

**PARLIAMENT OF VICTORIA**

Public Accounts and Estimates Committee



**2017–18 and 2018–19  
Financial and Performance Outcomes  
General Questionnaire**

**Department of Environment, Land, Water and Planning**



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## Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2017–18 and 2018–19 Financial and Performance Outcomes examines:

- the Government's actual expenditure and revenue compared to the budgeted expenditure and revenue
- the actual performance outcomes against the targeted performance outcomes at a departmental/agency level.

The inquiry aims to benefit the Parliament and the community by:

- promoting the accountability, transparency and integrity of the executive and the public sector
- encouraging the effective and efficient delivery of public services and assets.

This questionnaire seeks information on the departmental/agency financials for the 2017–18 and 2018–19 financial years, what was achieved during those years and how that compares to expectations.

### Timeline and format

Responses to this questionnaire are due by **5.00pm on Thursday 12 December 2019**.

Please email the completed questionnaire (in word and pdf) to [paec@parliament.vic.gov.au](mailto:paec@parliament.vic.gov.au)

Please also email a signed copy.

### Consistency with the budget papers

Whenever referring to an initiative/program/project that is referred to in the budget papers, please use the same name as is used in the budget papers. This ensures that the Committee can correlate the information provided by the department with the information in the budget papers.

### Basis of consolidation

For departments, please use the same basis of consolidation as was used in the budget papers and in the budget portfolio outcomes statement in the department's annual report.

### Guidance

Please contact the secretariat should you require guidance in relation to any questions:

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## Section A: Output variances and program outcomes

### Question 1 (all departments) Completed initiatives from past budgets

For all initiatives that were due to be completed in 2017–18 and 2018–19, please provide details of the outcomes expected to be achieved in the community and the outcomes actually achieved to date. Please use initiatives names as specified in *Budget Paper No.3: Service Delivery* and link the initiative to the responsible output(s) and portfolio(s).

#### 2017–18 Response

Initiative	Actual date of completion (month and year)	Expected outcomes	Actual outcomes	Output(s) and portfolio(s)
Improving biodiversity outcomes for Victorians: Leadbeater's Possum and Yellingbo Conservation Area	This initiative has not been completed.	Establishment of the Yellingbo Conservation Area in accordance with <i>The Victorian Government Response to Victorian Environmental Assessment Council's Yellingbo Investigation Final Report (March 2014)</i>	<ul style="list-style-type: none"> <li>- The Yellingbo Conservation Area draft 10-Year Plan was released in August 2018 and was the focus of extensive community consultation.</li> <li>- The Yellingbo Conservation Area Bushfire Risk Management Plan was released in August 2018 to ensure there is no material increase in bushfire risk as a result of revegetation of public land to implement the Conservation Area.</li> <li>- Crown land surveys of the large blocks of Crown land currently managed by Parks Victoria, as well as one reserve managed by Zoos Victoria, were completed. Plans for these areas were included in the Parks and Crown Land Legislation Amendment Bill 2019, which was recently introduced into Parliament. The Bill will create the first stage of the Yellingbo (Landscape) Conservation Area as the first of its kind under the <i>National Parks Act 1975</i>.</li> <li>- Grazing licences have been phased out. Over 100 site visits have now been conducted with adjoining landholders, negotiating fence alignments and conducting conservation management activities on Crown land water frontages.</li> </ul>	Output: Environment and Biodiversity output; Portfolio: Energy, Environment, Climate Change

Managing Victoria's waste materials	June 2018	<ul style="list-style-type: none"> <li>Prevent illegal dumping of industrial waste in the first instance</li> <li>Continue to develop EPA's understanding of illegal dumping (e.g. scale, types of waste, players, drivers)</li> <li>Achieve change within the community and industry towards illegal dumping, resulting in a long-term decrease in illegal dumping activities.</li> </ul>	<p>Statistically significant improvements have been made in terms of businesses' perceptions toward the benefits and commercial value of disposing of their waste legally. While perceptions of the benefits and commercial value of legal waste disposal increased positively, these were below the target of 8 per cent. EPA and DELWP are working together to address this as part of a broader suite of work across government in response to recently identified waste stockpiling activities.</p> <p>Waste generators, transporters and treaters, as well as co-regulators have greater knowledge of what illegal dumping is, roles and responsibilities, and options for legal disposal. Waste generators, transporters and treaters perceive illegal dumping to be a risk with likely and serious consequences.</p>	<p>Output: Environment and Biodiversity; Portfolio: Energy, Environment, Climate Change</p>
Making Communities Climate Ready - Protection of Priority Victorian Beaches and Foreshores	This initiative has not been completed.	Three projects to be delivered at Altona, Elwood and Parkdale/Mentone to maintain beaches and sandy coastlines of the Victorian coast to protect vulnerable areas of the coast from inundation and land instability hazards (i.e. cliffs) caused by the sea; and protect highly visited beaches from erosion and flooding by renourishment and sand management.	<p>Beach renourishments were not required at Elwood and Parkdale/Mentone as the beaches were in good condition. This is because sand movement through the winter period is unpredictable and, in this instance, the sand movement naturally renourished these beaches.</p> <p>As such, seven smaller projects were chosen to replace the two much larger projects that did not proceed. Eight projects are being delivered in total.</p> <p>Seven projects are completed at Altona, Rye, Inverloch, Marengo, Loch Sport, Cowes Main Beach and Parkdale. One project is in progress at Point Lonsdale - further studies and consultation required, due to complex design issues and additional community consultation requirements, to be completed in June 2020.</p>	<p>Output: Climate Change; Portfolio: Energy, Environment, Climate Change</p>
Science, Innovation and Excellence - Modelling and feasibility	This initiative has not been completed.	Funding was provided to contribute to the development of a business case for investing in climate-resilient housing and to provide an informed contribution to policy discourse.	A literature review was completed in March 2018. The project experienced delays which necessitated the Department of Health and Human Services negotiating a new Memorandum of Understanding with DELWP (the Sustainability Fund) to rephrase the project. The project is now expected to be completed in December 2021.	<p>Output: Environment and Biodiversity; Portfolio: Energy, Environment, Climate Change</p>
Activating Victoria's heritage – Building on the Living Heritage program	June 2019	\$5 million boost to the Living Heritage program to expand on the program in 2017–18 with additional repair and restoration works for 'at risk' state significant heritage places.	Projects targeted through the \$5 million were completed in 2017–18 and 2018–19, addressing repair and restoration works for 'at risk' places.	<p>Output: Planning, Building and Heritage; Portfolio: Planning</p>

Fishermans Bend – Planning for a city’s future	June 2018	Improvement works and remediation of the Ferrars Education and Community Precinct at Montague Park, and streetscape and intersection works associated with the South Melbourne Primary School development will be undertaken. The school is due to open at the start of the 2018 school year.	<ul style="list-style-type: none"> <li>• South Melbourne Park Primary School (Prep to Year 6) was completed and opened for start of school year in 2018. It is the first vertical government school in Victoria and accommodates more than 525 students.</li> <li>• The new long day care kindergarten for children aged three years and above opened in late January 2018 on the fifth floor of the new primary school building.</li> <li>• Kirrip Park, adjacent to the School opened in October 2018, providing a 9,000 sqm new park for families and children has opened in Fishermans Bend. It features a paved entrance and forecourt area facing Buckhurst Street, four lawn areas, outdoor LED lighting, multiple seating areas and paths, and native garden beds.</li> <li>• Upgrades were completed to the nearby tram stops on Route 109 (stop 125A) and Route 96 (stop 126) providing pedestrian priority and safe access to the new primary school and the local area.</li> <li>• The City Road/Ferrars Street intersection upgrades were completed to provide safe access for pedestrians, cyclists and cars to new primary school and precinct.</li> <li>• Changes to Railway Place, Douglas, Ferrars, Meaden, Buckhurst and Kerr Streets were undertaken to promote pedestrian priority, sustainable transport and safe access to the new school and precinct.</li> </ul>	Output: Planning, Building and Heritage; Portfolio: Planning
Major hazard facilities	June 2018	Government will work to improve land use planning decisions for areas around Victoria’s major hazard facilities in response to the Major Hazard Facility Advisory Committee’s report. Planning tools, policies and governance arrangements will be reviewed to better manage risk and amenity around these facilities.	<ul style="list-style-type: none"> <li>• Amendment VC152 was approved which implemented a new statewide planning policy for major hazard facilities.</li> <li>• Ministerial Direction No. 20 was issued requiring planning authorities to seek and have regard to the views of WorkSafe Victoria and the Minister for Industry and Employment when preparing a planning scheme amendment for, or within, the threshold distance of a major hazard facility.</li> <li>• Prepared a new particular provision/planning control to minimise encroachment of sensitive uses surrounding major hazard facilities.</li> <li>• Prepared a new planning practice note to provide practice guidance on a range of policy, strategy and</li> </ul>	Output: Planning, Building and Heritage; Portfolio: Planning



			statutory matters associated with managing land around major hazard facilities.	
Munarra Centre for Regional Excellence – Goulburn	June 2018	This initiative provided funding for development of a business case for the Munarra Centre for Regional Excellence in the Goulburn Region.	During 2017–18, the full business case for the Munarra Centre for Regional Excellence was developed. 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 committed \$23 million towards the construction.	Output: Local Government; Portfolio: Local Government
Regional sustainability reform program	June 2018	Funding was provided to determine options for best responding to external funding constraints and structural challenges faced by rural and regional councils.	A comprehensive analysis of the structural and operational barriers to financial and organisational sustainability was undertaken in collaboration with rural and regional councils. The policy options proposed led to a commitment of \$20 million from the 2018–19 Budget for a Rural Councils Transformation Program to improve the efficiency of rural local governments.	Output: Local Government; Portfolio: Local Government
Remediation of gun club sites	This initiative has not been completed.	A small number of government-owned sites will be returned to a state to meet EPA directives and community engagement outcomes.	Activities at Winchelsea Shooting Range have reached practical completion. Ground water monitoring is continuing at North Wangaratta Shooting Range, with results to determine extent of clean-up plan. Activities at Geelong Shooting Range have been delayed, pending further advice from the EPA on requirements for marine clean-up. Sebastopol Shooting Range assessment is complete, consultants contracted to prepare clean-up plan.	Output: Environment and Biodiversity Portfolio: Energy, Environment, Climate Change
Suburban Development	June 2018	Funding was provided to 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 and services.	During 2017–18, Metropolitan Assemblies were held to engage with regional stakeholders and communities. The outcomes of the partnerships' priority setting work, including the assemblies, assisted in informing the 2018–19 Budget process. More than \$200 million was provided in the 2018–19 Budget for Metropolitan Partnerships' outcome priorities. In December 2017 the first set of <i>Five-Year Plans for Jobs, Services and Infrastructure</i> were released for each of the six metropolitan regions.	Output: Suburban Development; Portfolio: Suburban Development
The Victorian Government's contribution to the Murray-Darling Basin Authority (MDBA)	June 2018	As a signatory to MDBA, Victoria makes an annual contribution to MDBA. MDBA promotes and coordinates planning and management for the sustainable use of land, water and environmental resources	Outcomes are reported in the MDBA Annual Report <a href="https://www.mdba.gov.au/publications/mdba-reports/MDBA-annual-report">https://www.mdba.gov.au/publications/mdba-reports/MDBA-annual-report</a>	Output: Effective Water Management and Supply; Portfolio: Water

		for the Murray Darling Basin on behalf of Victoria, NSW, SA, QLD and ACT.		
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## 2018–19 Response

Initiative	Actual date of completion (month and year)	Expected outcomes	Actual outcomes	Output(s) and portfolio(s)
Hazelwood Mine Fire Inquiry: Local government emergency management capability	June 2019	To improve the ability of councils to prepare for and respond to emergency events.	<ul style="list-style-type: none"> <li>Defined the roles and responsibilities of local government in emergency management.</li> <li>Reviewed the current roles and responsibilities of local government in emergency management for alignment with the defined roles and responsibilities.</li> <li>Reviewed the capability and capacity required for local government to fulfil their emergency management roles and responsibilities.</li> </ul>	Output: Local Government; Portfolio: Local Government
Energy Affordability – Putting consumers first	June 2019	<ul style="list-style-type: none"> <li>Improved energy affordability for consumers.</li> <li>Less confusion for consumers when navigating energy offers.</li> <li>Increased consumer engagement in the energy market.</li> </ul>	<p>Outcomes are either being met or exceeded on this initiative. This is based on:</p> <ul style="list-style-type: none"> <li>high volume of users of the Victorian Energy Compare website</li> <li>positive user feedback obtained through survey results</li> <li>increased engagement from vulnerable consumers, through outreach programs.</li> </ul> <p>This initiative was extended as part of the 2019–20 Budget and supports programs associated with the Victorian Energy Compare website.</p>	Output: Energy; Portfolio: Energy, Environment, Climate Change
Enhancing Victoria's liveability through improvements to the parks and reserves estate	The initiative has not been completed.	This initiative would start the process of acquiring land to establish three new metropolitan parks in Melbourne's growth areas, and Anglesea Heath will be incorporated into the Great Otway National Park.	Anglesea Heath was incorporated into the Great Otway National Park in December 2018. Works included compliance operations, a contaminated land study, pest plant program, scientific pathogen investigation, road maintenance and upgrades, Great Otway National Park boundary signage, Traditional Owner engagement, and community and stakeholder engagement. Other land management works included removal of asbestos, illegally dumped rubbish and general land clean-up.	Output: Parks Victoria; Portfolio: Energy, Environment, Climate Change

			The establishment of the three new parks has been progressed through the inclusion of a public hearing process to establish the park boundaries and seeking Commonwealth agreement to these boundaries. Acquisition will commence in late 2019, following approval of enabling planning scheme amendment.	
Growing Suburbs Fund	June 2019	This initiative sought to deliver critical infrastructure in the 10 interface councils.	The fund approved applications for 45 community infrastructure projects in 2018–19, and 40 community infrastructure projects in 2017–18.	Output: Local Government; Portfolio: Local Government
Inclusionary housing on surplus government land pilot	December 2019	Execution of six contracts of sale to deliver over 100 social and affordable houses on six surplus government sites.	Progressing towards the execution of six contracts of sale to deliver over 100 social and affordable houses on six surplus government sites by December 2019.	Output: Planning, Building and Heritage; Portfolio: Planning
National Energy Markets – Reform and advocacy	June 2019	Victoria is represented at every COAG Energy Council meeting. Delivery of key Australian Energy Market Commission funding milestones, in line with funding agreements and agreed project deliverables.	Victoria has been represented at every COAG Energy Council meeting during the period. Funding commitments to the Australian Energy Market Commission have been met. This initiative was extended as part of the 2019–20 Budget initiative ‘Victoria’s contribution to national energy market reform’.	Output: Energy; Portfolio: Energy, Environment, Climate Change
ResourceSmart Schools	June 2019	The program sought to assist schools to embed sustainability in everything they do - minimising waste, saving energy and water, promoting biodiversity and taking action on climate change to benefit their school and community.	In 2017–18, there were 636 active schools in the program which led to savings of 8,439,484 million kWh. In 2018–19, there were 675 active schools in the program which led to savings of 9,084,758 kWh.	Output: Environment and Biodiversity; Portfolio: Energy, Environment, Climate Change
Revitalising Central Geelong	June 2019	Funding was provided to deliver projects in the Revitalising Central Geelong Action Plan to unlock investment and drive economic activity in central Geelong. Projects included new stormwater infrastructure at Johnstone Park, construction of new laneway connections to Malop Street and planning to expand the Green Spine and new bus infrastructure.	Funding has enabled implementation of the action plan including projects such as the Green Spine, Activity Centre Zone review, stormwater infrastructure at Johnstone Park, Bus Access Strategy, Geelong drainage upgrade, west end laneways precinct streetscape works and Little Malop St west end action plan.	Output: Planning, Building and Heritage; Portfolio: Planning

Roadside weeds and pests	June 2019	This program provided funding support to rural, regional and interface councils to plan and implement control activities for the long-term management of prohibited and restricted weeds and pests on rural roads.	The program provided funding to 56 rural, regional and interface councils for managing invasive plants and pests along rural roadsides during 2017–18 and 2018–19.	Output: Local Government; Portfolio: Local Government
Smarter planning for permits	June 2019	Report on analysis, options and recommendations for new Assessment Pathways. Report on analysis, options and recommendations for reforms to overlays.	The two reports were produced. This has led to the development and targeted consultation in 2019–20 of a new Assessment Pathway (VicSmart Plus) and a code for Secondary Dwellings. Other codes identified in the report are under consideration for development during the remainder of 2019–20.	Output: Planning, Building and Heritage; Portfolio: Planning
Towards a healthy and resilient marine and coastal future	This initiative has not been completed.	This program sought to protect the environment from the impacts associated with climate change, strengthen coastal economies and contribute to safe and healthy coastal communities for the enjoyment of all Victorians. This included: <ul style="list-style-type: none"> <li>measures that support coastal land managers and communities on the Victorian coast</li> <li>measures to support marine and coastal reforms including election commitments for improved management arrangements</li> <li>developing a Marine Spatial Planning Framework to set the platform for coordinated strategic planning for the marine environment</li> <li>piloting a process to simplify management of coastal Crown land to improve the links between the capacity, resources and responsibilities of coastal Crown land managers</li> <li>enabling greater Traditional Owner involvement in marine and coastal management.</li> </ul>	Outcomes of the program include: <ul style="list-style-type: none"> <li>Coastcare Victoria Program fully delivered to over 10,000 participants through the Summer by the Sea program, Coastcare Grant program and Volunteer Capacity Building Programs</li> <li>Delivering the Open Coast Protection Program</li> <li>2018–19 Target: 3 projects – two completed, one to be completed by February 2020. The completed projects were Port Fairy and Narrawong Timber Seawall. Construction is underway for the Ocean Grove Access Ramp (70 per cent complete) and is expected to be completed by February 2020</li> <li>Marine Spatial Planning Framework complete</li> <li>Six Traditional Owner involvement projects near finalisation with project acquittals to be received</li> <li>Simplification of management of Crown Land project (Future Foreshores initiative) has had its funding expanded beyond this source. This project is expected to be completed by 30 June 2020.</li> </ul>	Output: Environment and Biodiversity; Portfolio: Energy, Environment, Climate Change
Zoos Victoria Kids Free entry	June 2019	This initiative provides children under 16 years of age free access to Melbourne Zoo, Healesville Sanctuary and Werribee Open	The Victoria Kids Free entry program met the expected outcomes, with 2.76 million visitors across Victoria's three zoos for 2018–19.	Output: Management of Public Land and Forests

		<p>Range Zoo on weekends, public holidays and during school holidays. This will:</p> <ul style="list-style-type: none"> <li>• provide a unique educational experience for children, adults and families that they would not otherwise experience in the classroom or at other zoos</li> <li>• encourage the community to appreciate and better understand wildlife conservation and environmental protection</li> <li>• ease cost of living pressures for Victorian families by making zoos more accessible and affordable</li> </ul>		Portfolio: Energy, Environment and Climate Change
Power Saving Bonus	June 2019	<ul style="list-style-type: none"> <li>• Generate awareness of the government energy price comparison website, Victorian Energy Compare (VEC).</li> <li>• Deliver a Power Saving Bonus payment to Victorian households – to incentivise them to use the VEC website</li> <li>• Through the VEC website, help Victorians to find the best energy offers on the market, and help them take advantage of the savings available for users who switch energy offers after using the website.</li> </ul>	<ul style="list-style-type: none"> <li>• Generate awareness of the government energy price comparison website, Victorian Energy Compare (VEC) – more than 1.5 million website visitors since the program was launched.</li> <li>• Deliver a Power Saving Bonus payment (\$50) to more than 450,000 Victorian households.</li> <li>• Through the VEC website, help Victorians to find the best energy offers on the market, and help them take advantage of the savings available for users who switch energy offers after using the website – 48% of surveyed users indicate they find a better offer and intend to switch after using the website.</li> <li>• This initiative was extended as part of the 2019–20 Budget to cease on 30 June 2020.</li> </ul>	Output: Energy; Portfolio: Energy, Environment, Climate Change
Bringing the Environment Protection Authority into the modern era	June 2019	<p>Funding was provided to ensure the Environment Protection Authority can continue to meet its current and future obligations and deliver core services and activities to protect Victoria’s environment and health from pollution and waste. This included preventing harm to the community, providing timely and accessible information on the condition of our environment, enforcing compliance with</p>	<p>Environment Protection Authority was able to meet its obligations and deliver core services and activities to protect Victoria’s environment and health from pollution and waste throughout 2018–19. This included:</p> <ul style="list-style-type: none"> <li>• working with the community, industry and business to prevent and reduce the harmful impacts of pollution and waste on Victoria’s environment and people</li> <li>• holding polluters to account</li> <li>• supporting all Victorians to understand their obligations under the law</li> </ul>	Output: Environment and Climate Change; Portfolio: Energy, Environment, Climate Change

		environmental obligations and responding to pollution and emergency incidents.	<ul style="list-style-type: none"> <li>providing clear advice on the state of our environment so that Victorians can make informed decisions about their health.</li> </ul>	
Protecting people and the environment from hazardous waste	June 2019	<p>Sufficient evidence collected and analysed to identify a range of options for appropriate management of hazardous waste streams.</p> <p>Sustainable data solution to support ongoing data collection, monitoring and tracking of hazardous waste.</p> <p>Clear understanding by decision makers at EPA, Sustainability Victoria (SV) and DELWP on the appropriate management approach for hazardous waste streams, vision for Victoria’s management systems, and how to achieve this vision.</p> <p>Support for a modernised hazardous waste policy and planning settings, across local government, industry and community.</p>	<p>Available data collected and analysed to provide an overview of the Victorian hazardous waste system and project infrastructure needs and risks. This led to an increased understanding of the potential impacts from hazardous waste.</p> <p>New data infrastructure implemented to support data migration between EPA and SV (ongoing data sharing subject to a new agreement from 1 July 2020).</p> <p>Developed a clearer understanding by EPA, SV and DELWP on the appropriate management approach for hazardous waste streams with the development of infrastructure plans underway.</p> <p>Consultation has commenced with local government, industry and community.</p>	Output: Environment and Climate Change; Portfolio: Energy, Environment, Climate Change
Air Quality Strategy	This initiative has not been completed.	To guide the monitoring, assessment, reporting and management of air pollution in Victoria to support the government’s commitment to clean air for all Victorians.	The government held a Victorian Clean Air Summit in August 2018, followed by a series of regional consultations, to inform the development of the strategy. The strategy remains in development in 2019–20.	Output: Environment and Climate Change; Portfolio: Energy, Environment, Climate Change
Caring for our Environment - Tackling weeds and pests	The initiative has not been completed	<p>This initiative has the following two deliverables:</p> <ol style="list-style-type: none"> <li>1. Good Neighbour Program (GNP) including (1) Weed and pest control undertaken on 500km of private/public interface; (2) Improving investment prioritisation process with partners; (3) Complete an evaluation of the GNP.</li> <li>2. Removal of up to 200 feral horses from sensitive Alpine environments.</li> </ol>	<p>GNP has been completed: (1) 125 projects have been delivered, resulting in 10,000ha of control and over 3,000km of interface weed and pest control undertaken; (2) five technical assessment panels have improved the prioritisation processes; (3) a review of the GNP incorporated key stakeholder interviews, workshops and analysis of information that resulted in 13 key findings, leading to improvements in purpose and focus, administration and management, allocation of funding and emerging and long-term funding.</p> <p>Implementation of strategic action plan for feral horse management in Victorian Alps and Barmah Forest Ramsar area is delayed into 2019–20 due to a Federal High Court injunction.</p>	Output: Environment and Climate Change; Portfolio: Energy, Environment, Climate Change

