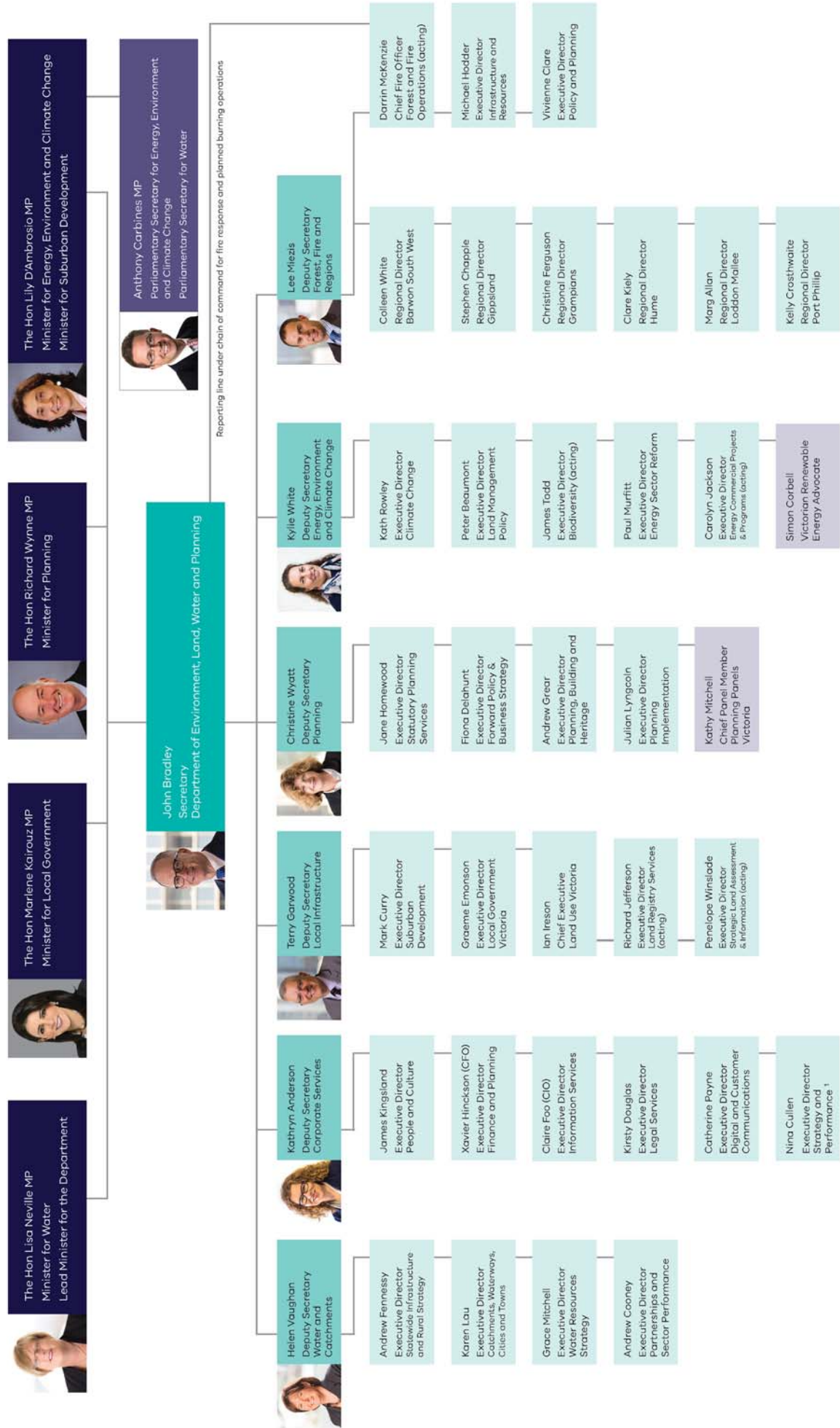
Our functions and services

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

- **Energy, 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, environmental protection and the sustainable use of energy, and management of natural and built assets on public land. 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** – provides high quality policy advice to government on forest, fire and emergency management; and delivers integrated, accessible and high-quality departmental programs and services in partnership with local communities. The group also helps communities to prepare for, respond to and recover from fire and other emergencies, and provides valuable intelligence to decision makers on how policy and program design can be shaped to better meet the needs of the Victorian community.
- **Local Infrastructure** – works with local government to support the delivery of services and infrastructure to build stronger communities across the State. The group also provides administration and information services for the Victorian property industry and the community. Within this group is the Office for Suburban Development, which works with the six Metropolitan Partnerships to ensure that as Melbourne grows, suburbs have the infrastructure and services they need for a liveable and sustainable future.
- **Planning** – manages the State's planning, building and heritage systems including, developing long-term, integrated land use strategies and policies; administering statutory responsibilities and facilitating urban development. Under Victoria's planning system, local councils and the Victorian government develop planning schemes to control land use and development, and to also ensure the protection and conservation of land. The group also works collaboratively with local government and other key public and private stakeholders to inform and lead development, as well as strategic and statutory planning.
- **Water and Catchments** – works to ensure that Victoria has safe and sustainable water resources that 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 helps to deliver secure water supplies, greener, more liveable cities and towns, as well as healthy waterways and aquifers. The group is responsible for the implementation of the Victorian Water Plan, which sets the strategic direction regarding Victoria's water management for decades to come.
- **Corporate Services** – enables good governance, delivers efficient and effective services to meet customer needs, and to deliver DELWP's strategic framework. Together DELWP delivers better services across people and culture, finance, information services, digital and customer communications (including the customer contact centre) and legal services. Within this group is the new division Strategy and Performance, this division will develop a more collaborative and integrated approach across the department and improve on how DELWP delivers services to government and communities.

Organisational structure

The organisational chart shows the department's structure and senior executives for delivery of functions as at 30 June 2018:



¹Division operational from July 2018

Governance

Under the *Public Administration Act 2004*, the Secretary is accountable to the Minister for Water, Minister for Energy, Environment and Climate Change and Minister for Suburban Development, 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.

Senior Executive Team

The Senior Executive Team (SET) is made up of the Secretary, Deputy Secretaries and the Executive Director of the Strategy and Performance division (operational July 2018). SET's job is to establish strategies, frameworks, policies and structures to guide the 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.

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.

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.

Information, Communication and Technology (ICT) 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 whole of Victorian Government Standards for ICT governance and ICT expenditure reporting, the shift to digital service delivery, and the management of public sector information.

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 2017-18, 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

Procurement Committee

The Procurement Committee (PC) 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*. The PC membership is appointed by the Secretary and meets monthly.

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 public value outcomes). It also reports on the delivery of the department's outputs, including performance results against the output measures published in the *2017-18 Budget Paper Number 3: Service Delivery* (BP3) and performance of the key initiatives and projects as outlined in the *Corporate Plan 2017-2021*.

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 153.

The table below provides a summary of DELWP's objectives, indicators, and outputs for 2017-18:

Departmental objectives	Indicators	Outputs
Zero emission, climate-ready economy and community	Reduction in emissions from government operations ⁽ⁱ⁾ Percentage reduction in Victoria's greenhouse gas emissions relative to 2005 ⁽ⁱ⁾ Number of pledges made under the TAKE2 climate change pledge program ⁽ⁱ⁾	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, efficient, accessible, safe and sustainable 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 ⁽ⁱⁱ⁾	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	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) ⁽ⁱⁱⁱ⁾ Number of river reaches/wetlands with maintained or improved environmental condition	Effective Water Management and Supply

(i) New objective indicator to reflect the achievement of the objective 'Zero emission, climate-ready economy and community'.

(ii) New objective indicator to reflect the achievement of the objective 'Reliable, efficient, accessible, safe and sustainable energy services'.

(iii) This objective indicator replaces the 2016-17 indicator 'Proportion of properties completely connected to the modernised irrigation delivery system (in the Goulburn Murray and Macalister Irrigation Districts)'. The new indicator reflects a broader range of irrigation modernisation projects.

Departmental objectives	Indicators	Outputs
A quality built environment	Efficient provision of timely and authoritative information on population and land use ^(iv) Efficient administration of Victoria's planning, building and heritage systems	Planning, Building and Heritage
Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs ^(v)	Community satisfaction in public places ^(vi)	Suburban Development
Sustainable and effective local governments	Satisfaction with the performance of councils as measured through the Local Government Community Satisfaction Survey	Local Government
Reduced impact of major bushfires and other emergencies on people, property and the environment	Percentage of bushfires contained at first attack and/or under five hectares to suppress bushfires promptly, keep bushfires small and minimise loss Area treated through planned burning and other treatments to maintain the statewide bushfire risk at or below 70 per cent Adoption of consistent systems across the Department to support efficient and effective emergency management Percentage of agreed departmental emergency management obligations met on time and to standard The economic impact of fire prevention and preparedness investment ^(vii)	Fire and Emergency Management

Changes to the output structure

The Department has made changes to its output structure for 2017-18, as shown in the table below:

2016-17 outputs	Reason	2017-18 outputs
Environment, Biodiversity and Climate Change	This output has been disaggregated to provide increased clarity and accountability.	Environment and Biodiversity Climate Change
Management of Forests, Parks and Public Land	This output has been disaggregated to provide increased clarity and accountability.	Management of Public Land and Forests Parks Victoria
N/A	This is a new output created for the new Suburban Development portfolio.	Suburban Development
Land Victoria	This output has been renamed to reflect the new name of the former Land Victoria agency.	Land Use Victoria

(iv) This objective indicator replaces the 2016-17 indicator 'Efficient provision of timely and authoritative information on population growth and change'. The new indicator provides a broader indication of how the department supports government priorities through the delivery of data and research outputs.

(v) This is a new objective for 2017-18 that reflects a change to the department's priorities following the creation of the new Suburban Development portfolio that came into effect in May 2016.

(vi) This is a new objective indicator to reflect the achievement of the objective 'Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs'.

(vii) This is a new indicator that reflects funding provided in the 2017-18 Budget for the Reducing bushfire risk program.



Zero emission, climate-ready economy and community

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 emission, climate resilient future.

The department leads the modernisation of legislative, regulatory and governance arrangements in the environment portfolio, applying economic, research and scientific expertise in developing policy responses to harness Victoria's current and emerging sustainability opportunities.

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 Victorians, the natural environment and the economy. Global action to reduce greenhouse gas emissions also creates challenges and opportunities for Victoria, necessitating the transition to a net-zero emissions and climate resilient Victoria.

Performance trends and key initiatives

DELWP leads the Victorian Government response to climate change, in line with the *Climate Change Act 2017*, *Victoria's Climate Change Framework* and *Victoria's Climate Change Adaptation Plan 2017-20*. The Government's response includes reducing greenhouse gas emissions, adapting to the impacts of climate change, and supporting the economic and social transition in a changing climate.

The *Climate Change Act 2017* came into effect on 1 November 2017. The Act provides Victoria with a world-leading legislative foundation from which to manage climate change risks, maximise the opportunities that arise from decisive action, and drive our transition to a climate-resilient community and economy. The Act requires the Victorian Government to set five-year interim greenhouse gas emissions reduction targets, starting in 2021, that sets Victoria on a pathway to net-zero greenhouse gas emissions by 2050.

The Minister for Energy, Environment and Climate Change appointed an Independent Expert Panel (the Panel) in October 2017 to provide advice on the first two sets of interim targets for 2021-25 and 2026-30. The Panel sought input from the Victorian community from March through to May 2018 and will provide its final report to the Minister by 22 February 2019.

DELWP has also implemented a range of actions under the *Climate Change Adaptation Plan 2017-2020* including: improving responses to climate change risks through land use planning; working with local governments to build capacity in adaptation, including funding for the web-based 'How Well Are We Adapting' tool to help Councils monitor, evaluate and report on climate adaptation; and hosting the inaugural Adaptation Sector Summit on 7 May 2018, bringing together government, business, community groups and researchers to discuss cross-sectoral climate change adaptation issues such as managing risks to infrastructure, supporting vulnerable communities and facilitating community transitions.

ResourceSmart Schools is a Victorian Government initiative, managed by Sustainability Victoria, that helps schools benefit from embedding sustainability in everything they do. It helps schools reduce costs while giving students the opportunity to learn about sustainability in a tangible and realistic environment. In 2017-18, 586 schools participated in the ResourceSmart Schools program. In October 2017, the ResourceSmart Schools Awards celebrated its tenth anniversary. Over 1,000 entries to the awards have been submitted over the past ten years; inspiring campus, curriculum and community activities that help schools embed sustainability. The winner of the ResourceSmart School of the Decade award was St Louis de Montfort's Primary in Aspendale. As well as embedding sustainability throughout the school, they have contributed to multiple related events, such as the Steps to Sustainability Conference, the Victorian Schools Gardens Garden Award, the Big Green Schools Conference and the Kids Teaching Kids Conferences.

Indicator: Reduction in emissions from government operations

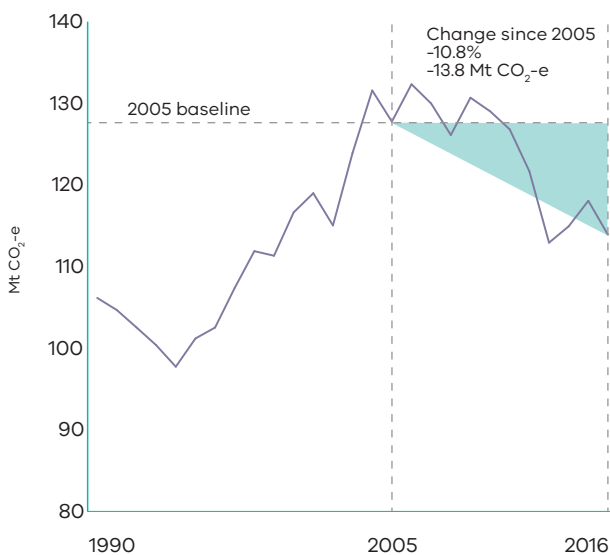
Note: This is a new indicator for 2017-18.

DELWP has committed to reducing emissions from government operations by 30 per cent below 2015 levels by 2020. All Victorian Government departments and many Victorian government statutory agencies have pledged actions that reduce their emissions.

Data provided in Victorian government department annual reports shows that greenhouse gas emissions from office-based operations in 2016-17 were 0.48 per cent below the 2015 baseline. This is a reduction in emissions of 521 tonnes.

DELWP is currently coordinating two cross-departmental projects aimed at reducing operational emissions: using Environmental Upgrade Finance to implement energy efficiency improvements in leased government office buildings; and implementing automatic computer shutdown to reduce energy consumption from computers when not in use.

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

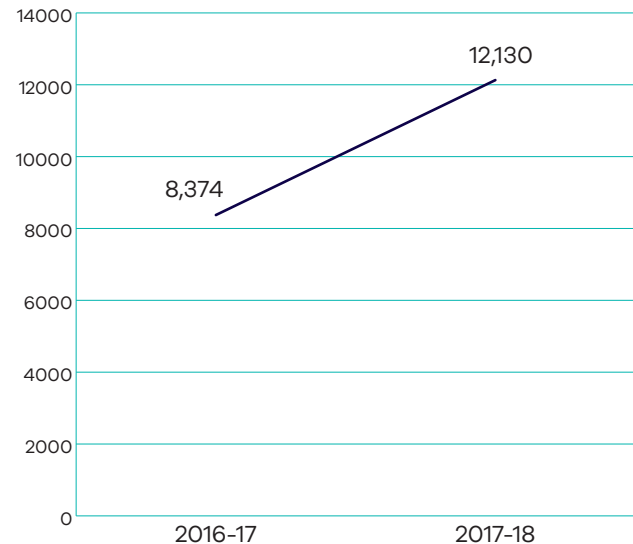


Note: This is a new indicator for 2017-18.

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

Victoria's greenhouse gas emissions are published annually by the Commonwealth Department of Environment and Energy in their *State and Territories Greenhouse Gas Inventory Reports*. These reports are released with a lag of around two years, with the latest data for 2016 released in February 2018. According to this report, Victoria's emissions were 113.9 megatonnes of carbon dioxide equivalent emissions in 2016, or 10.8 per cent below 2005 levels. Based on internal projections, Victoria's emissions are on track to meet the 2020 target.

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



Note: This is a new indicator for 2017-18 and a new program, so there is no data for 2015-16.

DELWP is leading whole-of-Victorian Government action on climate change, including developing pledges to reduce emissions from government operations through TAKE2 – Victoria's Climate Change Pledge about collective climate change action. Through the TAKE2 website, individuals and families are pledging actions alongside businesses, local government, community sector organisations, educational organisations and the State Government. It also showcases the great work being done across Victoria. The TAKE2 program is being delivered in partnership with Sustainability Victoria.

Since its launch, the TAKE2 program has had more than 12,130 pledges in total, including from:

- 11,150 individuals
- 626 businesses employing more than 380,000 people across Australia, with more than 16.5 million customers
- 186 community organisations with more than 187,000 members
- 90 schools; and
- 78 government organisations and 44 local governments.

The combined annual turnover of all TAKE2 members represents nearly \$270 billion across Australia.

Output performance measures

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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result
Quantity					
Victorian schools participating in the Resource Smart Schools program	number	636	868	(26.7)	■
<i>The 2017-18 result is lower than the target, as the target for this measure incorrectly included schools that were not currently active, but previously had been. This has been corrected for 2018-19.</i>					
Quality					
Departmental stakeholder satisfaction with engagement in completed policy projects	per cent	80	75	6.6	✓
<i>Performance is stronger than expected due to the positive feedback received from multiple stakeholders, following extensive engagement across a wide range of significant reforms.</i>					
Timeliness					
Delivery of policy, advice and research on climate change within agreed timeframes	per cent	90	80	12.5	✓
<i>Performance is stronger than expected following an increased focus on project management, reporting, and escalating issues and risks for early intervention.</i>					
Cost					
Total output cost	\$ million	38.5	36.1	6.7	■
<i>The year-end result is 6.7 per cent higher than budgeted. This predominately relates to the timing of payments from Sustainability Fund funded programs (e.g. Adapting to Climate Change, Latrobe Valley Home Energy Upgrades, E-Waste and Jobs and Innovation).</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.



Healthy, resilient and biodiverse environment

This objective leads 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 regarding: environment protection; ecosystem resilience; 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 plants and 1,200 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, weeds, pest animals and changed fire and water regimes.

A healthy, resilient and biodiverse environment provides key benefits to our society. It is fundamental to providing a healthy environment for healthy Victorians and it reduces the impacts of climate change. 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 health benefits and receive intangible social benefits. As part of our world-class eco-tourism offering, our parks alone bring in \$1.4 billion revenue each year. In representing cultural value unique to our region, Victoria's local biodiversity and natural sites are fundamental to the identity practices and heritage of Aboriginal Victorians.

Performance trends and key initiatives

On 25 August 2017, the Minister for Energy, Environment and Climate Change announced the appointment of five new members and one reappointment to the Trust for Nature board, aiming to broaden the range of skills involved in Victorian land protection and conservation. Their appointments mark another step in the push to improve representation of women on Victorian boards, and to incorporate climate change adaptation and mitigation considerations into the Trust for Nature conservation planning process. Trust for Nature plays a unique role in protecting the diverse range of native plants, animals and habitats on private land in perpetuity – a key role in biodiversity conservation in Victoria.

Trust for Nature is an important contributor to *Protecting Victoria's Environment – Biodiversity 2037*, which DELWP has continued to implement to ensure that Victoria employs a modern and effective

approach in protecting and managing Victoria's biodiversity. This year's progress included: trialling and implementing innovative approaches to help Victoria's plants and animals adapt to climate change; allocating \$600,000 funding across the state for Traditional Owner projects supporting biodiversity conservation, and helping Victorians experience the many health benefits inherent to connecting with and protecting nature.

As part of the Orange-bellied Parrot Mainland Release Trial, the department released 15 captive-bred parrots into the wild in April 2018. With only 50 Orange-bellied Parrots known to be in the wild in Victoria, the program supports the establishment of a flock of captive-bred birds in the wild that will attract wild parrots into new social groups and accompany their new associates during their summer migration.

DELWP has also delivered targeted on-ground actions to protect Victoria's threatened species. The Leadbeater's Possum is a critically endangered, small possum found only in Victoria and is largely confined to the ash forests of the Central Highlands. To locate more wild colonies needing protection, an innovative method using cameras in trees provides reliable and effective surveillance of the species' range. These surveys were highly successful with Leadbeater's Possums located at 149 (52 per cent) sites. Timber harvesting exclusion zones have now been established around these sites, increasing protection for these newly-detected colonies and their habitat.

On 19 June 2018 the Flora and Fauna Guarantee Amendment Bill 2018 was passed in the Legislative Assembly. This amendment has been developed to modernise and strengthen the existing Act, which, having been in place for nearly 30 years, no longer accurately reflects current conservation knowledge or approaches to regulation. The Amendment Bill will help prevent more flora and fauna becoming threatened; update the register of threatened species; provide longer-term protection for critical habitats; and improve enforcement powers and penalties for all related offences.

DELWP is delivering on the outcomes of the native vegetation removal regulations review through a planning scheme amendment and new guidelines for the removal, destruction or lopping of native vegetation. These changes to the regulations provide better protection for Victoria's sensitive native vegetation, enhance the operation of the regulations and increase transparency.

The Environment Protection Authority (EPA) is Victoria's leading environmental regulator, protecting Victorians from harmful effects of pollution and waste. *The Environment Protection Act 2017* received Royal Assent on 24 October 2017. This modernised the EPA's governance and established a new statutory objective to protect human health and the environment. A new Governing Board was announced on 23 May 2018, commencing operation on 1 July 2018. A second Bill to overhaul the Act and replace pollution response with prevention was introduced to Parliament on 19 June 2018.

In June 2018, the Government announced an 18-month Preliminary Risk Screen pilot to test and refine a faster and more cost-effective approach to assessing sites that have a low to medium potential for contamination.

Poor air quality adversely impacts on our lifestyle – it can reduce our interest in exercising, playing sport or simply enjoying the outdoors. If air pollution is too high, strenuous activity for vulnerable people can be a health risk. It can also damage our environment by impacting plant growth and acidifying soils and fresh water. Air quality has improved significantly over recent decades and remains good by international standards, however there are future challenges ahead, including a growing population and economy and a warming and drying climate. We also need to better address poor air quality hot spots – for example, some locations adjacent to industrial areas or subject to excessive wood smoke. To help address these challenges, DELWP released *Clean Air for All Victorians – Victoria's Clean Air Statement* in May 2018 and undertook engagement on priorities for future air quality management.

The Minister for Environment, Energy and Climate Change released the *Port Phillip Bay Environmental Management Plan 2017-2027*. The Plan will help guide actions and investments over the next decade to ensure a healthy Port Phillip Bay that is valued and cared for by all Victorians. Key objectives of the Plan include sharing responsibility of the Bay across community, industry and government, improving water quality and developing programs that encourage stewardship and leadership in litter prevention, waste reduction, re-use and recycling.

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. How much waste is generated and how it is managed has a direct impact on the environment and health of communities. It can also contribute to economic growth and prosperity.

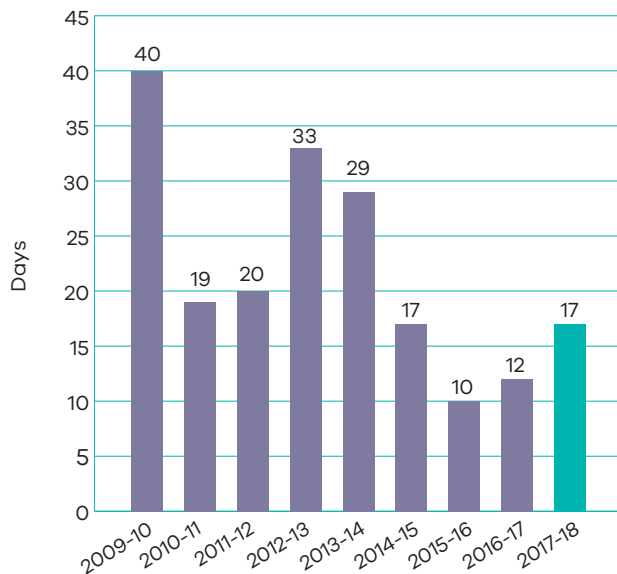
During 2017-18, DELWP worked with several government bodies and industry organisations to reduce the environmental impact of waste in Victoria. Changes to China's import rules triggered a major shift in global markets for recycled materials in early 2018. While most of Victoria's recycling is processed here in Victoria, local government and industry were still significantly affected by this market shift.

DELWP led the government response following China's decision to restrict the import of recyclable materials. A \$13 million temporary relief package was announced in February 2018 to help councils maintain curbside recycling services and to assist industry to fast track infrastructure upgrades in the short term. A Taskforce was established to develop a medium to long-term plan to help transition to a safe, resilient and efficient recycling system in Victoria.

In August 2017, the Government established a 12-month interim Waste Management Policy to improve safety standards at Victorian waste and resource recovery facilities. Consultation on longer-term arrangements to manage the risk of fire at resource recovery facilities has also been undertaken.

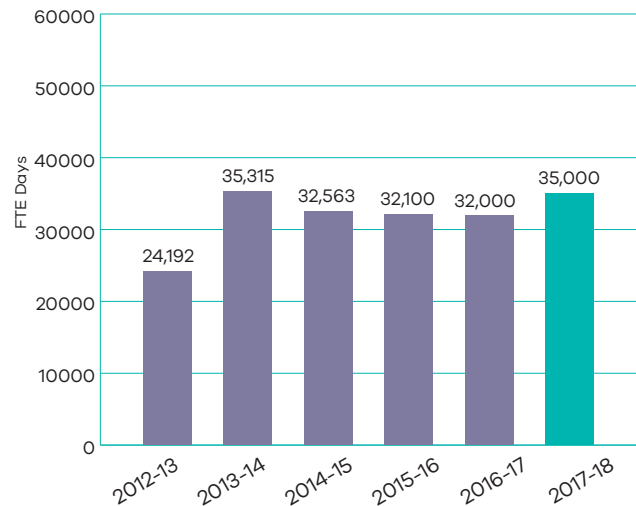
DELWP also released a discussion paper on *Reducing the impacts of plastics on the Victorian Environment* and asked the community for their views. More than 8,000 submissions were received. The results of the consultation were released in June 2018. The consultation report summarises the feedback received on plastic bags and other forms of plastic pollution. It also outlines the details of the plastic bag ban to take effect by the end of 2019.

On 26 April 2018, the Minister for Energy, Environment and Climate Change announced \$16.5 million will go towards upgrading more than 130 e-waste collection sites. The amount of e-waste generated in Victoria is projected to increase from 109,000 tonnes in 2015 to approximately 256,000 tonnes in 2035. The upgrades will ensure 98 per cent of Victorians in metropolitan areas will be within a 20-minute drive of an e-waste disposal point, and 98 per cent of Victorians in regional areas will be within a 30-minute drive of an e-waste disposal point.

Indicator: Reduction in pollutants from priority hotspots⁶

The EPA reports air pollution by assessing dust particle levels using a parts-per-million (PM¹⁰) measurement and reporting the number of days the level of particles exceeds the prescribed limit. Dust particles can be a variety of shapes and sizes and have a diameter that is less than 10 micrometres. They are small enough to get into the lungs and can cause health problems. Sources of these particles include combustion, crushing or grinding operations, pollen, road dust and sea salt. The EPA monitors PM¹⁰ in Victoria's air through the AirWatch program.

In 2017-18 there was an overall increase in the number of odour-related pollution reports in Brooklyn compared to previous years. This increase in odour reports can be attributed to an increase in dust due to a drier than average spring season. February and March were also some of the driest months on record. During this period, 1 mm of rain was recorded in 53 days. The warm and dry weather continued into April and May when fuel reduction burns were carried out, adding to the total particle load in Brooklyn. The number of exceedances did not increase as much as in previous dry years, as roads were sealed, and remedial actions were taken by recipients of EPA remedial notices.

Indicator: Participation in community based environmental programs

This measure is based on data reported by Victoria's Landcare facilitators who are funded through the Victorian Landcare Program. The actual number of days reported is based on data from the previous year. Partial information available at the time of reporting, suggests that in 2017-18 volunteer participation in community-based environmental events and programs contributed approximately 35,000 FTE days to Landcare related community activities. This estimate is based on the reported 2016-17 actual total of 32,000 days, reported by the Victorian Landcare Facilitator Program. Final 2017-18 data is expected to be available in October 2018 and will be published in the 2018-19 Annual Report. DELWP intends to review the target for 2018-19 in approximately October 2018 and adjust it if necessary, based on this data.

Landcare Australia relaunched the Powerful Youth Projects in 2018 seeking new ideas about how children can actively learn and develop skills for protecting local environments. Through this program, Victorian schools, childcare centres and youth groups can apply for grants of up to \$1,000. Thousands of Victorian youths and students at over 200 schools will be getting 'hands on' with inventive projects that help to educate children about sustainability within their local environment.

⁶ Corrects a calculation error in the Annual Report 2016-17

Output performance measures

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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Area of revegetation protected or enhanced through departmental supported Landcare activities	hectares	1,600 (estimate)	1,600	0	✓
<i>Current estimates indicate performance for this measure is on track. The 2017-18 actual will be available in February 2019.</i>					
Victorian Landcare Groups supported by a facilitator	number	435	435	0	✓
Habitat managed for biodiversity in Victoria	hectare	10,027	10,000	0.2	✓
Area protected from pest predators, weeds and herbivores	hectare	188,720	180,000	4.8	✓
Quality					
Completion of annual reporting and board appointment processes in accordance with legislation	per cent	100	100	0	✓
Delivery of key milestones for the Keeping e-waste out of landfill program	per cent	100	100	0	✓
Presentations made and scientific publications in peer reviewed journals	number	60	60	0	✓
Timeliness					
Native Vegetation Credit Extracts processed within 10 days	per cent	100	95	5	✓
<i>The 2017-18 result is above target as all Native Vegetation Credit extracts were issued within the target of 10 days. On average there are 54 extracts issued per month.</i>					
Planning referrals relating to native vegetation processed within statutory timeframes	per cent	75	80	(6.3)	■

Performance is below target as the number of planning permit applications received was higher than expected. Additionally, the complexity and scale of many applications impacted timeliness.

Major projects in 2017-18 included the Western Highway Duplication and several large renewable energy projects.

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Wildlife Licence renewals processed by target dates	per cent	96	96	0	✓
Cost					
Total output cost	\$ million	126.3	130.6	(3.3)	○

Note:

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

Statutory Activities and Environment 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.

This output also focuses on reducing local pollution problems, working with stakeholders to improve environmental outcomes and using knowledge and science to underpin decision making in shaping Victoria's environmental future. Through collaboration, communication and information programs, this output enables greater community involvement in, and ownership of, environmental issues.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Inspections that test compliance of licensed premises	number	278	200-250	11.2	✓
<i>Performance was higher than expected due to an increased focus on the prevention of harm as outlined in EPA's new organisation strategy. No change in target is recommended as EPA manages priorities over the long term. This performance measure replaces the 2016-17 quantity measure 'EPA notices issued for illegal dumping of waste'.</i>					
Events that engage business and community in environment protection	number	21	10-12	75	✓
<i>EPA has exceeded the target due to an organisational focus on providing opportunities for business and community to participate in environment protection activities as detailed in its new organisational strategy. This performance measure replaces the 2016-17 quantity measure 'Environmental condition research reports issued, improvement tools, guidelines, policies, systems and plans completed and issued'.</i>					
Activities that support business in complying with environmental obligations	number	20	15-20	0	✓

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quality					
EPA prosecutions are successful, and conditions in enforceable undertakings are focused on improving environmental performance	per cent	100	90	11.1	✓
<i>EPA was successful in all prosecutions completed in 2017-18.</i>					
Land audits submitted by EPA appointed auditors are reviewed to ensure compliance with statutory requirements and guidelines	per cent	92	90	2.2	✓
Notices complied with by due date or escalation in line with Compliance and Enforcement policy	per cent	90	90	0	✓
Timeliness					
Pollution reporters requesting followup by EPA receive contact within three working days	per cent	96	80	20	✓
<i>The result was well above target as EPA continues to prioritise improving customer service. With training and resourcing priorities anticipated during implementation of reform recommendations, EPA has increased its target to 85 per cent for 2018-19.</i>					
Works approvals and licences completed within required statutory timelines	per cent	99	96	3.1	✓
Cost					
Total output cost	\$ million	140.4	122.6	14.5	■
<i>The higher than budgeted output cost predominately relates to the timing of payments to various portfolio agencies from the Sustainability Fund.</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.



Reliable, efficient, accessible, safe and sustainable energy services

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.

The department works with all sectors of the energy industry, other jurisdictions, consumer groups and the community to support reliable, efficient, accessible, safe and sustainable energy services for Victoria.

Progress towards achieving this objective

Making power more affordable has been central to DELWP's work under this objective. The department's actions have directly reduced energy costs for households and businesses through increasing energy efficiency, reviewing the operation of the retail energy market and through increasing the supply of renewable energy, putting downward pressure on wholesale energy prices.

The *Energy Efficiency and Productivity Strategy*, backed by \$55 million dollars, provides opportunities for households and businesses to increase their energy efficiency and reduce their energy costs. A key program in the Strategy, *Home Energy Assist*, has started delivering home retrofits for over 3,000 vulnerable households and free home energy upgrades to vulnerable Victorians who live with complex healthcare needs. *Home Energy Assist* offers a range of energy solutions including the replacement of inefficient hot water and heating appliances, and providing affordable solar installations.

In July 2017, the government launched Victoria's *Renewable Energy Action Plan* which underpins the investment of \$146 million to support growth in the renewable energy sector and the modernisation of our energy system. Under the strategy, over 300 MW of new renewable energy has been commissioned. In November 2017, the department released Australia's largest reverse auction which will add a further 650 MW of new renewable energy capacity in Victoria.

The *Independent Review of the Electricity and Gas Retail Markets in Victoria* recommended actions under 11 recommendations to ensure better outcomes for consumers. Actions underway include a pilot of a not for profit retail energy brokerage service for concession card holders and the implementation of a range of protections for hardship customers. Following the review, the department is implementing measures to ensure transparency and fairness in the pricing and promotion of retail energy offers. Importantly, Victoria's major retailers have already responded by announcing new rebates to reduce electricity costs for more than 285,000 customers who were on standing offers. This has resulted in savings of

between \$250 and \$450 per annum compared to what those customers would have paid in 2018, with greater savings for eligible concession customers.

Context

The Victorian energy sector is undergoing significant change with the introduction of new renewable and sustainable energy technologies and increased levels of engagement among energy consumers wanting to better take advantage of the new opportunities these technologies will provide. Within this context, the Government is seeking to drive Victoria towards a more sustainable energy economy that stimulates employment growth, facilitates energy affordability, and reduces greenhouse gas emissions. DELWP is actively developing and implementing initiatives aimed at achieving these outcomes.

During this time of unprecedented change, the Victorian Government plays an important role in maintaining the reliability, security, safety and affordability of Victoria's energy systems. Energy price pressures mean some businesses and households struggle to manage their energy costs. Inefficient buildings can lead to poor health outcomes and discomfort, particularly during extreme temperature events. As well as driving local initiatives, the department takes a leading role in relation to national energy market reform through active participation in the Council of Australian Government's Energy Council and advocating for the interests of Victorian energy consumers and the Victorian energy industry.

Performance trends and key initiatives

Over the 2018 Australia Day long weekend, Victoria experienced unpredicted, widespread electricity outages which significantly impacted the community. On Sunday 28 and Monday 29 January, a total of 94,712 Victorian customers lost power for varying durations due to a combination of failures in the distribution networks and overloading of the network from sustained high demand. This high demand came about as Victorians attempted to cool homes and businesses during unique weather conditions of high heat and humidity – a 1 in 35-year event.

Following the outages, the Victorian Government brokered a deal with Powercor, CitiPower, United Energy, Ausnet Services and Jemena to provide a \$5 million relief package to approximately 50,000 affected customers. In addition to this, a Post Event Review Report was conducted to identify potential improvements and prevention for the future. The Post Event Review Report made 15 recommendations to address outage prevention, improved communications and consumer protection. All Distribution Network Service Providers committed to implement the review's recommendations.

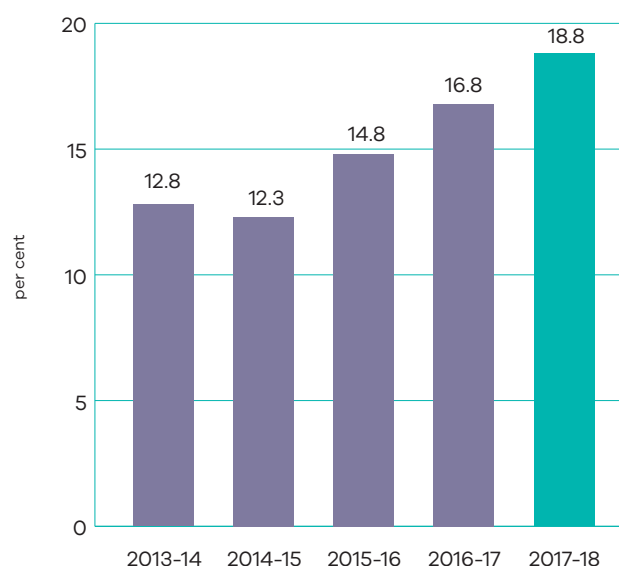
Supporting Households and Businesses

The Energy Efficiency and Productivity Strategy was released on November 2017 and is expected to support over 2,500 jobs per year, save participating households and businesses around \$6.7 billion, and reduce greenhouse gas emissions by 34 million tonnes by 2030. In addition to Home Energy Assist, key measures have included:

- *Victorian Energy Upgrades*: Households and businesses have access to discounted equipment such as lighting or heating appliances that are more energy efficient under the Victorian Energy Upgrades program, which in 2018 is saving each participating business or household \$4,500 and \$200 on average respectively.
- *Building Business Productivity*: Victorian business can access grants from Sustainability Victoria of up to \$20,000 for energy assessments, up to \$50,000 to improve gas efficiency for gas-related projects, and up to \$30,000 for energy efficiency upgrades to improve building performance.

Additional schemes released in 2017-18 include upgrades to the Victorian Energy Compare website, which provides a free, independent energy price comparison service. The website includes all generally available electricity, gas and solar offers in the market. In 2017-18, it was visited by 596,000 consumers, with website statistics indicating that those visitors could have saved over \$39 million dollars if they switched from their current energy offers to the best offers published on the website. In April 2018, the government announced the *Power Saving Bonus* under which all Victorian households can receive a \$50 bonus if they compare energy prices on the website.

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



Note: This is a new indicator for 2017-18.

The percentage of surveyed Victorian Energy Compare users who report they plan to switch offers after using the website is above 54.37 per cent, against a target of 50 per cent.

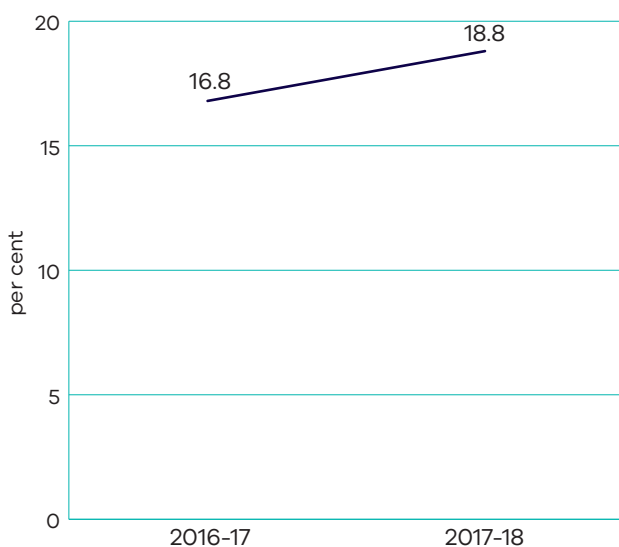
Leading investment in renewable energy

Victoria's Renewable Energy Action Plan invests \$146 million across the goals of: supporting growth in the renewable energy sector; empowering communities and consumers in their quest for affordable renewables; and modernising our energy system. It draws together 23 actions across the renewable energy and new energy technologies sector. Examples of this include the implementation of large-scale battery storage facilities in Western Victoria, and the investment of \$12.7 million in 45 new energy technology projects across Victoria through the Victorian Government's \$20 million New Energy Jobs Fund (NEJF).

The objectives of the NEJF is to support 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. Funding to support new energy technology projects was available through three annual grant rounds, with the third grant round closing in March 2018. The NEJF is just one component of the New Energy Technologies Sector Strategy currently being implemented.

The first windfarm constructed under the Renewable Certificate Purchasing Initiative was opened on 24 January 2018. The 30-megawatt (MW) Kiata windfarm generates enough electricity to power more than 20,000 homes. The initiative uses the Victorian Government's significant electricity purchasing power to drive \$533 million in investment in four wind and solar energy projects. These will be instrumental in creating jobs, cutting emissions, and helping Victoria meet its Renewable Energy Targets. The first turbine was switched on and tested at the 132 MW Mt Gellibrand wind Farm on 21 June 2018, with the entire wind farm operating from August 2018. The Mt Gellibrand windfarm will generate enough electricity to power more than 60,000 households.

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*. The data in the graph above shows the percentage share of generation in the Victorian energy market by renewable energy source (hydro, wind, bioenergy and solar – total 18.8 per cent), compared with total Victorian generation. This is an increase from 16.8 per cent in 2016-17.

In 2017-18, construction commenced on the \$350 million, 196 MW Bulgana Green Power Hub. This will power the expansion of Stawell's Nectar Farms, becoming the world's first crop farm to be powered by renewable energy and supporting the state's emissions reductions targets of 15 to 20 per cent (from 2005 levels) in greenhouse gases by the year 2020. The wind farm and battery project are due for completion by late 2019. It is estimated it will generate over 740,000 MWh of emission-free, renewable energy every year.

On 22 March 2018, two large-scale battery storage projects were announced. The two projects are being delivered by private consortia Edify Energy and Spotless Sustainability Services, incentivised by \$25 million in funding from the Victorian Government which will be matched by the Australian Renewable Energy Agency. One battery project is a Tesla 25 MW battery to be integrated with the Gannawarra Solar Farm, south-west of Kerang. The other battery is a 30 MW system that will be connected directly to a vital grid intersection at a substation at Warrenheip, near Ballarat. To provide increased stability in the electricity network for Western Victoria, these batteries will have capacity to deliver crucial power supply, frequency control and related back-up services in milliseconds.

In February 2018, Victoria's first and Australia's largest large-scale renewable energy auction attracted proposals with more than six times the capacity put to tender in the 650 MW scheme. Response to the reverse auction was significant, closing with more than 15 proposals totalling over 3,500 MW of new wind and solar capacity. These proposals will attract up to \$1.3 billion of investment, create 1,250 construction jobs over two years, and 90 ongoing jobs – mainly in regional Victoria.

The Solar Trams Initiative is a \$200 million investment in solar energy to offset the energy used by Melbourne's tram network. In August 2017, the 88 MW Bannerton Solar Park and the 100 MW Numurkah Solar Farm were announced as the successful tenderers supplying the Solar Trams Initiative. The 35 MW annual usage requirement of the tram network will be offset by these two solar farms. Once operational, the Bannerton and Numurkah Solar projects will also contribute to the supply of required renewable energy certificates under the Renewable Certificate Purchasing Initiative.

The Victorian Renewable Energy Advocate has provided valuable advice to government, industry and communities about Victoria's renewable energy transition. The Advocate has made presentations to government committees, taskforces and inquiries, and spoken at numerous industry and community events. The Renewable Energy advocate is also working to support industry in creating an integrated business energy platform which supports Victorian businesses in how they address rising energy costs and take control of their energy future. This includes business outreach through numerous forums and events, engagement with industry peak bodies, and leveraging whole of Victorian Government business energy collateral.

On 28 June 2018 the Minister for Energy, Environment and Climate Change launched the Gippy Bulk Buy project, one of the first initiatives funded under the Gippsland Community Hubs Program. This project provides opportunities for the community to bulk-buy solar-powered hot water units made at the worker-owned Earthworker Co-operative at Morwell. The solar hot water systems are estimated to be 20 per cent cheaper than the normal commercial price, and, once installed, will save customers between 30 and 50 per cent on their ongoing electricity costs. The project will create new manufacturing jobs as well as work for local electricians who will install the units.

Output performance measures

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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Delivery of key milestones for the Powerline Bushfire Safety Work Program	per cent	100	100	0	✓
Delivery of a pilot independent energy brokerage service for Victorian hardship and culturally and linguistically diverse (CALD) consumers	per cent	100	100	0	✓
Quality					
Users of the Victorian Energy Compare website who report a better understanding of their usage costs after using the website	per cent	63.6	50	27.2	✓
<i>The percentage of surveyed Victorian Energy Compare users who report they have a better understanding of their energy usage costs is currently 63.6 per cent (based on 9,957 survey responses). The percentage of users who report they already understood their usage and costs before using the website is currently 15.6 per cent, bringing the combined total for users who understand their usage and costs to 79.2 per cent. The target has been increased for 2018-19 to 50-55 per cent.</i>					
Victoria is represented at each COAG Energy Council meeting	per cent	100	100	0	✓
Delivery of key Australian Energy Market Commission funding milestones, in line with funding agreements and agreed project deliverables	per cent	100	100	0	✓

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Timeliness					
Delivery of key milestones for the energy efficiency and productivity work program	per cent	100	100	0	✓
Delivery of key milestones for the Victorian Energy Efficiency Target Scheme work program	per cent	100	100	0	✓
Delivery of key milestones for the Solar Trams Program	per cent	100	100	0	✓
Delivery of key milestones for the renewable energy work program	per cent	97	100	(3)	○
Delivery of key milestones for the Smart System, Microgrid and Storage trials program	per cent	100	100	0	✓
Facilitate the delivery of key energy technology innovation milestones in line with grant agreements	per cent	100	100	0	✓
Cost					
Total output cost	\$ million	109.1	180.5	(39.6)	■

The year-end result is 40 per cent lower than budgeted. This predominately relates to the rephase of the Powerline Bushfire Safety Program, the redirection of Greener Government Buildings and Plantation Establishment to the Statutory Activities and Environment Protection output, and the realignment of the Renewable Certificate Purchasing Initiative Program's expenditure profile.

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 that 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.

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 value.

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*. This management is 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 first draft management plan for the Dja Dja Wurrung People was released in April 2018 and is central to the cultural identity and well-being of Victorian Traditional Owner communities. The draft plan translates the aspirations of the Dja Dja Wurrung People for their Country and incorporates their traditional knowledge, culture and practices into the joint management of the parks and reserves. The parks and reserves under Aboriginal Title are Hepburn Regional Park, Paddys Ranges State Park, Kooyoorra State Park, Wehla Conservation Reserve, Greater Bendigo National Park and Kara Kara State Park. The management plan will protect and conserve these significant cultural and

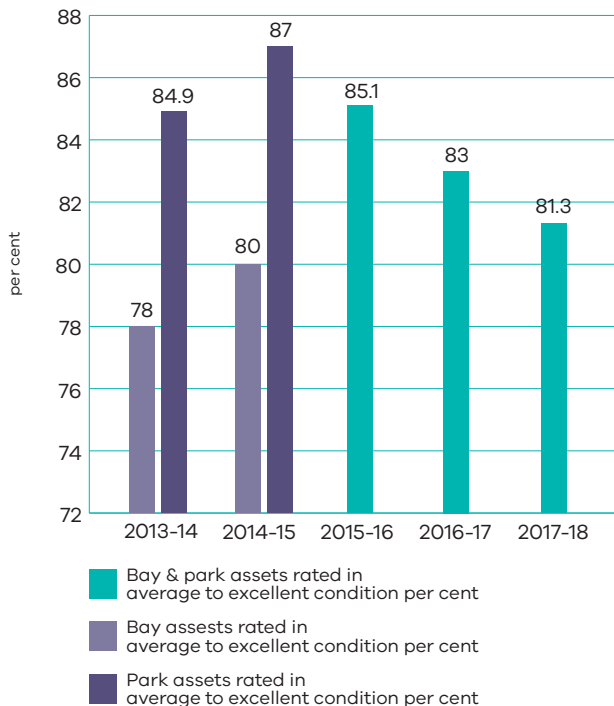
environmental sites, grow the regional economies, and continue to provide access to the parks and reserves for the enjoyment of the public.

On 26 June 2018, Parliament passed the *Marine and Coastal Act 2018* which commenced on 1 August 2018. The Act includes a broad package of reforms that were developed in consultation with a panel of experts, organisations working to look after our marine and coastal areas, and the Victorian community. The new Act will improve the current marine and coastal management system by: establishing clear objectives and guiding principles for decision-making; improving governance and institutional arrangements; strengthening marine and coastal planning and management; establishing a mechanism to improve understanding of the marine and coastal environment; and supporting adaptation to climate change.

DELWP has delivered several actions to enhance Victoria's liveability. In March 2018, the department opened the Harcourt Mountain Bike Trails at the La Larr Ba Gauwa Park in Central Victoria. The park offers 34 kilometres of mountain bike trails that take advantage of the area's stunning views and unique rock features. There is a network of 11 trails catering to riders of all abilities featuring jumps, drops and tailored technical features. La Larr Ba Gauwa means "stones and mountain" in Dja Dja Wurrung language.

On 24 May 2018, the Distinctive Areas and Landscapes Bill 2017 was submitted to Parliament. This Bill complements the ongoing development of the *Macedon Ranges Localised Planning Statement*, which ensures government policy reflects the community's vision for the future of Macedon Ranges. This includes settlement boundaries around townships in the area and ensures development does not encroach on valued natural landscapes that contribute to Victoria's liveability.

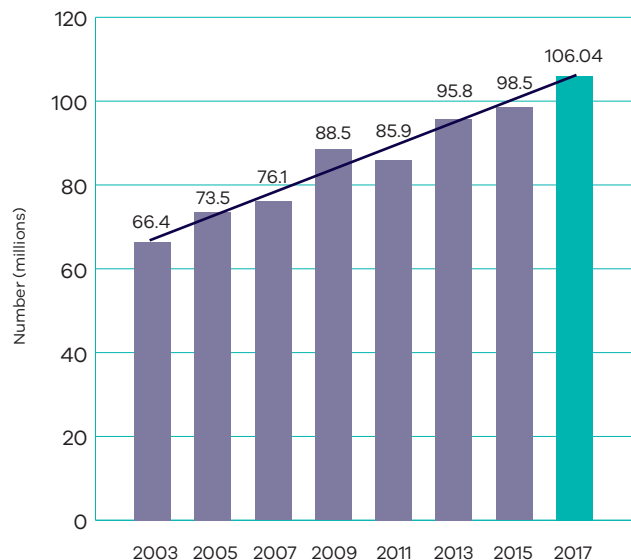
Indicator: Bay and park assets rated in average to excellent condition



Parks Victoria 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, Parks Victoria measures the bay and park assets rated in average to excellent condition. This measure helps to inform asset investment and maintenance. In 2017-18, 81 per cent of bay and park assets were rated in average to excellent condition. The decrease this year is due to several temporary closures to piers and jetties across the state, and a storm event which damaged Middle Brighton Pier. Performance is expected to recover in 2018-19.

On 24 May 2018 the *Parks Victoria Act 2018* was passed by Parliament, re-establishing Parks Victoria as a more independent and autonomous land management agency. It also establishes clear objectives and functions for Parks Victoria, and provides the Minister for Energy, Environment and Climate Change with the power to issue Statements of Obligation. It also requires Parks Victoria to develop a land management strategy that sets out the long term strategic directions and priorities for the land it manages.

Indicator: Number of visits to the public land estate managed by the Department's portfolio agencies: Parks Victoria



In the most recent biennial Visitor Number Monitor survey, Parks Victoria recorded more than 106 million visitors, against a target range of 93-97 million. This was a significant increase on the 2015 report. Increasing visitor numbers is evidence of people in the community choosing to visit and make use of these assets. 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 Park Victoria. Visitors to State forests have not been included as the number of visitors to State forests is an estimate only.

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.

DELWP launched its first interactive app that helps Victorians to explore our state forests. The *More to Explore app* provides comprehensive information that can help people use and enjoy Victoria's 3.1 million hectares of State forest, and its network of approximately 400 visitor sites and 250 recreational trails. The app provides an interactive map indicating features pertinent to a range of leisure activities, including camping, picnicking, walking, fishing, four-wheel driving, mountain biking and trail

bike riding. It also provides real-time, up-to-date information, including the latest information on any visitor site or trail closures, making it quicker and easier than ever before to explore, and safely enjoy, the great outdoors.

DELWP also released the new mapping tool MapShareVic. This new system combines the former Forest Explorer and Public Access Mapping tools into a single, online, interactive map. Forest Explorer and Public Access Map are themes that can be selected to show public land, its road network, State forest recreation visitor sites and tracks, and provide a guide to any closures that apply to the road, track and visitor site network. This map is updated by regional staff, informing users of any closures that may apply and are updated as the road network, picnic, camping, walking, and other facilities are gradually repaired and reopened.

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



DELWP, through Land Use Victoria (LUV), supports economic development by providing land administration and information services to property buyers and sellers, developers, councils, conveyancers, surveyors and financial institutions. DELWP provides a wide range of property information to the public including title, survey and property sales data on a cost-recovery basis. We also protect property rights by maintaining the land and water registers to ensure that ownership changes and subdivisions are accurately recorded and registered. DELWP's land title systems, which minimise transaction costs, are a key aspect of Victoria's attractiveness for new private investment in commercial and residential developments.

Performance against a range of key land administration and property information service deliverables continued at a high standard resulting in DELWP maintaining the efficient provision of timely and authoritative land administration and property information services at 100 per cent in 2017-18. The number of title searches and dealings registered were the highest on record in 2017-18, with 2.6 million title searches conducted, against a target of 2.2 million (20 per cent more than anticipated) and more than 916,000 property transfers (20 per cent higher than planned) occurred in 2017-18 (planned 800,000). On average, there was a shortfall in the new titles created within three weeks or 15 business days, but by April 2018, the target was being consistently met and will continue this trend into 2018-19.

As part of the 2017-18 State Budget, the Government announced that it would examine options to commercialise Victoria's land titles registry functions. A detailed scoping study helped inform the government about commercialisation model options. On 6 March 2018 the Victorian Government announced the decision to commercialise land titles and registry functions of LUV. As part of the Registration, LANDATA and the Systems Branches of Land Registry Services will transition to the private operator in two stages, the first in September 2018 and the second stage in October 2019.

DELWP's landholding represents almost 40 per cent of the Victoria's land area, making the department the largest landowner in the state. The release of the Victoria Government Land Use Policy in 2017 facilitates a strategic, whole-of-government approach to government land use decision-making to maximise public value for Victorian communities. DELWP also launched GovMap to Victorian government users, a map-based website to make core information about government land more accessible and an important step towards facilitating better use of government-owned land.

Output performance measures

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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Planning certificates issued	number (000)	66.8	60	11.3	✓
<i>This performance measure is largely demand driven. The result reflects higher than expected property transactions for 2017-18.</i>					
Property transfers, discharge of mortgages and registration of new mortgages	number (000)	916	800	14.5	✓
<i>This performance measure is largely demand driven. The result reflects higher than expected property transactions for 2017-18.</i>					
Proportion of title searches supplied (remotely) online	per cent	99	98	1	✓
Property reports generated online	number (million)	3.82	3.9	(2)	○
Title searches supplied	number (000)	2,413	2,220	8.7	✓
<i>This performance measure is largely demand driven. The result reflects higher than expected property transactions for 2017-18</i>					
Quality					
Audited Vicmap digital map base not requiring correction	per cent	98	98	0	✓
Government owned properties sold, bought or leased within 10 per cent of valuation	per cent	80	80	0	✓
Strategic Land Use Assessments delivered within agreed timeframes	per cent	80	80	0	✓

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Timeliness					
Delivery of updated Vicmap Foundation Data within one week	per cent	100	98	2	✓
Land dealings registered within five days	per cent	95	95	1	✓
New titles (subdivisions) created within three weeks	per cent	71	98	(27.6)	■
<i>The average result for 2017-18 is below target due to increases in the number of transactions. To address performance issues, new processes were introduced, including prioritising plan of lots greater than 10. These actions resulted in the average monthly result reaching 95 per cent for the final five months of the year. The 2018-19 target has remained unchanged as the improved performance is expected to continue.</i>					
Update transactions for the Vicmap digital map base processed within the required timeframes	per cent	98	98	0	✓
Cost					
Total output cost	\$ million	116.9	80.4	45.5	■
<i>The year-end result is 45 per cent higher than budgeted. This predominately relates to greater than expected Land registration services resulting from an improved property market.</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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Crown land leases directly managed by the Department	number	723	700	3.2	✓
Crown land licenses directly managed by the Department	number (000)	45	44	2.2	✓
Participants in Coastcare activities	number (000)	13.6	10	36	✓
<i>The number of participants in Coastcare activities was higher than expected, due to increased resources being dedicated to engage with more volunteers in the Barwon South West region. Summer by the Sea attracted 11,128 people to more than 350 educational events across the state, plus an additional 2,500 people (best estimate) were engaged through working community groups, and through promotions at events such as the Landcare awards and National Tree Day.</i>					
Visitors to the Royal Botanic Gardens in Melbourne and Cranbourne	number (million)	2.2	1.62	10	✓
<i>The year result of 2,208,768 visitors is higher than the target due to an increase in public events at the Melbourne and Cranbourne Gardens.</i>					
Specimens curated in the State Botanical Collection	number	36,223	12,100	139	✓
<i>The result of 36,223 specimens is significantly higher than the target due to the receipt of additional one-off donations that have enabled the Foreign Collection Project. These donations have funded an additional four curatorial staff for a fixed term. While donations fluctuate over time and can be difficult to predict, the excellent donation outcomes for 2017-18 have enabled a significant contribution to the number of database records and therefore to the overall number of specimens curated in the State Botanical Collection.</i>					
Visitors to Zoos Victoria at Melbourne, Werribee and Healesville	number (million)	2.4	2.6	(7.7)	■
<i>The target for the measure increased from 2.49 million in 2016-17 to 2.60 in 2017-18, based on past performance trends. However, this trend did not continue into 2017-18 as expected, with lower visitation rates recorded. Increased membership costs and several extreme weather events over December and January contributed to lower visitation. Zoos Victoria intends to increase its membership in 2018-19 through additional investment in membership campaigns.</i>					

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Coastal protection infrastructure projects delivered	number	2	6	(66)	■

Six projects will not be completed by end of 2017-18. Two projects have been completed (Craigie Beach Rock Revetment and Portarlington Point Richards timber groynes).

All other projects have commenced:

- Cowes East Groyne replacement program is 75 per cent delivered
- Point Lonsdale Coastal Processes is 50 per cent delivered
- Orlando St Groyne Brighton is 30 per cent delivered
- Mount Martha North Rock Revetment is 20 per cent delivered.

Delays in project completion were due to third party negotiations taking longer than expected, lengthy preparation of complex project tender documentation. It is envisaged that all projects will be completed as per the revised project schedule by June 2019.

Quality					
Level of compliance with environmental regulatory framework for commercial timber operations as required by the Forest Audit Program	per cent	90	90	0	✓
Publicly elected Committees of Management that have a current statutory appointment	per cent	90	90	0	✓
Recreational facilities in state forests with a life expectancy greater than five years	per cent	80	75	6.6	✓

The slight increase in proportion of State forest recreation facilities with a life expectancy greater than five years is a result of funding having been made available for replacement and refurbishment of visitor assets at the end of their remaining useful life. We expect to remain slightly above our 75 per cent target over the next few years because of these investments.

Timeliness					
Rent reviews of Department managed Crown land leases undertaken within specified timeframes	per cent	90	95	(5.2)	■

The 2017-18 result is lower than the 2017-18 target due to a few lessees objecting to new valuations. Lessees have the right to object and obtain their own valuation, which then goes to a conference of valuers. This may take between 8 and 12 months to negotiate.

Cost					
Total output cost	\$ million	201.2	187.1	7.6	■

The year-end result is 7.6 per cent higher than budgeted. This predominately relates to advances approved by the Treasurer to fund Alpine Resorts, and the Community Managed Places – Organised Sporting Reserves initiative, 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, 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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Area treated to minimise the impact of pest plants, pest animals and over abundant native animals in parks managed by Parks Victoria	hectares (000)	1,100 (estimate)	1,100	0	✓
Visits to national, state, urban and other terrestrial parks	number (million)	N/A	54-55	0	✓
<i>Not measured in 2017-18. Results for this measure are captured every two years.</i>					
Visits to piers and jetties	number (million)	N/A	45-46	0	✓
<i>Not measured in 2017-18. Results for this measure are captured every two years.</i>					
Total area of estate managed by Parks Victoria	hectares (000)	4,111	4,104	0.2	✓
Quality					
Significant built bay assets managed by Parks Victoria rated in average to excellent condition	per cent	75.3	80	5.8	■
<i>The 2017-18 result is lower than the 2017-18 target due to several temporary closures to piers and jetties across the state, and a storm event which damaged Middle Brighton Pier. This caused the overall condition rating to decline. Performance is expected to recover in 2018-19.</i>					
Significant built park assets managed by Parks Victoria rated in average to excellent condition	per cent	88	88	0	✓
Cost					
Total output cost	\$ million	178.7	176.7	1.1	○

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.

The department works in partnership with Traditional Owners, water corporations, catchment management authorities, government agencies, industry 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

As Victoria's population grows, healthy waterways remain essential for the plants and animals that live in them, and for the people and industries that rely on clean water and the ecosystem services that waterways provide.

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 will increase the demand for water from industrial, residential and agricultural users, as well as the maintenance of Victorian liveability, recreational and Aboriginal values. The 2017-18 year started with Victoria's driest winter since 2006 and this, among other phenomena, demonstrates the vulnerability of our water and catchments to climate change and highlighting the ongoing importance of being flexible in our water delivery and planning each year for all rainfall scenarios

The management of our water resources also requires adapting to changes in demand, population growth and associated urban development. We must plan to successfully manage the results of increased housing density, changes in user expectations, and maintaining water security for urban, industrial and agricultural users in a cost-effective way.

Performance trends and key initiatives

In August 2017 the synthesis of findings from the *Victorian Climate Initiative* was released, providing new insights into the impact of climate change and variability on Victorian water availability. The report is already being used by water corporations to develop plans to ensure water supplies are secure into the future.

The department facilitated a whole of government approach for the sale of Renewable Energy Certificates (RECs). The REC strategy covers all REC schemes managed by the department. The implementation of the strategy has begun, and

surplus Victorian Desalination Project RECs have been sold to fund the 50GL water order for 2016-17, the 15GL water orders for 2017-18 and 2018-19, and up to 15GL for the 2019-20 water order. Through the sale of these surplus RECs, Melbourne households will be saving money on their water bills.

DELWP also volunteered to lead the pilot of the *Climate Change Adaptation Action Plan*, a new obligation under the *Climate Change Act 2017*. The plan was developed in collaboration with water corporations, catchment management authorities and local government representatives, and a consultation draft was released in March 2018.

DELWP and the 19 water corporations worked together to develop principles to guide emissions reduction, evaluate the costs and benefits, agree on carbon accounting methodologies and plan pathways for emissions reduction. The water corporations have committed to a 42 per cent reduction in greenhouse gas emissions by 2025 and this has been formalised in a Statement of Obligations (Emissions Reduction) from the Minister for Water, signed on 14 March 2018.

On 25 October 2017, the department released the draft *Victorian Drainage Strategy*, which proposes a series of policies and actions designed to help landholders manage the environmental and cultural impacts of drainage. The development of the strategy will see improved management of rural drainage by better defining the roles and responsibilities for landholders, councils, catchment management authorities and the State Government.

Extensive consultation and collaboration between Traditional Owners and landholders have enabled indigenous water values to be reflected in the strategy. This supports the commitment DELWP made in *Water for Victoria* to develop a rural drainage strategy through an open and consultative process, and promote opportunities for landholders and Traditional Owners to work collaboratively to consider cultural heritage in drainage management.

DELWP continues to strengthen entitlement holders, with robust water entitlement and water resource planning frameworks, providing certainty around legal rights and obligations and the flexibility to manage risks to make informed decisions about water use. A stock-take of entitlements on the water register was undertaken in February 2018 to ensure the transparency of all entitlements available on the Victorian water register website.

In September 2017, the Integrated Water Management Framework was released. It describes how water corporations, catchment management authorities, local councils, Traditional Owners and other statutory authorities will identify, co-ordinate and prioritise areas that would most benefit from collaboration and place-based water management planning and projects. These innovative projects will include better use of stormwater harvesting and recycled water.

DELWP is also working through reform projects that will support the success of these forums in transforming our cities and towns. A critical component to this work was the establishment of the Improving Stormwater Management Advisory Committee on 1 June 2018, who will provide independent advice on how to improve stormwater management across Victoria.

The quality, accuracy and availability of water monitoring data is an ongoing process for *Water for Victoria*. DELWP is revising the State Environment Protection Policy to provide updated water quality indicators, objectives and guidance on protecting and rehabilitating water environments. The consultation for the draft policy closed on 18 June 2018. Submissions for the finalised policy are now being reviewed.

DELWP is also improving the quality, accuracy and availability of water monitoring data for Victoria's waterways with the *Fluker Post App*. This new citizen science mobile app was released in March 2018, in collaboration with Victoria University, and is aimed at encouraging the community to capture photographs of the waterways and landscapes that they love and use.

Alongside the app, DELWP is deploying a cloud-based solution that will allow the department to receive, manage and publish real time water data for the first time. Currently published water data can be up to three months old. At the completion of this project, the department will be able to publish data from 900 surface water gauges and groundwater bores that is less than one hour old.

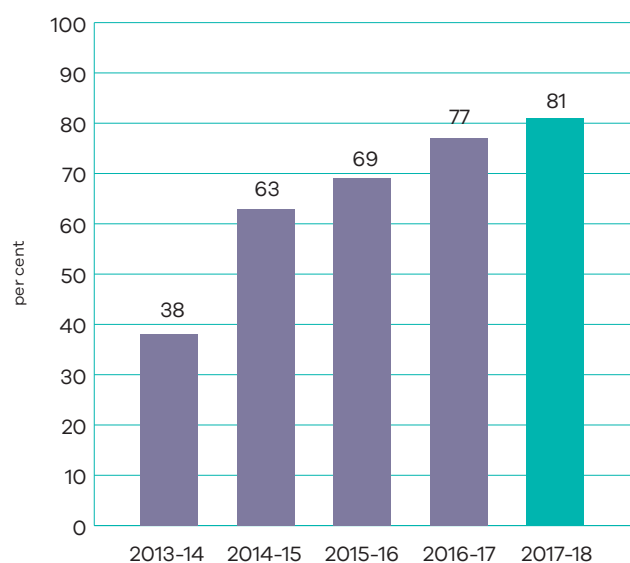
Over three days in February 2018, DELWP and Cooperative Research Centre for Water Sensitive Cities researchers and staff contributed as both delegates and presenters at the 10th International Conference on Water Sensitive Urban Design. The department presented on a new approach to integrated water

management in Victoria covering issues such as policy, partnerships, projects and persuasion.

DELWP worked with DTF to finalise the sale of Victoria's share of Snowy Hydro Limited to the Commonwealth. Water releases from the Snowy Scheme are important for Victoria as they contribute to the reliability of Victorian Murray water entitlements. DELWP ensured that the terms of sale included a commitment that the sale will not result in any changes to Victoria's current water arrangements and that the conditions of those employed by Snowy Hydro Limited will not materially change.

On 8 June 2018, DELWP attended the Murray-Darling Basin Ministerial Council and secured assurances from the Commonwealth that no on-farm expressions of interest will be carried out in Victoria; that Victoria, New South Wales and South Australia will work together to develop arrangements for the southern connected Basin to ensure any water recovery will be achieved with neutral or improved socio-economic outcomes by 30 June 2024. Following this, the Murray-Darling Basin Ministerial Council agreed the final package of projects under the Sustainable Diversion Limit adjustment mechanism.

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



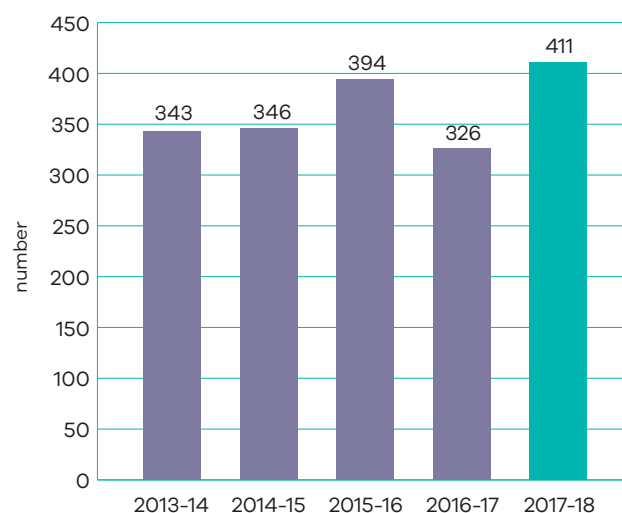
This objective indicator replaces the 2016-17 indicator 'Proportion of properties completely connected to the modernised irrigation delivery system (in the Goulburn Murray and Macalister Irrigation Districts)'. The new indicator reflects a broader range of irrigation modernisation projects.

The \$2 billion Goulburn-Murray Water (GMW) Connections project is the most significant investment in modernising irrigation infrastructure in Australia and will improve the irrigation system in the Goulburn Murray Irrigation District to recover 429 GL of water savings and provide a significant economic boost to Victoria. The project is 75 per cent complete and to date has: installed 4,865 outlets; decommissioned 641 kilometres of channels; and updated 2,811 landowner's irrigation outlets - while continuing to meet water savings targets that will assist Victoria to meet Murray-Darling Basin Plan commitments and minimise any socio-economic impact for the district.

DELWP is also providing oversight to \$260 million of other water security projects delivered by rural water corporations across Victoria including:

- The South West Loddon Rural Water Supply Project that has constructed over 75 kilometres of domestic and stock trunk main pipeline. This project will provide a secure water supply to approximately 260 rural farming enterprises and 370 lifestyle properties that have historically relied on rainfall.
- Modernisation across the Werribee, Bacchus Marsh and Macalister irrigation districts is continuing, with the 2017 winter works period collectively constructing 4.6 kilometres of pipeline to replace open irrigation channels. When completed, these three modernisation projects will generate up to 16.3 gigalitres of water savings for improved agricultural productivity and environmental outcomes.
- The Lance Creek Water Security Project will connect towns and districts in South Gippsland (which have frequently been on water restrictions) to the Melbourne Water supply system that is underpinned by the desalination plant.

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



The number of river reaches and wetlands with maintained or improved environmental conditions has increased in 2017-18 to 441, up from 326 in 2016-17. The environmental conditions of river reaches and wetlands are measured by the works and watering programs being undertaken annually. In 2017-18, improvement projects included:

- Stabilisation of 700 metres of river bank along the Nicholson river estuary frontage in East Gippsland to protect from wind and wave damage
- Protection of 25 hectares of land along the Broken River under one management agreement
- Control of 394 stands of pest willow species along the Murray River
- Creation of frog ponds in urban areas of Bendigo Creek, with direct input and management from local Dja Dja Wurrung people
- Planting of 12,000 additional indigenous plants along the Tarwin River and Powlett River catchment.

Ramsar sites are wetlands that are listed as having international importance under the *Ramsar Convention on Wetlands*, an international wetland treaty. In December 2017, the Minister for Water endorsed the nomination of Glenelg Estuary and Discovery Bay for a Ramsar listing. The proposed new Ramsar listing acknowledges the significance of this stunning site to the region border and covers approximately 22,300 hectares. Following this, on 18 May 2018, the Minister for Water launched a seven-year blueprint designed to protect and enhance Victoria's internationally acclaimed wetlands of the Port Phillip (Western Shoreline) and Bellarine Peninsula Ramsar Site. The blueprint sets out actions that will protect the natural environment of the area

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: onground 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.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Area of waterway vegetation works undertaken to improve the health and resilience of waterways	hectares	8,450	8,500	(0.6)	○
Cumulative water savings (permanent reduction in irrigation distribution system delivery losses) realised through water recovery projects	megalitres	797,035 (estimate)	802,507	(0.6)	○
Sites with environmental water managed to meet environmental objectives	number	225	160	40.6	✓
<i>The 2017-18 outcome is higher than the 2017-18 target due to high rainfall and wet conditions across the State in 2016-17. The 2017-18 watering actions have capitalised on these favourable seasonal and climatic condition together with good water availability.</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	96.9	>97	(0.1)	○
People engaged to increase the knowledge/capacity of waterway management	number	5,100	4,500	13.3	✓
<i>Performance is above target because of well-developed social media campaigns and successfully delivering promotional activities within programs. These led to increased attendance from people in regional communities.</i>					
Schools signed up to Schools Water Efficiency Program (SWEP)	number	1,100	1,100	0	✓
Sites where works have been undertaken to improve in stream health	number	120	60	100	✓
<i>The result is significantly higher than expected due to favourable weather conditions, which increased the ability to undertake additional works at regulators, project works proceeding earlier in the year than expected and implementation design of the waterway health projects.</i>					
<i>Additionally, approved policy changes to target recreational Angler Groups enabled an expansion of grants for improved fish habitat, particularly in the Goulburn Broken Catchment Management Authority.</i>					

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
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	✓
Quality					
Manage Victoria's salinity impacts in the Murray Darling Basin so that Victoria is compliant with the Murray Darling Basin Agreement	per cent	100	100	0	✓
Bulk and environmental entitlement records publicly available	per cent	100	100	0	✓
Timeliness					
Statutory obligations of Water Corporations complied with, including annual reports, audits and corporate plans	per cent	100	100	0	✓
Cost					
Total output cost	\$ million	385.4	521.5	(26.1)	■
<i>The year-end result is 26 per cent lower than budgeted. This is predominantly the result of the rephasing of funding of the Goulburn Murray Water Connections 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 is growing and the role of our planning, building and heritage systems is to help manage that growth and change. Victoria's population is on track to reach 7 million by 2022 and 10 million by 2050. This will bring an increased demand for affordable housing; additional infrastructure to match new housing choices in the right locations; and an increased demand to facilitate land availability.

Population growth and change are not evenly distributed across Victoria. Melbourne will remain Australia's fastest growing city. According to population projections, Greater Melbourne will be home to about 8 million people by 2051, compared to a population of 5 million today. While most of the change will be in metropolitan Melbourne, strong population growth is also expected in major regional centres, including Greater Geelong, Ballarat and Greater Bendigo, which are expected to account for half of Victoria's regional growth to 2031.

Performance trends and key initiatives

To better plan for this growing population, *Plan Melbourne 2017-50* sets out the strategy for supporting jobs and growth, while building on Melbourne's legacy of distinctiveness, liveability and sustainability.

As part of *Plan Melbourne 2017-2050*, DELWP continues to partner with local government, private sector, community groups and other key invested stakeholders such as the Victorian Planning Authority to assist in the delivery of the 112 actions included in the Implementation Plan. Central to progressing all the actions are these growing partnerships between government and these groups.

Implementation of Plan Melbourne is progressing well, and some of the key actions currently underway include:

- work on the six-metropolitan regional Land Use Framework Plans
- the roll out of the Activity Centre Pilot Program
- management of Green Wedges

- 20 Minute Neighbourhood pilots across Melbourne, with Brimbank, Maroondah and Moonee Valley Councils selected to take part.

On 21 October 2017, the Minister for Planning released the draft *Fishermans Bend Framework and planning controls* for community consultation. As part of this, 27 events were held at locations across Fishermans Bend and neighbouring areas where the Fishermans Bend Taskforce spoke to over 1,200 people, while over 550,000 people were reached online and 251 submissions were received. The Fishermans Bend urban renewal project is the largest urban renewal project in Australia. It will boost affordable housing close to the city and offer families living in the growing postcode the community they deserve.

The Victorian Budget 2018-19 includes a boost of \$5 million to complete the planning and begin the delivery of the services and infrastructure to turn Fishermans Bend into a world-class neighbourhood. This includes the public transport planning for a new connection between Fishermans Bend and the Melbourne CBD.

In January 2018, the Smart Planning Program reached a significant milestone with a planning scheme amendment (VC142) coming into effect. The amendment was the second in a set of planned reforms to the Victoria Planning Provisions – the building blocks for all planning schemes in Victoria. It removed "clutter" from planning rules and reduced red tape.

This was followed by VC148 in June 2018, which introduces important structural changes that greatly improve the operation of the planning system, streamlining planning provisions and schedules and reducing the size of planning schemes across Victoria by 5,000 pages. This represents the biggest change to the Victoria Planning Provisions since their creation in the 1990s.

Alongside the Smart Planning milestones, the department released its response to the Major Hazard Facilities Advisory Committee Report. This sets out the strategic approach for managing development close

to major hazard facilities in Victoria and will improve land management and development, while supporting the continued operation of the facilities.

On 14 September 2017, DELWP announced the appointment of the Great Ocean Road Taskforce, whose role is to protect and grow the public value of the road. Following this, the taskforce released an issues paper for consultation proposing a new management model to strengthen protections of the landscape setting, improve the visitor experience, provide greater certainty in land-use planning and attract investment proposals that will benefit visitors and local communities.

DELWP has continued to protect the Yarra River, with the joint launch of the Yarra Community Vision. The vision outlines the long-term aspirations for the river corridor that recognise the connection of Traditional Owners to the river and the importance of the iconic waterway's parklands and public places. Formed out of collaboration with the community to provide strategic direction for land use for the Yarra, its development is one of 30 actions in the *Yarra River Action Plan* aimed at protecting the Yarra River and its parklands.

In June 2018, conservation works to the Viewbank Silos were celebrated by local residents, volunteers, community groups and Parks Victoria staff. The completed restoration works to repair the three heritage listed silos were funded by a Living Heritage Grant of \$170,000. The three silos are part of the Viewbank Homestead site, listed on the Victorian Heritage Register and managed by Parks Victoria.

At the same time, the transformation of the first stage of the Malop Street Green Spine was completed in Geelong. The Green Spine project delivers a linear botanic park, connecting the Geelong Station precinct to Eastern Park as part of the 10-year Revitalising Central Geelong Action Plan.

Indicator: Efficient provision of timely and authoritative information on population and land use

DELWP produces a number of publications that advise users on population growth and change, including a report on the supply, consumption and adequacy of residential and industrial land, and the updated annual state population projections.

Victoria in Future is the official population projection set of the government. The current edition is *Victoria in Future 2016*, based on the 2011 Census and subsequent updates. The next edition will be based on 2016 Census data, which was released in mid-2017. New projections will incorporate the latest data and analysis to inform decision makers in government, business and the community of the likely impacts of a growing and changing population.

Indicator: Efficient administration of Victoria's planning, building and heritage systems

DELWP oversees land use planning, building regulations and the conservation of heritage places. We work with councils and the Victorian Planning Authority (VPA) to facilitate strategic land use outcomes.

Victoria is leading the nation in cutting development red tape and unnecessarily lengthy approval times. This is being achieved in part through providing critical assistance to regional and metropolitan councils to reduce processing times for major greenfield subdivisions and providing assistance in the rezoning of brownfield sites through the Streamlining for Growth Program, being led through the VPA.

The planning system unlocks economic investment potential for our state, supporting 11.9 per cent of Gross State Product and generating 273,000 full time equivalent jobs. In 2017-18 more than 46,000 planning permit applications were issued through Victoria's planning system, totalling approximately \$34.3 billion in proposed works.

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	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Local governments undertaking work to support strategic planning for coastal settlements and areas	number	15	15	0	✓
Places or objects assessed for the Victorian Heritage Register	number	46	45	2.2	✓
Research published: demographic and spatial trends	number	12	5	140	✓
<i>A significant number of research pieces were published in 2017-18, most notably 12 Years of Housing Development Data, which was supported by extensive presentations. Additional research was published on co-working, bushfire demographics and industrial land consumption.</i>					
Conservation projects funded for 'at risk' State significant heritage places and objects	number	32	29	10.3	✓
<i>The Living Heritage Program continues to deliver funding for conservation projects of State Significance. The higher number of projects is supported by an increased number of grant approvals.</i>					
Quality					
Environment effects statements, referrals and assessments are completed effectively and within the timeframes necessary to meet targets in the Ministerial Guidelines	per cent	72	70	2.8	✓
Proportion of planning applications that proceed through VicSmart	per cent	15	7	114	✓
<i>Performance is above target due to the expansion of VicSmart classes of permit applications. This trend is expected to continue and the target for 2018-19 has been increased to 15 per cent.</i>					
Projects delivered through the Planning support for councils initiative that meet agreed project objectives	per cent	100	100	0	✓
Amendments that are correct upon submission for approval	per cent	20	25	(20)	■
<i>The 2017-18 result is lower than the 2017-18 target due to a revision in the implementation schedule. This resulted in an approved revised target of 20 per cent, which has been met. The 2018-19 target has increased to 60 per cent due to the expected performance improvements from the Smart Planning program.</i>					

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Timeliness					
Average number of days to issue an archaeological consent	days	8	30	(66)	✓
<i>Performance significantly exceeds the target due to the unusually high number of straight-forward consents issued as part of major projects, such as the Melbourne Metro Rail Project and the Level Crossings Removal Project. A total of 93 consents was issued in 2017-18.</i>					
Average number of days to issue heritage certificates	days	7	7	0	✓
Heritage permits issued within initial 60 day statutory timeframes	per cent	97	90	7.7	✓
<i>Performance is above target due to the implementation of continuous improvement processes in relation to heritage permits.</i>					
Median number of days taken by the department to assess a planning scheme amendment	days	39	25	56	■
<i>Performance is below target due to the large volume of planning scheme amendments being assessed by the department. The increase is due to several state critical infrastructure and renewable energy projects, plus a number of local council amendments for processing.</i>					
Report annually on analysis of supply, consumption and adequacy of residential and industrial land	date	May 2018	Dec 2017	N/A	■
<i>The majority of land supply analysis, including additional work for individual regional councils, were completed in December 2017. Due to delays in receiving aerial photography, this component was not delivered until May 2018.</i>					
State population projections reviewed and updated to inform State Budget delivery	date	Feb 2018	Feb 2018	0	✓
Victoria in Future data prepared to support infrastructure and service delivery planning	date	Jun 2018	Jun 2018	0	✓
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	85	70	21.4	✓
<i>The 2017-18 result is higher than the target, as six out of seven applications received were completed within the 45-day time frame.</i>					
Cost					
Total output cost	\$ million	207.2	194.6	6.5	■
<i>The year-end result is 6.5 per cent higher than budgeted. This predominately relates to an increase in expenditure for the Growth Areas Infrastructure Contribution program. This increase has largely been offset by the rephase of the Living Heritage Grants program to the forward years, the transfer of the Yarra River Protection initiative to Water and delay of expenditure across various Sustainability Fund funded projects.</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.



Affordable and reliable access to jobs, services and infrastructure in Melbourne's suburbs

This objective coordinates government activities to ensure that Melbourne's residents have affordable and reliable access to jobs, services and infrastructure no matter where they live and that the benefits of growth are shared fairly.

The department works with local government, industry and community stakeholders to identify opportunities for the development and delivery of initiatives to strengthen Melbourne's economy, create jobs and improve suburban liveability.

Progress towards achieving this objective

Context

A key challenge as Melbourne grows will be ensuring its suburbs have the infrastructure and services they need for a liveable and sustainable future. Over the next 35 years, Melbourne is projected to become Australia's largest city, with its population expected to almost double from 4.5 million to 8 million. Ensuring the suburbs have the infrastructure and services they need is essential for a liveable and sustainable future.

Melbourne's interface councils on metropolitan Melbourne's fringes contain rapidly growing populations, productive rural land and some of Victoria's most vulnerable conservation corridors. As such they face some of Victoria's greatest infrastructure challenges. However, under *Plan Melbourne 2017-2050*, up to 70 per cent of Melbourne's population growth during this period is to be accommodated in the established suburbs, creating different but equally significant challenges for the provision of new and enhanced infrastructure and services as these areas progressively densify.

The Office of Suburban Development in DELWP is responsible for coordinating development activities in metropolitan Melbourne across all relevant departments and agencies, to add value and complement work already underway, remove duplication, address gaps, and achieve positive outcomes for regional and local communities.

Performance trends and key initiatives

The six Metropolitan Partnerships are a new and coordinated way for communities to advise government on what matters in their region. The Partnerships are a way for local communities to engage directly with state and local governments and advise the Victorian Government of the top priorities across the region in relation to jobs, services and infrastructure.

Throughout late 2017, six Annual Assemblies were held by the Metropolitan Partnerships - bringing together community members, businesses,

councillors and mayors to help determine key priorities for Melbourne's six metropolitan regions. The partnerships took on board the ideas presented to form the independent advice to inform key government decision-making processes, both through the 2018-19 State Budget process and through development of existing portfolio policy and program settings and initiatives, helping to deliver better outcomes for the community.

In response to a need identified by all the Partnerships, the department facilitated a highly successful Youth Forum on 7 May 2018 where the Metropolitan Partnerships heard from young people aged 15-19 years about what is important as a young person living, working and studying in Melbourne. A summary report was published on the Suburban Development website.

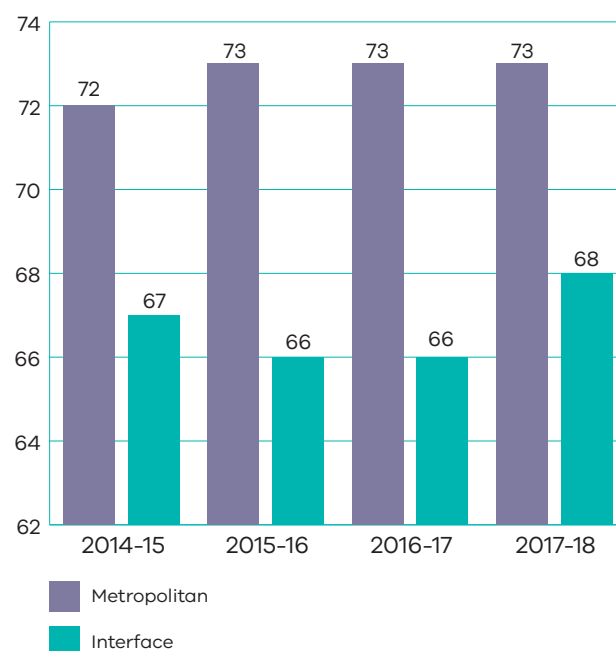
The partnerships' priority advice will be provided in a full report alongside the first update of the Five-year Plans, to be released in the second half of 2018. The Five-year Plans for Jobs, Services and Infrastructure, one for each of the six metropolitan regions, present a new way for the government to communicate its current investment in each metropolitan region, providing an important basis from which to nurture deeper, increased engagement between the government and local communities. By combining this information at the regional level, the plans assist governments and communities, primarily through Metropolitan Partnerships, to cooperatively identify potential gaps in the delivery of jobs, services and infrastructure, and respond to new opportunities for partnerships between government, business and the community.

The Growth Areas Infrastructure Contributions (GAIC) fund is about planning for growth and investing infrastructure funding where it is most needed. GAIC delivers state and regionally significant infrastructure projects that support the needs of Melbourne's growing communities in the seven designated growth municipalities of Wyndham, Melton, Mitchell, Hume, Whittlesea, Casey and Cardinia. New application guidelines and policy statements have been released

which set out a strategy for the expenditure of the GAIC funds. This will ensure project funding is more transparently linked to an agreed pipeline of priorities in growth areas to meet the need for new State infrastructure servicing the rapidly growing populations in these areas.

Through the newly established Metropolitan Development Advisory Panel (MDAP), significant work has also been progressed on the development of new models of coordinated planning and delivery of services and infrastructure in the interface council growth areas. Advice on the development of several pilot projects has been provided by MDAP to the Minister for Suburban Development.

Indicator: Community satisfaction in public places



Note: This is a new indicator for 2017-18.

The *Local Government Community Satisfaction Survey* is a statewide telephone survey that collects direct feedback from the community about councils, with 64 councils participating for 2017-18. Responses were completed by 6,212 Metropolitan residents and 2,500 Interface residents for 2017-18. The index scores are indicative of the overall performance rating for a particular service area. A rating of 60-75 indicates a council is performing well in a service area, but with room for improvement.

For 2017-18, community satisfaction in metropolitan public places had an index score of 73, while interface councils had a community satisfaction index rating of 68, as measured by the Local Government Community Satisfaction Survey. A rating of 60-75 indicates a council is performing well in a service area. Over the past three years these index ratings have remained steady with minor variations. Community satisfaction in public places in interface councils increased by two points in 2018 from 66 in 2017.

Parks and gardens and public areas are among the most frequently mentioned best thing about living in Victoria's suburbs.

Output performance measures

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.

Funding will support the implementation of key deliverables of the Suburban Development portfolio, including the establishment and operation of Metropolitan Partnerships and the development and delivery of Five-year Plans for jobs, services and infrastructure.

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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Annual assemblies held for Metropolitan Partnerships	number	6	6	0	✓
Timeliness					
Five-year Plans for Jobs, Services and Infrastructure endorsed	per cent	100	100	0	✓
Cost					
Total output cost	\$ million	8.2	2.5	222.3	■

The year-end result is higher than budgeted. This predominately relates to the transfer of Broadmeadows revitalisation as well as other works from the Local Government output (e.g. Metropolitan Partnerships).

Note:

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



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 department 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 in creating vibrant, sustainable and inclusive communities.

The sector employs more than 50,000 people, represents 6.2 million people and delivers \$8.2 billion in services and over \$2.8 billion in infrastructure annually. Councils also manage over \$90 billion in vital public assets. Councils are key partners with the department in working to improve the lives of Victorians. Victoria is unique in recognising local government in our state 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

DELWP is actively partnering with Victoria's councils to co-design and deliver significant reforms as part of the government's Local Government Reform Agenda. On 23 May 2018, following three years of consultation with the community, the Minister for Local Government introduced the Local Government Bill 2018 into Parliament. The Bill repeals and replaces the *Local Government Act 1989* with a modern, principle based legislative framework for the establishment and administration of the system of local government in Victoria. In an Australian-first, the new Act will require councils to develop four-year budgets and meet higher standards in strategic planning and financial management. Mayors will also be required to report annually to their communities on council's progress in delivering these plans.

The *Know Your Council* website is now into its third year of providing performance information of local governments across Victoria. With a 245 per cent growth in visits from 2016 to 2018 and over 2.1 million pageviews, it has been recognised in the Productivity Commission's Report *Shifting the Dial: 5-year productivity review*.

Melbourne's 10 interface councils – councils located on the urban fringe – are facing unprecedented growth and change and are expected to accommodate one

million additional residents by 2031. The Growing Suburbs Fund, established in 2015-16, provides investment in the facilities and infrastructure that is needed to cope with that growth, such as community centres, maternal and child health centres, town centres, cultural facilities and parks. During 2017-18, the fund approved applications for 40 critical community infrastructure priorities, that will deliver a range of projects to improve the amenity, liveability and resilience of interface communities, support connections, enhance services and provide local jobs.

Construction was completed on the \$11.75 million Chirnside Park Hub redevelopment in Werribee, which was formally opened in April 2018. This is a multi-agency partnership project between Wyndham City Council, the Victorian and Commonwealth Government, Werribee Football Club, the Australian Football League and AFL Victoria. The project was supported by a grant of \$4.15 million to Wyndham City Council through the 2015-16 Growing Suburbs Fund. The grant has facilitated the development of a fully accessible multi-purpose hub which combines community, education and sporting facilities, catering for all abilities and genders.

The Growing Suburbs Fund also provided funding to Cardinia Shire Council to develop and start construction on the design of the Deep Creek Reserve. This project is helping provide new facilities to the growing community of Pakenham including the state's largest all-abilities play space, a community and education centre, outdoor classrooms and learning facilities, including a demonstration wetland.

A \$1 million commitment from the 2017-18 Victorian State Budget provided for the establishment of the Rural and Regional Councils Sustainability Reform Program. The program identifies the barriers and challenges for rural and regional councils and proposes options to provide long-term financial and operational sustainability. A final report developed by KPMG was released in December 2017.

Drawing from the policy options proposed in the *Rural and Regional Councils Sustainability Reform Program*, the Victorian Budget 2018-19 committed \$20 million for a Rural Councils Transformation

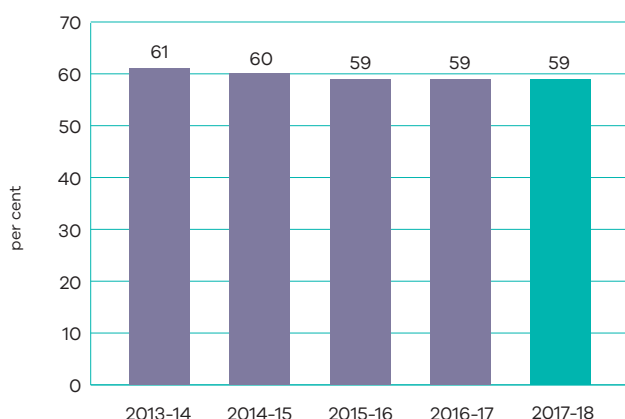
Program to improve the efficiency of rural local governments. The program will support collaboration and shared services in rural and regional Victoria at a scale that has not been available previously, and aims to help councils across Victoria set up collaborative procurement arrangements that will support long-term financial sustainability.

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 funds the 56 rural and interface councils responsible for managing lengths of rural roadsides through the \$5.2 million *Roadside Weeds and Pests Management Program*. These councils receive up to \$75,000 a year (based on length of rural roads) to manage invasive plants and pests along rural roadsides.

During 2017-18 the full business case for the Munarra Centre for Regional Excellence was developed. The business case sought to conceptualise a state of the art purpose-built educational, sporting, cultural and community centre in the Goulburn region. Once constructed, the centre will provide a place where Aboriginal and non-Aboriginal communities can engage with each other through new educational, sporting and cultural services. The 2018-19 budget has committed \$23 million towards the construction.

In December 2017, DELWP released the *Councils and Emergencies Position Paper*, which provides a comprehensive overview of the emergency management responsibilities and activities that councils undertake for the betterment of their local communities. The release of the position paper marks the completion of phase one of the project. The project continues track to develop strategies to identify and address the gaps in councils' capability and capacity, informed by extensive input and engagement from across the local government and emergency management sector.

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 64 councils participating for 2017-18. The overall performance score in 2018 of 59 is in line with both the 2016 and 2017 result with 59 per cent of the participants rating overall performance of their council as either good or very good.

Councils in the Metropolitan group (index score of 65) perform significantly higher than the average for councils state-wide on the measure of overall performance. Average ratings for councils in the Rural and Regional Centres groups are significantly lower than the state average. Review of overall statewide ratings for core performance measures indicate that performance ratings are largely stable compared to results in 2017.

Customer service achieved the highest State-wide index score (index score of 70), which is an improvement of one point from the 2017 result. Overall contact with councils has increased significantly by three percentage points in 2018 with 62 percent of respondents had some contact with their councils over the last year.

Art centres and libraries continues to be the area where councils perform most strongly. In 2017-18 a total of \$43 million was provided in recurrent funding to support public library services through the *Public Libraries Funding Program* and the *Premiers' Reading Challenge Book Fund*. 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 2017-18 was a two-point decline on the measure of traffic management. Councils' performance in this area is at the lowest level recorded. The decline from 2017 continues in relation to the maintenance of unsealed roads, with the performance decreasing even further to 43.

When respondents were asked for the 'One Best Thing' about their council, 12 per cent nominated Parks and Gardens as the best part of their council area. Closely following this was Recreational/Sporting facilities by nine per cent of respondents and customer service by eight per cent.

Output performance measures

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 in supporting local governments increased accountability and provision of 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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Meetings held annually with Victorian councils regarding the Victoria Grants Commission financial assistance grants allocation model	number	19	19	0	✓
Meetings held with Local Government Mayoral Advisory Panel	number	3	4	(25)	■
<i>The first quarterly meeting of the 2018 Local Government Mayoral Advisory Panel was re-scheduled for May 2018 to allow sufficient time for Mayors to consider expressing an interest to be considered for membership to the Panel. As Chairperson of the Panel, the Minister for Local Government approved this schedule.</i>					
Victorian councils participating in emergency management planning in collaborative partnerships as part of the Municipal Emergency Management Enhancement Groups	per cent	100	80	25	✓
<i>Local Government Victoria worked hard to ensure that all 79 councils participated in emergency management planning with their neighbouring councils. In the past, some councils have planned in isolation (other than where they were required to collaborate) but now all councils are collaborating with at least one neighbouring council.</i>					
Quality					
Average council satisfaction rating with the specific financial assistance support provided through the Local Government Financial and Accounting Support Team	scale (1 – 10)	9	8	12.5	✓
<i>One project was completed in 2017-18. The level of satisfaction with financial assistance support services was 9 out of 10.</i>					
New policy and program initiatives with an accompanying comprehensive community and stakeholder engagement strategy	per cent	100	80	25	✓
<i>The Local Government Act Review and the development of Rural and Regional Councils Sustainability Reform Program included extensive engagement of stakeholders and community. The target was exceeded as both (2 of 2) of the new initiatives included extensive stakeholder community engagement.</i>					

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Submissions that fully meet the objectives within the Growing Suburbs Fund program guidelines	per cent	60	60	0	✓
Councils with approved roadside weeds and pests control plan	number	55	56	1.7	○
Timeliness					
Victoria Grants Commission allocations finalised to support the completion of council budgets within statutory timeframes	per cent	100	100	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	✓
Public Library Services grant payments made within 21 days of completion of agreed milestones in the funding agreement	per cent	100	100	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	✓
Projects completed in accordance with approved milestones within the Growing Suburbs Fund funding agreements	per cent	80	80	0	✓
Cost					
Total output cost	\$ million	98.8	92.1	7.3	■

The year-end result is 7 per cent higher than budgeted. This represents a change in the funding profile of the Growing Suburbs fund, partly offset by the reallocation of expenditure to Suburban Development (e.g. Transfer of Broadmeadows Revitalisation).

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. With increasing severity and frequency come increasing annual costs of disasters, which, due to the unpredictable nature of the events, can only be estimated. They can also leave lingering impacts on community health, the economy, the environment, social, and individual mental health.

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

This season, DELWP attended more than 1,550 fires that impacted more than 64,000 hectares. The season started unusually early with several significant bushfires in East Gippsland during spring, including the Timbarra and Muller Rd fires. This season also had the highest number of rappel dispatches on record, with 76 successful deployments. DELWP staff were also deployed to assist our colleagues in Canada and California, United States of America, who faced some of the most enormous, devastating fires in the history of their countries.

During this season, DELWP undertook a direct campaign on social media to raise awareness of planned burnings to minimise the impact of major bushfires on the community. The feedback from the public has exceeded previous years and averaged at 80 per cent positive.

This included the launch of *Don't let your campfire become a bushfire this summer* in December 2017 - reminding campers across the state to follow the rules regarding campfire safety. This was developed as about 10 per cent of all bushfires are caused by

campfire negligence, placing the community and firefighters at risk, as well as potentially damaging the environment, and affecting industry and recreational users of our public land.

The final set of Fire Operation Plans for the 2017-18 period was approved on 10 November 2017. These plans were designed in collaboration with the Country Fire Authority, Parks Victoria, Emergency Management Victoria, local government, Traditional Owners, stakeholders and local communities undertaking strategic bushfire management planning to identify what communities value in the landscape, areas of high bushfire risk in the landscape, and strategies and actions to reduce this risk. They are updated each year with the latest local information to help DELWP work out what fuel management activities to carry out, including where and how often to burn.

Fire Operations Plans outline where and when Forest Fire Management Victoria intends to carry out fire management operations on Victoria's public land over the next three years. These works are performed to reduce bushfire risk and to maintain the health of native plants that rely on fire to survive. They include planned burning, slashing, mowing and clearing works, creating and maintaining fuel breaks, and carrying out fire infrastructure maintenance (like fire dams and lookout towers). Details of fire operations activities in each DELWP fire district, including burn areas and locations, use an interactive map available online at ffm.vic.gov.au.

In 2018, DELWP made substantial operational changes by developing a new version of the fire management manual that guides the delivery of the planned burning program, implemented a new planned burn risk assessment tool, and delivered risk management awareness training to all staff with fire roles.

Training for the 2017-18 fire season included initial training on the new 4WD ultra-light tankers, or 'G Wagons', a recent addition to the district's vehicle fleet. These ultra-light tankers incorporate several features that improve crew safety and bushfire response times including a Falling Object Protection Structure and a 630-litre water carrying capacity.

A record number of female forest firefighters joined Forest Fire Management Victoria for the 2017-18 fire season to help tackle fires and keep Victorians safe. This fire season 112 women were on the front line – a 29 per cent increase on last summer. These results represent progress in delivering Forest Fire Management Victoria's Women in Fire and Emergency Leadership Roles Action Plan.

The Powerline Bushfire Safety Program within DELWP works to substantially reduce the risk of bushfires caused by powerlines in Victoria. The Program staged a Vegetation Detection Challenge competition where two Victorian data scientists were awarded the top prize. The winning algorithm by Yidan Shang and Nan Li from Melbourne can identify vegetation types and detect faults and has the potential to be transformative to the industry; harnessing substantial benefits in reducing bushfire risk.

DELWP updated the Bushfire Management Overlay (BMO) mapping in planning schemes across Victoria. The overlay is a planning control applied to properties with the potential to be affected by extreme bushfires. Planning permits may be required for new uses and developments in the BMO, including new homes. These important changes are about making new homes, our communities and the environment safer and more resilient to bushfire and were made in consultation with local communities through strategic bushfire management.

Strategic bushfire management of the future is founded on a strong platform of past research and monitoring. In December 2017, DELWP published the *2017-18 Bushfires and Knowledge: Forest Fire and Regions Group Science Catalogue*. This is an annual report into the history of science research in Victoria and a catalogue of 22 research projects. By bringing these together, DELWP is better able to understand:

- the contribution of science to the development of fire management policy and operations on public land in Victoria
- how science-based knowledge is informing current approaches
- how science will continue to influence future planning and help protect Victorian communities.

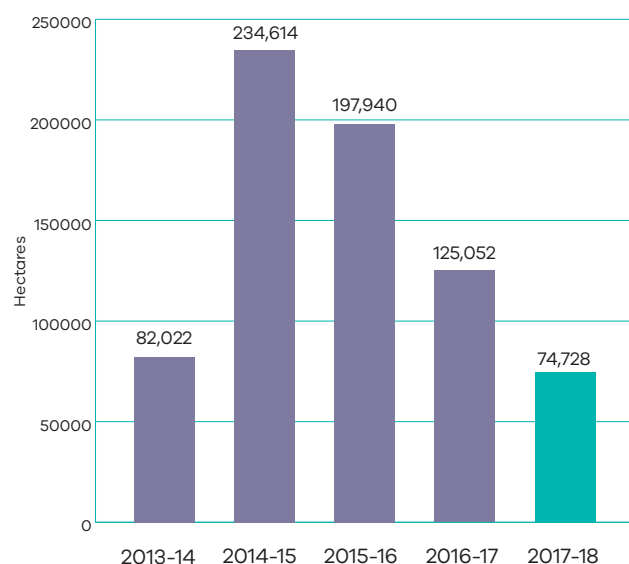
At the end of the 2017-18 season, tracks and roads across State forest and parks were temporarily closed for winter and spring; as part of the annual program to maintain environmental health and prevent serious road damage to improve forest access, egress and firefighter safety. Among these are roads and tracks impacted by snowfall and sleet in the Alpine areas and high country, and areas affected by fire killed trees right across the region.

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



Performance against these measures is heavily influenced by external circumstances beyond DELWP's control, including seasonal weather conditions and weather on the day. Of the fires in 2017-18, 91 per cent of fires on public land were contained at less than 5 hectares in size (against a target of 80 per cent) and 92 per cent of fires were contained by 0800 hours the day after detection (against a target of 80 per cent). This result was collectively achieved through specialist aviation resources rappel crews and the pre-determined aerial resources dispatch system. Importantly there was no loss of human life over the 2017-18 fire season.

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 2018–19 and ignited during 2017–18 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 2018, DELWP and its partners had treated 64,978 hectares of planned burning and further 9,750 hectares of mechanical treatment, resulting in a bushfire residual risk of 65 per cent.

Indicator: Adoption of consistent systems across the Department to support efficient and effective emergency management



DELWP implemented several initiatives to ensure efficient and effective emergency management including:

- The GoFirefighters app now includes offline mapping capabilities provided through integration with the eMap mapping system. The new mapping capabilities will support operational effectiveness and improved safety through enhanced situational awareness.
- The Fuel Management System released the nominations and tactical planning modules to support fuel management planning activities. The newly released modules work together with the previously released Community Engagement module.
- eMap has been modernised and optimised for mobile devices, and a new site to support flooding and storm damage has been released.
- The radio communications network has been upgraded from analogue to digital, in order to increase interoperability across the Emergency Management sector and align with whole of government directions.
- The design and development of the Radio Terminal Management system is underway and progressing well, providing a standard interface for managing the extensive radio fleet and configure radios onsite.

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.

Phase two of the *Councils and Emergencies Position Paper* will involve DELWP working with councils to understand their emergency management capability and capacity based upon the position paper and the Victorian Emergency Management Capability Blueprint 2015-2025. The paper clarifies and confirms the responsibilities and activities of councils before, during and after emergencies for the first time.

Indicator: The economic impact of fire prevention and preparedness investment

This is a new indicator that reflects funding provided in the 2017-18 Budget for the Reducing bushfire risk program

DELWP is developing recommendations and next steps for measuring the economic impact of fire prevention and preparedness investment, alongside developing associated methodology for implementation. The project will include a review of 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	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quantity					
Community-based bushfire management plans prepared for high risk communities	number	5	5	0	✓
Bushfire management engagement plans developed and implemented for high risk communities	number	12	12	0	✓
Length of strategic fire access roads and fuel breaks treated to manage safety risks posed by dangerous trees	km	709	1,200	(40.9)	■
<i>This result is below target due to wet weather hampering the ability of works to be undertaken. While the target for dangerous tree works fell short, significantly longer distances of vegetation management and road maintenance and improvement were undertaken through a bundled works contract approach. These efficiencies provided a better value for money outcome for the department as a public road manager.</i>					
Personnel with accreditation in a fire and emergency management role	number	2,416	2,000	20.8	✓
<i>The result is higher due to the creation of new accreditations including command and control roles including Regional Agency Commander, State Agency Commander and Regional Controller.</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	✓
Statewide bushfire risk is maintained at or below the target	per cent	65	70	(7.14)	✓
<i>DELWP completed 43 out of its 71 highest priority burns across the state. This focussed activity meant that despite the difficult conditions, residual risk was maintained below the 70 per cent target.</i>					
Stakeholder and community forums on bushfire management and planned burning held	number	20	18	11.11	✓
<i>Over the course of 2017-18 stakeholder and community forums have been delivered at a State and Regional level to support the planned burning program and bushfire management.</i>					

Output performance measures	Unit of measure	2017-18 actual	2017-18 target	Performance variation (%)	Result ¹
Quality					
Fires contained at less than 5 hectares to suppress fires before they become established, minimising impact	per cent	91	80	13.75	✓
<i>The higher performance is due to heightened readiness and enhanced seasonal preparedness arrangements that were in place by DELWP and the broader Emergency Management sector.</i>					
Personnel accredited to serve in a senior capacity (level 2 or 3) in a fire and emergency management role	number	352	300	17.3	✓
<i>The result is higher due to the creation of new accreditations including command and control roles including Regional Agency Commander, State Agency Commander and Regional Controller.</i>					
Timeliness					
Assessment of model of cover completed to assess resource requirements and availability	date	Dec 2017	Dec 2017	0	✓
Fire operations plans completed	date	Sep 2017	Sep 2017	0	✓
Fires contained at first attack to suppress fires before they become established, minimising impact	per cent	92	80	15	✓
<i>The higher performance is due to heightened readiness and enhanced seasonal preparedness arrangements that were in place by DELWP and the broader Emergency Management sector.</i>					
Readiness and response plans completed prior to the upcoming fire season	date	Oct 2017	Oct 2017	0	✓
Cost					
Total output cost	\$ million	453.5	414.9	9.3	■
<i>The year-end result is 9 per cent higher than budgeted. This predominately relates to Treasurer's Advances approved for fire suppression, and additional aviation resources which has been largely offset by the rephase of the Reducing Bushfire Risk 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.

Workforce statistics

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 as at 30 June 2018, and in the last full pay period as at 30 June 2017 of the previous reporting period.

Profile of the DELWP workforce: June 2018

As at 30 June 2018, DELWP employed 3,660 full time equivalent (FTE) staff across Victoria.

Table 1: Details of employment levels in June 2017 and 2018

		June 2018						June 2017					
		All employees			Fixed term and casual			All employees			Ongoing		
Gender		Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)
Women		1,869	1,692	1,038	461	1,351	370	1,695	1,518	944	468	1,258	283
Men		2,000	1,969	1,604	80	1,663	316	1,863	1,828	1,539	76	1,593	248
Self-Described		0	0	0	0	0	0	0	0	0	0	0	0
Total Employees		3,869	3,660	2,642	541	3,014	686	3,558	3,346	2,483	544	2,851	531
Total Employees													495
Age													
Demographic data	15-24	92	84	45	7	48	40	77	72	37	4	38	36
	25-34	877	850	561	57	600	259	748	720	494	63	535	191
	35-44	1,127	1,029	668	255	842	204	1,023	927	610	257	784	156
	45-54	944	903	702	123	790	119	895	850	673	125	762	97
	55-64	718	691	582	77	636	59	702	675	586	73	636	43
	65+	111	102	84	22	98	5	113	102	83	22	96	8
													6

	June 2018						June 2017														
All employees																					
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	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Number (head-count)	FTE
VPS 1-6 grades	3,346	3,145	2,214	527	2,577	605	568	3,114	2,912	2,104	530	2,463	480	449							
VPS 1	2	2	0	0	0	2	2	1	1	0	0	0	1	1							
VPS 2	170	148	92	41	116	37	32	197	168	102	50	129	45	39							
VPS 3	714	676	520	94	582	100	94	650	612	480	104	548	66	64							
VPS 4	950	892	604	151	707	195	185	815	766	544	135	636	136	130							
VPS 5	877	821	544	161	660	172	161	824	765	518	159	630	147	135							
VPS 6	550	529	393	66	442	91	87	547	525	402	71	455	74	70							
Science Adaptives	67	64	54	6	58	7	6	62	59	48	3	50	11	10							
Legal Adaptives	16	14	7	8	13	1	1	18	16	10	8	16	0	0							
Senior employees	130	129	108	8	115	14	14	120	118	95	7	100	18	18							
STS	23	23	14	0	14	9	9	31	31	21	1	22	9	9							
PS	7	7	2	0	2	5	5	17	16	7	1	8	9	9							
Executives	100	99	92	8	99	0	0	72	71	67	5	71	0	0							
Field Staff	366	366	304	1	305	61	61	300	296	267	3	269	30	27							
Other	27	21	16	5	18	6	3	24	20	17	4	19	3	1							
Total employees	3,869	3,660	2,642	541	3,014	686	646	3,558	3,346	2,483	544	2,851	531	495							

Note:

- a) All figures reflect employment levels during the last full pay period in June each year.
- b) 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.
- c) FTE means full time staff equivalent and is rounded to the nearest whole number.
- d) Victorian Public Service data specifications include the following employee classifications codes: 'STS' – Senior Technical Specialist, 'PS' – Principal Scientist
- e) Employees reported with a classification of 'other' include the following categories: Trainee and Wild Dog Controllers.
- f) 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*.
- g) Employees attached to the Commissioner for Environmental Sustainability are employees of the Department Secretary and are included in the above figures.
- h) 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.
- i) The Environment Protection Authority (EPA) 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	PS	SMA	SRA	Other
< \$160,000	0	0	0	0	0	0
\$160,000 - \$179,999	32 ⁽ⁱ⁾	8	3	0	0	0
\$180,000 - \$199,999	32 ⁽ⁱⁱ⁾	11	3	0	0	0
\$200,000 - \$219,999	11 ⁽ⁱⁱⁱ⁾	4	1	0	0	0
\$220,000 - \$239,999	10	0	0	0	0	0
\$240,000 - \$259,999	5	0	0	0	0	0
\$260,000 - \$279,999	5	0	0	0	0	0
\$280,000 - \$299,999	2	0	0	0	0	0
\$300,000 - \$319,999	1	0	0	0	0	0
\$320,000 - \$339,999	0	0	0	0	0	0
\$340,000 - \$359,999	0	0	0	0	0	0
\$360,000 - \$379,999	0	0	0	0	0	0
\$380,000 - \$399,999	0	0	0	0	0	0
\$400,000 - \$419,999	1	0	0	0	0	0
\$420,000 - \$439,999	0	0	0	0	0	0
\$440,000 - \$459,999	0	0	0	0	0	0
\$460,000 - \$479,999	0	0	0	0	0	0
\$480,000 - \$499,999	0	0	0	0	0	0
Total	99	23	7	0	0	0

Note:

The salaries reported above is for the full financial year, at a 1-FTE rate, and excludes superannuation.

- (i) Victorian Public Service data specifications include the following employee classification codes: 'STS' – Senior Technical Specialist, 'PS' – Principal Scientist, 'SMA' – Senior Medical Officer, 'SRA' – Senior Regulatory Analyst.
- (ii) There are three employees employed on a part-time basis at 0.8 FTE rate and 1 employee at a 0.89 FTE rate.
- (iii) There are two employees employed on a part-time basis at a 0.8 FTE rate.
- (iv) There are two employees employed on a part-time basis at a 0.8 FTE rate.

Profile of Sustainability Victoria workforce

As at June 2018, Sustainability Victoria (SV) employed 115 FTE staff across Victoria.

Table 1: Details of employment levels in June 2017 and 2018

		June 2018						June 2017					
		All employees			Ongoing employees			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)	FTE	Number (head-count)
Gender													
Men		44	43.4	27	2	28.6	15	14.8	47	46.4	32	0	15
Women		77	70.4	36	15	46.5	26	23.9	67	62.4	38	13	16
Self-described		1	1.0	0	0	0	1	1					
Age													
Under 25									0	0	0	0	0
25- 34		26	25	10	3	12.2	13	12.8	25	24	12	2	11
35-44		52	47.2	24	10	30.9	18	16.3	50	46.8	30	7	13
45-54		25	23.8	15	3	17.2	7	6.6	26	25	17	4	5
55-64		18	17.8	14	1	14.8	3	3	11	11	9	0	2
Over 65		1	1	0	0	0	1	1	1	1	1	0	0
Total Classification													
VPS 1		0	0	0	0	0	0	0	0	0	0	0	0
VPS 2		0	0	0	0	0	0	0	0	0	0	0	0
VPS 3		5	4.8	2	1	2.8	2	2	3	3	2	0	1
VPS 4		31	28	13	6	16.9	12	11.1	36	34	24	5	7
VPS 5		64	60.6	31	7	36	26	24.6	55	52	29	6	20
VPS 6		18	17.4	13	3	15.4	2	2	14	13.9	11	1	2
STS		0	0	0	0	0	0	0	1	1	0	0	1
Executive		4	4	4	0	4	0	0	5	4.9	4	1	0
Total		122	114.8	63	17	75.1	42	39.7	114	108.8	70	13	31
													30

Note:

- 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.
- Victorian Public Service data specifications include the following employee classification codes: 'STS' - Senior Technical Specialist.
- 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 *Public Administration Act 2004* (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 2018:

- Table 1 discloses the total number (headcount) 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 9.4 'Remuneration of executives' in the financial statements.

Profile of DELWP Executive Officers: June 2018

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	1	(1)	0	(1)	1	0	0	0
EO-2	36	0	16	(1)	20	1	0	0
EO-3	62	29	29	14	33	15	0	0
Total	99	28	45	12	54	16	0	0

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 9.4 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

		2018	2017
	Executives (Financial Statement Note 9.4)	118	94
	Accountable Officer (Secretary)	1	1
Less	Separations	18	21
	Leave without pay	1	1
	Long term acting arrangements	0	1
Total executive numbers at 30 June		100	72

Profile of Sustainability Victoria Executive Officers: June 2018**Table 1: Total number of executive officers for Sustainability Victoria, broken down into gender**

All			Men		Women		Self-described	
Class	No.	Var.	No.	Var.	No.	Var.	No.	Var.
EO-1	0	0	0	0	0	0	0	0
EO-2	0	0	0	0	0	0	0	0
EO-3	4	(1)	2	(1)	2	0	0	0
Total	4	(1)	2	(1)	2	0	0	0

Table 2: Reconciliation of Sustainability Victoria executive numbers

		2018	2017
Less	Executives	6	7
	Accountable Officer (Secretary)	0	0
	Separations	1	2
	Leave Without Pay	0	0
	Long term acting arrangements	1	0
Total executive numbers at 30 June		4	5

Executive numbers for the department's portfolio agencies

Organisation Name	June 2018					June 2017					Annual change				
	Women	Men	Self-described	Total	Women	Men	Self-described	Total	Women	Men	Self-described	Total	Women	Men	Self-described
Architects Registration Board of Victoria	1	0	0	1	1	0	0	1	0	0	0	1	0	0	0
Barwon Coast Committee of Management	0	1	0	1	0	1	0	1	0	0	0	1	0	0	0
Barwon Region Water Corporation	10	9	0	19	6	10	0	16	4	(1)	0	3	0	0	0
Barwon South West Waste and Resource Recovery Group	0	1	0	1	0	1	0	1	0	0	0	1	0	0	0
Bellarine Bayside Foreshore Committee of Management (Inc)	0	1	0	1	0	1	0	1	0	0	0	1	0	0	0
Capel Sound Foreshore Committee of Management Inc	0	0	0	0	1	0	0	1	(1)	0	0	(1)	0	0	(1)
Central Gippsland Region Water Corporation	1	5	0	6	2	4	0	6	(1)	1	0	0	0	0	0
Central Highlands Region Water Corporation	3	5	0	8	1	5	0	6	2	0	0	2	0	0	0
City West Water Corporation	3	4	0	7	2	7	0	9	1	(3)	0	(2)	0	0	0
Coliban Region Water Corporation	2	5	0	7	1	5	0	6	1	0	0	1	0	0	0
Corangamite Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0
East Gippsland Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0
East Gippsland Region Water Corporation	0	4	0	4	0	4	0	4	0	0	0	0	0	0	0
Energy Safe Victoria	1	5	0	6	1	5	0	6	0	0	0	0	0	0	0
Environment Protection Authority	4	9	0	13	3	5	0	8	1	4	0	5	0	0	0
Falls Creek Alpine Resort Management Board	0	2	0	2	0	2	0	2	0	0	0	0	0	0	0
Gippsland and Southern Rural Water Corporation	2	5	0	7	1	6	0	7	1	(1)	0	0	0	0	0
Gippsland Waste and Resource Recovery Group	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0
Glenelg Hopkins Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0
Goulburn Broken Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0

Organisation Name	June 2018					June 2017					Annual change		
	Women	Men	Self-described	Total	Women	Men	Self-described	Total	Women	Men	Self-described	Total	
Goulburn Valley Region Water Corporation	1	3	0	4	1	3	0	4	0	0	0	0	0
Goulburn Valley Waste and Resource Recovery Group	0	1	0	1	0	1	0	1	0	0	0	0	0
Goulburn Murray Rural Water Corporation	0	7	0	7	1	6	0	7	(1)	1	0	0	0
Grampians Central West Waste and Resource Recovery Group	1	0	0	1	1	0	0	1	0	0	0	0	0
Grampians Wimmera Mallee Water Corporation	2	3	0	5	2	3	0	5	0	0	0	0	0
Great Ocean Road Coast Committee Inc	1	0	0	1	0	1	0	1	1	(1)	0	0	0
Loddon Mallee Waste and Resource Recovery Group	1	0	0	1	1	0	0	1	0	0	0	0	0
Lower Murray Urban and Rural Water Corporation	1	5	0	6	1	5	0	6	0	0	0	0	0
Mallee Catchment Management Authority	0	0	0	0	1	0	0	1	(1)	0	0	0	(1)
Melbourne Water Corporation	2	10	0	12	2	10	0	12	0	0	0	0	0
Metropolitan Waste and Resource Recovery Group	0	0	0	0	0	1	0	1	0	(1)	0	0	(1)
Mount Buller and Mount Stirling Alpine Resort Management Board	0	1	0	1	0	1	0	1	0	0	0	0	0
Mount Hotham Alpine Resort Management Board	0	1	0	1	0	1	0	1	0	0	0	0	0
North Central Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0
North East Catchment Management Authority	0	0	0	0	0	1	0	1	0	(1)	0	0	(1)
North East Region Water Corporation	2	4	0	6	2	4	0	6	0	0	0	0	0
North East Waste and Resource Recovery Group	1	0	0	1	0	1	0	1	1	(1)	0	0	0
Parks Victoria	10	18	0	28	8	12	0	20	2	6	0	8	8
Phillip Island Nature Park Board of Management	0	0	0	0	1	1	0	2	(1)	(1)	0	0	(2)
Port Phillip and Westernport Catchment Management Authority	0	1	0	1	0	1	0	1	0	0	0	0	0
Royal Botanic Gardens Board	2	4	0	6	1	4	0	5	1	0	0	1	1

Organisation Name	June 2018					June 2017					Annual change		
	Women	Men	Self-described	Total	Women	Men	Self-described	Total	Women	Men	Self-described	Total	
South East Water Corporation	8	19	0	27	5	18	0	23	3	1	0	4	
South Gippsland Region Water Corporation	1	3	0	4	1	3	0	4	0	0	0	0	
Southern Alpine Resort Management Board	1	0	0	1	1	1	0	2	0	(1)	0	(1)	
Sustainability Victoria	0	1	0	1	0	1	0	1	0	0	0	0	
Trust for Nature (Victoria)	1	0	0	1	1	0	0	1	0	0	0	0	
Victorian Building Authority	5	10	0	15	5	4	0	9	0	6	0	6	
Victorian Planning Authority	3	5	0	8	1	5	0	6	2	0	0	2	
Wannon Region Water Corporation	1	4	0	5	1	4	0	5	0	0	0	0	
West Gippsland Catchment Management Authority	0	2	0	2	0	2	0	2	0	0	0	0	
Western Region Water Corporation	2	5	0	7	3	5	0	8	(1)	0	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	0	1	0	1	0	1	0	1	0	0	0	0	
Yarra Valley Water Corporation	4	5	0	9	5	5	0	10	(1)	0	0	(1)	
Zoological Parks and Gardens Board	4	5	0	9	2	4	0	6	2	1	0	3	
Total	82	185	0	267	67	176	0	243	15	9	0	24	

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, certify that the Department of Environment, Land, Water and Planning has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



John Bradley
Secretary
Department of Environment, Land, Water and Planning
5 September 2018

Financial summary

Five-year financial summary

	2018 \$'000 (DELWP)	2017 \$'000 (DELWP)	2016 \$'000 (DELWP)	2015 \$'000 (DELWP)	2014 \$'000 (DEPI)
Income from government ⁽ⁱ⁾	1,603,784	1,513,215	1,223,155	1,340,615	1,398,269
Total income from transactions	2,319,590	2,183,659	1,688,819	1,802,945	1,665,813
Total expenses from transactions	2,165,945	1,987,133	1,667,768	1,479,411	1,580,771
Net result from transactions ⁽ⁱⁱ⁾	153,645	196,526	21,051	323,534	85,042
Net result for the period	316,965	188,390	(33,732)	326,533	69,342
Net cash flow from operating activities	134,556	171,344	140,057	311,435	88,996
Total assets	11,664,496	10,115,917	9,817,526	8,581,597	8,703,808
Total liabilities	382,475	346,599	283,616	295,858	672,102

Note:

- (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.
- The comparative amounts in the five-year financial summary are not restated for the Machinery of Government 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 2017-18, DELWP recorded a net result from transactions of \$153.6 million, which was \$42.9 million lower than in 2016-17.

Notes on Machinery of Government changes

There were no Machinery of Government (MoG) changes during the 2017-18 financial year.

For comparison, 2016-17 was the first year in which the Energy output was reported by the department. On 23 May 2016, the Premier Daniel Andrews announced a change in Ministerial cabinet. As a result of the change, the department assumed responsibility for the Energy output from 1 July 2016. Consistent with Administrative Arrangements Order (No. 222) 2016, this output transferred from DEDJTR.

2015-16 marked the first full year results for the department that reflect the MoG Administrative Arrangements announced on 4 December 2014 and implemented on 1 January 2015. These MoG Administrative Arrangements resulted in the former Department of Environment and Primary Industries (DEPI) relinquishing its Agriculture, Biosecurity and Sustainably Manage Fish and Forest Resources outputs to DEDJTR. In addition, DELWP assumed responsibility for the Land Victoria, Local Government, Office of the Victorian Government Architect, and the Planning, Building and Heritage outputs from the former Department of Transport, Planning and Local Infrastructure (DTPLI), and part of the Regional Development (Planning) output from the former Department of State Development, Business and Innovation (DSDBI).

As part of MoG Administrative Arrangements implemented on 15 May 2015, DELWP relinquished its Office of Victorian Government Architect output to the Department of Premier and Cabinet (DPC).

The 2013-14 results for the former DEPI reflect the MoG Administrative Arrangements implemented on 1 July 2013. These MoG Administrative Arrangements in 2013-14 resulted in the former Department of Sustainability and Environment (DSE) relinquishing its Land Administration and Property Information output to the former DTPLI and the former DSE.

assuming responsibility for the Development of Primary Industries output from the former Department of Primary Industries (DPI).

Financial performance and business review

In 2017-18, DELWP recorded a lower net result from transactions, due to the increase in expenditure of \$178.8 million exceeding the increase in total income from transactions of \$135.9 million.

The increase in total income is predominantly due to increases in output appropriations, sale of goods and services, the Metropolitan Parks Improvement Rate and the Municipal and Industrial Landfill Levy (MILL). The increase in output appropriations is driven by major new output initiatives, including the Water for Victoria package and reducing bushfire risk, and new Land Use Victoria functions, including strategic land use assessments of potential future uses of government land and maintaining the Government Land Information Service as a central source of information for landholdings.

Increase in sale of good and services was mainly driven by the habitat compensation fees. The department received \$32.9 million in compensation fees during 2017-18 when compared to \$14.4 million in 2016-17. Victorian landowners who remove native vegetation and habitat for certain threatened species in the growth corridors must meet habitat compensation obligations through the payment of a compensation fees.

There were also increases in revenue relating to the Metropolitan Parks Improvement Rate, due to an increase in the rate charge for 2017-18 in line with legislation and an increase in the number of properties within the urban growth boundaries.

The MILL also increased by \$13.7 million due to a rise in the levy imposed on the collection of landfill (increased by the annual CPI on the base fee unit rate) and additional landfill levy activity from population growth.

The expenditure increase of \$178.8 million is primarily represented by an increase in grants and other transfers of \$209.1 million and employee expenses of \$45.2 million, offset by a reduction of supplies and services of \$79.1 million.

New initiatives contributing to the increased grants for the year were: \$48.5 million for bringing the Environment Protection Authority into the modern era, and securing our modern energy futures, which contributed to the increase in Energy grants of \$44.6 million. Additional grants of \$78.6 million were made for the Planning, Building and Heritage output to address the future growth and transformation of Victoria's cities and regions. Grants paid to

Goulburn-Murray Water for Stage 2 of the Connections project also increased by \$23.2 million.

The rise in employee expenses of \$45.2 million is driven by a number of factors, including: 314 additional paid FTE at 30 June 2018 compared with 30 June 2017. These were predominantly field service staff and project fire fighters in Forest, Fire and Regions, and program management and policy staff in Energy, Environment and Climate Change in response to the Victoria's Renewable Energy Targets. Employee expenses also included 1.5 per cent and 1.75 per cent increases in the Enterprise Agreement for Victorian Public Service staff from 1 July 2017 and 1 January 2018 respectively.

The reduction in supplies and services of \$56.9 million is mainly due to a decline in the use of professional services by Energy, Environment and Climate Change Group as Renewable Energy projects were operationalised.

Other economic flows increased by \$171.5 million largely due to the recognition of Crown land parcels totalling \$167 million resulting from a reconciliation of Crown land records on transition to the Victorian Online Titles System (VOTS). VOTS will be used as the department's definitive source of Crown land data.

Financial position – balance sheet

DELWP's net assets increased by \$1.5 billion, or 15.5 per cent, from last year to \$11.7 billion.

Total assets increased by \$1.5 billion to \$11.7 billion. The major contributor was an increase of \$1.3 billion in property, plant and equipment primarily due to the revaluation of Crown and Freehold land and net recognitions of Crown land. There was an increase in receivables of \$117.6 million driven by the amounts owing from the Victorian Government associated with increased appropriation revenue and reduction in carryover and an increase in net cash, investments and financial assets of \$91.3 million.

Total liabilities increased by \$35.9 million primarily due to an increase in payables of \$20.5 million, interest bearing liabilities of \$8.2 million and provisions of \$7 million.

The payables increase primarily related to contributions payable to Zoos Victoria and the Royal Botanic Gardens Victoria of \$15.9 million.

The increase in interest bearing liabilities was driven by purchased vehicles being replaced with G-wagon leased vehicles.

The increase in provisions mainly relates to provisions for employee benefits which is driven by the increase in employee expenses.

Cash flows

DELWP's net cash inflow from operating activities decreased by \$36.8 million to \$134.6 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

Parks Victoria

On 5 June 2018, the *Parks Victoria Act 2018* received Royal Assent. The Act repeals and re-enacts, with amendments, the *Parks Victoria Act 1998* and consequentially amends Crown land legislation to provide Parks Victoria with direct control and management of the land it currently manages on behalf of the Secretary and the Minister for Energy, Environment and Climate Change. This will result in the transfer of land and assets under the *Crown Land (Reserves) Act 1978*, *Forests Act 1958*, *Land Act 1958*, *National Parks Act 1975* and the *Wildlife Act 1978* to Parks Victoria upon commencement. The net asset transfer is estimated to be \$4.1 billion. Commencement is likely to occur in mid-September 2018.

Land Use Victoria

On 27 August 2018, the Treasurer announced the successful bidder for the privatisation of part of the land titles and registry functions of Land Use Victoria (LUV). Victorian Land Registry Services will be responsible for defined functions, under a service concession arrangement, for a term of 40 years. The concession is expected to commence on 1 October 2018, with transaction completion scheduled for 27 September 2018. The financial impact of the arrangement will remain commercial in confidence until transaction is completed.

Victorian Renewable Energy Target 2017 Reverse Auction

A competitive tender for up to 650MW of new large-scale renewable energy capacity was undertaken via the Victorian Renewable Energy Target 2017 Reverse Auction. The auction closed in February 2018. Support Agreements have been awarded to support six new renewable energy projects across the state. The Support Agreements were signed in late August 2018 and operate on a Contract for Difference model, which ensures revenue certainty for renewable energy projects over a 15-year term. The financial impact of the Support Agreements is commercial in confidence.

Departmental controlled expenses from transactions by output

DELWP payments for outputs (controlled)	\$'000	%
Planning, Building and Heritage	208,516	9.6
Environment and Biodiversity	77,171	3.6
Statutory Activities and Environment Protection	265,085	12.2
Land Use Victoria	121,473	5.6
Management of Public Land and Forests	203,669	9.4
Effective Water Management and Supply	491,612	22.7
Local Government	99,494	4.6
Climate Change	11,478	0.5
Suburban Development	6,997	0.3
Parks Victoria	178,687	8.3
Fire and Emergency Management	444,828	20.6
Energy	56,935	2.6
	2,165,945	100

Financial governance

The department diligently exercises its various financial management obligations which include compliance with the provisions of the *Financial Management Act 1994*, the associated *Standing Directions of the Minister for Finance 2016* (Standing Directions) and taxation legislation.

The department's compliance with the Standing Directions is formally assessed at 30 June each year. For the first time, the department has prepared and published in its annual report, a public attestation that it is materially compliant with direction requirements. There is also a rolling internal audit program in place to review the department's compliance with the Standing Directions. This year's audit focussed on governance requirements of the Standing Directions.

The department also maintains financial policies, procedures and associated documents to ensure good governance, effective internal controls and consistency with financial reporting. These documents are reviewed and updated on an annual basis to ensure ongoing relevance and conformance to external reporting requirements. During 2017-18, a new Asset Management Policy was established to aid in the department's compliance with the Asset Management Accountability Framework (AMAF). Asset management plans were also established for high risk and high value assets. As a result of the work completed during the year and the department's approach to asset management, it is now materially compliant with the AMAF.

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 Planning (who is also the department's Chief Finance Officer). Manual checks are supplemented with the use of interrogation software that allows full analysis of 100 per cent of the department's financial transactions. The use of this software was extended in 2017-18 to match employee and vendor data for early detection of potential fraud risks.

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 to all staff.

Leadership teams throughout the department actively participate in financial management, and 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 2017-18 Budget Paper No. 5, and the actual results for the year can be found at Appendix 2.

Office-based environmental performance

Office-based environmental impacts

Under Financial Reporting Directions 24D, 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 this scope and includes non-office sites such as: airbases; depots; fire towers; laboratories; office / depots; radio masts; research centres; and warehouses.

DELWP's Environment Management System (EMS) was set up to meet government requirements under 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 based on ISO14001 to drive continual environmental improvement across the department.

Indicator	2017-18	2016-17	2015-16	2014-15
DELWP FTE	3,660	3,346	3,092	2,960
DELWP Office FTEs	2,504	2,306	2,089	1,983
DELWP Office NLA (m ²)	47,844	52,799	51,084	51,084
Number of DELWP Office sites	15	18	20	20

Note:

- The reportable site list excludes residences and sites where DELWP staff are located within another department's facility (e.g. Attwood and Horsham).
- Non-DELWP staff accommodated within a DELWP managed facility are counted towards the DELWP reported consumption figures.
- DELWP office tenancy net lettable area (NLA) details are used for reporting calculations. NLA is calculated as per the *Property Council of Australia Method of Measurement for Lettable Area 1997*.

DELWP reports environmental data from April 1 – March 31 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*. This year some report tables have been modified to improve data presentation.