Jobs for Aboriginal people in natural resource management (WoVG Initiative)	August 2019	<p>Expected outcomes include:</p> <ul style="list-style-type: none"> <li>formation of alliance of Aboriginal, natural resource management and educational organisations</li> <li>completion of an employment pathways model and business case.</li> </ul>	<p>Outcomes achieved by the program include:</p> <ul style="list-style-type: none"> <li>an alliance formed with 11 organisations signed up via an MOU.</li> <li>a pathways model has been completed. A business case is being developed for consideration.</li> </ul>	Output: Forest, Fire and Regions; Portfolio: Energy, Environment, Climate Change
Hume Renewable Energy Strategy	August 2019	<p>Expected outcomes include:</p> <ol style="list-style-type: none"> <li>Increased community awareness and acceptance of renewable energy.</li> <li>Development of a prospectus highlighting renewable energy opportunities for the region.</li> </ol>	<ol style="list-style-type: none"> <li>Thirty-three events held, thousands of people engaged.</li> <li>A high-quality report was produced resulting in significant proactive interest from business and community. The report is available at: <a href="https://www.energy.vic.gov.au/data/assets/pdf_file/0/025/427633/Hume-Region-Renewable-Energy-Roadmap.pdf">https://www.energy.vic.gov.au/data/assets/pdf_file/0/025/427633/Hume-Region-Renewable-Energy-Roadmap.pdf</a></li> </ol>	Output: Forest, Fire and Regions; Portfolio: Energy, Environment, Climate Change
Metropolitan Open Space Strategy (Previously component of New parks and open space for suburban Melbourne)	This initiative has not been completed.	A new open space strategy for metropolitan Melbourne	<p>The strategy is under development and is projected for completion in the first half of 2020. The project has required due to complex project management, stakeholder engagement and approval processes.</p> <p>The governance structure and draft strategy have also been revised to integrate with the Suburban Parks Program, which was announced by government subsequent to the project's commencement.</p>	Output: Forest, Fire and Regions; Portfolio: Energy, Environment, Climate Change
Rural Council Transformation (Rural and Regional Councils Transformation)	June 2019	<p>Expected outcomes include:</p> <ul style="list-style-type: none"> <li>improved financial sustainability of rural and regional councils by achieving economies of scale, including through regional service delivery or collaborative procurement</li> <li>promotion of more efficient and improved service delivery through collaboration and innovation</li> <li>facilitation of benefits for rural and regional communities, with priority given to those for rural communities</li> <li>demonstration of potential efficiencies to be gained through regional service delivery.</li> </ul>	<p>All Rural Council Transformation Program funding agreements have been finalised and moneys allocated to successful council recipients.</p> <p>Through the program, four groupings of rural and regional councils (19 councils in total) will benefit from improved financial sustainability:</p> <ul style="list-style-type: none"> <li>Corangamite, Moyne and Warrnambool received \$4.5 million to centralise and standardise information systems delivering finance, human resources, business, IT, planning and waste services</li> <li>Ballarat, Ararat, Central Goldfields, Golden Plains, Hepburn and Pyrenees received \$4.5 million to deliver a regionally shared IT platform to support finance, payroll, records,</li> </ul>	Output: Local Government; Portfolio: Local Government



			<p>safety, fleet management, building, environmental health, planning, waste and community services</p> <ul style="list-style-type: none"> <li>• Bass Coast, East Gippsland, South Gippsland and Wellington received \$4.5 million to fully integrate information systems with a focus on electronic records and document management</li> <li>• Buloke, Hindmarsh, Horsham, Loddon, West Wimmera and Yarriambiack received \$5 million to deliver a suite of regionally shared finance and payroll services.</li> </ul> <p>The productivity benefits and reduced costs resulting from these initiatives will allow council resources to be reallocated to other projects.</p>	
Growing Suburbs Fund	June 2019	This initiative sought to deliver critical infrastructure within the 10 interface councils.	Funded 85 community infrastructure projects in 2017–18 and 2018–19.	Output: Local Government; Portfolio: Local Government
Arts and Cultural Precinct at Jacksons Hill	This initiative has not been completed	Funding was provided, in partnership with Hume City Council, to implement the first stage of the community arts precinct at Jacksons Hill. This will improve the precinct's condition and accessibility.	The site at Jacksons Hill is in the process of being transferred to Hume City Council. Following finalisation of the land transfer, the department will work with Hume City Council to finalise the activity schedule. The project completion date will be determined once the activity schedule is finalised.	Output: Local Government; Portfolio: Local Government
Additional resources for planning (Resourcing Planning for Growth)	June 2019	Funding provided to increase capacity within the planning system, including the timely assessment of the record level of new planning applications and planning amendments.	<p>Funding supported core planning resources delivering essential strategic planning and development assessment functions mandated by the <i>Planning and Environment Act 1987</i> and associated legislation, such as:</p> <ul style="list-style-type: none"> <li>• oversight of Victoria's planning system</li> <li>• formulation of planning policy to underpin statutory planning schemes</li> <li>• approvals for high-value developments of state significance.</li> </ul>	Output: Planning, Building and Heritage; Portfolio: Planning
Fishermans Bend: From Planning to Delivering	The program was transferred to DJPR in 2018–19.	N/A	N/A	Output: Planning, Building and Heritage; Portfolio: Planning



<p>Building a Safer Victoria</p>	<p>July 2019</p>	<p>Expected outcomes include:</p> <ul style="list-style-type: none"> <li>the Victorian Building Authority (VBA) undertaking a statewide audit of multi-storey buildings in Victoria</li> <li>a comprehensive audit of government owned and leased buildings coordinated by DELWP and overseen by the Victorian Cladding Taskforce</li> <li>a significant strengthening of the VBA's compliance and enforcement approach, an expansion of its proactive inspection regime and the establishment of a State Building Inspector</li> <li>restricting the use of combustible cladding in Victoria on buildings above two storeys</li> <li>requiring the VBA to inspect more of Victoria's buildings each year – from less than two per cent to up to 10 per cent, putting building practitioners on notice.</li> </ul>	<p>As at 5 July 2019, 2,227 buildings had been audited through the Victorian Cladding Taskforce Pilot Audit, the Statewide Cladding Audit, and ongoing audit work being undertaken by the City of Melbourne.</p> <p>The Victorian Government also completed an audit of government owned and leased buildings, which resulted in an investment of \$150 million through the 2019–20 Budget for rectification.</p> <p>The government restricted the use of combustible cladding on buildings of three storeys or more through Minister's Guideline 14.</p> <p>The VBA appointed Mr Andrew Cialini as the State Building Surveyor. The State Building Surveyor will act as an authoritative industry leader for building surveyors and building practitioners across Victoria. The role will support the industry change required to ensure buildings are consistently well-built, safe and fit for purpose.</p> <p>The VBA has also increased the number of inspections of building permits, from less than two per cent to more than eight per cent of permits.</p> <p>The VBA is continuing to audit multi-storey buildings.</p>	<p>Output: Planning, Building and Heritage; Portfolio: Planning</p>
<p>New trails for suburban Melbourne - Metropolitan Partnerships Program 1: Tee St/ Rathcown Rd bridge (Darebin) 2: Darebin Creek trail (Banyule) 3: Edgars Creek trail (Whittlesea) 4: Yarra Valley Trail stage 1A (Yarra Ranges)</p>	<p>1: Not yet completed. 2: Not yet completed 3: Not yet completed 4: Construction completed.</p>	<p>1: A bridge to complete a 26km trail from Epping to Kew, including 200m of trail between Rathcown Rd and Tee St, Bundoora. 2: Upgrade the 920m section of the Darebin Creek trail between Banksia St and Bell St, Bellfield 3: Construction of Edgars Creek trail between Spring St and Main St, Thomastown 4: Construction of a 7km trail from Lilydale to Yering (stage 1A)</p>	<p>1: Construction complete with additional signage, amenities (fountains) and landscaping to be finalised by end of 2019. 2: Delayed construction due to cultural heritage delays and planning delays (objections). Anticipated completion by 30 June 2020. 3: Delayed construction - anticipated completion by end of 2019 due to cultural heritage delays (artefacts). 4: Construction of the trail has been completed.</p>	<p>Output: Suburban Development; Portfolio: Suburban Development</p>
<p>Smarter use of water in our cities and towns</p>	<p>June 2019 – funding agreements executed for all funding with a small</p>	<p>\$4 million for co-investment in integrated water management projects across the state.</p>	<p>The \$4 million announced by the minister for the 2018–19 Budget for co-investment in Integrated Water Management projects was allocated to 19 projects in metropolitan Melbourne and 50 projects in regional Victoria. All projects were selected through a robust prioritisation process for projects across Victoria.</p>	<p>Output: Water; Portfolio: Water</p>

	portion of project milestones occurring in early 2019–20			
Greening the pipeline (previously component of Smarter use of water in our cities and towns)	The initiative has not been completed.	Funding is provided for the next section of the Greening the Pipeline project, which transforms the heritage-listed Main Outfall Sewer reserve in Wyndham into parkland, including adaptation of the Integrated Water Management Framework for Victoria where appropriate. Funding is for Zone 5 permits and approvals, Zone 4 Masterplan and construction of the Zone 5 stormwater harvesting scheme.	Works associated with the initial \$1 million in funding allocated is due for completion by 30 April 2020. (Financial commitments were finalised by 30 June 2019). Zone 5 permits and approvals and Zone 4 Masterplan have been completed. Given the additional funding allocation of \$8 million in the 2019–20 Budget, construction of Zone 5 stormwater harvesting scheme is under review and may be varied to be delivered as part of a bigger package of works.	Output: Water; Portfolio: Water
Yarra River Action Plan - Next Steps	May 2019	Deliver draft Yarra Strategic Plan for Endorsement by Agencies.	Draft Yarra Strategic Plan for endorsement has been delivered.	Output: Water; Portfolio: Water
Victorian Government contribution to the Murray-Darling Basin Authority	June 2019	As a signatory to MDBA, Victoria makes an annual contribution to MDBA. MDBA promotes and coordinates planning and management for the sustainable use of land, water and environmental resources for the Murray Darling Basin on behalf of Victoria, NSW, SA, QLD and ACT.	Outcomes are reported in the MDBA Annual Report <a href="https://www.mdba.gov.au/publications/mdba-reports/MDBA-annual-report">https://www.mdba.gov.au/publications/mdba-reports/MDBA-annual-report</a>	Output: Water; Portfolio: Water
Pakenham Sewerage Treatment Plant	December 2019 (financial commitments finalised in June 2019)	Funding provided to develop a business case to upgrade the Pakenham sewerage treatment plant. This includes recycled water concept studies, assessment of offset options, and a preliminary ecological risk assessment.	Components to contribute to a long-term strategic plan and business case have been developed. The first stage of works (around \$10 million) is subject to approval (due 31 December 2019). Agribusiness opportunities and broader community benefits have been identified and established including location, nature of crops, ability to pay, soil assessment, and high-level ecological study including potential impact of offsets. Infrastructure options have been modelled including capacity of local treatment plants, storage requirements and timing of demand.	Output: Water; Portfolio: Water
Drought assistance - emergency water supply access	This initiative has not been completed.	Extend and improvements to the existing network of emergency water supply points in areas where there is a high incidence of water carting. It identifies areas of need for	Outcomes of the project:	Output: Water; Portfolio: Water

		<p>domestic and stock water use and construct new water supply points for drought affected areas in the Wellington and East Gippsland areas.</p> <p>The project will provide up to twelve new water supply points to meet water carting needs should dry conditions continue in 2019 and future dry periods. The project will deliver new bores and associated headworks and stand pipes.</p>	<ul style="list-style-type: none"> <li>Engagement with Wellington and East Gippsland Shire councils.</li> <li>Identification of 12 rural sites (eight in East Gippsland and four in Wellington) in dry-affected areas with high demand for domestic and stock water access. All sites are to be located at recreation reserves or public town halls.</li> <li>Completed concept design for each of the 12 sites.</li> <li>Engagement with recreation reserve committees of management resulting in minor amendments to concept design and strong support for the project.</li> <li>Drilling contractors identified for tender process.</li> </ul> <p>Works are expected to be completed by the end of February 2020.</p>	
Taking Action on Gas Heater Safety Program (Gas heater safety program)	August 2019	A statewide awareness campaign will provide information on the risks of open-flue gas heaters, the importance of regular servicing and maintenance, and how to reduce the chances of accidental carbon monoxide poisoning.	<p>The funding provided in the 2019–20 Budget was to increase the reach of the 'Be Sure' campaign. The 2019 campaign was broadcast through a variety of advertising channels, including social media, radio, sign boards, TV and in retail outlets and concluded at the end of August 2019.</p> <p>The campaign will recommence for the 2020 winter.</p>	Output: Energy; Portfolio: Energy, Environment, Climate Change
Continued implementation of the Solar Home program (Solar Homes Program and solar panels for renters)	June 2019	2018–19 Target: Assist Victorian home owners with 24,000 solar photovoltaic (PV) rebates and 6,000 solar hot water rebates.	<p>At 30 June 2019 the number of rebates paid to eligible Victorian home owners were as follows:</p> <ul style="list-style-type: none"> <li>- 25,543 solar PV; and</li> <li>- 163 solar hot water rebates</li> </ul> <p>The number of applications confirmed eligible/approved overall was:</p> <ul style="list-style-type: none"> <li>- 33,101 solar PV; and</li> <li>- 286 solar hot water rebates</li> </ul>	Output: Solar Homes; Portfolio: Solar Homes

## Question 2 (all departments) Program outcomes

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section all relate to the outcomes that the department contributed to in 2017–18 and 2018–19.

- a) Using the format of the table below, please outline the five programs that delivered the most important outcomes in the community<sup>1</sup> achieved by the department in 2017–18 and 2018–19 including:
- i. The name of the program
  - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
  - iii. The planned outcome as stated in the budget papers
  - iv. The actual outcome achieved
  - v. The actions taken to deliver the actual outcome (i.e. the most important elements/essential parts that led the Department to deliver the outcome).

### 2017–18 Response

Program	Output(s) and portfolio(s)	Planned outcome	Description of actual outcome achieved	Description of the actions taken to deliver the actual outcome
1. Commenced construction on the \$350 million, 204 MW Bulgana Green Power Hub	Energy; Energy, Environment and Climate Change	To commence construction of the Bulgana Green Power Hub wind farm and battery.	On 16 May 2018, it was announced that construction of the Bulgana Green Power Hub wind farm and battery had commenced.	Management of contract negotiations and approvals to achieve construction commencement.
2. Announced the ban of single-use, lightweight plastic shopping bags	Environment and Biodiversity; Energy, Environment and Climate Change	The provision of lightweight plastic bags by retailers to be banned by the end of 2019.	Commencing 1 November 2019, lightweight plastic bans have been banned in Victoria.	Cost-benefit analysis, extensive engagement and consultation with community, stakeholders and industry, legislative change to the Environment Protection Act and behaviour change education program with the ban commencing 1 November 2019.
3. Launched the Power Savings Bonus (PSB) program	Energy; Energy, Environment and Climate Change	To generate awareness of the Government energy price comparison website, Victorian Energy Compare (VEC).	Awareness of VEC website significantly increased – 1.2 million website users in the first 12 months of the PSB (compared to 0.6 million the previous 12 months).	Design, deliver and implement the PSB technical system (including case management portal). Integrate the PSB technical system with the Victorian Energy Compare website.

<sup>1</sup> 'Outcomes' are the impact of service delivery on the community rather than a description of the services delivered. The Committee considers that an outcome could be considered important for a variety of reasons, such as the amount of funding allocated to the program, the public interest in the service or goods being delivered or where particular actions taken by the Department delivered improved outcomes.

			<p>Deliver a PSB payment (\$50) to households across Victoria to incentivise them to use the VEC website.</p> <p>Assist Victorians to find the best energy offers on the market, and help them take advantage of the savings available for users who switch energy offers after using the website.</p>	<p>Delivered the PSB to over 400,000 Victorian households since the program started on 1 July 2018.</p> <p>Assisted Victorians to find the best energy offer – Since the PSB was launched, 49 per cent of surveyed VEC users (n=43,839) indicated they found a better retail offer and plan to switch. Website analytics show that typical savings for VEC users who switch offers is \$330 in the first year alone – representing potential savings of nearly \$200 million since the PSB started.</p>	<p>Work with Victorian distributors to validate PSB requests.</p> <p>Ensure privacy and security mechanisms are maintained to protect customer data.</p> <p>Stand up and maintain customer service team to support case management processes and customer enquiries.</p> <p>Negotiate and maintain third-party services and contract to support the PSB program.</p>
4.	Passed the <i>Marine and Coastal Act 2018</i>	Environment and Biodiversity; Energy, Environment and Climate Change	<p>Facilitate the protection of the coastline and the capacity to address the long-term challenges of climate change, population growth and ageing coastal structures.</p>	<p>Ongoing implementation of the Marine and Coastal Reforms Transition Plan supported the transition to stronger marine and coastal management in Victoria, providing the tools to address the long-term challenges and meet evolving public expectations.</p> <p>The <i>Marine and Coastal Act 2018</i>, provides an integrated and coordinated approach to planning and managing the marine and coastal environment.</p>	<p>In July 2019, DELWP released the draft Marine and Coastal Policy including a marine spatial planning framework, for public consultation, ahead of finalising the policy. The policy is on track to be developed by 31 December 2019.</p> <p>In May 2019, a Sea Country Co-Governance Group met for the first time, bringing together coastal Traditional Owners with representatives from the Victorian Marine and Coastal Council and DELWP to guide the management of Sea Country.</p> <p>Social research on community attitudes was undertaken to inform the draft Marine and Coastal Policy.</p> <p>Supported the establishment of the new Victorian Marine and Coastal Council to advise the Minister and the department on draft marine and coastal policy.</p> <p>Siting and Design guidelines have been revised.</p> <p>Financing the Coast project completed in August 2019 and has analysed revenue generated and spent on the coast.</p>
5.	Launched the first five of the Flagship Waterways	Effective Water Management and Supply; Water	<p>Launch five flagship waterway projects which have been identified as initial priorities for action through consultation with</p>	<p>The following five projects were launched with communities:</p> <ol style="list-style-type: none"> <li>1. Budj Bim landscape around Lake Condah and Darlot’s Creek (Glenelg Hopkins CMA);</li> </ol>	<p>DELWP relied on regional Catchment Management Authorities (CMAs) to effectively and respectfully engage with local partners and stakeholders, because these agencies are well-skilled and connected in the specialised area of waterway restoration. CMAs used the best available scientific data alongside local</p>

			<p>communities and key stakeholders.</p> <p>Each project combines an integrated set of restoration actions including fencing and revegetation alongside the waterway, works to improve instream habitat for fish and other aquatic animals, weed and pest control, erosion control, provision of environmental water, enhanced community facilities to better protect environmentally sensitive areas and foster community enjoyment and stewardship of the waterway, establishment of citizen science programs and more, all of this which in partnership with Traditional Owners and local communities.</p>	<ol style="list-style-type: none"> <li>2. Cann River in far east Gippsland (East Gippsland CMA);</li> <li>3. Merbein Common on the Murray floodplain north west of Mildura (Mallee CMA);</li> <li>4. Moorabool River below Lal Lal reservoir to the confluence of the Barwon River outside of Geelong (Corangamite CMA); and</li> <li>5. Campaspe River above and below Lake Eppalock (North Central CMA).</li> </ol> <p>As a result, all projects have been enthusiastically embraced by local communities and additional funding has been leveraged by local partners. Through extensive on-ground works, significant progress has been made toward the 30-year shared visions for these waterways, providing environmental, social, cultural and economic benefits for local communities. Perhaps the most notable milestone since the launches has been the addition of the Budj Bim site to the UNESCO World Heritage list, and the first site in Australia to be listed solely for its Aboriginal values.</p>	<p>knowledge to work with communities to design projects that will deliver meaningful results. A key success factor was to encourage communities to look beyond the next decade in seeking a vision for these projects.</p>
6.	Established the Victorian Cladding Taskforce	Planning, Building and Heritage; Planning	<p>To investigate and address non-compliant cladding on Victorian buildings and release the Victorian Cladding Taskforce Chair's interim report, to identify the extent of combustible cladding on buildings and a range of recommendations.</p>	<p>A statewide building audit was piloted by the Victorian Cladding Taskforce (transitioned to the VBA in July 2018). A whole of Victorian Government building audit was conducted by individual agencies and departments.; Introduced restrictions on the use of certain cladding materials (<a href="#">Minister's Guideline MG-14: Issue of building permits where building work</a> involves the use of certain cladding products).</p>	<p>Victorian Cladding Taskforce was established in June 2017. The Interim report was presented to Minister for Planning in November 2017. The Interim report was released in December 2017.</p>

				Significantly increased compliance and enforcement activity by the VBA following the release of the Interim Report in December 2017.	
7.	Growing Suburbs Fund	Local Government; Local Government	To support the 10 interface councils to deliver critical infrastructure for their growing populations.	Forty community infrastructure projects were funded through the 2017–18 round. Of these 40 projects, 21 have been completed.	The department systematically assessed, monitored and reviewed projects under construction to ensure the timely delivery of community outcomes.
8.	Amended the <i>Valuation of Land Act 1960</i>	Land Use Victoria; Planning	More current, consistent and efficient valuations through centralisation of the property valuation process and moving from a biennial to annual valuations cycle.	Changes to the <i>Valuation of Land Act 1960</i> made the Valuer-General responsible for all statutory valuations in Victoria and increased the frequency of revaluations from biennially to annually. Individual councils can 'opt out' of centralisation until 2022. Valuer-General Victoria is currently the valuation authority for 75 councils.	The department: rewrote the Valuation Best Practice Specification Guidelines to detail the deliverables for annual valuations; communicated the changes and implementation plan to stakeholders; commenced roll-out of statewide valuation software to enable all councils to electronically receive, view and use valuations for rating and levying purposes; and advertised and commenced new contract arrangements for annual valuations from 1 July 2018.
9.	A record number of female forest firefighters	Fire and Emergency Management; Energy, Environment and Climate Change	Increase the number of women who are project firefighters.	One hundred and twelve women were on the front line in 2017–18 fire season – a 29 per cent increase on the previous summer. This means that the Forest Fire Management Victoria's total workforce comprised 18 per cent women in 2017–18 – up from 13 per cent in 2016–17.	The department undertook the Women in Fire program to address gender inequality in Forest Fire Management Victoria's fire and emergency roles.