Key Achievements:

In just three years, DELWP has made the following improvements in annual environmental performance:

- 27 per cent reduction in total greenhouse gas emissions
- 7 per cent reduction in energy consumption
- 18 per cent reduction in water consumption
- 14 per cent reduction in waste generation
- 4 per cent reduction in paper purchasing

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

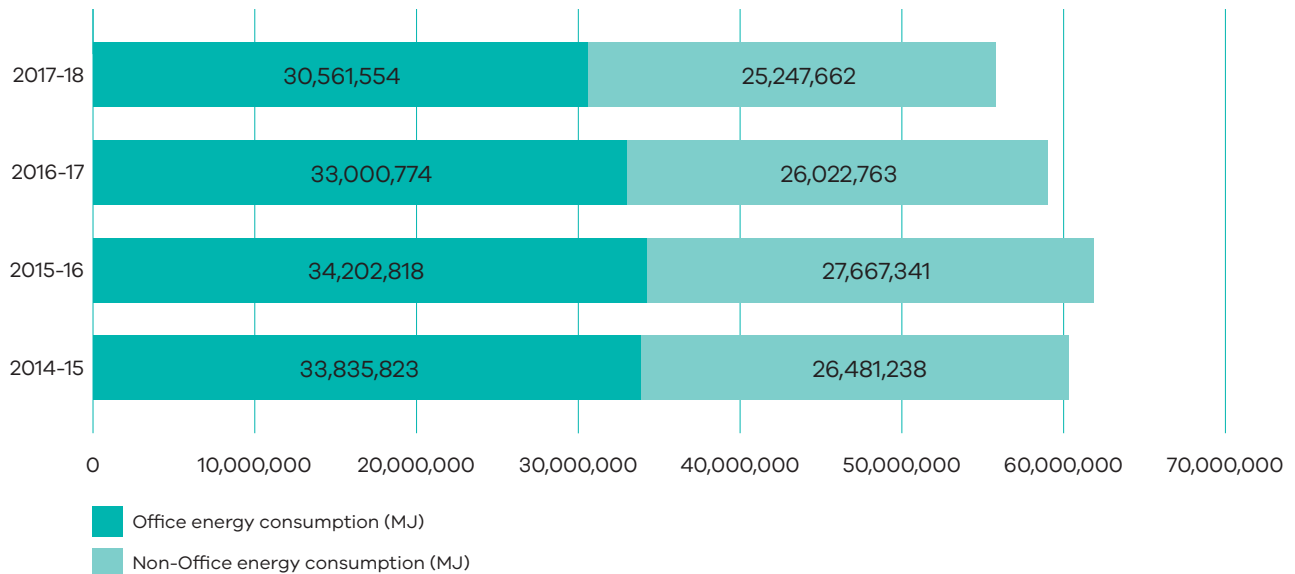
Green Team program

DELWP's Green Team program aims to promote staff awareness of environmental objectives by encouraging positive environmental behaviours across the department. A group of approximately 100 staff take part in the Green Team program to help develop, implement and refine a range of site-based initiatives and activities aimed at raising staff awareness to improve environmental performance.

Energy consumption

Total energy consumption (E1) has decreased 7 per cent from the 2014-15 baseline, mainly due to staff vacating 570 Bourke Street and moving into newly fitted out floors at 2 Lonsdale Street. Energy consumption also fell significantly at Heidelberg with the installation of a 30kW solar PV system in 2017.

Total building energy consumption (MJ)



Actions undertaken:

- DELWP has evaluated energy use across the regions and committed to reducing overall energy consumption with associated emissions. A range of cost saving environmental initiatives have included building upgrades and the roll out of an extensive Solar PV program to reduce both consumption and dependency on the grid.
- DELWP committed to the Victorian Government TAKE2 climate change pledge to reduce emissions by 30 per cent over the next three years and to be carbon neutral by 2050.
- DELWP continues to track daily electricity consumption across 30 sites through the VicFacilities portal. This enabled faults to be identified in advance of billing data.
- 300.49 kW of Photo Voltaic (PV) solar panels are now installed at 13 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 43 DELWP sites.
- DELWP continued purchasing Green Power.
- Participation in the global 'Earth Hour' event to promote and improve office energy efficiency.

Future objectives:

- DELWP is currently implementing a range of energy efficiency actions at DELWP sites, identified by the 2017 energy and water audits.
- A further program to install PV solar panels at additional DELWP sites is underway.

Indicator	2017-18	2016-17	2015-16	2014-15
E1. Total energy usage segmented by primary source (MJ) ⁽ⁱ⁾	55,809,217	59,023,537 ⁽ⁱⁱ⁾	61,870,159 ⁽ⁱⁱ⁾	60,317,061 ⁽ⁱⁱ⁾
Electricity (MJ)	43,650,884	45,783,901	47,454,924	46,566,264
Natural gas (MJ)	11,196,307	12,423,934	13,699,558	12,889,718
LPG (MJ) ⁽ⁱⁱⁱ⁾	962,025	815,703	715,677	861,079
Office energy consumption (MJ) ^(iv)	30,561,554	33,000,774	34,202,818	33,835,823
Non-Office energy consumption (MJ) ^(iv)	25,247,662	26,022,763	27,667,341	26,481,238
Indicator	2017-18	2016-17	2015-16	2014-15
E2. Total greenhouse gas emissions from energy consumption (tonnes CO ₂ -e)	11,856	12,592	17,415	17,971
Electricity (tonnes CO ₂ -e)	11,174	11,851	16,609	17,204
Natural gas (tonnes CO ₂ -e)	621	689	759	712
LPG (tonnes CO ₂ -e)	62	52	46	56
Office greenhouse gas emissions from energy consumption (tonnes CO ₂ -e) ^(iv)	6,787	8,961	9,690	10,050
Non-office greenhouse gas emissions from energy consumption (tonnes CO ₂ -e) ^(iv)	5,069	3,632	7,724	7,921
Indicator	2017-18	2016-17	2015-16	2014-15
E3. Percentage of electricity purchased as Green Power (%) ^(v)	22	22	0	0
Green Power (MJ)	9,529,617	9,930,826	0	0
Indicator	2017-18	2016-17	2015-16	2014-15
E4. Units of office energy used per FTE (MJ/FTE)	12,208	14,309	16,373	17,061
E5. Units of office energy used per office area (MJ/m ²)	639 ^(vi)	625	670	662
Indicator	2017-18	2016-17	2015-16	2014-15
Cumulative installed solar PV systems (kW)	300.49	76.39	76.39	76.39
Cumulative number of sites with solar PV systems	13	7	7	7

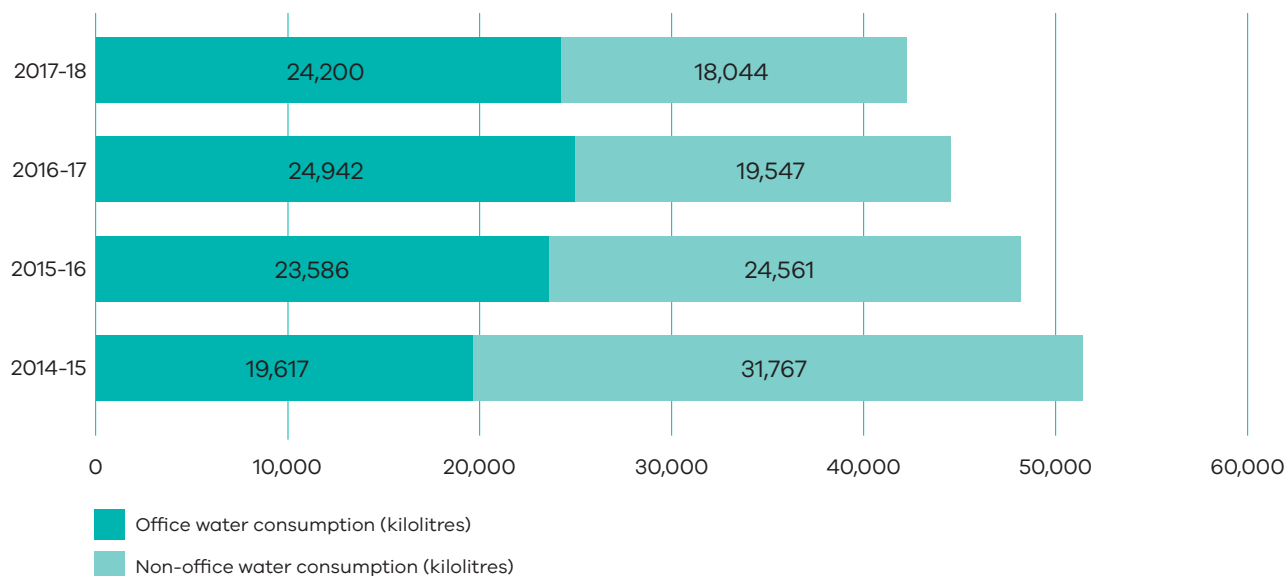
Explanatory notes:

- (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 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) DELWP's office tenancy net lettable area (NLA) has reduced in 2017-18 along with higher densities of staff in DELWP offices following extensive office fit out work.

Water consumption

Total water consumption (W1) has decreased by 18 per cent this year (from the 2014-15 baseline), mainly due to staff vacating 570 Bourke Street and moving into newly fitted out floors at 2 Lonsdale Street and with the ongoing water tracking through the VicFacilities portal.

Total building water consumption (kL)



Actions undertaken:

- DELWP continues to track daily water consumption across 30 sites through the VicFacilities portal. This 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 is currently implementing a range of water efficiency actions at DELWP sites, identified by the 2017 energy and water audits.

Indicator	2017-18	2016-17	2015-16	2014-15
W1. Total water consumption (kilolitres) ⁽ⁱ⁾	42,244	44,489 ⁽ⁱⁱ⁾	48,147 ⁽ⁱⁱ⁾	51,385 ⁽ⁱⁱ⁾
Office water consumption (kilolitres) ⁽ⁱⁱⁱ⁾	24,200	24,942	23,586	19,617
Non-office water consumption (kilolitres) ⁽ⁱⁱⁱ⁾	18,044	19,547	24,561	31,767
Indicator	2017-18	2016-17	2015-16	2014-15
W2. Units of office water used per FTE (kilolitres/FTE)	9.7	10.8	11.3	9.9
W3. Units of office water used per office area (kilolitres/m ²)	0.5	0.5	0.5	0.4

Explanatory notes:

- (i) Water data is sourced directly from water corporations, building managers or estimated where data is unavailable.
- (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

Total waste (Ws1) decreased 14 per cent from the 2014-15 baseline, based on one-day waste and recycling audits across 10 DELWP sites. Office waste efficiency (Ws2) has also shown an improvement this year, with the total volume of waste and recycling per FTE reducing.

Actions undertaken:

- DELWP diverted 10,298 kilograms of metal, plastics, batteries, mobile phones, and stationery through the Green Collect recycling scheme.
- DELWP continues to participate in the Closed Loop coffee cup trial recycling scheme at 8 Nicholson Street.
- The RedCycle soft plastics recycling scheme is also being trialled at DELWP sites through the Green Team.

Future objectives:

- Office furniture and fit-out materials continue to be reused, reducing waste generated by office fit-out projects across all sites.

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

Explanatory notes:

- DELWP waste and recycling data is calculated from annual waste audits that measure general waste and recycling volumes, along with contamination over a sample day. Audits were undertaken at the following 10 locations: Alexandra office/depot; Bairnsdale office; Benalla office/depot; Bendigo office/depot; East Melbourne head office; Geelong office; Heidelberg research centre; Knoxfield office/depot; Orbost office; and Traralgon office. Fifty-five per cent of DELWP staff are situated at the above sites. The results are then extrapolated to cover all DELWP FTEs.
- Figures have been updated to include revised staff numbers.
- Green Collect figures have increased due to greater staff awareness and stationary collection points set up during large office moves.

Travel and transport

A busier fire suppression and planned burning season, along with a change in operational vehicles, contributed to higher fleet vehicle travel for this reporting year (T1). Air travel continued to decline (T5) and all related flight emissions were offset.

Actions undertaken:

- DELWP aims to minimise travel by using telephone and video conferencing facilities whenever possible. Improved video conferencing facilities have now been installed throughout many DELWP locations along with Skype for business. Staff are also encouraged to utilise public transport options.
- DELWP continued purchasing 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.

Vehicle travel

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

Total fleet vehicle emissions (T3) increased 8 per cent this year (from the 2014-15 baseline).

Indicator ⁽ⁱ⁾	2017-18	2016-17	2015-16	2014-15
T1. Total energy consumption by fleet vehicles (MJ)	80,619,938	76,294,160	94,186,266 ⁽ⁱⁱ⁾	74,970,028 ⁽ⁱⁱ⁾
Diesel	67,834,446	68,623,776	80,103,555	65,047,047
LPG	89,573	547,429	707,646	895,201
Unleaded	10,395,796	5,184,952	12,042,793	6,587,010
Hybrid	2,300,124	1,938,003	1,332,272	2,440,770
Indicator ⁽ⁱ⁾	2017-18	2016-17	2015-16	2014-15
T2. Total distance travelled by fleet vehicles (km)	17,560,180	17,199,178	18,278,487	17,404,314
Diesel	13,105,306	14,016,242	14,191,626	13,081,859
LPG	65,280	177,763	223,232	416,924
Unleaded	3,080,699	1,722,479	2,643,659	2,343,571
Hybrid	1,308,895	1,282,694	1,219,970	1,561,960
T3. Total greenhouse gas emissions from fleet vehicles (tonnes CO ₂ -e)	5,673 ⁽ⁱⁱⁱ⁾	5,368	6,623	5,230
Diesel	4,782	4,838	5,647	4,547
LPG	6	34	44	54
Unleaded	725	361	839	458
Hybrid	160	135	93	170

Indicator ⁽ⁱ⁾	2017-18	2016-17	2015-16	2014-15
T4. Greenhouse gas emissions from fleet vehicles per 1000km (tonnes CO ₂ -e)	0.32	0.31	0.36	0.30
Diesel (tonnes CO ₂ -e)	0.36	0.35	0.40	0.35
LPG (tonnes CO ₂ -e)	0.08	0.19	0.19	0.13
Unleaded (tonnes CO ₂ -e)	0.24	0.21	0.32	0.20
Hybrid (tonnes CO ₂ -e)	0.12	0.11	0.08	0.11
Indicator ⁽ⁱ⁾	2017-18	2016-17	2015-16	2014-15
Total owned vehicles	949	951	848	864
Diesel (passenger vehicles)	587	635	666	703
Diesel (G-Wagons)	188	144	0	0
LPG	2	7	11	13
Unleaded	119	115	145	92
Hybrid	53	50	26	56

Explanatory notes:

- (i) DELWP reports on operational vehicles including 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) These figures have been updated to include previously unavailable data for comparative purposes.
- (iii) There has been a staged rollout of the purchasing of operational G-Wagon vehicles, which began in the 2016-17 reporting year. A busier fire suppression and planned burning season during 2017-18 also increased the total figures. In addition, the G-Wagon ultra-light tankers that replaced the older Landcruiser fleet have a much greater payload, which results in increased fuel usage. Without the operational G-Wagons, the fleet vehicle emissions would have been 4,679 (tonnes CO₂-e).

Air travel

All DELWP emissions from air travel were offset from July 2016.

Indicator ⁽ⁱ⁾	2017-18	2016-17	2015-16	2014-15
T5. Total distance travelled by aeroplane (km)	2,356,292	2,376,764	2,942,129 ⁽ⁱⁱ⁾	3,171,978 ⁽ⁱⁱ⁾
Greenhouse gas emissions from air travel (tonnes CO ₂ -e)	0	176	812	850

Explanatory notes:

- (i) Air travel data is sourced from the government travel agent, Corporate Travel Management (CTM).
- (ii) These figures have been updated to include previously unavailable data.

Staff travel

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

Explanatory notes:

Staff travel data is sourced from the annual travel survey in 2018, which received a 33 per cent staff response rate.

Paper consumption

Total paper purchasing (P1) decreased by 4 per cent from the 2014-15 baseline mainly due to reduced paper purchasing across DELWP CBD and Port Phillip regions. Office paper purchasing efficiency (P2) also showed a marginal improvement this year.

Actions undertaken:

- The DELWP default white A4 paper is 100 per cent recycled.
- A new online document management system has been established at DELWP, further reducing the need to print.

Future objectives:

- DELWP continues to make sure that staff can utilise the 100 per cent recycled paper wherever possible, by replacing old and outdated printers.
- DELWP will continue to promote both duplex printing and electronic record keeping over the next financial year.

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

Explanatory notes:

- (i) DELWP paper purchasing is calculated using data from the government stationery supplier, Complete Office Supplies. Out of this total paper use, 69 per cent is consumed by the CBD offices.
- (ii) These figures have been updated to include previously unavailable data.
- (iii) 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 Committee 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.
- The default A4 white printer paper has 100 per cent recycled content.

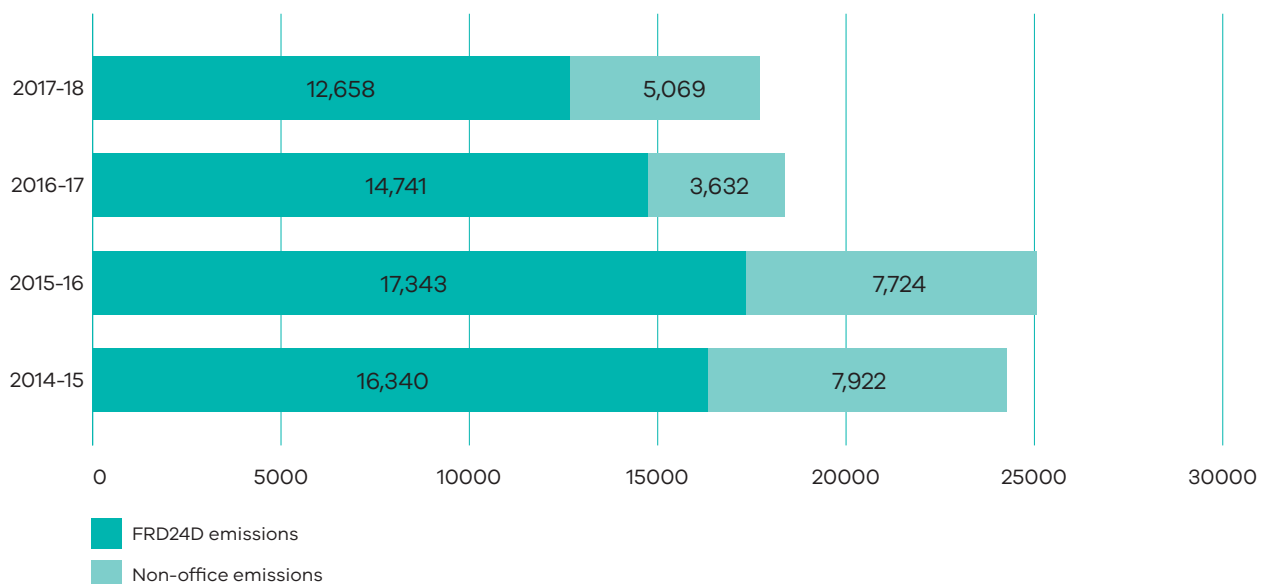
Future objectives:

- DELWP will continue to consider the environment when procuring stationery, IT equipment, fleet vehicles and office furniture.
- Stationery collection points will continue to be set up whenever large office moves take place. All items that cannot be reused by DELWP will continue to be donated to Green Collect for processing.

Greenhouse gas emissions

DELWP reduced total greenhouse gas emissions by 27 per cent from the 2014-15 baseline. This result was achieved mainly by the purchase of green power and air travel offsets alongside the ongoing installation of Photo Voltaic (PV) solar panels at DELWP sites.

DELWP total greenhouse gas emissions (tonnes of CO₂ equivalent)



Actions undertaken:

- DELWP committed to the Victorian Government TAKE2 climate change pledge to reduce emissions by 30 per cent (on the 2014-15 baseline) by 2020 and to be carbon neutral by 2050.
- DELWP continued purchasing Green Power.
- DELWP continued purchasing air travel offsets.
- LED lighting upgrades (both partial and full) were undertaken at 43 DELWP sites.
- 30,049kW of Photo Voltaic (PV) solar panels are now installed at 13 DELWP sites.

Future objectives:

- By 2020, DELWP will reduce total emissions by 30 per cent (based on the 2014-15 baseline) in line with the whole of Victorian government target.
- DELWP is currently implementing a range of energy efficiency actions at DELWP sites, identified by the 2017 energy and water audits.
- A further program to install PV solar panels at additional DELWP sites is currently underway.

Indicator	2017-18	2016-17	2015-16	2014-15
Total greenhouse gas emissions (tonnes CO ₂ -e) ⁽ⁱ⁾	17,727	18,373 ⁽ⁱⁱ⁾	25,067 ⁽ⁱⁱ⁾	24,262 ⁽ⁱⁱ⁾
FRD24D greenhouse gas emissions (tonnes CO ₂ -e) ⁽ⁱⁱⁱ⁾	12,658	14,741	17,343	16,340
Indicator	2017-18	2016-17	2015-16	2014-15
Non-office Energy (tonnes CO ₂ -e)	5,069	3,632	7,724	7,921
Office energy (tonnes CO ₂ -e)	6,787	8,961	9,690	10,050
Fleet vehicles (tonnes CO ₂ -e)	5,673	5,368	6,623	5,230
Air travel (tonnes CO ₂ -e)	0	176	812	850
Office waste (tonnes CO ₂ -e)	61	86	82	72
Paper purchasing (tonnes CO ₂ -e)	137	152	136	139

Explanatory notes:

- (i) The total greenhouse gas emissions include both office and non-office energy emissions.
- (ii) These figures have been updated to include previously unavailable data primarily at 8 Nicholson Street and 2 Lonsdale Street for comparative purposes.
- (iii) FRD24D excludes emissions from non-office buildings.

Legislative and other information

Major Entities

Energy, Environment and Climate Change

Alpine Advisory Committee
Alpine Resorts Coordinating Council
Barwon South West Waste and Resource Recovery Group
Border Groundwaters Agreement Review Committee
Budj Bim Council
Caulfield Racecourse Reserve Trust
Central Coast Regional Coastal Board
Commissioner for Environmental Sustainability
Committees of Management (various) ⁽ⁱ⁾
Director of National Parks
Dhelkunya Dja Land Management Board
Energy Safe Victoria
Environment Protection Authority
Environment Protection Board
Falls Creek Alpine Resort Management Board
Gippsland Lakes and Coast Regional Coastal Board
Gippsland Waste and Resource Recovery Group
Goulburn Valley Waste and Resource Recovery Group
Grampians Central West Waste and Resource Recovery Group
Gunaikurnai Traditional Owner Land Management Board
Loddon Mallee Waste and Resource Recovery Group
Metropolitan Waste and Resource Recovery Group
Ministerial advisory committees (various)
Mount Buller and Mount Stirling Alpine Resort Management Board
Mount Hotham Alpine Resort Management Board
National Parks Advisory Council
North East Waste and Resource Recovery Group
Parks Victoria
Reference Areas Advisory Committee
Royal Botanic Gardens Board Victoria
Scientific Advisory Committee
Southern Alpine Resort Management Board
Sustainability Victoria
Trust for Nature (Victoria)

Trustees for Crown land reserves ⁽ⁱⁱ⁾

Victorian Coastal Council

Victorian Environmental Assessment Council

Victorian Mineral Water Committee

Yorta Yorta Traditional Owner Land Management Board

Zoological Parks and Gardens Board

Planning

Architects Registration Board of Victoria and Panel List

Birrarung Council

Building Advisory Council

Building Appeals Board

Building Regulations Advisory Committee

Environmental Effects Inquiries established under the *Environmental Effects Act 1978* (various)

Geographic Place Names Advisory Panel

Growth Areas Infrastructure Contribution Hardship Relief Board

Heritage Council

Planning panels and advisory committees established under the *Planning and Environment Act 1987* (various)

Plumbing Advisory Council

Surveyors Registration Board of Victoria

Victorian Building Authority

Victorian Planning Authority

Local Government

Councillor Conduct Panel List

Panels of Administrators for local government councils

Local Government Ministerial Mayors Advisory Panel

Victoria Grants Commission

Suburban Development

Eastern Metropolitan Partnership

Inner Metro Metropolitan Partnership

Inner South East Metropolitan Partnership

Northern Metropolitan Partnership

Southern Metropolitan Partnership

Western Metropolitan Partnership

Water

Barwon Region Water Corporation
 Central Gippsland Region Water Corporation
 Central Highlands Region Water Corporation
 City West Water Corporation
 Coliban Region Water Corporation
 Corangamite Catchment Management Authority
 East Gippsland Catchment Management Authority
 East Gippsland Region Water Corporation
 Gippsland and Southern Rural Water Corporation
 Glenelg Hopkins Catchment Management Authority
 Goulburn Broken Catchment Management Authority
 Goulburn Valley Region Water Corporation
 Goulburn-Murray Rural Water Corporation
 Grampians Wimmera Mallee Water Corporation
 Lower Murray Urban and Rural Water Corporation
 Mallee Catchment Management Authority
 Melbourne Water Corporation
 North Central Catchment Management Authority
 North East Catchment Management Authority
 North East Region Water Corporation
 Port Phillip and Westernport Catchment Management Authority
 South East Water Corporation
 South Gippsland Region Water Corporation
 Victorian Catchment Management Council
 Victorian Environmental Water Holder
 Wannon Region Water Corporation
 West Gippsland Catchment Management Authority
 Western Region Water Corporation
 Westernport Region Water Corporation
 Wimmera Catchment Management Authority
 Yarra Valley Water Corporation

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 some provisions jointly administered with the Premier.

Coastal Management Act 1995

Commissioner for Environmental Sustainability Act 2003

Conservation, Forests and Lands Act 1987

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

Crown Land (Reserves) Act 1978

Except for certain provisions or Crown Allotments administered by other Ministers.

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 provision administered jointly with the Minister for Agriculture or administered solely 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 for certain provisions or Crown Allotments administered by other Ministers.

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) Acts (1988 and 2005)

Land (Reservations and other Matters) Acts (1997 and 1999)

Land (Revocation of Reservations) Acts (2008, 2012 and 2016)

Land (Revocation of Reservations—Metropolitan Land) Act 2016

Land (Revocation of Reservations—Regional Victoria Land) Act 2016

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

The Act had not commenced as at 30 June 2018.

Melbourne and Olympic Parks Act 1985

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

Melbourne (Yarra Park) Land Act 1980

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

Parks Victoria Act 2018

The Act had not commenced as at 30 June 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 and the Act is otherwise administered by the Minister for Ports.

Queen Victoria Market Lands Act 1996

Reference Areas Act 1978

Renewable Energy (Jobs and Investment) Act 2017

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, otherwise the Act is 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 Minister for Finance, 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 jointly and severally administered with Minister for Water and the Act is otherwise administered by the Minister for Water.

Wildlife Act 1975

Except certain provision administered jointly 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 is 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 for certain provisions administered by other Ministers.

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

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 Minister for Consumer Affairs, Gaming and Liquor Regulation and the Minister for Finance.

City of Greater Geelong Act 1993

Part 5.

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.

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

Part 5A in so far as it relates to the exercise of powers and functions under Part 9A of the *Planning and Environment Act 1987*.

Section 46 and Part 7.

The Act is otherwise administered by the Minister for Major Projects, the Minister for Finance and the Premier.

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.

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

South Yarra Project (Subdivision and Management) Act 1985

Subdivision Act 1988

Except Part 5 and 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

Yarra-River Protection (Wilip-gin Birrarung murrn) Act 2017

Administration transferred to the Minister for Water from 1 July 2018.

Minister for Suburban Development

Development Victoria Act 2003

Division 2 of Part 2, Part 3 (except section 5JB(5)), Part 6 and Part 7 which are jointly and severally administered with the Minister for Major Projects in so far as that these provisions relate to the exercise of powers in respect of land included within the municipal council areas of Cardinia, Casey, Hume, Melton, Mitchell, Mornington Peninsula, Nillumbik, Whittlesea, Wyndham and Yarra Ranges.

The Act is otherwise administered by the Minister for Major Projects.

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 and the Minister for Energy, Environment and Climate Change.

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 Minister for Energy, Environment and Climate Change, the Minister for Finance, the Minister for Multicultural Affairs and the Treasurer.

Water Act 1989

Water (Commonwealth Powers) Act 2008

Water Efficiency Labelling and Standards Act 2005

Water Industry Act 1994

Except Parts 4, 4A, 7 and 8 which are administered by the Minister for Energy, Environment and Climate Change.

Section 184 is jointly and severally administered with Minister for Energy, Environment and Climate Change.

Implementation of the Victorian Industry Participation Policy (VIPPP)

In October 2003, the Victorian Parliament passed the *Victorian Industry Participation Policy Act 2003*, which requires public bodies and departments to report on the implementation of the Local Jobs First - Victorian Industry Participation Policy (Local Jobs First - VIPPP). VIPPP requires opportunities for local supply and/or participation to be identified as part of the tendering process. Departments and public bodies are required to apply VIPPP in all procurement activities over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

Contracts commenced

During 2017-18, the department commenced 20 contracts totalling \$156.1 million to which a VIPPP Plan or Local Industry Development Plan (LIDP) was required.

During 2017-18, the department commenced 13 contracts with a local content ranging from 70 to 100 per cent to which a VIPPP Plan or LIDP was not required as the procurement activity was local by nature.

During 2017-18, the department had no contract commenced that was international by nature to which a VIPPP Plan was not required.

During 2017-18, four small to medium sized businesses were engaged as either the principal contractor or as part of the supply chain.

During 2017-18, three contracts commenced to which a VIPPP Plan was required, occurred in Metropolitan Melbourne, with estimated local content committed ranging from 42 to 100 per cent.

During 2017-18, four contracts commenced to which a VIPPP Plan was required, occurred in regional Victoria, with an estimated local content committed ranging from 80 to 100 per cent.

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

- local content ranging from 42 to 100 per cent of the total value of the contracts
- 24 new jobs and 79 retained jobs
- 4 new apprenticeships/traineeships and 5 retained apprenticeships/traineeships.

Contracts completed

During 2017-18, the department completed 11 contracts totalling \$39.4 million to which a VIPPP Plan or Local Industry Development Plan (LIDP) was required.

During 2017-18, the department completed two contracts to which a VIPPP Plan was required, occurred in Metropolitan Melbourne, with an estimated local content achieved ranging from 87 to 100 per cent.

During 2017-18, seven contracts completed to which a VIPPP Plan was required, occurred in regional Victoria, with an estimated local content achieved ranging from 71 to 100 per cent. One contract completed in regional Victoria to which a VIPPP Plan or LIDP was not required as the procurement activity was local by nature.

During 2017-18, one contract completed to which a VIPPP Plan was required, occurred in Statewide Victoria with an estimated local content achieved of 98 per cent.

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

- local content ranging from 71 to 100 per cent of the total value of the contracts
- 23 new jobs and 177 retained jobs
- 6 new apprenticeships/traineeships and 18 retained apprenticeships/traineeships.

During 2017-18, seven contracts, which commenced on or after 1 September 2017, had the minimum formal weighting of 10 per cent applied for local content in the tender evaluation of the VIPPP Plan or LIDP.

Reporting on grants provided or design contracts

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

Consultancies

In 2017-18, there were 30 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2017-18 in relation to these consultancies was \$2.984 million (excluding GST). Details of individual consultancies are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

In 2017-18, there were seven consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2017-18 in relation to these consultancies was \$0.046 million (excluding GST).

Disclosure of major contracts

During 2017-18, the department entered into four contracts greater than \$10 million in value (excluding GST). Details of the contracts are published on the Victoria Government's contracts publishing system and can be viewed online (<http://www.tenders.vic.gov.au>).

Disclosure of government advertising expenditure

In 2017-18, 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 (\$ ex GST)
Victorian Energy Compare	22 January 2018 - 2 March 2018	740,948	0	0	0	0	740,948

DELWP conducted an external communications campaign focussed on informing communities about the Victorian Energy Compare website and the \$50 incentive. The campaign included television, radio, print, digital and social media advertising.

Scorecard Community Education and Awareness Campaign	July 2017 - June 2018	0	86,745	37,921	917	25,000	150,583
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DELWP conducted an external communications campaign informing communities about the Victorian Residential Efficiency Scorecard, a program to help Victorians understand and reduce how their home uses energy. The campaign included creation and distribution, through networks, of videos (informational and promotional), postcards and other collateral.

PBSP Power Outages Media Campaign Summer 2017-2018	January - February 2018	86,514	3,280	0	0	11,000	100,794
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DELWP conducted an external communications campaign designed by the Powerline Bushfire Safety Program, delivering on powerline protection-related recommendations from the 2009 Victorian Bushfires Royal Commission. The campaign included advertising, media placement, posters, videos, guides and social media.

Details of Information and Communications Technology (ICT) 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 which primarily relates to ongoing activities to operate and maintain the current ICT capability.

For the 2017-18 reporting period, the department had a total ICT expenditure of \$161.5 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
109,450	52,072	29,730	22,342

Note:

- (i) Further detail on ICT Reporting standards and guidelines can be found at <http://www.enterprisesolutions.vic.gov.au>.
- (ii) Total ICT expenditure = ICT BAU expenditure + ICT Non BAU expenditure.

Freedom of Information

The purpose of the *Freedom of Information Act 1982* (FOI 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 FOI Act.

An applicant has a right to apply for access to documents held by the department. This comprises documents both created by the department or supplied to the department by an external organisation or individual. Information about the type of material produced by the department is available on the department's website under its Part II Freedom of Information Statement.

The FOI Act allows a department to refuse access, either fully or partially, to certain documents. 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 the department in confidence.

From 1 September 2017, the FOI Act was amended to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. In some cases, this time may be extended.

If an applicant is not satisfied by a decision made by the department, they have a 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 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 clearly identify the documents being sought.

The application fee to make an FOI request is \$28.90. DELWP can waive this fee in certain circumstances. There may be further charges depending on the time it takes to find the documents and the number of pages to be photocopied.

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

FOI statistics and timeliness

For the period from 1 July 2017 to 30 June 2018, the department received 190 new FOI requests. They came from:

	Number	Per cent (%)
Individuals	99	52
Members of Parliament	35	18
Lawyers	24	13
Journalists	11	6
Community groups	14	7
Companies	7	4

For the same period, the department made decisions on 136 requests. Twenty-nine of these requests were received during prior financial years. The outcomes were:

	Number	Per cent (%)
Full access granted	42	31
Partial access granted	64	47
Access denied	10	7
No relevant documents found	20	15

The processing time for the FOI requests is shown below, with an average of 58 days.

	Number	Per cent (%)
Within statutory timelines	96	71
1-45 days overdue	24	18
46 days or more overdue	16	11

The department closed 19 requests, including five received during the previous financial year, with the outcomes shown below:

	Number
Request not processed ⁽ⁱ⁾	13
Unreasonable diversion	6

(i) 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 41 requests, including seven received during the previous financial year, with the outcomes shown below:

	Number
Invalid request ⁽ⁱ⁾	17
Transferred	24

(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

Freedom of Information Commissioner

Reviews

Notification of seven requests for a review of an FOI decision were received from the OVIC between 1 July 2017 and 30 June 2018. Two reviews are complete. Five are awaiting a decision.

Complaints

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

Victorian Civil and Administrative Tribunal

No applications for a review of an FOI decision were made to the Victorian Civil and Administrative Tribunal during this reporting period.

Planning

DELWP is responsible for managing the state's planning, heritage and building systems, including developing and driving implementation of long-term planning policies such as *Plan Melbourne and Regional Growth Plans*, 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. Two new websites have been created this year at www.planning.vic.gov.au and www.heritage.vic.gov.au to provide single points of access for planning and heritage information. This includes policies, information, services and forms.

All Victorian planning schemes including exhibited and approved amendments are published at *Planning Schemes Online*. 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 *PlanningVIC: Planning Property Report*, the app for iOS and Android mobile devices.

For assistance with finding information, using any of our web services or general planning enquiries, please contact the Victorian Government Contact Centre on 1300 366 356 (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.

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 the taking of 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.

Kim Reeves, Protected Disclosure Coordinator

Arielle Perlow, Protected Disclosure Officer

Department of Environment, Land, Water and Planning
PO Box 500
East Melbourne Victoria 8002
Telephone: 1800 903 877
email: protected.disclosures@delwp.vic.gov.au

Alternatively, disclosures may also be made directly to the Independent Broad-based Anticorruption Commission:

The Independent Broad-based Anti-corruption Commission (IBAC)
Level 1, North Tower
459 Collins Street
Melbourne Victoria 3000
GPO Box 24234, Melbourne Victoria 3001
Telephone: 1300 735 135
Website: 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 Protected Disclosure Act 2012	2017-18 number	2016-17 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.

Compliance with the Carers Recognition Act 2012

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

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. Showing senior support is critical, and so this year during National Carers Week, Secretary John Bradley shared a video in his all staff message that announced the introduction of additional support to our parents via an online development program, for parents leaving for, and returning from parental leave.

In November, Parenting@DELWP was formally launched with an event in Melbourne. Speakers at the event included DELWP staff as well as Prue Gilbert, Chief Executive Officer of Grace Papers – a program DELWP adopted to provide empowering support for our working parents.

In June 2018, DELWP Place of Pride hosted its second 'Let's Talk' event with the title 'Where Rainbow Families Come From'. Policy and legal reform and the lived-experience of the speakers were all on the agenda. Speakers included representatives from Rainbow Families Victoria, Queerspace and Gay Dads Australia.

Our support of carers of people with disability was further enhanced during the year with the establishment of the DELWP Enablers network. The Enablers network has been established to support our staff with disability, as well of carers of those with disability.

Consideration is given to the carer relationship principles set out in the Act when setting policies and providing services. One of the objectives of the DELWP Diversity and Inclusion Strategy is that everyone who wants and needs to work flexibly at DELWP is able to.

A report is prepared on a quarterly basis on progress for the Diversity and Inclusion Council to allow them to evaluate progress and recommend changes as needed. An annual flexibility survey is also undertaken and the survey results help us to understand how many DELWP employees work flexibly to help them with their caring responsibilities. Almost half of those who work flexibly (47 per cent) do so to support them to care for children, with an additional 1.7 per cent using flexible work to care for their grandchildren. We also know that almost 11 per cent of people work flexibly to help care for the parents or other older people, with another 2.5 per cent of our staff using flexible work to support their role of carer for a person with disability.

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 2017-18 include:

- 8 Nicholson Street tenancy upgrades
- Barwon Downs office and depot development
- Horsham Level 3 Incident Control Centre upgrade
- Heidelberg mechanical upgrade and solar panel installation
- Ovens dangerous goods facilities upgrade
- Dartmoor office and amenities upgrades
- Edenhope depot facilities upgrade
- 2 Lonsdale Street office fit-out
- Colac air-conditioning upgrade
- Heywood, Casterton, Marysville, Alexandra and Toolangi solar panel installation
- Casterton trailer store.

Maintenance of buildings in a safe and serviceable condition

DELWP's leased portfolio is managed by the Department of Treasury and Finance's Shared Service Provider (SSP). DELWP also has a facilities management contract with Jones Lang LaSalle (JLL), for 154 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. Section 32 of the Act provides for the Department of Environment, Land, Water and Planning 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 December 2017 – June 2018 include:

- Hamerkaz Community Festival held on 1 March 2018
- IMG Tough Mudder event held from 19 March – 26 March 2018.

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.

Section 2(3) of the Act provides for the Caulfield Racecourse Reserve Trust to be established as a body corporate on 1 August 2018, at which time management of the reserve will vest in the Trust.

Compliance with the Local Government Act 1989

Annual reports 2016-17

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 2016–17.

Budgets 2017-18

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.

No council was late in submitting their budget for 2017–18.

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 2017-18, DELWP had released 3,629 datasets and web mapping services under the Policy.

Consistent with the DataVic Access policy, all data tables included in this annual report will be available at <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 that Victoria fulfils its requirements on competitive neutrality reporting for technological based businesses against the enhanced principles as required under the Competition and Infrastructure Reform Agreement.

Compliance with the Planning and Environment (Growth Areas Infrastructure Contribution) Act 2010

What is GAIC?

GAIC was introduced as Part 9B of the *Planning and Environment Act 1987* (the Act) in 2010, to respond to the challenges facing new and growing communities in the growth areas within the municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham.

GAIC is payable by landowners developing urban communities on growth area land that has been rezoned since 2005, after certain events associated with urban development including the sale of land, sub-dividing land and applying for a building permit have been undertaken.

GAIC levies part of the value uplift of that land as a contribution to the delivery of state funded infrastructure necessary for the successful development of that land into a new community.

GAIC is collected by the SRO and distributed equally between two special purpose accounts the Growth Areas Public Transport Fund (GAPTF) and the Building New Communities Fund (BNCF).

More information is available on the DELWP, VPA and SRO websites.

Who administers GAIC?

The Minister for Planning and the Treasurer are jointly responsible for the administration of GAIC under the Act. Since July 2016, with the establishment of the Suburban Development portfolio, the role of authorising projects for approval by the Treasurer has been jointly shared by the Minister for Planning and the Minister for Suburban Development.

The Office of Suburban Development (OSD) within DELWP is responsible for managing the commitment and expenditure of GAIC cash receipts received into the funds. OSD undertakes this role in consultation with the inter-departmental panel.

The SRO maintains a record of those properties which fall within GAIC areas, and is responsible for determining and collecting all GAIC funds as they become due. The SRO is reimbursed its expenses from the GAPTF.

DELWP Planning Group is responsible for GAIC policy, Hardship Relief Board appointments and reductions. The VPA is responsible for the management of GAIC works in kind (WIK) agreements, investigating any planning and zoning anomalies that may be raised as they relate to GAIC, and progressing staged payment agreement (SPA) inquiries and applications from landowners subdividing land in Melbourne's growth areas. The VPA also provides secretarial support to the GAIC Hardship Relief Board (HRB).

Under section 45 of the *Financial Management Act 1994* and section 201VC of the *Planning and Environment Act 1987*, the VPA and DELWP are required to report annually on the operation of the GAIC.

2017-18 Highlights

The last year has seen substantial progress in allocating the accumulated GAIC funds against eligible projects. Commitments totalling \$246,450,000 were made for 25 new state infrastructure projects to address priorities for health, education, public transport and other services in Melbourne's growing outer suburbs.

New processes for allocating GAIC funds, including a defined annual cycle, detailed application guidelines and a new policy statement, have seen a significant improvement in rates of commitment and expenditure.

In addition, significant progress has been made in the development of GAIC Works-in-kind (WIK) agreements. The first two GAIC WIK agreements were finalised in 2017-18, involving transfers of land for Truganina South East and Rockbank North P6 schools. A number of other WIK agreements are being progressed.

The net cash receipts from GAIC payments increased to \$112,146,216 in 2017-18, up from \$105,527,344 in 2016-17.

The total cumulative cash receipts collected by the State Revenue Office (SRO) from GAIC since its inception rose to \$393,684,215. A further \$5,693,790 in interest was earned on monies in the two GAIC funds in 2017-18, taking total interest earned to \$12,717,632 which is available for allocation. Therefore, total cumulative receipts, including interest, at 30 June 2018 was \$406,401,847 of which \$107,103,731 in payments have been made.

The cash balance in the two GAIC Funds at 30 June 2018 was \$299,297,740, of which \$268,559,812 is committed to approved projects, leaving \$30,737,928 available for allocation to new projects.

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.

Administrative responsibilities for GAIC are shared between the State Revenue Office (SRO), DELWP and the Victorian Planning Authority (VPA). Each year, the inter-departmental panel convened by DELWP, including representation from VPA and DTF, makes recommendations to the Minister for Planning and the Minister for Suburban Development, who then authorise projects for final approval by the Treasurer. GAIC projects are also considered during the State Budget process, subject to the same final authorisation and approval process.

GAIC Funds

The funds received by the SRO are paid into the Consolidated Fund by section 201SZJ of the Act. These funds are adjusted for any GAIC interest earned and any refunds made. Under section 201V(2) of the Act, these funds are periodically drawn down equally into the two special purpose funds; the BNCF and the GAPTF.

For the financial year ended 30 June 2018, \$56,103,425 was transferred to each of the funds, making a combined total of \$112,206,850. This includes \$60,634 received in 2015-16 and 2016-17 which has not been previously reported, transferred in 2017-18.

For the financial year ended 30 June 2018, \$246,450,000 of GAIC funds was committed to 25 new projects. Commitments of \$132,320,000 made prior to 30 June 2017, and commitments made in and paid in 2017-18 were reduced \$981,642 due to projects being delivered under budget or cancelled.

A total amount of \$78,823,366 was paid out of the GAIC funds for the year ending 30 June 2018, made up of:

- \$39,382,500 from the BNCF
- \$39,440,866 from the GAPTF, including an amount of \$242,508 for SRO expenses.

As at 30 June 2018, a cumulative total of \$107,103,731 had been paid out of the GAIC funds since its establishment. Full details of project payments and commitments are provided below.

As at 30 June 2018, there is \$30,737,928 in unallocated GAIC available for allocation to new projects – which is down 80.6 per cent from the \$158,847,736 uncommitted as at 30 June 2017.

SRO expenses payable from GAPTF with approval of the Treasurer are usually not fully paid in the financial year incurred. Accordingly, SRO expenses for the period 30 June 2017 to 30 June 2018, totalling \$544,112, remain outstanding and will be paid in the 2018-19 financial year. Total payments to the SRO to date amount to \$3,307,151, or approximately \$413,394 per annum.

The amount of GAIC triggered and received in the financial year ended 30 June 2018 is shown below.

Summary of GAIC transactions for the year ended 30 June 2018

	Transaction value for 30 June 2018 (\$)	Transaction value for 30 June 2017 (\$)
GAIC revenue received ⁽ⁱ⁾	108,400,189	107,210,729
Interest received (contained in GAIC payments)	3,860,724	2,725,126
GAIC refunds	(114,697)	(4,408,511)
Net GAIC receipts ⁽ⁱⁱ⁾	112,146,216	105,466,787
GAIC deferred ⁽ⁱⁱⁱ⁾	138,493,959	62,385,636
Staged payment ^(iv)	98,734,516	114,289,857
Arrangements processed by SRO ^(iv)	98,734,516	114,289,857
Net staged payments outstanding ^(v)	143,461,970	135,277,737

Note:

- (i) GAIC revenue received includes payments that were subsequently refunded and excludes GAIC interest received. During the 2017-18 financial year the SRO recognised \$3.6 million (\$46,616.14 of which was interest) of revenue received in the form of a fulfilled Work-in-Kind agreement.
- (ii) The net GAIC receipts paid into the Consolidated Fund by the SRO, after interest received with the GAIC Payments and refunds made. It does not include interest received once the monies are in the GAIC Funds, this is reported separately in the tables for the individual funds below.
- (iii) 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).
- (iv) 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.
- (v) 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 rates per hectare of contribution area as adjusted in accordance with section 201SG of the Act

Land Type	Year Ended 30 June 2017 (\$)	Year Ended 30 June 2018 (\$)
Type A	91,850	93,400
Type B1, B2 & C	109,080	110,930

GAIC receipts made and expenditure paid out in each Growth Area

Growth Area	Total GAIC receipts from 1 July 2010 to 1 July 2017 (\$)	Net GAIC receipts for year ended 30 June 2018 (\$)	Total GAIC receipts for each growth area as at 30 June 2018 (\$)	Total commitment made by 30 June 2018 ⁽ⁱⁱⁱ⁾ (\$)	Proportion of receipts (%)	Total paid from receipts for each growth area as at 30 June 2018 ^(iv) (\$)	Proportion paid from receipts for each growth area as at 30 June 2018 ⁽ⁱ⁾ (%)
Casey ⁽ⁱⁱ⁾	85,573,682	38,344,479	123,918,161	144,062,244	116.3	7,487,777	6.0
Cardinia ⁽ⁱⁱ⁾	0	0	0	7,337,500	N/A	2,000,000 ^(v)	N/A
Hume	72,313,141	18,785,942	91,099,083	78,188,982	85.8	17,188,074	18.5
Melton	62,488,355	21,929,744	84,418,098	82,252,961	97.4	47,836,286	56.7
Mitchell	626,704	0	626,704	4,055,986	647.2	3,975,120 ^(v)	634.3
Whittlesea	0	2,733,559	2,733,559	24,601,741	900.0	17,877,963 ^(v)	654.0
Wyndham	60,536,118	30,352,493	90,888,611	35,164,129	38.7	10,738,511	11.8
TOTAL	281,538,000	112,146,216	393,684,215	375,663,543	95.4	105,103,731	27.2

Note:

(i) Reported under section 201VC(b) of the Act.

(ii) The Casey-Cardinia Growth Area proportion of funds paid is 7.7 per cent (30 June 2017 – 6.4 per cent).

(iii) Includes SRO expenses paid and invoiced but not yet paid in proportion to GAIC funds received per growth area.

(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 2018

Growth Area	Opening fund balance as at 1 July 2017 (\$)	Interest earned for the year (\$)	Amount paid into the fund for the year (\$)	Amount paid from the fund for the year (\$)	Balance of the fund as at 30 June 2018 (\$ ⁽ⁱ⁾)	Commitments yet to be paid (\$ ⁽ⁱ⁾)	Balance yet to be committed (\$)
Casey ⁽ⁱⁱ⁾	42,767,243	883,814	19,182,605	4,025,000	58,808,662	120,425,000	(61,616,338)
Cardinia ⁽ⁱⁱ⁾	(2,000,000)	0	0	0	(2,000,000)	4,337,500	(6,337,500)
Hume	34,806,490	649,740	9,398,049	10,225,000	34,629,280	46,475,000	(11,845,720)
Melton	26,522,584	602,090	10,970,800	6,400,000	31,695,474	34,300,000	(2,604,526)
Mitchell	332,659	4,470	0	3,882,500	(3,545,371)	80,000	(3,625,371)
Whittlesea	(680,000)	19,496	1,367,518	5,775,000	(5,067,985)	1,020,000	(6,087,985)
Wyndham	29,815,384	648,239	15,184,452	9,075,000	36,573,075	23,500,000	13,073,075
TOTAL	131,564,362	2,807,849	56,103,425	39,382,500	151,093,135	230,137,500	(79,044,365)

Note:

(i) Reported under section 201VC(c) of the Act

(ii) Combined Casey-Cardinia Growth Area

Casey-Cardinia	40,767,243	883,814	19,182,605	4,025,000	56,808,662	124,762,500	(67,953,838)
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Typically projects in the Building New Communities Fund have shorter delivery times and are needed earlier in the development cycle. For this reason, the fund is currently over-committed with actual payments to be met from revenues to be collected in 2018-19 and following years. This situation is offset by the Growth Area Public Transport Fund where projects tend to be larger and longer term and needed a little later when communities are starting to reach population thresholds.

Similarly, there are some mismatches between the timing that funds are collected and spent across each of the growth areas which will even out over time.

Allocations and payments made out of Building New Communities Fund for the year ended 30 June 2018

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 2017-18 year, the project is treated as completed and not shown in the table if reported as complete in a previous report.

Allocated to	Growth area	Purpose ⁽ⁱⁱⁱ⁾	Amount allocated ⁽ⁱ⁾ (\$)	Amount paid to 30 June 2017 (\$)	Amount paid in year to 30 June 2018 (\$)	Amount not yet paid as at 30 June 2018 (\$)
Department of Health and Human Services	Cardinia	Pakenham Ambulance Station	1,100,000	0	0	1,100,000
Department of Education and Training	Cardinia	Timbertop (Officer NW) P6 School	3,237,500	0	0	3,237,500
Department of Education and Training	Casey	Clyde North-East Proposed P6 School	3,062,500	0	0	3,062,500
Department of Education and Training	Casey	Botanic Ridge Proposed P6	3,062,500	0	0	3,062,500
Department of Health and Human Services	Casey	Clyde North Ambulance Station	1,200,000	0	0	1,200,000
Country Fire Authority	Casey	Clyde North Fire Station	3,000,000	0	2,525,000	0
Roads Corporation of Victoria	Casey	Casey Active Transport Improvements	2,500,000	0	1,500,000	1,000,000
Department of Education and Training	Casey	School building projects	112,100,000	0	0	112,100,000
Department of Education and Training	Hume	Aitken Hill Primary School	4,400,000	0	4,250,000	0
Department of Health and Human Services	Hume	Craigieburn Ambulance Station	1,200,000	0	0	1,200,000
Department of Education and Training	Hume	Greenvale North West P6	3,500,000	0	3,500,000	0
Department of Education and Training	Hume	Craigieburn South Proposed 7-12	7,350,000	0	0	7,350,000
Roads Corporation of Victoria	Hume	Vineyard Road Shared Use Path	1,100,000	0	900,000	200,000
Department of Health and Human Services	Hume	Mickleham Ambulance Station	1,500,000	0	0	1,500,000

Allocated to	Growth area	Purpose ⁽ⁱⁱⁱ⁾	Amount allocated ⁽ⁱ⁾ (\$)	Amount paid to 30 June 2017 (\$)	Amount paid in year to 30 June 2018 (\$)	Amount not yet paid as at 30 June 2018 (\$)
Department of Education and Training	Hume	Hume Early Access Kindergartens	2,500,000	0	1,575,000	925,000
Department of Education and Training	Hume	School Building Projects	35,300,000	0	0	35,300,000
Department of Education and Training	Melton	Taylor's Hill West Secondary College	6,400,000	0	6,400,000	0
Department of Health and Human Services	Melton	Melton Ambulance Station	1,200,000	0	0	1,200,000
Department of Health and Human Services	Melton	Hillside Ambulance Station	2,000,000	0	0	2,000,000
Department of Health and Human Services	Melton	Melton South Ambulance Station	3,600,000	0	0	3,600,000
Department of Education and Training	Melton	School Building Projects	27,500,000	0	0	27,500,000
Department of Education and Training	Mitchell	Mandalay Community Centre	1,600,000	0	1,520,000	80,000
Department of Education and Training	Mitchell	Beveridge West Proposed P6	2,362,500	0	2,362,500	0
Department of Health and Human Services	Whittlesea	Mernda Ambulance Station	1,500,000	0	1,200,000	0
Parks Victoria	Whittlesea	Merri Creek Marran Baba Parklands	1,700,000	680,000	0	1,020,000
Department of Education and Training	Whittlesea	Edgars Creek Proposed P-12 (Pri)	4,620,000	0	4,575,000	0
Department of Education and Training	Wyndham	Truganina East P9 Primary and Middle School	4,200,000	0	4,200,000	0
Department of Health and Human Services	Wyndham	Werribee Ambulance Station	1,500,000	0	0	1,500,000
Department of Education and Training	Wyndham	Wyndham South (Riverwalk) P6	2,625,000	0	2,625,000	0
Department of Health and Human Services	Wyndham	Tarneit Ambulance Station	1,500,000	0	0	1,500,000
Country Fire Authority	Wyndham	Wyndham Vale Fire Station	3,750,000	0	0	3,750,000
Country Fire Authority	Wyndham	Truganina Fire Station	3,750,000	0	0	3,750,000
Roads Corporation of Victoria	Wyndham	Wyndham Active Transport Improvements	900,000	0	500,000	400,000
Department of Education and Training	Wyndham	Wyndham Early Access Kindergartens	1,750,000	0	1,750,000	0

Allocated to	Growth area	Purpose ⁽ⁱⁱⁱ⁾	Amount allocated ⁽ⁱ⁾ (\$)	Amount paid to 30 June 2017 (\$)	Amount paid in year to 30 June 2018 (\$)	Amount not yet paid as at 30 June 2018 (\$)
Department of Education and Training	Wyndham	School Building Projects	11,600,000	0	0	11,600,000
Department of Environment, Land, Water and Planning	Wyndham	Greening the Pipeline Early Works and Design	1,000,000	0	0	1,000,000
TOTAL			271,170,000⁽ⁱⁱⁱ⁾	680,000	39,382,500	230,137,500

Note:

(i) These allocations are made net of GST

(ii) The Ambulatory Care Centre projects in Cardinia and Melton were completed in 2016-17. No further payments will be made and the 2 projects have been removed from the listing above.

(iii) As per note** projects totalling \$7,000,000 have been completed and removed from this list.

Growth Areas Public Transport Fund by Growth Area for the year ended 30 June 2018

Growth area	Opening fund balance as at 1 July 2017 (\$)	Interest earned for the year (\$)	Amount paid into the fund for the year (\$)	Amount paid from the fund for the year (\$)	Balance of the Fund as at 30 June 2017 (\$)	Commitments yet to be paid (\$)	Balance yet to be committed (\$)
Casey ⁽ⁱ⁾	41,489,044	908,394	19,182,605	86,333	61,493,710	16,164,240	45,329,470
Cardinia ⁽ⁱ⁾	0	0	0	0	0	1,000,000	(1,000,000)
Hume	34,125,948	667,811	9,398,049	1,556,117	42,635,691	14,491,146	28,144,545
Melton	29,854,228	618,835	10,970,800	33,740,359	7,703,504	106,399	7,597,105
Mitchell	219,979	4,594	0	386	224,187	0	224,187
Whittlesea	(7,400,000)	20,039	1,367,518	4,001,684	(10,014,127)	5,713,263	(15,727,390)
Wyndham	30,366,906	666,268	15,184,452	55,987	46,161,639	947,264	45,214,374
TOTAL	128,656,103	2,885,942	56,103,425	39,440,866	148,204,604	38,422,312	109,782,292

Note:

(i) Combined Casey-Cardinia Growth Area

Casey-Cardinia	41,489,044	908,394	19,182,605	86,333	61,493,710	17,164,240	44,329,470
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Allocations and payments made out of the Growth Area Public Transport Fund for the year ended 30 June 2018

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 2017-18 year, the project is treated as completed and not shown in the table if reported as complete in a previous report.

Allocated to	Growth area	Purpose	Original amount allocated ⁽¹⁾ \$	Amount paid to 30 June 2017 \$	Amount paid in year to 30 June 2018 \$	Amount not yet paid as at 30 June 2018 \$
Level Crossing Removal Authority	Cardinia	Pakenham Bus Interchange	1,000,000	0	0	1,000,000
Public Transport Victoria	Casey	Cranbourne Railway Station	2,000,000	1,311,800	0	688,200
Public Transport Victoria	Casey	Merinda Park Railway Station	9,000,000	0	10,000	8,990,000
Department of Economic Development, Jobs, Transport and Resources	Casey	Cranbourne East Railway Station	3,000,000	0	0	3,000,000
Department of Economic Development, Jobs, Transport and Resources	Casey	Metro Bus Service Improvements - Casey	3,300,000	0	0	3,300,000
Public Transport Victoria	Hume	Craigieburn Railway Station	4,000,000	2,100,000	1,500,000	400,000
Department of Economic Development, Jobs, Transport and Resources	Hume	Craigieburn Station Improvement Works	11,000,000	0	0	11,000,000
Department of Economic Development, Jobs, Transport and Resources	Hume	Sunbury Station Improvement Works	3,000,000	0	0	3,000,000
Public Transport Victoria	Melton	Toolern Railway Station - early works	6,800,000	0	6,788,358	0
Public Transport Victoria	Melton	Toolern Railway Station - Station	26,900,000	0	26,900,000	0
Public Transport Victoria	Whittlesea	Donnybrook Railway Station	4,000,000	0	4,000,000	0
Department of Economic Development, Jobs, Transport and Resources	Whittlesea	Wollert Rail Corridor	3,800,000	0	0	3,800,000

Allocated to	Growth area	Purpose	Original amount allocated ⁽ⁱ⁾ \$	Amount paid to 30 June 2017 \$	Amount paid in year to 30 June 2018 \$	Amount not yet paid as at 30 June 2018 \$
Department of Economic Development, Jobs, Transport and Resources	Whittlesea	Epping Station Improvement Works	1,900,000	0	0	1,900,000
Department of Economic Development, Jobs, Transport and Resources	Wyndham	Metro Bus Service Improvements - Wyndham	800,000	0	0	800,000
TOTAL ALLOCATIONS			80,500,000	3,411,800	39,198,358	37,878,200
State Revenue Office ⁽ⁱⁱ⁾	N/A	Expenses	N/A	3,064,643	242,508	544,112
TOTAL ALLOCATIONS AND EXPENDITURE			80,500,000	6,476,443	39,440,866	38,422,312

Note:

(i) The allocations are made net of GST.

(ii) A further amount of \$544,112 has been invoiced by the SRO for the year ended 30 June 2018 and not yet paid.

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 2018 the HRB made no decisions on hardship applications and at that date there were no active applications before the HRB (2017 no HRB decisions).

Revenue and expenditure as at 30 June 2018

	Accumulated cash receipts (\$m)	Accumulated Committed ⁽ⁱ⁾ (\$m)	Committed/ cash receipts ⁽ⁱⁱⁱ⁾ (%)	Expenditure ⁽ⁱⁱⁱ⁾ (\$m)	Expenditure/ cash receipts ^(iv) (%)	Uncommitted ^(v) (\$m)
Position at 30 June 2014	68.30	11.70	17	3.42	5.0	56.60
Position at 30 June 2015	108.67	23.66	22	5.95	5.5	85.01
Position at 30 June 2016	176.01	24.30	14	7.59	4.3	151.71
Position at 30 June 2017	281.54	129.65	46	28.28	10.0	151.89
Position at 30 June 2018	393.68	375.66^(vi)	95.4	107.10	27.2	18.02

(i) Committed funds include expenditure and State Revenue Office costs.

(ii) Percentage of committed cash receipts compared to cash receipts.

(iii) Expenditure includes SRO expenses.

(iv) Percentage of expenditure compared to cash receipts.

(v) Uncommitted funds do not include interest earned from investments in Treasury Corporation of Victoria term deposits. Approximately 2 per cent per annum.

(vi) This figure includes an additional \$2.5 million approved in November 2017 for a supplementary payment for a WIK agreement where the value of the land exceeded the GAIC liability.

GAIC Works-In-Kind (WIK)

A Work-In-Kind 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.

During the year ended 30 June 2018 the first two WIK were approved to acquire two priority school sites. Details and current WIK agreements, and guidelines and model agreement links are available on the VPA website www.vpa.vic.gov.au.

Receiving agency	Growth area	Purpose ⁽ⁱⁱⁱ⁾	Estimated value of agreement ⁽ⁱ⁾ \$	Value agreed to 30 June 2017 \$	Value agreed in year to 30 June 2018 \$	Value not agreed as at 30 June 2018 \$
Department of Education and Training	Wyndham	Truganina South P6 school land (BNCF)	7,300,000 ⁽ⁱⁱⁱ⁾	0	3,600,000	3,700,000
Department of Education and Training	Melton	Rockbank North P6 school land	8,200,000	0	8,200,000	0
TOTAL WORK IN KIND AGREEMENTS			15,500,000	0	11,800,000	3,700,000

Note:

- (i) 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.
- (ii) 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).
- (iii) The Truganina South P6 school land is approved for a supplementary payment of up to \$2,500,000 as the value of the land exceeds the liability.

A number of other GAIC WIK agreements are under negotiation. These GAIC WIKs if approved will result in a reduction in future revenues as the land is provided in lieu of a cash payment. Some Staged Payment Agreements may be modified as a result.

Infrastructure Contribution Reporting

The provisions of the *Planning and Environment Amendment (Infrastructure Contributions) Act 2016* came into effect as of 1 June 2016. Collecting agencies are required to report in relation to infrastructure contributions received and expended.

In addition, the VPA acts as the collecting agency for the East Werribee Employment Precinct Development Contribution Plan (EWEP DCP), and in accordance with sections 46GM and 46QD of the *Planning and Environment Act 1987* the VPA is required to report annually on aspects of that DCP. The following tables reflect the different elements to be reported annually.

Total DCP contributions received for the year ended 30 June 2018

Name of DCP	Contributions received for the year (\$)
EWEP	Nil
Total	Nil

DCP land, works, services or facilities accepted as works-in-kind for the year ended 30 June 2018

Name of DCP	Project description	Item purpose	Project value \$
EWEP	N/A	N/A	Nil
Total			Nil

Total DCP contributions received and expended for the year ended 30 June 2018

Name of DCP	Total levies received \$	Total levies expended \$	Total works-in-kind accepted \$	Total DCP contributions received (levies and works-in-kind) \$
EWEP	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

Land, works, services or facilities delivered during the year ended 30 June 2018 from DCP levies collected

Project description	Name of DCP	DCP fund expended during the year \$	VPA's contribution for the year \$	Other contributions in the financial year \$	Total project expenditure for the year \$	Percentage of item delivered
N/A	EWEP	Nil	Nil	Nil	Nil	Nil
Total		Nil	Nil	Nil	Nil	Nil

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* 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 (CMAs). The VWAs are published annually in hard copy and available online on the *Victorian Water Register* website <http://www.waterregister.vic.gov.au>.

The *Victorian Water Register* is a public register of all water-related entitlements in Victoria, and is 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* (WMIS), available at <http://data.water.vic.gov.au>.

As well as these reporting tools, there are a number of 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 863 sites that were monitored in 2017-18 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, CMAs, 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* and the *Monthly Water Report* on the DELWP website: <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 1,230 bores, and continuous telemetered monitoring of an additional 230 bores. This monitoring program is jointly managed by DELWP and 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). 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 local members of 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.

ab) 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.

ac) 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 CMAs, 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 VEWB is an independent statutory body responsible for making decisions on the most efficient and effective use of Victoria's environmental water entitlements.

The VEWB documents potential watering actions in its annual seasonal watering plan, informed by seasonal watering proposals prepared by each of the CMAs and Melbourne Water. The VEWB then commits water throughout the year via seasonal watering statements which authorise waterway managers to use environmental water.

The VEWB is established under Part 3AA of the *Water Act 1989*. Further details about the VEWB, including its annual report, can be found on its website: <http://www.vewb.vic.gov.au>.

A new entitlement was created in 2017-18, the Upper Barwon River Environmental Entitlement 2018. The entitlement was required to incorporate an additional 1 GL average entitlement per year for the Barwon River. At 30 June 2018 the VEWB Water Holdings comprised 22 entitlements, 3 water shares and 3 entitlements held in trust on behalf of the Murray-Darling Basin Authority. Further information on the entitlements held by the VEWB can be found on the VEWB website: <http://www.vewb.vic.gov.au>.

During 2017-18, environmental water was managed to meet environmental objectives at 140 Index of Stream Condition river reaches and 83 wetlands, including:

- Thomson, Macalister, Latrobe, Tanjil and Snowy rivers and the lower Latrobe Wetlands (Sale Common, Dowd Morass and Heard Morass) in Gippsland
- Yarra, Tarago, Werribee River, Moorabool River, 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
- 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 2017-18 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 VEWB, 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 Bolin Billabong in the Yarra Catchment helped wetland vegetation communities and supported Aboriginal cultural values.

Full details of 2017-18 environmental watering activities will be provided in the Reflections annual watering booklet and annual report developed by VEWB. These will be available on the VEWB website: <http://www.vewb.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 2017-18, environmental water was protected through input into numerous reviews in unregulated systems.

Other environmental water highlights include:

- river and wetland monitoring (VEFMAP and WETMAP) showed a large number of waterbirds have been breeding, and native fish have moved into our rivers from the Murray River to spawn, improving fish populations, as well as providing benefits to the fishing community.
- the appointment of the first Aboriginal Victorian Commissioner of the VEWB.
- DELWP coordination of a whole of Victorian Government submission to the Environment, Natural Resources and Regional Development Committee Inquiry into the Management, Governance and Use of environmental water.
- Input to the development 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 CMAs.

- Progressing negotiations with the Commonwealth to secure funding for nine environmental works projects in northern Victoria; these projects are part of the Basin Plan Sustainable Diversion Limit Adjustment package agreed by ministers in June 2017. Negotiations are ongoing.
- Continuing to progress supporting investigations and stakeholder engagement for each of the nine projects, 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.
- Submission of a business case for a new Goulburn constraints measures in September 2017. This business case is currently being assessed by Basin governments.

b) 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.

c) Use and re-use of water resources

See section ab) 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.

d) 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) have been completed for Victoria's catchment management

regions. These strategies were developed in 2017-18 by CMAs in partnership with local councils, 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 RFMS have identified more than 400 priority flood mitigation actions for mitigating the effects of flooding for Victorian communities.

DELWP assists CMAs and municipalities to improve their knowledge of areas of flood risk and ensure that new development is compatible with the flood risk. In December 2017 we saw the benefits of Government co-investing with local communities to deliver flood mitigation works and measures at the local scale. New flood mitigation works were in place or substantially underway for Donald, Rochester and Carisbrook. The recently upgraded Castle Creek levee helped prevent flooding of 30 properties in Euroa. 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. These communities have greater clarity around the level of protection they can expect from their existing flood mitigation works, evidenced in Wangaratta. Measures are also now in place to improve flood warnings for Rochester, Charlton, and Numurkah.

e) 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 CMAs, 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 on-ground 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 2017-18 into improving the health of Victoria's waterways has been invested by CMAs 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 comprehensive report card assessing progress against statewide waterway health targets was last published by the department in 2009, with the next progress report in preparation for release in late 2018. Through *Water for Victoria*, a new approach is also being trialled on 10 waterways to improve information and knowledge, and provide better reporting back to communities on the outcomes of our programs.

f) Water quality (including salinity)

Water quality monitoring was conducted at 410 partnership sites across the state in 2017-18. 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*.

g) In-stream uses of water

Refer to section ac) above, 'Environmental Water Reserve', for details regarding the in-stream use of water.

ga) Current and historic levels of allocation and use of surface water and groundwater

The *Victorian Water Accounts* provide an annual overview of water availability and use across Victoria at bulk supply level, including a detailed water account for each of Victoria's 29 river basins, along with distribution system water accounts for each of the 19 water corporations in Victoria. The basin accounts include quantitative data and commentary on available water and water use, while the distribution system water accounts comprise water balances for urban, rural and wholesale water distribution systems. Because distribution system boundaries are not necessarily aligned with river basin boundaries, the distribution system water balances are reported by the Northern, Gippsland, Central and Western regions.

The 2017-18 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 and groundwater use in 2017-18 will be published in the 2017-18 Entitlement and Use Report on the Victorian Water Register website.

Surface water

In 2017-18 below average rainfall was received across most of Victoria. However, for the declared systems there was sufficient water in store to enable high allocations, seasonal allocations for high reliability water shares reached 100 per cent in all of the systems except for Werribee. Seasonal allocations for low reliability water shares also reached 100 per cent in the Broken and Bullarook systems. Low reliability allocation was also made in Campaspe (59%) and the Macalister Irrigation district (20 per cent).

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 through the use of 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 2017-18 a total of 47 streams were restricted during the winter and the number of unregulated streams subject to restrictions during the summer months reached a peak of 93 in March 2018.

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 2017-18, 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 from July to December 2017 in Deutgam WSPA (50 per cent).

gb) 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. State-wide 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 state-wide 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): <http://ics.water.vic.gov.au>. The results from the most recent state-wide wetland assessment that looked at 827 wetlands are also available at: <http://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 Sustainable Water Strategies (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, DEDJTR and partners and stakeholders.

A stocktake of SWS actions identified that of these 300 actions, nearly 82% 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 new 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 the department 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*, the government has:

- released the Central Region SWS draft review report for public consultation in June 2018 (Action 8.7)
- incorporated Traditional Owner representation on the Central Region SWS review Consultative Committee (Action 8.7)
- commenced five-yearly assessments of the Gippsland Region and Western Region SWSs (Action 8.7)
- tabled the Water Amendment Bill 2017 to better align processes to review SWSs and to undertake long-term water resource assessments and any resulting reviews (Action 8.8).

In addition, the Department of Environment, Land, Water and Planning 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, further details on the status of each individual SWS action and progress on reviews and five-yearly assessments are 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
 - 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:

Ben Wearne
 Director, Planning and Performance, Strategy and Performance Division
 Department of Environment, Land, Water and Planning
 8 Nicholson Street, East Melbourne, Victoria 8002
 Telephone: (03) 9637 8530
 Email: ben.wearne@delwp.vic.gov.au

Financial Statements as at 30 June 2018

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 2018 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 Minister for Finance 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 2018 and financial position of the department at 30 June 2018.

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 5 September 2018.



John Bradley

Secretary
Department of Environment, Land, Water and Planning
Melbourne
5 September 2018



Xavier Hinckson

Executive Director, Finance
Department of Environment, Land, Water and Planning
Melbourne
5 September 2018



Independent Auditor's Report

To the Secretary of the Department of Environment, Land, Water and Planning

Opinion	<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">• balance sheet as at 30 June 2018• comprehensive operating statement for the year ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements• Accountable Officer's and Chief Finance Officer's declaration. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the department as at 30 June 2018 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>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Secretary's APES 110 <i>Code of Ethics for Professional Accountants</i> (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>
Key Audit Matters	<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
Long term procurement of the Victorian Desalination Plant (VDP) using a private public partnership (PPP) agreement	
<i>Refer to Note 4.2.4 Victorian Desalination Plant (Administered) items and Note 4.2.4 (b) Commitments</i>	
VDP finance lease receivable: \$4.069 billion. VDP finance lease liability: \$4.067 billion. VDP commitment disclosures: minimum future lease repayments \$10.290 billion, other expense commitments \$4.342 billion, and minimum future lease receivable \$10.290 billion. I considered this to be a key audit matter because: <ul style="list-style-type: none"> the finance lease liability and future VDP commitments are financially significant the VDP's contractual rights and obligations are complex the finance lease model is highly complex, involves significant management judgement and is underpinned by various subjective assumptions the accounting for, and disclosures related to, the VDP are inherently complex with limited authoritative accounting guidance available small changes to the contractual terms and conditions (for example—refinancing requirements) significantly impact the liability carrying value the VDP's commitment disclosures involve significant management judgements and estimates, and amendments were required in prior years. 	My key procedures included: <ul style="list-style-type: none"> gaining an understanding of the key contractual changes for the current year engaging an appropriately qualified 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"> appropriateness of re-financing adjustments reasonableness and consistency of all the finance lease model assumptions identification of any model or assumptions changes reasonableness of all model inputs, with specific reference to underlying data and supporting documentation (i.e. contracts, water orders) model's computational accuracy appropriateness of all VDP related financial report disclosures as required by AASB 117 <i>Leases</i> evaluating the subject matter expert's report, including assessing it for consistency with other audit evidence obtained, and the relevance and reasonableness of their findings and assumptions.

Key audit matter	How I addressed the matter
The recognition and measurement of the fair value of land assets.	
<i>Note 5 - Key assets available to support output delivery and commitments</i>	
<p>Land assets: \$8.110 billion.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> the fair value of land is financially significant to the department a managerial revaluation of land was required during the year significant audit adjustments for asset recognition have been identified in prior years the department's Crown Land reconciliation project is ongoing and may identify unrecorded assets the department is reviewing its treatment of previously unrecognised coastal land assets against the applicable accounting standard AASB 116 <i>Property, Plant & Equipment</i> (AASB 116) a high volume of transactions is processed by external agencies the applicable accounting standard AASB 13 <i>Fair Value Measurement</i> (AASB 13), and the Minister for Finance issued Financial Reporting Direction 103F <i>Non-financial physical assets</i> (FRD 103F) require extensive financial report disclosures. 	<p>My key procedures included:</p> <ul style="list-style-type: none"> gaining an understanding of the department's processes to recognise and value previously unidentified parcels of land, including coastal assets confirming the department is the title holder of previously unidentified parcels of land assessing the managerial fair value estimate of land assets against the requirements of FRD 103F testing the computational accuracy of management's adjustment to the fair value estimate assessing the appropriateness of management's treatment of its unrecognised coastal assets against the requirements of AASB 116 assessing the appropriateness of all land asset related financial report disclosures as required by AASB 13 and FRD 103F.
Secretary's responsibilities for the financial report	<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.</p> <p>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>
Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, 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.</p>

**Auditor's
responsibilities
for the audit of
the financial
report
(continued)**

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. 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.

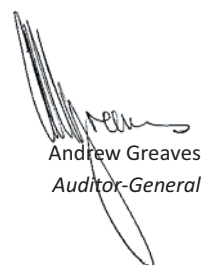
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 my 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 the 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
9 September 2018



Andrew Greaves
Auditor-General

Comprehensive operating statement for the financial year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Income from transactions			
Output appropriations	2.2, 2.2.1	1,491,577	1,376,047
Special appropriations	2.2, 2.2.2	112,207	137,168
Sale of goods and services	2.3.1	85,123	62,437
Municipal and Industrial Landfill Levy	2.3.2	228,995	215,330
Metropolitan Parks Improvement Rate	2.3.3	183,051	166,933
Grants	2.3.4	187,040	193,549
Interest	7.1.2	16,926	18,883
Other income		14,671	13,312
Total income from transactions		2,319,590	2,183,659
Expenses from transactions			
Employee expenses	3.1.1	(442,731)	(397,488)
Grants and other transfers	3.1.2	(922,113)	(713,020)
Supplies and services	3.1.3	(640,947)	(720,074)
Other operating expenses	3.1.4	(8,215)	(5,828)
Depreciation and amortisation	5.1.3	(58,256)	(58,090)
Capital asset charge	5.1.4	(92,892)	(91,811)
Interest expense	7.2.2	(791)	(822)
Total expenses from transactions		(2,165,945)	(1,987,133)
Net result from transactions (net operating balance)		153,645	196,526
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	5.6	162,466	(11,992)
Net gain/(loss) on financial instruments	9.1	4,872	2,547
Other gains/(losses) from other economic flows	9.1	(4,018)	1,309
Total other economic flows included in net result		163,320	(8,136)
Net result		316,965	188,390
Other economic flows – other comprehensive income			
Items that will not be classified to net result			
Net change in physical asset revaluation surplus	5.8.1	1,215,788	28,889
Total other economic flows – other comprehensive income		1,215,788	28,889
Comprehensive result		1,532,753	217,279

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance sheet as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Assets			
Financial assets			
Cash and cash deposits	7.1	707,296	435,334
Receivables	6.1	396,812	279,190
Investments and other financial assets	5.4	599,956	780,603
Investments accounted for using the equity method	5.5	0	0
Total financial assets		1,704,064	1,495,127
Non-financial assets			
Inventories	6.4	17,583	19,231
Non-financial physical assets classified as held for sale	5.2	26,253	11,571
Property, plant and equipment	5.1	9,716,636	8,401,755
Intangible assets	5.3	58,363	39,598
Prepayments	6.3	141,597	148,635
Total non-financial assets		9,960,432	8,620,790
Total assets		11,664,496	10,115,917
Liabilities			
Payables	6.2	191,943	171,447
Interest bearing liabilities	7.2	43,698	35,496
Provisions	3.1.1(a), 6.5	144,628	137,605
Other liabilities		2,206	2,051
Total liabilities		382,475	346,599
Net assets		11,282,021	9,769,318
Equity			
Accumulated surplus		780,824	463,859
Share of associate's contributed capital		0	0
Physical asset revaluation surplus	5.8.1	7,976,161	6,760,373
Contributed capital		2,525,036	2,545,086
Net worth		11,282,021	9,769,318

Commitments for expenditure 3.2, 5.7

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 2018

	Notes	Accumulated surplus/ (deficit) \$'000	Share of associate's contributed capital ⁽ⁱⁱⁱ⁾ \$'000	Physical asset revaluation surplus \$'000	Contributions by owner \$'000	Total \$'000
Balance at 1 July 2016		275,469	8,703	6,731,484	2,518,254	9,533,910
Net result for the year		188,390	0	0	0	188,390
Other comprehensive income for the year	5.8.1	0	0	28,889	0	28,889
Additions to Net Asset Base	2.2.1	0	0	0	69,920	69,920
Capital contributions of assets ⁽ⁱ⁾		0	0	0	26,970	26,970
Transfer of share of associate's contributed capital as a result of administrative restructure	5.5	0	(8,703)	0	0	(8,703)
Administrative restructure – net assets received		0	0	0	1,890	1,890
Administrative restructure – net assets transferred	5.5	0	0	0	(11,349)	(11,349)
Net capital contributions transferred to portfolio entities	5.8.2	0	0	0	(60,599)	(60,599)
Balance at 30 June 2017		463,859	0	6,760,373	2,545,086	9,769,318
Net result for the year		316,965	0	0	0	316,965
Other comprehensive income for the year	5.8.1	0	0	1,215,788	0	1,215,788
Additions to Net Asset Base	2.2.1	0	0	0	134,386	134,386
Capital contributions of assets ⁽ⁱ⁾		0	0	0	(49,308)	(49,308)
Net capital contributions transferred to portfolio entities	5.8.2	0	0	0	(105,128)	(105,128)
Balance at 30 June 2018		780,824	0	7,976,161	2,525,036	11,282,021

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Note:

- (i) From the total movement, \$31.0 million relates to the transfer of various buildings, structures and land to Parks Victoria (2017: \$26.1 million relates to the transfer of Crown land from VicRoads to the department) under Financial Reporting Directions 119a *Transfer through contributed capital*.
- (ii) On 1 July 2016, the department transferred the investment interest in Property Exchange Australia Limited (PEXA) to the Department of Treasury and Finance (DTF) consistent with the approval by the Treasurer of Victoria.

Cash flow statement for the financial year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Cash flows from operating activities			
Receipts			
Receipts from government		1,684,903	1,732,082
Receipts from other entities		510,633	469,291
Goods and Services Tax recovered from the ATO ⁽ⁱ⁾		49,246	41,707
Interest received		20,401	20,744
Total receipts		2,265,183	2,263,824
Payments			
Payments of grants and other transfers		(936,688)	(699,813)
Payments to suppliers and employees		(1,100,274)	(1,300,053)
Capital asset charge payments	5.1.4	(92,892)	(91,811)
Interest and other costs of finance paid		(773)	(803)
Total payments		(2,130,627)	(2,092,480)
Net cash flows from operating activities	7.1.1	134,556	171,344
Cash flows from/(used in) investing activities			
Net movement in investments		180,647	(268,431)
Purchases of non-financial assets		(68,432)	(79,071)
Sales of non-financial assets		11,019	7,004
Net cash flows from/(used in) investing activities		123,234	(340,498)
Cash flows from/(used in) financing activities			
Cash received from activity transferred in – MOG changes		0	1,890
Owner contributions by State Government	2.2.1	134,386	69,920
Payments of capital contributions	5.8.2	(105,128)	(60,599)
Repayments of finance leases		(6,379)	(5,711)
Proceeds from/(repayments of) advances		(8,707)	45,578
Net cash flows from/(used in) financing activities		14,172	51,078
Net increase/(decrease) in cash and cash equivalents		271,962	(118,076)
Cash and cash equivalents at the beginning of the financial year		435,334	553,410
Cash and cash equivalents at the end of the financial year	7.1	707,296	435,334

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 5.5 *Investments accounted for using the equity method* and 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*).

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 9.9 *Glossary of technical terms*.

Comparative amounts

Where the presentation or classification of items in the financial statements 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

2.1 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 (2017-2018) Act 2017*.

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 (2017-2018) Act 2017*, 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.

	Financial Management Act 1994									
	Administrative Arrangements Act 1983									Total parliamentary authority \$'000
	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	Appropriation applied \$'000	
As at 30 June 2018										
Controlled										
Provision of outputs ⁽ⁱ⁾	1,257,098	73,780	0	0	184,706	(925)	66,800	16,510	1,491,577	106,392
Additions to Net Assets Base (ATNAB) ⁽ⁱⁱ⁾	119,546	0	0	0	24,260	(4,260)	3,000	5,500	134,386	13,660
Administered										
Payments made on Behalf of the State (POBOS) ⁽ⁱⁱⁱ⁾	620,154	1,700	0	0	0	0	0	0	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	0
Total	2,018,598	75,480	0	0	208,966	0	69,800	22,010	2,266,093	128,761
As at 30 June 2017										
Controlled										
Provision of outputs ⁽ⁱ⁾	1,101,417	50,898	54,433	2,250	204,863	12,017	99,327	0	1,376,047	149,158
ATNAB ⁽ⁱⁱ⁾	87,751	5,683	0	3,344	5,631	(27,797)	21,498	0	69,920	26,190
Administered										
POBOS ⁽ⁱⁱⁱ⁾	607,500	20,657	0	0	0	15,779	6,655	0	627,732	22,859
POBOS – State contribution under the Murray Darling Basin Act 1993	21,800	0	0	0	0	0	6,944	0	27,068	1,676
Total	1,818,468	77,238	54,433	5,594	210,494	(1)	134,424	0	2,100,767	199,883

Variance Analysis

(i) Provision of outputs

The 2018 variance of \$106.4 million relates predominately to Whole of Victorian Government (WoVG) efficiency savings and the recashflow of output appropriations into 2018-19 and the forward estimates to complete the following projects:

- 2017-18 Budget WoVG efficiencies allocated to the department to enable the government to invest in priority areas including Family Violence.
- Variations to the cashflow of the Goulburn Murray Water (GMW) Connections Project - Stage 1 to reflect the revised timelines and scope of works to recognise the integrated nature of both stage 1 and 2 of the project and efficiency benefits to be delivered.
- A recashflow of the Powerline Bushfire Safety Program was required due to construction/ excavation delays and has been aligned with expected milestones.
- A recashflow of the Reducing Bushfire Risk initiative was required with contracted work now to commence in 2018-19. This was due to the early onset of the bushfire season with several significant bushfires already occurring which reduced the capacity to undertake work, procurement activity, and contractor availability.
- A recashflow of the Living Heritage Grants program was required for project variations resulting from delays in securing project contractors, submission of materials for Heritage Permits and confirmation of work schedules.

- A recashflow of the Water for Aboriginal Culture program was required to allow for further preliminary planning and avoid the need for substantial up front payments.
- A recashflow of the Managing Rising Groundwater Risk in Bendigo initiative was required to ensure payments can be made based on the revised funding agreement as a result of delays in commencing the second tender process.

(ii) Addition to Net Assets Base (ATNAB)

The 2018 variance of \$13.7 million primarily relates to the recashflow of ATNAB funding available in 2017-18 for use in future years for the following three projects:

- The Land Compensation program as there were no land compensation claims in 2017-18.
- The Revitalising Central Geelong initiative due to the timing of the Minister's request for use of land acquisition powers to implement the project which resulted in land transfer and associated expenditure not occurring in 2017-18.
- The Reducing Bushfire Risk initiative due to works now to commence in 2018-19. This was due to the early onset of the bushfire season with several significant bushfires already occurring which reduced the capacity to undertake work, procurement activity, and contractor availability.

(iii) Payments made on Behalf of the State (POBOS)

The 2018 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.

2.2.2 Summary of compliance with special appropriations

		Appropriation Applied	
Authority	Purpose	2018 \$'000	2017 \$'000
Output special appropriations			
Section 201V of the <i>Planning and Environmental Act 1987</i>	Growth Area infrastructure contributions.	112,207	134,918
Section 28 of the <i>Financial Management Act 1994</i>	Appropriation for borrowing against future appropriation	0	2,250
Total special appropriations		112,207	137,168

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	2018 \$'000	2017 \$'000
Commonwealth specific purpose payments – output		
BushBroker	135	140
Cleaning up the Yarra - Installation of Litter Traps	106	106
Constraints Measure Project Business Case Development	100	0
Murray Darling Basin Plan Implementation	6,800	6,800
National Landcare Programme Regional Allocations	21,583	21,309
National Water Infrastructure Development Fund - Feasibility Studies	1,756	2,022
National Whale Strandings Action Plan	0	32
Sunraysia Modernisation	0	736
Victorian Farm Modernisation	2,352	32,910
Total Commonwealth specific purpose payments – output	32,832	64,055
Commonwealth specific purpose payments – capital		
National Partnership Agreement for the National Water Infrastructure Development Fund	15,000	0
Total Commonwealth specific purpose payments – capital	15,000	0
Capital items		
Property Administration and Systems	9,260	5,631
Total capital items	9,260	5,631
User charges, or sales of goods and services		
Landata	32,547	29,068
Land Registration Services	93,267	87,487
Mapping	565	1,099
Miscellaneous Industry Contributions	277	286
Goulburn-Murray Water Connections Project Stage 1	7,535	3,355
Parks user fees and Werribee Mansion	10,443	10,461
Queenscliff Harbour Redevelopment	135	156
Revenue retained on behalf of the Environmental Protection Authority	594	2,178
VICMap	4,451	4,022
Water Register – Planning	241	269
Water Register – State	1,819	2,427
Total user charges, or sales of goods and services	151,874	140,808
Total annotated income agreements	2.2.1 208,966	210,494

2.3 Income from transactions

2.3.1 Sale of goods and services

	2018 \$'000	2017 \$'000
Sale of goods and services		
Rendering of services	84,091	62,098
Sales of goods and livestock	1,032	339
Total sale of goods and services	85,123	62,437

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; and
- 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 \$228.995 million (2017: \$215.330 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 2017-18 the minimum charge was levied at the rate of \$75.85 (2017: \$74.37) and the rate in the dollar of Net Annual Value was 0.453 cents (2017: 0.445 cents).

In accordance with AASB 1004 the Metropolitan Parks Improvement Rate of \$183.051 million (2017: \$166.933 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 2017-18 financial year, a total of \$140.779 million was disbursed from the trust (in 2016-17, \$149.928 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

	2018 \$'000	2017 \$'000
Grants		
Specific purpose grants	163,901	155,785
General purpose grants	23,139	37,764
Total grants	187,040	193,549

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.

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

	2018 \$'000	2017 \$'000
Employee expenses		
Salaries and wages	(333,060)	(298,839)
Post-employment benefits		
Defined contribution superannuation expense	(26,951)	(24,031)
Defined benefit superannuation expense	(4,667)	(5,219)
Termination benefits	(5,836)	(2,345)
Leave expenses (annual leave and long service leave)	(46,248)	(43,450)
Other on-costs (fringe benefits tax, payroll tax and workcover levy)	(25,969)	(23,604)
Total employee expenses	(442,731)	(397,488)

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

	2018 \$'000	2017 \$'000
Current provision for employee benefits		
Employee benefits – annual leave ⁽ⁱ⁾		
Unconditional and expected to settle within 12 months	32,795	30,789
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	620	498
Employee benefits – long service leave ⁽ⁱ⁾		
Unconditional and expected to settle within 12 months	58,306	57,343
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	15,344	14,491
Employee benefits – earned emergency recreation leave		
Unconditional and expected to settle within 12 months	1,871	1,839
Total current provision for employee benefits	108,936	104,960
Provisions for on-costs:		
Unconditional and expected to settle within 12 months	14,717	14,107
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	2,527	2,350
Total provisions for on-costs	17,244	16,457
Total current provisions for employee benefits	126,180	121,417
Non-current provisions for employee benefits		
Employee benefits ⁽ⁱ⁾⁽ⁱⁱ⁾	5,909	6,090
On-costs ⁽ⁱⁱ⁾	935	955
Total non-current provisions for employee benefits	6,844	7,045
Total provisions for employee benefits	133,024	128,462

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

	2018 \$'000
Balance at 1 July 2017	17,412
Additional provisions recognised	1,866
Reductions arising from payments/other sacrifices of future economic benefits	(1,214)
Increase/(reductions) resulting from remeasurement or settlement without cost	193
Unwind of discount and effect of changes in the discount rate	(78)
Balance at 30 June 2018	18,179
Current	17,244
Non-current	935
Total provision for on-cost	18,179

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; and
- 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; and
- 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 noncurrent LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of noncurrent 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 9.1 *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:

Fund	Paid contribution for the year		Contribution outstanding at year end	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Defined benefit plans:				
Emergency Services Superannuation Scheme	4,582	5,107	85	111
Defined contribution plans:				
Victorian Superannuation Fund – Vic Super Scheme	18,311	16,541	338	360
Various other	8,151	6,979	151	152
Total superannuation contributions	31,044	28,627	574	623

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 (2017: 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

	2018 \$'000	2017 \$'000
Grants and other transfers		
Grants to portfolio agencies	(485,217)	(392,063)
Grants to catchment management authorities	(113,564)	(100,184)
Grants to non-portfolio agencies	(109,865)	(38,298)
Grants to the Commonwealth, other state, territory and local governments	(127,071)	(138,486)
Grants to private individuals, businesses and non-profit organisations	(88,385)	(44,112)
Other grants and transfers	1,989	123
Total grants and other transfers	(922,113)	(713,020)

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

	2018 \$'000	2017 \$'000
Supplies and services		
Community awareness and publicity	(5,326)	(2,474)
Contract and professional services	(289,958)	(338,230)
Equipment maintenance and hire	(50,926)	(35,446)
Statutory fees, learning and development costs and general expenses	(146,302)	(191,129)
Insurance expenses	(17,751)	(17,780)
IT costs	(32,466)	(32,754)
Other expenses	(12,563)	(11,187)
Motor vehicle costs	(11,353)	(9,697)
Office and accommodation	(43,322)	(43,480)
Payments for shared services	(15,682)	(22,390)
Postage and telephone	(15,298)	(15,507)
Total supplies and services	(640,947)	(720,074)

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

	2018 \$'000	2017 \$'000
Other operating expenses		
Operating lease expenses	(766)	(498)
Cost of goods sold/provided	(5,290)	(5,176)
Ex-gratia payments ⁽ⁱ⁾	0	(4)
Research and development costs immediately expensed	(80)	0
Settlement of litigation ⁽ⁱⁱ⁾	(2,079)	(150)
Fair value of assets and services provided free of charge or for nominal consideration	0	0
Total other operating expenses	(8,215)	(5,828)

Note:

- (i) 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.
- (ii) 2017-18 amounts predominantly related to the settlement of a breach of contract and various land registry claims.

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

	2018 \$'000	2017 \$'000
Victorian Auditor-General's Office		
Audit of the financial statements	392	382
Total remuneration of auditors	392	382

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.

	2018 \$'000	2017 \$'000
Operating commitments payable		
Not later than one year	146,732	243,696
Later than one year but no later than five years	81,467	131,207
Later than five years	13,117	0
Total operating commitments	241,316	374,903
Operating lease commitments payable		
Not later than one year	19,143	32,008
Later than one year but no later than five years	79,122	35,425
Later than five years	94,709	77,491
Total operating lease commitments	192,974	144,924
Total operating expenditure commitments (inclusive of GST)	434,290	434,290
Less GST recoverable from the Australian Taxation Office	(33,297)	(21,653)
Total operating expenditure commitments (exclusive of GST)	400,993	412,637

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 2018 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

4.1 Departmental outputs

4.1.1 Description and objectives

A description of the nine departmental objectives performed during the year ended 30 June 2018, and the outputs of these objectives, 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 ⁽ⁱ⁾		Environment and Biodiversity ⁽ⁱ⁾⁽ⁱⁱⁱ⁾		Statutory Activities and Environmental Protection ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income from transactions						
Output appropriations	130,620	111,346	61,322	62,400	484	2,851
Special appropriations	112,207	134,918	0	0	0	0
Sale of goods and services	138	177	47,361	26,357	0	29
Municipal and Industrial Landfill Levy	0	0	0	0	228,995	215,330
Metropolitan Parks Improvement Rate	0	0	0	0	0	0
Grants	3,125	8,510	536	457	0	1
Interest	4,853	3,913	0	0	9,103	12,033
Other income	6	691	104	82	22	636
Total income from transactions	250,949	259,555	109,323	89,296	238,604	230,880
Expenses from transactions						
Employee expenses	(40,220)	(37,891)	(43,124)	(39,425)	(654)	(1,680)
Grants and other transfers	(119,097)	(55,988)	(48,968)	(25,980)	(141,005)	(99,789)
Supplies and services	(32,582)	(28,764)	20,797	(9,063)	(123,426)	(40,637)
Other operating expenses	(199)	(69)	(985)	(827)	0	(5)
Depreciation and amortisation	(916)	(545)	(2,621)	(2,471)	0	(79)
Capital asset charge	(15,494)	(15,199)	(2,272)	(1,963)	0	(69)
Interest expense	(8)	(10)	2	(76)	0	(1)
Total expenses from transactions	(208,516)	(138,466)	(77,171)	(79,805)	(265,085)	(142,260)
Net result from transactions (net operating balance)	42,433	121,089	32,152	9,491	(26,481)	88,620
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	(7,169)	(31,617)	859	1,005	0	162
Net gain/(loss) on financial instruments	4	(45)	(148)	(56)	5,037	2,617
Other gains/(losses) from other economic flows	(160)	65	(271)	82	0	21
Total other economic flows included in net result	(7,325)	(31,597)	440	1,031	5,037	2,800
Net result	35,108	89,492	32,592	10,522	(21,444)	91,420

4.1.2 Controlled income and expenses (continued)

	Planning, Building and Heritage ⁽ⁱ⁾		Environment and Biodiversity ⁽ⁱ⁾⁽ⁱⁱⁱ⁾		Statutory Activities and Environmental Protection ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Changes in physical asset revaluation surplus	10,391	28,889	0	0	0	0
Total other economic flows – other comprehensive income	10,391	28,889	0	0	0	0
Comprehensive result	45,499	118,381	32,592	10,522	(21,444)	91,420

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Departmental objectives, indicators and outputs' section.
- (ii) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.2 Controlled income and expenses (continued)

	Land Use Victoria ⁽ⁱ⁾⁽ⁱⁱⁱ⁾		Management of Public Land and Forests ⁽ⁱ⁾⁽ⁱⁱⁱ⁾		Effective Water Management and Supply ⁽ⁱ⁾		Local Government ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income from transactions								
Output appropriations	158,499	114,123	141,637	110,497	327,418	294,787	102,664	129,826
Special appropriations	0	0	0	0	0	0	0	0
Sale of goods and services	19,023	13,717	2,940	4,406	11,005	10,400	5	0
Municipal and Industrial Landfill Levy	0	0	0	0	0	0	0	0
Metropolitan Parks Improvement Rate	0	0	73,141	68,686	0	0	0	0
Grants	0	1	2,594	146	165,884	175,948	(60)	2,701
Interest	0	0	1,593	1,319	432	1,546	0	0
Other income	1	6	604	6,453	30	1,876	10,582	0
Total income from transactions	177,523	127,847	222,509	191,507	504,769	484,557	113,191	132,527
Expenses from transactions								
Employee expenses	(48,248)	(42,786)	(44,644)	(43,278)	(58,902)	(55,767)	(7,854)	(11,767)
Grants and other transfers	(103)	(3)	(75,493)	(31,633)	(167,029)	(136,116)	(89,473)	(120,368)
Supplies and services	(71,915)	(75,094)	(48,896)	(54,173)	(257,951)	(306,765)	(2,026)	910
Other operating expenses	695	(140)	(1,334)	(1,042)	(1,065)	(68)	(42)	(15)
Depreciation and amortisation	(1,116)	(1,079)	(14,311)	(15,007)	(4,280)	(3,894)	(80)	(55)
Capital asset charge	(771)	(789)	(18,809)	(18,213)	(2,374)	(2,418)	(18)	0
Interest expense	(15)	7	(182)	(107)	(11)	(20)	(1)	(5)
Total expenses from transactions	(121,473)	(119,884)	(203,669)	(163,453)	(491,612)	(505,048)	(99,494)	(131,300)
Net result from transactions (net operating balance)	56,050	7,963	18,840	28,054	13,157	(20,491)	13,697	1,227
Other economic flows included in net result								
Net gain/(loss) on non- financial assets	40	350	167,658	8,216	(143)	3,474	(2)	(7)
Net gain/(loss) on financial instruments	(7)	(2)	(14)	2	(1)	9	1	1
Other gains/(losses) from other economic flows	(82)	32	(646)	168	(1,344)	451	(17)	0
Total other economic flows included in net result	(49)	380	166,998	8,386	(1,488)	3,934	(18)	(6)
Net result	56,001	8,343	185,838	36,440	11,669	(16,557)	13,679	1,221

4.1.2 Controlled income and expenses (continued)

	Land Use Victoria ⁽ⁱ⁾⁽ⁱⁱⁱ⁾		Management of Public Land and Forests ⁽ⁱ⁾⁽ⁱⁱⁱ⁾		Effective Water Management and Supply ⁽ⁱ⁾		Local Government ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Other economic flows – other comprehensive income								
Items that will not be classified to net result								
Changes in physical asset revaluation surplus	0	0	1,205,397	0	0	0	0	0
Total other economic flows – other comprehensive income	0	0	1,205,397	0	0	0	0	0
Comprehensive result	56,001	8,343	1,391,235	36,440	11,669	(16,557)	13,679	1,221

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Departmental objectives, indicators and outputs' section.
- (ii) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.2 Controlled income and expenses (continued)

	Climate Change ⁽ⁱ⁾⁽ⁱⁱ⁾		Suburban Development ⁽ⁱ⁾⁽ⁱⁱ⁾		Parks Victoria ⁽ⁱ⁾⁽ⁱⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income from transactions						
Output appropriations	14,808	21,495	7,722	0	59,644	86,659
Special appropriations	0	0	0	0	0	0
Sale of goods and services	26	45	20	0	0	0
Municipal and Industrial Landfill Levy	0	0	0	0	0	0
Metropolitan Parks Improvement Rate	0	0	0	0	109,910	98,247
Grants	177	1,498	0	0	6,000	2,500
Interest	0	0	0	0	0	0
Other income	897	6	171	0	0	0
Total income from transactions	15,908	23,044	7,913	0	175,554	187,406
Expenses from transactions						
Employee expenses	(13,660)	(11,170)	(2,986)	0	0	0
Grants and other transfers	(10,984)	(12,801)	(2,800)	0	(178,377)	(186,581)
Supplies and services	13,521	706	(1,177)	0	(310)	(825)
Other operating expenses	(110)	(11)	(27)	0	0	0
Depreciation and amortisation	(151)	(151)	(6)	0	0	0
Capital asset charge	(94)	(107)	0	0	0	0
Interest expense	0	(6)	(1)	0	0	0
Total expenses from transactions	(11,478)	(23,540)	(6,997)	0	(178,687)	(187,406)
Net result from transactions (net operating balance)	4,430	(496)	916	0	(3,133)	0
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	10	254	0	0	0	0
Net gain/(loss) on financial instruments	0	1	(1)	0	0	0
Other gains/(losses) from other economic flows	(88)	33	0	0	0	0
Total other economic flows included in net result	(78)	288	(1)	0	0	0
Net result	4,352	(208)	915	0	(3,133)	0

4.1.2 Controlled income and expenses (continued)

	Climate Change ⁽ⁱ⁾⁽ⁱⁱ⁾		Suburban Development ⁽ⁱ⁾⁽ⁱⁱ⁾		Parks Victoria ⁽ⁱ⁾⁽ⁱⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Changes in physical asset revaluation surplus	0	0	0	0	0	0
Total other economic flows – other comprehensive income	0	0	0	0	0	0
Comprehensive result	4,352	(208)	915	0	(3,133)	0

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Departmental objectives, indicators and outputs' section.
- (ii) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.2 Controlled income and expenses (continued)

	Fire and Emergency Management ⁽ⁱ⁾		Energy ⁽ⁱ⁾		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income from transactions						
Output appropriations	422,355	387,230	64,404	54,833	1,491,577	1,376,047
Special appropriations	0	2,250	0	0	112,207	137,168
Sale of goods and services	4,563	6,120	42	4,318	85,123	65,569
Municipal and Industrial Landfill Levy	0	0	0	0	228,995	215,330
Metropolitan Parks Improvement Rate	0	0	0	0	183,051	166,933
Grants	27	1,037	8,757	750	187,040	193,549
Interest	945	72	0	0	16,926	18,883
Other income	2,253	331	1	99	14,671	10,180
Total income from transactions	430,143	397,040	73,204	60,000	2,319,590	2,183,659
Expenses from transactions						
Employee expenses	(164,350)	(142,241)	(18,089)	(11,483)	(442,731)	(397,488)
Grants and other transfers	(27,784)	(27,318)	(61,000)	(16,443)	(922,113)	(713,020)
Supplies and services	(159,351)	(140,247)	22,369	(66,122)	(640,947)	(720,074)
Other operating expenses	(5,089)	(3,646)	(59)	(5)	(8,215)	(5,828)
Depreciation and amortisation	(34,686)	(34,759)	(89)	(50)	(58,256)	(58,090)
Capital asset charge	(52,993)	(53,010)	(67)	(43)	(92,892)	(91,811)
Interest expense	(575)	(602)	0	(2)	(791)	(822)
Total expenses from transactions	(444,828)	(401,823)	(56,935)	(94,148)	(2,165,945)	(1,987,133)
Net result from transactions (net operating balance)	(14,685)	(4,783)	16,269	(34,148)	153,645	196,526
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	996	6,071	217	100	162,466	(11,992)
Net gain/(loss) on financial instruments	1	20	0	0	4,872	2,547
Other gains/(losses) from other economic flows	(1,347)	444	(63)	13	(4,018)	1,309
Total other economic flows included in net result	(350)	6,535	154	113	163,320	(8,136)
Net result	(15,035)	1,752	16,423	(34,035)	316,965	188,390

4.1.2 Controlled income and expenses (continued)

	Fire and Emergency Management ⁽ⁱ⁾		Energy ⁽ⁱ⁾		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Changes in physical asset revaluation surplus	0	0	0	0	1,215,788	28,889
Total other economic flows – other comprehensive income	0	0	0	0	1,215,788	28,889
Comprehensive result	(15,035)	1,752	16,423	(34,035)	1,532,753	217,279

Note:

- (i) Information about the objectives of these departmental outputs is located in the Report of Operations under the 'Departmental objectives, indicators and outputs' section.
- (ii) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.3 Controlled assets and liabilities

	Planning, Building and Heritage		Environment and Biodiversity ⁽ⁱ⁾		Statutory Activities and Environmental Protection	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Assets						
Financial assets						
Cash and deposits	205,599	57,772	100,077	71,020	161,308	55,139
Receivables	23,180	19,808	21,744	11,100	115,900	110,794
Investments and other financial assets	111,231	218,371	0	0	368,278	496,597
Investments accounted for using the equity method	0	0	0	0	0	0
Total financial assets	340,010	295,951	121,821	82,120	645,486	662,530
Non-financial assets						
Inventories	7	5	52	40	0	1
Non-financial physical assets classified as held for sale	16,488	12,235	60	69	0	18
Property, plant and equipment	175,356	196,455	36,442	33,664	0	1,945
Intangible assets	13,186	2,641	5,292	6,303	0	0
Prepayments	419	1,273	580	1,631	0	417
Total non-financial assets	205,456	212,609	42,426	41,707	0	2,381
Total assets	545,466	508,560	164,247	123,827	645,486	664,911
Liabilities						
Payables	19,946	13,268	9,110	5,640	31,809	20,725
Interest bearing liabilities	395	493	4,726	4,119	0	56
Provisions	14,069	15,992	17,559	14,755	51	497
Other liabilities	2,017	2,010	14	6	0	0
Total liabilities	36,427	31,763	31,409	24,520	31,860	21,278
Net assets	509,039	476,797	132,838	99,307	613,626	643,633

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.3 Controlled assets and liabilities (continued)

	Land Use Victoria ⁽ⁱ⁾		Management of Public Land and Forests ⁽ⁱ⁾		Effective Water Management and Supply	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Assets						
Financial assets						
Cash and deposits	16,789	7,478	53,152	64,888	78,156	90,699
Receivables	22,219	19,014	36,474	17,469	75,427	42,125
Investments and other financial assets	0	0	69,554	30,635	0	0
Investments accounted for using the equity method	0	0	0	0	0	0
Total financial assets	39,008	26,492	159,180	112,992	153,583	132,824
Non-financial assets						
Inventories	368	369	1,919	1,901	58	29
Non-financial physical assets classified as held for sale	18	27	7,738	(1,561)	298	375
Property, plant and equipment	10,835	16,425	8,531,519	7,201,563	136,708	131,354
Intangible assets	18,331	6,489	269	0	0	0
Prepayments	173	633	1,655	3,343	135,217	131,664
Total non-financial assets	29,725	23,943	8,543,100	7,205,246	272,281	263,422
Total assets	68,733	50,435	8,702,280	7,318,238	425,864	396,246
Liabilities						
Payables	6,084	6,122	20,636	15,195	27,857	22,420
Interest bearing liabilities	1,468	1,377	5,000	777	1,016	1,288
Provisions	15,617	16,532	16,412	17,002	19,593	17,268
Other liabilities	47	(25)	(3)	56	66	2
Total liabilities	23,216	24,006	42,045	33,030	48,532	40,978
Net assets	45,517	26,429	8,660,235	7,285,208	377,332	355,268

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.3 Controlled assets and liabilities (continued)

	Local Government		Climate Change ⁽ⁱ⁾		Suburban Development ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Assets						
Financial assets						
Cash and deposits	9,211	1,368	17,088	12,258	785	0
Receivables	2,971	2,497	5,501	2,849	186	0
Investments and other financial assets	0	0	0	0	0	0
Investments accounted for using the equity method	0	0	0	0	0	0
Total financial assets	12,182	3,865	22,589	15,107	971	0
Non-financial assets						
Inventories	(1)	0	4	2	0	0
Non-financial physical assets classified as held for sale	4	0	20	27	0	0
Property, plant and equipment	808	179	2,920	3,077	(16)	0
Intangible assets	0	0	0	0	0	0
Prepayments	34	(2)	180	646	(1)	0
Total non-financial assets	845	177	3,124	3,752	(17)	0
Total assets	13,027	4,042	25,713	18,859	954	0
Liabilities						
Payables	596	13,238	2,581	1,176	126	0
Interest bearing liabilities	234	157	51	119	(16)	0
Provisions	2,579	3,004	3,211	3,080	936	0
Other liabilities	1	0	4	0	0	0
Total liabilities	3,410	16,399	5,847	4,375	1,046	0
Net assets	9,617	(12,357)	19,866	14,484	(92)	0

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.3 Controlled assets and liabilities (continued)

	Parks Victoria ⁽ⁱ⁾		Fire and Emergency Management	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Assets				
Financial assets				
Cash and deposits	0	0	42,138	68,215
Receivables	44	0	81,284	44,737
Investments and other financial assets	0	0	50,893	35,000
Investments accounted for using the equity method	0	0	0	0
Total financial assets	44	0	174,315	147,952
Non-financial assets				
Inventories	0	0	15,173	16,883
Non-financial physical assets classified as held for sale	0	0	301	370
Property, plant and equipment	0	0	819,986	815,879
Intangible assets	0	0	21,285	24,165
Prepayments	0	0	3,214	8,772
Total non-financial assets	0	0	859,959	866,069
Total assets	44	0	1,034,274	1,014,021
Liabilities				
Payables	6,620	0	17,641	22,846
Interest bearing liabilities	0	0	30,778	27,057
Provisions	0	0	48,239	43,782
Other liabilities	0	0	57	2
Total liabilities	6,620	0	96,715	93,687
Net assets	(6,576)	0	937,559	920,334

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.1.3 Controlled assets and liabilities (continued)

	Energy		Total
	2018 \$'000	2017 \$'000	2018 \$'000
			2017 \$'000
Assets			
Financial assets			
Cash and deposits	22,993	6,497	707,296
Receivables	11,882	8,797	396,812
Investments and other financial assets	0	0	599,956
Investments accounted for using the equity method	0	0	0
Total financial assets	34,875	15,294	1,704,064
Non-financial assets			
Inventories	3	1	17,583
Non-financial physical assets classified as held for sale	1,326	11	26,253
Property, plant and equipment	2,078	1,214	9,716,636
Intangible assets	0	0	58,363
Prepayments	126	258	141,597
Total non-financial assets	3,533	1,484	9,960,432
Total assets	38,408	16,778	11,664,496
Liabilities			
Payables	48,937	50,817	191,943
Interest bearing liabilities	46	53	43,698
Provisions	6,362	5,693	144,628
Other liabilities	3	0	2,206
Total liabilities	55,348	56,563	382,475
Net assets	(16,940)	(39,785)	11,282,021

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

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 ⁽¹⁾		Land Use Victoria ⁽¹⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered income from transactions						
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	1,762	1,398	412	428	32,832	29,751
Royalties, land leases and licences	0	0	966	1,167	0	0
Land Titles income	0	0	0	0	421,361	382,703
Environmental contribution	0	0	0	0	0	0
Grants	0	0	106	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	8	39	10	12	4
Total administered income from transactions	1,785	1,406	1,524	1,712	454,205	412,458
Administered expenses from transactions						
Grants and other transfers	0	0	0	0	0	0
Finance lease interest expense	0	0	0	0	0	0
Other expenses	0	6	0	7	0	3
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	(5,018)	(5,362)	(1,647)	(1,630)	(451,739)	(414,301)
Total administered expenses from transactions	(5,018)	(5,356)	(1,647)	(1,623)	(451,739)	(414,298)
Total administered net result from transactions (net operating balance)	(3,233)	(3,950)	(123)	89	2,466	(1,840)

4.2.1 Administered income and expenses (continued)

	Planning, Building and Heritage		Environment and Biodiversity ⁽ⁱ⁾		Land Use Victoria ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	1,799	1,856	(4)	(3,103)	(4,909)	62
Net gain/(loss) on financial instruments	0	0	(1)	0	(5)	2
Total administered other economic flows included in net result	1,799	1,856	(5)	(3,103)	(4,914)	64
Administered net result	(1,434)	(2,094)	(128)	(3,014)	(2,448)	(1,776)
Administered comprehensive result	(1,434)	(2,094)	(128)	(3,014)	(2,448)	(1,776)

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.1 Administered income and expenses (continued)

	Management of Public Land and Forests ^(a)		Effective Water Management and Supply		Local Government	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered income from transactions						
Appropriations – payments on behalf of the State (POBOS)	0	0	640,130	654,800	0	0
Interest	0	0	431,577	443,798	0	0
Sales of goods and services	1,802	3,041	133,393	127,450	0	0
Royalties, land leases and licences	7,085	7,728	2	0	0	0
Land Titles income	0	0	0	0	0	0
Environmental contribution	0	0	111,943	111,963	0	0
Grants	0	0	21,583	21,309	590,618	822,883
Jointly controlled assets received free of charge	0	0	2,902	2,803	0	0
Intangible assets received free of charge	0	0	0	12,733	0	0
Fair value of land received from third party	8,000	0	0	0	0	0
Other income	92	21	192	2,966	2	0
Total administered income from transactions	16,979	10,790	1,341,722	1,377,822	590,620	822,883

4.2.1 Administered income and expenses (continued)

	Management of Public Land and Forests ⁽ⁱ⁾		Effective Water Management and Supply		Local Government	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered expenses from transactions						
Grants and other transfers	0	0	(28,685)	(27,068)	(590,618)	(822,883)
Finance lease interest expense	0	0	(431,711)	(414,872)	0	0
Other expenses	(6,779)	(690)	13,040	22,040	0	0
Depreciation of jointly controlled assets	0	0	(10,348)	(10,303)	0	0
Other expenses associated with jointly controlled assets	0	0	0	0	0	0
Payments into the consolidated fund	(24,001)	(20,358)	(788,132)	(752,641)	(4)	0
Total administered expenses from transactions	(30,780)	(21,048)	(1,245,836)	(1,182,844)	(590,622)	(822,883)
Total administered net result from transactions (net operating balance)	(13,801)	(10,258)	95,886	194,978	(2)	0
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	(6,025)	3,124	11,863	4,723	0	0
Net gain/(loss) on financial instruments	938	(271)	0	0	0	0
Total administered other economic flows included in net result	(5,087)	2,853	11,863	4,723	0	0
Administered net result	(18,888)	(7,405)	107,749	199,701	(2)	(2)
Administered comprehensive result	(18,888)	(7,405)	107,749	199,701	(2)	0

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.1 Administered income and expenses (continued)

	Climate Change ⁽ⁱ⁾		Suburban Development ⁽ⁱ⁾		Parks Victoria ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered income from transactions						
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	10,497	9,700
Royalties, land leases and licences	0	0	0	0	1,866	2,257
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	13	5	0	0	0	0
Total administered income from transactions	13	5	0	0	12,363	11,957
Administered expenses from transactions						
Grants and other transfers	0	0	0	0	0	0
Finance lease interest expense	0	0	0	0	0	0
Other expenses	0	3	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	(21)	(3)	0	0	(10,920)	(11,957)
Total administered expenses from transactions	(21)	0	0	0	(10,920)	(11,957)
Total administered net result from transactions (net operating balance)	(8)	5	0	0	1,443	0

4.2.1 Administered income and expenses (continued)

	Climate Change ⁽ⁱ⁾		Suburban Development ⁽ⁱ⁾		Parks Victoria ⁽ⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	0	79	0	0	0	0
Net gain/(loss) on financial instruments	0	0	0	0	0	0
Total administered other economic flows included in net result	0	79	0	0	0	0
Administered net result	(8)	84	0	0	1,443	0
Administered comprehensive result	(8)	84	0	0	1,443	0

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.1 Administered income and expenses (continued)

	Fire and Emergency Management		Energy		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered income from transactions						
Appropriations – payments on behalf of the State (POBOS)	0	0	0	0	640,130	654,800
Interest	0	0	0	0	431,578	443,799
Sales of goods and services	3	3	115	0	180,816	171,771
Royalties, land leases and licences	23	71	0	0	9,942	11,223
Land Titles income	0	0	0	0	421,361	382,703
Environmental contribution	0	0	0	0	111,943	111,963
Grants	0	0	0	0	612,307	844,298
Jointly controlled assets received free of charge	0	0	0	0	2,902	2,803
Intangible assets received free of charge	0	0	0	0	0	12,733
Fair value of land received from third party	0	0	0	0	8,000	0
Other income	192	56	86	72	651	3,142
Total administered income from transactions	218	130	201	72	2,419,630	2,639,235
Administered expenses from transactions						
Grants and other transfers	0	0	0	0	(619,303)	(849,951)
Finance lease interest expense	0	0	0	0	(431,711)	(414,872)
Other expenses	0	40	76	1	6,337	21,410
Depreciation of jointly controlled assets	0	0	0	0	(10,348)	(10,303)
Other expenses associated with jointly controlled assets	0	0	0	0	0	0
Payments into the consolidated fund	(349)	(111)	(272)	(72)	(1,282,103)	(1,206,435)
Total administered expenses from transactions	(349)	(71)	(196)	(71)	(2,337,128)	(2,460,151)
Total administered net result from transactions (net operating balance)	(131)	59	5	1	82,502	179,084

4.2.1 Administered income and expenses (continued)

	Fire and Emergency Management		Energy		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	(978)	1,148	0	31	1,746	7,920
Net gain/(loss) on financial instruments	0	0	0	0	932	(269)
Total administered other economic flows included in net result	(978)	1,148	0	31	2,678	7,651
Administered net result	(1,109)	1,207	5	32	85,180	186,735
Administered comprehensive result	(1,109)	1,207	5	32	85,180	186,735

Note:

- (i) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.1 Administered income and expenses (continued)

Appropriations – payments on behalf of the State Grants

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.

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

Income from the provision of land titles data is 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*.

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 ⁽ⁱⁱⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered financial assets ⁽ⁱ⁾						
Cash	24	55	110	138	12	28
Receivables	1,278	2,704	2,179	3,485	9,837	7,961
Finance lease receivables	0	0	0	0	0	0
Intangible assets held for sale	0	0	0	0	0	0
Total administered financial assets	1,302	2,759	2,289	3,623	9,849	7,989
Administered non-financial assets						
Share of jointly controlled assets	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0
Total administered non-financial assets	0	0	0	0	0	0
Total administered assets	1,302	2,759	2,289	3,623	9,849	7,989
Administered liabilities ⁽ⁱⁱ⁾						
Creditors and accruals	30	183	(68)	(343)	371	242
Unearned income	0	0	1	1	195	140
Interest-bearing liabilities	0	0	0	0	0	0
Other liabilities	0	0	0	0	0	0
Total administered liabilities	30	183	(67)	(342)	566	382
Total administered net assets	1,272	2,576	2,356	3,965	9,283	7,607

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) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.2 Administered assets and liabilities (continued)

	Management of Public Land and Forests ⁽ⁱⁱⁱ⁾		Effective Water Management and Supply		Local Government	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered financial assets ⁽ⁱ⁾						
Cash	133	180	42,424	42,055	3	0
Receivables	11,810	16,332	86,416	80,268	138	0
Finance lease receivables	0	0	4,069,724	4,130,499	0	0
Intangible assets held for sale	0	0	50,000	50,000	0	0
Total administered financial assets	11,943	16,512	4,248,564	4,302,822	141	0
Administered non-financial assets						
Share of jointly controlled assets	0	0	874,390	876,367	0	0
Intangible assets	0	0	49,844	65,963	0	0
Total administered non-financial assets	0	0	924,234	942,330	0	0
Total administered assets	11,943	16,512	5,172,798	5,245,152	141	0
Administered liabilities ⁽ⁱⁱ⁾						
Creditors and accruals	(129)	(367)	57,422	82,098	(5)	0
Unearned income	6,609	6,413	12,484	20,183	0	0
Interest-bearing liabilities	0	0	4,067,013	4,127,624	0	0
Other liabilities	0	0	0	0	0	0
Total administered liabilities	6,480	6,046	4,136,919	4,229,905	(5)	0
Total administered net assets	5,463	10,466	1,035,879	1,015,247	146	0

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) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.2 Administered assets and liabilities (continued)

	Climate Change ⁽ⁱⁱⁱ⁾		Suburban Development ⁽ⁱⁱⁱ⁾		Parks Victoria ⁽ⁱⁱⁱ⁾	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered financial assets ⁽ⁱ⁾						
Cash	13	28	0	0	0	0
Receivables	706	1,368	0	0	1,587	0
Finance lease receivables	0	0	0	0	0	0
Intangible assets held for sale	0	0	0	0	0	0
Total administered financial assets	719	1,396	0	0	1,587	0
Administered non-financial assets						
Share of jointly controlled assets	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0
Total administered non-financial assets	0	0	0	0	0	0
Total administered assets	719	1,396	0	0	1,587	0
Administered liabilities ⁽ⁱⁱ⁾						
Creditors and accruals	(27)	(105)	0	0	144	0
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
Total administered liabilities	(27)	(105)	0	0	144	0
Total administered net assets	746	1,501	0	0	1,443	0

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) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

4.2.2 Administered assets and liabilities (continued)

	Fire and Emergency Management		Energy		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered financial assets⁽ⁱ⁾						
Cash	203	378	10	36	42,932	42,898
Receivables	10,764	18,581	516	544	125,231	131,243
Finance lease receivables	0	0	0	0	4,069,724	4,130,499
Intangible assets held for sale	0	0	0	0	50,000	50,000
Total administered financial assets	10,967	18,959	526	580	4,287,887	4,354,640
Administered non-financial assets						
Share of jointly controlled assets	0	0	0	0	874,390	876,367
Intangible assets	0	0	0	0	49,844	65,963
Total administered non-financial assets	0	0	0	0	924,234	942,330
Total administered assets	10,967	18,959	526	580	5,212,121	5,296,970
Administered liabilities⁽ⁱⁱ⁾						
Creditors and accruals	(405)	(1,423)	(19)	(17)	57,314	80,268
Unearned income	3	3	0	0	19,292	26,740
Interest-bearing liabilities	0	0	0	0	4,067,013	4,127,624
Other liabilities	0	0	0	0	0	0
Total administered liabilities	(402)	(1,420)	(19)	(17)	4,143,619	4,234,632
Total administered net assets	11,369	20,379	545	597	1,068,502	1,062,338

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) A number of changes were made to outputs from 2016-17 to 2017-18. The former Environment, Biodiversity and Climate Change output has been disaggregated to the Environment and Biodiversity output and the Climate Change output to provide increased clarity and accountability. The former Management of Forests, Parks and Public Land output has also been disaggregated to the Management of Public Land and Forests output and the Parks Victoria output. The former Land Victoria output has been renamed as Land Use Victoria to reflect the new name of the former Land Victoria agency. Suburban Development is a new output created for the new Suburban Development portfolio.

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 (2017: Nil).

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 for the *Murray-Darling Basin Forms* (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 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	
			2018 %	2017 %
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	26.67	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	26.67	26.67

4.2.3 Investments in joint operation (continued)

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.

	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
	River Murray Operations		Living Murray Initiative	
Non-current assets				
Property, plant and equipment	704,661	709,156	0	0
Intangible assets	1,086	1,086	168,643	166,126
Total non-current assets	705,747	710,242	168,643	166,126
Total assets	705,747	710,242	168,643	166,126
Income	2,902	2,803	2,518	4,306
Expenses	10,662	11,118	0	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 2017 AquaSure produced 46.1 GL of the 50 GL water order for 2016-17. Under provisions in the project deed the department has adjusted payments to AquaSure by \$41.6 million. The adjusted payments are currently held in the Victorian Desalination Trust fund. The funds will be held until such time as there is reasonable certainty that any claims should they arise against the State have been resolved. The funds will then be applied for the benefit of Melbourne metropolitan water consumers.

On 26 March 2018 the Minister for Water issued the 2018-19 Supply Notice with a Required Annual Water Volume for 15GL in 2018-19 and non-binding forecasts of 100GL for 2019-20 and 125GL for 2020-21.

4.2.4 Victorian Desalination Project (continued)

Table 4.1: Victorian Desalination Project finance lease liability

	Minimum future lease payments		Present value of minimum future lease payments	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Commissioned PPP related finance lease liabilities payable				
Not later than one year	492,863	492,626	70,173	53,888
Later than one year but no later than five years	1,840,452	1,911,076	212,201	216,646
Later than five years	7,957,147	8,516,071	3,784,639	3,857,090
Minimum future lease payments	10,290,462	10,919,773	4,067,013	4,127,624
Less future finance charges	(6,223,449)	(6,792,149)	0	0
Present value of minimum lease payments	4,067,013	4,127,624	4,067,013	4,127,624

Included in administered liabilities as:

Interest-bearing liabilities (Note 4.2.2)	4,067,013	4,127,624
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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	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Finance lease receivables				
Not later than one year	492,863	492,626	70,339	54,052
Later than one year but not later than five years	1,840,452	1,911,076	212,869	217,313
Later than five years	7,957,147	8,516,071	3,786,516	3,859,134
Minimum future lease receivables	10,290,462	10,919,773	4,069,724	4,130,499
Less unearned finance income	(6,220,738)	(6,789,274)	0	0
Present value of minimum lease receivables	4,069,724	4,130,499	4,069,724	4,130,499

Included in administered assets as:

Finance lease receivables (Note 4.2.2)	4,069,724	4,130,499
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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

	2018		2017	
Commissioned PPP – other commitments				
	Other commitments		Other commitments	
	Present value \$'000	Nominal value \$'000	Present value \$'000	Nominal value \$'000
Victorian Desalination Project	1,576,874	4,342,105	1,568,461	4,520,255
Total	1,576,874	4,342,105	1,568,461	4,520,255

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 15 billion litres of water for 2018-19 financial year have been reflected in commitments for 2018 (2017: 15 billion litres of water). The announcement of the 100GL water order for 2019-20 and 125GL water order for 2020-21 are non-binding commitments and have not been included.

4.2.4 Victorian Desalination Project (continued)

Commitments payable

Table 4.4: Victorian Desalination Project PPP other commitments payable

	2018 \$'000	2017 \$'000
PPP commitments payable – Victorian Desalination Project		
Other commitments		
Not later than one year	148,914	139,004
Later than one year but no later than five years	595,729	585,147
Later than five years	3,597,462	3,796,104
Total PPP commitments for expenditure (inclusive of GST)	4,342,105	4,520,255
Less GST recoverable from the Australian Taxation Office	(394,737)	(410,932)
Total commitments for expenditure (exclusive of GST)	3,947,368	4,109,323

Commitments receivable

Table 4.5: Victorian Desalination Project PPP other commitments receivable

	2018 \$'000	2017 \$'000
PPP commitments receivable – Victorian Desalination Project		
Other commitments		
Not later than one year	136,762	128,031
Later than one year but no later than five years	595,729	585,147
Later than five years	3,597,462	3,796,104
Total commitments receivable (inclusive of GST)	4,329,953	4,509,282
Less GST payable to the Australian Taxation Office	(393,632)	(409,935)
Total commitments receivable (exclusive of GST)	3,936,321	4,099,347

Note:

- (i) In March 2017, the Minister for Water announced that water customers will not face any additional charges on their water bills for water orders. As a result, the commitments receivable does not include the attributable costs relating to water orders.

4.2.4 Victorian Desalination Project (continued)

4.2.4(c) 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*.

The financial instruments associated with the desalination project are the finance lease liability payable and finance lease asset receivable.

Categories of financial instruments

Receivables

Receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). The receivable category represents the finance lease receivable from Melbourne Water Corporation.

Financial liabilities at amortised cost

Financial liabilities 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 profit and loss over the period of the interestbearing liability, using the effective interest method.

Financial instrument liabilities measured at amortised cost represent the department's finance lease liability to AquaSure.

Financial instruments: Categorisation

	2018			2017		
	Contractual financial assets - loans and receivables \$'000	Contractual financial liabilities at amortised cost \$'000	Total \$'000	Contractual financial assets - loans and receivables \$'000	Contractual financial liabilities at amortised cost \$'000	Total \$'000
Contractual financial assets						
Finance lease receivable	4,069,724	0	4,069,724	4,130,499	0	4,069,724
Contractual financial liabilities						
Finance lease liability	0	4,067,013	4,067,013	0	4,127,624	4,127,624

Financial instruments: Net holding gain/(loss) on financial instruments by category

	2018		2017	
	Total interest income/(expense) \$'000	Total \$'000	Total interest income/(expense) \$'000	Total \$'000
Contractual financial assets				
Finance lease receivable	431,547	431,547	443,798	443,798
Contractual financial liabilities				
Finance lease liability at amortised cost	(431,711)	(431,711)	(414,872)	(414,872)

4.2.4 Victorian Desalination Project (continued)

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

	2018		2017	
	Government agencies \$'000	Total \$'000	Government agencies \$'000	Total \$'000
Contractual financial assets				
Finance lease receivable	4,069,724	4,069,724	4,130,499	4,130,499

Ageing analysis of contractual financial assets

	Not past due		Past due but not impaired				
	Carrying amount \$'000	and not impaired \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months-1 year \$'000	1-5 years \$'000	5 years + \$'000
2018							
Finance lease receivable	4,069,724	4,069,724	0	0	0	0	0
2017							
Finance lease receivable	4,130,499	4,130,499	0	0	0	0	0

4.2.4 Victorian Desalination Project (continued)

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

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates				
			Less than 1 month \$'000	1–3 months \$'000	3 months–1 year \$'000	1–5 years \$'000	5 years + \$'000
2018							
Finance lease liability	4,067,013	10,290,462	42,042	80,953	369,868	1,840,452	7,957,147
2017							
Finance lease liability	4,127,624	10,919,773	42,080	81,046	369,500	1,911,076	8,516,071

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

	2018				2017	
	Weighted average interest rate %	Carrying amount \$'000	Interest rate exposure	Weighted average interest rate %	Carrying amount \$'000	Interest rate exposure
			Fixed interest rate \$'000			Fixed interest rate \$'000
Financial assets						
Finance lease receivable	10.45	4,069,724	4,069,724	10.68	4,130,499	4,130,499
Financial liabilities						
Finance lease liability	10.46	4,067,013	4,067,013	10.67	4,127,624	4,127,624

4.2.4 Victorian Desalination Project (continued)

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; and
- 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

	2018		2017	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Contractual financial assets				
Finance lease receivable	4,069,724	4,069,724	4,130,499	4,130,499
Contractual financial liabilities				
Finance lease liability	4,067,013	4,067,013	4,127,624	4,127,624

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 Investments accounted for using the equity method
- 5.6 Net gain/(loss) on non-financial assets
- 5.7 Capital expenditure commitments
- 5.8 Equity
 - 5.8.1 Physical asset revaluation surplus
 - 5.8.2 Net capital contributions transferred to portfolio entities

5.1 Property, plant and equipment

	2018 \$'000	2017 \$'000
Land		
Freehold land		
At fair value	167,701	163,235
Total freehold land	167,701	163,235
Crown land		
Land and unused roads at fair value	3,359,791	2,705,457
National parks at fair value	1,232,993	1,049,610
State forests at fair value	1,580,415	1,365,255
Conservation reserves at fair value	760,544	636,763
Metropolitan parks at fair value	883,348	752,593
Land used for operational purposes at fair value	47,123	40,882
Total crown land	7,864,214	6,550,560
Land purchase in progress		
Freehold land	0	7,654
Crown land	78,035	77,044
Total land purchase in progress	78,035	84,698
Total land	8,109,950	6,798,493
Buildings and structures		
At fair value	644,757	630,590
Less accumulated depreciation	(43,112)	(28,111)
Total buildings and structures	601,645	602,479
Roads		
At fair value	882,350	882,305
Less accumulated depreciation	(27,483)	(13,742)
Total roads	854,867	868,563
Plant and equipment		
At fair value	156,893	142,341
Less accumulated depreciation	(102,922)	(93,227)
Total plant and equipment	53,971	49,114
Motor vehicles		
Motor vehicles under finance lease at fair value	55,971	48,760
Less accumulated amortisation	(15,998)	(15,528)
Total motor vehicles	39,973	33,232
Total plant and equipment	93,944	82,346
Assets under construction at cost		
Buildings and structures	38,486	33,155
Plant and equipment	14,226	13,228
Total assets under construction at cost	52,712	46,383
Historic and cultural assets		
At fair value	3,518	3,491
Total historic and cultural assets	3,518	3,491
Total property, plant and equipment	9,716,636	8,401,755

5.1.1 Carrying value by Government purpose group classification ⁽ⁱ⁾

	Public Safety and Environment ⁽ⁱⁱ⁾		Public Administration ⁽ⁱⁱ⁾		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Land	7,951,135	6,630,030	158,815	168,463	8,109,950	6,798,493
Buildings and structures	586,228	590,650	15,417	11,829	601,645	602,479
Roads	854,867	868,563	0	0	854,867	868,563
Plant and equipment	93,533	82,346	411	0	93,944	82,346
Assets under construction at cost	51,586	46,383	1,126	0	52,712	46,383
Historic and cultural assets	1,758	1,665	1,760	1,826	3,518	3,491
Net carrying amount of property, plant and equipment	9,539,107	8,219,637	177,529	182,118	9,716,636	8,401,755

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 \$'000	Buildings and structures \$'000	Roads \$'000	Plant and equipment \$'000	Assets under construction \$'000	Historic and cultural assets \$'000	Total \$'000
Balance at 1 July 2016	189,044	2,698,564	1,036,469	1,367,291	630,299	744,542	41,328	83,095	589,322	881,753	58,414	48,496	2,522	8,371,139
Additions	0	9	0	0	0	0	10	19,310	553	0	17,145	41,726	0	78,753
Disposals	(2,200)	(3,986)	0	0	0	0	0	0	0	1	(2,612)	0	0	(8,797)
Reclassification to asset classified as held for sale	(3,221)	1,518	0	0	0	0	0	0	0	0	(631)	0	0	(2,334)
Net transfers in/(out) – free of charge	0	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	26,154	0	0	0	0	0	0	0	0	18	0	0	26,172
Transfers to administered entity for disposal	0	0	0	0	0	0	0	0	3,078	3	(109)	0	0	2,972
Transfers to third parties ⁽ⁱ⁾	0	(693)	0	0	0	0	0	0	0	0	0	0	0	(693)
Net transfers in/(out) – from other categories	(6,339)	0	0	0	1,200	5,812	0	(672)	8,526	552	33,308	(43,087)	0	(700)
Revaluation increments/ (decrements)	18,177	0	0	0	0	0	0	0	5,763	0	0	0	969	24,909
Recognition/(derecognition), (write-down) of assets	(32,226)	(16,109)	13,141	(2,036)	5,264	2,239	(456)	(17,035)	15,534	0	(11)	(752)	0	(32,447)
Depreciation expense (refer to Note 5.1.3)	0	0	0	0	0	0	0	0	(20,297)	(13,746)	(23,176)	0	0	(57,219)
Balance at 30 June 2017	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	46,383	3,491	8,401,755

Notes:

(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 \$'000	Buildings and structures \$'000	Roads \$'000	Plant and equipment \$'000	Assets under construction \$'000	Historic and cultural assets \$'000	Total \$'000
Balance at 1 July 2017	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	46,383	3,491	8,401,755
Additions	0	27	0	0	0	0	0	1,089	895	970	24,348	36,377	0	63,706
Disposals	0	0	0	0	0	0	0	0	0	0	(6,733)	0	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	0	(17,820)
Net transfers in/(out) – free of charge	0	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	0	(25,580)
Transfers to administered entity for disposal	(1,660)	(18,174)	0	0	0	(24)	0	0	(5,000)	0	(111)	0	0	(24,969)
Transfers to third parties ⁽ⁱ⁾	0	1,386	(163)	0	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	(29,778)	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	0	1,220,239
Recognition/(derecognition), write-on/(write-down) of assets	(76)	132,181	4,969	(8,121)	30,085	7,981	(8)	(7,752)	(68)	0	27	(270)	0	158,948
Depreciation expense (refer to Note 5.13)	0	0	0	0	0	0	0	0	(22,107)	(13,741)	(18,985)	0	0	(54,833)
Balance at 30 June 2018	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	52,712	3,518	9,716,636

Notes:

- (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)

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 (2017: \$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.