### 2018–19 Response

	Program	Output(s) and portfolio(s)	Planned outcome	Description of actual outcome achieved	Description of the actions taken to deliver the actual outcome
1.	Monitoring Victoria's emissions profile	Climate Change; Energy, Environment and Climate Change	The Victorian community has a transparent account of the sources and trends of Victoria's greenhouse gas emissions and the extent to which those emissions reduced relative to 2005 levels.	In the form of the <i>Victorian Greenhouse Gas Emissions Report 2018</i> , the Victorian community received: <ul style="list-style-type: none"> <li>the first transparent account of sources and trends of Victoria's greenhouse gas emissions</li> <li>a progress update on emissions reduction of 18.2 per cent below</li> </ul>	Fulfilment of the Victorian Government obligation under Victoria's <i>Climate Change Act 2017</i> by: <ul style="list-style-type: none"> <li>preparing the <i>Victorian Greenhouse Gas Emissions Report 2018</i> on behalf of the Minister by 31 October 2018</li> <li>tabling of the report in Parliament and publishing the report on DELWP's website within 10 sitting days of 31 October 2018.</li> </ul>



				2005 levels towards a target of 15 to 20 per cent by 2020.	
2.	Recycling Industry Strategic Plan	Environment and Biodiversity; Energy, Environment and Climate Change	Stabilise the recycling sector, increase the quality of recycled materials, improve the productivity of the recycling sector and develop markets for recycled materials.	<p>Stabilise the recycling sector:</p> <ul style="list-style-type: none"> <li>• Kerbside collection services continued for households throughout 2018.</li> <li>• Five new projects under contract that will leverage \$5.2 million of investment in the sector and contribute to installing reprocessing capacity of 90,000 tonnes per annum and create 42 jobs.</li> </ul> <p>Increase the quality of recycled materials:</p> <ul style="list-style-type: none"> <li>• Announcement of 20 new infrastructure projects to improve the collection, sorting and recycling of processed materials, which are expected to divert 335,000 tonnes of material from landfill and create 150 jobs.</li> </ul> <p>Improve the productivity of the recycling sector:</p> <ul style="list-style-type: none"> <li>• 62 of 79 councils are involved in or have expressed interest in participating in collaborative procurement of recycling services.</li> <li>• Fire risks at resource recovery facilities continue to be managed to minimise risks of harm to human health and the environment.</li> </ul> <p>Develop markets for recycled materials:</p> <ul style="list-style-type: none"> <li>• 10 new projects under contract to conduct field trials and develop new markets for recovered materials.</li> </ul>	<p>Actions taken to stabilise the recycling sector</p> <ul style="list-style-type: none"> <li>• Funding provided to 76 councils to meet increased costs of recycling services</li> <li>• Support to councils to develop flexible, consistent and transparent contracting for recycling services and undertake contingency planning</li> <li>• Funding provided through Recycling Industry Transition Program, to help the recycling industry fast-track development of new infrastructure.</li> </ul> <p>Actions taken to increase the quality of materials:</p> <ul style="list-style-type: none"> <li>• Recycling education campaign for households developed, planned for release 2019–20</li> <li>• Funding provided through Resource Recovery Infrastructure Fund grants program for the development of infrastructure to build capability and capacity to recover high-quality materials from collection, sorting, recycling and processing of valuable materials</li> <li>• Different segregation approaches identified for kerbside collection services.</li> </ul> <p>Actions taken to improve the productivity of the recycling sector:</p> <ul style="list-style-type: none"> <li>• Expression of interest opened for councils interested in collaborative procurement</li> <li>• Statewide exemption under the <i>Local Government Act 1989</i> granted for councils to extend recycling contracts until June 2021</li> <li>• 292 inspections conducted by the Resource Recovery Facilities Audit Taskforce, improving the safety and amenity of resource recovery facilities</li> <li>• Statutory waste management policy under the <i>Environment Protection Act 1970</i> finalised.</li> </ul> <p>Actions taken to develop markets for recycled materials:</p> <ul style="list-style-type: none"> <li>• Funding provided through Research, Development and Demonstration grants, supporting the</li> </ul>



					<p>industry to conduct field trials for products using recycled materials</p> <ul style="list-style-type: none"> <li>• DELWP collaborated with all jurisdictions, Commonwealth Government and Australian Local Government Association on the 2018 <i>National Waste Policy: Less waste, more resources</i></li> <li>• DELWP collaborated with all jurisdictions, the Commonwealth government and the Australian Packaging Covenant Organisation to improve packaging sustainability and achieve agreed targets.</li> </ul>
3.	Victorian Renewable Energy Auction Scheme	Energy; Energy, Environment and Climate Change	The 2017 renewable energy auction was held to provide certainty for the private sector to invest in Victoria's renewable energy industry by guaranteeing 650MW of new renewable energy.	Three wind farms and three solar farms were successful in the auction. Combined, the projects will have a total installed capacity of 928MW from 158 new wind turbines and approximately 670,000 new solar panels.	Management of contract negotiations and approvals to achieve construction commencement.
4.	Commercialised part of Land Registry Services	Land Use Victoria; Planning	Continued effective delivery of land registry services to the public through a private operator.	Following a competitive market engagement process, Victorian Land Registry Services was announced as the successful tenderer for the commercialisation of part of the land titles and registry functions of Land Use Victoria on 27 August 2018.	The department established governance arrangements for the Concession Deed, supported the transition of staff to the private operator, managed accommodation moves and continues to monitor and oversee Victorian Land Registry Services service standards.
5.	Statewide water management	Effective Water Management and Supply; Water	Continued statewide water management	DELWP partners with water corporation and catchment management authorities across Victoria to maintain and improve a wide range of services and programs to provide effective statewide water management for regional communities.	Actions included watering very stressed Black Box trees in the Hattah Lakes region, supporting native fish spawning and recruitment near Thomson River and delivery water to 73 wetlands.
6.	Protection of Victoria's key distinctive areas and landscapes (DALs) through localised planning	Planning, Building and Heritage; Planning	The objective is to deliver significant capital funding in DALs to protect and enhance the important values (attributes), address threats and implement protection	DELWP consulted with communities in Torquay, Jan Juc and the Bellarine Peninsula on how best to protect these areas in the face of increasing urban development and the impacts of climate change. Declared the Macedon Ranges region as a distinctive area and landscape	Working with communities, local councils and Traditional Owners.

	statements and declared areas		measures identified in community feedback.	under the <i>Planning and Environment Amendment (Distinctive Areas and Landscapes) Act 2018</i> on 16 August 2018, to enable the area to be better protected for current and future generations.	
7.	Local Government Regional Partnerships (Rural Councils Transformation Program)	Local Government; Local Government	To improve the financial sustainability of rural and regional councils by achieving economies of scale, including through regional service delivery or collaborative procurement. Promote more efficient and improved service delivery through collaboration and innovation. Facilitate benefits for rural and regional communities, with priority given to those for rural communities. Demonstrate potential efficiencies to be gained through regional service delivery.	All Rural Councils Transformation Program funding agreements have been finalised and funding allocated.  Through the program, four groupings of rural and regional councils (19 councils in total) will benefit from improved financial sustainability.  The productivity benefits and reduced costs resulting from these initiatives will allow council resources to be reallocated to other projects.	The department led the establishment, management, monitoring and delivery of all aspects of the program and provided advice and support to councils on program and milestone requirements.
8.	Fire suppression	Fire and Emergency Management; Energy, Environment and Climate Change	Fires to be contained at less than five hectares to suppress fires before they become established, minimising impact (80 per cent target). Fires to be contained at first attack to suppress fires before they become established, minimising impact (80 per cent target).	FFMVic controlled 94 per cent of bushfires to under five hectares and contained 80 per cent of fires at first attack to suppress fires before they became established.	In both instances FFMVic met or exceeded established performance measures.

- b) Using the format of the table below, please outline the five least performing programs that did not deliver their planned outcomes in the community by the department in 2017–18 and 2018–19 including:
- i. The name of the program
  - ii. The relevant output(s) and portfolio(s) responsible for delivery of the program
  - iii. The planned outcome as stated in the budget papers
  - iv. The actual outcome achieved
  - v. Explanation for not achieving the planned outcome (including a description of what actions were taken to try and achieve the planned outcome)

### 2017–18 Response

Program	Output(s) and portfolio(s)	Planned outcome to be achieved	Description of actual outcome achieved	Explanation for not delivering the planned outcome
1. Coastal Assets Protection Program	Management of Public Land and Forests; Energy, Environment and Climate Change	Funding was provided to replace and upgrade critical coastal protection infrastructure such as sea walls and retaining walls. In the 2017–18 Budget Papers, it was stated that six coastal protection infrastructure projects were expected to be delivered in 2017–18.	Two coastal protection infrastructure projects were delivered (Craigie Beach Rock Revetment and Portarlinton Point Richards timber groynes).	Performance is below target due to implementation delays caused by third party negotiations taking longer than expected and lengthy preparation of complex project tender documentation. The six projects have since been completed.
2. ResourceSmart Schools program	Climate Change; Energy, Environment and Climate Change	ResourceSmart Schools is a program that supports Victorian schools to embed sustainability across the school facilities, community and curriculum, while saving resources and money for the school. The 2017–18 Budget Papers stated that it was expected that 868 Victorian schools would participate in the Resource Smart Schools program.	636 Victorian schools participated in the Resource Smart Schools program in 2017–18.	The 2017–18 result is lower than the target, as the target incorrectly included schools that were not currently active but previously had been. This has been corrected for 2018–19.

3.	Reducing Bushfire Risk	Fire and Emergency Management; Energy, Environment and Climate Change	Key deliverables of this funding include: <ul style="list-style-type: none"> <li>the implementation of Safer Together (funded for two years);</li> <li>improving access and egress and firefighter safety on public land;</li> <li>fuel management on public land;</li> <li>building capacity and diversity in the bushfire management workforce; and</li> <li>building contractor capability in the fire sector.</li> </ul>	Successful completion of key deliverables with the exception of the performance measure in the 2017–18 Budget Papers to treat 1,200km of strategic fire access roads and fuel breaks to manage safety risks posed by dangerous trees. Only 709km was treated in 2017–18.	The 2017–18 actual outcome of 709km treated was 41 per cent below the target of 1,200 km. This result was below target due to wet weather hampering the ability of works to be undertaken. While the target for dangerous tree works was not met, significantly longer distances of vegetation management and road maintenance and improvement were undertaken through a bundled works contract approach. This involved a single contract being tendered for dangerous trees, vegetation management and roading works, rather than three separate contracts. These efficiencies provided a better value for money outcome for the department as a public road manager.
4.	Provision of secretariat support for the Local Government Mayoral Advisory Panel	Local Government; Local Government	Four Local Government Mayoral Advisory Panel meetings were expected to be held.	Only three of the scheduled four meetings were held.	To allow more time for mayors to consider expressing an interest in becoming a member of the panel, only one meeting was held in the first half of 2018 instead of the scheduled two. This change in the meeting scheduling was approved by the Minister for Local Government as chairperson of the panel.
5.	Smart Planning Program	Planning, Building and Heritage; Planning	Reform the planning system through Smart Planning to make it more streamlined, adaptable and accessible.	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. For the related performance measure 'Amendments that are correct upon submission for approval', the actual outcome was 20 per cent lower than the target in 2017–18.	The 2017–18 performance measure was lower than the target due to a revision in the implementation schedule. This resulted in an approved revised target of 20 per cent, which was met. Performance is expected to improve as users become increasingly familiar with new systems and processes. The 2018–19 target was increased to 60 per cent due to the expected performance improvements from the Smart Planning program.

## 2018–19 Response

Program		Output(s) and portfolio(s)	Planned outcome to be achieved	Description of actual outcome achieved	Explanation for not delivering the planned outcome
1.	Port Phillip Bay renourishment program	Management of Public Land and Forests; Energy, Environment and Climate Change	Funding is provided to renourish and enhance key beaches around Port Phillip Bay. In the 2018–19 Budget Papers, it was stated that four beaches were planned to be renourished in Port Phillip Bay in 2018–19.	No beaches were renourished in Port Phillip Bay. Two projects are expected to be delivered in 2019–20.	The planned outcome was not achieved due to detailed implementation planning which resulted in a rescoping of works to be undertaken. Factors such as highly variable weather conditions, delivery costs and stakeholder impacts (due to closing beaches) led to the expectation that only two beaches would be renourished in 2018–19.
2.	Coastal Assets Protection Program	Management of Public Land and Forests; Energy, Environment and Climate Change	Funding was provided to replace and upgrade critical coastal protection infrastructure such as sea walls and retaining walls. In the 2018–19 Budget Papers, it was stated that two coastal protection infrastructure projects were to be delivered.	No coastal protection infrastructure projects were delivered in the financial year. The implementation of one project was completed in July 2019 (Lakes Entrance Seaway Central Boat Harbour), another project was completed in December 2019 (Portsea Sandbag replacement) and the final project is expected to be delivered by February 2020 (Ocean Grove).	Performance is below target due to implementation delays in complex technical designs and stakeholder engagement. Three projects were proposed to be delivered instead.
3.	Reducing Bushfire Risk	Fire and Emergency Management; Energy, Environment and Climate Change	Key deliverables of this funding include: <ul style="list-style-type: none"> <li>the implementation of Safer Together (funded for two years);</li> <li>improving access and egress and firefighter safety on public land;</li> <li>fuel management on public land;</li> <li>building capacity and diversity in the bushfire management workforce; and</li> <li>building contractor capability in the fire sector.</li> </ul>	Successful completion of key deliverables with the exception of the 2018–19 Budget performance measure to treat 1,500km of strategic fire access roads and fuel breaks to manage safety risks posed by dangerous trees. Only 1,000km was treated in 2018–19.	The 2018–19 actual outcome of 1,000km treated was 33 per cent below the target of 1,500km. This target was not met as a new delivery model for the Reducing Bushfire Risk program was implemented, which integrated dangerous tree removal, vegetation management and roading maintenance. This measure has been replaced in 2019–20 by a new measure providing a more complete view of the program (specifically forest access and egress) rather than focusing on one area of performance (dangerous trees).

4.	Smart Planning Program	Planning, Building and Heritage; Planning	Funding was provided to implement the third stage of Smart Planning in councils, including the development of a new format for local planning schemes and the creation of a planning dashboard.	The department implemented a new digital planning permit system for Ministerial permits, implemented the digital lodgement and tracking system for planning scheme amendments and translated the Victoria Planning provisions into digital form. Efficiency benefits include removing 8,000 pages from 82 planning schemes across the state, and replacing 15,000 individual PDF maps with VicPlan, a single interactive mapping tool. The related 2018–19 Budget Paper performance measure, “Planning Scheme Amendments that are correct upon submission for approval” was 16.7 per cent below target.	The 2018–19 performance measure was below target due to the timing of approved changes to the implementation and transition of the new Amendments Tracking System. Performance improved marginally from 2017–18 as users became more familiar with the new systems and processes. This trend is expected to continue over time.
5.	Powerline Bushfire Safety Program – Powerline Replacement Fund	Energy; Energy, Environment and Climate Change	The Powerline Replacement Fund will see powerlines in the highest risk bushfire areas replaced with insulated overhead, underground powerlines or new conductor technologies. In the 2018–19 Budget Papers, it was stated that the expected outcome of this fund was to retire 770km of powerlines in high bushfire risk areas to reduce the risk of bushfires from electrical assets.	693km of powerlines were retired and bare wire, overhead powerlines replaced with either insulated or underground conductors, delivering a relative bushfire risk reduction of 98–99% in comparison to unprotected bare wire overhead electric lines.	The annual target of 770km was not achieved due to implementation issues such as encountering hard rock and landowner easement issues, which impacted the ability to retire the planned length of powerlines in high bushfire risk areas. The 2019–20 target is expected to be achieved.

### Question 3 (all departments) Treasurer's advances and other budget supplementation

Please identify all output(s) and portfolio(s) (and relate them to departmental programs) for which the department received additional funding after the initial Budget in 2017–18 and 2018–19.

For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. Treasurer's Advance, unused prior years appropriations under s32 of the *Financial Management Act 1994* (Vic), supplementation through a Temporary Advance under section 35 of the FMA, or any possible sources of funding as listed in the Resource Management Framework, section 4, pg. 55) and explain why additional funding was required after funding was allocated in the Budget.

#### 2017–18 Response

Output(s) and portfolio(s)	Program	Funding allocated in 2017–18 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
Fire and Emergency Management; Energy, Environment and Climate Change	Fire Suppression	0	42.0	Treasurer's advance	Costs incurred due to significant fire activity in the 2017–18 bushfire season.
Management of Public Land and Forests; Energy, Environment and Climate Change	Community Managed Places - Organised Sporting Reserves initiative	0	2.5	Treasurer's advance	The department entered into funding agreements with three local government authorities which undertook the responsibility of delivering approved projects for nine Latrobe Valley recreation reserves. The infrastructure constructed with these funds included new sporting facilities, refurbishments to existing facilities, sport lighting installation, cricket nets, and resurfacing of playing courts.
Fire and Emergency Management; Energy, Environment and Climate Change	Additional aviation resources	0	12.9	Treasurer's advance	To fund additional aviation resources as part of enhanced bushfire preparedness for the 2017–18 summer period.
Fire and Emergency Management; Energy, Environment and Climate Change	Increased group personal accident insurance cover for Victorian Public Sector employees engaged in forest fire management activities on public land	0	0.4	Treasurer's advance	Reflects the government's commitment to provide additional firefighting aviation resources.

Output(s) and portfolio(s)	Program	Funding allocated in 2017–18 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
Environment and Biodiversity; Energy, Environment and Climate Change	Biodiversity protections	0	4.5	Section 35	To cover unanticipated indirect costs relating to the Leadbeater's Possum Recovery Program.
Management of Public Land and Forests; Energy, Environment and Climate Change	Alpine Resorts	0	5.5	Section 35	Support payments for the Alpine Resorts to provide recreational and tourism opportunities.
Planning, Building and Heritage; Planning	Planning for Growth	3.0	4.8	Treasurer's advance	Funding was provided to meet the immediate need for additional capacity to cope with the pressures that Victoria's growth is placing on the planning system.
Planning, Building and Heritage; Planning	Plan Melbourne Priority Actions	12.5	1.5	Treasurer's advance	The Treasurer approved a bring forward of \$3 million of the funding into 2017–18 and 2018–19 to enable the prompt start to Plan Melbourne Priority Actions and enable faster delivery of reform that would boost development, speed up the delivery of additional housing and provide the framework for more jobs. The total cost of the approved program did not increase overall.
Planning, Building and Heritage; Planning	Building a Safer Victoria	0	7.2	Treasurer's advance	Funding approved as part of the 2018–19 Budget process to fund the Victorian Cladding Taskforce, which was established in response to safety issues presented by non-compliant combustible cladding on buildings. This included funding for increased compliance inspections by the VBA and an audit of premises and public buildings identified by the taskforce as being at higher risk.
Planning, Building and Heritage; Planning	Streamlining for Growth	16.5	1.5	Treasurer's advance	Funding approved as part of the 2018–19 Budget process for the Victorian Planning Authority to accelerate the subdivision of land for sale. Actions included reducing capacity constraints on council approval processes, reducing delays associated with utility approvals, and improving guidelines for councils and developers to reduce uncertainty associated with turning precinct structure plans into subdivision permits.
Planning, Building and Heritage; Planning	Annual Land Valuations	0	1.0	Treasurer's advance	Funding approved as part of the 2018–19 Budget process. Additional funding was provided to Land Use Victoria to



Output(s) and portfolio(s)	Program	Funding allocated in 2017–18 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
					commence work on the Government Land Information Service and a new online platform, which will be established to simplify access to information on government land.
Planning, Building and Heritage; Planning	Smart Planning Program	3.0	5.5	Section 35	Funding was provided for the Smart Planning Program, set up to reform Victoria's planning system. Funding of \$5.5 million provided via Section 35 was to facilitate a re-phase of funding from future years to deal with the pressures that Victoria's growth is placing on the planning system.
Effective Water Management and Supply; Water	Victoria's contribution to the Murray-Darling Basin Authority	5.2	1.7	Treasurer's advance	Funding approved as part of the 2018–19 Budget process to enable Victoria to meet its annual contribution to the Murray-Darling Basin Authority.
Effective Water Management and Supply; Water	Flood recovery	0	6.5	Section 35	Funding provided to assist in funding flood recovery actions for priority waterways being delivered by the Catchment Management Authorities as a result of major flooding in 2016.
Management of Public Land and Forests; Energy, Environment and Climate Change	Native Title Settlement - Gunaikurnai, Wotjobaluk, and Yorta Yorta Native Title Claims	0	2.0	Section 32	Carryover funding provided to meet the commitment to grant funds for various Native Title Agreements, including Yorta Yorta, Gunaikurnai and Wotjobaluk.
Statutory Activities and Environment Protection; Energy, Environment and Climate Change	WoVG Implementation of the Hazelwood Mine Fire Inquiry Reports - Latrobe Valley Community Air Monitoring and Citizen Science Initiative	0	0.5	Section 32	Original funding was provided to respond to the series of recommendations to be implemented from the Hazelwood Mine Fire Inquiry. In 2016–17 there were delays in finalising contracts relating to a capacity and quality assurance issue with the providers and due to additional protocols put in place by the Environment Protection Authority to ensure that the outcomes of the procurement process would meet program requirements. Carryover funding was provided to ensure completion of the program.
Planning, Building and Heritage; Planning	Reforming Victoria's Planning System - Smart Planning Program	0	1.0	Section 32	A thorough engagement process was needed with all key stakeholders which resulted in the finalisation of works contracts being delayed for this program. Carryover of

Output(s) and portfolio(s)	Program	Funding allocated in 2017–18 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
					funding was approved to ensure contractual commitments could be met.
Planning, Building and Heritage; Planning	Living Heritage Grants	0	0.8	Section 32	There was a program delay in 2016–17 due to complications with the tender processes to finalise the scope of work to ensure the safety and compliance of the buildings. A carryover request was granted to complete the repairs and conservation works in 2017–18.
Land Use Victoria; Planning	Land Registration Services	0	16.5	Section 32	In 2016–17 there was a higher than forecast revenue from property sales and therefore the department was approved carryover to retain a proportion of this revenue to upgrade the state's digital cadastre (i.e. cadastral map base of legal property boundaries) and support 100 per cent digital lodgement of conveyancing transactions.
Land Use Victoria; Planning	Landata	0	4.0	Section 32	Carryover was approved to fund the redevelopment of the user interface for the Landata public website and the Land and Survey Spatial Information (LASSI) map base website.
Planning, Building and Heritage; Planning	Smart Planning Program	0	2.5	Section 32	The process of confirming the requirements and scope for the project, and issuing and awarding the contracts for delivery, took the majority of 2016–17. This led to delays in spending the allocated funding. Carryover was granted to enable the program to deliver its required objectives.
Effective Water Management and Supply; Water	GMW Connections	0	21.0	Section 32	The underspend in 2016–17 was primarily due to a mid-term review of Stage 1 and 2 of the project. Carryover was approved to ensure that the state would be able to meet its contractual obligations with its stakeholders to provide a modernised irrigation delivery system.
Effective Water Management and Supply; Water	Environmental Contribution	0	6.0	Section 32	Funding was provided to manage the rising groundwater in Bendigo's mines, which was impacting tourism assets. The phasing of the groundwater project budget was developed in 2015 in consultation with Coliban Water. Following this, the project timelines altered substantially due to the need to undertake a second tender process and to work through required approvals and revised project plans. The funds approved for carryover were fully committed through a