5.1.2 Reconciliation of movements in carrying values (continued)

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.

5.1.3 Depreciation, amortisation and impairment (continued)

	2018 \$'000	2017 \$'000
Depreciation and amortisation		
Property, plant and equipment		
Buildings and structures	(21,862)	(20,105)
Buildings leasehold improvements	(245)	(192)
Roads	(13,741)	(13,746)
Finance leased motor vehicle assets	(7,839)	(7,627)
Plant and equipment	(11,146)	(15,549)
Total depreciation of property, plant and equipment	(54,833)	(57,219)
Intangible assets		
Software	(3,423)	(871)
Total amortisation of intangible assets	(3,423)	(871)
Total depreciation and amortisation	(58,256)	(58,090)

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 \$92.892 million (2017: \$91.811 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 ^{(i) (ii)} \$'000	Level 2 ^{(i) (ii)} \$'000	Level 3 ^{(i) (ii)} \$'000
2018				
Land at fair value				
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
Buildings and structures at fair value				
Non specialised buildings and structures	15,417	0	15,417	0
Specialised buildings and structures	586,228	0	0	586,228
Roads at fair value				
Roads	854,867	0	0	854,867
Plant and equipment at fair value				
Plant and equipment	53,971	0	0	53,971
Motor vehicles under finance lease	39,973	0	39,973	0
Historic and cultural assets at fair value				
Artwork and historic assets	3,518	0	3,518	0

5.1.5 Fair value determination (continued)

	Carrying amount	Fair value measurement at end of financial year using:		
	\$'000	Level 1 ^{(i) (ii)} \$'000	Level 2 ^{(i) (ii)} \$'000	Level 3 ^{(i) (ii)} \$'000
2017				
Land at fair value				
Non specialised land				
Freehold land	155,446	0	155,446	0
Specialised land				
Freehold land	7,789	0	0	7,789
Crown land – Land and unused roads	2,705,457	0	0	2,705,457
Crown land – National parks	1,049,610	0	0	1,049,610
Crown land – State forests	1,365,255	0	0	1,365,255
Crown land – Conservation reserves	636,763	0	0	636,763
Crown land – Metropolitan parks	752,593	0	0	752,593
Crown land – Land used for operational purposes	40,882	0	0	40,882
Land purchases in progress	84,698	0	0	84,698
Buildings and structures at fair value				
Non specialised buildings and structures	11,829	0	11,829	0
Specialised buildings and structures	590,650	0	0	590,650
Roads at fair value				
Roads	868,563	0	0	868,563
Plant and equipment at fair value				
Plant and equipment	49,114	0	0	49,114
Motor vehicles under finance lease	33,232	0	33,232	0
Historic and cultural assets at fair value				
Artwork and historic assets	3,491	0	3,491	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 2017.

5.1.5 Fair value determination (continued)

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 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.

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.

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.

Plant and equipment

Plant and equipment is held at fair value. 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.

5.1.5 Fair value determination (continued)

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.

Valuation techniques

There were no changes in valuation techniques throughout the period to 30 June 2018.

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
Balance at 1 July 2016	7,710	2,698,564	1,036,469	1,367,291	630,298	744,542	41,328	68,802	583,124	881,753	26,023	8,085,904
Purchases/(sales)	4	(3,977)	0	0	0	0	10	17,914	553	1	5,452	19,957
Transfers in/(out) of Level 3 – assets classified as held for sale (Note 5.2)	75	1,518	0	0	0	0	0	0	0	0	0	1,593
Transfers in/(out) – free of charge	0	0	0	0	0	0	0	0	0	0	0	0
Transfers in/(out) – from other categories ⁽ⁱ⁾	0	0	0	0	1,200	5,812	0	15,018	8,526	552	33,308	64,416
Depreciation expense	0	0	0	0	0	0	0	0	(20,165)	(13,746)	(15,549)	(49,460)
	7789	2,696,105	1,036,469	1,367,291	631,498	750,354	41,338	101,734	572,038	868,560	49,234	8,122,410
Gains/(losses) recognised in net result												
Recognition/(derecognition), write-on/(write-down) of assets	0	(16,109)	13,141	(2,036)	5,265	2,239	(456)	(17,036)	15,534	0	(11)	531
	0	(16,109)	13,141	(2,036)	5,265	2,239	(456)	(17,036)	15,534	0	(11)	531
Gains/(losses) recognised in other economic flows – other comprehensive income												
Revaluation increments/(decrements)	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
Transfers in/(out) through contributions by owner												
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	25,461	0	0	0	0	0	0	3,078	3	(109)	28,433
	0	25,461	0	0	0	0	0	0	3,078	3	(109)	28,433
Balance at 30 June 2017	7789	2,705,457	1,049,610	1,365,255	636,763	752,593	40,882	84,698	590,650	868,563	49,114	8,151,374

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
Balance at 1 July 2017	7,789	2,705,457	1,049,610	1,365,255	636,763	752,593	40,882	84,698	590,650	868,563	49,114	8,151,374
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 ⁽ⁱ⁾	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	8,112,661
Gains/(losses) recognised in net result												
Recognition/(derecognition), (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
Transfers in/(out) through contributions by owner												
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)
Balance at 30 June 2018	8,886	3,359,791	1,232,993	1,580,415	760,544	883,348	47,123	78,035	586,228	854,867	53,971	9,446,201

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

2018 and 2017	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

	2018 \$'000	2017 \$'000
Non-financial physical assets classified as held for sale		
Land held for sale	24,048	10,482
Finance lease motor vehicles held for sale	893	1,089
Large scale generation certificates held for sale	1,312	0
Total non-financial physical assets classified as held for sale	26,253	11,571

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
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
2017				
Land held for sale	10,482	0	10,482	0
Finance lease motor vehicles held for sale	1,089	0	1,089	0
Total	11,571	0	11,571	0

There have been no transfers between levels during the period. There were no changes in valuation techniques throughout the period to 30 June 2018.

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 held for sale and a quoted (unadjusted) market price, these assets are classified as Level 1.

Note 5.3 Intangible assets

	2018 \$'000	2017 \$'000
Software		
At cost	41,987	40,548
Less accumulated amortisation	(14,722)	(11,434)
	27,265	29,114
Construction in progress – at cost ⁽ⁱ⁾	31,098	10,484
Total software	58,363	39,598
Total intangible assets	58,363	39,598

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 (2017: \$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.

	2018 \$'000	2017 \$'000
Movements in carrying amounts		
Balance at 1 July	39,598	29,373
Additions	22,888	10,397
Net transfers from other categories (Note 5.1.2)	(700)	700
Recognition/(derecognition), write-on/(write-down) of assets	0	(1)
Amortisation expense	(3,423)	(871)
Balance at 30 June	58,363	39,598

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

	2018 \$'000	2017 \$'000
Current investments and other financial assets		
Term deposits:		
Australian dollar term deposits greater than three months ⁽ⁱ⁾	309,306	502,634
Total current investments and other financial assets	309,306	502,634
Non-current investments and other financial assets		
Investment in managed fund ⁽ⁱⁱ⁾	290,650	277,969
Total non-current investments and other financial assets	290,650	277,969
Total investments and other financial assets	599,956	780,603

Note:

- (i) Relates to trust fund term deposits held with the Treasury Corporation of Victoria.
- (ii) Relates to managed investment with the Victorian Funds Management Corporation's Capital Stable Fund. The Fund invests in a combination of asset classes which include cash deposits, fixed term deposits and equities which are subject to movements in equity prices. The fund manager, the Victorian Funds Management Corporation, on behalf of the department closely monitors performance and manages equity price risk through diversification of its investment portfolio. The department's exposure to equity risk is approximately 21 per cent of the Capital Stable Fund portfolio mix which equates to \$61.037 million (2017: approximately 21 per cent of the Capital Stable Fund portfolio mix which equates to \$59.763 million).

5.4.1 Ageing analysis of investments and other financial assets

	Carrying amount \$'000	Not past due and not impaired \$'000	Past due but not impaired			
			Less than 1 month \$'000	1-3 months \$'000	3 months – 1 year \$'000	1-5 years \$'000
2018						
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
Total	599,956	599,956	0	0	0	0
2017						
Term deposits greater than 3 months	502,634	502,634	0	0	0	0
Investment in managed fund	277,969	277,969	0	0	0	0
Total	780,603	780,603	0	0	0	0

5.5 Investments accounted for using the equity method

The department had an investment in an associate entity, Property Exchange Australia Limited (PEXA) (formerly known as National E-Conveyancing Development Limited). PEXA was established in January 2010 to develop a single national electronic conveyancing system for settling property transactions.

While the department's ownership interest in PEXA was 9.02%, it had significant influence through Victorian government representation on the Board of Directors and participation in policy making processes.

On 1 July 2016, the fair value of the department's interest in PEXA of \$11.349 million was transferred to the Department of Treasury and Finance. As a result of the administrative arrangement changes, the share of the associate's contributed capital of \$8.7 million has been adjusted in the department's contributed capital balance.

5.6 Net gain/(loss) on non-financial assets

	2018 \$'000	2017 \$'000
Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment and large scale generation certificates held for sale	3,950	2,538
Net recognition/(derecognition) of non-financial assets ⁽ⁱ⁾	167,013	17,886
Adjustment to inventory	(434)	(192)
Write-down of property, plant and equipment and intangible assets	(8,063)	(32,224)
Total net gain/(loss) on non-financial assets	162,466	(11,992)

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 nonfinancial 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.

5.7 Capital expenditure commitments

Capital commitments for future expenditure arising from contracts and include construction of buildings, road, 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.

	2018 \$'000	2017 \$'000
Capital expenditure commitments payable		
Not later than one year	142,508	86,413
Later than one year but no later than five years	184,764	167,346
Later than five years	118,291	32,111
Total capital expenditure commitments	445,563	285,870
Total capital expenditure commitments (inclusive of GST)	445,563	285,870
Less GST recoverable from the Australian Taxation Office	(28,922)	(14,371)
Total capital expenditure commitments (exclusive of GST)	416,641	271,499

5.8 Equity

5.8.1 Physical asset revaluation surplus

	2018 \$'000	2017 \$'000
Physical asset revaluation surplus		
Balance at 1 July	6,760,373	6,731,484
Increment/(decrement) on revaluation during the year resulting from:		
Freehold land	11,836	22,191
Crown land – Land and unused roads	548,949	(34)
Crown land – National parks	171,771	0
Crown land – State forests	223,624	0
Crown land – Conservation reserves	109,688	0
Crown land – Metropolitan parks	140,461	0
Crown land – Land used for operational purposes	6,609	0
Buildings and structures	2,850	5,763
Roads	0	0
Historic and cultural assets	0	969
Balance at 30 June	7,976,161	6,760,373
Net change in physical asset revaluation surplus	1,215,788	28,889

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.

5.8.2 Net capital contributions transferred to portfolio entities

	2018 \$'000	2017 \$'000
Net Capital contributions transferred to portfolio entities		
Contributions to Parks Victoria	18,799	22,782
Contributions to water authorities	57,819	27,618
Contributions to Alpine Resorts Management Boards	315	315
Contributions to Environmental Protection Authority	0	2,418
Contributions to Zoological Parks & Gardens Board of Victoria	0	3,125
Contribution to Phillip Island Nature Park Board of Management	26,528	4,341
Contribution to Royal Botanic Gardens Victoria	1,667	0
Total net capital contributions transferred to portfolio entities	105,128	60,599

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

	2018 \$'000	2017 \$'000
Current receivables		
Contractual		
Trade receivables ⁽ⁱ⁾ (Note 8.1.1)	24,499	19,542
Provision for doubtful contractual receivables ⁽ⁱ⁾ (Note 6.1.1, 8.1.1)	(295)	(159)
Accrued income ⁽ⁱⁱⁱ⁾ (Note 8.1.1)	4,147	7,623
	28,351	27,006
Statutory		
Amounts owing from Victorian Government	200,259	108,629
Landfill levies receivable	115,357	104,995
GST input tax credit recoverable	9,725	10,323
	325,341	223,947
Total current receivables	353,692	250,953
Non-current receivables		
Statutory		
Amounts owing from Victorian Government	43,120	28,237
Total noncurrent receivables	43,120	28,237
Total receivables	396,812	279,190

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 (2017: 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 \$136,000 (2017: decrease of \$55,000) 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.

Receivables include amounts owing from government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, interest receivable and levies receivable.

Contractual receivables are classified as financial instruments and categorised as loans and receivables (refer to Note 8.1 *Financial instruments specific disclosures*). They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are 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. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

6.1.1 Movement in the provision for doubtful debts

	2018 \$'000	2017 \$'000
Balance at 1 July	159	144
Reversal of unused provision recognised in the net result	0	0
Reversal of provision of receivables written off during the year as uncollectible	0	0
Increase in provision recognised in the net result	136	15
Balance at 30 June	295	159

Receivables are assessed for bad and doubtful debts on a regular basis. 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. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. The increase in the provision for the year is recognised in the net result.

Bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off, but included in the provision for doubtful debts, are classified as other economic flows in the net result.

6.1.2 Ageing analysis of contractual receivables

	Carrying amount \$'000	Not past due and not impaired \$'000	Past due but not impaired			
			Less than 1 Month \$'000	1–3 months \$'000	3 months – 1 year \$'000	1–5 years \$'000
2018						
Trade receivables	24,204	18,761	3,647	1,532	222	42
Accrued income	4,147	4,147	0	0	0	0
Total	28,351	22,908	3,647	1,532	222	42
2017						
Trade receivables	19,383	15,792	2,538	625	411	17
Accrued income	7,623	7,623	0	0	0	0
Total	27,006	23,415	2,538	625	411	17

No interest is charged for the first 30 days from the invoice date. Thereafter, interest is charged at 10.0 percent (2017: 10.0 percent) on the outstanding balance of invoices. The average credit period for sales of goods / services and for other receivables is 30 days. There are no material financial assets that are individually determined to be impaired. Currently the department does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

6.2 Payables

	2018 \$'000	2017 \$'000
Current payables		
Contractual		
Trade creditors ⁽ⁱ⁾	20,076	4,191
Accrued grants and other transfers	34,156	36,420
Capital accruals	15,760	10,549
Other accrued expenses	60,909	51,671
Other payable ⁽ⁱⁱ⁾	3,261	3,381
	134,162	106,212
Statutory		
Advances from the Public Account ⁽ⁱⁱ⁾	8,868	16,572
Taxes payables	3,853	2,603
	12,721	19,175
Total current payables	146,883	125,387
Non-current payables		
Statutory		
Advance from the Public Account ⁽ⁱⁱⁱ⁾	45,060	46,060
	45,060	46,060
Total non-current payables	45,060	46,060
Total payables	191,943	171,447

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.

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; and
- 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 ⁽ⁱ⁾ \$'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
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
Total	134,162	134,162	129,493	145	34	4,489	1
2017							
Trade creditors	4,191	4,191	4,141	13	6	27	4
Accrued grants and other transfers	36,420	36,420	36,420	0	0	0	0
Capital accruals	10,549	10,549	10,549	0	0	0	0
Other accrued expenses	51,671	51,671	51,671	0	0	0	0
Other payables	3,381	3,381	3,381	0	0	0	0
Total	106,212	106,212	106,162	13	6	27	4

Note:

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

6.3 Prepayments

	2018 \$'000	2017 \$'000
Prepayment		
Goulburn-Murray Water Corporation	132,282	111,633
Goulburn-Broken Catchment Management Authority	92	11,101
Other	9,223	25,901
Total prepayments	141,597	148,635

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

	2018 \$'000	2017 \$'000
Current inventories		
Supplies and consumables – at cost		
Fire stores ⁽ⁱ⁾	12,827	14,971
Seed bank	2,357	2,357
Publications held for distribution and other stores	2,044	1,567
	17,228	18,895
Inventories held for distribution		
Publications held for sale – at cost	355	336
Total inventories	17,583	19,231

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

	2018 \$'000	2017 \$'000
Current other provisions		
Onerous lease contracts ⁽ⁱ⁾	1,328	1,481
Provision for insurance deductibles	1,419	825
Provision for legal settlements	0	1,815
Provision for land remediation	2,884	4,698
Total current other provisions	5,631	8,819
Non-current other provisions		
Onerous lease contracts ⁽ⁱ⁾	4,023	324
Provision for insurance deductibles	1,950	0
Total non-current other provisions	5,973	324
Total other provisions	11,604	9,143

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	Legal settlements \$'000	Land Remediation \$'000	Total \$'000
Balance at 1 July 2017	1,805	825	1,815	4,698	9,143
Additional provisions recognised	(408)	0	0	0	(408)
Reductions arising from payments/other sacrifices of future economic benefits	0	0	(1,815)	(1,814)	(3,629)
Increase/(reductions) resulting from remeasurement or settlement without cost	3,936	2,544	0	0	6,480
Unwind of discount and effect of changes in the discount rate	18	0	0	0	18
Balance at 30 June 2018	5,351	3,369	0	2,884	11,604
Current	1,328	1,419	0	2,884	5,631
Non-current	4,023	1,950	0	0	5,973
Balance at 30 June 2018	5,351	3,369	0	2,884	11,604

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.

	2018 \$'000	2017 \$'000
Cash and cash deposits		
Cash at bank and on hand	(810)	(390)
Funds held in trust – cash	365,920	263,658
Funds held in trust – deposits on call and term deposits less than 3 months	342,186	172,066
Total cash and deposits disclosed in the balance sheet	707,296	435,334
Balance as per cash flow statement	707,296	435,334

7.1.1 Reconciliation of net result for the period to net cash flow from operating activities

	2018 \$'000	2017 \$'000
Net result for the period	316,965	188,390
Non-cash movements		
Depreciation and amortisation	58,256	58,090
Assets and services provided free of charge or for nominal consideration	0	0
Net gain on disposal of property, plant and equipment and large-scale generation certificates held for sale	(3,950)	(2,538)
Net (recognition)/de-recognition of non-financial assets	(167,013)	14,336
Write-down of property, plant, equipment, intangible assets and inventory	8,497	194
Net (gain)/loss on financial instruments	(4,872)	(2,547)
Loss from revaluation of investment in associates	0	0
Net loss arising from revaluation of long service leave and annual leave liabilities	490	(1,688)
Other provision discount rate adjustments	3,528	379
Movements included in investing and financing activities		
Share of associate's losses, excluding dividends	0	0
Movements in assets and liabilities		
(Increase)/decrease in receivables	(117,200)	25,922
(Increase)/decrease in inventories	1,649	1,803
(Increase)/decrease in prepayments	7,038	(139,268)
Increase/(decrease) in payables	23,987	27,511
Increase/(decrease) in provisions	7,023	922
Increase/(decrease) in other liabilities	158	(162)
Net cash flows from operating activities	134,556	171,344

7.1.2 Interest

	2018 \$'000	2017 \$'000
Interest from financial assets not at fair value through profit or loss:		
Interest on cash deposits and investments	16,926	18,883
Total interest	16,926	18,883

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

	2018 \$'000	2017 \$'000
Current Interest bearing liabilities – secured ⁽ⁱ⁾		
Non-PPP related finance lease liabilities – Motor vehicles	13,395	14,628
Total current Interest bearing liabilities	13,395	14,628
Non-current Interest bearing liabilities – secured ⁽ⁱ⁾		
Non-PPP related finance lease liabilities – Motor vehicles	30,303	20,868
Total non-current Interest bearing liabilities	30,303	20,868
Total Interest bearing liabilities	43,698	35,496

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

	Carrying amount \$'000	Nominal amount \$'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
2018							
Finance lease liabilities	43,698	43,698	4,374	1,914	7,107	30,303	0
Total	43,698	43,698	4,374	1,914	7,107	30,303	0
2017							
Finance lease liabilities	35,496	35,496	793	2,515	11,320	20,868	0
Total	35,496	35,496	793	2,515	11,320	20,868	0

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.

	2018 \$'000	2017 \$'000
Interest expense		
Interest on finance leases	(773)	(803)
Other interest expense	(18)	(19)
Total interest expense	(791)	(822)

7.3 Finance leases liabilities (department as lessee)

	Minimum future lease payments		Present value of minimum future lease payments	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Motor vehicle related finance leases liabilities payable				
Not later than one year	14,685	15,609	13,395	14,628
Later than one year but no later than five years	32,780	22,372	30,303	20,868
Minimum future lease payments	47,465	37,981	43,698	35,496
Less future finance charges	(3,767)	(2,485)	0	0
Present value of minimum lease payments	43,698	35,496	43,698	35,496
Included in the financial statements as:				
Current finance lease liability (Note 7.2)			13,395	14,628
Non-current finance lease liability (Note 7.2)			30,303	20,868
Total lease liabilities			43,698	35,496

Note:

- (i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.
- (ii) 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.
- (iii) 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 3.82% percent (2017: 3.96% 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 2017-18 or 2016-17.

The following is a listing of trust account balances in cash, deposits and investments relating to trust accounts controlled and administered by the department:

		2018			2017				
		Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000	Balance at 1 July 2016 \$'0w00	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2017 \$'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.	739	14	(80)	673	789	11	(61)	739
Building New Communities Fund	Operates under s20(1B) of the <i>Planning & Environment Act 1987</i> to provide assistance for capital works for state funded infrastructure in any growth areas.	131,564	58,911	(39,382)	151,093	70,174	69,070	(7,680)	131,564
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.	477	6	0	483	471	6	0	477
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.	137	0	(2)	135	133	4	0	137
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.	5,964	8,087	(12,888)	1,163	4,605	5,999	(4,640)	5,964
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.	29,775	160,710	(169,805)	20,680	168,048	153,579	(291,852)	29,775
Growth Areas Public Transport Fund	Operates under s20(1A) of the <i>Planning & Environment Act 1987</i> to provide assistance for the state funded public transport infrastructure works in any growth areas.	128,656	58,990	(39,441)	148,205	72,540	69,130	(13,014)	128,656
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.	26,746	31,758	(6,802)	51,702	25,044	14,750	(13,048)	26,746

	2018				2017	
	Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000	Total receipts \$'000	Total payments \$'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	218,633	(218,633)	0	207,583	(207,583)
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.	69,447	184,402	(140,779)	113,070	163,392	(149,928)
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.	78,358	1,085	(11,169)	68,274	6,860	(3,775)
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.	181,555	211,254	(177,576)	215,233	170,941	(111,506)
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.	0	15,806	(3,893)	11,913	0	0
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.	4,800	0	(92)	4,708	4,735	0
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.	4,180	3,318	(352)	7,146	1,713	(2,547)

	Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2018 \$'000	Balance at 1 July 2016 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2017 \$'000
Controlled trusts								
Cash, deposits and investments								
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.	551,073	115,429	(155,175)	511,327	466,252	130,839	(46,018)	551,073
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.	2,855	0	(598)	2,257	1,777	2,021	(943)	2,855
Treasury Trust – Rural Council Planning Flying Squad Operates under s19 of the <i>Financial Management Act 1994</i> as a shared operating account. It makes state funds available for specialist expert and technical assistance to rural and regional councils on issues such as major projects and developments, long-term land use issues, strategic plans as well as immediate planning support with planning permit and amendment work	0	0	0	0	561	0	(561)	0
Total controlled trusts	1,216,326	1,068,403	(976,667)	1,308,062	1,068,849	1,000,633	(853,156)	1,216,326

	2017 Balance at 1 July 2017 \$'000	Total receipts \$'000	Total payments \$'000	2018 Balance at 30 June 2018 \$'000	Balance at 1 July 2018 \$'000	Total receipts \$'000	Total payments \$'000	2017 Balance at 30 June 2017 \$'000
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	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.	44	1	0	45	44	0	0	44
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	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	0	0	38	49	0	(11)	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.	(1)	0	(103)	(104)	54	0	(55)	(1)
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.	38	2	(25)	15	24	14	0	38
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	23	1	0	24
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.	1,052	92	(481)	663	669	434	(51)	1,052
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.	41,556	550	0	42,106	0	41,556	0	41,556
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.	23	0	(2)	21	31	0	(8)	23
Total administered trusts	42,898	645	(611)	42,932	1,018	42,005	(125)	42,898

Trust Accounts opened or closed by the department during 2018

The Renewable Certificate Purchasing Initiative 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.

	2018 \$'000	2017 \$'000
Treasury trust – Victorian floods		
Cash at bank at 30 June	2,257	2,855
Total funds under management	2,257	2,855
Treasury trust – Victorian floods		
Opening balance	2,855	1,777
Contributions by the Victorian government	0	1,766
Other contributions	0	255
Total receipts	0	2,021
Payments to catchment management authorities	0	0
Payments to portfolio agencies	137	247
Payments to non-portfolio agencies	0	0
Payments to local governments	0	16
Other payments	461	680
Total payments	598	943
Cash at bank 30 June	2,257	2,855

Third party funds under management

No third party funds were held under management for either 2017–18 or 2016–17.

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.

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

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, i.e. one entity has the right to receive cash, the other entity has an obligation to pay cash. 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*.

Categories of financial instruments

Loans, receivables and cash

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 loans and receivables category includes cash and deposits, term deposits with maturity greater than three months, trade receivables and other receivables, but not statutory receivables.

Financial assets at fair value through net result

Financial assets 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 assets at fair value through profit and loss represents the department's investment in the Capital Stable Fund held with the Victorian Funds Management Corporation on behalf of the Sustainability Fund. Details of the Sustainability Fund are disclosed in Note 7.4 *Trust account balances*. The Capital Stable Fund is a managed fund with investment in AUD currency. The fund is held by a trust which invests in a combination of cash, fixed income securities and Australian and international equities.

Financial liabilities at amortised cost

Financial instrument liabilities are 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 interestbearing liability, using the effective interest method (refer to Note 9.9 *Glossary of technical terms*).

Financial instrument liabilities measured at amortised cost include all of the department's contractual payables and interestbearing arrangements, but not statutory payables.

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 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; or
 - (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.

Impairment of financial assets

At the end of each reporting period, the department assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

The allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

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.

8.1.1 Financial instruments: Categorisation

	2018					2017
	Contractual financial assets – loans and receivables \$'000	Contractual financial assets – fair value through profit/loss \$'000	Contractual financial liabilities at amortised cost \$'000	Total \$'000	Contractual financial assets – loans and receivables \$'000	Contractual financial liabilities at amortised cost \$'000
Contractual financial assets						
Cash and deposits						
Cash, deposits on call and term deposits less than 3 months	707,296	0	0	707,296	435,334	0
Receivables ⁽ⁱ⁾						
Trade receivables	24,204	0	0	24,204	19,383	0
Accrued income	4,147	0	0	4,147	7,623	0
Investments:						
Term deposits greater than 3 months	309,306	0	0	309,306	502,634	0
Investment in managed fund	0	290,650	0	290,650	0	277,969
Total contractual financial assets	1,044,953	290,650	0	1,335,603	964,974	0
Contractual financial liabilities						
Payables ⁽ⁱⁱ⁾						
Trade creditors	0	0	20,076	20,076	0	4,191
Accrued grants and other transfers	0	0	34,156	34,156	0	36,420
Capital accruals	0	0	15,760	15,760	0	10,549
Other accrued expenses	0	0	60,909	60,909	0	51,671
Other payables	0	0	3,261	3,261	0	3,381
Other liabilities	0	0	2,206	2,206	0	2,051
Interest bearing liabilities						
Finance lease liabilities	0	0	43,698	43,698	0	35,496
Total contractual financial liabilities	0	0	180,066	180,066	0	143,759

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 \$368.461 million (2017: \$252.184 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 \$57.781 million (2017: \$65.235 million) – Refer to Note 6.2 *Payables*.

8.1.2 Financial instruments: Gain/(loss) on financial instruments by category

	2018			
	Net holding gain/ (loss) \$'000	Total interest income/ (expense) \$'000	Impairment \$'000	Total \$'000
Contractual financial assets				
Cash and deposits				
Cash, deposits on call and term deposits less than 3 months	0	4,198	0	4,198
Receivables				
Trade receivables	0	0	136	136
Investments				
Term deposits greater than 3 months	0	8,305	0	8,305
Investment in managed fund	5,037	7,644	0	12,681
Total contractual financial assets	5,037	20,147	136	25,320
Contractual financial liabilities				
Payables				
Trade payables	0	0	0	0
Other liabilities	0	0	0	0
Interest bearing liabilities				
Finance lease liabilities	0	(773)	0	(773)
Total contractual financial liabilities	0	(773)	0	(773)
	2017			
	Net holding gain / (loss) \$'000	Total interest income/ (expense) \$'000	Impairment \$'000	Total \$'000
Contractual financial assets				
Cash and deposits				
Cash, deposits on call and term deposits less than 3 months	0	3,249	0	3,249
Receivables				
Trade receivables	0	0	(55)	(55)
Investments				
Term deposits greater than 3 months	0	8,228	0	8,228
Investment in managed fund	2,617	7,406	0	10,023
Total contractual financial assets	2,617	18,883	(55)	21,445
Contractual financial liabilities				
Payables				
Trade payables	0	0	0	0
Other liabilities	0	(19)	0	(19)
Interest bearing liabilities				
Finance lease liabilities	0	(803)	0	(803)
Total contractual financial liabilities	0	(822)	0	(822)

8.1.2 Financial instruments: Gain/(loss) on financial instruments by category (continued)

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.

8.1.3 Financial risk management objectives and policies

The department is exposed to a number of financial risks, including credit 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 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 risk and audit committee 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.

Credit risk associated with the department's contractual financial assets is minimal because the main debtor is the Victorian Government. Credit assessments are required for all debtors other than government, where \$5,000 or more of goods or 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 reviews receivables for impairment consistent with the ageing disclosed in Note 6.1.2.

In addition, the department does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash held on call at bank. The department's policy complies with Standing Direction 3.7.2.3(b) issued by the Minister for Finance and only permits deposits to be placed with authorised deposit-taking institutions.

Provision for 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 which are more than 30 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.

(b) Financial instruments: Liquidity risk

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.

(c) Financial instruments: Market risk

The department's exposures to market risk are primarily through interest rate and equity 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 (2017: 100 basis points up and down) in market interest rates (AUD); and
- a movement of 10 per cent up and 5 per cent down (2017: 10 per cent up and 5 per cent down) in the equity price risk (AUD) for the Capital Stable Fund portfolio mix.

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. Exposure to interest rate risk relates to cash balances held in deposits at variable interest rates and investments in a managed fund. Minimisation of risk is achieved by undertaking fixed rate or non-interest bearing financial instruments. The department's sole interest bearing liabilities are VicFleet and Fleet Plus motor vehicle leases. The department's interest bearing liabilities 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	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					
Trade receivables ⁽ⁱ⁾		24,204	0	0	24,204
Accrued income		4,147	0	0	4,147
Investments					
Term deposits greater than 3 months	2.03%	309,306	309,306	0	0
Investment in managed fund ⁽ⁱⁱ⁾	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 ⁽ⁱⁱⁱ⁾					
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
Interest bearing liabilities					
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 \$368.461 million (2017: \$252.184 million) – Refer to Note 6.1 *Receivables*.
- (ii) Investment in management fund classified as non-interest bearing of \$61.037 million (2017: \$59.763 million) relates to investments in Australian and international equities held by the Victorian Funds Management Corporation.
- (iii) 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 \$57.781 million (2017: \$65.235 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
2017					
Financial assets					
Cash and deposits					
Cash, deposits on call and term deposits less than 3 months	1.52	435,334	60,562	111,504	263,268
Receivables ⁽ⁱ⁾					
Trade receivables		19,383	0	0	19,383
Accrued income		7,623	0	0	7,623
Investments					
Term deposits greater than 3 months	1.91	502,634	502,634	0	0
Investment in managed fund ⁽ⁱⁱ⁾	4.07	277,969	81,723	136,483	59,763
Total financial assets		1,242,943	644,919	247,987	350,037
Financial liabilities					
Payables ⁽ⁱⁱⁱ⁾					
Trade creditors		4,191	0	0	4,191
Accrued grants and other transfers		36,420	0	0	36,420
Capital accruals		10,549	0	0	10,549
Other accrued expenses		51,671	0	0	51,671
Other payables		3,381	0	0	3,381
Other liabilities		2,051	0	0	2,051
Interest bearing liabilities					
Finance lease liabilities	3.96	35,496	35,496	0	0
Total financial liabilities		143,759	35,496	0	108,263

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 \$368.461 million (2017: \$252.184 million) – Refer to Note 6.1 *Receivables*.
- (ii) Investment in management fund classified as non-interest bearing of \$61.037 million (2017: \$59.763 million) relates to investments in Australian and international equities held by the Victorian Funds Management Corporation.
- (iii) 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 \$57.781 million (2017: \$65.235 million) – Refer to Note 6.2 *Payables*.

Interest rate risk sensitivity

		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 ⁽ⁱ⁾	707,296	(1,488)	1,488
Receivables ⁽ⁱⁱ⁾	28,351	0	0
Investments ⁽ⁱⁱⁱ⁾	599,956	(1,456)	1,456
Total impact		(2,944)	2,944
Contractual financial liabilities:			
Payables ⁽ⁱⁱ⁾	134,162	0	0
Interest bearing liabilities ^(iv)	43,698	0	0
Other liabilities	2,206	0	0
Total impact		0	0

		2017 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 ⁽ⁱ⁾	435,334	(1,115)	1,115
Receivables ⁽ⁱⁱ⁾	27,006	0	0
Investments ⁽ⁱⁱⁱ⁾	780,603	(1,365)	1,365
Total impact		(2,480)	2,480
Contractual financial liabilities:			
Payables ⁽ⁱⁱ⁾	106,212	0	0
Interest bearing liabilities ^(iv)	35,496	0	0
Other liabilities	2,051	0	0
Total impact		0	0

Note:

- (i) All cash and cash equivalents are held in Australian dollars. \$148.836 million (2017: \$111.504 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) The carrying amount is denominated in Australian dollars and is non-interest bearing. This item is not subject to the identified risk sensitivities.
- (iii) Investments relate to fixed interest rate term deposits with the Treasury Corporation of Victoria (TCV) and managed investment with the Victorian Funds Management Corporation's Capital Stable Fund. The Fund invests in a combination of asset classes which include fixed income securities which is subject to movements in interest rate. The fund manager, the Victorian Funds Management Corporation, on behalf of the department closely monitors performance and manages interest rate risk through diversification of its investment portfolio. The department's exposure to interest rate risk is approximately 50 per cent of the Capital Stable Fund portfolio mix which equates to \$145.615 million. The investments with TCV have a fixed interest rate, hence no sensitivity risk to interest rate movement.
- (iv) 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 2018 or 30 June 2017.

Equity price risk

The department is exposed to equity price risk in AUD through its investment in the Victorian Funds Management Corporation Capital Stable Fund. The fund manager on behalf of the department closely monitors performance and manages equity price risk through diversification of its investment portfolio. The department's sensitivity to equity is set out below.

Equity price risk sensitivity

		2018 Equity price risk	
		-5%	+10%
	Carrying amount \$'000	Fair value through profit/loss \$'000	Fair value through profit/loss \$'000
Contractual financial assets:			
Investments ⁽ⁱ⁾	290,650	(3,052)	6,104
Total impact	290,650	(3,052)	6,104

		2017 Equity price risk	
		-5%	+10%
	Carrying amount \$'000	Fair value through profit/loss \$'000	Fair value through profit/loss \$'000
Contractual financial assets:			
Investments ⁽ⁱ⁾	277,969	(2,988)	5,976
Total impact	277,969	(2,988)	5,976

Note:

- (i) Relates to managed investment with the Victorian Funds Management Corporation's Capital Stable Fund. The Fund invests in a combination of asset classes which include cash deposits, fixed term deposits and equities which are subject to movements in equity prices. The fund manager, the Victorian Funds Management Corporation, on behalf of the department closely monitors performance and manages equity price risk through diversification of its investment portfolio. The department's exposure to equity risk is approximately 21 per cent of the Capital Stable Fund portfolio mix which equates to \$61.037 million (2017: approximately 21 per cent of the Capital Stable Fund portfolio mix which equates to \$59.763 million).

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; or
- 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; or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

	2018 \$'000	2017 \$'000
Quantifiable contingent assets		
The department does not have any contingent assets		
Other	60	60
	60	60
Quantifiable contingent liabilities		
Damages claims	0	265
Public liability insurance claims ⁽ⁱ⁾	585	4,725
Breach of contract	0	3,250
Other ⁽ⁱⁱ⁾	36,643	26,540
	37,228	34,780

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 either 2018 or 2017.

Unquantifiable contingent liabilities

The department has the following unquantifiable contingent liabilities.

Cleaning up the Yarra – Installation of Litter Traps

Under the agreement between the department and the Commonwealth government, the department is required to provide unlimited indemnity to the Commonwealth government for any costs or losses incurred in relation to the Cleaning up the Yarra – Installation of Litter Traps project. The value of this indemnity is not able to be accurately determined.

Native Titles

There have been four native title claims made in relation to Victorian land and resources (2017: 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, and
- 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; and
- 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; and
- 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; and
 - 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; and
- 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 are a reasonable approximation of fair value, because of the short-term nature of the financial instruments and the expectation that they will be paid in full by the end of the 2017-18 reporting period. The following financial instruments listed below are categorised as level 2 except for cash (level 1).

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	<ul style="list-style-type: none"> • Trade payables • Other liabilities
<ul style="list-style-type: none"> • Trade receivables • Accrued income 	Interest bearing liabilities
Investments	<ul style="list-style-type: none"> • Finance lease liabilities
<ul style="list-style-type: none"> • Investment in managed fund 	

Financial assets 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
Financial assets at fair value through profit or loss				
2018				
Investment in managed fund	290,650	0	290,650	0
2017				
Investment in managed fund	277,969	0	277,969	0

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 Other economic flows included in net result
- 9.2 Subsequent events
- 9.3 Responsible persons
- 9.4 Remuneration of executive officers
- 9.5 Related parties
- 9.6 Other accounting policies
- 9.7 Australian Accounting Standards issued that are not yet effective
- 9.8 Style conventions
- 9.9 Glossary of technical terms

9.1 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; and
- re-measurement of other provisions.

Net gains/(losses) on non-financial assets are disclosed in Note 5.6.

	2018 \$'000	2017 \$'000
Net gain/(loss) on financial instruments		
Impairment of receivables ⁽ⁱ⁾	(165)	(70)
Net gain arising from the revaluation of financial assets at fair value – market risk ⁽ⁱⁱ⁾	5,037	2,617
Total net gain/(loss) on financial instruments	4,872	2,547
Other gains/(losses) from other economic flows		
Loss from revaluation of investment in associates	0	0
Net loss arising from revaluation of employee benefits ⁽ⁱⁱⁱ⁾	(490)	1,688
Other provision discount rate adjustments	(3,528)	(379)
Total other gains/(losses) from other economic flows	(4,018)	1,309

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 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.
- (iii) This item represents revaluation loss due to changes in bond rates.

9.2 Subsequent events

Changes to the Parks Victoria Act

On 5 June 2018, the *Parks Victoria Act 2018* received Royal Assent. The Act repeals and re-enacts, with amendments, the *Parks Victoria Act 1998* and consequentially amends Crown land legislation to provide Parks Victoria with direct control and management of the land it currently manages on behalf of the Secretary and the Minister. This will result in the transfer of land and assets under the *Crown Land (Reserves) Act 1978*, *Forests Act 1958*, *Land Act 1958*, *National Parks Act 1975* and the *Wildlife Act 1978* to Parks Victoria upon commencement. The net asset transfer of Crown land, national and metropolitan parks, state forests and conservation reserves are estimated to be \$4.545 billion. Commencement is likely to occur in mid-September 2018.

Land titles and registry functions of Land Use Victoria

On 27 August 2018, the Treasurer announced the successful bidder for the concession to operate the land titles and registry functions of Land Use Victoria. Victorian Land Registry Services will be responsible for defined functions, under a service concession arrangement, for a term of 40 years. The concession is expected to commence on 1 October 2018, with transaction completion scheduled for 27 September 2018. The financial impact of the concession is expected to be a reduction in controlled cash and cash deposits (asset) with an equivalent reduction in provisions for employee benefits (liability), an decrease in controlled employee expenses, and a reduction in administered Land Titles income. The service concession arrangement will be accounted for through a new trust account. The concession arrangement delivers \$2.86 billion that will be invested in new schools, hospitals and transport projects and therefore will not have any further impact on the department's financial statements other than those mentioned in this note.

Victorian Renewable Energy Target 2017 Reverse Auction

A competitive tender for up to 650MW of new large-scale renewable energy capacity was undertaken via the Victorian Renewable Energy Target 2017 Reverse Auction. The auction closed in February 2018. Support Agreements have been awarded to support six new renewable energy projects across the State. The Support Agreements were signed in late August 2018 and operate on a Contract for Difference model, which ensures revenue certainty for renewable energy projects over a 15-year term. The financial impact of the Support Agreements is expected to be an increase in controlled appropriations revenue, grant and other transfers (expense), grants payable (liability), intangible assets and assets held for sale (asset), and may give rise to financial instrument assets or liabilities, with gains or losses on those instruments being taken through other economic flows included in net result.

9.3 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 2017 to 30 June 2018
Minister for Energy, Environment and Climate Change	The Hon. Lily D'Ambrosio MP	1 July 2017 to 30 June 2018
Minister for Suburban Development	The Hon. Lily D'Ambrosio MP	1 July 2017 to 30 June 2018
Minister for Planning	The Hon. Richard Wynne MP	1 July 2017 to 30 June 2018
Minister for Local Government	The Hon. Natalie Hutchins MP	1 July 2017 to 13 September 2017
Minister for Local Government	Ms Marlene Kairouz MP	13 September 2017 to 30 June 2018
Acting Secretary	Ms Christine Wyatt	1 July to 17 September 2017
Secretary	Mr John Bradley	18 September 2017 to 30 June 2018

Remuneration received or receivable by the Accountable Officers (including the former Secretary) in connection with the management of the Department during the reporting period was in the range: \$580,000 - \$590,000 (\$520,000 - \$530,000 in 2016-17).

Acting arrangements

The Hon. Martin Pakula MP acted as Minister for Water during the period 17 July to 2 August 2017 and Minister for Local Government during the periods 10 to 14 January 2018 and 3 to 5 April 2018.

The Hon. Lily D'Ambrosio MP acted as Minister for Planning during the periods 18 to 31 July 2017, 10 to 25 January 2018 and 8 to 14 April 2018, Minister for Water during the period 10 to 25 January 2018, Minister for Local Government during the period 6 to 8 April 2018.

The Hon. Lisa Neville MP acted as Minister for Planning during the periods 22 September 2017 to 17 October 2017 and 1 to 9 January 2018, Minister for Energy, Environment and Climate Change and Minister for Suburban Development during the period 24 to 30 September 2017 and Minister for Local Government during the period 25 December 2017 to 9 January 2018.

The Hon. Richard Wynne MP acted as Minister for Water during the period 2 to 10 November 2017 and 23 June to 30 June 2018, Minister for Energy, Environment and Climate Change and Minister for Suburban Development during the period 3 to 5 April 2018.

The Hon. Jaala Pulford MP acted as Minister for Local Government during the periods 5 to 11 December 2017 and 11 to 17 April 2018.

The Hon. John Eren MP acted as Minister for Local Government during the period 9 to 10 April 2018.

Ms Christine Wyatt acted in the position of Secretary during the period 1 July to 17 September 2017, her salary for this period is included in Note 9.4 *Remuneration of executive officers*.

9.4 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.

	2018 \$'000	2017 \$'000
Remuneration of executive officers		
Short-term employee benefits	18,429	15,627
Post-employment benefits	1,637	1,306
Other long-term benefits	400	329
Termination benefits	270	572
Total remuneration of executive officers ⁽ⁱ⁾⁽ⁱⁱ⁾	20,736	17,834
Total number of executives	120	96
Total annualised employee equivalent (AEE) ⁽ⁱⁱⁱ⁾	91.4	75.5

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 9.5).
- (ii) Remuneration for staff who have acted in executive positions over two months have been included in the table above.
- (iii) Annualised employee equivalent is based on the time fraction worked over the reporting period.

9.5 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; and
- 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 4.2.1 *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 5.8.2 *Net capital contribution transferred to portfolio entities*) in line with budgeted allocations.

The department holds 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; Secretary John Bradley and Christine Wyatt (Acting Secretary from 1 July to 17 September 2017); 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, Ms Christine Wyatt (Mr Julian Lyngcoln Acting from 1 July – 22 September 2017)
- Deputy Secretary Energy, Environment and Climate Change, Ms Kylie White (Mr Paul Smith, acting from 1 July – 15 December 2017 and Ms Nina Cullen Acting from 18 December 2017 – 17 April 2018)
- Deputy Secretary Forest, Fire and Regions, Mr Lee Miezi
- Director Victorian Desalination Project, Ms Jenny Carbery
- Chief Executive Land Use Victoria, Mr Chris McRae
- Chief Fire Officer, Mr Darrin McKenzie (Ms Stephanie Rotarangi Acting from 1 July 2017 – 16 March 2018).

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.

	2018 \$'000	2017 \$'000
Compensation of key management personnel		
Short-term employee benefits	3,225	2,943
Post-employment benefits	223	197
Other long-term benefits	65	62
Termination benefits	0	0
Total compensation of key management personnel	3,513	3,202

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.

9.6 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.

9.7 Australian Accounting Standards issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2018 reporting period. DTF assesses the impact of all these new standards and advises the department of their applicability and early adoption where applicable.

As at 30 June 2018, the following applicable AASs have been issued by the AASB but are not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operating date as follows:

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 9 <i>Financial Instruments</i>	The key changes introduced by AASB 9 include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 January 2018	<p>The initial assessment has indicated that there will be no significant impact for the department.</p> <p>The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals.</p> <p>The initial application of AASB 9 is not expected to significantly impact the financial position however there will be a change to the way financial instruments are classified and new disclosure requirements.</p>
AASB 2014-1 <i>Amendments to Australian Accounting Standards [Part E Financial Instruments]</i>	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018, and to amend reduced disclosure requirements.	1 January 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 January 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 January 2018	<p>The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.</p> <p>A potential impact will be the upfront recognition of revenue from licenses and leases that cover multiple reporting periods.</p>

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i>	<p>Amends the measurement of trade receivables and the recognition of dividends as follows:</p> <ol style="list-style-type: none"> 1. Trade receivables that do not have a significant financing component, are to be measured at their transaction price, at initial recognition. 2. Dividends are recognised in the profit and loss only when: <ol style="list-style-type: none"> i) the entity's right to receive payment of the dividend is established; ii) it is probable that the economic benefits associated with the dividend will flow to the entity; and iii) the amount can be measured reliably. 	1 January 2018, except amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply from 1 January 2018	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2015-8 <i>Amendments to Australian Accounting Standards – Effective Date of AASB 15</i>	This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 January 2018	This amending standard will defer the application period of AASB 15 for for-profit entities to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2016-3 <i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i>	<p>This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require:</p> <ol style="list-style-type: none"> 1. A promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation; 2. For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and 3. For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). 	1 January 2018	The assessment has indicated that there will be no significant impact for the department, other than the impact identified in AASB 15.
AASB 2016-7 <i>Amendment to Australian Accounting Standards – Effective Date of AASB 15</i>	This standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019	1 January 2019	The initial assessment has indicated that the impacts of AASB 15 will be applicable for the 2018-19 financial reporting year.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i>	<p>AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit-entities into AASB 9 and AASB 15.</p> <p>This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.</p>	1 January 2019	<p>This standard clarifies the application of AASB 15 and AASB 9 in a not-for-profit context. The areas within these standards that are amended for not-for-profit application include:</p> <p>AASB 9</p> <ul style="list-style-type: none"> Statutory receivables are recognised and measured similarly to financial assets <p>AASB 15</p> <ul style="list-style-type: none"> The “customer” does not need to be the recipient of goods and/or services; The “contract” could include an arrangement entered into under the direction of another party; Contracts are enforceable if they are enforceable by legal or “equivalent means”; Contracts do not have to have commercial substance, only economic substance; and Performance obligations need to be “sufficiently specific” to be able to apply AASB 15 to these transactions.
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 January 2019	<p>The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase.</p> <p>Depreciation of lease assets and interest on lease liabilities will be recognised in the comprehensive operating statement with marginal impact on the operating surplus.</p> <p>The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement.</p> <p>No change for lessors.</p>

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 1058 <i>Income of Not-for-Profit Entities</i>	<p>AASB 1058 standard will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 <i>Contributions</i>.</p> <p>The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context,</p> <p>AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.</p>	1 January 2019	<p>The current revenue recognition for grants is to recognise revenue up front upon receipt of the funds.</p> <p>This may change under AASB 1058, as capital grants for the construction of assets will need to be deferred. Income will be recognised over time, upon completion and satisfaction of performance obligations for assets being constructed, or income will be recognised at a point in time for acquisition of assets.</p> <p>The revenue recognition for operating grants will need to be analysed to establish whether the requirements under other applicable standards need to be considered for recognition of liabilities (which will have the effect of deferring the income associated with these grants). Only after that analysis would it be possible to conclude whether there are any changes to operating grants.</p> <p>The impact on current revenue recognition of the changes is the phasing and timing of revenue recorded in the profit and loss statement.</p>
AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i>	This Standard amends AASB 9 and AASB 15 to include requirements and implementation guidance to assist not-for-profit entities in applying the respective standards to particular transactions and events.	1 January 2019	The assessment has indicated that there is no significant impact for the department other than the impact identified in AASB 9 and AASB 15.

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on or after	Impact on public sector entity financial statements
AASB 1059 <i>Service Concession Arrangements: Grantors</i>	<p>This standard applies to arrangements that involve an operator providing a public service on behalf of a public sector grantor. It involves the use of a service concession asset and where the operator manages at least some of the public service at its own direction. An arrangement within the scope of this standard typically involves an operator constructing the asset used to provide the public service or upgrading the assets and operating and maintaining the assets for a specified period of time.</p> <p>The State has 2 types of PPPs:</p> <ol style="list-style-type: none"> 1. Social Infrastructure: A PPP that requires the government to make payments to the operator upon commencement of services: <ul style="list-style-type: none"> – Operator finances and constructs the infrastructure; and – State pays unitary service payments over the term. 2. Economic Infrastructure: A PPP that is based on user pays model: <ul style="list-style-type: none"> – Operator finances and constructs the infrastructure; – State does not pay for the cost of the construction; and – Operator charges asset users and recovers the cost of construction and operation for the term of the contract. 	1 January 2019	<p>For an arrangement to be in scope of AASB 1059 all of the following requirements are to be satisfied:</p> <ul style="list-style-type: none"> • Operator is providing public services using a service concession asset; • Operator manages at 'least some' of public services under its own discretion; • The State controls / regulates: <ul style="list-style-type: none"> – What services are to be provided; – To whom; and – At what price • State controls any significant residual interest in the asset. <p>If the arrangement does not satisfy all the above requirements the recognition will fall under the requirements of another applicable accounting standard.</p> <p>Currently the social infrastructure PPPs are only recognised on the balance sheet at commercial acceptance. The arrangement will need to be progressively recognised as and when the asset is being constructed. This will have the impact of progressively recognising the financial liability and corresponding asset as the asset is being constructed.</p> <p>For economic infrastructure PPP arrangements, that were previously not on balance sheet, the standard will require recognition of these arrangements on balance sheet. There will be no impact to net debt, as a deferred revenue liability will be recognised and amortised over the concession term.</p>

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2017-18 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on the department.

- AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurements of Share-based Payment Transactions*
- AASB 2016-6 *Amendments to Australian Accounting Standards – Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts*
- AASB 2017-1 *Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-16 Cycle and Other Amendments*
- AASB 2017-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 4*
- AASB 2017-4 *Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments*
- AASB 2017-5 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*
- AASB 2017-7 *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*
- AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015 – 2017 Cycle*
- AASB 2018-2 *Amendments to Australian Accounting Standards – Plan Amendments, Curtailment or Settlement*

Note:

For the current year, given the number of consequential amendments to AASB 9 *Financial Instruments*, AASB 15 *Revenue from Contracts with Customers*, and AASB 16 *Leases* the standards/interpretations have been grouped together to provide a more relevant view of the upcoming changes.

9.8 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 2017–18 *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.

9.9 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.

Nonfinancial 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.

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 nonfinancial physical and intangible assets; and
- 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; and
- b) gains and losses on remeasuring available for sale financial 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.

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
Report of operations		
<i>Charter and purpose</i>		
FRD 22H	Manner of establishment and the relevant Ministers	Page 15
FRD 22H	Purpose, functions, powers and duties	Page 10
FRD 8D	Departmental objectives, indicators and outputs	Page 26
FRD 22H	Key initiatives and projects	Page 6
FRD 22H	Nature and range of services provided	Page 23
<i>Management and structure</i>		
FRD 22H	Organisational structure	Page 24
<i>Financial and other information</i>		
FRD 8D	Performance against output performance measures	Page 26
FRD 8D	Budget portfolio outcomes	Page 259
FRD 10A	Disclosure index	Page 256
FRD 12B	Disclosure of major contracts	Page 102
FRD 15E	Executive officer disclosures	Page 76
FRD 22H	Employment and conduct principles	Page 18
FRD 22H	Occupational health and safety policy	Page 20
FRD 22H	Summary of the financial results for the year	Page 82
FRD 22H	Significant changes in financial position during the year	Page 82
FRD 22H	Major changes or factors affecting performance	Page 83
FRD 22H	Subsequent events	Page 84
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	Page 103
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	Page 106
FRD 22H	Statement on National Competition Policy	Page 108
FRD 22H	Application and operation of the <i>Protected Disclosure 2012</i>	Page 105
FRD 22H	Application and operation of the <i>Carers Recognition Act 2012</i>	Page 106

Legislation	Requirement	Page
FRD 22H	Details of consultancies over \$10,000	Page 102
FRD 22H	Details of consultancies under \$10,000	Page 102
FRD 22H	Disclosure of government advertising expenditure	Page 102
FRD 22H	Disclosure of ICT expenditure	Page 103
FRD 22H	Statement of availability of other information	Page 125
FRD 24D	Reporting of office based environmental impacts	Page 86
FRD 25C	Victorian Industry Participation Policy disclosures	Page 101
FRD 29C	Workforce data disclosures	Page 72
SD 5.2	Specific requirements under <i>Standing Directions 5.2</i>	Inside front cover

Compliance attestation and declaration

SD 5.1.4	Attestation for compliance with <i>Ministerial Standing Directions</i>	Page 81
SD 5.2.3	Declaration in report of operations	Inside front cover

Financial statements

Declaration

SD 5.2.2	Declaration in financial statements	Page 127
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Other requirements under *Standing Directions 5.2*

SD 5.2.1 (a)	Compliance with Australian Accounting Standards and other authoritative pronouncements	Page 136
SD 5.2.1 (a)	Compliance with Ministerial Directions	Page 127
SD 5.2.1 (b)	Compliance with Model Financial Report	Page 256

Other disclosures as required by FRDs in notes to the financial statements ⁽ⁱ⁾

FRD 9A	Departmental disclosure of administered assets and liabilities by activity	Page 153
FRD 11A	Disclosure of ex-gratia expenses	Page 151
FRD 13	Disclosure of Parliamentary Appropriations	Page 140
FRD 21C	Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the financial report	Page 145
FRD 103G	Non-financial physical assets	Page 192
FRD 110A	Cash flow statements	Page 262
FRD 112D	Defined benefit superannuation obligations	Page 149

(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	Requirement	Page
Legislation		
<i>Building Act 1993</i>		Page 106
<i>Carers Recognition Act 2012</i>		Page 106
<i>Caulfield Racecourse Reserve Act 2017</i>		Page 107
<i>Electricity Industry Act 2000</i>		Page 379
<i>Financial Management Act 1994</i>		Page 126
<i>Freedom of Information Act 1982</i>		Page 103
<i>Heritage Act 1995</i>		Page 107
<i>Local Government Act 1989</i>		Page 107
<i>Planning and Environment (Growth Areas Infrastructure Contribution) Act 2010</i>		Page 108
<i>Protected Disclosure Act 2012</i>		Page 105
<i>Victorian Industry Participation Policy Act 2003</i>		Page 101
<i>Water Act 1989</i>		Page 119

Appendix 2: Budget portfolio outcomes

Operating Statement - Controlled	2017-18 Actuals (\$ million)	2017-18 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Income from transactions				
Output appropriations	1,492	1,450	42	3
Special appropriation ⁽ⁱ⁾	112	93	19	21
Interest	17	25	(8)	(31)
Sales of goods and services ⁽ⁱⁱ⁾	87	51	36	72
Grants	187	187	0	0
Other income ⁽ⁱⁱⁱ⁾	321	272	49	18
Total income from transactions	2,216	2,077	139	7
Expenses from transactions				
Employee benefits	446	437	9	2
Depreciation	58	53	5	11
Interest expense	1	1	0	0
Grants and other transfers ^(iv)	915	782	133	17
Capital asset charge	93	93	0	0
Other operating expenses ^(v)	551	773	(222)	(29)
Total expenses from transactions	2,064	2,139	(75)	4
Net result from transactions (net operating balance)	152	(62)	214	344
Other economic flows included in net result				
Net gain/(loss) on non-financial assets ^(vi)	163	0	163	N/A
Net gain/(loss) on financial instruments and statutory receivables/payables	5	0	5	N/A
Other gains/(losses) from other economic flows	(4)	0	(4)	N/A
Total other economic flows included in net result	164	0	164	N/A
Net result	316	(62)	378	(607)

Operating Statement - Controlled	2017-18 Actuals (\$ million)	2017-18 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Other economic flows – other comprehensive income				
Items that will not be classified to net result				
Changes in non-financial assets revaluation surplus ^(vii)	1,216	0	1,216	N/A
Financial assets available-for-sale reserve	0	0	0	N/A
Other	0	0	0	N/A
Total other economic flows – other comprehensive income	1,216	0	1,216	N/A
Comprehensive result	1,532	(62)	1,594	(2,571)

Note:

- (i) The variance is predominantly due to additional special appropriation revenue from the Growth Areas Infrastructure Contributions (GAIC).
- (ii) Variance primarily due to increase in External User Charges driven by the habitat compensation fees. Victorian landowners who remove native vegetation and habitat for certain threatened species in the growth corridors must meet habitat compensation obligations through the payment of a compensation fees.
- (iii) Variance is predominantly due to the general increase in the Metropolitan Parks Improvement Rate and the Resource Recovery Landfill Levy.
- (iv) The variance is primarily due to the level of grants paid for new initiatives such as bringing the Environment Protection Authority (EPA) into the modern era and securing our modern energy futures, and additional grants paid from Planning, Building and Heritage to address the future growth and transformation of Victoria's cities and regions and grants paid to the Goulburn-Murray Water (GMW) Connections project.
- (v) The variance is primarily due to a decline in professional services by the energy division in relation to the powerline bushfire safety program and the transfer of payments to GMW for stage 2 of the Connections project from DELWP controlled entity to the administered entity.
- (vi) Variance predominantly due to the net recognition of Crown land parcels resulting from a reconciliation of Crown land records on transition to the Victorian Online Title System (VOTS) which will be used as the department's definitive source of Crown land data. VOTS records the land manager data from the whole of Victorian Government Crown Land Reconciliation.
- (vii) A revaluation adjustment was applied to land assets as the compounded movement in the value of land was material.

Balance Sheet - Controlled	2017-18 Actuals (\$ million)	2017-18 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Assets				
Financial assets				
Cash and deposits ⁽ⁱ⁾	548	627	(79)	(13)
Receivables ⁽ⁱⁱ⁾	513	271	242	89
Other financial assets ⁽ⁱⁱⁱ⁾	600	485	115	24
Investment accounted for using equity method ^(iv)	0	11	(11)	(100)
Total financial assets	1,661	1,394		
Non-financial assets				
Inventories ^(v)	18	29	(11)	(38)
Non-financial assets classified as held for sale including disposal group assets ^(vi)	26	8	18	225
Property, plant and equipment ^(vii)	9,716	8,353	1,363	16
Intangible assets ^(viii)	59	28	31	111
Other ^(ix)	142	9	132	1,466
Total non-financial assets	9,961	8,427	317	4
Total assets	11,622	9,821	41,801	18
Liabilities				
Payables ^(x)	151	94	57	60
Borrowings ^(xi)	44	17	27	159
Provisions	145	138	7	5
Total liabilities	340	249	91	36
Net assets	11,282	9,572	1,710	18
Equity				
Accumulated surplus/(deficit)	781	360	421	117
Reserves ^(vii)	7,976	6,740	1,236	18
Contributed capital	2,525	2,472	53	2
Total equity	11,282	9,572	1,710	18

Note:

- (i) The variance is predominantly due to the draw-down of existing cash balances for the GMW Connections project and the Sustainability Fund.
- (ii) Variance is predominantly due to increases in recurrent funding primarily for the Effective Water Management and Supply, Land Use Victoria, and Fire and Emergency Management output groups.
- (iii) Variance is primarily due to increase in long term investment of surplus cash with the Treasury Corporation of Victoria and the Victorian Funds Management Corporation.
- (iv) The variance relates to the transfer of the Property Exchange Australia Limited investment from DELWP to the Department of Treasury and Finance in July 2016.
- (v) The variance is due to a reduction in the stock held in the fire stores, as stocks were consumed during the last fire season and not yet fully replenished.
- (vi) Variance is primarily due to an increase in land held for sale.
- (vii) Variance in property, plant and equipment is mainly due to a revaluation adjustment that was applied to land assets as the compounded movement in the value of land was material of \$1.2 billion. The net recognition of Crown land parcels resulting from the reconciliation of Crown land records on transition to the Victorian Online Title System (VOTS) which will be used as the department's definitive source of Crown land data also contributed to the variance.
- (viii) Variance relates to increased investment in information management systems that includes systems for fire, planning, and land administration activities.
- (ix) Variance is primarily due to prepayments relating to the Goulburn Murray Water Connections Project.
- (x) The variance is primarily due to increased accrued grants and expenses.
- (xi) The variance is primarily due to borrowings linked to VicFleet and FleetPlus finance lease liabilities on motor vehicles.

Cash Flow Statement - Controlled	2017-18 Actuals (\$ million)	2017-18 Published Budget} (\$ million)	Variance (\$ million)	Variance (%)
Cash flows from operating activities				
Receipts				
Receipts from Government ⁽ⁱ⁾	1,299	1,530	(231)	15
Receipts from other entities	663	608	55	9
Interest received	17	25	(8)	(32)
Other receipts ⁽ⁱⁱ⁾	24	0	24	N/A
Total receipts	2,003	2,163	(160)	(7)
Payments				
Payments of grants and other transfers ⁽ⁱⁱⁱ⁾	1,025	880	145	16
Payments to suppliers and employees ^(iv)	961	1,136	(175)	(15)
Capital asset charge	93	93	0	0
Interest and other costs of finance paid	1	1	0	0
Total payments	2,080	2,110	(30)	(1)
Net cash flows from/(used in) operating activities	(77)	53	(130)	(245)
Cash flows from investing activities				
Net investment ^(v)	193	102	91	89
Payment for non-financial assets ^(vi)	(63)	(105)	42	(40)
Proceeds from sale of non-financial assets	11	0	11	0
Net (purchase)/disposal of investments – policy purposes	0	0	0	0
Net cash flows from/(used in) investing activities	141	(3)	144	(4,800)
Cash flows from financing activities				
Owner contributions by Government ^(vii)	29	49	(20)	(41)
Repayment of finance lease ^(viii)	13	1	12	1,200
Net borrowings ^(ix)	3	(16)	19	(119)
Net cash flows from/(used in) financing activities	45	34	11	32
Net increase/(decrease) in cash and cash equivalents	109	84	25	30
Cash and cash equivalents at the beginning of the financial year	598	544	16	3
Cash and cash equivalents at the end of the financial year	707	627	42	7

Note:

- (i) Variance is predominantly due to movement in recurrent funding primarily for the Effective Water Management and Supply, Land Use Victoria, and Fire and Emergency Management output groups.
- (ii) Variance is primarily due to more than expected Good and Services Tax revenue received during the year.
- (iii) The variance is primarily due to the level of grants paid for new initiatives such as bringing EPA into the modern era and securing our modern energy futures, and additional grants paid from Planning, Building and Heritage to address the future growth and transformation of Victoria's cities and regions and grants paid to the GMW Connections project.
- (iv) The variance is primarily due to a decline in payments for professional services by the energy division in relation to the powerline bushfire safety program and the transfer of payments to GMW for stage 2 of the Connections project from DELWP's controlled entity to the administered entity.
- (v) Variance is primarily due to increase in long term investment of surplus cash with TCV and VFMC.
- (vi) The variance is primarily due to movement in capital projects underspend.
- (vii) Variance is primarily due to lower Annual Appropriation in Net Asset Base as a result of lower than expected capital programs.
- (viii) Variance predominantly due to higher than expected motor vehicles lease liabilities.
- (ix) Variance primarily due to the transfer of funds from DELWP's controlled entity to allow contributed capital payment to GMW for the Connections Stage 2 project.