Output(s) and portfolio(s)	Program	Funding allocated in 2017–18 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
					funding agreement between DELWP and Coliban Water, signed by the Minister for Water.
Effective Water Management and Supply; Water	Victorian Farm Modernisation	0	11.3	Section 32	The Goulburn Broken Catchment Management Authority (GBCMA) is managing the completion of on-farm irrigation works by local irrigators in accordance with an agreement between the state and the Commonwealth under the Victorian Farm Modernisation Project. The full grant payment to GBCMA was made in 2016–17, however the department was required to record part of this transaction as a prepayment given works were due to be completed in late 2017. Carryover was approved to ensure there was funding available to draw down the prepayment in 2017–18.
Effective Water Management and Supply; Water	Murray Darling Basin Plan Implementation	0	4.2	Section 32	The Commonwealth provided funding for the implementation of the Murray Darling Basin Plan (2012–2020). The funding is allocated as part of a National Partnership Agreement (NPA) on Implementing Water Reform in the Murray-Darling Basin and is restricted to funding activities associated with the plan. For Victoria to meet its obligations under the NPA, funding must be allocated to projects that meet certain criteria. Carryover was approved to meet Victoria’s obligations under the NPA and to ensure implementation of the Basin Plan as agreed by all governments.
<b>Total 2017–18</b>		<b>40.2</b>	<b>167.3</b>		

## 2018–19 Response

Output(s) and portfolio(s)	Program	Funding allocated in 2018–19 Budget	Additional funding (\$ million)	Source of additional funding as per the Resource Management Framework	Reasons why additional funding was required
Fire and Emergency Management; Energy, Environment and Climate Change	Legal costs	0	1.5	Treasurer's advance	To cover costs associated with the Fauna and Flora Research Collective and Friends of the Leadbeater Possum legal cases.
Management of Public Land and Forests; Energy, Environment and Climate Change	Southern Alpine Resorts	0	7.7	Treasurer's advance	Support payments for the Southern Alpine Resorts to provide recreational and tourism opportunities.
Fire and Emergency Management; Energy, Environment and Climate Change	Fire suppression costs	0	150.6	Treasurer's advance	Costs incurred due to significant fire activity in the 2018–19 bushfire season.
Fire and Emergency Management; Energy, Environment and Climate Change	Firefighting aviation resources	0	13.8	Treasurer's advance	Reflects the government's commitment to provide additional firefighting aviation resources.
Fire and Emergency Management; Energy, Environment and Climate Change	Increased super contributions for Forest Fire Management Victoria	0	6.3	Treasurer's advance	To provide additional superannuation to staff that undertake fire related work.
Fire and Emergency Management; Energy, Environment and Climate Change	Barwon South West fires: funding for recovery	0	1.3	Treasurer's advance	Recovery costs arising from the Barwon South West fires in March 2018.
Energy; Energy, Environment and Climate Change	Power Saving Bonus	47.8	26.2	Treasurer's advance	The Treasurer approved budget supplementation of \$47.8 million in 2018–19 to deliver the PSB initiative. Following the revised public close date of 30 June 2019, there were lower than expected claims which subsequently led to a reduction in expenditure. The final Treasurer's advance sought by the department was \$26.2 million.
Fire and Emergency Management; Energy,	Stony Creek: funding for response and recovery works	0	0.7	Treasurer's advance	To remediate environmental damage caused by a warehouse fire on 30 August 2018.

Environment and Climate Change					
Environment and Biodiversity; Energy, Environment and Climate Change	Managing wildlife and pest program	0	1.0	Treasurer's advance	To support farmers to manage pest incursions and improve the authority to control wildlife processes in regional Victoria.
Environment and Biodiversity; Energy, Environment and Climate Change	Port Phillip Bay improvement plan	0	0.3	Treasurer's advance	To support environmental reporting and governance arrangements to ensure the delivery of the Port Phillip Bay improvement plan.
Energy; Energy, Environment and Climate Change	Solar Homes Program and solar panels for renters	0	84.9	Treasurer's advance	To provide a capped number of rebates to eligible households who install solar hot water systems and solar panels on their homes.
Energy; Energy, Environment and Climate Change	Taking action on gas heater safety program	0	1.7	Treasurer's advance	Funding approved as part of the 2019–20 Budget process to deliver a statewide awareness campaign which provides information on the risks of open-flue gas heaters, the importance of regular servicing and maintenance, and how to reduce the chances of accidental carbon monoxide poisoning.
Local Government; Local Government	Growing Suburbs Fund	50.0	3.0	Treasurer's advance	To boost the number of community infrastructure projects delivered through the Growing Suburbs Fund.
Local Government; Local Government	Ten-year anniversary of the 2009 Victorian bushfires	0	0.7	Treasurer's advance	Memorial events to commemorate the 10-year anniversary of the 2009 Victorian bushfires.
Land Use Victoria; Planning	Land Use Victoria commercialisation	0	48.0	Treasurer's advance	To support the delivery of land administration functions following the commercialisation of Land Use Victoria in October 2018.
Land Use Victoria; Planning	Westgate tunnel project - Citywide Depot, Arden St	0	0.2	Treasurer's advance	To undertake a search for an alternative site for the City of Melbourne / Citywide depot.
Planning, Building and Heritage; Planning	Revitalising central Geelong project	0	2.0	Treasurer's advance	Funding was allocated for the Geelong City Deal in the 2018–19 Budget. During 2018–19, \$2.0 million was released to DELWP to provide public infrastructure to facilitate development in the area. The \$2.0 million does not reflect additional funding received above the 2018–19 Budget allocation.

Planning, Building and Heritage; Planning	Cladding rectification program	0	5.2	Treasurer's advance	Funding approved as part of the 2019–20 Budget process to continue the rectification program for government buildings assessed as moderate or high risk by the Statewide Cladding Audit. The work will continue to be prioritised on public safety grounds. Funding was also provided for ongoing work by the VBA in identifying and undertaking risk assessments of private buildings impacted by combustible cladding.
Effective Water Management and Supply; Water	Drought response	0	2.2	Treasurer's advance	To fund urgent drought response measures such as extending and improving the existing network of emergency water supply points in areas where there is a high incidence of water carting.
Effective Water Management and Supply; Water	Fire suppression costs - Water portfolio	0	7.9	Treasurer's advance	Funding for costs incurred due to significant fire activity in the 2018–19 bushfire season.
Land Use Victoria; Planning	Land Registration Services	0	6.4	Section 32	The Victorian Government commercialised part of the Land Titles registry office in 2018. A thorough consultation process was held with all key stakeholders regarding funding requirements with the focus on ensuring the Land Titles office can remain fully operational with as little disruption to users of the service. Carryover was approved to ensure an appropriate level of funding was available to support transition of LUV to its new operational structure.
Effective Water Management and Supply; Water	Murray Darling Basin Plan Implementation	0	1.5	Section 32	The Commonwealth provides funding for the implementation of the Murray Darling Basin Plan. The funding is allocated as part of a National Partnership Agreement (NPA) on Implementing Water Reform in the Murray-Darling Basin and is restricted to funding activities associated with the plan. For Victoria to meet its obligations under the NPA, funding must be allocated to projects that meet certain criteria. Carryover was approved to meet Victoria's obligations under the NPA and to ensure implementation of the Basin Plan as agreed by all governments.
Effective Water Management and Supply; Water	Victorian Farm Modernisation	0	0.2	Section 32	The Goulburn Broken Catchment Management Authority (GBCMA) is managing the completion of on-farm irrigation works by local irrigators in accordance with an agreement between the state and the Commonwealth under the Victorian Farm Modernisation Project. The full grant

					payment to GBCMA was made in 2017–18, however the department was required to record part of this transaction as a prepayment as works were continuing and were due to be completed in late 2018. A carryover was required to ensure there is the appropriate level of funding to draw down the prepayment in 2018–19.
	<b>Total 2018–19</b>	<b>97.8</b>	<b>373.3</b>		

## Section B: Asset investment

### Question 4 (all departments) Capital expenditure variances, completion date and scope changes – existing projects

Please provide details of all capital asset programs where:

- there was a variance between TEI at announcement compared to the revised TEI in the 2017–18 Budget and 2018–19 Budget of equal to or greater than  $\pm 5\%$  or \$50 million and an explanation for the variance
- the estimated completion date at announcement is different to the completion date in the 2017–18 Budget and 2018–19 Budget and an explanation for the change
- the scope of the project at announcement is different to the scope of the project as it is presented in the 2017–18 Budget and 2018–19 Budget.

#### 2017–18 Response

##### Capital expenditure

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Total actual expenditure spent from announcement to 30 June 2018 (\$ million)	TEI at announcement (\$ million)	Revised TEI 2017–18 Budget (\$ million)	Variance between TEI at announcement compared to Revised TEI in 2018–19 Budget ( $\pm 5\%$ or \$50 million) explanation
Improving tourism on national parks, state forests and public land	Output: Management of Public Land and Forests Portfolio: Energy, Environment and Climate Change	8.460	13.350	8.460	Variance between original TEI and the revised TEI in the 2017–18 Budget is a result of a transfer from asset to output for expenditure relating to asset management works, including technical assessments, urgent repairs and decommissioning of assets across Victoria's National Parks, which are output in nature (in the 2015–16 Budget).
Melbourne Strategic Assessment	Output: Environment and Biodiversity Portfolio: Energy, Environment and Climate Change	27.425	190.000	334.300	Variance between original TEI and TEI in the 2017–18 Budget is a result of the establishment of Melbourne Strategic Assessment program (in the 2013–14 Budget). Prior to 2013–14, this initiative was named Grasslands.



*Completion date*

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Estimated completion date at announcement	Revised completion date 2017–18 Budget	Explanation
Reforming Victoria's Planning System – Smart Planning Program	Output: Planning, Building and Heritage Portfolio: Planning	qtr 4 2016–17	qtr 4 2017–18	Due to the slower than expected mobilisation and delays in resourcing of the program, funding was rephased to 2017–18.

*Scope*

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Scope at announcement	Details of scope change(s) and date(s) scope changes occurred
		Not applicable	

**2018–19 Response***Capital expenditure*

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Total actual expenditure spent from announcement to 30 June 2019 (\$ million)	TEI at announcement (\$ million)	Revised TEI 2018–19 Budget (\$ million)	Variance between TEI at announcement compared to Revised TEI in 2019–20 Budget (±5% or \$50 million) explanation
Bringing our Environment Protection Authority into the modern era	Output: Climate Change Portfolio: Energy, Environment and Climate Change	9.601	20.651	18.451	Variance between original TEI and TEI in the 2018–19 Budget is a result of \$2.2 million reclassified to output expenditure for the Bringing our Environment Protection Authority initiative in accordance with AASB138 Intangible Assets.
Establishment of Land Use Victoria	Output: Land Use Victoria Portfolio: Planning	6.458	6.800	6.458	Variance between original TEI and TEI in the 2018–19 Budget is due to minor rescoping of the project.
Upgrade Land Victoria's property administration systems	Output: Land Use Victoria Portfolio: Planning	17.366	27.400	35.081	Variance between original TEI and TEI in the 2018–19 Budget is a result of additional funding allocated for completion of this program.

Melbourne Strategic Assessment	Output: Environment and Biodiversity Portfolio: Energy, Environment and Climate Change	36.914	190.000	330.900	Variance between original TEI and TEI in the 2017–18 Budget is a result of the establishment of Melbourne Strategic Assessment program (in the 2013-14 Budget). In the 2018–19 Budget, the TEI was further revised due to \$3.4 million being reclassified to output funding.
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### Completion date

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Estimated completion date at announcement	Revised completion date 2018–19 Budget	Explanation
Enhancing Victoria's liveability through improvements to the parks reserves estate	Output: Parks Victoria Portfolio: Energy, Environment and Climate Change	qtr 4 2018–19	qtr 4 2022-23	This initiative requires the acquisition of land to facilitate establishment of the new parks through a Public Acquisition Overlay. The time frame of this process is highly dependent on when landholders are willing to sell. Expenditure phasing was adjusted to align with the anticipated acquisition schedule.
Establishment of Land Use Victoria	Output: Land Use Victoria Portfolio: Planning	qtr 4 2017–18	qtr 4 2018–19	Due to delays in commencement of the project, the project was several months behind schedule throughout 2016–17. These delays caused flow-on impacts in the following year and required project delivery milestones to be extended by one year.
Revitalising Central Geelong	Output: Planning, Building and Heritage Portfolio: Planning	qtr 4 2017–18	qtr 4 2018–19	Due to the complicated nature of the land acquisition program and the uncertainty of when acquisitions may be settled with land owners, the actual expenditure in 2017–18 was less than budgeted for. Settlements and associated expenditure were re-scheduled to occur in 2018–19.

### Scope

Project	Output(s) and portfolio(s) and/or agency responsible for the project	Scope at announcement	Details of scope change(s) and date(s) scope changes occurred
Establishment of Land Use Victoria	Output: Planning, Building and Heritage Portfolio: Planning	Land Use Victoria has been established to create a single agency providing strategic advice to government on land holdings, and a centre of expertise in government land information. The new functions will provide strategic land use assessments on potential future uses of government land and develop the Government Land Information Service as a central source of information for government landholdings.	The TEI has been revised from \$6.800 million to \$6.458 million due to minor rescoping of the project. This did not impact on deliverables.

## Question 5 (all departments) Details of actual capital expenditure – completed projects (or expected to be completed)

Please provide the following details about asset investment projects that were completed in 2017–18 and 2018–19:

- Project name and Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies responsible for delivery of the project
- Total Estimated Investment (TEI) at announcement
- Actual cost of project
- Estimated completion date at announcement
- Actual completion date
- Explanations for any variance in capital expenditure and/or completion date.

### 2017–18 Response

Project	Responsible Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies	TEI at announcement (\$ million)	Actual cost of project (\$ million)	Estimated completion date at announcement	Actual completed date	Variance explanation (\$ value variance and/or time variance)
Acquisition of Buckhurst Street (South Melbourne)	Planning, Building and Heritage; Planning	12.867	12.867	qtr 4 2016–17	qtr 4 2017–18	Payment was made in 2016–17 and was practically completed. However, final settlement did not occur until 2017–18.
Canadian State Park, Ballarat	Management of Public Land and Forests; Energy, Environment and Climate Change	0.250	0.250	qtr 4 2016–17	qtr 4 2017–18	As at the 2017–18 State budget, this program was still in the planning phase, including park planning, stakeholder consultation and landscape architecture. The program was fully delivered in 2017–18.
Fire Web	Fire and Emergency Management; Energy, Environment and Climate Change	4.180	19.897	qtr 4 2013–14	qtr 4 2016–17	Variance between original TEI and TEI in the 2017–18 State Budget is a result of additional funding provided and the reclassification of funding from output to capital in 2011–12.
Groundwater monitoring bores (statewide)	Effective Water Management and Supply; Water	4.000	4.000	qtr 4 2015–16	qtr 4 2016–17	Due to the complex nature of the contract negotiations with the relevant parties and the geographical challenges with the installation of groundwater monitoring bores across the state, works were delayed into 2016–17.
Parks Victoria critical infrastructure	Parks Victoria; Energy, Environment and Climate Change	5.000	5.000	qtr 4 2015–16	qtr 4 2017–18	Funding was provided for critical renewal works to revitalise or replace priority park infrastructure. Additional time was

						required to ensure adequate planning and consultation prior to implementation.
Smoke detection infrastructure	Fire and Emergency Management; Energy, Environment and Climate Change	0.163	0.163	qtr 4 2015–16	qtr 4 2015–16	N/A
Strategic fuel management	Fire and Emergency Management; Energy, Environment and Climate Change	10.000	10.000	qtr 4 2015–16	qtr 4 2016–17	Due to the large number of tenders received, revised timeframes associated with governance processes were required in selecting a preferred contractor. Additionally, significant levels of feedback from the local council and community stemming from community engagement processes also pushed the design and procurement processes into the 2016–17 financial year.
Community driven action to protect Victoria's unique biodiversity	Environment and Biodiversity; Energy, Environment and Climate Change	0.400	0.400	qtr 4 2016–17	qtr 4 2017–18	Due to extensive community consultation and a complex valuation process expenditure was rephased into the 2017–18 financial year.
Portarlington Safe Harbour	Management of Public Land and Forests; Energy, Environment and Climate Change	12.000	11.928	qtr 4 2016–17	qtr 4 2017–18	Variance between original TEI and TEI in the 2017–18 State Budget is due to a transfer of expenditure from capital to output. The program was practically completed in 2016–17 and fully delivered in 2017–18.
Rapid Response air monitoring	Fire and Emergency Management; Energy, Environment and Climate Change	3.434	3.434	qtr 4 2016–17	qtr 1 2017–18	Funding was fully transferred to EPA in 2016–17 and the project was finalised in August 2017.
Reducing Fire Risk: Expanding the Planned Burning Program to 390,000 hectares	Fire and Emergency Management; Energy, Environment and Climate Change	10.675	10.730	qtr 4 2016–17	qtr 1 2017–18	Due to the complexities of the procurement process combined with the need to source the fleet vehicles from a manufacturing plant in Australia, the final batch of fire vehicles were not delivered until 2017–18. The TEI increased by \$0.04 million in 2015–16 as a result of a transfer of expenditure from output to asset.

## 2018–19 Response

Project	Responsible Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies	TEI at announcement (\$ million)	Actual cost of project (\$ million)	Estimated completion date at announcement	Actual completed date	Variance explanation (\$ value variance and/or time variance)
Canadian State Park, Ballarat	Management of Public Land and Forests; Energy, Environment and Climate Change	0.250	0.250	qtr 4 2016–17	qtr 4 2017–18	The new Canadian Regional Park was officially opened in August 2016. The program was fully delivered in 2017–18.
Parks Victoria critical infrastructure	Parks Victoria; Energy, Environment and Climate Change	5.000	5.000	qtr 4 2015-16	qtr 4 2017–18	Funding was provided for critical renewal works to revitalise or replace priority park infrastructure. Additional time was required to ensure adequate planning and consultation prior to implementation.
Portarlington Safe Harbour	Management of Public Land and Forests; Energy, Environment and Climate Change	12.000	11.928	qtr 4 2016–17	qtr 4 2017–18	Variance between original TEI and TEI in the 2017–18 State Budget is due to a transfer of expenditure from capital to output. The program was practically completed in 2016–17 and fully delivered in 2017–18.
A sustainable irrigation future	Effective Water Management and Supply; Water	15.000	-	qtr 4 2019–20	N/A	The TEI was reduced to zero as a result of the reclassification of works from asset to output.
Improving tourism in national parks, state forests and public land	Management of Public Land and Forests; Energy, Environment and Climate Change	8.460	8.460	qtr 4 2017–18	qtr 4 2017–18	N/A
Latrobe Valley Community Air Monitoring and Citizen Science Initiative	Statutory Activities and Environment Protection; Energy, Environment and Climate Change	1.120	1.120	qtr 4 2017–18	qtr 4 2017–18	N/A
Reforming Victoria's planning system – Smart Planning Program	Planning, Building and Heritage; Planning	6.800	12.300	qtr 4 2016–17	qtr 4 2017–18	Due to the slower than expected mobilisation and delays in resourcing of the program, funding was rephased to 2017–18. The TEI has been revised from \$6.800 million to \$12.300 million. The

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						increase is the result of \$5.500 million reclassified from output to asset.
Unlocking the Benefits of Parks for All Victorians	Parks Victoria; Energy, Environment and Climate Change	8.090	8.090	qtr 4 2017–18	qtr 4 2017–18	N/A

### Question 6 (all departments) High-value high-risk projects, gateway reviews and business cases

Under the High Value High Risk (HVHR) Framework, a project will be classified as HVHR if it is a budget funded project that has a Total Estimated Investment (TEI) of over \$250 million. HVHR projects are subject to compulsory Gateway reviews, where Gates 1 through 6 are compulsory for all eligible projects: Gate 2 outlines the development of a business case.

Please list all projects included in the 2017–18 and 2018–19 budget papers that were allocated to the department and were classified as HVHR. Please also specify which gateway reviews, if any, were completed during 2017–18 and 2018–19 and business case details for each project. Please use project names as specified in *Budget Paper No.4: State Capital Program*.

#### 2017–18 Response

HVHR Project	Gateway review name/ Date completed	Date business case completed	Business case – publicly available? Y/N	Business case link (URL)
Goulburn-Murray Water Connections project	No Gateway Reviews for 2017–18	Stage 1- 11 June 2009 – State Stage 2 – February 2010 - Commonwealth	N	N/A

#### 2018–19 Response

HVHR Project	Gateway review name/ Date completed	Date business case completed	Business case – publicly available? Y/N	Business case link (URL)
Goulburn-Murray Water Connections project	No Gateway Reviews for 2018–19	Stage 1 – 11 June 2009 – State Stage 2 – February 2010 - Commonwealth	N	N/A

## Question 7 (all departments) Public Private Partnership (PPP) expenditure – existing and completed

Please provide the following information related to the department's PPP projects:

- The total estimated PPP investment value, the total actual expenditure from announcement to 30 June 2018 and 2019, or the actual cost spent to 30 June 2018 and 2019 (actual cost spent in the respective financial year) and the benefits of using the PPP financing model when delivering/funding a project over other financing methods.
- Where the estimated completion date at announcement is different to the completion date in the 2017–18 Budget and 2018–19 Budget and an explanation for any variance.
- Where the scope of the PPP at announcement is different to the scope of the project as it is presented in the 2017–18 Budget and 2018–19 Budget.

### 2017–18 Response

#### *Investment value and benefit of using PPP model*

Project name	Output(s) and portfolio(s) and/or agency	Total estimated PPP investment value (\$ million)	Total actual expenditure from announcement to 30 June 2018 (\$ million)	Actual expenditure in year ending 30 June 2018 (\$ million)	Benefits of using PPP model versus other delivery/funding models
Victorian Desalination Project	Output: Effective Water Management and Supply; Portfolio: Water	4,067 (NPV)	277 (NPV)	61 (NPV)	Victorian Desalination Project's payment under the PPP structure means water is only paid for when required, limiting the operations and maintenance costs when water is not ordered.

#### *Completion date*

Project name	Output(s) and portfolio(s) and/or agency	Estimated completion date	Revised estimated completion date	Variance explanation
Not applicable				

#### *Scope*

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes
Not applicable				



## 2018–19 Response

*Investment value and benefit of using PPP model*

Project name	Output(s) and portfolio(s) and/or agency	Total estimated PPP investment value (\$ million)	Total actual expenditure from announcement to 30 June 2019 (\$ million)	Actual expenditure in year ending 30 June 2019 (\$ million)	Benefits of using PPP model versus other delivery/funding models
Victorian Desalination Project	Output: Effective Water Management and Supply; Portfolio: Water	3,716 (NPV)	216 (NPV)	66 (NPV)	Victorian Desalination Project's payment under the PPP structure means water is only paid for when required, limiting the operations and maintenance costs when water isn't ordered.

*Completion date*

Project name	Output(s) and portfolio(s) and/or agency	Estimated completion date	Revised estimated completion date	Variance explanation
Not applicable				

*Scope*

Project name	Output(s) and portfolio(s) and/or agency	Original scope	Revised scope	Explanation for scope changes
Not applicable				

## Section C: Revenue and appropriations

### Question 8 (all departments and entities) Revenue – variances from previous year

Please explain any changes equal to or greater than  $\pm 10\%$  or \$100 million between the actual result for 2017–18 and 2018–19 and the actual result for 2017–18 and 2018–19 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery and then link it to the relevant output and portfolio.

Please also detail the outcomes in the community<sup>2</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

If there were no revenue/income categories for the department/agency for which the 2017–18 and 2018–19 expenditure changed from the prior year's expenditure by more than  $\pm 10\%$  or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

#### 2017–18 Response

Revenue category	2016–17 actual (\$ million)	2017–18 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Output appropriations	1,376	1,492	The increase is primarily due to increased funding received for fire emergency response activities during the fire season, Goulburn-Murray Water Connections and on-farm projects and Land Use Victoria.	Utilised on Fire Emergency response activities, increased grants paid for the Goulburn-Murray Water Connections and on-farm projects, costs incurred to streamline planning via electronic applications and referrals and contemporary property administration systems, as well as agency valuations.	Effective Water Management and Supply, Land Use Victoria, and Fire and Emergency Management; Water, Planning, and Energy, Environment and Climate Change
Special appropriations	137	112	The variance is due to a decrease in Growth Areas Infrastructure Contribution fund (GAIC) collections which are driven by the market.	Reduction in grant payments from the Growth Areas Public Transport Fund and the Building New Communities Fund to support infrastructure development in Melbourne's growth corridors.	Planning, Building and Heritage; Planning

<sup>2</sup>That is, the impact of service delivery on the community rather than a description of the services delivered.

Revenue category	2016–17 actual (\$ million)	2017–18 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Sale of goods and services	65	87	The variance is primarily due to an increase in the quantum of habitat compensation fees collected associated with the Melbourne Strategic Assessment program. This is based on Victorian landowners who remove native vegetation and habitat for certain threatened species in growth corridors and is therefore market driven.	The increased revenue was used to offset the loss or deemed loss of particular listed threatened species habitat and/or native vegetation compensation payments	Environment and Biodiversity; Energy, Environment and Climate Change
Interest	19	17	The reduction in interest revenue is due to a change of methodology in calculating interest for the Sustainability Fund investment with the Victorian Funds Management Corporation (VFMC).	Less revenue is invested into the Sustainability Fund.	Statutory Activities and Environmental Protection; Energy, Environment and Climate Change
Other income	249	321	The movement predominately relates to additional revenues from the Metropolitan Parks Improvement Rate due to an increase in rates and the number of properties within the urban growth boundaries; and the Municipal Industrial Landfill Levy due to an increase in the annual CPI on the base fee unit rate and additional landfill levy activity for 2017–18 with population growth being a contributing factor.	The increased amount of Municipal Industrial Landfill Levy and Metropolitan Parks Improvement Rate was invested in the Sustainability Fund and Parks and Reserves Trust respectively to support future expenditure.	Management of Public Land and Forests, and Statutory Activities and Environmental Protection; Energy, Environment and Climate Change

## 2018–19 Response

Revenue category	2017–18 actual (\$ million)	2018–19 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Output appropriations	1,492	1,837	The increase is primarily due to additional funding received for fire emergency response activities, the Solar Homes program, the Power Saving Bonus initiative and payments to Local Government.	Utilised on Fire Emergency response activities, solar panels for homeowners, the Power Saving Bonus initiative and payments to Local Government.	Fire and Emergency Management, Energy, and Local Government; Energy, Environment and Climate Change, and Local Government
Special appropriations	112	150	The variance is due to an increase in Growth Areas Infrastructure Contribution fund (GAIC) collections which are driven by the market.	Increase in grant payments from the Growth Areas Public Transport Fund and the Building New Communities Fund to support infrastructure development in Melbourne's growth corridors.	Local Government; Local Government
Sale of goods and services	87	102	The increase is primarily due to an increase in agency valuations revenue received by Land Use Victoria.	Utilised for external valuation costs.	Land Use Victoria; Planning
Grants	187	161	The movement mainly relates to a reduction in grant revenue received from DTF for Goulburn Murray Water (GMW) relating to the GMW Connections project. This reduction was partially offset by increases in grants from DPJR for the Energy Reform Program, from DHHS for the Metro Open Spaces project and from DPC for the Aboriginal Community Infrastructure Grant Program.	The GMW Connections project is reaching its final years of delivery resulting in reduced upcoming milestone payments. Grant funding received from other State Government departments was utilised on the relevant program.	Effective Water Management and Supply, and Energy; Water, and Energy, Environment and Climate Change
Interest	17	26	The increase in interest revenue relates to the Sustainability Fund Trust account. The interest earned is based on the balance and length of time funds are held in the account and the market interest rate.	Additional revenue is invested into the Sustainability Fund.	Statutory Activities and Environmental Protection; Energy, Environment and Climate Change
Other income	321	577	The increase in other income is primarily due to the fair value of the expected future cash settlements associated with the Victorian Renewable Energy Auction Scheme, that are required to be recognised as derivative financial instruments.	This reflects the initial recognition of an expected future benefit. The benefits are to be potentially realised at future settlements over time.	Energy; Energy, Environment and Climate Change

### Question 9 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than  $\pm 10\%$  or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2017–18 and 2018–19 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery and then link it to the relevant output and portfolio.

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

#### 2017–18 Response

Revenue category	2017–18 Budget estimate (\$ million)	2017–18 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, explain why	Relevant output(s) and portfolio(s)
Special appropriation	93	112	The variance is primarily due to an increase in Growth Areas Infrastructure Contribution fund (GAIC) collections which are driven by the market.	Revenue generated from GAIC is used for grant payments to support infrastructure development in Melbourne's growth corridors.	Planning, Building and Heritage; Planning
Interest	25	17	The decrease in interest revenue relates to the Sustainability Fund Trust account. The interest earned is based on the balance and length of time funds are held in the account and the market interest rate.	Less revenue is available for investment in the Sustainability Fund.	Environment and Biodiversity; Energy, Environment and Climate Change
Sales of goods and services	51	87	The variance is primarily due to an increase in the quantum of habitat compensation fees collected associated with the Melbourne Strategic Assessment program. This is based on Victorian landowners who remove native vegetation and habitat for certain threatened species in growth corridors, and is therefore market driven.	The increase in revenue is used to offset the loss or deemed loss of listed threatened species habitat and/or native vegetation compensation payments.	Statutory Activities and Environmental Protection; Energy, Environment and Climate Change
Other income	272	321	The variance is driven primarily by an increase in the Metropolitan Parks Improvement Rate collected. This charge is based on the number of rateable properties, which increased more than budgeted in the 2017–18 year.	The increased amount of Metropolitan Parks Improvement Rate was invested in the Parks and Reserves Trust to support future expenditure.	Management of Public Land and Forests; Energy, Environment and Climate Change

## 2018–19 Response

Revenue category	2018–19 Budget estimate (\$ million)	2018–19 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, explain why	Relevant output(s) and portfolio(s)
Output appropriations	1,502	1,837	The variance is predominantly driven by additional funding received for Fire Emergency response activities and the Solar Homes program.	Additional funding was utilised to deliver Fire Emergency response activities and the Solar Homes program.	Fire and Emergency Management and Energy; Energy, Environment and Climate Change
Interest	12	26	The variance is primarily due to additional interest income received by the Sustainability Fund. Additional interest was also collected by the Growth Area Public Transport Fund and the Building New Communities Fund due to higher than anticipated receipts collected during the 2018–19 financial year.	Revenue generated from GAIC is used for grant payments to support infrastructure development in Melbourne's growth corridors. Additional revenue is invested into the Sustainability Fund.	Statutory Activities and Environmental Protection, and Planning, Building and Heritage; Energy, Environment and Climate Change, and Planning
Sales of goods and services	43	102	The variance is predominately driven by higher than anticipated revenue generated from the Native Vegetation Credit register, agency valuation revenue collected by Land Use Victoria and the Melbourne Strategic Assessment program.	Obligations offset the loss or deemed loss of listed threatened species habitat and/or native vegetation compensation payments and agency valuations are utilised against external valuation costs.	Environment and Biodiversity, and Land Use Victoria; Energy, Environment and Climate Change, and Planning
Grants	130	161	The variance predominately relates to grant revenue received from other departments to deliver the New Technology Funding initiative and to provide funding to Parks Victoria for the sports and recreation opportunities in our park's capital initiative.	Funding provided by the Department of Health and Human Services was passed on to Parks Victoria as a capital contribution to build assets at Yarra Bend Park, Albert Park, Jells Park and Olinda Park. Additionally, funding transferred by the Department of Economic, Development, Jobs, Transport and Resources was used to deliver the New Energy Technology Funding Program.	Parks Victoria and Energy; Energy, Environment and Climate Change
Other income	296	577	The increase in other income is primarily due to the fair value of the expected future cash settlements associated with the Victorian Renewable Energy Auction Scheme, that are required to be recognised as derivative financial instruments.	No impact on revenue until the construction of the generators is completed and they begin producing energy. This reflects the initial recognition of an expected future benefit. The benefits are to be potentially realised at future settlements over time and when generators begin producing energy.	Energy; Energy, Environment and Climate Change

## Section D: Expenses

### Question 10 (all departments and entities) Expenses changed from previous year

Please explain any changes equal to or greater than  $\pm 10\%$  or \$100 million with regards to the actual result for 2016–17 and 2017–18 for each category of expenses detailed in your operating statement, the initial budget estimate (not the revised budget), and 2017–18 and 2018–19 actual results. Please also detail the outcomes in the community<sup>3</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

For departments, please provide data consolidated on the same basis as the budget portfolios outcomes statement in your annual reports.

#### 2017–18 Response

Expenses category	2016–17 Actual \$ million	2017–18 Budget estimate \$ million	2017–18 Actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Grants and other transfers	704	782	915	The increase is predominately due to an increase in the: <ul style="list-style-type: none"> <li>• level of grants paid from the Sustainability Fund and the Municipal and Industrial Landfill Levy;</li> <li>• level of payments from the Growth Areas Public Transport Fund and Building New Communities Fund via GAIC;</li> <li>• payments for the Powerline Bushfire Safety Program;</li> <li>• grants paid for the G-MW Connections and On-Farm projects.</li> </ul>	The outcomes were a higher level of grants paid from the Sustainability Fund, the Municipal and Industrial Landfill Levy, and the Growth Areas Infrastructure Contribution Fund, to deliver approved projects. The higher expenses for the Powerline Bushfire Safety Program and G-MW Connections and On-Farm projects reflected an increased level of deliverables associated with these projects.
Employee expenses	398	437	446	Contributing factors to this movement include: <ul style="list-style-type: none"> <li>• the paid FTE equivalent for the department increasing;</li> <li>• EBA for VPS staff, a 3 per cent increase from 1 July 2017 to 30 June 2018.</li> </ul>	An increase in staff was critical to ensure there were sufficient human resources during the fire season.

<sup>3</sup>That is, the impact of service delivery on the community rather than a description of the services delivered.

## 2018–19 Response

Expenses category	2017–18 Actual \$ million	2018–19 Budget estimate \$ million	2018–19 Actual \$ million	Explanations for variances ±10% or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Employee expenses	446	463	520	Contributing factors to this movement include: <ul style="list-style-type: none"> <li>• the paid FTE equivalent for the department increasing;</li> <li>• increase in bushfire activities; and</li> <li>• EBA for VPS staff, a 3 per cent increase from 1 July 2018 to 30 June 2019.</li> </ul>	Additional fire emergency response activities required during the fire season.
Grants and other transfers	915	1,053	1,278	The increase is predominately due to an increase in: <ul style="list-style-type: none"> <li>• payments from the Growth Areas Public Transport Fund and the Building New Communities Fund via GAIC;</li> <li>• the level of grants paid from the Sustainability Fund and the Municipal and Industrial Landfill Levy;</li> <li>• payments to local governments from the Growing Suburbs Fund as well as payments for Rural and Regional Council transformation</li> <li>• payments for securing the benefits of parks for all Victorians, which was approved in the 2018–19 Budget;</li> <li>• payments associated with the Solar Homes program, and the Power Savings Bonus.</li> </ul>	Increased grants paid from the Growth Areas Infrastructure Contribution Fund to support the growth of vital infrastructure in Melbourne’s newest suburbs. Increased grants paid from the Growing Suburbs Fund, supporting investment in critical local infrastructure in Melbourne’s diverse and fast-growing interface councils Establishment of the Solar Homes Program, helping Victorians to take control of their energy bills, create jobs, tackle climate change and provide a cleaner, better future. Providing Victorian households a \$50 incentive if they seek out a better energy deal through the Power Saving Bonus program. Helping the public enjoy Victoria’s comprehensive parks estate.
Other operating expenses	551	718	724	The increase in other operating expenses is predominantly due to: <ul style="list-style-type: none"> <li>• increased costs associated with fire and emergency management, the majority due to the increase in bush fire activities;</li> <li>• payments to Victorian Land Registry Services;</li> </ul>	Continue to provide assistance to the general public when there are any fire and emergency activities, especially during the fire season. Commercialisation of the Land registry services which will allow more efficient use and development



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				<ul style="list-style-type: none"><li>• transfer of payments to GMW for Stage 2 of the Connections Project from the DELWP controlled entity to the administered entity.</li></ul>	of the land registry functions and data to provide greater benefit to general public.
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### Question 11 (all departments and entities) Changes to service delivery from savings initiatives.

Please provide the following details of the impact on service delivery as a result of the savings initiatives announced in the 2017–18 and 2018–19 Budget:

- Savings target in the 2017–18 and 2018–19 Budget and the amount of the savings target allocated to the department/entity
- Actual savings achieved in 2017–18 and 2018–19 and the actions taken to achieve the savings target allocated and their impact, including the link to the relevant output and portfolio impacted.

#### 2017–18 Response

Savings initiative in the 2017–18 Budget \$ million	Savings target allocated to the department/entity in 2017–18	Actual savings achieved in 2017–18 \$ million	Actions taken to achieve the allocated savings target	What was the impact as a result of the measures taken to achieve the savings target? (e.g. frontline and/or other areas of business that saw the impact) If no impact, how was this achieved	Which output(s) and portfolio(s) were impacted (if relevant)
\$1.2 billion (Whole of Government efficiencies, over four years)	\$118.3 million (over four years)	\$23.8 million	These measures were achieved through the implementation of efficiency initiatives and corporate reform in the areas of administration, procurement, communications, consultancy and staffing.	No material impact on frontline service delivery.	All

#### 2018–19 Response

Savings initiative in the 2018–19 Budget \$ million	Savings target allocated to the department/entity in 2018–19	Actual savings achieved in 2018–19 \$ million	Actions taken to achieve the allocated savings target	What was the impact as a result of the measures taken to achieve the savings target? (e.g. frontline and/or other areas of business that saw the impact) If no impact, how was this achieved	Which output(s) and portfolio(s) were impacted (if relevant)
Not applicable - no new savings initiatives were announced as part of the 2018–19 Budget					

## Question 12 (all departments) Achievement of reprioritisation of existing resources

The 2017–18 and 2018–19 budget papers include targets for ‘funding from reprioritisation of existing resources’ to fund new initiatives (2017–18 Budget Paper No.2, p.55 and 2018–19 Budget paper No.2, pg. 54). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For the department (including all controlled entities),<sup>4</sup> please indicate:

- what areas of expenditure (including projects and programs if appropriate) the funding was reprioritised from (i.e. what the funding was initially provided for)
- what areas of expenditure were the funds actually spent on
- for each area of expenditure (or project or program), how much funding was reprioritised in each year
- the impact of the reprioritisation (in terms of service delivery) on those areas.

### 2017–18 Response

Area of expenditure originally funded	Area of expenditure actually funded	Value of funding reprioritised in 2017–18* (\$ million)	Impact of reprioritisation of funding (if no impact, how was this achieved)	Output(s) and portfolio(s) impacted (if relevant)
Energy	National Energy Markets - Reform and Advocacy	\$12.9 million over two years	Scaled back investment in projects that had no direct impact on frontline activity.	N/A
Land Use Victoria	Regional Sustainability Reform Program	\$1.0 million	Scaled back investment in projects that had no direct impact on frontline activity.	N/A
Land Use Victoria	Suburban Development	\$1.0 million	Scaled back investment in projects that had no direct impact on frontline activity.	N/A
Water	Water for Victoria: Protect the beneficial uses of water	\$2.0 million over three years	Scaled back investment in projects that had no direct impact on frontline activity.	N/A

\* Reprioritisations included in the 2017–18 Budget.

<sup>4</sup> That is, please provide this information for the Department on the same basis of consolidation as is used in the budget papers.

## 2018–19 Response

Area of expenditure originally funded	Area of expenditure actually funded	Value of funding reprioritised in 2018–19 (\$ million)*	Impact of reprioritisation of funding (if no impact, how was this achieved)	Output(s) and portfolio(s) impacted (if relevant)
Forest Fire and Regions	Jobs for Aboriginal people in natural resource management	\$0.2 million	Scaled back investment in projects that had no direct impact on frontline activity.	N/A
Environment and Climate Change	Victoria's Great Outdoors	\$0.6 million over four years	Scaled back investment in projects that had no direct impact on frontline activity.	N/A
Forest Fire and Regions	Walking together - A partnership to improve community connection and access to Country	\$1.3 million over four years	Scaled back investment in projects that had no direct impact on frontline activity.	N/A
Planning	Building Better Apartments	\$0.6 million over two years	No impact by delaying the recruitment of vacant positions and reduced scope for low impact projects.	N/A

\*Reprioritisations included in the 2018–19 Budget.

### Question 13 (all departments) Contractors, Consultants and Labour Hire Arrangements

Please indicate how much the department spent on contractors, consultants and labour hire arrangements during 2016–17, 2017–18 and 2018–19. Labour hire arrangements include the cost of engaging the labour recruiting firm, plus additional costs paid to the labour recruiting firm for the provision of the services of the contractor. Please also explain variances equal to or greater than  $\pm 10\%$  between years and list the business areas impacted and how.

2016–17 Actual \$ million	2017–18 Actual \$ million	2018–19 Actual \$ million	Explanation for variances (year on year) $\pm 10\%$	Which business areas were impacted/benefitted and how?	Please link your response to relevant output(s) and portfolio(s)
238	199	308	<p>The variance from 2016–17 to 2017–18 is mainly due to: A reduction in contract related payments for the Powerline Bushfire Safety Program. Payments were to Powercor, but also to electrical contractors for work on private overhead electric lines (POELs).</p> <p>Also, in 2016–17, payments for the Palais Theatre restoration were paid to Major Projects Victoria who were managing the project on behalf of the State. This was a one-off payment for that financial year only.</p> <p>This reduction was partially offset by increased payments relating to energy efficiency and renewable energy projects, as well as an increase in contractor costs on the development and implementation of the departments rollout of new People and Culture and Finance systems.</p>	<p>Reduction impacted on the Energy output, demonstrating progress in the Powerline replacement program.</p> <p>Reduction impacted on Management of Public Land and Forests, restoration completed.</p> <p>System benefits are realised across the entire department. There was increased investment introducing energy efficiency and renewable energy projects.</p>	<p>Energy; Energy, Environment and Climate Change.</p> <p>Management of Public Land and Forests; Energy, Environment and Climate Change</p>
			<p>The variance from 2017–18 to 2018–19 is mainly due:</p> <p>The payment of contract services licence fee to Victorian Land Registry Services, due to the commercialisation of part of Land Registry Services in August 2018. In addition, increased contractor costs were paid for valuation services.</p> <p>Contractor costs also increased in relation to fire suppression activities during the fire season and reducing bushfire risk and roading.</p> <p>Increase in contractor costs were incurred on the development and implementation related to the departments rollout of new People and Culture and Finance</p>	<p>Land Use Victoria now has its land titles and registry functions delivered through the private operator, this supports innovation and enables continued effective delivery of land registry services. Annual property valuations have commenced providing the most current valuation data.</p> <p>The 2018–19 bushfire season was the most intense since the 2009 fires, contractors assisted with fire suppression. Undertaking hazard reduction burning resulting in reduced residual bushfire risk.</p>	<p>Land Use Victoria; Planning</p> <p>Fire and Emergency Management; Energy, Environment and Climate Change</p>

			systems and the Workplace 2020 and Digital Customer experience projects that provide enhanced technological tools.	System benefits are realised across the entire department.	
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### Question 14 (PNFC and PFC entities only) Dividends and other amounts paid to the general government sector

Please detail the type and value of dividends, amounts equivalent to dividends, non-dividend grants, and capital repatriations paid by your agency to the general government sector in 2017–18 and 2018–19, explaining the reasons for any significant changes over that period and the impact of any changes on the entity.

#### 2017–18 Response

Type of dividend paid	2017–18 Budget (\$ million) <i>BP 5, pg. 21</i>	2017–18 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency. If no impact, how was this achieved	Funding ratio at 30 June 2018
Not applicable					

#### 2018–19 Response

Type of dividend paid	2018–19 Budget (\$ million) <i>BP 5, pg. 21</i>	2018–19 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency. If no impact, how was this achieved	Funding ratio at 30 June 2019
Not applicable					

## Section E: Public sector workforce

### Question 15 (all departments and entities) Full Time Equivalent (FTE) staff by level and category

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2017, at 30 June 2018 and 30 June 2019 (broken down by the categories listed below) for the department. Please include specific categories as relevant to the department/entity and where relevant, provide a description of what categories constitute 'other'. Please provide figures consolidated on the same basis as the expenditure for the department in the budget papers and detail which, if any, entities are included in the FTE numbers provided.