Administered items statement	2017-18 Actuals (\$ million)	2017-18 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Administered income				
Appropriations - payments made on behalf of the State	640	644	(4)	(1)
Fair value of assets and services received free of charge or for nominal consideration ⁽ⁱ⁾	13	25	(12)	(48)
Sales of goods and services ⁽ⁱⁱⁱ⁾	582	480	102	21
Grants	612	601	11	2
Interest	432	439	(7)	(2)
Other income	250	236	14	6
Total administered income	2,529	2,425	104	4
Administered expenses				
Expenses on behalf of the State ⁽ⁱⁱⁱ⁾	101	127	26	20
Grants and other transfers	619	589	30	5
Payments into consolidated fund	1,282	1,285	(3)	0
Interest and depreciation expense	442	439	3	0
Total administered expenses	2,444	2,440	4	0
Income less expenses	85	(15)	100	(666)
Other economic flows included in net result				
Net gain/(loss) on non-financial assets	1	0	1	N/A
Net gain/(loss) on financial instruments and statutory receivables/payables	(1)	0	(1)	N/A
Total other economic flows included in net result	0	0	0	0
Net result	85	(15)	100	(666)
Other economic flows – other comprehensive income				
Asset revaluation reserve	3	0	3	N/A
Other	0	0	0	0
Total other economic flows – other comprehensive income	3	0	3	N/A
Comprehensive result	88	(15)	103	(686)

Administered items statement	2017-18 Actuals (\$ million)	2017-18 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Administered assets				
Cash and deposits	1	1	0	0
Receivables	4,195	4,185	10	0
Other financial assets ^(iv)	42	0	42	N/A
Property, plant and equipment	755	699	56	8
Intangible assets ^(v)	219	263	(44)	(17)
Total administered assets	5,212	5,148	64	1
Administered liabilities				
Payables	76	85	(9)	10
Borrowings	4,067	4,074	(7)	0
Total administered liabilities	4,143	4,159	(16)	0
Net assets	1,069	989	80	8

Note:

- (i) Variance is primarily due to less assets received from joint operations (Murray Darling Basin Authority) than anticipated.
- (ii) Variance relates primarily to increase in Land Title Office registration fees as a result of increased activities in the property market.
- (iii) Variance is predominantly due to lower than expected contractor expenses relating to the Desalination Project.
- (iv) This relates to the investment of the Desalination Project Trust Fund with TCV. The funds in the trust are associated with AquaSure producing 46.1 GL of the 50 GL water order for 2016-17. The funds will be held until such time as there is reasonable certainty that any claims should they arise against the State have been resolved.
- (v) Variance primarily due to an overestimated budget for intangible assets (Renewable Energy Certificates).

Statement of Changes in Equity - Controlled	2017-18 Actuals (\$ million)	2017-18 Published Budget (\$ million)	Variance (\$ million)	Variance (%)
Opening accumulated surplus/(deficit)	464	422	42	10
Net result	317	(62)	379	(611)
Closing accumulated surplus/(deficit)	781	360	421	117
Opening contribution by owners	2,545	2,511	34	1
Net transaction with owners in their capacity as owners	(20)	(39)	19	(49)
Closing contribution by owners	2,525	2,472	53	2
Opening physical asset revaluation reserve	6,760	6,731	29	0
Movement in physical asset reserve	(2)	0	(2)	N/A
Closing physical asset revaluation reserve	6,758	6,731	27	0
Other reserve	0	9	(9)	(100)
Movement in other reserve	0	0	0	0
Closing other reserve	0	9	(9)	(100)
Total equity	10,064	9,572	492	5

Appendix 3: 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 2018

Project Name	Original completion date	Latest approved completion date	Practical completion date	Reason for variance in completion dates	Original approved TEI (a) 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
Reforming Victoria's Planning System – Smart Planning Program (statewide)	May 2016	June 2018	June 2018	N/A	7	13	13	0	N/A

Note:

(a) Total estimated investment

Table 2: Capital projects reaching financial completion during the financial year ended 30 June 2018

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 budget	Reason for variance from latest approved TEI Budget
Reforming Victoria's Planning System – Smart Planning Program (statewide)	June 2018	June 2018	7	13	13	0	N/A

Appendix 4: Disclosure of grants and transfer payments

Statutory Activities and Environment Protection - grant recipient	(\$)
Environment Protection Authority	81,374,981
Sustainability Victoria	36,931,418
Metropolitan Waste and Resource Recovery Group	6,023,000
Department of Treasury and Finance	3,975,000
Department of Health and Human Services	3,625,000
Parks Victoria	2,210,000
Commissioner for Environmental Sustainability	1,447,000
Grampians Central West Waste and Resource Recovery Group	944,373
Loddon Mallee Waste and Resource Recovery Group	896,695
Barwon South West Waste and Resource Recovery Group	789,230
Gippsland Waste and Resource Recovery Group	673,994
Goulburn Valley Waste and Resource Recovery Group	614,601
North East Waste and Resource Recovery Group	562,058
Eskdale Caravan & Water Reserve Committee of Management	106,000
Woodside Recreation Reserve Committee of Management	65,000
Mitchell Shire Council	60,000
Trust for Nature Victoria	59,000
Mildura Rural City Council	50,000
Mt Alexander Shire Council	45,000
South Gippsland Shire Council	45,000
Otway Coast Committee	35,000
Macedon Ranges Shire Council	33,750
Toolleen Recreation Reserve Committee of Management Inc	31,250
East Gippsland Shire Council	31,000
Cardinia Environment Coalition Inc	25,000
Snowy Wilderness Discovery Centre Committee of Management Inc	25,000
Merricks Beach Foreshore Committee of Management	22,500
Apsley Recreation Reserve Committee	20,000
Cannons Creek Foreshore Reserve Committee of Management Inc	20,000
Dooen Recreation Reserve Committee of Management	20,000

Statutory Activities and Environment Protection - grant recipient	(\$)
Murtoa Show Yards Reserve Committee	20,000
North Harrow Recreation Reserve Committee	20,000
Tyrendarra Hall and Recreation Reserve Committee of Management Inc	20,000
Cobrico Recreation Reserve Committee	19,650
Langkoop Hall and Recreation Reserve Committee of Management Inc	17,000
Hogan Park Committee of Management	16,600
Lake Cartcarrong Management Committee Inc	16,500
Pimpinio Sporting and Community Centre	15,117
Burke Road Billabong Committee of Management Inc	14,000
Cobden Golf Club Reserve Committee of Management Inc	13,900
Dixie Hall and Tennis Court Reserve Committee of Management Inc	13,100
Gordon Recreation Reserve	12,525
Lake Bolac Foreshore Committee Inc	11,706
Victoria Lagoon Recreation Reserve Committee Inc	10,860
Bittern Bushland Preservation Association Inc	10,000
Cairnlea Conservation Reserves Committee of Management	10,000
Cannibal Creek Recreation Reserve Committee Inc	10,000
Port Fairy to Warrnambool Rail Trail Committee	9,450
Hawkesdale Racecourse Reserve Inc	8,450
Shelford Recreation Reserve Committee of Management	8,437
Marnoo Public Hall Reserve	8,200
Bayles Fauna Park Inc	8,000
Bacchus Marsh Council Trench Committee of Management	7,015
Warrnambool Showgrounds Reserve Inc	6,500
Shoreham Foreshore Reserve Committee of Management	6,400
Trewalla Recreation Reserve	6,400
Advance Sea Lake Inc	6,000
Lethbridge Hall Committee of Management Inc	6,000
Upper Yarra River Reserves Committee of Management	6,000
Clematis Park	5,000
Ferny Creek Recreation Reserve	5,000

Statutory Activities and Environment Protection - grant recipient	(\$)
Other < \$5,000	8,690
Cross Output Transfer (Climate Change)	(112,631)
Total	141,004,719

Effective Water Management and Supply - grant recipient	(\$)
Goulburn-Murray Rural Water Corporation	33,390,739
Goulburn Broken Catchment Management Authority	17,644,464
CDM Smith Australia Pty Ltd	14,523,462
North Central Catchment Management Authority	11,519,814
Corangamite Catchment Management Authority	10,009,478
East Gippsland Catchment Management Authority	9,862,520
Mallee Catchment Management Authority	9,318,631
West Gippsland Catchment Management Authority	9,134,923
Glenelg-Hopkins Catchment Management Authority	8,171,263
North East Catchment Management Authority	6,280,040
Wimmera Catchment Management Authority	5,689,621
Coliban Water	5,062,883
Port Phillip and Westernport Catchment Management Authority	4,272,445
Department of Economic Development, Jobs, Transport and Resources	3,037,000
Goulburn Broken Catchment Management Authority - Farm Water Program	2,351,795
Melbourne Water	2,252,726
Grampians, Wimmera and Mallee Water	2,202,916
Western Water	1,380,000
Department of Justice and Regulation	909,091
Central Highlands Region Water Authority	842,400
Yarra Valley Water Ltd	790,000
Moogji Aboriginal Council	767,500
Southern Rural Water	736,780
RM2 Rogers Milne Marshall	693,399
Victorian State Emergency Service	500,000
Yarram Bakery	500,000

Effective Water Management and Supply - grant recipient	(\$)
The Designery	350,422
Ewater Ltd	294,493
Baw Baw Shire Council	266,000
Bunurong Land Council Aboriginal Corporation	260,000
Gunaikurnai Land and Waters Aboriginal Corporation	260,000
Yorta Yorta Nation Aboriginal Corporation	260,000
Djandak	259,510
CRC For Water Sensitive Cities	250,000
Ecoplan Australia Pty Ltd	249,795
Lorne Hotel	249,795
Bureau of Meteorology	241,913
Conference Design Pty Ltd	235,295
Kenlin Transport	235,295
City of Greater Geelong	227,273
Barengi Gadjin Land Council	225,000
Pyrenees Shire Council	213,435
South Gippsland Water Authority	200,000
Taungurung Clans Aboriginal Corporation	185,010
Lower Murray Water	137,937
Dhudhuroa Waywurru Nations Aboriginal Corporation ICN 7181	133,600
Alpine Heavy Mechanical	125,000
Environment Protection Authority	118,182
City of Greater Bendigo	112,000
Parks Victoria	111,380
Greater Gippsland Tree and Garden Care	109,091
Buloke Shire Council	94,874
Cardinia Shire Council	91,000
Barwon Region Water Authority	90,000
Department of Premier and Cabinet	81,609
Wurundjeri Tribe Land Compensation and Cultural Heritage Council Inc	75,000
South East Water Ltd	70,000

Effective Water Management and Supply - grant recipient	(\$)
Warrnambool City Council	66,000
Exchange Hotel Foster	60,000
Nhill Lawn Tennis Club Inc	60,000
Department of Agriculture and Water Resources Australia	55,676
Mitchell Shire Council	52,000
Ararat Rural City Council	51,400
Greening Australia - Victoria	50,000
Shire of Campaspe	49,800
Orbost Club Inc	47,200
Moira Shire Council	40,909
Tynong Public Hall Committee Inc	40,000
Yarriambiack Shire Council	39,800
Federation of Victorian Traditional Owner Corporations	38,400
Horsham Rural City Council	38,000
Central Goldfields Shire Council	36,801
Colac Otway Shire Council	35,000
Mansfield Shire Council	32,000
Federation University Australia	30,000
Halls Gap Golf Club	30,000
Hedley Public Hall and Recreation Reserve Committee of Management Inc	30,000
The University of Melbourne	30,000
Surf Coast Shire	28,000
Loddon Shire Council	26,548
Gippsland Forestry Services P/L T/A Heyfield Plant Hire	25,000
Greater Shepparton City Council	24,509
City of Wodonga	24,500
Mt Alexander Shire Council	21,818
Briagolong Hotel (Vic) Pty Ltd	20,000
Horsham Primary School	19,457
West Wimmera Shire Council	17,328
Murray Lower Darling Rivers Indigenous Nations	17,050

Effective Water Management and Supply - grant recipient	(\$)
RMIT University	15,000
Michael Williams and Associates Pty Ltd	14,750
Concongella Primary School	10,780
Waldron Smith Management	10,500
City of Ballarat	10,000
Gannawarra Shire Council	10,000
Mallee Fowl Hotel	10,000
Strathbogie Shire Council	10,000
Dunolly Primary School	9,764
Kellie Nichols	8,500
Leonie Duncan	7,750
Bradley John Costin	5,584
William Nicholson	5,500
Golden Plains Shire Council	5,000
Kaleana Reyland	5,000
Other < \$5,000	13,646
Total	168,945,769

Energy - grant recipient	(\$)
Ausnet Electricity Services Pty Ltd	15,325,221
Spotless Sustainability Services	10,484,702
Australian Energy Market Commission	7,159,713
Powercor Australia Ltd	4,249,745
Gess Devco Pty Ltd	2,265,000
Raygen Resources Pty Ltd	2,059,000
Centre for New Energy Technologies (C4Net)	1,585,000
Department of The Environment	1,427,854
Chargefox Pty Ltd	1,000,000
The Tipping Foundation	840,637
Victorian Building Authority	818,182
Arvio Pty Ltd	800,000

Energy - grant recipient	(\$)
Sustainability Victoria	800,000
Victoria University	797,273
Bupa Care Services	559,215
Wellington Shire Council	541,800
IND Technology Pty Ltd	455,000
Keppel Prince Engineering Pty Ltd	450,000
Shelf Subsea Australia Pty Ltd	448,000
Greensync	430,000
Yarra Ranges Council	400,000
Department of Health and Human Services	358,608
Baw Baw Shire Council	314,000
Golden City Support Services	273,907
Department of Premier and Cabinet	273,500
Homestyle Aged Care Services	268,246
Casey Aged Care	254,995
Andrew Kerr Aged Care Ltd	250,000
The Bays Aged Care Facility	250,000
The Environment Shop	249,630
N A Crowe Electrics	248,970
Victorian Underground Power	248,819
Barwon Region Water Authority	240,000
Victorian Council of Social Services	181,847
Yackandandah Health	174,553
Kensington Grange	164,080
Selectronic Australia Pty Ltd	162,500
Moreland Energy Foundation Ltd	153,000
Community Housing Federation of Victoria	145,000
Mind Australia	137,144
West Wimmera Health Services	134,169
Abbey Gardens Aged Care	126,445
Princes Park Lodge	122,980

Energy - grant recipient	(\$)
Wallara Australia Ltd	121,700
Royal Freemasons	118,836
Sea Automotive Pty Ltd	115,115
Maher Refrigeration & Electrical	112,405
Bass Coast Health	104,216
Sorrento Lodge	102,950
Groundline Australia Pty Ltd	101,981
Geelong Sustainability Group Inc	100,000
Monash University	100,000
Newstead 2021	100,000
A J Page Electrical Pty Ltd	98,868
East Grampians Health Service	97,967
City of Greater Bendigo	97,749
East Gippsland Shire Council	80,000
Homestead Lakes	77,800
Australian Vietnamese Women's Association Inc	75,000
MASG Renewables P1 Operations Pty Ltd	75,000
Stawell Regional Health	74,208
Traralgon Aged Care	73,060
SECCCA	70,000
Casey Manor Aged Care	67,650
Indigo Shire Council	66,053
City of Wodonga	65,000
Homebush Hall Supported Residential Service	64,500
Whelan Energy Innovations	62,367
The Homestead	61,980
Mil-Systems Pty Ltd	60,000
Laidlaw Electrical Pty Ltd	55,970
Sea Automotive Commercial Electric Vehicle	55,145
University of Technology Sydney	55,000
Natimuk Agricultural and Pastoral Society Inc	54,973

Energy - grant recipient	(\$)
Kyneton Lodge	54,760
Marcus McMillan Electrical	51,945
Winton Wetlands Committee of Management Inc	50,000
Murray Human Services Inc	49,407
The University of Melbourne	49,252
Gippsland Southern Health Services	47,090
Dorman's Electrical	46,954
Pinnacle Inc	45,269
United Energy Distribution Pty Ltd	44,750
McCallum Disability Services	44,054
Energy & Water Ombudsman (Vic) Ltd	44,000
Uniting (Victoria and Tasmania) Ltd	42,829
Mirboo North Community Shed Co-Operative Ltd	40,000
Southern Grampians Shire Council	40,000
Knight Network Pty Ltd	35,000
Macedon Ranges Electrics	34,485
P & B Electrics Pty Ltd	34,284
Agvet Energy	32,000
DBH Electrical	31,939
Tom Vallance Electrical	30,300
Hepburn Shire Council	30,000
Steve Taylor Electrical	28,597
Robert Shaw Building and Electrical Service	27,400
Access Dynamics Electrical	26,200
Websters Electrical	26,065
Les Riches Electrical Contractors Pty Ltd	25,871
Wangaratta Rural City Council	25,000
TMN Electrical & Air Conditioning	24,980
Breaze Incorporated	23,891
Matt Peel Electrical	22,700
Howe Electrical & Air Conditioning	22,600

Energy - grant recipient	(\$)
Cowland Electrical Pty Ltd	22,212
Graeme Currie Electrical Contractor Pty Ltd	21,843
Silvan Electrics Pty Ltd	21,210
Ablaze Electrical Echuca & Surrounds - Joel Randall	20,950
Darebin City Council	20,000
Marathon Electrical Pty Ltd	19,890
Pollard's Electrical Contracting	18,449
Craig Muir Electrical Pty Ltd	18,120
Brendan Hickey Electrical	16,425
Peter & Susan McGillivray	14,752
CSIRO	14,720
Burra Electrical Services Pty Ltd	14,658
Caprice Electrical Services	14,600
Rohan Kaldvee Electrician	12,207
Port Fairy Electrics	11,727
Pat Glynn Electrical	10,600
Energy Innovation Co-Operative Ltd	10,450
Simon Lucas Electrical Services Pty Ltd	10,300
ICD (Asia Pacific) Pty Ltd	9,765
Primma Electrical	8,100
Switched Electrical Contractors	7,490
Elecmen	7,352
Mayark Earth & Electrical Pty Ltd	6,725
Blue Devil Electrical	6,717
Other < \$5,000	3,579
Cross Output Transfer (Climate Change)	(12,500)
Euroa Environment Group Inc	(15,000)
Adjustment of GST status of grants paid in previous financial year	(641,689)
Total	60,999,502

Parks Victoria - grant recipient	(\$)
Parks Victoria	176,757,383
Cross Output Transfer (Statutory Activities and Environment Protection)	1,620,000
Total	178,377,383

Management of Public Land and Forests - grant recipient	(\$)
Zoological Parks and Gardens Board	29,924,204
Royal Botanic Gardens Victoria	23,069,814
Southern Alpine Resort Management Board	5,830,000
Department of Economic Development, Jobs, Transport and Resources	2,435,000
The University of Melbourne	2,011,273
Rural City of Wangaratta	2,000,000
Latrobe City Council	1,223,315
Shrine of Remembrance	981,724
Gunaikurnai Traditional Owner Land Management Board	948,000
Gunaikurnai Land and Waters Aboriginal Corporation	927,537
Wellington Shire Council	664,588
Parks Victoria	525,471
Balmoral Quay Pty Ltd	500,000
State Baseball Softball Centre	390,000
Dhelkunya Dja Land Management Board	389,800
Lancefield Park Recreation Reserves Inc	369,545
Glen Eira City Council	354,505
Yorta Nation Aboriginal Corporation	330,348
Barengi Gadjin Land Council	325,357
Baw Shire Council	325,000
Mt Alexander Shire Council	301,900
See Program 68	257,705
Otway Coast Committee	256,635
Four Wheel Drive Victoria	250,000
National Trust of Australia (Vic)	242,000
City of Port Phillip	213,761

Management of Public Land and Forests - grant recipient	(\$)
Environment Protection Authority	200,000
City of Kingston	194,409
Bayside City Council	130,849
Mt Buller and Falls Creek Alpine Resort Management Board	130,000
Mornington Peninsula Shire Council	125,545
Bellarine Bayside Foreshore Committee of Management Inc	108,839
Hobsons Bay City Council	103,731
Bushwalking Victoria Inc	100,000
Federation of Victorian Traditional Owner Corporations	100,000
Inverloch Recreation Reserve Committee Inc	100,000
Great Ocean Road Coast Committee of Management	97,045
Parklands Albury Wodonga	80,162
Gunditj Mirring Traditional Owners Aboriginal Corporation	68,182
Lakes Entrance Recreation Reserve Committee of Management Inc	55,000
Walhalla Board of Management Inc	50,000
Surface Consulting Pty Ltd	49,628
Frankston City Council	49,007
Bass Coast Shire Council	38,018
Blackwood Crown Reserves Committee of Management Inc	35,600
Point Leo Foreshore Committee of Management	31,485
Trentham Sportsground Reserve Committee of Management Inc	27,000
Forrest and District Community Group	25,000
La Larr Ba Gauwa Park Committee	25,000
Moorabool Shire Council	24,000
Barwon Coast Committee of Management	21,838
Gippsland Ranges Roller Derby	20,889
Great Southern Rail Trail (Leongatha-Yarram Rail Committee of Management)	20,116
Powelltown Public Hall Reserve Inc	19,557
City of Greater Geelong	18,368
Bunurong Land Council Aboriginal Corporation	18,182
Dja Wurrung Clans Aboriginal Corporation	18,182

Management of Public Land and Forests - grant recipient	(\$)
Eastern Maar Aboriginal Corporation	18,182
Taungurung Clans Aboriginal Corporation	18,182
Wathaurung Aboriginal Corporation	18,182
Alpine Shire Council	16,000
Phillip Island Nature Park Board of Management	15,792
Tynong Public Hall Committee Inc	15,000
East Gippsland Shire Council	14,013
Hepburn Shire Council	14,000
Toolangi Forest Discovery - Committee of Management	13,999
Borough of Queenscliffe	13,450
Wyndham City Council	13,440
Ensay Recreation Reserve Inc	12,650
Bonnie Doon Recreation Reserve Incorporated	10,300
Gippsland Plains Rail Trail Committee of Management	10,000
Lancefield Mechanics Institute Committee of Management	10,000
View Street Public Hall Reserve Committee	9,900
Strathbogie Shire Council	9,822
Gordon Recreation Reserve	9,040
Carrajung South Hall and Recreation Reserve	8,500
Manangatang Public Hall Committee of Management Inc	8,328
Nandaly Public Hall and Recreation Reserves Committee	8,110
Warrnambool City Council	7,101
Corryong Recreation Reserve Inc	6,800
Dromana Foreshore Committee of Management Inc	6,689
Merricks Beach Foreshore Committee of Management	6,621
Sandy Point Foreshore Committee of Management	5,800
Highlands Community Hall Committee Inc	5,700
Durham Ox Public Reserve Committee	5,500
Taradale Historical Group	5,500
Whitecliffs - Camerons Bight Foreshore Reserves Committee	5,106
Buchan Recreation Reserve	5,000

Management of Public Land and Forests - grant recipient	(\$)
Post Office Hill Action Group	5,000
Thowgla Hall and Recreation Reserve	5,000
Other < \$5,000	30,765
Return of Unspent Grant Funding	(2,007,428)
Total	75,493,158

Fire and Emergency Management - grant recipient	(\$)
Parks Victoria	17,874,558
Country Fire Authority	5,844,125
Environment Protection Authority	848,977
Department of Justice and Regulation	786,709
Wannon Water	700,626
The University of Melbourne	431,291
Corangamite Catchment Management Authority	291,370
Lancefield Park Recreation Reserves Inc	250,543
Glenelg-Hopkins Catchment Management Authority	215,000
Bureau of Meteorology	189,093
Victorian Rail Track	150,000
Department of Economic Development, Jobs, Transport and Resources	42,773
Murrindindi Shire Council	40,000
Commissioner for The Environment and Sustainability	40,000
Colac Otway Shire Council	10,000
City of Ballarat	9,813
Manningham City Council	7,670
Latrobe City Council	7,520
Warrnambool City Council	7,500
Mornington Peninsula Shire Council	6,400
Pyrenees Shire Council	5,990
Strathbogie Shire Council	5,000
Other < \$5,000	18,944
Total	27,783,902

Environment and Biodiversity - grant recipient	(\$)
VicForests	4,782,227
Wimmera Catchment Management Authority	2,866,948
Parks Victoria	2,819,769
Trust for Nature Victoria	1,754,334
Goulburn Broken Catchment Management Authority	1,147,753
Mallee Catchment Management Authority	1,087,427
Mount Rothwell Biodiversity Pty Ltd	1,022,065
Glenelg-Hopkins Catchment Management Authority	903,687
North Central Catchment Management Authority	836,292
Port Phillip and Westernport Catchment Management Authority	755,687
Corangamite Catchment Management Authority	723,437
North East Catchment Management Authority	719,471
The Nature Conservancy Australia	672,050
West Gippsland Catchment Management Authority	661,948
East Gippsland Catchment Management Authority	623,371
Environment Protection Authority	603,910
Nargundy Pty Ltd	593,577
Mornington Peninsula Shire Council	463,013
Nature Glenelg Trust	435,000
Deakin University	410,000
Cassinia Environmental and Greenhouse Balanced	400,902
Nillumbik Shire Council	373,986
City of Whittlesea	295,296
Zoological Parks and Gardens Board	295,000
Game on Superannuation Fund	281,134
City of Greater Geelong	276,000
City of Casey	268,770
Cardinia Shire Council	264,505
Yarram Yarram Landcare Network	262,431
Corrections Victoria	250,000
Brimbank City Council	249,000

Environment and Biodiversity - grant recipient	(\$)
Department of Economic Development, Jobs, Transport and Resources	237,705
Yarra Ranges Council	236,317
Monash University	232,000
Djandak	227,800
City of Greater Dandenong	223,080
Bass Coast Shire Council	219,163
Dunkeld Pastoral Co Pty Ltd	207,779
The University of Melbourne	204,568
City of Boroondara	202,500
Hume City Council	198,500
Connecting Country (Mt Alexander Region) Inc	197,267
Mt Hotham Alpine Resort Management Board	197,112
Wyndham City Council	196,950
Royal Botanic Gardens Victoria	190,000
Victorian National Parks Association	187,727
Frankston City Council	187,050
Heytesbury District Landcare Network	181,836
City of Kingston	180,000
Phillip Island Nature Park Board of Management	178,097
Birdlife Australia	177,996
Conservation Volunteers Australia	173,893
Moreland City Council	169,770
Knox City Council	167,650
Yarra Riverkeepers	166,625
Australasian Native Orchid Society - Victorian Group Inc	163,668
Whitehorse City Council	162,000
Monash City Council	155,596
LM Buckley & PR Buckley	153,757
Lismore Land Protection Group	152,501
Basalt to Bay Landcare Network	151,553
Darebin City Council	145,770

Environment and Biodiversity - grant recipient	(\$)
RMIT University	140,565
Outdoors Victoria Limited	140,000
City of Greater Bendigo	138,182
Glen Eira City Council	131,100
Warrnambool City Council	130,746
Banyule City Council	125,400
Greening Australia - Victoria	125,000
Melton City Council	123,000
Hobsons Bay City Council	120,100
Bunurong Land Council Aboriginal Corporation	120,000
Panyyabyr Landcare Group	117,823
Wodonga Urban Landcare Network	117,621
Gerrpart Holdings Pty Ltd	114,872
Parklands Albury Wodonga	114,700
Ovens Landcare Network	113,491
Maroondah City Council	113,370
Wando River Landcare Group Inc	113,083
Moonee Valley City Council	110,550
Barapa Land and Water	110,000
Bayside City Council	109,980
Upper Goulburn Landcare Network	109,791
Barengi Gadjin Land Council	109,150
Kiewa Catchment Landcare Group Inc	108,631
Latrobe Catchment Landcare Network	108,390
Benambra Dinner Plain Omeo Landcare Group	108,377
Mallee Landcare Group Inc	108,377
Seeding Victoria	108,377
Upper Barwon Landcare Network Inc	108,377
West Gippsland Landcare Sub Network	108,377
Wyuna Landcare Group Inc	108,377
Manangatang Landcare Group	106,866

Environment and Biodiversity - grant recipient	(\$)
Manningham City Council	106,830
Up2Us Landcare Alliance	105,866
Victorian Mallee Fowl Recovery Group Inc	104,600
City of Port Phillip	104,100
City of Melbourne	103,500
Rainbow and District Landcare Group	102,531
Mitta Valley Landcare Group Inc	102,525
East Gippsland Landcare Network Inc	101,781
Southwest Goulburn Landcare Inc	101,651
Western Port Catchment Landcare Network	101,593
Maffra & Districts Landcare Network	100,665
Nullawil Landcare Group	100,556
Project Platypus Inc	100,441
Phillip Island Landcare Group	99,540
Friends of Merri Creek Inc	99,521
AJ & KJ Rowe Pty Ltd	99,520
Upper Campaspe Combined Landcare Groups	99,016
Kara Kara Conservation Management Network Inc	97,435
Geelong Sustainability Group Inc	97,000
Greater Shepparton City Council	96,052
City of Yarra	96,000
French Island Landcare	95,839
Threatened Species Conservancy	95,523
Stonnington City Council	94,500
City of Ballarat	93,600
K & RJ Matthews Quarries Pty Ltd	92,600
Port Phillip Ecocentre Inc	92,569
Macedon Ranges Shire Council	92,100
Landcare Victoria Inc	90,000
Latrobe City Council	90,000
Hydratest	87,500

Environment and Biodiversity - grant recipient	(\$)
Middle Yarra Landcare Network	86,269
Australian Network for Plant Conservation Inc	85,755
Baw Baw Shire Council	85,674
David K Hung	84,754
Greta Valley Landcare Group	83,950
Strathbogie Ranges Conservation Management Network Inc	83,870
Hindmarsh Landcare Network	81,507
Gunditj Mirring Traditional Owners Aboriginal Corporation	80,000
Surf Coast & Inland Plains Network	77,171
Blampied-Kooroocheang Landcare Group	76,091
City of Maribyrnong	75,000
SSSB Superannuation Fund	74,089
Grant Flynn	72,791
Tiverton Property Partnering Pty Ltd	72,576
Bass Coast Landcare Network Inc	72,506
South Gippsland Landcare Network Inc	72,353
Moorabool Landcare Network	71,486
Cesar Consultants Pty Ltd	70,000
Wurundjeri Tribe Land Compensation & Cultural Heritage Council Inc	69,100
Werribee River Association Inc	68,497
Cairnlea Conservation Reserves Committee of Management	67,600
Swinburne University of Technology	67,298
Mitchell Shire Council	67,290
Geelong Landcare Network	66,384
Balcombe Estuary Reserves Group Mt Martha Inc - Berg Mt Martha	64,161
Upper Loddon and Avoca Landcare Network	63,531
Oscarnell Farming Pty Ltd	63,434
Mornington Peninsula Landcare Network	63,340
The Scout Association of Australia Victorian Branch	63,235
Southern Otway Landcare Network Inc	61,831
Ronald Webster	61,300

Environment and Biodiversity - grant recipient	(\$)
Goulburn Murray Landcare Network Inc	60,831
Dhudhuroa Waywurru Nations Aboriginal Corporation ICN 7181	60,000
Tangaroa Blue Foundation Ltd	58,683
VicSuper Ecosystems Services Pty Ltd	57,870
Grand Ridge Plantations Pty Ltd	56,781
Melbourne Water	55,700
Gunaikurnai Land and Waters Aboriginal Corporation	54,545
Moogji Aboriginal Council	54,545
Ozfish Unlimited	54,500
Bland Dairies	54,230
Northern Yarra Landcare Network	54,189
Mildura Rural City Council	53,610
Glen Goulburn	53,120
Upper Hopkins Land Management Group	52,869
Barongarook Landcare Group	52,531
Bellarine Landcare Group Inc	52,531
Far East Victoria Landcare Inc	52,531
Gecko Clan Inc	52,531
Glenaladale Landcare Group	52,531
Hamilton to Coleraine Railway Line Landcare Group	52,531
Kowree Farm Tree Group Inc	52,531
Laharum Landcare Group	52,531
Merton Landcare Inc	52,531
Mid Ovens Landcare Consortium	52,531
Millewa Carwarp Landcare Group Inc	52,531
Murrayville Landcare Group	52,531
Southern Ranges Environment Alliance	52,531
Strathewen Landcare Group	52,531
Tom's Creek Landcare Group Inc	52,531
Upper Mt Emu Creek Landcare Network	52,531
Yarra Ranges Landcare Network	52,531

Environment and Biodiversity - grant recipient	(\$)
Yarrilinks Inc	52,531
Upper Deep Creek Landcare Network	52,426
Upper Murray Landcare Network	52,413
Friends of the Helmeted Honeyeater Inc	51,738
Yarrowee Leigh Catchment Group Inc	50,510
Wandobah Pastoral	50,080
Beulah Landcare Group	50,000
Beyond Bolac Cag	50,000
Culgoa and District Landcare Group	50,000
Euroa Environment Group Inc	50,000
Fungimap Inc	50,000
Kongwak Hills Landcare Group	50,000
Malmsbury District Landcare Group	50,000
Newham and District Landcare Group	50,000
Southwest Mornington Peninsula Landcare Group	50,000
Trentham and District Landcare Group	50,000
Ultima Landcare Group	50,000
Woomelang Lascelles Landcare Group	50,000
Gunbower Landcare Incorporation	49,950
Ashbourne Landcare Group	49,890
Sandy Point Community Group Inc	49,870
Morison Alden Superannuation Pty Ltd	49,815
Powlett Project	49,650
Berriwillock Landcare Group	49,525
Community Weed Alliance of The Dandenongs	49,400
JA Michelson & RJ Michelson	49,350
Friends of Winton Wetlands	49,150
Friends of Campbells Creek	49,003
Friends of the Kooyoor State Park	48,900
Latrobe University	48,775
Stoppitt Inc	48,580

Environment and Biodiversity - grant recipient	(\$)
Longwood Plains Conservation Management Network Inc	48,500
Honeysuckle Recreation Environment Project (Violet Town Action Group Inc)	48,440
Mornington Peninsula and Western Port Biosphere Reserve Foundation Ltd	48,302
Northern Plains Conservation Management Network Inc	48,250
Springhurst and Byawatha Hills Landcare Group	48,000
South Gippsland Conservation Society Inc	47,985
Buloke and Northern Grampians Landcare Network	47,869
Western Melbourne Catchments Network Inc	47,278
Snowy River Interstate Landcare Committee	47,215
Upper Campaspe Landcare Network Inc	46,840
Avon Landcare Group	46,748
Gippsland Water	46,000
Great Ocean Road Coast Committee of Management	45,810
Hughes Creek Catchment Collaborative	45,731
Sharkey Farming Trust	45,000
Goulburn Valley Environment Group Inc	44,945
Axe Creek Landcare Group	44,834
Kaniva District Landcare	44,581
Woody Yaloak Catchment Group	44,069
Mt Rothwell Landcare Volunteers Inc	43,000
Michelle Eustice	42,690
H11 - H12 Community Action Group	42,531
East Gippsland Shire Council	42,527
Campaspe Shire Council	42,420
Surf Coast Shire	41,040
St Paul's Anglican Grammar School	39,964
Wellington Shire Council	39,600
Walhalla Board of Management Inc	39,369
Carinya Ag Enterprises	39,110
Christmas Hills Landcare Group	39,038
Woorndoo Land Protection Group	38,952

Environment and Biodiversity - grant recipient	(\$)
Flynn Peter J & Brenda V	37,497
Wedderburn Conservation Management Network	37,190
Harston Community Land Care Group	37,160
Element Fox Pty Ltd	37,072
Friends of Bald Hill Reserve	36,700
Mount Elephant Community Management	36,485
St Aloysius Primary School	36,167
City of Wodonga	36,000
Rural City of Wangaratta	36,000
Dja Dja Wurrung Clans Aboriginal Corporation	35,605
Ferny Creek Primary School	35,216
D J Baker-Gabb & J C Fitzherbert	33,750
Mt Worth & District Landcare Group Inc	33,600
Deep Lead Property Pty Ltd	33,584
East Gippsland Rainforest Conservation Management Network	33,425
Upper Ovens Valley Landcare Group	33,100
Perri Joseph	32,698
Syer Stephen & Woodward Elisabeth	31,986
Moorabool Shire Council	31,836
Department of The Environment	31,554
South West Coastal Action Network	31,266
Wathaurung Aboriginal Corporation	30,000
Ballarat Environment Network Inc	29,555
J Field & K Darling	29,344
Napoleons Enfield Landcare Group	29,328
Windamara Aboriginal Corporation	29,216
Koetong Landcare Group	28,918
Mandurang Strathfieldsaye Landcare Network	28,806
Moir Shire Council	28,800
The Royal Society of Victoria	28,300
Reef Life Survey Inc	28,250

Environment and Biodiversity - grant recipient	(\$)
Friends of Westgate Park	27,700
Aware Australian Wildlife Assistance Rescue and Education Inc	27,680
Loddon Plains Landcare Network	27,551
Petaurus Education Group Inc	27,023
Mother of God School Ardeer	26,580
Tarragal Landcare Group	26,266
Richard Sealock	26,199
Remember The Wild	24,992
Chewton Landcare Group	24,592
Conservation Ecology Centre	24,515
Australian Marine Mammal Conservation Foundation	24,102
Golden Plains Shire Council	23,850
Gary Wallis	23,273
Central Victorian Biolinks Alliance Inc	22,750
Gray Barnaby & Carrington Michal	22,664
Robert Swinburn	22,655
Colac Otway Shire Council	22,200
Moorabool Catchment Landcare Group	21,500
Knox Environment Society	21,400
Glenelg Shire Council	21,355
South Gippsland Shire Council	21,312
Campaspe River & Land Management	21,136
Cannons Creek Foreshore Reserve Committee of Management Inc	20,950
Avon Plains Banyena Landcare Group	20,550
Active Seeds	20,369
Parks & Leisure Australia	20,000
Winton Wetlands Committee of Management Inc	19,973
Mount Alexander Shire Council	19,200
Swan Hill Rural City Council	19,200
David & Ruth Marnie	18,651
Red Hill South Landcare Group	18,592

Environment and Biodiversity - grant recipient	(\$)
Myrtleford and District Landcare and Sustainability Group	18,585
Ian Fraser	18,010
Horsham Rural City Council	18,000
Bendigo and District Aboriginal Co-Operative	17,751
Alpine Shire Council	17,524
AD Colbert & JD Colbert	17,524
King & Shiau Pty Ltd	17,483
Friends of Glenfern Valley Bushlands	17,045
Benalla Rural City Council	16,920
Kenneth Mason and Mary Dixon	16,862
Indigo Shire Council	16,800
Hepburn Shire Council	16,650
Murray Lower Darling Rivers Indigenous Nations	16,500
Making A Difference (Mad) for The Merri Inc	16,465
Aus Eco Solutions	16,363
Eagle Point Landcare Coastcare Group	16,233
Friends of The Forgotten Woodlands Inc	16,200
Jeroen and Margaret Van Veen	16,073
Warrnambool Coastcare Landcare Network	15,825
Corangamite Shire Council	15,660
James Patrick Fowler	15,477
CRC for Spatial Information	15,000
Victorian Environment Friends Network Inc	15,000
St Andrews Landcare	14,918
Anne Lyon	14,845
Murrindindi Shire Council	14,409
Central Goldfields Shire Council	14,400
Christiane Jaeger	14,364
Mid Loddon Sub-Catchment Management Group	14,320
GJ McNaughton Pastoral Co	14,164
Stephen Watson	14,024

Environment and Biodiversity - grant recipient	(\$)
Friends of Wilson Reserve Inc	14,000
Sharp Transport	13,968
Strathbogie Shire Council	13,800
Adjustment of GST status of grants paid in previous financial year	13,611
Port Fairy to Warrnambool Rail Trail Committee	13,550
Mansfield Shire Council	13,200
Frankston Beach Association Inc	12,200
Moyne Shire Council	12,120
Wattle Flat Pootilla Landcare Group	11,823
Gannawarra Shire Council	11,820
Northern Grampians Shire Council	11,580
Friends of Canadian Corridor Inc	11,213
Friends of Beware Reef Inc	11,000
Jawbone Marine Sanctuary Care	11,000
Friends of Crusoe Reservoir and Number 7 Park	10,700
Beach Patrol Australia Inc	10,200
Whitecliffs - Camerons Bight Foreshore Reserves Committee of Management Inc	10,000
Fishcare Victoria Inc	9,970
Cardinia Catchment Landcare Inc	9,940
Angair Inc	9,800
Richmond West Primary School	9,785
Friends of The Prom Inc	9,500
Golden Point Landcare	9,500
Mt Korong Eco-Watch Association Inc	9,482
Ararat Rural City Council	9,000
Australian Landscape Trust	8,890
Buloke Shire Council	8,297
Irene Veit and Tania Kirby	7,403
CJ & SE Lewis	7,016
Friends of Leadbeaters Possum Inc	6,980
Towong Shire Council	6,902

Environment and Biodiversity - grant recipient	(\$)
St Arnaud Field Naturalists	6,847
Mount Eliza Association for Environmental Care Inc	6,700
Beechworth Landcare	6,100
Loddon Shire Council	6,000
Yackandandah Cemetery Trust	5,600
Pyrenees Shire Council	5,520
Borough of Queenscliffe	5,430
David K Morris	5,400
Yarriambiack Shire Council	5,400
Friends of Venus Bay Peninsula	5,000
Gippsland Intrepid Landcare	5,000
Iranian Bushwalkers	5,000
Other < \$5,000	268,919
Return of Unspent Grant Funding	(114,889)
Cross Output Transfer (Management of Public Land and Forests)	(257,705)
Totals	48,967,538

Local Government - grant recipient	(\$)
Melton City Council	9,399,522
City of Casey	7,014,198
Wyndham City Council	6,200,445
City of Whittlesea	5,628,516
Cardinia Shire Council	5,413,086
Hume City Council	4,391,135
Mornington Peninsula Shire Council	3,607,262
Yarra Ranges Council	3,020,877
Vision Australia Ltd	2,738,651
Yarra Plenty Regional Library Service	2,524,235
Geelong Regional Library Service	1,966,287
City of Kingston	1,778,962
Nillumbik Shire Council	1,390,109
Eastern Regional Libraries Corporation	1,374,662

Local Government - grant recipient	(\$)
North Central Goldfields Regional Library Corporation	1,352,575
Mitchell Shire Council	1,294,950
Casey Cardinia Library Corporation	1,278,275
Monash City Council	1,187,481
City of Boroondara	1,098,976
Moreland City Council	1,074,203
City of Greater Dandenong	1,035,777
Glen Eira City Council	939,613
Whitehorse Manningham Regional Library Corporation	933,202
City of Melbourne	890,273
West Gippsland Regional Library Corporation	857,487
Goulburn Valley Regional Library Corporation	824,884
City of Ballarat	793,827
Corangamite Regional Library Corporation	787,898
Moonee Valley City Council	782,306
City of Port Phillip	758,823
Banyule City Council	750,000
Hobsons Bay City Council	742,086
Alpine Shire Council	696,091
Mildura Rural City Council	692,520
Wimmera Regional Library Service	667,666
Brimbank City Council	664,634
Latrobe City Council	652,289
City of Yarra	587,940
City of Maribyrnong	573,208
East Gippsland Shire Council	527,473
Darebin City Council	495,975
Frankston City Council	487,012
Moorabool Shire Council	450,320
City of Wodonga	447,418
Campaspe Shire Council	426,004
Buloke Shire Council	409,510

Local Government - grant recipient	(\$)
Central Goldfields Shire Council	408,525
Glenelg Shire Council	367,753
Stonnington City Council	359,124
Wellington Shire Council	356,044
Horsham Rural City Council	353,054
Bayside City Council	339,778
Indigo Shire Council	329,188
Hepburn Shire Council	305,454
Ararat Rural City Council	291,368
Gannawarra Shire Council	288,241
Murrindindi Shire Council	285,166
Surf Coast Shire	263,487
Northern Grampians Shire Council	245,000
Manningham City Council	240,000
Towong Shire Council	231,640
Southern Grampians Shire Council	224,726
Rural City of Wangaratta	224,349
Hindmarsh Shire Council	224,111
Swan Hill Rural City Council	210,732
Wangaratta Rural City Council	210,182
Pyrenees Shire Council	207,963
Mansfield Shire Council	204,087
Yarriambiack Shire Council	200,000
Greater Shepparton City Council	192,595
Benalla Rural City Council	181,786
Moyne Shire Council	173,500
Golden Plains Shire Council	161,658
Macedon Ranges Shire Council	154,787
City of Greater Bendigo	151,996
Mount Alexander Shire Council	151,510
South Gippsland Shire Council	148,707
City of Greater Geelong	140,345

Local Government - grant recipient	(\$)
Melton Shire Council	120,000
Strathbogie Shire Council	113,364
West Wimmera Shire Council	111,720
Baw Baw Shire Council	102,922
Corangamite Shire Council	96,290
Bass Coast Shire Council	76,526
Moir Shire Council	75,000
Warrnambool City Council	66,643
Knox City Council	53,100
Balibo House Inc	50,000
Loddon Shire Council	50,000
Colac Otway Shire Council	37,228
Municipal Association of Victoria	30,000
Mechanics Institutes of Victoria	13,000
Public Libraries Victoria Network Inc	12,000
Yarra City Council	10,290
Berwick Mechanics Institute and Free Library Inc	10,000
Little River Mechanics Institute and Free Library Inc	10,000
Maldon Athenaeum Library	10,000
The Ballarat Mechanics Institute	10,000
Stanley Soldiers Memorial Hall and Athenaeum Committee of Management	9,988
Bonnie Doon Community Group Inc	9,935
Footscray Mechanics Institute Inc	8,030
Prahran Mechanics Institute	8,000
Talbot Community Library and Arts Centre Inc	8,000
The Melbourne Athenaeum Inc	8,000
Department of Justice and Regulation	5,000
Other < \$5,000	4,545
Return of Unspent Grant Funding	(1,082,100)
Total	89,472,977

Suburban Development - grant recipient	(\$)
Hume City Council	2,800,000
Total	2,800,000

Planning, Building and Heritage - grant recipient	(\$)
Melbourne Metro Rail Authority	37,688,358
Department of Education and Training	31,237,500
Victorian Planning Authority	19,781,664
Victorian Building Authority	4,660,000
City of Greater Geelong	3,247,454
VicRoads	2,910,000
Country Fire Authority	2,525,000
Department of Economic Development, Jobs, Transport and Resources	2,050,000
Parks Victoria	1,750,000
Mitchell Shire Council	1,520,000
Public Transport Victoria	1,500,000
Department of Health & Human Services	1,200,000
Essendon Historical Society Moonee Ponds Court House Museum	785,000
City of Ballarat	677,500
Abbotsford Convent Foundation	500,000
Heritage Council Victoria	500,000
National Trust of Australia (Vic)	482,500
City of Greater Bendigo	450,000
Swan Hill Rural City Council	450,000
Uniting Church in Australia Synod of Victoria and Tasmania	450,000
Department of Premier and Cabinet	386,685
Trades and Labour Council of Ballarat	340,000
RMIT University	321,000
The University of Melbourne	300,000
Wurundjeri Tribe Land Compensation and Cultural Heritage Council Inc	300,000
Camperdown Grandstand Restoration Committee Inc	297,000
Royal Botanic Gardens Victoria	200,000

Planning, Building and Heritage - grant recipient	(\$)
Environment Protection Authority	199,346
City of Maribyrnong	180,000
Corangamite Shire Council	180,000
City of Port Phillip	165,000
Deakin University	150,000
City of Greater Dandenong	139,000
City of Moreland	139,000
Deaf Children Australia	135,000
Monash City Council	130,000
Kilmore Court House Reserve Committee of Management Inc	117,000
Moonee Valley City Council	110,000
Melbourne Anglican Trust Corporation	107,500
Bendigo Cemeteries Trust	100,000
Moyne Shire Council	100,000
Yarra Valley Railway Inc	100,000
Catholic Diocese of Ballarat	90,000
Golden Plains Shire Council	81,000
Latrobe City Council	80,500
Brimbank City Council	80,000
Maroondah City Council	80,000
Moir Shire Council	80,000
Montgomery Motorsport Pty Ltd	70,000
Macedon Ranges Shire Council	65,000
Mt Alexander Shire Council	63,300
Victoria Walks	44,480
Glenelg Shire Council	43,000
Phillip Island Nature Park Board of Management	37,500
Body Corporate Strata Plan No Ps 436062V	37,000
Surf Coast Shire	35,000
National Heart Foundation of Australia - Victorian Division	32,164
Banyule City Council	30,000

Planning, Building and Heritage - grant recipient	(\$)
City of Yarra	30,000
Hepburn Shire Council	30,000
Homestead Australia Pty Ltd T/A Tarndie	25,000
Mornington Peninsula Shire Council	25,000
Wellington Shire Council	23,000
Barengi Gadjin Land Council	22,500
Footscray Historical Society Inc	22,500
Baw Baw Shire Council	20,909
Psyche Bend Steam	20,000
Benalla Rural City Council	18,000
Chowders Pty Ltd	18,000
Central Goldfields Shire Council	17,500
Roman Catholic Trust Corp for the Diocese of Melbourne	16,500
City of Whittlesea	16,000
Box Hill Cemetery	12,500
Nillumbik Shire Council	12,500
The Victorian Artists Society	12,500
Melbourne Water	12,000
Falls Creek Alpine Resort Management Board	10,000
Geelong Art Society Inc	10,000
Tyntyndyer Homestead Incorporated	10,000
Other < \$5,000	4,500
Return of Unspent Grant Funding	(802,000)
Total	119,097,360

Land Use Victoria - grant recipient	(\$)
Surveyors Registration Board of Victoria	100,000
Other < \$5,000	2,791
Total	102,791

Climate Change - grant recipient	(\$)
Sustainability Victoria	1,829,029
East Gippsland Shire Council	1,400,000
Hobsons Bay City Council	855,000
National Association of Charitable Recycling Organisations Inc	800,000
Environment Protection Authority	622,891
Metropolitan Waste and Resource Recovery Group	530,000
Gippsland Ports	370,600
Victorian Council of Social Services	341,000
Bass Coast Shire Council	233,494
Department of Health and Human Services	228,091
Barwon South West Waste and Resource Recovery Group	225,000
Gippsland Waste and Resource Recovery Group	225,000
Goulburn Valley Waste and Resource Recovery Group	225,000
Grampians Central West Waste and Resource Recovery Group	225,000
Loddon Mallee Waste and Resource Recovery Group	225,000
North East Waste and Resource Recovery Group	225,000
Bellarine Bayside Foreshore Committee of Management Inc	200,800
Department of Economic Development, Jobs, Transport and Resources	200,000
Keep Victoria Beautiful	176,500
RMIT University	150,000
Warrnambool City Council	128,900
Climate-Kic Australia Ltd	126,290
Surf Coast Shire	115,200
City of Kingston	89,913
Barwon Coast Committee of Management	80,000
Municipal Association of Victoria	80,000
Colac Otway Shire Council	65,000
Wellington Shire Council	58,680
Moyne Shire Council	58,500
Otway Coast Committee	55,800
Great Ocean Road Coast Committee of Management	54,000

Climate Change - grant recipient	(\$)
Goulburn Broken Catchment Management Authority	50,909
South Gippsland Shire Council	45,000
The University of Melbourne	38,400
Seaspray Reserves Committee of Management Inc	36,000
Merricks Beach Foreshore Committee of Management	32,400
Mornington Peninsula Shire Council	31,500
Federation of Victorian Traditional Owner Corporations	26,000
Mount Eliza Association for Environmental Care Inc	25,968
Carbon Market Institute Limited	25,000
Brimbank City Council	21,000
Indigo Shire Council	21,000
City of Greater Geelong	20,000
Glenelg Shire Council	18,000
Mornington Environmental Association	17,122
Phillip Island Nature Park Board of Management	16,200
Sandy Point Foreshore Committee of Management	13,500
Walkerville Foreshore Committee of Management	13,464
Fishcare Victoria Inc	13,437
Cape Paterson Residents & Ratepayers Association Inc	13,435
South Gippsland Landcare Network Inc	13,374
Heytesbury District Landcare Network	12,780
Balcombe Estuary Reserves Group Mt Martha Inc - Berg Mt Martha	11,565
Friends of The Prom Inc	10,024
Central Goldfields Shire Council	10,000
Future Business Council Incorporated	10,000
Moreland City Council	10,000
Bellarine Catchment Network Inc	9,730
Silverleaves Conservation Association Inc	8,510
Rhyll Coast Action Inc	7,945
Conservation Volunteers Australia	7,700
Golden Plains Shire Council	7,000

Climate Change - grant recipient	(\$)
Victorian Wader Study Group	5,086
Climates Au Limited	5,000
Pyrenees Shire Council	5,000
West Wimmera Shire Council	5,000
Yarra Ranges Council	5,000
Other < \$5,000	37,548
Cross Output Transfer (Statutory Activities and Environment Protection)	112,631
Cross Output Transfer (Energy)	12,500
Total	10,984,416

Appendix 5: 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 the department 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. 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 2017-18. This brings total EC4 expenditure as at 30 June 2018 to \$252.059 million

Program Title (EC4)	2017-18 Expenditure \$'000
Output	
Protecting the Yarra River and other environmental assets in Melbourne	1,000
Water for Victoria: Grid and Markets	3,596.6
Water for Victoria: Promote innovation through water sensitive cities CRC	500
Water for Victoria: Protect the beneficial uses of water	718.16
Remediate Green Lake (Sea Lake)	1,880
Western Water Grid Feasibility Study	910
Ramsar wetlands	1,456
Integrated Catchment Management and Partnerships with the Community	7,020
Water for Victoria: Climate Change	1,649
Enhancing Waterway Management for Recreational Values	140
Water for Victoria: Protecting Ramsar wetlands	1,000
Flood and emergency risk resilience	6,732.14
Improving the health of waterways in regional Victoria	48,631.23
Improving Victoria's preparedness and response to climate change and the impacts of drought	2,042.23
Realising the Potential of the Water Grid	441.03
Water for Victoria: Entitlements and Planning	15,355.28
Sustainable Irrigation Future Initiative	15,719.25
Transforming cities and towns through efficient, integrated water management	2,499.48
Water for Aboriginal Culture	1,938

Program Title (EC4)	2017-18 Expenditure \$'000
Water for Victoria: Develop a rural drainage strategy	228.16
Regional Water Infrastructure - Irrigation	305.22
Water information for sustainable water management	297.82
Water for Victoria: Resilient and liveable cities and towns	3,228.97
Water for Victoria: Recognising recreational values	1,497.46
Total Output Funding	118,786.03
Asset	
Recycled Irrigation Water for Cranbourne Gardens	149.14
Non-potable Irrigation Water for Melbourne Gardens	156.63
Regional Water Infrastructure – Irrigation	23,369.5
Water for Victoria: Entitlements and Planning	1,200
Total Asset Funding	24,875.27
Payment on Behalf of State (POBOS)	
Victoria's contribution to the MDBA	1,700
POBOS- MDBA State Contribution	5,185
Total POBOS Funding	6,885
Total Environmental Contribution (EC4)	150,546.3

Environmental Contribution Tranche 3

The previous third tranche of the environmental contribution ceased collecting funds on 30 June 2016, generating a total of \$405.3 million. Most initiatives 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 2017-18. This brings total EC3 expenditure as at 30 June 2018 to \$389.472 million, with \$19.453 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)	2017-18 Expenditure \$'000
Output	
Macalister	46.4
Water for Aboriginal Culture	1,000
Managing Rising Groundwater Risk in Bendigo	5,355.69
Total Output Funding	6,402.09
Asset	
Northern Towns Water Connection Project	17,400
Total Asset Funding	17,400
Total Environmental Contribution (EC3)	23,802.09

Further detail and progress reports on initiatives funded by the Environmental Contribution are available on the DELWP website.

Appendix 6: 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 take into account 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, and in many cases these powers are delegated.

The new SoE framework seeks to update this earlier SoE. The main features of the new framework include:

- SoEs will be issued for a period of two years
- departmental evaluation of regulatory performance is mandatory
- there are three mandatory elements of good regulatory practice (timeliness, risk-based regulation and compliance-related assistance and advice)
- publication of the SoE letter and the regulator response to the Minister is mandatory.

Land, fire and environment

In June 2014, the then Minister for Environment and Climate Change wrote to 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	Status
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

2017-18 progress

In 2017-18, the Victorian Government invested \$30.3 million dollars over four years to strengthen the protection of our forests and wildlife through effective regulation, compliance and enforcement. The investment enabled the department to recruit 31 new compliance personnel, which significantly increased the department's frontline capacity to meet its compliance obligations. DELWP delivered a new compliance policy, which sets over-arching regulatory objectives, principles and outcomes; and a new compliance strategy which sets the direction for building the capability, capacity and culture needed for the department to become a risk based and intelligence lead regulator.

Baseline data relating to a range of forest, wildlife and land compliance activities has been collected and collated. This information, and directions provided by the policy and strategy will be used to develop a performance system that focusses on understanding 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 strategies

Relevant areas	Improvement strategies	Status
Beekeeping, Native vegetation, Timber harvesting	Regulatory areas to review existing compliance monitoring and assurance regimes to ensure that regulatory objectives are being met.	In progress

2017-18 progress

Existing strategies remain operational as roles and responsibilities have been allocated as part of restructure.

Native vegetation: The Government's review of the native vegetation removal regulations was completed with updated provisions incorporated into all local planning schemes on 12 December 2017. Several supporting documents were prepared to ensure efficient and effective implementation of the regulations. This included a compliance and enforcement strategy that is risk-based and focused on promoting voluntary compliance with the regulations, supported by appropriate enforcement.

Tour operators: Current compliance strategy clarifies roles and responsibilities, with Parks Victoria taking a lead role.

Wildlife: The *Flora and Fauna Guarantee Act 1988* has been reviewed and an amendment Bill introduced to Parliament. If passed, implementation of the Bill will involve reviewing relevant compliance strategies.

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.

DELWP has also focussed on the better protection of rainforest through the rainforest spot check program, and on adopting a common approach to case management for the investigation of breaches to the *Code of Practice for Timber Production 2014*.

Planning

In February 2018, the Minister for Planning wrote to Heritage Victoria, providing an SoE to establish clear performance goals to reduce red tape and promote greater efficiency and effectiveness in the administration and enforcement of regulation.

In accordance with the SoE Framework which came into effect on 1 July 2017, the SoE for Heritage Victoria for 2016-17 was extended to 30 June 2018. The SoE performance targets were reviewed and updated to remain appropriate and targets removed that were no longer relevant.

2017-18 progress

Element of good regulatory practice	SoE target	Progress	Status
Clear and consistent regulatory activities	Review and update administrative processes for hearings, reviews and other statutory processes to ensure consistency, provide clear communication and reflect changes under the <i>Heritage Act 2017</i> by 30 June 2018.	Heritage Victoria and the Heritage Council of Victoria will update all templates, forms and policy documents relating to registration, permit and consent processes.	All templates, forms and policy documents updated to reflect changes to key processes. New protocols for registration hearings, permit reviews and new provisions under the <i>Heritage Act 2017</i> developed.
Accountability and transparency	Review and update regulatory practices to support small business and to reflect changes under the <i>Heritage Act 2017</i> by 30 June 2018.	Heritage Victoria and the Heritage Council will develop policy guidance for determining the requirements for a permit or permit exemption under the <i>Heritage Act 2017</i> . Heritage Victoria will also develop an assessment tool for use by permit officers to ensure consistency in determining permit requirements, resulting in certainty for small business.	Exemption policy and assessment tool developed. Further guidance is required to provide clarity on what activities or works would be considered as part of a permit application.
Clear and consistent regulatory activities	Update communication on key administrative obligations and changes under the <i>Heritage Act 2017</i> to owners and managers of places and objects included in the Victorian Heritage Register by 30 June 2018.	Updated information is available on the DELWP website.	Information on key statutory processes updated on the website. An ongoing review is required to ensure that all information including publications are updated. In addition, targeted information on new processes relating to archaeology has been developed.

Appendix 7: Municipal and Industrial Landfill Levy (MILL) Trust Account

Victoria applies a levy on each tonne of municipal and industrial waste disposed to Victorian landfills. The *Environment Protection Act 1970* 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 2017-18 operating funding was provided to the EPA, Sustainability Victoria (SV), seven Waste and Resource Recovery Groups and the Commissioner for Environmental Sustainability. Parks Victoria 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 2017-18, \$219 million cash was received from the EPA and \$121 million was paid to legislated entities. The remaining cash balance of \$98 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 EPA	218.63
Less: Total Agency Payments	120.89
<i>Environment Protection Authority</i>	71.11
<i>Sustainability Victoria</i>	19.25
<i>Waste and Resource Recovery Groups</i>	9.47
<i>Parks Victoria</i>	18.65
<i>Commissioner for Environmental Sustainability</i>	1.41
<i>Committees of Management</i>	1.00
Less: Balance transferred to the Sustainability Fund Account	(97.74)
Closing cash balance	0.00

In 2017-18, \$229 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)	229.00
Add: Opening balance of receivable from EPA at 1 July 2017	105.00
Less: Closing balance of receivable from EPA at 30 June 2018	(115.36)
Municipal and Industrial Landfill Levy (cash receipts)	218.63

Appendix 8: 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.

	(\$ million)
Opening cash balance	551.07
Transfer from Municipal and Industrial Landfill Levy Trust Account	97.74
Investment revenue	17.66
Return of unexpended funds paid in prior years	0.02
Total receipts	115.42
Bringing our EPA into the Modern Era	6.03
Climate Change Action Package	0.57
Climate Change Innovation and Jobs - Virtual Centre for Climate Change	1.69
Climate Change Innovation and Jobs - Waste to Energy	0.53
Climate Ready Victorian Infrastructure - Critical Coastal Protection Assets	3.97
Climate Ready Victorian Infrastructure - Environmentally Sustainable Development Standards	0.07
Collaborative Council - Sustainability Fund Partnerships	0.45
Community driven action to protect Victoria's unique biodiversity	11.16
Community Sustainability Infrastructure Fund	0.02
Contaminated Crown Land Assessment / Remediation	3.98
Driving Growth in Renewable Energy	2.48
Encouraging Resource Smart Victorian Schools	2.43
Energy Affordability: Putting Consumers First	4.20
Energy Storage Initiative	20.63
Getting Full Value	1.46

	(\$ million)
Increasing support for Landcare	4.44
Increasing support for Trust for Nature	0.06
Investing in waste and resource recovery for a growing Victoria	1.29
Investing in waste and resource recovery for a growing Victoria - e-waste landfill ban	2.35
Jobs and Innovation in Resource Recovery - e-waste landfill ban	1.25
Jobs and Innovation in Resource Recovery - Household Chemical Collection	0.96
Jobs and Innovation in Resource Recovery - Leveraging private investment in infrastructure	2.67
Jobs and Innovation in Resource Recovery Organics, Education & Market development strategies	1.07
Latrobe Valley Package - energy efficiency initiative	1.64
Making Communities Climate Ready – Protection of Priority Victorian Beaches and Foreshores	2.36
Managing Victoria's Waste Materials - Illegal Dumping Strikeforce III	2.30
NACRO - Charitable Recycling	0.80
Partnering with local government to address weeds and pests	1.00
Protecting Victoria's Environment - Biodiversity 2037	18.80
Recycling industry assistance package	6.90
Reducing the environmental impact of plastic bags - transitioning to ban	0.16
Remediation of gun club sites	3.00
Saving Energy, Growing Jobs	8.15
Science, Innovation and Excellence - Monitoring coastal flooding, erosion & land stability	1.60
Securing our modern energy future - Energy Efficiency and Productivity Strategy	7.90
Securing our modern energy future - Renewable Energy Action Plan	0.89
Taking Decisive Action on Climate Change	1.07
Towards a healthy and resilient marine and coastal future	3.39
Understanding and adapting to climate change - Adaptation Plan 2	2.58
Understanding and adapting to climate change - Climate Change Framework	3.46
Victorian Government Energy Purchasing – Solar Certificate Tender Outcome	14.67
Victorian Litter Plan	0.10
Sustainability Fund Operations	0.76
Return of unexpended funds paid in prior years	(0.11)
Total payments	155.16
Closing cash balance	511.33

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: Communities for Nature program returned \$112,631.04, the Love Food Hate Waste program returned \$20,724.61 and the Advanced Organics Processing Technology program returned \$941.00.

Sustainability Fund Grants 2017-18

Program – Better Commercial Buildings Grant Program

Supports commercial buildings to evaluate and implement building energy efficiency improvements.

Recipient	Project	Funding Support (\$)
Brighton Savoy Motel	Brighton Savoy – Better Commercial Buildings Evaluate and undertake commercial building energy upgrades and improvements	4,500
Wheelers Hill Shopping Centre	Wheelers Hill Shopping Centre – Better Commercial Buildings Evaluate and undertake commercial building energy upgrades and improvements	5,000

Program – Building Victoria's Organics Recovery Grant Program

Supports rural and regional Victoria to recover large quantities of organic waste from landfill and divert organic waste streams to new or existing processing facilities.

Recipient	Project	Funding Support (\$)
City of Greater Geelong	Building Victoria's Organics Recovery – Geelong Build a composting facility that will recover green organics, turning it into compost to be used on council land like parks and ovals, and by local farmers.	250,000

Program – Community Sustainability Infrastructure Fund

Supports Victorian community groups, local government and businesses to achieve improved resource recovery, resource and energy efficiency outcomes or local environmental improvements (infrastructure projects).

Recipient	Project	Funding Support (\$)
Kia-Ora Piggery Pty Ltd	Kia-Ora Piggery Waste Food Value Adding and Anaerobic Waste to Energy Expansion of waste food de-packaging facility and installation of a methane cogeneration plant.	112,000

Program – Improving Resource Recovery Grant Program

Supports Local Government waste and education projects to improve resource recovery from kerbside services.

Recipient	Project	Funding Support (\$)
Bass Coast Shire Council	Reducing Contamination in Holiday Home Kerbside Bins in Bass Coast Test engagement approaches for people who stay in holiday homes to determine the impact on kerbside bin contamination rates during the summer period in Cowes.	5,015
City of Greater Bendigo	Introduction and Promotion of Recycling at Recreation Reserves Trial the introduction of recycling bins, along with associated signage and engagement strategies aimed at improving resource recovery from recreational facilities in Bendigo.	6,300
City of Port Phillip	Recovering More Electronic Waste in the City of Port Phillip Reduce e-waste contamination in kerbside bins, reduce e-waste contamination in kerbside general waste bins, and increase diversion of e-waste to the resource recovery centre.	7,500
Mount Alexander Shire Council	Worm Habitat Street – Food Scraps Diversion Trial Test the effectiveness of Worm Habitat Wheelie Bin infrastructure to recycle food waste and divert it from landfill. Promote the management of food waste at the point of source, promoting home composting/worm farming initiatives and trialling its effectiveness as a method to viably manage food organics on a larger scale.	8,500
Moyne Shire Council	Bincentives – Incentives for the Appropriate Disposal of Food Organics Encourage the correct use of the Food Organics and Garden Organics kerbside bin by testing a range of incentives. Reduce food waste contamination in the general waste bin.	8,500
South Gippsland Shire Council	Improving Resource Recovery in South Gippsland Test and measure how engaging with schools and supermarket shoppers in Leongatha and Korumburra impacts resource recovery and contamination of kerbside services.	8,500
Wangaratta Rural City Council	Don't Bag It! Reduce the level of soft plastic contamination in kerbside recycling bins through an educational campaign including material recovery facility tours and workshops.	8,500
Wyndham City Council	Wyndham City School Recycling Home Detectives Program Improve recycling rates in school communities in Wyndham.	6,000

Program – Investment Support Grants

Supports Victorian small-medium enterprises (SMEs) with the acquisition, lease or development of resource recovery infrastructure (including expansion) as well as activities that lead to investment in plant and equipment.