Category	30 June 2017 Actual FTE number	30 June 2018 Actual FTE number	30 June 2019 Actual FTE number
Secretary	1	1	1
EO-1	1	1	3
EO-2	36	36	42
EO-3	33	61	70
VPS Grade 7 (STS)	31	23	24
VPS Grade 6	525	529	539
VPS Grade 5	765	821	928
VPS Grade 4	766	892	946
VPS Grade 3	612	676	680
VPS Grade 2	168	148	150
VPS Grade 1	1	2	9
Government Teaching Service	0	0	0
Health services	0	0	0
Police	0	0	0
Nurses/Midwives	0	0	0
Allied health professionals	0	0	0
Child protection	0	0	0
Disability development and support	0	0	0
*Youth custodial officers	0	0	0
*Custodial officers	0	0	0
**Other	407	472	551
<b>Total</b>	<b>3,346</b>	<b>3,660</b>	<b>3,942</b>

\*Please provide a breakdown for Youth custodial and Custodial officers by level (for example, YW1, YW2, YW3, YW4, YW5 and YW6).

\*\*Other includes: Field Staff, Project Fire Fighters, Principal Scientists, Wild Dog Controllers, Science Adaptive Classifications, Legal Adaptive Classifications and Trainees



Numbers include FTE for the following entities:

Department of Environment, Land, Water and Planning.

### Question 16 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2016–17, 2017–18 and 2018–19, broken down by ongoing, fixed-term and casual, and explain any variances equal to or greater than  $\pm 10\%$  or \$100 million between the years for each category.

Employment category	Gross salary 2016–17 (\$ million)*	Gross salary 2017–18 (\$ million)*	Gross salary 2018–19 (\$ million)*	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	338.1	363.8	414.0	
Fixed-term	57.9	77.2	101.4	
Casual <sup>(2)</sup>	1.4	1.7	0.8	
<b>Total<sup>(1)</sup></b>	<b>397.5</b>	<b>442.7</b>	<b>516.3</b>	The increase in staff is to support planning initiatives in landscape protection and building safety; energy sector reforms, and initiatives in environment, forest management and water security.

***\*Methodology of breaking down salary cost by employee category***

Historically, reports on employee expenses by individual employees were not available. Therefore, it is not possible to accurately attribute salary cost to each employee categories. Consistent with previous years the following methodology and data was used:

1. Total employee expenses and FTE figures by categories as reported in the Annual report.
2. Casual employee expenses is attributed to the Casual employee category. The remaining of the total employee expenses is attributed to the Ongoing and Fixed Term employee category based on their respective percentage calculated from the FTE data.

### Question 17 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2017–18 and 2018–19, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

#### 2017–18 Response

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2017–18, apart from normal increases due to employment agreements	Reasons for these increases
0-3%	42	42 x Premier's annual remuneration adjustment for executives applied.
3-5%	5	5 x adjustment due to increase in work value increase and to address parity issues.
5-10%	13	5 x promotion from VPS to EO; 1 x reclassification from PS to EO and alignment with the new VPSC executive classification framework; 3 x appointment to a new EO role; 2 x Adjustment resulted from the annual gender and equity remuneration parity review; 2 x Contract renewal and retention of specialised capability.
10-15%	5	2 x Promotion; 1 x Transfer to new role with higher work value; 2 x work value review and remuneration adjustment.
greater than 15%	16	1 x contract renewal and retention of specialised capability; 1 x Adjustment resulted from the annual gender and equity; remuneration parity review; 14 x Promotion.

## 2018–19 Response

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2018–19, apart from normal increases due to employment agreements	Reasons for these increases
0-3%	65	65 x Annual Remuneration Adjustment rate for executives.
3-5%	1	1 x Increased work value remuneration adjustment.
5-10%	2	1 x Increased work value remuneration adjustment; 1 x promotion from VPS to executive position.
10-15%	10	2 x promotion from a VPS to executive position; 6 x Increased work value remuneration adjustment; 1 x Work value and gender pay equity adjustment; 1 x Promotion to a higher executive classification.
greater than 15%	15	4 x Promotion from a VPS to executive position; 1 x Increased work value remuneration adjustment; 4 x Promotion to a higher executive classification; 6 x Work value and gender pay equity adjustment.

### Question 18 (all departments and entities) Enterprise Bargaining Agreement (EBAs)

Please list the Enterprise Bargaining Agreement (EBAs) concluded in 2017–18 and 2018–19 that had an impact for the department/agency. For each EBA, please show the number of employees affected and the growth in employee expenses attributable to the EBA.

#### 2017–18 Response

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Growth in employee expenses attributable to the EBA (\$ million)	Growth in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
Corangamite CMA Enterprise Agreement 2015 <sup>5</sup>	42	95.5%	0.2	5.6%
Lower Murray Urban and Rural Region Water Corporation Enterprise Agreement 2015 <sup>6</sup>	168	88.4%	1.2	6.9%
East Gippsland Water Corporation Enterprise Agreement 2015 <sup>7</sup>	82	83.7%	0.4	4.1%
North Central Catchment Management Authority Collective Agreement 2014 <sup>8</sup>	62	100.0%	0.4	6.3%
Royal Botanic Gardens Enterprise Agreement 2014 <sup>9</sup>	226	100.0%	0.4	2.5%
Western Water Enterprise Agreement 2014 <sup>10</sup>	159	94.6%	0.2	1.2%
Metropolitan and Regional Waste and Resource Recovery Groups Agreement 2014 <sup>11</sup>	54	100.0%	0.4	11.2%
Trust for Nature Enterprise Agreement 2013 <sup>12</sup>	50	86.2%	0.1	11.2%
South East Water Employees' Enterprise Agreement 2015 <sup>13</sup>	418	71.5%	3.2	5.8%

<sup>5</sup> Agreement expired 4/12/17.

<sup>6</sup> Agreement expired 30/06/18.

<sup>7</sup> Agreement expired 11/08/17.

<sup>8</sup> Agreement expired 27/12/17.

<sup>9</sup> Agreement expired 31/10/17.

<sup>10</sup> Agreement expired 31/08/17.

<sup>11</sup> Agreement expired 31/12/17.

<sup>12</sup> Agreement expired 31/08/17.

<sup>13</sup> Agreement expired 24/03/18.

Zoos Victoria Keepers, Horticulturists and Groundstaff Agreement 2015 <sup>14</sup>	234	30.9%	1.6	3.1%
Southern Rural Water Enterprise Agreement 2014 <sup>15</sup>	159	91.4%	1.1	7.3%
Port Phillip and Westernport CMA Enterprise Agreement 2014 <sup>16</sup>	22	100.0%	0.2	11.2%
Goulburn Valley Water Enterprise Agreement 2015 <sup>17</sup>	214	92.2%	1.4	6.0%
Zoos Victoria Salaried Staff Agreement 2015 <sup>18</sup>	394	52.0%	2.0	4.0%

### 2018–19 Response

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Growth in employee expenses attributable to the EBA (\$ million)	Growth in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
GWM Water Enterprise Agreement 2015 <sup>19</sup>	179	100.0%	0.1	0.4%
North East Water Agreement 2015 <sup>20</sup>	171	91.4%	1.0	5.5%
City West Water Enterprise Agreement 2016 <sup>21</sup>	380	83.5%	2.9	6.9%
Goulburn Murray Water Enterprise Agreement 2014 <sup>22</sup>	750	100.0%	5.7	7.6%

<sup>14</sup> Agreement expired 03/06/18.

<sup>15</sup> Agreement expired 03/09/17

<sup>16</sup> Agreement expired 31/03/18.

<sup>17</sup> Agreement expired 24/04/18.

<sup>18</sup> Agreement expired 30/06/18.

<sup>19</sup> Agreement expired 14/07/18.

<sup>20</sup> Agreement expired 31/08/18.

<sup>21</sup> Agreement expired 30/06/19.

<sup>22</sup> Agreement expired 03/11/18.

## Section F: Government decisions impacting on the finances

### Question 19 (all departments and entities) Commonwealth Government decisions

Please identify any Commonwealth Government decisions during 2017–18 and 2018–19 which had not been anticipated/not been concluded before the finalisation of the State budget in 2017–18 and 2018–19 and their impact(s) on the department’s/entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

#### 2017–18 Response

Commonwealth Government decision	Impact(s) in 2017–18	
	on income (\$ million)	on expenses (\$ million)
Not applicable		

#### 2018–19 Response

Commonwealth Government decision	Impact(s) in 2018–19	
	on income (\$ million)	on expenses (\$ million)
Not applicable		

**Question 20 (all departments and entities) Council of Australian Governments (COAG) decisions**

Please identify any COAG decisions during 2017–18 and 2018–19 which had not been anticipated/not been concluded before the finalisation of the State Budget in 2017–18 and 2018–19 and their impact(s) on the department’s/entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

**2017–18 Response**

Commonwealth Government decision	Impact in 2017–18	
	on income (\$ million)	on expenses (\$ million)
Not applicable		

**2018–19 Response**

Commonwealth Government decision	Impact in 2018–19	
	on income (\$ million)	on expenses (\$ million)
Not applicable		



## Section G: General

### Question 21 (all departments and entities) Key audit matters

Please list any Key Audit Matters (KAMs) identified by the Victorian Auditor General in the department/entities 2017–18 and 2018–19 annual reports and provide information about the associated actions taken by the department/entity to benefit future disclosures or manage associated risks, since the KAMs were identified.

#### 2017–18 Response

Key audit matters identified	Actions taken
The recognition and measurement of the fair value of land assets.	DELWP to adopt the following action plans to improve the recognition and measurement of the fair value of land assets: <ol style="list-style-type: none"> <li>1. Document the methodology and process currently undertaken by Finance to record and account for land transactions. This should highlight the key systems and evidence used to support the transactions.</li> <li>2. Engage and communicate the issue raised and proposed approach to the key DELWP divisions and groups to help mitigate the issue around land asset value.</li> <li>3. Complete reconciliation between VOTS and asset registers on a more frequent basis to ensure all large/material land transactions are accounted for before hard close.</li> </ol>
Long term procurement of the Victorian Desalination Plant (VDP) using a private public partnership (PPP) agreement and Melbourne Water Corporation contracts.	Due to the complexity of the arrangement, Finance is working more closely with the Victorian Desalination Plant Team, with multiple independent reviews and regular catch ups to ensure all financial reporting related queries are resolved before the start of hard close audit in April 2020.

#### 2018–19 Response

Key audit matters identified	Actions taken
Estimate of the fair value of the contract for difference (CFD) derivative financial instruments associated with the Victorian Renewable Energy Auction Scheme (VREAS) support agreements	Finance worked closely with the Energy Group to formalise an action plan which would provide a better estimate of the fair value of the VREAS agreements in the coming financial period (2020-21). Actions include: <ol style="list-style-type: none"> <li>1. To review and update valuation policy, and engage external consultant (Deloitte) for validation of the updated policy.</li> <li>2. Engage external pricing data provider to provide pricing data based on different scenarios and perform sensitivity analysis to determine which scenarios provides the most reasonable outcome based on current external pricing environment.</li> <li>3. When available – utilise publicly available source to ensure better audit evidences.</li> <li>4. Perform retrospective review of historical pricing data provided by external party.</li> </ol>
The recognition and measurement of the fair value of land assets	DELWP to adopt the following action plans to improve the recognition and measurement of the fair value of land assets:

	<ol style="list-style-type: none"> <li>1. Document the methodology and process currently undertaken by Finance to record and account for land transactions. This should highlight the key systems and evidence used to support the transactions.</li> <li>2. Engage external consultants to independently verify and review the current process to ensure the process flow and responsibilities from various groups within DELWP are clearly documented.</li> <li>3. Engage and communicate the issue raised and proposed approach to the key DEWLP divisions and groups to help mitigate the issue around land asset value.</li> <li>4. Introduction of new land movement system – Crown Land Information Platform project (CLIPS) will provide a central point of viewing land data movements. Finance to consider the appropriate usage of this system from 1 April 2020 onwards and ensure reports are available for our financial reporting needs.</li> <li>5. Complete reconciliation between VOTS and asset registers on a more frequent basis to ensure all large/material land transactions are accounted for before hard close.</li> </ol>
<p>Long term procurement of the Victorian Desalination Plant (VDP) using a private public partnership (PPP) agreement and Melbourne Water Corporation contracts</p>	<p>As a result of the new refinancing arrangement, and adoption of new accounting standards (AASB 9). Like above, Finance is working more closely with the Victorian Desalination Plant Team, with multiple independent reviews and regular catch ups to ensure all financial reporting related queries are resolved before the start of hard close audit in April 2020.</p>

## Question 22 (all departments and entities) Reviews/studies undertaken

- a) Please list all internal and external reviews/studies commenced or completed by or on behalf of the department/agency in 2017–18 and 2018–19 and provide the following information:
- i. Name of the review/study and which portfolio and output/agency is responsible
  - ii. Reasons for the review/study
  - iii. Terms of reference/scope of the review/study
  - iv. Timeline for the review/study
  - v. Anticipated outcomes of the review/study
  - vi. Estimated cost of the review/study and final cost (if completed)
  - vii. Final cost if completed
  - viii. Where completed, whether the review/study is publicly available and where.

### 2017–18 Response

Name of the review (portfolio(s) and output(s) /agency responsible)	Reasons for the review/study	Term of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL
Long-Term Water Resource Assessment (LTWRA) for Southern Victoria	<i>The Water Act 1989</i> - Section 22K requires to develop a LTWRA every 15 years.	<i>The Water Act 1989</i> - Section 22L: A long-term water resources assessment must identify whether or not either or both of the following has occurred— (a) there has been any decline in the long-term availability of surface water or groundwater and whether the decline has fallen disproportionately on the environmental water reserve or on the allocation of water for consumptive purposes;	2017–18: Preparation for the technical assessment, including method development. Aug 2018: Technical assessment started. Sep-Nov 2019: Public consultation on draft assessment	Method developed for first ever Long-Term Water Resource Assessment. Technical preparation done for the Long-Term Water Resource Assessment. The LTWRA for Southern Victoria published on the department's webpage, and provides an evidence basis for future water policy, including the upcoming Central and Gippsland Region Sustainable Water Strategy. The assessment may inform review of water sharing in identified river basins, to be undertaken through a consultative, Sustainable Water Strategy process.	\$5.205 million	N/A as the review has not been completed.	Yes. Draft assessment is available for consultation until 30 November 2019, and final assessment will be available in early 2020 <a href="https://engag.e.vic.gov.au/ltwra/long-term-water-">https://engag.e.vic.gov.au/ltwra/long-term-water-</a>

		(b) there has been any deterioration in waterway health for reasons related to flow.	and EPA review of data, methods and findings. Early 2020: Finalisation and publication of the first LTWRA for Southern Victoria.				<a href="#">resource-assessment</a>
Review of Environmental Water Charges	To contribute to Action 3.7 in <i>Water for Victoria – Water Plan</i> : ensure clear and transparent charging arrangements.	Action 3.7 in <i>Water for Victoria – Water Plan</i> : To ensure clear, transparent and equitable charging arrangements for environmental water, in line with following principles: <ul style="list-style-type: none"> <li>prices will reflect costs;</li> <li>prices to reflect level of services;</li> <li>prices to provide signals for efficient and sustainable use of water infrastructure;</li> <li>prices will not deter environmental watering.</li> </ul>	Initiated early 2017, put on hold for 12 months due to Environment, Natural Resources and Regional Development Committee Inquiry, final policy for Ministerial approval in early-mid 2020.	Clear and transparent policy guidelines to inform water corporations and environmental water holders of the appropriate charging arrangements for held environmental water.	\$0.100-\$0.150 million	N/A	No. There will be publicly available policy/ guidelines once finalised.
Review into the governance of the Victorian Environmental Water Holder (VEWH)	To contribute to Action 3.5 in <i>Water for Victoria</i> : improve environmental water management in a changing climate; And six years after	1. the VEWH's effectiveness in meeting its statutory functions; 2. whether the VEWH's organisational arrangements enable it to	Initiated late 2017, completed August 2018	Findings: VEWH is effective in meeting its statutory functions.  Five recommendations relating to: 1. Clarified roles and responsibilities; 2. Tighten some accounting and funding arrangements;	\$0.082 million	\$0.082 million	No.

	the formation of the VEWH is a sensible time to 'check in' and assess whether the model is effective and/or could be improved.	meet its core objectives; and 3. whether the VEWH is strategically positioned to respond to climate change.		3. VEWH to build in-house legal and economic expertise; 4. VEWH clarifies its annual reporting; 5. DELWP considers the appropriate legal form of the VEWH Office.			
DELWP Aboriginal Cultural Safety Audit	To understand current levels of cultural safety of Aboriginal people within DELWP to inform the content of DELWP's Aboriginal Cultural Safety Framework and associated Action Plan.	Conducted by VACCHO under Fee for Service agreement. Internal study conducted amongst DELWP's Aboriginal Staff Network via survey and interview to identify current levels of safety and risks and identify priority areas.	Initiated mid-2018. Completed end-2018.	To provide a snapshot of the current levels of cultural safety of Aboriginal people within DELWP.	\$0.091 million	\$0.091 million	No.
Aged and Disability Transition Project	Research was undertaken to identify the transition impacts of the National Disability Insurance Scheme (NDIS) on Victorian councils, especially rural and regional councils.	Develop a general information base to guide and inform internal discussion and decision making of Victorian councils.	2017-18	A report that covers: <ul style="list-style-type: none"> <li>Existing service system;</li> <li>Reform context;</li> <li>Reform implications and key issues;</li> <li>Financial analysis and cost models; and</li> <li>Scenario and action planning.</li> </ul>	\$0.100 million	\$0.098 million	No. Not released publicly. The report was provided to the Loddon-Mallee group of councils who formed the pilot study.
A review of Forest, Fire and Region's Group's Research Agreements	To evaluate the operational effectiveness of the two current research agreements.	Evaluation of the operational effectiveness of the two current research Head Agreements, with reference to their ability to meet DELWP's research investment needs, and the opportunities or ideas in the wider research	January-June 2018	Seventeen recommendations were made, and have been implemented.	\$0.041 million	\$0.041 million	No.

		market. Conducted for the University of Melbourne, <i>Integrated Forest Ecosystem Research Agreement</i> , and Bushfire and Natural Hazards Cooperative Research Centre, <i>Emergency Risk Management Research Projects</i> transfer payment funding agreement.					
Leading Practice Review of Organisational Frameworks	To inform the development of the DELWP Engagement Framework	Interviews with Australian and International Government organisations (9 in total) The objectives were: to understand the definition and purpose of engagement, and which stakeholders were the focus of organisations' engagement; to understand the development process for the organisations' engagement frameworks and the factors that enabled success in their delivery; to understand the strengths of organisations' engagement approach, the challenges they encountered and how they addressed them; to understand the tools and techniques that were employed to deliver	February 2018	<ul style="list-style-type: none"> <li>Leadership support across all stages of development and implementation is vital. Continuing leadership support and encouragement of all staff to implement the framework is essential for its continuing success.</li> <li>All staff should have at least an introductory level of knowledge about engagement. In-depth training should be provided to staff who have roles that require them to engage often or offered to all staff who show interest in learning more about engagement.</li> <li>The knowledge and expertise of experienced staff members should be embraced and celebrated.</li> <li>All project budgets should include allowances for engagement expenses including staff time and engagement delivery tools. There also needs to be a commitment from leadership to fund staff training and organisation-wide engagement tools such as an</li> </ul>	\$0.010 million	\$0.010 million	No.

		successful engagement; to understand the processes for analysing, storing and sharing engagement knowledge and evaluating engagement.		organisational online engagement platform. <ul style="list-style-type: none"> <li>Innovative thinking should be encouraged to avoid 'status quo' approaches to engagement design and delivery.</li> </ul>			
Internal Practice – A review of DELWP's existing community engagement approaches	To inform the development of the DELWP Engagement Framework and create a baseline of staff knowledge of engagement practice.	The findings in this review represent a summary of the responses to an online survey distributed amongst DELWP staff. The survey comprised nine open-ended questions on the nature of DELWP's current engagement practices. The key questions included: the engagement purpose; the strengths of current approaches; successful examples; key challenges, gaps or limitations in community engagement; current resources and structures; use of knowledge derived; impact measurement; and use of outcomes of community engagement.	February 2018	The findings of this review include: <ul style="list-style-type: none"> <li>Staff understand the link between good engagement and the development of strong policies and programs</li> <li>Staff are committed to building and maintaining genuine relationships with the community.</li> <li>Staff are committed to 'the community at the centre' of DELWP operations.</li> <li>The expertise and drive of key members of staff is a key resource within the organisation for those seeking to plan and deliver good engagement.</li> <li>The depth and sincerity of the engagement is not uniform.</li> <li>A gap in capacity to deliver engagement or facilitate difficult conversations.</li> <li>A greater focus on engagement strategy is required.</li> <li>There is limited and inconsistent storing and sharing of engagement knowledge across the organisation. The success and impact of engagement is not being consistently evaluated.</li> </ul>	\$0.010 million	\$0.010 million	No.