Recipient	Project	Funding Support (\$)
Bullock Proof Energy	Bullock Proof Energy Fund the enabling works of an on-farm biodigester of animal biosolid waste to turn into electricity for on-farm use and supply to the grid.	30,000
Circular Food Pty Ltd	Circular Food Pty Ltd Fund research and development necessary to enable Circular Food to develop its pilot plant facility and a full-scale commercial plant in Somerton.	10,000
Close the Loop Pty Ltd	Close the Loop Pty Ltd Support Close the Loop to acquire new equipment and undertake further product testing to enable the use of soft plastics waste as an asphalt additive.	30,000
Envirostream Australia Pty Ltd	Envirostream Australia Pty Ltd Fund the purchase and installation of equipment and supporting infrastructure to enable the recovery of lithium-ion batteries.	40,000
GDP Industries	GDP Industries Fund a polystyrene compactor to increase potential annual throughput.	40,000
Polymer Holdings	Polymer Holdings Support the installation of an expanded production line and shredder to enable the reprocessing of plastic strapping sourced from three local users.	35,000
Quantum Recycling Solutions Pty Ltd	Quantum Recycling Solutions Pty Ltd Support the upgrade of Quantum's equipment to double e-waste processing capacity.	10,000
Resource Resolution Pty Ltd	Resource Resolution Pty Ltd Support and speed up the Resource Resolution anaerobic digestion project to financial close.	40,000

Program – Litter and Illegal Dumping Grants

Supports 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	Security Poles and Cameras to help Reduce Illegal Dumping Purchase and install camera poles and high-quality security cameras at illegal dumping hot spots.	7,000
Cardinia Shire Council	Reducing Illegally Dumped Rubbish through CCTV and Signage Purchase and install surveillance cameras at local dumping hot spots and install metal signs advising of monitoring at sites.	1,000
City of Kingston	Don't Waste Our Green Wedge Purchase and install a surveillance camera to monitor hot spot dumping areas. Implement a media campaign and illegal dumping educational resource to raise awareness of illegal dumping sites.	1,818.18
Corangamite Shire Council	Lismore - Street Litter Clean-up Conduct litter audits. Purchase and install compactable litter bins and develop and implement an education campaign.	3,000
Greater Shepparton City Council	Bin It for A Greater Shepparton Conduct litter audits of retail precincts, install signage and develop campaign messages.	3,000
Greater Shepparton City Council	Changing Illegal Dumping Behaviour Purchase and install surveillance cameras at green space hotspots, install signage, develop campaign messages.	3,000
Yarra City Council	Keeping a Retail Strip Litter Free Conduct visual litter audits, install signage on recycling bins and develop campaign messages.	3,000

Program – Local Government Energy Saver Program

Stream 2 – Supports resource constrained regional councils to undertake Detailed Facility Energy Audits on local government-owned facilities and buildings.

Stream 3 – Supports resource constrained regional councils to implement energy efficiency and renewable energy upgrades on priority local government-owned facilities and buildings.

Recipient	Project	Funding Support (\$)
Bass Coast Shire Council	Stream 2 - Bass Coast Shire Detailed Facility Energy Audits at Council owned facilities.	19,983
Corangamite Shire Council	Stream 2 - Corangamite Shire Detailed Facility Energy Audits at seven Council owned facilities.	24,968
Glenelg Shire Council	Stream 2 - Glenelg Shire Detailed Facility Energy Audits - Portland Heating Precinct.	25,000

Recipient	Project	Funding Support (\$)
Horsham Rural City Council	Stream 2 - Horsham Rural City Council Detailed Facility Energy Audits at four Council owned facilities.	6,000
Murrindindi Shire Council	Stream 2 - Murrindindi Shire Council Detailed Facility Energy audits at fourteen Council owned facilities.	12,091
Northern Grampians Shire Council	Stream 2 - Northern Grampians Detailed Facility Energy Audits at five council owned facilities in St Arnaud and Stawell.	8,000
Pyrenees Shire Council	Stream 2 - Pyrenees Shire Detailed Facility Energy Audits at four Council owned facilities.	10,000
Southern Grampians Shire Council	Stream 2 - Southern Grampians Shire Detailed Facility Energy Audits at four Council owned facilities.	10,000
Swan Hill Rural City Council	Stream 3 - Swan Hill Municipal Offices Battery Storage Initiative Support for installation of battery storage on Beverage and Splatt Streets in Swan Hill.	20,155
Towong Shire Council	Stream 2 - Towong Shire Council Detailed Energy Audits on fifteen Council owned facilities.	13,753
Yarriambiack Shire Council	Stream 3 - Yarriambiack Shire Council Facility Upgrades Provision of lighting upgrades at Yarriambiack Shire facilities.	6,000

Program – Love Food Hate Waste Local Activity Grants

Supports local government organisations, waste and resource recovery groups, community organisations and education institutions to deliver local activities aimed at raising community awareness of the problem of food waste, and how to avoid it.

Recipient	Project	Funding Support (\$)
East Gippsland Shire Council	Love Food Hate Waste at East Gippsland Farmers Markets Interactive food waste avoidance stalls at four farmers markets in East Gippsland, and promotion of these events.	1,000
Glen Eira City Council	Food Waste Event with Pop-up Community Education Resource Food waste pop-up community education resource to be displayed at a community event.	2,000
Grampians Central West Waste and Resource Recovery Group	Love Food Hate Waste - Grampians Fork to Fork Series of food waste avoidance workshops across the Grampians region.	10,000
Melbourne Farmers Markets	Love Food Hate Waste Hub on Wheels Co-branded mobile food waste information hub to hold interactive workshops at the University of Melbourne Farmers Market.	8,000
Monash City Council	Scrap Food Waste in Monash Food waste awareness campaign and program including workshops, film screenings and food waste reduction kits.	7,000

Recipient	Project	Funding Support (\$)
St Aloysius Catholic Primary School Queenscliff	St Aloysius Love Food Hate Waste Range of food waste events and activities and promotion of food waste management strategies to students and their communities.	2,000
St Louis de Montfort's Primary School	All You Need is Love Food Hate Waste Garden to Kitchen program addressing food waste with visits and workshops.	10,000
Whitehorse City Council	Quest to Find DUELI's Best Waste-Free Masterchef "Waste-free Masterchef" program. Food waste cooking competition, recipe book and promotion.	5,000
Worawa Aboriginal College Limited	Connecting to Tucker - Walking in Two Worlds in the Garden Food waste education program, establish a kitchen garden and program to integrate the project across the school curriculum and programs.	7,000
Youth Food Movement	Give Food Waste the Flip: Food Waste Messaging for Millennials Online campaign testing effective methods of engagement with millennials about food waste.	10,000

Program – Research and Development – Recovered Glass Fines and Flexible Plastics

Supports research institutes in partnership with industry to undertake research projects that lead to an increase in the use of recovered glass fines and/or, flexible plastics in new or existing products or processing approaches.

Recipient	Project	Funding Support (\$)
Melbourne University	Lightweight Concrete R&D Grant Project Melbourne University in partnership with PrefabAus are undertaking research to test the application of recycled glass in lightweight concrete blends.	50,000
Monash University	Alternative Energy R&D Grant Project Monash University in partnership with Potters are investigating the novel applications for the utilisation of waste glass fines in 3D printing. This project will assess different waste glass composites in 3D printing approaches and their viability as components of advanced printed structures.	22,500
Monash University	Railway Sleeper R&D Grant Project Monash University in partnership with Integrated Recycling Pty Ltd are conducting research to determine what other recycled plastics are suitable and cost effective to make composite recycled plastic sleepers.	62,500
RMIT University LaTrobe Street	Glass Repurposing R&D Grant Project RMIT in partnership with Alex Fraser and Mark Douglas Designs are undertaking research to investigate innovative alternative processing approaches to yield high quality glass fines for use in innovative applications.	37,169

Recipient	Project	Funding Support (\$)
Swinburne University of Technology	Glass in Pavement R&D Grant Project The purpose of the research is to determine the suitability of glass fines as a supplementary material with recycled crushed rock in cement treated bound pavement applications.	25,000
Swinburne University of Technology	Plastics and Glass in Footpaths R&D Grant Project To create a new blend of concrete footpaths that reduces the overall carbon footprint.	25,000
Victoria University - Footscray Campus	Structural Plastics R&D Grant Project Research to explore concept development for reprocessing glass fines as an additive to recycled plastic to enhance the plastic mechanical and fire properties.	49,924

Program – Resource Recovery Infrastructure Fund Infrastructure Grants - Round 1 (Metropolitan Melbourne)

Supports Metropolitan councils and private enterprises (businesses) for resource recovery infrastructure development (collection, sorting or processing).

Recipient	Project	Funding Support (\$)
Future Metals Recyclers Melbourne Pty Ltd	Cardinia Transfer Station Upgrade Upgrade of the Cardinia Transfer Station to improve the current site layout, infrastructure and site resource recovery. Improve operations to increase patronage and the tonnage of materials recycled at the site.	25,000
Knox Transfer Station	Knox Transfer Station Process Engineered Fuel Establish a Process Engineered Fuel manufacturing facility at the Knox Transfer Station.	394,000
Melton City Council	Melton Transfer Station Upgrade Substantial and holistic upgrades to the facility's layout, capacity and recycling infrastructure, to enable greater recovery of recyclables from material received from residents and Council contractors.	40,000
Polymeric Powders Company Pty Ltd	Production of Tyre Crumb Derived Composite Material Set up a commercial scale machine producing Polymeric Powder/Polyolefin composite material pellets.	45,000
Polytrade Pty Ltd	Polytrade Dandenong Mixed Glass Fines Processing Project Install new machinery at the Dandenong plant with the ability to sort and clean the 3-8 mm fraction of glass fines.	200,000
Recycling Solutions Capital (Vic) Pty Ltd	Advanced Recycling of Flexible Plastic by Polymer Type Establish an advanced plastics recycling facility located in Somerton, Victoria.	150,000
Red Horizon Pty Ltd (Trading as Enrich 360)	Enrich 360 Onsite Food Organic Waste Recovery Program Establish an onsite food organic waste recovery program at 18 enrich360 customer sites.	60,000

Recipient	Project	Funding Support (\$)
Reground Pty Ltd	Coffee Grounds and Flexible Plastics Recycling Expansion Infrastructure to allow an expansion of the current collection of spent coffee grounds from retail and manufacturing venues, includes a concurrent flexible plastics recycling collection.	22,000
Repeat Plastics Australia Pty Ltd	Recycling Plant Expansion Purchase and install new re-processing equipment in recycling plant to increase plastics recycling from post-consumer waste.	60,000
Repurpose-It Pty Ltd	Washing Plant 460 Cooper Street Development of a washing plant to enable increased resource recovery.	192,500
Van Schaik Bio Gro Pty Ltd	Timber Waste Resource Recovery Project Establish a waste timber drop off recovery facility in Cooper Street, Epping.	145,000
Westall Road Resource Recovery Pty Ltd	Westall Road Resource Recovery Pty Ltd Establish a Resource Recovery Centre in Springvale, focusing on materials including green/timber waste, hard waste, construction and demolition waste, and recyclables.	15,000
Yarra City Council	Closing the Loop on Yarra's Food Waste Introduction of kerbside food collection in the City of Yarra.	185,000

Program – Rural and Regional Landfill Support Grants Program

Supports regional and rural councils with the development of transfer station/resource recovery centres on the sites of closing landfills.

Recipient	Project	Funding Support (\$)
Alpine Shire Council	Alpine Shire - Myrtleford Landfill Support transfer station developments at Myrtleford and Mount Beauty transfer stations to enable the closure of the Myrtleford landfill.	365,000

Program – SV Business - Boosting Productivity Business Capability Grants

Supports industry associations, business networks and Registered Training Organisations to build the knowledge and skills in energy efficiency among small and medium sized businesses (SMEs).

Recipient	Project	Funding Support (\$)
Australian Industry Group (Ai Group)	Long Term Energy Efficiency Capability Program Provide a multi-learning pathway on energy efficiency for SME manufacturers. Business employees will participate in workshops, one on one mentoring and business coaching.	50,000
Australian Refrigeration Association	Refrigeration Operational and Energy Performance Benchmarking Install remote monitoring equipment on refrigeration systems in retail food services and instruct business operators in how to apply the data in managing energy use. The data collected will be used to benchmark the energy performance of refrigeration units.	90,000
Bayside City Council	Golden Opportunities Provide training and workshops in energy efficiency for operations managers of aged cared facilities in the City of Bayside.	10,000
Melbourne Polytechnic	Next Generation Electricians In partnership with Energy Skills Australia (E-OZ), 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.	90,000
Nillumbik Shire Council	Enabling Energy Efficiency 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.	30,000
Vegetable Growers Association of Victoria	Victorian Vegetable Growers Energy Efficiency Program 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.	90,000

Program – SV Business - Boosting Productivity Energy Assessment Grants

Supports 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 (\$)
Alba Cheese Pty Ltd	Energy Assessment – Alba Cheese Pty Ltd Detailed Energy Assessment	9,700
A Maze N Things Pty Ltd	Energy Assessment – A Maze N Things Basic Energy Assessment	4,500
Apollo Bay Fishermen's Co-Operative Society Ltd	Energy Assessment – Apollo Bay Fisherman's Co-op Basic Energy Assessment	6,000
Apollo Bay Hotel	Energy Assessment – Apollo Bay Hotel Basic Energy Assessment	4,000
Asahi Premium Beverages Pty Ltd	Energy Assessment - Asahi Premium Beverage Detailed Energy Assessment	5,500
Bayley House	Energy Assessment – Bayley House Basic Energy Assessment	2,000
BBS Flooring Products Pty Ltd	Energy Assessment - BBS Flooring Products Pty Ltd Detailed Energy Assessment	5,563
Bradwell Dairy Co Pty Ltd	Energy Assessment - Bradwell Dairy Co Pty Ltd Basic Energy Assessment	1,375
Bright Brewery Australia Pty Ltd	Energy Assessment – Bright Brewery Detailed Energy Assessment	5,700
Britannia Metal Industries	Energy Assessment - Britannia Metal Industries Detailed Energy Assessment	2,370
Britton Timbers Processing Pty Ltd T/A Premier Wood Machining Services	Energy Assessment - Premier Wood Machining Services Detailed Energy Assessment	2,000
Bromac Farming	Energy Assessment - Bromac Farming Detailed Energy Assessment	1,500
Burra Foods Pty. Ltd.	Energy Assessment-Burra Foods Detailed Energy Assessment	15,000
Burton's Supa IGA	Energy Assessment – Burton's Supa IGA Detailed Energy Assessment	5,400
Butler Market Gardens	Energy Assessment - Butler Market Gardens Detailed Energy Assessment	6,000
Caltex Australia Petroleum Pty Ltd	Caltex Australia Petroleum Basic Energy Assessment	800

Recipient	Project	Funding Support (\$)
Caps and Closures	Energy Assessment - Caps and Closures Detailed Energy Assessment	3,000
Casalingo Smallgoods (South Food Group Pty Ltd)	Energy Assessment - Casalingo Smallgoods Detailed Energy Assessment	7,600
Catalent Australia Pty Ltd	Energy Assessment - Catalent Australia Pty Ltd Detailed Energy Assessment	12,290
CERES Inc	Energy Assessment Grants – CERES Detailed Energy Assessment	3,000
Chobani Pty Ltd	Energy Assessment – Chobani Detailed Energy Assessment	9,600
Clydebank Dairy	Energy Assessment - Clydebank Dairy Detailed Energy Assessment	6,250
Composite Materials Engineering (CME)	Energy Assessment - Composite Materials Engineering Detailed Energy Assessment	5,396
Coolibah Herbs	Energy Assessment - Coolibah Herbs Detailed Energy Assessment	5,000
Corafeld Farms	Energy Assessment - Corafeld Farms Basic Energy Assessment	1,500
Croc's Playcentre and Café Narre Warren	Energy Assessment - Croc's Playcentre Basic Energy Assessment	2,000
Delatite Hotel	Energy Assessment - Delatite Hotel Detailed Energy Assessment	3,886
Denim 108 Pty Ltd (Nobody Denim)	Energy Assessment funding- Denim 108 (Nobody Denim) Detailed Energy Assessment	14,150
Eirenclare Farms	Energy Assessment - Eirenclare Farms Detailed Energy Assessment	1,500
EP Robinson Pty Ltd	Energy Assessment - EP Robinson Pty Ltd Detailed Energy Assessment	8,875
Flexible Drive Pty Ltd	Energy Assessment – Flexible Drive Detailed Energy Assessment	4,160
Fragapane Farms	Energy Assessment - Fragapane Farms Detailed Energy Assessment	6,000
Gazzola Farms Pty Ltd	Energy Assessment - Gazzola Farms Detailed Energy Assessment	6,000
GCP Applied Technologies	Energy Assessment - GCP Applied Technologies Detailed Energy Assessment	2,891
Geelong Glass and Aluminium Pty Ltd	Energy Assessment - Geelong Glass Detailed Energy Assessment	6,000

Recipient	Project	Funding Support (\$)
Green Acres Golf Club Pty Ltd	Energy Assessment - Green Acres Golf Club Detailed Energy Assessment	5,008
Hardwicks Meat Works Pty Ltd	Energy Assessment - Hardwicks Meat Works Pty Ltd Detailed Energy Assessment	6,600
healthAbility	Energy Assessment - healthAbility Detailed Energy Assessment	2,000
Hindustan Imports	Energy Assessment - Hindustan Imports	990
H W Greenham & Sons Pty Ltd	Energy Assessment - H W Greenham & Sons Detailed Energy Assessment	13,500
Idyll Wine Co Pty Ltd	Energy Assessment- Idyll Wine Co Pty Ltd Detailed Energy Assessment	10,407
Input Fitness (Style @ Sur Pty Ltd)	Energy Assessment - Input Fitness Detailed Energy Assessment	3,700
Islamic Museum of Australia	Energy Efficiency Grant - Islamic Museum of Australia Basic Energy Assessment	12,052
King Valley Wines Pty Ltd	Energy Assessment - King Valley Wines Pty Ltd Detailed Energy Assessment	8,500
Lion Pty Ltd	Energy Assessment - Lion Pty Ltd Detailed Energy Assessment	13,500
Mason Brothers Vegetable Farms	Energy Assessment - Mason Brothers Vegetable Farms Detailed Energy Assessment	4,000
MCC Meats	Energy Assessment - MCC Meats Detailed Energy Assessment	2,000
Merriwa Industries Pty Ltd	Energy Assessment - Merriwa Industries Ltd Detailed Energy Assessment	5,430
Moondarra Cheese Pty Ltd	Energy Assessment - Moondarra Cheese Pty Ltd Detailed Energy Assessment	5,900
NCI Packaging	Energy Assessment - NCI Packaging Preston Detailed Energy Assessment	3,497
NCI Packaging	Energy Assessment - NCI Packaging Tullamarine Detailed Energy Assessment	2,782
Neerim District Health Service	Energy Assessment - Neerim District Health Service Detailed Energy Assessment	1,818
Omniblend Pty Ltd	Energy Assessment- Omniblend Detailed Energy Assessment	12,000
Quality Bakers Australia Pty Ltd (Goodman Fielder)	Energy Assessment - Goodman Fielder Detailed Energy Assessment	5,000

Recipient	Project	Funding Support (\$)
Oztek Holdings Pty Ltd	Energy Assessment - Oztek Holdings Pty Ltd Detailed Energy Assessment	6,250
Palace Cinemas Pty Ltd	Energy Assessment - Palace Cinema Balwyn Detailed Energy Assessment	5,750
Patties Foods Ltd	Energy Assessment - Patties Foods Detailed Energy Assessment	12,975
Peter Schreurs & Sons	Energy Assessment - Peter Schreurs & Sons Detailed Energy Assessment	4,000
Phillip Island Adventure Resort (Christian Youth Camps Limited)	Energy Assessment - Phillip Island Adventure Resort Detailed Energy Assessment	7,150
Piovillico Flowers Pty Ltd	Energy Assessment - Piovillico Flowers Detailed Energy Assessment	7,300
Planex Sales Pty Ltd	Energy Assessment - Planex Sales Pty Ltd Detailed Energy Assessment	9,400
Prom Country Cheese	Energy Assessment - Prom Country Cheese Detailed Energy Assessment	5,000
Prydes Confectionery Victoria Pty Ltd	Energy Assessment - Prydes (Broadmeadows site) Detailed Energy Assessment	5,280
Prydes Confectionery Victoria Pty Ltd	Energy Assessment - Prydes (Knoxfield site) Detailed Energy Assessment	3,960
Royal Automobile Club of Victoria (RACV) Ltd	Energy Assessment - RACV Detailed Energy Assessment	17,373
Rawson Caravan Park	Energy Assessment - Rawson Caravan Park Detailed Energy Assessment	4,450
Red Spice Road Pty Ltd	Energy Assessment - Red Spice Road Basic Energy Assessment	2,000
Rutherglen IGA	Energy Efficiency Grant - Rutherglen IGA Basic Energy Assessment	5,000
Southern Ocean Mariculture Pty Ltd	Energy Assessment - Southern Ocean Mariculture Detailed Energy Assessment	3,000
Stomping Ground Brewing Company	Energy Assessment - Stomping Ground Brewing Company Detailed Energy Assessment	2,386
Sun Pharma Australia	Energy Assessment - Sun Pharma Detailed Energy Assessment	2,265
The Leslie Manor Trust	Energy Assessment - The Leslie Manor Detailed Energy Assessment	6,400
Visy Packaging Pty Ltd	Energy Assessment - Visy Packaging Pty Ltd Detailed Energy Assessment	14,400

Recipient	Project	Funding Support (\$)
Vitality Brands Worldwide Pty Ltd	Energy Assessment – Vitality Brands Basic Energy Assessment	4,891
Womersleys Mitre 10 Chelsea Heights	Energy Assessment - Womersleys Mitre 10 Basic Energy Assessment	4,475
Yarragon Hotel	Energy Assessment - Yarragon Hotel Basic Energy Assessment	1,800

Program – SV Business - Boosting Productivity Materials Assessment Grants

Supports businesses to engage a consultant to identify material efficiency improvements and opportunities to lower business costs and divert materials sent to landfill. A Materials assessment refers to an assessment of a material flow process, from when the materials enter the business all the way through to when they enter the bin. The assessment report identifies opportunities to reduce the waste and losses throughout this process to reduce waste to landfill and subsequent costs to the business.

Recipient	Project	Funding Support (\$)
Alba Cheese Pty Ltd	Alba Cheese Detailed Materials Assessment	6,800
Hart Marine	Hart Marine Detailed Materials Assessment	9,900
Natures Best	Natures Best Detailed Materials Assessment	4,000

Program - Victorian Litter Innovation Fund – Round 1

Supports 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 (\$)
Bellarine Catchment Network (formerly Swan Bay Integrated Catchment Management Committee)	Caring for Our Bays and Be a Hero Litter Awareness Be a Hero litter awareness campaign (signage on infrastructure, campaign stickers and posters and supporting communications activities to promote the project).	2,000
East Gippsland Shire Council	Smart Takeaway Coffee Project Design a program to incentivise the use of reusable coffee cups in lieu of disposal coffee cups. Raise awareness with local businesses of the impacts of coffee cups litter and materials to promote the project.	1,290
Greater Shepparton City Council	Shepparton Solar Bin Project Install BigBelly solar bins at litter hot spot locations within the Shepparton Sports Precinct with supporting communications and engagement activities.	2,000

Recipient	Project	Funding Support (\$)
Mt Buller and Mt Stirling Resort Alpine Management Board	Reducing Litter at Remote Locations on Mt Stirling Pilot Study Implement re-usable waste kits for use by bushwalkers and skiers at Mt Stirling, interactive public pledge infrastructure and supporting communications activities.	1,000
Phillip Island Nature Park	Turn the Tide Deliver the Action Plans program (including a Phillip Island Nature Park ranger) in partnership with schools; provide lessons on litter and marine debris, develop Action Plans with students to reduce litter and marine debris, undertake school waste audits and analyse the school waste audits with students.	2,000
San Remo Foreshore Committee of Management Inc	Pelican Reflecting on Plastic Usage and Litter Generation Train San Remo pelican feeders to enable them to deliver marine litter education as part of their daily pelican feeding sessions at the San Remo foreshore, install an interactive pelican sculpture made of litter and provide educational materials (online and trialled at local schools).	1,000
South Gippsland Shire Council	Cigarette Butt Litter Education and Enforcement Project Install aluminium/vinyl signage on public litter and recycling bins, install cigarette butt bins and hold 'walk and talk' education and enforcement sessions across seven townships in South Gippsland Shire.	1,400
Streamline Media and Communications Group Pty Ltd	What Drains to the Bay Professional video focussing on the impacts of litter on Port Phillip Bay; provide the video as resource for schools, community groups and the public.	2,000

Program - Victorian Litter Innovation Fund – Round 2

Supports 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 (\$)
Bendigo Senior Secondary College	Keeping it Clean Clean-up of designated part of the Whipstick Forest, community evening and showcase of the student's journey and learnings, fund raising to support the revitalising of the forest.	5,000
Gannawarra Shire Council	Murray River Parks Litter Reduction Mobile optimised digital content to direct Park visitors to appropriate waste disposal infrastructure and enable reporting of illegal dumping. Signage at park entrances/exits along the length of the river encouraging proper disposal of waste.	18,000
Grampians Central West Waste and Resource Recovery Group	Be a Litter Superhero! - Roadside Litter Campaign Litter Superhero cut-out (people place their faces into a facial cut-out and take a photo), install highway banners, provide reusable car litter bags (bags will promote the EPA Report Litter App and Hotline).	20,000

Recipient	Project	Funding Support (\$)
Macedon Ranges Shire Council	Pick Up or Pay Installation of infrastructure at hot spots identified within the shire for surveillance, increase enforcement by penalizing illegal dumpers and deliver community education campaigns (reinforcing that illegal dumping is unacceptable).	9,600
Northern Bay College - Goldsworthy	NBCg Community Clean Up Implement a geocaching project to identify and quantify levels using the local litter measurement toolkit. Curriculum tied to sustainability, particularly for VCAL PDS (personal development skills) course requirement, organise collection of refuse and clean up days.	16,000
Warrnambool City Council	Bag it, Bin it Bins and signage (where required), increased enforcement of identified hot spots, local law officers will educate the community, education activity to be held at Fund4Kids.	20,000

Program – Waste to Energy Infrastructure Fund

Supports the installation of new, or upgrades to, waste to energy facilities to process organic waste in Victoria.

Recipient	Project	Funding Support (\$)
Resource Resolution Pty Ltd	Resource Resolution W2E Infrastructure Project Biogas Renewables will build an anaerobic digester to divert local commercial food waste and other organics from landfill. The facility will generate heat and electricity for use on site and to export excess to the grid. The processed organics will be used as fertiliser for local businesses.	380,000

Program – Climate Change Innovation Grants

The purpose of these grants is to support Victorian organisations to be local leaders in the development of innovative solutions to the challenges of climate change.

Recipient	Project	Funding Support (\$)
RMIT University	A rapidly deployable fire protective system for firefighters 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
The University of Melbourne	Bay Beach Resilience to Climate Change The beaches of the Bellarine are currently eroding, and traditional models cannot predict their future stability because intertidal rocky outcrops interfere with sand movement. The University of Melbourne will combine the latest field technology (drones and wave probes) with citizen science to predict beach movement to allow managers to be climate change ready.	54,020

Recipient	Project	Funding Support (\$)
Monash University	Big data analytic approach to assessing impacts of harmful temperatures on wheat crops in northern Victoria: regional economic impacts and opportunities for adaptation This project will analyse the current/future impacts of extreme daily-temperatures on the wheat economy in north-western Victoria. Through close engagement with farmers and the use of innovative-big-data models and statistical techniques, Monash University will assess the economic costs/benefits of different options within an adaptation framework.	300,000
Bass Coast Landcare Network Inc	Climate Change Land Capability and Capacity Project This project will enable Southern Gippsland farmers to respond to climate change challenges. It will provide the agricultural sector with twelve detailed case study action plans. Specific climate resilient opportunities for innovation and diversification will be documented. Broader engagement will enable more informed climate change decision-making.	254,236
Geelong Sustainability Group Inc	Climate Safe Rooms A safe haven in the homes of people most at risk of serious illness or death from climate extremes. 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.	300,000
Closed Loop Environmental Solutions	CLOey a food waste processor for home or Office Design, legal set up and commercialisation of Generation 2 CLOey. CLOey converts food waste into nutrient rich soil conditioner in only 24 hours, minimising the need for transport or expensive infrastructure. CLOey can be deployed in home or office environments where there is unprocessed food waste.	300,000
Climate for Change	Conversations for Change With locals, develop and deliver resources for peer to peer communication, to build: greater acceptance of climate change and changes it necessitates; and greater trust and willingness within the community to work together towards a just transition.	123,000
Precision Agriculture Pty Ltd	Demonstrating Fertiliser Management for Emissions Reduction in Victorian Dairy Industry 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 released from farms in Gippsland. The aim is to grow adoption of precision agriculture for reduced Greenhouse Gas Emissions. The project model has national application.	125,000
Climate Works Australia	Electric vehicle (EV) ready local government Fleets This project will enable local governments to increase EV uptake in their fleets. Working with Municipal Association of Victoria and the EV industry, Climate Works Australia 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

Recipient	Project	Funding Support (\$)
RMIT University	Enhanced Indoor Air Quality for Improving the Well-being of Vulnerable Population in Victoria This project aims to enhance the indoor air quality for vulnerable population through the application of fresh filtered air ventilation. 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
Deakin University	Fridge Off Grid 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
The University of Melbourne	Growing Landscape Carbon: An Online Brokerage Platform for Integrating Trees in Rural Landscapes 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.	252,800
LaTrobe University	Increasing soil carbon sequestration in dryland grazing systems This project will work with farmers to test the addition of compost and timed grazing to improve soil biology, increase soil carbon sequestration, and enhance soil water moisture. This has the potential to mitigate climate change through increasing carbon sequestration and reducing emissions, while increasing farmers resilience to climate change.	300,000
Heytesbury District Landcare Network	Keeping Carbon on the Farm A pilot project providing 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
Southern Farming Systems Ltd	Minimising emissions from timing and placement of nitrogen in high rainfall cropping Nitrogen use efficiency can be improved by deep banding ammonia-based fertiliser, but none of the research has been done in the high rainfall zone of southern Victoria. This project aims to establish if this research is valid in Victorian environment and that the technique can reduce nitrous oxide emissions, denitrification and nitrate leaching.	77,000

Recipient	Project	Funding Support (\$)
The University of Melbourne	Nature-based innovations to help coastal communities adapt to climate change Coastal assets are vulnerable to erosion and inundation. Adaptation is needed now but current engineering approaches and public perceptions are impediments to action. Combining advanced manufacturing with innovative community engagement, eco-engineered mangrove planters will be trialled as an adaptive and socially accepted solution to coastal defence.	299,580
City of Greater Bendigo	Organics Diversion Project Provide organics 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. It will allow analysis of the aspects of a commercial collection and what the requirements are to fully implement a system that best suits traders. It will provide a community-based alternative to disposal of organic material in the general waste bin for schools and rural families.	73,000
Wodonga City Council	Putting the Wodonga community solar project business case into action The project responds innovatively to climate change by implementing a working example of a community renewable energy model not seen to date, that provides benefits to the entire community, including helping adaptation for low income households.	199,000
RMIT University	Self-sensing flood resilient smart roads 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.	78,000
Tarnagulla Alternative Energy	Tarnagulla Community Based Emergency Management Study To conduct a detailed study of community strengths and challenges to inform the management of future natural disasters which are increasing due to climate change.	50,000
Forrest and District Community Group	The Forrest Gateway to the Otways assessing feasibility, building collaboration This project will research an interactive learning facility feasibility study/business model; collaborative research model testing pilots; and governance multi-disciplinary model.	250,000
Deakin University	Towards Zero Carbon Housing in Victoria This project first proposes a policy framework regarding feed-in tariff and green buildings, based on policy review, survey and economic analysis. The project then optimises building design to achieve zero carbon housing, through energy conservation, recovery and generation.	50,000

Recipient	Project	Funding Support (\$)
Monash University	Victorian TV Weather Presenters as Climate Communicators The Climate Change Communication Research Hub at Monash University 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	Wannon River floodplain restoration: demonstrating practical climate change mitigation action 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, by reversing artificial drainage that restores wetland habitats for threatened species and buffers the site against climate change.	300,000

Program – Climate Change Research Grants

Provide scholarships for placements or study at respected international climate change institutions to foster leading thinking in Victoria.

Recipient	Project	Funding Support (\$)
Climate - KIC Australia	Support for Climate-KIC Australia's EnergyLab Accelerator program. The program provides placements for young Victorian entrepreneurs. The program helps selected clean energy start-ups grow into successful businesses. Four Victorian start-up companies are currently participating in the program in June 2018.	50,000
Climate - KIC Australia	Scholarships for Post Graduate Victorian Students Eight scholarships were awarded to Victorian post graduate students from different universities and academic backgrounds to participate in the three-week European summer school, The Journey. This initiative is a part of the European Climate Knowledge Innovation Community (Climate KIC) initiative and organised in partnership with Europe's cutting-edge low carbon research centres and business initiatives.	76,000
University of Melbourne	Scholarships for early career academics Two scholarships were awarded for Victorian early career academics under the Australian Research Council Centre of Excellence in Climate System Science. The scholarships also support the professional development opportunities for researchers, including participation in expert seminars and technical training.	37,000

Program – Coastcare Community Grants Program

The program supports 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 (\$)
Anglican Earthcare Gippsland Inc	Raymond Island Monitoring Environmental Change and Management of invasive species Preserve remnant native vegetation around Montague Point, McMillan Straits and Lake Victoria by managing several invasive weed species, collect data on sand movement and changes to the shoreline, vegetation and birdlife to inform future management.	6,770
Australian Marine Mammal Conservation Foundation	Marine Litter Education Project - Empowering Young People, Making A Difference Provide interactive school-based education incursions, designed to highlight the negative impacts of our litter behaviour on marine environments, and demonstrate effective strategies to minimise the litter threat through better community appreciation of the importance of coast health.	14,680
Balcombe Estuary Reserves Group Mt Martha Inc	Vegetation Survey and Assessment of Mount Martha Coastal Vegetation Coastal habitat survey, mapping and management using spatial technologies and databases.	12,850
Bellarine Catchment Network	Bellarine Coastal Community Engagement and On-Ground Works 2018-19 On-ground works and educational activities, including school programs and Nippers program.	9,730
Cape Paterson Residents and Ratepayers Association	Undertow Bay Weed Removal and Revegetation Stages 4 and 5 Weed control and revegetation.	14,928
Conservation Volunteers Australia	Point Lonsdale Foreshore Stabilisation Improve the integrity of significant coastal habitat and dune ecosystems by working in partnership with the Borough of Queenscliffe. The project will engage local volunteers and school groups accompanied by a Conservation Volunteers Team Leader in the removal of weeds and revegetation.	7,700
Fishcare Victoria Inc.	What's Under the Water Replicate an underwater marine experience that demonstrates how litter impacts aquatic animals and habitats in a pool environment by developing an underwater education pack. Participants use an underwater slate to record the species and litter sighted. Complimented by an in-class session and a rubbish collection activity.	14,930
Friends of Beware Reef	Improved Technical Capability Purchase a modern digital camera and housing, plus a hard drive to increase capacity to capture images of high enough quality to accurately monitor marine life.	1,950

Recipient	Project	Funding Support (\$)
Friends of Fisherman's Beach	Linley Point/Fishermans Beach Weed Removal and Indigenous replanting Revegetation to return a substantial area to healthy indigenous cover, enhancing the area as a public recreation facility, and conduct high-threat weed control.	8,182
Friends of the Beleura Cliff Path	Revegetate, monitor drainage, and prevent erosion of Beleura Cliff Path Planting a dense strip of indigenous plants along the path to strengthen the path edges and create a seed-bank to seed the cliff below. Monitor drainage and erosion problems.	3,385
Friends of the Hooded Plover (Mornington Peninsula) Inc	Fostering Community Participation and Protection for a flagship Coastal Species; the Red-capped Plover Skill sharing, workshop and field trip to enhance skills and knowledge in volunteers and land managers; banding program of Red Capped Plovers and improved signage.	4,877
Friends of the Prom Inc.	Sea Spurge Removal: Restoring Hooded Plover Habitat at Squeaky Beach, Wilsons Promontory National Park Eradicate the weed Sea Spurge (<i>Euphorbia paralias</i>) from Squeaky Beach.	11,138
Friends of Williams Road Beach	Creating habitat resilience, extending the habitat corridor and reducing plastic pollution, Mount Eliza Foreshore Weed-control in depleted Coastal Headland Scrub and Fore-Dune, and planting 300 indigenous species will increase the habitat-corridor by 116 metres. Maintenance weeding and the pickup of plastic pollution will also be undertaken.	7,254
Heytesbury District Landcare Network	Controlling incursion of Coast Wattle Engage with local community groups to help remove the invasive Coast Wattle and revegetate areas with local endemic species.	14,200
McCrae Homestead Coastal Group Inc.	Enhancement of McCrae Coastal Habitat Purchase a modern digital camera and housing, plus a hard drive to increase capacity to capture images of high enough quality to accurately monitor marine life.	8,505
Moogji Aboriginal Council East Gippsland Incorporated	Moogji Coastal Works Project 2018-2019 Control coastal weeds and reduce erosion near valued Aboriginal shell midden sites, and to educate the Aboriginal and non-Aboriginal community about the impacts of weeds in the coastal environment.	10,000
Mornington Environment Association Inc.	Red Bluff Mornington rehabilitation Mulching, planting, weed control, to enhance habitat and stabilise dunes. Community education and participation.	5,555
Mount Eliza Association for Environmental Care	Weed Control and Re-vegetation Ranelagh Beach Foreshore Reserve No2 Weed control and revegetation to create a biolink between two high quality vegetation areas.	5,730

Recipient	Project	Funding Support (\$)
Rhyll Coast Action Inc	Revegetation of Coastal Woodland at Pleasant Point, Phillip Island Revegetate the bluffs and clifftops with 500 plants, about half being trees, following spot spraying of exotic perennial grasses, and other weed control.	7,945
Seaside Scavenge	Seaside Scavenge Mornington Peninsula Boosting participation in beach clean-up events and advocacy to reduce single use plastics in the community.	14,250
Silverleaves Conservation Association Inc.	Protection and Enhancement of Coast Banksia Woodland Remove three large pine trees, weed control, revegetation, in Coast Banksia Woodland and Coastal Dune Scrub, monitor and protect threatened Hooded Plovers. Raise awareness through signage and promotion of group and local values.	8,510
South Gippsland Landcare Network	Corner Inlet Citizen Science Water Quality Improvement Project Volunteers will be trained to regularly monitor water quality, and trial of testing methodology. Data will be analysed, shared and used to engage landholders in improved land management.	14,860
Tambo Bluff Landcare Coastcare	Steps towards the future - restoring and protecting the integrity of the Lake King foreshore The project aims to protect a vulnerable section of the Tambo Bluff foreshore from erosion through weed control, planting 300 endemic species, control walkway access through surface treatment, bollard installation, and interpretive signage.	3,240
Victorian Wader Study Group	Sustaining long term studies of waders and terns in South East Australia Gather comprehensive scientific data on waders and terns and increase profile through increased education.	5,086
Walkerville Foreshore Reserve Committee of Management	Walkerville Foreshore Reserve Weed Eradication, Revegetation and Erosion Control 2018 Eradication of weeds along the Walkerville Foreshore Reserve and revegetation using locally indigenous species to increase biodiversity and natural habitat for native fauna.	14,960
Warrnambool Coastcare Landcare Network	2018-19 Thunder Point Coastal Reserve Community Conservation Project Citizen science involving up to 200 community members monitoring the population and breeding health of the Little Penguin colony. Weed removal and revegetation in the reserve to improve habitat and prevent erosion, collect rubbish. Raise community awareness about the values of the reserve through traditional and social media and through community presentations and a formal report.	9,970

Program – Coastal Public Access and Risk (CPAR) 2017-18

The Coastal Public Access and Risk grant initiative provides financial assistance to Victorian coastal Crown land managers to reduce risk to users and improve public access.

Recipient	Project	Funding Support (\$)
Moyne Shire Council	Port Fairy Surf Club Boat ramp reconfiguration.	45,000
Surf Coast Shire Council	Bells Beach Replacement of Winki lookout pathways.	128,000
Glenelg Shire Council	Portland Coastal stability assessment.	20,000
Otway Coast Committee	Marengo Beach Access stairs and beach renourishment protection.	27,000
Otway Coast Committee	Wye River Beach access step upgrade.	35,000
Bellarine Bayside Foreshore Committee of Management	Jade Tiger Beach Fencing, track realignment, timber groynes, access point and car park formalisation.	88,000
Bellarine Bayside Foreshore Committee of Management	St Leonards Coastal trail realignment.	24,000
Warrnambool City Council	Moyjil-Point Ritchie Beach access stairs.	121,000
Great Ocean Road Coast Committee Incorporated	Jan Juc Steps Beach stairway replacement.	60,000
Phillip Island Nature Parks	Colonnades Boardwalk replacement.	18,000
Seaspray Reserve Committee of Management Inc	Seaspray Caravan Park Beach access stairway and footpath.	40,000
Sandy Point Foreshore Committee of Management Inc	Sandy Point Main Beach Formalise and re-align beach access.	15,000
Gippsland Ports Committee of Management Inc	Lakes Entrance Remove Green Light jetty.	34,000
Bass Coast Shire Council	First Surf Beach Foreshore Stair Access Replacement.	56,000
Mornington Peninsula Shire	Mornington/Mt Martha Cliffside safety fence upgrade.	35,000
Hobsons Bay City Council	Altona Foreshore access ramp upgrade.	150,000
Merricks Beach Foreshore Reserve Committee of Management Inc.	Merricks Beach Stair access upgrade.	36,000

Program – Collaborative Councils

Provision 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 (\$)
Central Goldfields Shire Council	Grampians Central West Regional Waste and Recycling Audits This project will assess and form the business case for undertaking waste audits across every Council and Licenced Landfill accepting municipal waste in the Grampians Central West Region. The output for the project would be a consistent set of audits which report reliable waste data that can then be used to inform potential projects.	40,000
Knox City Council	Scaling up behind the meter solar on council facilities Four of the Eastern Alliance Greenhouse Action councils will develop a business case for scaling-up and refining a new procurement approach for installing solar on council facilities (pioneered by Yarra Ranges). The project will systemically assess and prioritise sites, compare and contrast technology, and contracting models and develop coordinated implementation and procurement plans.	63,100
Port Phillip City Council	Inner Metro Sustainability Hub - Feasibility Study The Inner Metro Sustainability Hub is an opportunity to deliver catalyst sustainable infrastructure for inner Melbourne. It is an opportunity to: Treat waste via an advanced waste treatment facility; and Create an infrastructure solution to achieve the Fishermans Bend Vision for a sustainable and resilient urban transformation.	75,000
Moyne Shire Council	Development of behavioural change program to divert kerbside organics from waste This project will enable currently collaborating contiguous regional councils to produce a business case that assesses regional social, environmental and financial factors to define the behaviour changes required to significantly increase kerbside Food Organics Garden Organics diversion rates.	60,000
Ballarat City Council	Cool it - Collaborative procurement of heat vulnerability mapping The project will undertake heat vulnerability mapping for regional/interface councils to prioritise areas for green infrastructure investment in ongoing capital works.	45,000
South Gippsland Shire City Council	Southern Gippsland Solar Farm Feasibility work for a solar farm located on Council owned land in Leongatha to be utilised by South Gippsland, Bass Coast and Baw Baw Shire Councils to assist with reducing the long-term costs associated with electricity procurement, increasing local renewable energy production, job opportunities and community support.	52,620

Recipient	Project	Funding Support (\$)
Swan Hill Rural City Council	Social Energy Procurement This project will ensure councils understand the risks and opportunities associated with alternative energy procurement options, focusing on Power Purchase Agreements and potential to support local energy projects. It will also investigate governance models for councils wishing to co-invest in large-scale renewable energy infrastructure.	41,000
City of Whittlesea	Victorian Councils Supply Chain Sustainability Pathway This project will pilot a local government 'edition' of the Supply Chain Sustainability School to improve suppliers' sustainability understanding, skills and capacity. Creating an online portal that provides learning pathways and resources for suppliers, contractors and procurement staff will lead to improved environmental, social and economic outcomes through procurement.	75,000

Program – Energy Storage Initiative

To deploy two battery storage projects of 20 megawatts minimum capacity 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	Energy Storage Initiative Construction of a large-scale 30MW/30MWh grid connected lithium ion battery next to the Ballarat terminal station.	2,265,000
Edify Energy	Energy Storage Initiative Construction of a large-scale 25MW/50MWh grid connected lithium ion battery to be co located with the new Gannawarra 50MW Solar Farm. Will be the largest "behind the meter" solar and battery system in Australia and one of the largest in the world.	9,484,702

Program – Landfill Levy Relief Program

This program offsets the landfill levy costs charitable recyclers face when disposing of illegally dumped materials and unwanted donations from their stores. The funds are distributed by the National Association of Charitable Recycling Organisations.

Recipient	Project	Funding Support (\$)
National Association of Charitable Recycling Organisations	Charitable Recycling Project Distributed to 23 charitable organisations across the state to mitigate the costs imposed on Victorian charities by illegal dumping.	800,000

Program – Recycling Services Temporary Relief Fund

The decision in early 2018 by China to restrict the importation of many recycled materials has had a significant impact on local government kerbside waste services and the wider recycling industry. The program will provide temporary relief funding to assist councils in meeting the immediate cost pressures resulting from changed recycling market conditions, specifically for the period 1 March 2018 to 30 June 2018.

Recipient	Project	Funding Support (\$)
Alpine Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	35,048
Ararat Rural City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	18,000
Ballarat City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	187,200
Banyule City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	250,800
Bass Coast Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	86,670
Baw Baw Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	101,752
Bayside City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	219,960
Benalla Rural City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	33,840
Boroondara City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	405,000
Borough of Queenscliffe	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	10,860
Brimbank City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	312,000
Buloke Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	16,594
Campaspe Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	84,840
Cardinia Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	204,360
Casey City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	537,540
Central Goldfields Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	28,800
Colac Otway Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	44,400

Recipient	Project	Funding Support (\$)
Corangamite Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	31,320
Darebin City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	291,540
East Gippsland Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	85,054
Frankston City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	314,100
Gannawarra Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	23,640
Glen Eira City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	262,200
Glenelg Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	42,710
Golden Plains Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	47,700
Greater Bendigo City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	240,000
Greater Dandenong City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	248,160
Greater Geelong City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	552,000
Greater Shepparton City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	133,920
Hepburn Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	33,300
Hindmarsh Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	8,400
Hobsons Bay City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	204,600
Horsham Rural City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	36,000
Hume City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	384,000
Indigo Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	33,600
Kingston City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	360,000

Recipient	Project	Funding Support (\$)
Knox City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	306,300
Latrobe City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	180,000
Loddon Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	12,000
Macedon Ranges Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	93,600
Manningham City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	213,660
Mansfield Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	26,400
Maribyrnong City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	150,000
Maroondah City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	226,740
Melbourne City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	207,000
Melton City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	246,000
Mildura Rural City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	107,220
Mitchell Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	81,180
Moira Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	57,600
Monash City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	311,192
Moonee Valley City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	221,100
Moorabool Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	63,672
Moreland City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	339,540
Mornington Peninsula Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	430,080
Mount Alexander Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	38,400

Recipient	Project	Funding Support (\$)
Moyne Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	24,240
Murrindindi Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	28,818
Nillumbik Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	126,060
Northern Grampians Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	23,160
Port Phillip City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	208,200
Pyrenees Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	11,040
South Gippsland Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	42,624
Stonnington City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	189,000
Strathbogie Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	27,600
Surf Coast Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	82,080
Swan Hill Rural City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	38,400
Towong Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	13,804
Wangaratta Rural City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	72,000
Warrnambool City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	71,492
Wellington Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	79,200
West Wimmera Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	3,908
Whitehorse City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	324,000
Whittlesea City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	336,060
Wodonga City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	72,000

Recipient	Project	Funding Support (\$)
Wyndham City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	393,900
Yarra City Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	192,000
Yarra Ranges Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	343,834
Yarriambiack Shire Council	Grant to cover a portion of the price rises in the period 1 March 2018 to 30 June 2018 directly associated with kerbside recycling services.	10,800

Program - Biodiversity Onground Action - Community and Volunteer Action Grants 2017

Community and Volunteer Action Grants support communities in efforts to conserve their local biodiversity and threatened species.

Recipient	Project	Funding Support (\$)
Cairnlea Conservation Reserves Committee of Management Inc	Wildflower and Reptile Recovery in Melbourne's West Support the continuing management and ecological restoration of three community managed urban grassland reserves in Melbourne's west - Iramoo Wildflower Grassland Reserve, Pimelea Grassland Reserve and Featherheads Grassland Reserve.	49,300
Friends of Westgate Park Inc.	Improving biodiversity through restoration of habitat at Westgate Park using community volunteers To engage community volunteers in practical on-ground environmental works that will improve biodiversity, preserve habitat and control weeds by re-vegetation.	14,000
Royal Melbourne Institute of Technology	Conservation of the critically endangered <i>Caladenia robinsonii</i> <i>Caladenia robinsonii</i> (Frankston spider orchid) is a critically endangered orchid recorded from only one wild Victorian location in the Mornington Peninsula Shire. This project will establish a new population at another location of up to two hundred plants using plants already grown for translocation, with completion of site preparation work and construction of cages and/or fencing.	34,950
Upper Campaspe Combined Landcare Groups	Citizen Surveys for Vulnerable Greater Gliders, Powerful Owls and Phasogales in the Central Highlands The citizen survey in the Central Highlands will incorporate over twenty community groups to undertake surveys to confirm the presence of the threatened Greater Glider, the Powerful Owl, and the Brush Tailed Phascogale, all listed as vulnerable under the <i>Flora and Fauna Guarantee Act</i> in Victoria.	46,485
East Gippsland Rainforest Conservation Management Network	Littoral rainforest community recovery program Increase the ecological condition of and public appreciation for several key areas of critically endangered littoral rainforest.	20,025

Recipient	Project	Funding Support (\$)
Longwood Plains Conservation Management Network	Icons of the Longwood Plains: Grey-crowned Babblers, Bush Stone-curlews and Squirrel Gliders habitat improvement. Increase connectivity, and the quantity and quality of habitat across the Longwood Plains.	48,500
Ashbourne Landcare Group Inc	Ashbourne Landcare Biolinks Project Increase the extent and diversity of flora through protection, allowing natural regeneration, and through planting of selected species of local provenance.	49,890
Panyyabyr Landcare Group Inc	Victoria Valley Private Land Fox Baiting 2017-2020 - Parks Victoria Partnership 'Grampians Ark' is a continuous fox baiting program implemented by Parks Victoria across the Grampians National Park and other adjoining public land.	49,500
Up2Us Landcare Alliance	Sandy Creek habitat restoration - welcome back Phascogales and Banksias This project will involve offering landholders an incentive to assist in the revegetation of Sandy creek, extending the habitat of Mt Samaria to the lake edge.	42,100
Western Port Catchment Landcare Network	Connecting pockets of habitat and improving biodiversity for nectar feeders in the Westernport Catchment This project will address the issue of depleting numbers of nectar feeding bees, birds, butterflies, and bats in the Western Port Catchment, by planting a variety of indigenous nectar-producing plants throughout the catchment in urban and rural gardens.	49,062
Parks Victoria	Twin Dams Paddock, Weeroona/Conservation Zone, Sanatorium Dam Area Re-vegetating cleared and cultivated land with trees and shrubs to provide wildlife habitat and controlling weeds which invade adjacent areas of the park.	5,160
BirdLife Australia Ltd.	Monitoring and rehabilitation of Fairy Tern breeding sites in Western Port and Port Phillip Bays To monitor the breeding colonies of Fairy Terns in Western Port and Port Phillip Bays and to improve the suitability of key breeding sites utilising the knowledge gained from the successful small tern rehabilitation work in Gippsland.	42,700
Goulburn Broken Catchment Management Authority	Villa Turquoise - Creating and monitoring artificial nesting habitat for the threatened Turquoise Parrot This proven, successful project now plans to expand into the eastern side of the Warby Ranges to continue increasing bird numbers through the erection and monitoring of 150 nest boxes.	50,000
Trentham and District Landcare Group	Coliban River from Enders Bridge to Trentham Falls biodiversity link To restore connectivity between the areas of remnant vegetation along the Coliban River from Enders Bridge to the Trentham Falls.	50,000
Woodside Landcare Group and Yarram Yarram Landcare Network Inc	Creating Martin Toadlet Habitat on Reedy Creek - Phase 2 To provide habitat and reduce threats for a range of amphibians including the critically endangered Martin's toadlet.	45,000

Recipient	Project	Funding Support (\$)
Violet Town Action Group Incorporated	Zooming in and out on threatened species in Violet Town Violet Town and the surrounding area are strongholds for the (Victorian) threatened Squirrel Glider and Grey-crowned Babbler species. This project will protect remnant paddock trees and enhance and expand habitat for native fauna along Croppers Creek in North East Victoria.	48,440
Walhalla Board of Management Incorporated	Saving Stringers Creek To remove the Tutsan in and around the Chinese Gardens and upstream for some 2km along Stringers Creek West Branch.	39,369
Friends of Campbells Creek Landcare Group	Urban waterways park—the green heart of Castlemaine For three Landcare groups to increase community involvement and the scale and speed of improvement of the creek-side land.	49,003
South Gippsland Conservation Society Inc.	Enhancing resilience and biodiversity of coastal flora and fauna at Harmers Haven To introduce targeted weed control and revegetation into the Kilcunda-Harmers Haven Coastal Reserve over a three-year period.	47,985
Balcombe Estuary Reserves Group, Mt Martha Inc (BERG Mt Martha)	Biodiversity and Ecology Restoration Project, Mt Martha This project will provide a more consistent, appropriate and diverse indigenous vegetation that will boost habitat value and biodiversity.	45,763
Myrtleford and District Landcare and Sustainability Group	Suring up the threatened Stony Bush-pea <i>Pultenaea lapidosa</i> on Reform Hill To improve and expand the habitat area for the Stony Bush-pea to enable natural regeneration beyond our project area and to educate the local community to better understand and manage our local environment and the species within.	18,585
Woorndoo Land Protection Group	Diversifying and extending a restored native grassland in south-western Victoria (Woorndoo) To diversify and extend a native grassland directly sown by the Woorndoo Land Protection Group in 2013.	38,952
Napoleons Enfield Landcare Group Inc	Round the bend and up the creek This new project builds on the recent Yarrowee river restorations by adding two hectares of double creek frontage.	29,328
StopPitt Inc	Dandenong Ranges <i>Pittosporum undulatum</i> (Sweet Pittosporum) control Program To expand the program to strategic high value properties within the Muddy Creek catchment, a tributary of Cardinia Creek.	48,580
Parks Victoria	On the ground/ In the trees: Habitat enhancement for Grey-headed Flying-fox in Yarra Bend Park To restore sections of the riparian bushland in and around the camp, including weed removal and replanting with locally-indigenous species.	26,800
Wedderburn Conservation Management Network	Protecting spring soaks in the north western Goldfields - stage 2 To continue work on the twenty-seven soaks sites in the Mt Korong / Mt Kooyoora area selected for various conservation actions.	37,190

Recipient	Project	Funding Support (\$)
Knox Environment Society Inc	Ferntree Gully Reserve The Knox Environment Society will maintain and care for the management of a piece of land near the railway line that contains significant remnant vegetation.	10,200
Fungimap Inc	Putting Victoria's fungal biodiversity on the map Fungimap will provide educational kits, workshops and field training across Victoria, tailored to Catchment Management Authority regions.	50,000
Northern Plains Conservation Management Network Inc.	Managing Northern Plains Grasslands for Plains-wanderers To engage a consultant to survey for the Plains-wanderers in grassland paddocks that have not been surveyed and to install ten sound recorders across paddocks that Plains-wanderers have been recorded in, pre 2010.	48,250
Maffra and District Landcare Network	Flooding Creek Connections This project will be a partnership between Wellington Shire Council, Landcare, schools and community, working together to link existing vegetation patches while building stronger connections with the town's natural environment.	48,133
Christmas Hills Landcare Group	Engaging landholders, improving habitat, and protecting orchids in Christmas Hills This project builds on years of work by the Christmas Hills Landcare Group engaging and developing local landholder motivation and capacity to care for these assets.	39,038
Kiewa Catchment Landcare Groups	Enhancing Biodiversity in a Peri-urban Environment Restoration of indigenous native vegetation and the recreation of a connecting wildlife habitat corridor along Middle Creek upstream of Fredric Street Road Baranduda.	50,000
Australian Landscape Trust	Fauna Survey To conduct a complete fauna survey of the 700ha covenanted land, including mammals, birds and amphibians creating a complete fauna species list.	8,890
Greater Shepparton City Council	Breathing Life into the Bushland This project at the Australian Botanic Gardens Shepparton will conserve significant remnant vegetation in a former landfill site.	29,092
Red Hill South Landcare Group	Protecting Powerful Owl habitat in Waterholes Creek Catchment This initiative will improve habitat and reduce predation on several threatened fauna including the endangered Powerful Owl.	18,592
Friends of the Prom	Koala Habitat Restoration at Wilsons Promontory National Park To restore the eucalypt woodland, discourage growth of understorey shrubs and allow for the reintroduction of koalas in this area.	9,500
Trust for Nature (Victoria)	Protecting Species, Connecting People This project will work with private landholders to improve their biodiversity values and protect threatened species by controlling woody weeds and other high-threat weed species within the Greater Geelong district.	50,000

Recipient	Project	Funding Support (\$)
Victorian Malleefowl Recovery Group Incorporated	Annual monitoring of malleefowl breeding success To support practical community efforts to better understand and manage Malleefowl and their habitat.	24,600
Great Ocean Road Coast Committee Incorporated	Bert Alsop Track Rehabilitation For the removal of woody weeds, with follow-up weed control and removal of herbaceous species such as English Ivy.	45,810
The Basalt to Bay Landcare Network Inc.	Protecting Pretty Hill Reduce the weed impacts, reduce pest animals, survey for threatened flora and fauna, prepare the reserve for ecological/indigenous burning, and infill plant with stock grown from seed collected in the reserve to prevent weed return post fire.	49,270
Ultima Landcare Group	Coordinated community action to protect Buloke Woodlands in the Southern Mallee - Ultima Landcare Group To protect and enhance nationally significant Buloke Woodlands through strategic, coordinated on-ground works and engagement events.	50,000
Culgoa and District Landcare Group	Coordinated community action to protect Buloke Woodlands in the Southern Mallee - Culgoa Landcare Group To partner with ten Landcare Groups and five Councils to achieve landscape-level rabbit control over a three-year period, with the long-term goal of reducing rabbit population numbers to below 0.5/ha, allowing for successful natural regeneration.	50,000
Upper Ovens Valley Landcare Group	Riparian Conservation and Connectivity: Ovens/Buckland Rivers junction The Ovens/Buckland Junction project targets a new treatment area where there are dual benefits of addressing threatened ecological communities at risk and improve biodiversity connectivity across the Ovens Valley.	31,500
Southwest Mornington Peninsula Landcare Group (SWAMP Landcare)	Protect and Connect - Stage 1 - Moonah Woodland Restoration This project aims to restore approximately 42 hectares of Flora and Fauna Guarantee listed vegetation on private properties and roadsides in the southern catchment of the Tootgarook Wetlands.	50,000
Australian Network for Plant Conservation Inc.	Saving the threatened Audas Spider-orchid (<i>Caladenia audasii</i>) from extinction To fence the newly discovered plants in the Grampians to protect them from grazing and allow seed collection; and to survey near the newly discovered site, collect cross pollinated seeds, propagate the plants and re-introduce plants with volunteer assistance.	41,314
Friends of Bald Hill Reserve	Enhancing Biodiversity Values and Habitat for Threatened Species at Bald Hill Reserve, Kyneton To implement the Bald Hill Reserve Environmental Management Plan, ensuring the reserve is preserved as a significant place of ecological diversity that is valued by the community.	36,700

Recipient	Project	Funding Support (\$)
Parks Victoria	Mullum Mullum Park, Walert Creek, Habitat Restoration and Protection Project To rehabilitate and protect significant Riparian, Herb-rich Foothill and Grassy Valley Forest environments and carry out works to protect threatened species along Walert Creek in Mullum Mullum Park in Donvale.	41,905
Friends of Winton Wetlands	Sticking our necks out for Turtle conservation To educate and empower the community to directly contribute to the protection and 'ownership' of the local turtle population.	49,150
Mt Korong Eco-Watch Association Inc	A water cart to establish plantings from our nursery Mt Korong Eco-Watch is dedicated to improving biodiversity of these direct seeded areas by establishing understory plants found in local isolated remnant woodland.	9,482
Lismore Land Protection Group	Protecting remnant habitats along Mt Emu Creek and Nerrin Wetlands Protection and enhancement of habitat for threatened species in the Mt Emu Creek and nearby wetland by installing 7.5km of fencing.	49,990
Nillumbik Shire Council	Cultivating Community Stewardship: Caring for the Significant Biodiversity of Panton Hill and Smiths Gully Engage the community in protecting threatened plant and animal species in the Panton Hill Bushland Reserve System and surrounding private land.	49,383
Beyond Bolac Catchment Action Group	Rebuilding the Forgotten Woodlands of the Victorian Volcanic Plain To restore Silver Banksia, Drooping She-oak and Sweet Bursaria to the landscape.	50,000
Nillumbik Shire Council	Finding and saving Southern Toadlets and other frogs in Nillumbik This project will engage with local communities, public land managers and private land owners through a series of events, raising awareness of toadlets, their habitat requirements and threats across the Shire.	27,152
Hobsons Bay City Council	Emu Foot Grassland Conservation Signage To install two signs to educate the public and our conservation workers about the important species present and the ecological significance of the area.	8,000
Friends of Crusoe Reservoir and Number 7 Park	Crusoe and Number 7 Park Habitat Hollow Project To install 120 nest boxes within the park with the aim of increasing populations of hollow dependant fauna, with particular focus on improving habitat for the threatened Brush-tailed Phascogale and Powerful Owl.	10,700
Friends of Merri Creek Incorporated	The Secret Seven: Seeds for our Flora's Future Under the guidance of local experts, volunteers will participate in genetically targeted seed collection and in the care of Seed Production Areas to increase availability of seed of seven locally rare plants.	49,984

Recipient	Project	Funding Support (\$)
Golden Point Landcare Group	Habitat improvement for the Brush tailed phascogale in the Forest Creek valley To improve the habitat especially for the endangered species, the Brush tailed phascogale, in the Forest Creek catchment.	9,500
Phillip Island Landcare Group Inc	Corridor and Biodiversity Enhancement on Phillip Island. Further develop the wildlife corridor through targeted revegetation works, to help reduce erosion on farmland, protect remnant vegetation, continue pest plants and animals programs and increase the educational opportunities for our supporters and the broader community.	49,900
Ferny Creek Primary School	Ferny Creek Primary School Biodiversity Enhancement Project Commence work to remove a number of large woody weeds as well as those climbers threatening to overwhelm the site. Replace the current mono-culture of introduced species with native vegetation that will assist to highlight the Cool Temperate Rainforest already noted within the Ferny Creek.	35,216
Kara Kara Conservation Management Network	Improving habitat for threatened and declining flora and fauna in Victoria's western goldfields To improve landscape connectivity, with a focus on filling gaps in existing biolinks; expand/improve habitat for selected threatened/declining flora and fauna species, and engage with, and educate the community about the region's biodiversity.	46,915
Parks Victoria - Lysterfield Park	Sustaining Baluk Willam Biodiversity To protect and improve the habitat of this valuable native flora and monitor the health and biodiversity of the reserve and better educate local communities to manage the local biodiversity and habitat.	48,000
French Island Landcare Group Inc	Creating new and enhancing old habitats and wildlife corridors to promote biodiversity on French Island. To increase biodiversity and community volunteer participation on French Island by providing continuity of volunteer training and on ground revegetation works to create links across the south west side of the island.	46,439
Wodonga Urban Landcare Network Inc	Restoring Habitat Linkages in Wodonga To restore habitat for native species through the removal of environmental weeds, resourcing volunteers to enable them to effectively control weeds, providing native plants and planting materials to reinstate understorey and overstorey linkages, and raising awareness in the community around habitat needs in urban areas.	50,000
Nillumbik Shire Council	Recovery and conservation of the Charming Spider Orchid <i>Caladenia amoena</i> Conservation and recovery of one of Nillumbik's rarest plants, the Charming Spider Orchid <i>Caladenia amoena</i> .	50,000

Recipient	Project	Funding Support (\$)
Beulah Landcare Group	Coordinated comment action to protect Buloke Woodlands in the Southern Mallee - Beulah Landcare Group The Group will partner with eleven Landcare Groups and five Councils to achieve landscape-level rabbit control over a three-year period, with the long-term goal of reducing rabbit population numbers to below 0.5 hectares, allowing for successful natural regeneration.	50,000
Mitchell Shire Council	Monument Hill Pine Removal Program Remove the windrow and burn the mature pine trees, the established immature pine trees and any young seedlings to prevent further spread and establishment. The burn sites will also be rehabilitated.	26,700
South West Goulburn Landcare Inc	Fur and fins; extending landscape pathways with community collaboration Build upon existing projects by extending biolinks both stream side and aquatically to continue links through the landscape for endangered and other species to enable movement to other populations and connecting islands of suitable habitat in a fragmented matrix.	49,120
Rainbow and District Landcare Group	Coordinated community action to protect Buloke Woodlands in the Southern Mallee - Rainbow and District Landcare Group The Group will partner with eleven Landcare Groups and five Councils to achieve landscape-level rabbit control over a three-year period, with the long-term goal of reducing rabbit population numbers to below 0.5 hectares, allowing for successful natural regeneration.	50,000
Springhurst and Byawatha Hills Landcare Group	Why I'm Important - Roadside Reserves Engage an ecologist to survey the flora and fauna. A rehabilitation plan can then be fine-tuned with specific species in mind and more specific information can be communicated to the local community about species that depend on the roadside reserve as a Grassy Woodland and biolink.	48,000
Phillip Island Nature Park Board of Management Inc	Turn the Tide The Project will develop a monthly clean-up program on ten Phillip Island beaches; analyse marine debris to learn about quantity, types and sources; use data to inform a community education campaign and local initiatives; and share information with industry, government, and other key land and waterway managers and users.	28,770
Victorian National Parks Association Inc	Building on the success of NatureWatch Caught on Camera in Bunyip State Park This project builds on the successes of the previous five years of our Caught on Camera wildlife monitoring in Bunyip State Park and delivers the project for the next three years.	48,898

Recipient	Project	Funding Support (\$)
Hindmarsh Landcare Network Inc	Project Hindmarsh Biolink Threatened Community Planting This project is building on 20 years of on ground revegetation works along roadside corridors in the Hindmarsh and West Wimmera area. Revegetating private land adjoining these corridors, especially where isolated remnants exist, will increase their extent, broaden the habitat value of these connectors and greatly improve their value to biodiversity.	33,100
Yackandandah Cemetery Trust	Cemetery Native Grassland Species: protection and Identification Provide signage to identify these valuable species on the plots and repair fencing to protect the species from feral animals and public access onto the plots.	5,600
Victorian National Parks Association Inc	ReefWatch - Sea Slug Census Harness the existing interest in photographing Sea Slugs to empower and encourage people to become citizen scientists and to discover more about this unique group of animals.	47,470
Friends of Wilson Reserve Inc	Refurbishing bat-boxes to maintain habitat restoration, long-term environmental monitoring, community engagement and education To facilitate a major refurbishment of bat-boxes by encasing the old wood bat-boxes in an exterior weatherproof shell made from 100 per cent recycled plastic board to increase the lifespan of the boxes by a further 20+ years.	14,000
Chewton Landcare Group	Remnant Forest and Creek Rehabilitation To improve habitat quality and biodiversity in Wattle Gully and Post Office Hill in Chewton, central Victoria.	24,592
Ballarat Environment Network Inc.	Enhance diversity of Plains Grassy Woodlands and Grassy Woodlands through ecological burns at BEN-managed reserves To reduce smothering biomass, stimulate the regeneration of the local grasses and herbs, and control the grassy weeds.	9,970
Harston Community Landcare Group Incorporated	Stockyard Plain Community Project 2 Continue to preserve the site and protect its' inhabitants through ongoing fox baiting, weed control, revegetation, enhancement of habitat and fire prevention.	37,160
Cannons Creek Foreshore Reserve Committee of Management Inc.	Where the Woodland Meets the Sea To restore the biodiversity of the ecosystem on the fringe of the coastal reserve edging Rutherford inlet in Westernport Bay.	20,950
Euroa Environment Group Inc	Restoring the Seven Creeks, Euroa Township To link the areas of revegetation along the creek and continue weed control. A citizen science project will be established to connect the community in an engaging way to the bird species along the creek, and bird surveys will continue each quarter.	50,000
Mitta Valley Landcare Group	Mitta Valley Landcare environmental protection and enhancement project covering 88 hectares Provide local understanding of what is within their properties and techniques to improve management of native species.	49,994

Recipient	Project	Funding Support (\$)
Friends of Kooyoorra State Park	Protecting rare orchid flora in the Parks of Kooyoorra To maintain the momentum in orchid recovery that has taken place over the past fifteen years in the Kooyoorra region.	48,900
Mt. Worth and District Landcare Group Inc	Mt. Worth Threatened species biolink This project will fund 3.3 km of fencing and planting of 8,000 indigenous seedlings, which will revegetate 3.8 hectares within 5 km of the State Park.	28,600
Mornington Peninsula and Western Port Biosphere Reserve Foundation Ltd	Collective Effort Environmental Management The project will contribute to a landscape scale map of all fox control management activities within the reserve, which will identify gaps, effectiveness and the predator/prey relationships to recommend improvements. It will also include community education and engagement for neighbouring landowners.	48,302
Australasian Native Orchid Society (Victorian Group) Inc.	Recovery Action for Three of Victoria's Rarest Orchids (<i>Caladenia audasii</i>, <i>clavescens</i> and <i>sp. aff. fragrantissima</i>) <i>Caladenia audasii</i> , <i>Caladenia clavescens</i> and <i>Caladenia sp. aff. fragrantissima</i> are three of Victoria's rarest spider orchids, with <i>Caladenia audasii</i> being one of Australia's rarest plants. This project will germinate these three orchid species from seed, raise them to maturity and reintroduce them to their native habitat.	49,800
Australasian Native Orchid Society [Victorian Group] Inc.	<i>Caladenia pumila</i> recovery This project will commence the recovery of the <i>Caladenia pumila</i> which was believed extinct until two plants were rediscovered in 2009. Seed has been collected and germination and propagation requires the assistance of the Royal Botanic Gardens for release in the future.	49,900
Trust for Nature (Victoria)	Striped Legless Lizard community surveys and habitat restoration - Goldfields East The bulk of Striped Legless Lizard habitat now occurs on private property. The project will work with individual landholders and local community environment groups to directly survey the knowledge of 200+ landholders to collect information and champion the importance of woodland conservation.	31,775
Upper Hopkins Land Management Group Inc.	Linking and creating vegetation corridors at Bowmont Landholders will develop biolinks of native trees and shrubs which will link to existing remnant trees on their property, "Bowmont". There is a long-term vision for a well vegetated property which is beneficial for people, for livestock and for native fauna.	11,120
BirdLife Australia Ltd.	A time for hope: strengthening Hooded Plover monitoring and protection in south west Victoria To engage expert ornithologists to individually mark birds (improving understanding of site fidelity and survival, plus building community connections with the birds) and produce detailed maps for improved data collection.	17,671

Recipient	Project	Funding Support (\$)
Campaspe River and Land Management Group	Riparian rehabilitation along an urban waterway- Campaspe River and Australian Anchor Plant The Australian Anchor Plant is not reproducing naturally - this needs more research but in the meantime the Campaspe River and Land Management group are propagating seedlings to at least buy the species a bit more time until lack of natural recruitment can be addressed.	21,136
Friends of Leadbeater's Possum Inc.	Enhancement of habitat for Lowland Leadbeater's Possum at Yellingbo Nature Conservation Reserve This project will directly address management action required to conserve Leadbeater's Possum at Yellingbo.	6,980
Connecting Country (Mount Alexander Region) Inc.	Caring for Key Biodiversity Areas in Central Victoria Caring for Key Biodiversity Areas in central Victoria will work with local communities to address the threats facing woodland birds across private and public forests and woodlands.	49,150
Conservation Volunteers Australia (Australian Trust for Conservation Volunteers)	Community Habitat Enhancement - Salvana Conservation Reserve The broad focus of the project is to improve local connectivity of wetland habitats through the provision of 'Habitat Havens' on rural and peri urban farms.	49,625
Friends of the Helmeted Honeyeater Inc	Revegetation in target areas within Yellingbo Conservation Reserve along Woori Yallock Creek and Sheepstation Creek Increase habitat availability and improve vegetation condition which is urgently required to support two critically endangered species, Helmeted Honeyeater and Leadbeaters Possum. These species rely on this vegetation for their survival.	28,310
Barengi Gadjin Land Council Aboriginal Corporation	Increasing Diversity in Wail State Forest To restore a natural and diverse grassland and shrubland environment, removing non-native and many non-Victorian native species.	40,000
Trust for Nature (Victoria)	Endangered Orchid Recovery in the Kara Kara Region This project will focus on facilitator led, community engagement to locate new sources of genetic material, propagation of plants, establishment of new populations and a community involved monitoring program for previous reintroduction sites and wild population monitoring.	49,920
Trust for Nature (Victoria)	Brolgas and Bandicoots - Pallisters Reserve Provide predator control and habitat enhancement for two threatened species, Brolgas and Southern Brown Bandicoots at Pallisters Reserve, Orford. Fox control, revegetation for habitat for Southern Brown Bandicoots.	23,604
Panyyabyr Landcare Group Inc.	Fencing off regionally Endangered Swamp Scrub habitat in Western Victoria This project will engage landholders to install over 3 km of continuous stock-proof fencing to protect 33 hectares of Endangered Swamp Scrub remnant vegetation along Little Tea Tree Creek.	16,270

Recipient	Project	Funding Support (\$)
Blampied – Kooroocheng Landcare Group	Protecting the Future of our Trees: Seed Security II The project will involve as many land managers as possible within the Upper Loddon Catchment, to prevent further degradation and devaluation of agricultural land.	23,560
Powlett Project	Protecting the Powlett creating habitat for threatened species This project will revegetate 7.61 hectares of degraded agricultural land within the Powlett River catchment.	49,650
Sandy Point Community Group Inc	Sandy Point Koala Action Project Through the project, the community hope to better understand the health of the koala population, and plan and implement practical on-ground strategies to improve the health and long-term sustainability of the Sandy Point koalas.	49,870
Australasian Native Orchid Society (Victoria Group) Inc	Passionately Protecting Plains Grassland This project restores one of Victoria's rarest habitats, Western Basalt Plains Grassland, tipping the balance back to a beautiful high quality indigenous wildflower grassland over 3 ha.	23,250
Surf Coast and Inland Plains Network	To protect and enhance fragmented indigenous vegetation including threatened ecological communities through bio links This project plans to help maintain diversity and connect isolated habitats by excluding livestock with adequate livestock fencing, providence on seed collection and propagation, linking the areas between these isolated pockets of habitat to increase the diverse biodiversity.	24,640
Mt Rothwell Landcare Volunteers Inc.	Granite Island Corridor This project will support the regeneration and enhancement of the connecting Granite corridor located between the endangered Basalt Grassland Plains and Open Grassy Woodland at Mt Rothwell.	43,000
Heytesbury District Landcare Network Inc	Port Campbell Biolinks Project Port Campbell Biolinks project is a community project with a holistic approach to the issue of weeds.	25,500
Goulburn Valley Environment Group (GVEG) Incorporated	Renewal of threatened plant conservation projects in the Goulburn Valley To communicate the importance of highly threatened habitats to the local community and provide renewed opportunities for local communities to explore and discover these precious sites.	44,945
Mornington Peninsula Shire Council	Using chainsaw cut log hollows to create supplementary roosting habitat for hollow-dependant mammals To create chainsaw cut log hollows and install these supplementary roosts on trees at four bushland reserves in Mornington Peninsula.	27,200
Parklands Albury Wodonga Ltd	Protecting Upper Murray Remnants Remove grazing from remnant bushlands in Bullioh, Darbyshire and Lucyvale through stock exclusion fencing. Create corridors of connectivity to adjoining State Forests, Nature Conservation Reserves and National Parks.	29,700

Recipient	Project	Funding Support (\$)
Greta Valley Landcare Group	Protecting Scattered Paddock Trees for our Woodland Birds and Bats The death of paddock trees is a major loss for local biodiversity and agricultural productivity. This project focuses on the protection of 20 scattered paddock tree sites, including planting of missing understorey shrubs and the relocation of fallen timber to the sites and the planting of one hundred new paddock trees.	36,030

Program – Biodiversity Ongoing Action - Community and Volunteer Action Grants 2018

Community and Volunteer Action Grants support communities in efforts to conserve their local biodiversity and threatened species.