## 2018–19 Response

Name of the review (portfolio(s) and output(s) /agency responsible)	Reasons for the review/study	Term of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL
Victoria's Northern Water Infrastructure Prospectus	To further investigate water savings opportunities in the bulk water delivery and irrigation distribution systems in northern Victoria. This prospectus delivers the Minister for Water's commitment to identify up to 9GL of water recovery through infrastructure projects as part of the total 62GL under the Murray Darling Basin Plan.	Identify and evaluate water recovery opportunities in northern Victoria against socio-economic factors and other relevant investment criterion. Develop a public facing document presenting priority projects for Commonwealth investment.	July 2018 to December 2018	Attract Commonwealth investment in priority projects that contribute to Murray Darling Basin Plan water recovery.	\$0.039 million	\$0.050 million	Yes. <a href="https://www.water.vic.gov.au/mdb/mdbp/the-sustainable-diversion-limit-adjustment-mechanism-sdlam-murray-darling-basin-plan">https://www.water.vic.gov.au/mdb/mdbp/the-sustainable-diversion-limit-adjustment-mechanism-sdlam-murray-darling-basin-plan</a>
Delivery Share Review	Delivering on <i>Water for Victoria</i> Action 4.3. In response to irrigator concerns raised with the Minister for Water.	<i>Water for Victoria</i> Action 4.3: "review the future use of delivery shares in Goulburn-Murray and Sunraysia irrigation districts to consider how tariffs and price signals can be used to assist irrigation districts respond to changing customer needs."	August 2017-October 2018	For the Goulburn Murray Irrigation District: 1. Help irrigators adjust delivery shares to better signal infrastructure requirements. 2. Set tariff and pricing principles that help adjust the infrastructure footprint. 3. Provide clear benefits to delivery shares in service and system operation. 4. Improve information, communication and transparency on delivery shares. 5. Ensure the clarity and transparency of	\$0.043 million	\$0.043 million	Yes. <a href="https://www.water.vic.gov.au/water-for-agriculture/ta-king-and-using-water/delivery-share">https://www.water.vic.gov.au/water-for-agriculture/ta-king-and-using-water/delivery-share</a>



				<p>GMW pricing.</p> <p>6. Capture delivery shares up front in property transactions.</p> <p>For Sunraysia Irrigation District:</p> <ol style="list-style-type: none"> <li>1. Facilitate markets, products and trade in delivery shares.</li> <li>2. Improve tools for managing system operation and deliverability constraints.</li> <li>3. Improve information and communication and transparency on delivery shares.</li> <li>4. Strengthen and clarify over-arching principles for delivery shares and termination fees.</li> </ol>			
Review of the Local Government Rating System	This review is being conducted to identify changes that will improve the fairness and equity of the Victorian local government rating system.	Terms of reference are available on <a href="https://www.localgovernment.vic.gov.au/council-governance/victorian-local-government-rating-system-review">https://www.localgovernment.vic.gov.au/council-governance/victorian-local-government-rating-system-review</a>	The review will conclude in March 2020.	The Rating Review panel will provide recommendations to the Government.	\$0.600 million	N/A	No. The review has not been completed.
Guidance on transition to new Accounting Standards	New Australian Accounting Standards (AAS) came into effect from 1 July 2019, impacting upon the financial statements prepared by Victorian councils in future reporting periods.	Local Government Victoria worked with a Financial Professionals (FinPro) Working Group to research the impact of the new Standards on Victorian councils and develop a guide to help councils prepare for, and apply, the AAS changes to their financial statements.	2018-2019	Development of a guide that covers: <ul style="list-style-type: none"> <li>• Financial reporting (overview);</li> <li>• Revised Accounting Standards (summary and options); and</li> <li>• Worked examples to show how the changes practically apply to Victorian councils.</li> </ul>	\$0.040 million	\$0.040 million	Yes. <a href="https://www.localgovernment.vic.gov.au/data/assets/pdf_file/0025/411478/Guidance_on_transition_to_new_Accounting_Standards_2018-19_FINAL.pdf">https://www.localgovernment.vic.gov.au/data/assets/pdf_file/0025/411478/Guidance_on_transition_to_new_Accounting_Standards_2018-19_FINAL.pdf</a>

4WD Market research	Provide evidence based decision-making tools to inform our future expenditure on the development of 4WD experiences and touring product.	4WD market research and development of a decision support tool.	May 2019 to December 2020	Estimates of market size, segmentation, behaviours, economic contribution, audit of existing 4WD product and decision support tool to optimise 4WD product development.	\$0.231 million	\$0.123 million	No. Summary products may be prepared and released.
Recreation and tourism values of State forests	Obtain current and meaningful measures of visitation to State forests for recreation and tourism purposes.	Market research and modelling on visitation to State forests.	June 2019 to April 2020	Metrics of the rate, value and benefits of visitation to State forests.	\$0.170 million	\$0.170 million	No. Summary products may be prepared and released.

- b) Please outline the Department's/Agencies in house skills/capabilities/expertise to conduct reviews/studies/evaluations/data analysis of the programs and services for which the Department /Agency is responsible.

The department also employs staff with specialist expertise across a broad range of portfolio areas including energy, environment, climate change, forestry, fire and emergency management, water, planning and local infrastructure to ensure it has the right skills and capabilities to deliver core services. As funding is allocated for new programs, the department will employ staff with the requisite skills to undertake the new functions required for these programs and services.

The department conducts in house reviews/studies/evaluations and data analysis of its programs and services where the capability exists, or will employ staff with the skills and capabilities necessary to undertake or lead a review/study/evaluation/data analysis.

In addition, the department established the Strategy and Performance division within Corporate Services in 2018 with an aim to build capabilities in these areas. Strategy and Performance develop collaborative and integrated strategy, strategic analysis, process design, business planning, performance reporting, policy, science, and projects. Strategy and Performance advise on long-term strategic options to meet Government and departmental outcomes and use business intelligence to guide future priorities, directions and investment strategies.

## Question 23 (all departments and entities) Annual reports – performance measure targets and objective indicators

a) Please provide the following information on performance measures that did not meet their 2017–18 and 2018–19 targets

### 2017–18 Response

Performance measure	2017–18 target (Budget)	2017–18 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
Victorian schools participating in ResourceSmart Schools program (number)	868	636	-26.7 per cent	<ul style="list-style-type: none"> <li>The 2017–18 actual of 636 is lower than the target of 868, as the target for this measure was incorrectly set to include schools that were not currently active, but previously had been.</li> <li>This measure was created in 2016–17 to replace the previous cumulative participation target (a target based on all schools that had ever participated). When the target for the new measure was created, schools that were not currently active, but previously had been, were inadvertently included in the calculations used to set the annual participation target of 868.</li> <li>The correct target for 2017–18 was closer to 620 schools participating, which has been met to within 5 per cent.</li> <li>The error was amended for 2018–19, with the new target set at 700. This reflects an increase in existing school participation which can be achieved through recruitment and program changes planned for 2018–19.</li> </ul>	Output: Climate Change; Portfolio: Energy, Environment and Climate Change
Delivery of key milestones for the renewable energy work program (per cent)	100	97	-3 per cent	<ul style="list-style-type: none"> <li>This performance measure consists of progress on delivery of three major projects (Renewable Energy Certificate Purchasing Initiative, Energy Storage Initiative, Victorian Renewable Energy Target 2017 Auction).</li> <li>The Energy Storage Initiative and Victorian Renewable Energy Target 2017 Auction achieved all key milestones.</li> <li>For the Renewable Energy Certificate Purchasing Initiative, the variance was due to one project being delayed.</li> <li>The delayed component was remedied within three months and is now on track.</li> </ul>	Output: Energy; Portfolio: Energy, Environment and Climate Change
Planning referrals relating to native vegetation processed within statutory timeframes (per cent)	80	75	-6.3 per cent	<ul style="list-style-type: none"> <li>Performance is below target as the number of planning permit applications received was higher than expected.</li> <li>Additionally, the complexity and scale of many applications impacted timeliness.</li> </ul>	Output: Environment and Biodiversity;

Performance measure	2017–18 target (Budget)	2017–18 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
				<ul style="list-style-type: none"> <li>Major projects in 2017–18 included the Western Highway Duplication and several large renewable energy projects.</li> </ul>	Portfolio: Energy, Environment and Climate Change
Property reports generated online (number)	3.9 million	3.82 million	-2 per cent	<ul style="list-style-type: none"> <li>The 2017–18 result is lower than the target due to the rationalisation of property report services and a lower than expected number of property reports generated from Land Channel, reflective of public demand for the service.</li> </ul>	Output: Land Use Victoria; Portfolio: Planning
New titles (subdivisions) created within three weeks (per cent)	98	71	-27.6 per cent	<ul style="list-style-type: none"> <li>The target for 2017–18 was 98 per cent, however the actual of 71 percent was below target due to increased high levels of demand.</li> <li>Land Use Victoria implemented strategic measures to improve performance in this area, including the recruitment and training of additional staff and the implementation of a priority registration service to enhance efficiency.</li> <li>Corrective actions saw the average monthly result reach 95 per cent for the last five months of 2017–18. This level of performance is expected to continue into the future.</li> </ul>	Output: Land Use Victoria; Portfolio: Planning
Visitors to Zoos Victoria at Melbourne, Werribee and Healesville (number)	2.6 million	2.4 million	-7.7 per cent	<ul style="list-style-type: none"> <li>The target for the measure increased from 2.49 million in 2016–17 to 2.60 million in 2017–18, based on past performance trends. However, this trend did not continue into 2017–18 as expected, with lower visitation rates recorded.</li> <li>Increased membership costs and several extreme weather events over December and January contributed to lower visitation.</li> <li>Zoos Victoria planned to increase its membership in 2018–19 through additional investment in membership campaigns. This was achieved with a visitation result of 2.76 million in 2018–19.</li> </ul>	Output: Management of Public Land and Forests; Portfolio: Energy, Environment and Climate Change
Coastal protection infrastructure projects delivered (number)	6	2	-66 per cent	<ul style="list-style-type: none"> <li>The 2017–18 target of six projects delivered was not met, with two projects delivered.</li> <li>The two completed projects are Craigie Beach Rock Revetment and Portarlington Point Richards timber groynes.</li> <li>The remaining four projects were commenced in 2017–18: <ul style="list-style-type: none"> <li>Cowes East Groyne replacement program was 75 per cent delivered;</li> </ul> </li> </ul>	Output: Management of Public Land and Forests; Portfolio: Energy, Environment and Climate Change

Performance measure	2017–18 target (Budget)	2017–18 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
				<ul style="list-style-type: none"> <li>○ Point Lonsdale Coastal Processes were 50 per cent delivered;</li> <li>○ Orlando St Groyne Brighton was 30 per cent delivered; and</li> <li>○ Mount Martha North Rock Revetment was 20 per cent delivered.</li> <li>● The delays in project completion were due to third party negotiations taking longer than expected, lengthy preparation of complex project tender documentation, and additional community consultation.</li> </ul>	
Rent reviews of Department managed Crown land leases undertaken within specified timeframes (per cent)	95	90	-5.2 per cent	<ul style="list-style-type: none"> <li>● The 2017–18 result of 90 is lower than the 2017–18 target of 95 due to a few lessees objecting to new valuations. The current policy of using commercial rental valuations provided by the Office of the Valuer-General has opened up the number of objections. This is allowable under the lease conditions.</li> <li>● 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.</li> </ul>	Output: Management of Public Land and Forests; Portfolio: Energy, Environment and Climate Change
Area of waterway vegetation works undertaken to improve the health and resilience of waterways (hectares)	8,500	8,450	-0.6 per cent	<ul style="list-style-type: none"> <li>● The variance is below one per cent and is immaterial.</li> </ul>	Output: Effective Water Management and Supply; Portfolio: Water
Cumulative water savings (permanent reduction in irrigation distribution system delivery losses) realised through water recovery projects (megalitres)	802,507	797,035 (estimate)	-0.6 per cent	<ul style="list-style-type: none"> <li>● The variance is below one per cent and is immaterial.</li> </ul>	Output: Effective Water Management and Supply; Portfolio: Water
Cumulative other Victorian retail water entitlements (including licenses to take and use water and other miscellaneous entitlements)	Greater than 97	96.9	-0.1 per cent	<ul style="list-style-type: none"> <li>● The variance is below one per cent and is immaterial.</li> </ul>	Output: Effective Water Management and Supply; Portfolio: Water

Performance measure	2017–18 target (Budget)	2017–18 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
recorded in the water register as the authoritative record (per cent)					
Significant built bay assets managed by Parks Victoria rated in average to excellent condition (per cent)	80	75.3	-5.8 per cent	<ul style="list-style-type: none"> <li>The 2017–18 actual of 75.3 per cent is below the target of 80 per cent. This is due to several temporary closures to piers and jetties across the state and a storm event that damaged Middle Brighton Pier, which caused the overall condition rating to decline.</li> </ul>	Output: Parks Victoria; Portfolio: Energy, Environment and Climate Change
Amendments that are correct upon submission for approval (per cent)	25	20	-20 per cent	<ul style="list-style-type: none"> <li>The 2017–18 actual of 20 per cent of correct amendments upon submission for approval was below the target of 25 per cent. This is due to a revision in the implementation schedule of the amendments system that resulted in an approved revised target of 20 per cent, which was met.</li> <li>The 2018–19 target increased to 60 per cent due to the expected performance improvements from the <i>Smart Planning</i> program. The program will drastically improve the quality of amendments submitted to the department by councils.</li> </ul>	Output: Planning, Building and Heritage; Portfolio: Planning
Median number of days taken by the department to assess a planning scheme amendment (days)	25	39	56 per cent	<ul style="list-style-type: none"> <li>The 2017–18 actual of 39 days did not meet the target of 25 days. This is due to the large volume and complexity of planning scheme amendments being assessed by the department. The increase is due to a number of state critical infrastructure and renewable energy projects, plus a number of local council amendments for processing.</li> <li>New workload structures, management processes and systems are being implemented to address this, however the effects of this may not be evident in the median number count until the end of the financial year.</li> <li>Note that the target is defined by Ministerial Direction 15.</li> </ul>	Output: Planning, Building and Heritage; Portfolio: Planning
Report annually on analysis of supply, consumption and adequacy of residential and industrial land (date)	Dec 2017	May 2018	N/A	<ul style="list-style-type: none"> <li>The 2017–18 target date of December 2017 was not achieved. The report was complete by May 2018.</li> <li>Although the target was not met, the majority of land supply analysis, including additional work for individual regional councils, was completed in December 2017. This includes reports on Major Redevelopment Sites and Industrial Land.</li> </ul>	Output: Planning, Building and Heritage; Portfolio: Planning

Performance measure	2017–18 target (Budget)	2017–18 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
				<ul style="list-style-type: none"> <li>The final component on Broadhectare Land was not published until May 2018, due to delays in receiving aerial photography because of poor weather conditions. The impact of the delay was minimal, with key internal and external stakeholders kept informed about the delays. Future analysis and reporting is to be based on summer aerial imagery rather than winter. This imagery capture is more reliable.</li> </ul>	
Meetings held with Local Government Mayoral Advisory Panel (number)	4	3	-25 per cent	<ul style="list-style-type: none"> <li>Three meetings (75 per cent) of the scheduled four were held.</li> <li>Instead of two scheduled meetings in the first half of 2018, one meeting was held to allow more time for Mayors to consider expressing an interest in being a member of the Panel. This change in the meeting schedule was approved by the Minister for Local Government as chairperson of the panel.</li> </ul>	Output: Local Government; Portfolio: Local Government
Councils with approved roadside weeds and pests control plan (number)	56	55	-1.7 per cent	<ul style="list-style-type: none"> <li>The 2017–18 actual was below the 2017–18 target as one council did not submit their roadside weeds and pest control plan.</li> </ul>	Output: Local Government; Portfolio: Local Government
Length of strategic fire access roads and fuel breaks treated to manage safety risks posed by dangerous trees (km)	1,200	709	-40.9 per cent	<ul style="list-style-type: none"> <li>The 2017–18 actual of 709km treated was 41 per cent below the target of 1,200km.</li> <li>While the target for dangerous tree works was not met, significantly longer distances of vegetation management and road maintenance and improvement were undertaken through a bundled works contract approach. This involved a single contract being tendered for dangerous trees, vegetation management and roading works, rather than three separate contracts. These efficiencies in contract management provided better value for money and reduced the demand on works supervisors (only 1 required, not 3), departmental procurement staff and regional planning teams. Over 350 contracts were executed in 2017–18.</li> </ul>	Output: Fire and Emergency Management; Portfolio: Energy, Environment and Climate Change

## 2018–19 Response

Performance measure	2018–19 target (Budget)	2018–19 actual (Annual report)	Variance	Explanation	Output(s) and portfolio(s) impacted
Victorian schools participating in the ResourceSmart Schools program (number)	700	675	-3.6 per cent	<ul style="list-style-type: none"> <li>Number of Victorian schools participating in the ResourceSmart Schools program increased from 636 in 2017–18 to 675 in 2018–19.</li> <li>The 2018–19 target of 700 active ResourceSmart Schools was close to being met with a result of 3.6 per cent below target.</li> <li>Schools and regional delivery partners experienced difficulties recruiting schools within the final six months of the program due to the uncertainty of the program's longevity.</li> <li>The 2019–20 Budget extended the program to 30 June 2020. The program is tracking well towards the target of 700 active schools. Interventions have been put in place to assist the recruitment of schools throughout the 12-month period as the program planning anticipated similar challenges to schools participation without the guarantee of funding for the delivery of the program beyond 30 June 2020.</li> </ul>	Output: Climate Change; Portfolio: Energy, Environment and Climate Change
New permanently protected native vegetation on private land (hectares)	5,000	1,397	-72.1 per cent	<ul style="list-style-type: none"> <li>Performance is below target due to the approved rescoping of works across the Biodiversity 2037 program. This resulted in reduced actions on private land, but more for other actions to deliver on priority biodiversity outcomes.</li> <li>Biodiversity 2037 projects were assessed by an evaluation panel against key criteria. The recommended projects were approved by the Minister for Energy, Environment and Climate Change and 2019–20 targets have been adjusted accordingly.</li> <li>Over 2018–19, 1,397 hectares of new permanently protected native vegetation on private land was delivered. A further 1,700 hectares is currently under negotiation with landholders.</li> <li>The original target of 5,000 hectares included investment from other sources including the Commonwealth</li> </ul>	Output: Environment and Biodiversity; Portfolio: Energy, Environment and Climate Change



				Government. The 2019–20 target has been revised to 600 hectares to reflect Victorian Government funding and the rescope of a range of Biodiversity 2037 programs.	
Planning referrals relating to native vegetation processed within statutory timeframes (per cent)	80	70	-12.5 per cent	<ul style="list-style-type: none"> <li>Performance for this measure is 12.5 per cent below target due to the complexity and volume of planning referral cases.</li> <li>Despite planning for an increase in demand due to the number of major projects being undertaken across the state, the complexity of cases presented challenges and required additional time to complete the referral process.</li> </ul>	Output: Environment and Biodiversity; Portfolio: Energy, Environment and Climate Change
Inspections that test compliance of licensed premises whose operations may represent a significant risk to the environment and human health (number)	250-300	246	-1.6 per cent	<ul style="list-style-type: none"> <li>EPA initially set a target range of 250-300. EPA subsequently planned to inspect 262 licenced premises for compliance in 2018–19.</li> <li>There were 14 sites which have had their licences suspended/revoked in 2018–19, and one site which underwent a major industry assessment, which includes a major license compliance assessment.</li> <li>The final result for 2018–19 was 246 License Compliance Assessments.</li> </ul>	Output: Statutory Activities and Environment Protection; Portfolio: Energy, Environment and Climate Change
Cumulative length of powerlines retired in high bushfire risk areas to reduce the risk of bushfires from electrical assets (km)	770	693	-10.0 per cent	<ul style="list-style-type: none"> <li>Performance is 10 per cent below target due to implementation issues such as encountering hard rock and landowner easement issues, which impacted the ability to retire the planned length of powerlines in high bushfire risk areas.</li> <li>A total of 65 (out of 69) High Voltage projects were completed, and 798 (out of 799) private overhead electric lines projects were completed.</li> <li>The 2019–20 target is expected to be achieved by the completion of the program in December 2019.</li> </ul>	Output: Energy; Portfolio: Energy, Environment and Climate Change
Delivery of a pilot independent energy brokerage service for Victorian hardship and culturally and linguistically diverse (CALD) consumers (per cent)	100	90	-10.0 per cent	<ul style="list-style-type: none"> <li>Performance is 10 per cent below target due to more time being required by the Brotherhood of St Laurence for the planning and design of the program.</li> <li>Given the complexity and the sensitivity of the target audience, the design of the pilot and resourcing took longer than planned.</li> <li>The pilot is now in operation, with close to 600 people switching electricity providers with an average saving of nearly \$300 per participant.</li> </ul>	Output: Energy; Portfolio: Energy, Environment and Climate Change

Relative reduction in state-wide powerline related bushfire risk (per cent)	36.1	32.5	-10.0 per cent	<ul style="list-style-type: none"> <li>Performance for this measure is below target due to changes in the work programs of electricity distribution companies in rolling out safety infrastructure upgrades at electrical substations.</li> </ul>	Output: Energy; Portfolio: Energy, Environment and Climate Change
Delivery of key milestones for the renewable energy work program (per cent)	100	80	-20.0 per cent	<ul style="list-style-type: none"> <li>Performance is 20 per cent below target due to two out of ten renewable energy projects not achieving connection to the electricity grid.</li> <li>Two of the six Victorian Renewable Energy Target Auction projects did not achieve connection agreements as scheduled due to constrained grid capacity in those areas. Connection agreements are needed before a complete renewable energy project can be connected to the grid.</li> </ul>	Output: Energy; Portfolio: Energy, Environment and Climate Change
Coastal protection infrastructure projects delivered (number)	2	0	-100.0 per cent	<ul style="list-style-type: none"> <li>The target was not met due to implementation delays in complex technical designs and stakeholder engagement.</li> <li>The scope of the originally planned Portsea Seawall was reduced to be a replacement of the existing sandbag wall. The sandbag wall required a new design, stakeholder engagement and high-level approvals (now to be constructed by December 2019). The reduction in scope of Portsea Seawall reduced the project cost. The residual funding was used to deliver the Ocean Grove revetment which required further stakeholder engagement on the design (now to be constructed by February 2020).</li> <li>The Lakes Entrance Seawall Central Boat Harbour peer review was completed in July 2019.</li> </ul>	Output: Management of Public Land and Forests; Portfolio: Energy, Environment and Climate Change
Beaches renourished in Port Phillip Bay (number)	4	0	-100.0 per cent	<ul style="list-style-type: none"> <li>Performance is below target due to detailed implementation planning that occurred at the start of this program, resulting in the approved rescoping of works able to be undertaken.</li> <li>Factors such as highly variable weather conditions, delivery costs and stakeholder impacts (due to closing beaches) led to the expectation that two beaches would be renourished in 2018–19.</li> <li>The two beaches are located at Rosebud and West Rosebud. These are being delivered together to increase project delivery efficiency. Both projects are expected to be delivered in 2019–20.</li> </ul>	Output: Management of Public Land and Forests; Portfolio: Energy, Environment and Climate Change

				<ul style="list-style-type: none"> <li>The project plan approved by the Premier's office and the Minister for Energy, Environment and Climate Change revised the overall program target from 16 to an achievable target of 12 beaches for renourishment. The new targets for beach renourishment project were two beaches in the first year, with three, four and three beaches in each of the following years.</li> </ul>	
Rent reviews of Department-managed Crown land leases undertaken within specified time frames (per cent)	95	94	-1.1 per cent	<ul style="list-style-type: none"> <li>The result of 94 per cent was slightly under target of 95 per cent due to lessees contesting rent rates determined by the Value-General, resulting in some delays to established timeframes.</li> </ul>	<p>Output: Management of Public Land and Forests;</p> <p>Portfolio: Energy, Environment and Climate Change</p>
Significant built bay assets managed by Parks Victoria rated in average to excellent condition (per cent)	80	70	-12.5 per cent	<ul style="list-style-type: none"> <li>Performance for this measure is below target due to an increasing number of assets reaching their end of life as well as delays in funding from Transport for Victoria. Only two projects were completed in 2018–19 (Seaford and Kerferd Road piers).</li> </ul>	<p>Output: Parks Victoria</p> <p>Portfolio: Energy, Environment and Climate Change</p>
Significant built park assets managed by Parks Victoria rated in average to excellent condition (per cent)	88	87	-1.1 per cent	<ul style="list-style-type: none"> <li>The 2018–19 result was 1.1% below the 2018–19 target due to a slight decline in the overall condition of park assets in 2018–19.</li> </ul>	<p>Output: Parks Victoria</p> <p>Portfolio: Energy, Environment and Climate Change</p>
Places or objects assessed for the Victorian Heritage Register (number)	45	43	-4.4 per cent	<ul style="list-style-type: none"> <li>Heritage Victoria completed assessments for 43 places and objects for potential inclusion in the Victorian Heritage Register in 2018–19. This actual figure is lower than the target of 45 due to the assessment of more complex places nominated to the Victorian Heritage Register.</li> <li>These complex places included Federation Square, Shortlands Bluff (Queenscliff) and Preston Market. These assessments have taken greater resources and time to complete, which has impacted the total number of places and objects able to be assessed.</li> <li>Places nominated to the Heritage Register may vary from simple sites, which are straightforward to assess, to large complex places requiring a more in-depth investigation.</li> </ul>	<p>Output: Planning, Building and Heritage</p> <p>Portfolio: Planning</p>