Recipient	Project	Funding Support (\$)
Woomelang/Lascelles Landcare Group	Woomelang/Lascelles Rabbit and Invasive Plant Action Project 2018 To protect and enhance endangered native vegetation classes within its area, by reducing rabbit and invasive plant populations on private agricultural land and along public council roadsides.	50,000
East Gippsland Landcare Network Inc.	Landcare planting for our future This project aims to improve significant vegetation communities in the Gippsland Plains Bioregion, through community education and twenty hectares of revegetation works.	49,250
Upper Goulburn Landcare Network	King Parrot Catchment Fox Control Project To reduce the impact of foxes on biodiversity throughout the King Parrot catchment so that native species can increase and occupy suitable habitat that is accessible to them.	18,860
St Arnaud Field Naturalist Club Inc.	Bell Rock- protecting threatened species in a unique major biome intersection Three threatened species at this unique location will be protected by erosion control, including closing off tracks and community education.	6,847
Baw Baw Shire Council	Protecting plant communities at Uralla Nature Reserve through targeted Sweet Pittosporum control This project aims to develop and deliver a control strategy for Sweet Pittosporum including mapping, weed control, and community education.	34,798
Newham and District Landcare Group	Building on the Campaspe-Maribyrnong Headwaters Biolink This project builds on 12 years of on-ground works to establish a network of native vegetation namely the Campaspe-Maribyrnong Headwaters Biolink. Enhanced remnants, revegetation, propagation and increased connectivity will protect and enhance habitat for threatened fauna species, including Brush-tailed Phascogale, Powerful and Barking Owls.	50,000

Recipient	Project	Funding Support (\$)
Warrnambool Coastcare Landcare Network	Maam Biolink The Maam Biolink project was created in 2015 to try and link the Merri and Hopkins Catchments via biodiversity corridors. This project delivers weed management in the area.	15,825
Koetong Landcare Group	Protecting the significant conservation values of Pheasant Creek Flora Reserve through community partnerships Invasive species monitoring and management in the reserve to protect the 49 rare, threatened and vulnerable plant species, and the 12 ecological vegetation classes identified.	28,918
Phillip Island Nature Parks	Turn the Tide The project will focus on reducing marine debris from beaches that wash back into the marine eco-system by: increasing the number of volunteers in community activities, workshops and monthly clean-ups; increase the beach clean-up sites from ten to fourteen; and analyse marine data to enter the National Marine debris data base.	40,617
Parklands Albury Wodonga Ltd	Five Island Habitat Restoration and Stewardship Build network and skills of Murray River stewards through involvement in bush restoration works on five Victorian Crown land Murray River Islands.	50,000
Axe Creek Landcare Group	Biodiversity Bounceback - corridor connection and remnant enhancement in the Axe Creek Catchment This project will facilitate woodland bird and small mammal movement by the development of vegetation corridors between private remnants and public land.	44,834
Knox Environment Society	Mapping, Collection and Propagating Rare and Threatened Species Protection of plants identified in the <i>Rare and Threatened Species Report 2010</i> by locating and mapping them through a municipality wide search, storing the resultant seed, and producing all the plants required.	6,500
French Island Landcare Group Inc.	Protecting and Enhancing French Islands unique biodiverse vegetation This project aims to improve corridor links, enhance biodiversity and increase the community participation in environmental activities on French Island by assisting ten different landholders to undertake a mixture of weed control and revegetation works with remnant vegetation protection.	49,400
Yarram Yarram Landcare Network	Protecting the Jack and Albert River Catchments from Woody Weeds This project will take a cross boundary approach to the control of blackberry, gorse and boxthorn by supporting land managers to control weeds on adjacent roadsides, riparian areas, and reserves.	50,000
Berriwillock Landcare Group	Protecting Buloke Woodlands in Berriwillock 2018/21 To protect nationally significant Buloke Woodlands, natural grasslands and other remnant vegetation through controlling rabbit infestations across the 76,600 hectares Landcare area.	49,525

Recipient	Project	Funding Support (\$)
Goulburn Broken Catchment Management Authority	Nest Boxes for Neo: Creating artificial nesting habitat for the Turquoise Parrot <i>Neophema pulchella</i> To protect, improve and expand habitat for the threatened Turquoise Parrot through the erection and monitoring of 150 nest boxes.	36,050
Eagle Point Landcare Coastcare Group	Ah Yee Creek Stage C2 rehabilitation To rehabilitate the final 350 m of the 1.5 km creek corridor leading to Lake King across a section of degraded public land and private farmland through stock exclusion fencing and revegetation.	16,233
Australasian Native Orchid Society (Victorian Group) Inc.	Maintaining orchid conservation translocations Protecting threatened orchid planting in Western Victoria by site maintenance including caging and weed control.	15,000
Cardinia Shire Council	Emerald Lake Park Vegetation Management Project Woody weed control at Emerald Lake Park to manage remnant forest enabling more light to penetrate the forest floor and for indigenous seedlings to germinate and provide habitat.	49,325
St Paul's Anglican Grammar School Limited	St Paul's Students and Community Revegetation of Brooker Park's Hazel Creek To improve the quality and connectivity of threatened species' habitat in a section of Hazel Creek which runs through Brooker Park in Warragul by revegetating the creek area, showcasing student learning and educating the local community.	39,964
Wattle Flat Pootilla Landcare Group	Fellmongers Creek Biolink This project will fence 375 metres of Fellmongers Creek, excluding stock and replacing pasture grasses with 2000 indigenous trees, shrubs and groundcovers, protecting part of Ballarat's water catchment. In addition, community wildflower walks and a eucalypt identification workshop in nearby forests and mapping significant roadside vegetation to aid future management priorities in the area.	11,823
Port Fairy to Warrnambool Rail Trail Committee Inc.	From weeds to Indigenous species The Port Fairy-Warrnambool Rail Trail runs along 24.5 km of disused railway easement. This project will work towards the elimination of weeds and the planting of indigenous species in this area.	13,550
Anglesea Aireys Inlet Society for the protection of Flora and Fauna	Protecting and Restoring a Remnant of the Anglesea Heath This project aims to protect a remnant of the very significant Anglesea Heath from a major weed outbreak by utilising local volunteers and students to remove woody and emerging weeds and undertake camera monitoring of wildlife to determine the significance of the site for fauna.	9,800
Friends of Westgate Park Inc.	Improving Biodiversity by On-Ground Action in Westgate Park using Community Volunteers This project will protect, improve and expand habitats for native flora and fauna by planting indigenous plant species in an area of Westgate Park (in Port Melbourne) that lacks biodiversity.	5,500

Recipient	Project	Funding Support (\$)
Upper Campaspe Landcare Network Inc.	Mapping platypus distribution in the upper Campaspe River catchment The platypus is now listed as 'Near Threatened' by International Union for Conservation of and impacts of climate change are of concern. As a top predator, the platypus serves as a valuable biological indicator of the health of freshwater environments. This project will track platypus sightings for the Campaspe River catchment.	46,840
Strathbogie Ranges Conservation Management Network	Strathbogie Forest: More Citizen Science 2018-20 This project will utilise 'skilled-up' citizen scientists to increase survey coverage and incorporate novel techniques (thermal imaging) to survey small, cryptic species.	34,620
Geelong Landcare Network	Batesford Biolink Project Protecting and enhancing remnant woodland habitat in the Dog Rocks Flora and Fauna Sanctuary and adjacent farmland in Batesford through revegetation and regular bird surveys to monitor the responses of woodland birds to the establishment of the biolink and its interaction with remnant bush.	13,853
Friends of the Helmeted Honeyeater Inc.	Woori Yallock Creek Rehabilitation This project is an element within a broader project "From Yellingbo to Butterfield" that aims to restore and increase habitat between Yellingbo Nature Conservation Reserve and Butterfield Reserve on both private and public land. It will include the rehabilitation and revegetation of the Woori Yallock Creek Reserve.	23,428
Gunbower Landcare Incorporation	Kow (Ghow) Swamp Fencing and Revegetation Project Involving Traditional Owners, landholders and community groups the project will protect the area by fencing and undertake revegetation works to assist with improvement in the habitat values of Kow Swamp.	49,950
Middle Yarra Landcare Network	Wildflowers of Warrandyte: Preserving the flora diversity of Fourth Hill This project aims to preserve the flora diversity of "Fourth Hill" within Warrandyte State Park and ultimately of the local area by protecting and enhancing a 1 ha patch which contains the greatest flora diversity in the local area.	29,270
Malmsbury District Landcare Group	Kangaroo Creek - Community Protection of a vulnerable Ecological Vegetation Class for Wise Owls and Clever Gliders This project tackles a gorse infestation overgrowing the Kangaroo Creek waterway and will search for faunal species using community resources and cameras.	50,000
Friends of Canadian Corridor Incorporated	From plantation weeds to native habitat - reconnecting Woowookarung Regional Park's koala and woodland bird corridor. This project involves targeted gorse and broom suppression followed by a strategic tree and understory planting within the corridor between identified remnant koala and bird habitat islands.	11,213

Recipient	Project	Funding Support (\$)
Friends of the Forgotten Woodlands Inc.	Establishing seed orchards for rare woodland species on the Victorian Volcanic Plain The project will establish two large (500 trees each) seed orchards of key woodland species of the Victorian Volcanic Plain and will provide 1,000 reusable macropod proof tree guards to ensure successful establishment.	16,200
Parks Victoria	Coastal Flinders Restoration Projects To restore coastal vegetation at Flinders, Mornington Peninsula National Park by eradicating highly invasive environmental weeds and maintaining and enhancing previous revegetation projects.	9,411
Mount Elephant Community Management	Restoring Scoria Cone woodlands and native grasslands to Mt Elephant The project will deliver weed and rabbit control, as well as revegetation plantings to restore woodland component and conduct a vegetation condition survey to monitor change. The project will also include school tree planting events, open days, and children nature programs to increase community capacity.	36,485
Royal Society of Victoria	Training citizens in surveying and restoring biodiversity with environmental DNA Building on existing partnerships with researchers from the Australian National University and EnviroDNA, training will be provided on how to collect and analyse environmental DNA samples to support evidence based environmental policy.	28,300
Phillip Island Landcare Group Inc.	Enhancing Phillip Islands biodiverse wild life corridor through community participation Through the Phillip Island Wildlife Corridor project, 5,800 plants will be established and weed control will be undertaken on nine different sites.	49,640
Strathbogie Ranges Conservation Management Network	Granite2Goulburn Rocky Outcrops, Regent Honeyeaters and Paddock Trees To link potential regent honeyeater habitat around the foothills of the Strathbogie Ranges by connecting isolated rocky outcrops and scattered paddock trees to core blocks of remnant woodland.	49,250
Beechworth Landcare and Sustainability Group	Beechworth Bush Botanic Gardens To create a highly visible native restoration project in the heart of Beechworth, providing opportunities for community awareness and education.	6,100
A.W.A.R.E (Australian Wildlife Assistance, Rescue and Education) Inc.	Nest Boxes for Nature To help protect native fauna and meet their habitat needs by providing nest boxes to help all native wildlife species that utilise tree hollows for roosting and shelter.	12,700
Avon Plains Banyena Landcare Group	Remnant Buloke Protection 2018 To protect and enhance Buloke remnants on private land, and to undertake community weed control on roadsides previously revegetated by the group.	20,550

Recipient	Project	Funding Support (\$)
Upper Loddon and Avoca Landcare Network	Conserving Spring Soaks in the Upper Loddon and Avoca LCN region Systematic assessment and protection of remnants (mixed tenure) around the major granitic ranges in the Upper Loddon and Avoca region through raising awareness and establishing a monitoring baseline to track change and improvement.	11,000
Victorian National Parks Association Inc.	Caught on Camera - Wombat State Forest This project builds on seven years of Caught on Camera in Wombat State Forest to deliver the 2019, 2020 and 2021 monitoring seasons, which monitors the effects of fire on mammals. It will also establish a training video for wider community use.	42,984
Heytesbury District Landcare Network	Biodiversity Recovery from Southwest Victoria's Fire To help fire recovery in Southwest Victoria by revegetating areas that were devastated by a grass fire and supply landholders with seedlings.	44,000
Friends of Merri Creek Inc.	Growing Galada Tamboore - Conserving threatened species and ecosystems in Thomastown through community action. Volunteers will help combat the high-threat weeds Lobed Needle-grass and Gorse, secure the future of Plains Yam Daisy at the site, and restore its place in the public eye.	49,537
Kiewa Catchment Landcare Group	Restoring Yackandandah Creek to reach its biodiversity potential Provide weed control, some revegetation and nesting boxes to improve the creeks environmental value.	6,100
The Trustee for The Conservation Ecology Trust	A Private Eye on the Otway Ark This project will expand the Otway Ark from a landscape scale fox baiting program in the national park designed to protect the region's most vulnerable species to 5000 hectares of neighbouring landholders.	24,515
Manangatang Landcare Group Inc.	Manangatang Rabbit Control Protecting Threatened Species by controlling pest animals.	47,900
Australian Network for Plant Conservation	Saving the Brilliant Sun Orchid (<i>Thelymitra mackibbinii</i>) from extinction 600 <i>Thelymitra mackibbinii</i> plants will be re-introduced and fenced for protection. Re-introduction sites will be surveyed for a small native bee (required for pollination) and to identify and protect any additional plants.	44,441
Upper Goulburn Landcare Network	Protection of Grassy Woodland at Burge Family Reserve and Billygoat Hill The project will reduce the number and density of Eucalyptus regeneration to maintain the open grassy woodland through spot spraying, thinning of young re-growth and cool burning with local Traditional Owners. It will also see revegetation of local grasses, introduction of nest boxes and the development of a walking track.	38,400

Recipient	Project	Funding Support (\$)
Heytesbury District Landcare Network	Protecting the Bay to Bush Wetlands This community-led project is designed to protect and restore valuable wetlands in the land adjoining the Bay of Islands National Park through fencing, revegetation, monitoring and educational activities.	42,905
Greta Valley Landcare Group	Building Biodiversity - Protecting our remnants and connecting corridors along Croppers Creek To protect remnant paddock trees and enhance and expand habitat for native fauna along Croppers Creek in North East Victoria by establishing a habitat corridor and restore understorey vegetation with fencing, revegetation and relocating fallen timber into the riparian zone linking five roadside reserves.	47,920
Friends of Glenfern Valley Bushlands Inc.	Perseverance Prevails over Pittos Rehabilitating 40 hectares Reserve by removing serious Pittosporum invasion from the remaining two hectares, and replanting with selection of indigenous seedlings.	17,045
Winton Wetlands Committee of Management	Shutting Out Stock from Sadlers Swamp Establish a stock proof fence around Sadlers Swamp to restrict feeding and pugging by cows. Replant overstory species like River Red Gum, undertake weed and pest control and increase biodiversity of native aquatic species found in the wetland.	22,335
Kongwak Hills Landcare Group	Gums, Owls and Growls in Kongwak Part 2 The aim of this project is to create BioLinks for wildlife and to encourage growth of Indigenous plants with weed control, linking up previous plantings and original remnants to provide habitat for important fauna.	50,000
Yarram Yarram Landcare Network	Restoring habitat to Golden Creek This project will provide habitat and reduce threats for a range of animals that live in the area and depend on the creek including freckled duck, burrowing crays and lace monitors.	50,000
Southern Otway Landcare Network	African Weed Orchid Control in Marengo This project will deliver surveys, mapping and onground control of highly invasive African Weed Orchid through a co-ordinated approach with local Council, Parks Victoria and local volunteer groups.	14,816
Latrobe Catchment Landcare Network	Billy's Creek This project will improve biodiversity by restoring canopy trees and undertaking some weed control on a 33 ha site very close to Morwell National Park, in the Billy's Creek valley, between Jumbuk and Jeeralang, in Gippsland.	36,332
La Trobe University	Chainsaw-carved tree hollows A novel habitat restoration to buffer Australia's hollow-dependent fauna from weather extremes by carving and monitoring chainsaw hollows in live trees to mimic the structure and microclimate of natural tree hollows used by endemic birds and mammals.	48,775

Recipient	Project	Funding Support (\$)
Threatened Species Conservancy	Black Gum Waterways Eucalyptus aggregata is restricted to small, isolated populations in the Macedon Ranges. This project will raise community awareness, conserve seed and manage weeds to protect and restore habitat for future generations.	46,680
Ballarat Environment Network Inc.	Addressing knowledge gaps in Chytrid fungus presence/absence through monitoring- Ballarat region- Ballarat Environment Network-managed reserves Monitoring and mapping of the Amphibian Chytrid Fungus will increase understanding of the disease's spread. At-risk populations will be identified, which is key to successfully mitigating effects of this disease and prioritising areas for community education.	12,265
Parklands Albury Wodonga Ltd	Healthy Connected Corridors In a partnership with client groups from Gateway Health this project will install 1.5 km fence and revegetate 75 hectares along two corridors to connect people and native fauna with the river and improve biodiversity.	35,000
St Andrews Landcare	Blackberry control for habitat recovery along the Diamond Creek, St Andrews This work expands on Blackberry control work along the Upper Diamond Creek by addressing substantial infestations on three properties adjoining the river corridor and affecting Kinglake National Park.	9,936
Nullawil Landcare Group	Protecting Buloke Woodlands in Nulliwal 2018/21 To protect nationally significant Buloke Woodlands, natural grasslands and other remnant vegetation by controlling rabbit infestations across the Landcare area.	48,025
The Basalt to Bay Landcare Network	Fire resilient farms - West Moyne The Moyne West Region was seriously impacted by the March 2018 fires. This project will plant and guard 10,000 fire resilient local native plants to reconnect and restore remaining public native vegetation with new corridors and shelterbelts on farms.	50,000
Department of Environment Land Water and Planning	The Narbethong Holly Control Program The project will extend across three years and four sites to map Holly infestation within treatment areas; provide community education in the form of training on the impact of environmental weeds; implement treatment to eliminate Ilex aquifolium (English Holly); and provide ongoing maintenance and monitoring of the treated areas.	30,000
Lismore Land Protection Group	Protecting Victorian Volcanic Plain Grasslands and Grassy Woodland Habitats along Mount Emu Creek and Salt Lake Reserve Building on previous projects to protect 30 ha of Mt Emu Creek, parts of the Nerrin wetland complex, and Pink Lake and Salt Lake Wildlife Reserves, this project will increase community capacity through workshops, newsletter articles and their participation in fauna surveys.	49,980

Recipient	Project	Funding Support (\$)
Australasian Native Orchid Society Victorian Group Inc	Over the Ocean - French Island Spider-orchid To map current French Island Spider-orchid locations, estimate population size, manage habitats, collect seed, sample mycorrhizal fungi and propagate plants as insurance against loss of wild populations.	20,881
Ovens Landcare Network	Indigo Roadside Connections - People and Biodiversity The project has identified four roadside areas with varying conservation value and will develop systems of management to improve or maintain the level of biodiversity at each demonstration site.	43,500
Dja Dja Wurrung Enterprises acting as The Trustee for Djandak Fixed Trust	Nyalu (Spring water) and Seed orchid, Yapenya The project will focus on the planting of seed orchids that will promote biodiversity within the site at Yapenya.	50,000
Yarram Yarram Landcare Network	Restoring Seagrass Meadows in Nooramunga Marine Reserve Actively repair and restore the lost seagrass habitat, in particular <i>Posidonia australis</i> , as it is being considered federally as an endangered community and are a critical habitat for a broad range of marine species. <i>P. australis</i> is extremely rare in Victoria, with Corner Inlet the only known occurrence.	50,000
Conservation Volunteers Australia	Northern Victoria Rural Schools Habitat Haven Project Improve local connectivity of wetland habitats through the provision of 'Habitat Havens' on rural and peri urban farms. Habitat improvements will include submergent, emergent and fringing vegetation as well as important structure features such as logs and rocks.	49,400
Threatened Species Conservancy	Safeguarding the Future of <i>Ballantinia antipoda</i> This project will reintroduce the species to four new sites in Victoria to secure the species for the long term.	48,843

Program – Innovation Fund

The Biodiversity 2037 Innovation Fund is a fund supporting the environment sector to work together to innovate and adopt new technology, programs and/or processes. The fund seeks to: enable innovative action by Victoria's environment organisations to support Victoria's biodiversity; offer a more structured collaboration between stakeholders to drive alignment, accountability and measurable improvement; and invest in projects which focus on one or more Biodiversity 2037 priorities.

Recipient	Project	Funding Support (\$)
Parks Victoria	FLIR/4K thermal imaging of invasive animals - an innovative tool for pest control To support an innovative Parks Victoria/DELWP collaboration using military-grade Forward Looking Infra-Red (FLIR) thermal imaging coupled with high-resolution (4K) visible spectrum video to detect and quantify large invasive animals in difficult habitats and terrains.	109,000

Recipient	Project	Funding Support (\$)
Phillip Island Nature Park	Launching Victorian Island Arks: Rewilding Phillip Island This project launches the Victoria's Island Arks network with a test case on Phillip Island. Successful removal of foxes from Phillip Island, a key threat to native species, has enabled the critically endangered Eastern Barred Bandicoot to be returned to the wild.	93,000
Royal Botanic Gardens	Leveraging urban and everyday nature experiences to stimulate increased community engagement on biodiversity Led by Royal Botanic Gardens Victoria, this action research project brings together social scientists, the Gardens and delivery partners to study and articulate the impact and benefits of "everyday" nature experiences for three specific target audiences: families with children (6-12 years); young adults (16-25 years); and older Australians (65+).	130,000
Trust for Nature (Victoria)	Finding value in farm covenants: Financial benefits for farmers in protecting their natural capital The project will design an appropriate covenant for landscape scale protection of agricultural land, with the intention that it set the standard for industry best practice sustainable agriculture – delivering outcomes that benefit farmers, farm-investors and the environment.	94,000

Program – Landcare Community Skills Development

Community Skills Development Grants will strengthen the capacity of volunteer community-based environment groups and networks through supporting learning, development and training opportunities, and encouraging knowledge sharing and skills development.

Recipient	Project	Funding Support (\$)
Bethanga Recreation Reserve Committee of Management	360 degree photo points and virtual tour of Bethanga Creek restoration. To document the five-year restoration work of Bethanga Creek, and to develop a virtual tour of the recently established creek line bush walk.	3,790
Jacksons Creek EcoNetwork Inc	Upgrade first aid skills Jacksons Creek EcoNetwork which has twelve Landcare and "Friends of " groups as members. First Aid Training will be made available to each group.	1,170
Gippsland Intrepid Landcare Group	Gippsland Intrepid Landcare Leadership Training-for Young People by Young People To run a two-day leadership retreat for young people aged 18 -35 in Gippsland and Victoria. The retreat will be run by Gippsland Intrepid Landcare members (with assistance from the West Gippsland Catchment Management Authority) and will assist young people passionate about the environment to connect with their local Landcare networks, groups, and leaders in the community.	5,000

Recipient	Project	Funding Support (\$)
Kinglake Ranges Neighbourhood House Inc	King Parrot Catchment Fox Control Project To reduce the impact of foxes and rabbits on biodiversity and agriculture throughout the King Parrot Creek catchment.	1,480
Bellarine Catchment Network	Bellarine Catchment Network Community Workshops and Training To keep staff and volunteers up to date with industry standard qualifications and skills as well as provide opportunities for ongoing learning.	4,675
Knox Environment Society Incorporated	Nursery Data Base Training The Knox Environment Society is in the process of having a data base written to help the Society manage all aspects of its community nursery and will provide training for volunteers.	4,700
Nungurner Landcare Group	Community Engagement and Participation Training Conduct three workshops for members of the Nungurner Landcare Group to explore creative ways to expand the membership of the group through innovative community engagement and participatory activities.	4,050
Iranian Bushwalkers	Training about protecting the environment/First aid/GPS Mapping Iranian Bushwalkers has approximately 360 members and run around 90 environment friendly events annually. Training to be provided will include remote First Aid training, reading GPS and Maps training, and how to protect the environment.	5,000
Dargo Landcare Group Inc	Dargo Landcare Group Activities Training Dargo Landcare will hold training courses for members in the areas of basic first aid including snake bite treatment and basic chainsaw use.	3,990
Yarra RiverKeeper Association Inc	Building a Yarra River Community Conduct three workshops to build a Riverkeeper Community and to effectively communicate and celebrate the ecological and social value of the Yarra River and its tributaries.	4,575
Upper Ovens Valley Landcare Group Inc.	GIS and GPS Mapping Training for effective project development UOVLG is developing a significant Environmental Management Plan to give direction and strategy in future works and grant applications.	1,600
South West Coastal Network Inc	Leadership Training for South West Coastal Network Inc To introduce formal leadership, governance and fundraising workshops to allow all volunteers to contribute to fundamental operations of the Network.	5,000
Balcombe Estuary Reserves Group Mt Martha Inc.	Spatial Technologies - GIS and Mapping Training for Balcombe Estuary Reserves Group (BERG) BERG Mount Martha will hold four training workshops on Geographical Information Systems (GIS) and Mapping Technologies. Volunteers will develop the skills to use Android phones and Tablets for GPS-located data collection, access mapping tools and become competent in representing information spatially using Google Maps and other software.	2,350

Recipient	Project	Funding Support (\$)
Middle Yarra Landcare Network	Staying save in the landscape Provision of training for selected members to maintain first aid competency, train new members in first aid and document on-ground work including weed infestations for reporting purposes.	2,810
Friends of Edithvale-Seaford Wetlands Incorporated	Volunteer and Community Skill Training To run volunteer training and community skill training for volunteers so a consistent service can be provided and to recruit more volunteers.	900
Department of Environment, Land, Water and Planning	First Aid for Friends of Eastern Otways Conduct a one day first aid course for members to update their first aid skills. The group will be better prepared to respond in the case of any emergencies when working in the Great Otway National Park.	2,200
A.W.A.R.E (Australian Wildlife Assistance, Rescue and Education) Inc.	Advanced Trainings for Wildlife Rescue and Care This project will provide training targeted at experienced wildlife rescuers and carers. The first is advanced training in the care of native species that are regularly in care of AWARE. The second training will teach senior volunteers about the risk and prevention of compassion fatigue.	4,980
Whorouly Landcare Group Inc.	Getting Grant Ready- training on scoping, planning, costing a project To run a training session on developing project proposals ready for funding. To develop members skills in project planning, mapping project sites, project components and quantities, compiling correct species lists with local Ecological Vegetation Classes, and developing a budget.	2,555
Victorian National Parks Association Inc (VNPA)	Volunteer skill development with the Victorian National Parks Association The VNPA will run three workshops and training activities for volunteers in leadership, risk management and first aid.	5,000
Snowy West Landcare Group	Learn, design, monitor and communicate. Telling our story well. Training and the opportunity to practice monitoring, assessing and communicating results of the Landcare Groups projects.	4,360
Gippsland Plains Conservation Management Network	Harnessing the Power of Geographical Information Systems for positive environmental change This project will train participants from various community environment groups to use both Global Positioning (GPS) and Geographical Information Systems (GIS) to capture, document, display and analyse spatial information on environmental values/ attribute relative to their areas of interest.	3,700
Wando River Landcare Group Inc.	Social and Digital Media for Landcare Groups. The basics To run a workshop to increase the skills, knowledge and capacity to utilise social and digital media to be able to effectively share knowledge and events between the Landcare groups and local community.	4,706

Recipient	Project	Funding Support (\$)
Greening of Riddell	Upskilling Greening of Riddell volunteers Members of Greening of Riddell will attend three training opportunities to develop their skills in mapping, website maintenance and first aid.	2,661
Mount Worth and District Landcare Group Inc	Mt Worth and District Landcare Citizen Science Workshop and First Aid Training To run two workshops: the first on developing skills in designing citizen science projects to improve the ability of members to research the impact their revegetation projects have had on increasing biodiversity in the area. The second workshop will offer accredited first aid training to improve the ability of members to handle emergencies.	5,000
Port Phillip EcoCentre Incorporated	Urban biodiversity: tree climbing, leveraging membership and media training - Port Phillip EcoCentre This project will train the EcoCentre team in safe tree access for basic ecological work including nest box installation and monitoring to support residents and schools, and for two training modules to build skills for fifteen team members.	5,000
Upper Maribyrnong Catchment Group	Building Skills to Propagate Indigenous Plants To run a free indigenous plants propagation workshop for members of the Landcare group and other non-member local landholders.	2,358
Ocean Grove Coastcare Group	Strategic Planning and Social Media Training for Ocean Grove Coastcare To hold two workshops, one on strategic planning for the future of the organisation, and one on social media to improve understanding for application to capture new younger audiences and influence behaviour change.	4,500
Strathdownie Hall and Recreation Reserve	Strathdownie Memorial Hall and Recreation Reserve - Building a safe community environment To provide community volunteers with essential safety skills and knowledge that will include safety up-skill for the fundraising committee by providing food handling and responsible service of alcohol certifications and first aid training to volunteers.	3,450
Yarrowee Leigh Catchment Group Incorporated	Office 365 Training To hold a one-day training course on Microsoft Office 365 to improve the groups document storage and sharing skills. Attendees of the training course will learn the full functionality of the software, building skills to share, access and store documents securely from remote locations. .	1,644
Friends of French Island National Park Inc.	4WD training to access working bee sites in French Island National Park Off-road vehicle driver training will be provided to Friends of French Island National Park members, so they are accredited to safely operate the four-wheel-drive Parks Victoria vehicles that are on the island.	3,594

Recipient	Project	Funding Support (\$)
Latrobe Catchment Landcare Network	Propagating Native Plants in Yinnar To run two workshops to train members of the Landcare group and others to propagate locally indigenous plants from cuttings and seeds.	1,352
Friends of the Glenelg River	Strategic Planning, Review and Revitalisation for Landcare Groups Hold a two-day workshop for members of the Friends of the Glenelg River and Landcare group representative from the local cluster to build the skills needed to evaluate the status of each group, develop and review goals, set key results and objectives and create a strategic plan to reengage the community.	4,596
Down's Estate Community Project Inc	Down's Estate Seaford Monitoring and Evaluation Workshops for Down's Estate Community Project Three workshops to build the skills for the Committee members which will add to their theoretical and practical knowledge base and create capacity to undertake committee, group and community monitoring activities and projects on the 20 ha site.	990
St Andrews Landcare	Identifying and controlling critical weeds in St Andrews To provide a workshop on weed identification and control for members and the local community. A better informed and skilled community will be more effective at managing the weed issues in this area.	4,982
Central Victorian Biolinks Alliance Inc	Project Planning and Development Skills Workshops for Central Victorian Biolinks Alliance This project will develop Board members' skills in project scoping, prioritisation and business planning to further the development of Projects from the Five Year Strategic Plan.	4,500
Nerrena Landcare Group	What's in the Wetland? - Citizen science training for Landcare Volunteers To undertake training to develop monitoring skills and use this knowledge to prepare comprehensive species lists and management plans to conserve the wildlife.	4,830
Up2Us Landcare Alliance	Thinking Learning Acting - Upper Goulburn Broken Skills development for the natural resource volunteer groups within the Mansfield, Murrindindi, Strathbogie and Mitchell Shires. Training inadequacies noted include first aid, food handling, chemical use, GPS mapping, social media and cross-network planning.	11,235
Yarra Riverkeeper Association Incorporated	Building capacity in the Friends network for planning, collaboration and community engagement. To provide development sessions on strategic planning, using social media to engage with the wider community and benefits of regional collaboration.	20,000

Program – Peri Urban Weed Management Program

Partnership Grant with local government to manage landscape scale management of weeds on public land assets.

Recipient	Project	Funding Support (\$)
Brimbank City Council	Maribyrnong Valley Connection Joint project with Maribyrnong and Hume City Councils to protect biodiversity values in the Maribyrnong valley.	165,000
Shire of Cardinia	Cardinia Creek Riparian Rehabilitation Joint project between the Shire of Cardinia and City of Casey to improve and protect biodiversity values in the Cardinia Creek system.	150,000
City of Greater Dandenong	Lower Dandenong Creek 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	Mornington Peninsula Weed Control 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	Rivers to Ranges 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.	171,505
Yarra Ranges Council	Dandenong Ranges Weed Removal Joint project between the Shire of Yarra Ranges and Knox City Council to improve and protect biodiversity values in the Dandenong, Dodsons and Sassafras Creek headwaters.	122,900

Program – Regional Landscapes and Targeted Action

Complementary project grants that collectively address action over a landscape area, build on the cooperation of agencies, organisations and the community to reduce broader threats to species and habitats, and create opportunities to leverage additional investment.

Recipient	Project	Funding Support (\$)
Department of Environment, Land, Water and Planning	Investigating nest box use and effectiveness in Victoria To collate and assess information about the extent and location of nest boxes, the benefits achieved and to identify any improvements that can be made. This will provide guidance for future management including how best to target investment, that will benefit native fauna.	98,000
Bass Coast Shire Council	Bass Coast Biolinks To revegetate biolinks in Bass Coast and provide connectivity in the landscape by linking remnant patches of indigenous vegetation using wildlife corridors and biolinks.	110,988

Recipient	Project	Funding Support (\$)
The Trustee for Nature Glenelg Trust	Securing the permanent restoration of Green Swamp across public and private land To achieve the permanent protection and restoration of Green Swamp across public and private land.	160,000
Goulburn Broken Catchment Management Authority	Box and Ironbark Alliance - Saving the System To increase 50 hectares of habitat on private land under a ten-year management agreement, engage the community in the values of the Box and Ironbark Region, and begin to cement the 'Box and Ironbark Alliance' as a biodiversity hub.	150,000
Trust for Nature (Victoria)	Genetic Rescue of the Button Wrinkle wort on the Gippsland Plains To re-establish the nationally endangered Button Wrinkle wort (<i>Ruidoso's leptorhynchoides</i>) population on the Gippsland Plains through a genetic enhancement and translocation program in order to increase genetic diversity and the number of populations in Victoria.	84,400
Trust for Nature (Victoria)	Recover Red Gum Woodlands and Threatened Species on the Gippsland Plains- Urgent Actions To address threatening processes impacting on two threatened species, Matted Flax-lily (<i>Dianella amoena</i>) and Purple Diuris Orchid (<i>Diuris punctata</i>) and the habitat of these species.	50,000
Parks Victoria	The Biodiversity Hubs Project: Protecting and Connecting species and communities in Melbourne's West. For landscape restoration works in Melbourne's West to target pest animals and invasive plant species in collaboration with Port Phillip and Westernport Catchment Management Authority, Trust for Nature, Grow West and Parks Victoria.	130,000
Glenelg - Hopkins Catchment Management Authority	Wilkin Pine Wildling Control To undertake on-ground works to remove woody weeds (especially <i>Pinus radiata</i>).	100,000
Department of Environment Land Water and Planning	Southern Right Whale calf survival assessment To investigate juvenile Southern Right Whale survival in South Eastern Australia.	30,000
Department of Environment Land Water and Planning	Fish Impoundments Supplementing Habitats (FISH) Initiative - Proof of concept phase To develop criteria to establish suitable refugia and source brood stock to establish refuge populations.	40,000
The Trustee for Djandak Fixed Trust	Djandak Wii on Private Land To support the implementation of cultural fire on private land properties in partnership with the Country Fire Authority as well as undertake works to deliver required pest plant and animal control and re-vegetation works.	102,800
Nillumbik Shire Council	Conservation Futures - Threat reduction To focus on controlling foxes and weed species in key threatened species habitat throughout the study area, to improve the outlook of nine focus species.	125,000

Recipient	Project	Funding Support (\$)
Department of Environment, Land, Water and Planning	Determining the status of threatened Hooded Scalyfoot and other grasslands fauna to inform grasslands management To confirm the persistence of the lizard in grassland at Birchip and conduct comparison of habitat attributes with stronghold populations on the northern plains.	39,200
Department of Environment, Land, Water and Planning	Recovery of the critically endangered Heath Skink Liopholis multiscutata To continue tracking the population status of the Heath Skink at the four known (and highly localised) populations.	25,200
Department of Environment, Land, Water and Planning	Gabo Island rat eradication to enhance habitat for ground nesting shore birds To develop a rat eradication implementation plan to eliminate the threat actioned by Brown Rat - <i>Rattus norvegicus</i> on nesting seabirds on Gabo Island.	40,000
Bass Coast Shire Council	Threatened species sanctuary for South Gippsland To install a skirt to prevent foxes, rabbits and deer from entering the site, and commence a feral mammal eradication program.	64,840
Department of Environment, Land, Water and Planning	Recovery actions for 7 endemic and threatened Victorian galaxiids species - predator control and translocation To continue the protection of the single, global population of each of the seven galaxiid species from trout predation.	70,000
Department of Environment, Land, Water and Planning	Nationally threatened Glenelg Freshwater Mussel – completing the last piece of the first step forwards To complete the audit of the number of extant populations of the Glenelg Freshwater Mussel by assessing the remaining target groundwater-sustained area within the Glenelg Basin.	24,000
Connecting Country (Mt Alexander Region) Inc.	Remnant rescue - restoration of additional woodland bird habitat To engage an additional five to ten motivated landholders and expand the area of priority woodland bird habitat protected by another 60 hectares, to a total of 120 hectares. On-ground actions will be targeted to each site, and will include revegetation, weed control, rabbit control, stock removal, and establishment of landholder stewardship agreements.	75,225
Department of Environment, Land, Water and Planning	Littoral Rainforest Deer Control Project Plan - Lake Tyers, East Gippsland To prepare a fully costed Deer Control Implementation Plan and establishment of baseline data for deer occupancy across the project area as well as vegetation impact assessments.	70,000
Department of Environment, Land, Water and Planning	Midlands Community based Threatened species Projects This project will focus on several small projects to protect the Brush-tailed phascogale and the endangered Fragrant leek orchid including reinstating and upgrading the protective fence and cages around translocated threatened orchids. There will also be promotion and collection of the threatened Bossiaea vombata, and translocation of the Basalt Peppercreess.	34,500

Recipient	Project	Funding Support (\$)
Department of Environment, Land, Water and Planning	<i>Banksia spinulosa</i> recruitment and fire severity The aim of the research is to determine what level of burn intensity will optimise the post-fire recruitment of <i>B. spinulosa</i> .	25,000
Moorabool Landcare Group Inc	Locating and protecting Growling grass frog and its habitat in the Moorabool Catchment Landcare area. To test where Chytrid fungus is found and map its occurrence in relation to local Growling frog populations.	21,500
Barapa Barapa Nation Aboriginal Corporation	Barapa Land and Water - Healthy Country Plan Project implementation The Barapa Barapa Healthy Country Plan will be implemented in 2018.	65,000
Department of Environment, Land, Water and Planning	Improving the quality and connectedness of native grassland communities on the Victorian Volcanic Plain The project will treat an additional 280 hectares of linear reserves on the Victorian Volcanic Plain.	65,000
Macedon Ranges Shire Council	A long-term solution to hollow loss in the conservation of the threatened Brush-tailed Phascogale The project will build on the work by local community organisations and universities to learn more about Phascogale. The project partners will work closely with students from Southern Cross University and Phascogale experts across Australia.	21,600
Trust for Nature (Victoria)	Prioritising private land for permanent protection To prioritise large parcel private properties in the Hume Region and inform potential future activation of permanent protection.	40,365
Department of Environment, Land, Water and Planning	Murray hardyhead: addressing critical knowledge gaps to improve conservation outcomes To determine the salinity tolerance of eggs, larvae and juvenile Murray hardyhead (<i>Craterocephalus fluviatilis</i>), an endangered fish species of the Murray-Darling Basin which is on the verge of extinction in Victoria.	90,000
Glenelg - Hopkins Catchment Management Authority	Strategic and coordinated weed management in Lower Glenelg Discovery Bay This project builds on past and current projects to improve habitat quality and protect threatened species within the proposed Lower Glenelg and Discovery Bay Ramsar site through weed identification and treatment.	105,000
University of Melbourne	Mitigating risk of climate change to the threatened rainforest herb <i>Astelia Australiana</i> To collect seed from the Central Highlands populations for storage ex-situ and to examine the requirements of <i>Astelia australiana</i> seed in storage to ensure their viability.	23,000

Recipient	Project	Funding Support (\$)
Macedon Ranges Shire Council	Citizen surveys for vulnerable Greater Gliders, Powerful owls and Phascogales in the central highlands Over twenty Community Groups in the Central Highlands will undertake surveys to confirm the presence of the threatened Greater Glider, the Powerful Owl, and the Brush Tailed Phascogale, all listed as Vulnerable under the Flora and Fauna Guarantee Act in Victoria.	23,700
Australian Trust for Conservation Volunteers	Rewilding the Desert - Threatened species recovery, education and citizen science Conservation Volunteer Australia and FAUNA Research Alliance will create safe havens and re-wild locally extinct, nationally threatened species to help conserve local and threatened species; demonstrate the important ecological functions missing that fauna species provide through research and monitoring and; provide opportunities for hands-on learning that purposefully connects people with nature.	50,000
Goulburn Broken Catchment Management Authority	Preventing Barred Galaxias extinction in Goulburn River headwater streams Prevent the upstream colonisation of trout into Barred Galaxias habitat in Perkins Creek by replacing the existing degraded log barrier (constructed in 1993) with a purpose built concrete barrier. The project will also reduce the extinction pressure of Barred Galaxias in ten streams by detecting and removing trout by electrofishing.	105,000
Department of Environment, Land, Water and Planning	Threatened alpine reptiles and frogs – knowing when and how to intervene Create a robust understanding of the biology and ecology of key threatened alpine herpetofauna, their population trends, and the processes that threaten them, so that effective conservation management can be implemented.	75,000
Victorian Malleefowl Recovery Group Incorporated	Malleefowl Conservation Project This project will use various surveying methods to compile maps in previously unsearched areas for Malleefowl conservation purposes.	80,000
Department of Environment, Land, Water and Planning	Estimating the density of Greater Gliders to guide on-ground management actions Apply a rigorous sampling protocol and analytical framework to estimate the densities of Greater Gliders within key areas of the species' range located in the Port Phillip, Hume and Gippsland Regions.	390,000

Recipient	Project	Funding Support (\$)
Department of Environment, Land, Water and Planning	Conserving Port Phillip Threatened Flora - Western Suburbs Basalt-Peppercress, Rolling out Frankston Spider-orchid, Revitalising Kilsyth-South Spider-orchid Three sub-projects will address threats to <i>Lepidium hyssopifolium</i> (Basalt Peppercress), <i>Caladenia robinsonii</i> (Frankston Spider-orchid) and <i>Caladenia sp. aff. venusta</i> (Kilsyth South Spider-orchid) by enhancing habitat condition through weed control and ecological burning, extending their range through establishing populations at new locations, and by protecting plants from herbivory or accidental damage through caging or fencing.	42,100
Trust for Nature (Victoria)	Bush Stone-curlew recovery in the Koonda Hills, north east Victoria Prepare a curlew translocation plan for releasing captive-bred curlews into the Koonda Hills north of Violet Town; upgrade the existing release sites based on new best-practice fence design; design and test a harness for curlews, to carry a radio tracker; and monitor the curlew population in the Koonda Hills district to determine minimum number of breeding pairs.	39,800
Department of Environment, Land, Water and Planning	The critically endangered Hooded Scaly-foot - managing for its recovery in north-western Victoria To establish a standardised monitoring program at Neds Corner, determine the occurrence and distribution of the Hooded Scaly-foot across the reserve, and evaluate the lizard's distribution across the reserve, with regard to habitat and potentially the key threat of predation by introduced predators.	35,095
Department of Environment, Land, Water and Planning	Ground truthing of alpine bogs This project will ground-truth the mapping, and assess threats and management needs, of alpine bogs in Cobungra State Forest, closing the final gap in statewide assessments.	50,000
The Trustee for Nature Glenelg Trust	Wilkin Woodlands and Wetlands: additional outcomes for priority wetlands and SE Red-tailed Black-cockatoo Capitalising on the early ground work undertaken, this project will negotiate protection and/or restoration of an additional 80 ha of priority wetland habitat and deliver 10 nest boxes and improved management of 50 hectares of stringybark feeding habitat on private land.	125,000
Department of Environment, Land, Water and Planning	Conserving Threatened Invertebrates of the Western Strzeleckis Continue building the knowledge and capacity of land owners and managers to integrate habitat management with agriculture and timber production and engage regional stakeholders in planning for further strategic actions for four species of threatened invertebrates.	97,500
Greening Australia (Vic) Ltd	Enhancing significant ecological communities and threatened flora and fauna of the Western District Lakes – Wetlands Increase opportunities to restore natural water regimes for threatened species through a targeted approach within the existing boundaries of the eastern edges of Lake Corangamite.	50,000
Barengi Gadjin Land Council Aboriginal Corporation	Unique Wimmera Eucalypt Conservation Plan Provision of training in identification of the endemic species including production of an identification chart (for field id keying).	19,150

Recipient	Project	Funding Support (\$)
Department of Environment, Land, Water and Planning	Reptile Survey Blitz in North East Victorian Granitics Collect and interpret contemporary reptile species data and use this to identify significant habitat zones which will inform future land management decisions including planned burning.	40,000
Department of Environment, Land, Water and Planning	Re-establishing Macquarie perch in the Ovens River: Demonstrating outcomes from a five-year recovery program This project will deliver translocation and stocking actions, investment in community education and an assessment of the status of Macquarie perch in the Ovens River.	103,908
Goulburn Broken Catchment Management Authority	Red fin (English perch) eradication to reduce predation on Nationally threatened Macquarie perch This project will involve electrofishing and exotic fish removal in the Seven Creeks as well as Hughes and Holland Creeks.	32,700
Wimmera Catchment Management Authority	Western Victorian Woodlands Protection and Enhancement Phase 2 Assist private land managers and build their capacity to protect and manage areas of remnant native vegetation that are highly valued by the community and provide critical habitat for a number of threatened species.	200,000
University of Melbourne	Safeguarding Spotted Tree Frogs To provide research assistance for field work to inform Spotted Tree Frog conservation efforts.	75,000
Mallee Catchment Management Authority	Murray To Mallee Connections 2017-2018 The project will further increase ecological outcomes delivered through existing programs through the combination of a collaborative approach covering multiple land tenures and coordinated activities at both targeted and landscape scales.	71,500
Hume City Council	Targeted Brush-tailed Phascogale surveys at Woodlands Historic Park and Greenvale Recreation Reserve Following a recent reliable sighting of the Brush-tailed Phascogale in the local area, Hume City Council and Parks Victoria will improve the knowledge and understanding of the status of this species throughout the Greenvale and wider Hume City Council area.	6,500
Trust for Nature (Victoria)	Connecting and Protecting Species Eliminate high threat woody weeds on private land adjoining the Brisbane Ranges National Park to benefit the park reserve's natural environment, increase its condition, provide better habitat for threatened species, and reduce the overall weed burden and spread of weeds throughout the district.	50,000
North Central Catchment Management Authority	Re-snagging the lower Loddon River for threatened large-bodied fish The project aims to reinstate fifteen large woody habitat structures ('snag piles') in the priority areas mapped to be most beneficial to native fish populations (such as the threatened Murray Cod, critically endangered silver perch, and likely supports Flora and Fauna Guarantee listed wild populations of golden perch) by the Arthur Rylah Institute in 2016.	93,553

Recipient	Project	Funding Support (\$)
Port Phillip and Westernport Catchment Management Authority (PPWCMA)	Increasing Indigenous participation in Natural Resource Management on the Mornington Peninsula - training in Conservations Land Management In partnership with Holmesglen TAFE, PPWCMA and Trust for Nature will support and oversee the delivery of a Conservation Land Management Certificate III for Aboriginal and Torres Strait Islander people from Holmesglen's Waverley campus.	55,000
Central Gippsland Region Water Corporation	New Holland Mouse (NHM) - Habitat Connectivity Corridor Gippsland Water's Dutson Downs Property has a significant population of the endangered species the NHM. A fence will be erected that will exclude large animals from the paddock and ensure revegetation of the corridor. This will be beneficial to the NHM populations as it will provide habitat and will create a link between the two populations.	30,000
Department of Environment, Land, Water and Planning	Making habitat management easier for landholders and targeting threats in priority areas for Plains Wanderers Enhance the condition of habitat across the plains-wanderer range to maximise survival of wild and future captive breed birds, also provide refugia during periods of extreme environmental fluctuation.	65,000
North Central Catchment Management Authority	Towards recovery of the declining Murray Darling lineage of southern pygmy perch. Address knowledge gaps and identify suitable source populations for future translocation to surrogate habitats, with the overarching aim of returning the species to restored permanent wetlands in the Gunbower forest.	44,052
Trust for Nature (Victoria)	Removal of Pine Wildlings at Clarksdale Bird Sanctuary, Linton Remove 40 hectares of pine wildlings from an ex-pine plantation within the Clarksdale Bird Sanctuary near Linton, west of Ballarat.	23,500
Mallee Catchment Management Authority	Mallee Dunefields to the Big Desert This project will extend on the collaborative approach achieved under previously funded programs. This will deliver land management activities, including weed and pest control, over 68,000 hectares where 155 threatened species occur.	71,500
Mallee Catchment Management Authority	Murray To Mallee Connections Extending on the collaborative approach achieved under previous programs, focused invasive species control will occur on over 100,000 hectares within the Murray-Sunset National Park and on Trust for Nature's property to increase positive outcomes for native species of cultural significance to the local Indigenous community.	71,500
Mallee Catchment Management Authority	Tackling Pests in the Mallee Increase connectivity between the floodplain and woodland areas through the reduction of critical threats (e.g. management of invasive species); benefitting several threatened species including the Murray Darling Carpet Python, Regent Parrot, Muellers Skink, Knead Swainson-pea, and Inland Daisy.	137,500

Recipient	Project	Funding Support (\$)
Department of Environment, Land, Water and Planning	Large Brown Tree Frog - <i>Litoria littlejohni</i>. Habitat enhancement project Build structures modelled on fallen hollow logs where successful breeding has been recorded since 2015. Several designs will be trialled to test their performance in the field.	20,000
The Trustee for Nature Glenelg Trust	Commencing restoration of Walker Swamp and the Wannon River Floodplain adjacent to the Grampians Commencement of the on-ground restoration of Walker Swamp and the Wannon River Floodplain across public and private land.	150,000
Department of Environment, Land, Water and Planning	Orange-bellied Parrot Winter Monitoring The Orange-bellied Parrot Winter Monitoring Program is a long-term, community-based, population monitoring program for this critically endangered species.	60,000
Central Gippsland Region Water Corporation	Expansion of a Metallic Sun-orchid (<i>Thelymitra epipactoides</i>) Translocation Recipient Site at Dutson Downs This project will fence approximately 200m ² of preferred habitat to receive 50 – 100 endangered <i>Thelymitra epipactoides</i> individuals.	6,000
Central Gippsland Region Water Corporation	Propagation of Wellington Mint-bush for translocation into a new site at Dutson Downs. Seed will be collected from number of plants within two sub-populations of the species at Dutson Downs. The seed will be sent to a nursery to be propagated in a controlled environment.	10,000
Cesar Pty Ltd	Gene pool mixing in the eastern barred bandicoot (EBB) The project will evaluate the outbreeding benefits and any risks of introducing Tasmanian EBB genetics into the mainland, critically endangered EBB.	20,000

Appendix 9: 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 its licence to distribute electricity.

Distribution businesses must report on:

- the number of qualifying solar energy generation facilities connection, 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 kWh (where reporting in 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 2017

	AusNet Services	Jemena	Powercor	CitiPower	United Energy
Number of PFiT customers	29,864	8,236	29,539	3,486	18,079
Installed capacity (kW)	61,278	14,103	60,789	6,053	31,367
Aggregate energy exports (kWh)	41,840,567	9,999,077	44,408,000	3,832,000	20,813,692

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 its 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 3 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 3 months prior to the reporting day.

The general feed-in tariff scheme includes the generally available feed-in tariff scheme only.

Aggregate energy exports have been converted to kWh (where reported in MWh) and all installed capacity and aggregate energy export data has been rounded up to the nearest whole number.

Note:

- a) The generally available feed-in tariff scheme has been in place for new customers since 1 January 2013.
- b) 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 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	795	405,815
AGL	54,825	29,892,515
Alinta Energy	10,359	5,178,188
Amaysim/Click Energy	3,280	1,710,999
Energy Australia	52,530	33,175,916
GloBird Energy	3,317	2,116,953
Lumo Energy	18,814	9,940,300
M2 Energy (includes Dodo Power & Gas and Commander Power & Gas)	5,600	4,273,658
Momentum Energy	11,912	5,165,630
Origin Energy	60,420	34,593,494
People Energy	211	127,273
Powerdirect	5,014	3,533,643
Powershop	7,917	3,188,994
Red Energy	26,093	18,234,394
Simply Energy	23,028	8,696,293
Sumo Power	4,895	2,297,958
Tango Energy	2,709	1,192,704

31 March 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	700	646,156
AGL	53,028	41,347,930
Alinta Energy	6,682	4,485,534
Amaysim/Click Energy	2,832	2,655,000
Energy Australia	49,620	39,366,781
GloBird Energy	3,072	3,337,159
Lumo Energy	19,559	16,933,840
M2 Energy (includes Dodo Power & Gas and Commander Power & Gas)	6,555	6,527,800
Momentum Energy	11,885	9,865,706
Origin Energy	59,851	45,855,647
People Energy	199	228,785
Powerdirect	3,306	5,124,081
Powershop	7,773	7,137,030
Red Energy	25,943	24,425,354
Simply Energy	21,919	14,073,530
Sumo Power	4,561	3,683,239
Tango Energy	2,022	1,710,578

31 December 2017 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	672	483,333
AGL	49,209	32,888,167
Alinta Energy	4,960	3,166,144
Amaysim/Click Energy	2,629	2,334,632
Energy Australia	47,645	27,920,342
GloBird Energy	2,901	2,505,914
Lumo Energy	19,515	13,962,430
M2 Energy (includes Dodo Power & Gas and Commander Power & Gas)	6,384	4,408,562
Momentum Energy	11,952	10,508,053
Origin Energy	58,779	34,551,877
People Energy	181	109,707
Powerdirect	5,271	4,342,584
Powershop	7,507	7,053,797
Red Energy	25,657	19,033,960
Simply Energy	18,806	10,507,435
Sumo Power	4,181	3,039,441
Tango Energy	1,176	1,004,874

30 September 2017 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	694	217,969
AGL	50,202	15,522,690
Alinta Energy	4,130	1,246,737
Amaysim/Click Energy	2,650	1,083,880
Energy Australia	48,006	13,952,312
GloBird Energy	2,501	1,071,254
Lumo Energy	19,334	6,379,110
M2 Energy (includes Dodo Power & Gas and Commander Power & Gas)	4,991	1,899,480
Momentum Energy	11,536	4,978,271
Origin Energy	58,267	17,989,495
People Energy	203	76,900
Powerdirect	5,179	2,087,513
Powershop	7,320	3,310,557
Red Energy	23,697	9,045,920
Simply Energy	20,599	9,755,684
Sumo Power	3,693	1,226,314
Tango Energy	612	170,867

Appendix 10: Acronyms

AAS	Australian Accounting Standards	FTE	Full-Time Equivalent
AIIMS	Australasian Inter-service Incident Management System	GAIC	Growth Areas Infrastructure Contribution
APU	Accredited Purchasing Unit	GAIC WIK	Growth Areas Infrastructure Contribution works-in-kind
ARI	Arthur Rylah Institute for Environmental Research	GMW	Goulburn Murray Water
C4NET	Centre for New Energy Technologies	GOFM	Governance of Financial Management
CFA	Country Fire Authority	HSR	Health and Safety Representatives
CMA	Catchment Management Authority	IBAC	The Independent Broad Based Anti-corruption Commission
COAG	Council of Australian Governments	ICT	Information and Communications Technology
CTM	Corporate Travel Management	IGEM	Inspector-General for Emergency Management
DEDJTR	Department of Economic Development, Jobs, Transport and Resources	IPAA	Institute of Public Administration Australia
DELWP	Department of Environment, Land, Water and Planning	ISO	International Organisation for Standardisation
DEPI	Department of Environment and Primary Industries	LGBTI	Lesbian, Gay, Bisexual, Transsexual and Intersex
DPC	Department of Premier and Cabinet	LVA	The Latrobe Valley Authority
DPCD	Department of Planning and Community Development	MILL	Municipal and Industrial Landfill Levy
DSDBI	Department of State Development, Business and Innovation	MW	Melbourne Water
DSE	Department of Sustainability and Environment	MoG	Machinery of Government
DTF	Department of Treasury and Finance	N/A	Not Applicable
DTPLI	Department of Transport, Planning and Local Infrastructure	NACRO	National Association of Charitable Recycling Organisations
EMS	Environmental Management System	NAIDOC	National Aboriginal and Islanders Observance Committee Week
EO	Executive Officer	OHS	Occupational Health and Safety
EPA	Environment Protection Authority	PAA	Public Administration Act (2004)
EWV	Environmental Water Reserve	PFF	Project Firefighter
FFMVic	Forest Fire Management Victoria	PGC	Procurement Governance Committee
FMCF	Financial Management Compliance Framework	PiD	Pride in Diversity
FOI	Freedom of Information	PV	Parks Victoria
FMA	Financial Management Act 1994	SES	State Emergency Service
FRD	Financial Reporting Direction	SET	Senior Executive Team
		SGV	Surveyor-General Victoria
		SOE	Ministerial Statement of Expectation

		Units of measure	
SV	Sustainability Victoria		
VBRC	Victorian Bushfires Royal Commission	L	Litre
VCAT	Victorian Civil and Administrative Tribunal	G	Gigalitre
VEWH	Victorian Environmental Water Holder	MJ	Megajoules
VG	Valuer-General Victoria	ML	Megalitre
VGPB	Victorian Government Purchasing Board	Ha	Hectare
VIPP	Victorian Industry Participation Policy	NLA	Net Lettable Area
VPA	Victorian Planning Authority	Ws1	Total waste
VPN	Young Professionals Network	Ws2	Waste efficiency
VPS	Victorian Public Service		
VRET	Victorian Renewable Energy Target		
VWA	Victorian Water Accounts		
WoVG	Whole of Victorian Government		

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