Planning Scheme Amendments that are correct upon submission for approval (per cent)	60	50	-16.7 per cent	<ul style="list-style-type: none"> <li>Performance is below target due to the timing of approved changes to the implementation and transition of the new Amendments Tracking System.</li> <li>The result of 50 per cent is a significant improvement on the 2017–18 result of 20 per cent.</li> <li>Performance is expected to improve in 2019–20 with an increased proportion of planning scheme amendments submitted via the new Amendment Tracking System.</li> </ul>	Output: Planning, Building and Heritage Portfolio: Planning
Median number of days taken by the department to assess a planning scheme amendment (days)	25	62	148.0 per cent	<ul style="list-style-type: none"> <li>The target of 25 days has not been achieved due to the increased number of planning scheme amendments being assessed by the department.</li> <li>The median number of days is taking longer as the volume of state critical infrastructure and renewable energy projects has added to the number of local council amendments for processing.</li> <li>In addition, the department has focussed on strategic assessment of authorisation requests to ensure only compliant amendments are exhibited. This early assessment has required the prioritisation of some resources by the department, which has affected the timeliness of final assessments. This prioritisation has, however, had the benefit of avoiding or reducing the timelines for panel hearings.</li> <li>New workload structures, management processes and systems are being implemented to address this.</li> </ul>	Output: Planning, Building and Heritage Portfolio: Planning
Urban Development Program Report on analysis of supply, consumption and adequacy of residential and industrial land completed (date)	Feb 2019	June 2019	-33.3 per cent	<ul style="list-style-type: none"> <li>The Urban Development Program Report was released in June 2019, rather than the target date of February 2019, due to the annual release of required source information from the Australian Bureau of Statistics being delayed to later in the year.</li> <li>The target for 2019–20 has been amended to June 2020 in line with this change.</li> </ul>	Output: Planning, Building and Heritage Portfolio: Planning
Victoria in Future population projection data to support infrastructure and service delivery planning published (date)	Jun 2019	July 2019	-8.3 per cent	<ul style="list-style-type: none"> <li>Victoria in Future (VIF) was published in July 2019 rather than the target date of June 2019.</li> <li>Population projections were updated to reflect the most recent ABS and Census data and was prepared for timely release by June 2019, however the final VIF required additional validation before release.</li> </ul>	Output: Planning, Building and Heritage Portfolio: Planning

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)	70	50	-28.6 per cent	<ul style="list-style-type: none"> <li>Performance is below target as two out of four applications (Naroghid and Alberton) breached the 45 day target.</li> <li>Delays were experienced due to additional Commonwealth approvals that were required and an additional stakeholder request seeking more time for the Minister for Planning to decide the planning permit.</li> </ul>	Output: Planning, Building and Heritage Portfolio: Planning
Length of strategic fire access roads and fuel breaks treated to manage safety risks posed by dangerous trees (km)	1,500	1,000	-33.3 per cent	<ul style="list-style-type: none"> <li>Performance is below target by 33.3 per cent due to the new delivery model for the Reducing Bushfire Risk program, which integrates dangerous tree removal, vegetation management and roading maintenance.</li> <li>This measure has been replaced in 2019–20 by a new measure providing a more complete view of the program (specifically forest access and egress) rather than focusing on one area of performance (dangerous trees).</li> </ul>	Output: Fire and Emergency Management; Portfolio: Energy, Environment and Climate Change

b) Please provide the following information for objective indicators where data was not available at publication of the annual report

### 2017–18 Response

Objective indicators stated in annual report for which data was not available at date of publication	Best available data for 2017–18 and relevant date (ie. 95 through January 2018)	Explanation for the absence of data in annual report
Efficient provision of timely and authoritative information on population and land use	<i>Victoria in Future</i> (VIF) is the official population projection set of the government. The Annual Report result noted that a 2017–18 VIF was not published. The last release was VIF 2016.	The VIF 2017–18 edition was not released due to the 2016 Census results being released within the 2017–18 year. The timing of the release of the Census data would have immediately rendered a VIF document produced that year as out of date. Census data is only released every five years, meaning that the previously available data was from 2011.

**2018–19 Response**

<b>Objective indicators stated in annual report for which data was not available at date of publication</b>	<b>Best available data for 2018–19 and relevant date (ie. 95 through January 2019)</b>	<b>Explanation for lack of timely data in annual report</b>	<b>Action taken to ensure timely data for 2019–20 annual report</b>
n/a	n/a	n/a	n/a

## Question 24 (all departments and entities) Challenges experienced by department/agency

Please list a minimum of five main challenges faced by the department/agency in 2017–18 and 2018–19.

A significant challenge may be any matter or strategy that impacted the department/agency, whether it arose externally or internally or as a result of new policy or legislation.

### 2017–18 Response

	Challenge experienced	Internal/ External	Causes of the challenge
1.	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 heat waves, 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.	External	The main cause is climate change.
2.	The Victorian energy sector is undergoing significant change.	External	This is mainly caused by 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.
3.	Managing public land effectively is pivotal in protecting high-end environmental and biodiversity values, yet it is being impacted by various pressures.	External	Managing public land is being impacted by three major interacting pressures: climate change, human population growth and the demands of supporting human lifestyles.
4.	The 2017–18 year started with Victoria's driest winter since 2006, resulting in reduced inflows to catchments and storages.	External	The main cause is the long-term impact of a drier climate on natural variability.
5.	There is an increasing demand for affordable housing; additional infrastructure to match new housing choices in the right locations; and an increased demand to facilitate land availability.	External	The main cause is population growth in Victoria.
6.	Bushfire risk is growing, with increasing severity and frequency and the increasing annual costs of disasters. It also leaves lingering impacts on community health, the economy, the environment, social, and individual mental health.	External	The main causes are population increase and communities multiplying in the highest risk areas, and the trends of intensified summer heat, dryness and other associated climate change effects.

## 2018–19 Response

	Challenge experienced	Internal/ External	Causes of the challenge
1.	Bushfire risk is growing.	External	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.
2.	Public land management is impacted by various pressures.	External	Managing public land is being impacted by three major interacting pressures: climate change, human population growth and the demands of supporting human lifestyles.
3.	In 2018–19 water conditions continued to worsen across Victoria, with east and central Gippsland entering drought and the north west and northern parts of the state experiencing dry conditions. In addition, two bushfires over the 2018–19 summer period burnt part of Melbourne’s water catchments.	External	The main cause is the long-term impact of a drier climate on natural variability.
4.	There is an increasing demand for improved access to safe and inclusive public spaces and neighbourhoods, effective protection of cultural and natural heritage and improving our housing infrastructure and employment opportunities.	External	The main cause is that Victoria’s population growth is exceeding projections. Victoria’s current population of around 6.5 million is expected to increase to 11.2 million by 2056. Greater Melbourne is expected to increase from 5.0 million people to 9.0 million over this time, and Victoria’s regions from 1.5 million to 2.2 million.
5.	The state is 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.	External	The main cause is climate change.
6.	Victoria, along with the rest of the world, is in the midst of a major energy transformation.	External	There is a need for a modern energy system to support our economy and way of life – a system that is renewable, reliable, sustainable and affordable.
7.	Recent trade measures introduced by China have placed additional pressure on Victoria’s recycling system, particularly kerbside services.	External	In January 2018, China introduced its National Sword Policy. The policy limits the import of low-quality mixed recyclables, including paper and plastic. This policy change had a significant impact on recycling industries and markets around the world. Although the amount of paper and plastic that was exported to China represents a small proportion of total waste recovered in Victoria, the market shock has made a significant impact on local government waste services including Victoria’s kerbside recycling system.



## Question 25 (all departments) Newly created bodies

Please list all newly created bodies (authorities, offices, commissions, boards and/or councils) created within the department in 2017–18 and 2018–19 and provide the following information:

- Date body created
- Expenditure in relevant financial year
- FTE staff at end of relevant financial year
- purpose/function(s) of the body.

### 2017–18 response

Name of the body	Date body created	Expenditure in 2017–18	FTE staff	Purpose/function(s) of the body
Victorian Planning Authority	1 July 2017	\$22.050 million	106.7	The VPA works with councils and their communities to plan for new precincts and places and transform existing ones – including planning for growth in Victoria’s diverse regional cities and towns.

### 2018–19 response

Name of the body	Date body created	Expenditure in 2018–19	FTE staff	Purpose/function(s) of the body
Marine and Coastal Council	1 August 2018	\$0.477 million	1.6	The Victorian Marine and Coastal Council is the state’s peak advisory body about coastal and marine issues. It is established under the <i>Marine and Coastal Act 2018</i> to provide independent advice on marine and coastal issues to the Minister for Energy, Environment and Climate Change. The functions of the Council are set out in section 16 (1) of the Act.
Office of the Conservation Regulator	7 February 2019	\$8.168 million	Varied from 33 to 50 FTE over the five-month period	Oversees regulatory functions in conservation and environment including timber harvesting, biodiversity, fire prevention, and use of public land by: <ul style="list-style-type: none"> <li>• educating the community about the laws governing conservation and environment protection in Victoria;</li> <li>• providing guidance and support to encourage compliance; and</li> </ul>

				<ul style="list-style-type: none"> <li>monitoring compliance with regulatory requirements and taking enforcement action against non-compliance.</li> </ul>
Birrarung Council	July 2018	\$0.221 million	0.9	<p>The Birrarung Council was appointed by the Government as prescribed by the <i>Yarra River Protection (Wilip-gin Birrarung murrong) Act 2017</i> (the Act) to be the independent voice of the Yarra River as a living entity and to provide independent advice to the Government on the implementation of the Act. Specific legislative functions include providing advice to the Minister on the development of a Yarra Strategic Plan, including the scope and adequacy of public participation processes; and on the implementation of a Yarra Strategic Plan. The Council is to also advocate for protection and preservation of the Yarra River.</p> <p>The Birrarung Council will champion the interests of the Yarra River as one living and integrated natural entity, as reflected in the 50 year Community Vision and the Wurundjeri Water Policy (Nhanbu narrun ba ngargunin twarn Birrarung).</p> <p>Traditional Owners have a permanent voice through the Act's requirement that at least two members of the Birrarung Council must be nominated from the Wurundjeri Woi wurrung Cultural Heritage Aboriginal Corporation.</p>

## Section H: Implementation of previous recommendations

### Question 26 (relevant departments only)

Please provide an update on the status of the implementation of each of the below recommendations that were made by the Committee in its *Report on the 2016–17 Financial and Performance Outcomes* and supported by the Government. Please delete those lines that are not relevant to the department.

Department	Recommendation supported by Government	Actions taken at 20 September 2018	Update on status of implementation
DELWP	RECOMMENDATION 27: For the newly established objective 'Reliable, efficient, accessible, safe and sustainable energy services', the Department of Environment, Land, Water and Planning develop a wider suite of indicators to complement the sole indicator that currently relates to only renewables.	This recommendation has been implemented by the department.	N/A
DELWP	RECOMMENDATION 28: For the objective 'Sustainable and effective local governments', the Department of Environment, Land, Water and Planning report on a greater suite of quantitative indicators that reflect the work of Local Government Victoria.	The Department of Environment, Land, Water and Planning supports the recommendation. As part of the department's annual business planning process, the department continually reviews and assesses its objective indicators and performance measures, for relevance and appropriateness, to ensure the department can appropriately measure its service delivery performance. DELWP will incorporate PAEC's recommendation as part of its 2019-20 annual business planning process, with full implementation anticipated for 2020-21 reporting.	DELWP introduced three new performance measures for the Local Government output in the 2019–20 Budget Paper No. 3. DELWP continues to review and improve its quantitative indicators across all objectives to better reflect the scope of the department's activities. The suite of measures relating to the objective 'Sustainable and effective local governments' is currently being assessed as part of developing the 2020-21 Departmental Performance Statement.
DELWP	RECOMMENDATION 29: The Department of Environment, Land, Water and Planning explain in its annual report the basis for the state-wide bushfire risk of 70 per cent or below target and what the target means in lay terms.	The Department of Environment, Land, Water and Planning's approach to bushfire risk assessment is outlined on page 80 of the 2016–17 DELWP annual report.	In addition to the 'Actions taken at 20 September 2018' column, DELWP has since provided further information on statewide bushfire risk measure within: <ul style="list-style-type: none"> <li>- the Annual Report 2017–18 on page 68</li> <li>- the Annual Report 2018–19 on page 62.</li> </ul>

Department	Recommendation supported by Government	Actions taken at 20 September 2018	Update on status of implementation
		<p>Further explanation is also provided on page 17 of DELWP's 2016-20 corporate plan and is also explained in detail in the following Government policy document: Safer Together – a new approach to reducing the risk of bushfire in Victoria.</p> <p>DELWP will provide additional clarifying information in the 2017–18 DELWP Annual Report on the basis for the state-wide bushfire risk of 70 per cent or below target, and what the target means.</p>	<p>Additional detail is published in the 'Fuel Management Report' on the Forest Fire Management Victoria website.</p> <p>The statewide target for bushfire risk was set at, or below, 70 per cent as part of the Victorian Government's bushfire management strategy <i>Safer Together</i>.</p> <p>This strategy, including targets, objectives and performance measures, was developed in partnership with communities, property holders and land and fire agencies.</p>
DELWP	<p>RECOMMENDATION 30: Where there is a significant underspend in a year due to a delay experienced in a particular program, the Department of Environment, Land, Water and Planning explain the circumstances surrounding the delay in its annual report and remedial action taken, rather than only disclosing the delay.</p>	<p>The Department of Environment, Land, Water and Planning supports the recommendation and agrees to provide further detail and context in its annual report, on programs that have been significantly underspent and delayed.</p>	<p>DELWP has increased the relevance and quality of reports on Output Performance Measures, across Quality, Quantity, Timeliness and Cost measures since 2016–17.</p> <p>Where material underspends have occurred due to delays in delivery of a particular program, reasons for these have been outlined in the 'Cost' item within the Output Performance Measures section of DELWP's Annual Reports.</p> <p>In addition to the Output Performance Measures results, a comparison of the budget portfolio outcome statements for the department and the actual results for the year can be found in the DELWP Annual Report - Appendix 2. This appendix provides additional detail on underspends (and overspends) throughout the year.</p> <p>However, it should be noted that output costs reported under departmental objectives, indicators and outputs within the Report of Operations component of the Annual Report vary to the output costs reported in the Financial Statements. This is due to different methodologies being used in allocating department wide costs.</p>

Department	Recommendation supported by Government	Actions taken at 20 September 2018	Update on status of implementation
			fDELWP continues to increase the transparency of performance reporting across Quality, Quantity, Timeliness and Cost measures and is investigating further options to include more relevant explanations of under (and over) performance, while aligning to DTF's Model Report for Government Departments.

## Section I: Department of Treasury and Finance only

### Question 27 (DTF only) Revenue certification

The Resource Management Framework outlines that on receipt of a revenue certification invoice, DTF assesses actual departmental output performance against agreed performance measures based on output delivery. In the event that assessment at output level may be deemed inappropriate, DTF and the department may agree on alternative, suitable and appropriate performance information that could be used as the basis for revenue certification.<sup>23</sup>

Please detail all outputs which DTF assessed as not having met their measures for 2017–18 and 2018–19, indicating for each:

- a) the relevant Department, output and portfolio
- b) the performance measure(s) not met
- c) the reasons provided by the Department for the performance measure(s) not being met
- d) the amount of the initial invoice
- e) the amount of revenue certified
- f) the evidence base used for the revenue certification.

#### 2017–18 Response

Department	Output(s) and portfolio(s)	Performance measure(s) not met	Reason for not meeting the measure(s)	Initial invoice (\$ million)	Revenue certified (\$ million)	Evidence used for approving the invoice or not approving the invoice

#### 2018–19 Response

Department	Output(s) and portfolio(s)	Performance measure(s) not met	Reason for not meeting the measure(s)	Initial invoice (\$ million)	Revenue certified (\$ million)	Evidence used for approving the invoice or not approving the invoice

<sup>23</sup> Resource Management Framework, pg. 93

## Question 28 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS)

Financial assets include cash, investments, loans and placements. This question seeks to ascertain the variance behind the estimated value of the financial assets held versus the actual value of the financial assets and the projects that contributed to the variance.

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the GGS cash flow statement for 2017–18 and 2018–19, please provide:

- a) the top five projects that contributed to the variance recorded in each year
- b) the initial budget estimate (not the revised estimate) for net cash flow in 2017–18 and 2018–19 (source: 2017–18 BP 5, pg. 10 and 2018–19 BP 5, pg. 10) and the actual net cash flow in 2017–18 and 2018–19 (source: 2017–18 Financial Report, pg. 31 and 2018–19 Financial Report, pg. 31)
- c) an explanation for variances between budget estimate and actual net cash flow.

### 2017–18 Response

	Project name	Department	Output(s) and portfolio(s)	Estimated net cash flow in 2017–18	Actual net cash flow in 2017–18	Variance explanation
1.						
2.						
3.						
4.						
5.						
	Other					
	<b>Total net cash flow</b>					

### 2018–19 Response

	Project name	Department	Output(s) and portfolio(s)	Estimated net cash flow in 2018–19	Actual net cash flow in 2019–20	Variance explanation
1.						
2.						
3.						
4.						
5.						
	Other					
	<b>Total net cash flow</b>					

### Question 29 (DTF only) Purchases of non-financial assets – General Government Sector (GGS)

Regarding the 'purchases of non-financial assets' by the GGS in 2017–18 and 2018–19 (source: 2017–18 BP 5, pg. 31 and 2018–19 BP 5, pg. 31), please compare the initial budget estimate for each department to the actual value of 'purchases of non-financial assets' (source: 2017–18 Financial Report, pg. 45 and 2018–19 Financial Report, pg. 31) for each department, explaining any variances equal to or greater than  $\pm 10\%$  or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio.

#### 2017–18 Response

By department	Types of non-financial assets	Initial budget estimate 2017–18 \$ million	Actual 2017–18 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services						
Department of Economic Development, Jobs, Transport and Resources						
Department of Education and Training						
Department of Justice and Regulation						
Department of Environment, Land, Water and Planning						
Court Services Victoria						
Department of Premier and Cabinet						
Department of Treasury and Finance						
Department of Parliamentary Services						



## 2018–19 Response

By department	Types of non-financial assets	Initial budget estimate 2018–19 \$ million	Actual 2018–19 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services						
Department of Transport						
Department of Justice and Community Safety						
Department of Education and Training						
Department of Jobs, Precincts and Regions						
Department of Environment, Land, Water and Planning						
Court Services Victoria						
Department of Premier and Cabinet						
Department of Treasury and Finance						
Department of Parliamentary Services						

**Question 30 (DTF only) Revenue initiatives**

Regarding the revenue initiatives announced in the 2017–18 and 2018–19 Budgets, please provide an explanation for the variances equal to or greater than ±10% or \$100 million between budget estimates and the actual results.

**2017–18 Response**

Initiative	2017–18 budget estimate (\$ million)	2017–18 actual (\$ million)	Explanation for any variance ±10% or \$100 million

**2018–19 Response**

Initiative	2018–19 budget estimate (\$ million)	2018–19 actual (\$ million)	Explanation for any variance ±10% or \$100 million

### Question 31 (DTF only) Expenses by departments – General Government Sector (GGS)

Regarding expenses of the GGS in 2017–18 and 2018–19 (source: 2017–18 BP 5, pg. 30 and 2018–19 BP 5, pg. 30), please compare the initial budget estimates (not the revised estimate) for each department to the actual expenses for each department (source: 2017–18 Financial Report, pg. 45 and 2018–19 Financial Report, pg. 45), explaining any variances equal to or greater than  $\pm 10\%$  or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio.

#### 2017–18 Response

By department	Initial budget estimate 2017–18 \$ million	Actual 2017–18 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services					
Department of Economic Development, Jobs, Transport and Resources					
Department of Education and Training					
Department of Justice and Regulation					
Department of Environment, Land, Water and Planning					
Court Services Victoria					
Department of Premier and Cabinet					
Department of Treasury and Finance					
Department of Parliamentary Services					

## 2018–19 Response

By department	Initial budget estimate 2018–19 \$ million	Actual 2018–19 \$ million	Variance (%)	Variance explanation	Relevant Output(s) and portfolio(s)
Department of Health and Human Services					
Department of Education and Training					
Department of Transport					
Department of Justice and Community Safety					
Department of Environment, Land, Water and Planning					
Department of Jobs, Precincts and Regions					
Court Services Victoria					
Department of Premier and Cabinet					
Department of Treasury and Finance					
Department of Parliamentary Services					

**Question 32 (DTF only) Economic variables**

Please indicate the estimated and actual result for the following economic variables. For the estimate, please use the initial estimate used in preparing the 2017–18 and 2018–19 budget papers (not revised estimates). For any variance equal to or greater than ±0.5 percentage points, please provide an explanation for the variance. Please fill all blank spaces.

**2017–18 Response**

Economic variable	Budget estimate 2017–18	Actual 2017–18 result	Variance	Explanation for variances equal to or greater than ±0.5 percentage points
Real gross state product growth				
Employment growth				
Unemployment rate				
Consumer price index growth				
Wage price index growth				
Population growth				
Interest rates				
Household consumption growth				
Property prices growth				
Property volume				
Employee expenses				
Exchange rate				

## 2018–19 Response

Economic variable	Budget estimate 2018–19	Actual 2018–19 result	Variance	Explanation for variances equal to or greater than $\pm 0.5$ percentage points
Real gross state product growth				
Employment growth				
Unemployment rate				
Consumer price index growth				
Wage price index growth				
Population growth				
Interest rates <sup>(a)</sup>				
Household consumption growth				
Property prices growth				
Property volume				
Employee expenses				
Exchange rate				

**Question 33 (DTF only) Resource Management Framework – Funding reviews**

Section 6.2 of the Resource Management Framework outlines the funding review policy of the evaluation stage of the Integrated Management Cycle.

Section 6.2 states that ‘the requirements and guidance for doing reviews are currently under review’ and that ‘Departments will be advised when this policy is updated’. Please provide an update of the review and the status of the policy.

## Section J: Treasury Corporation of Victoria only

### Question 34 Dividends

- a) Please explain the factors that have been involved in the negotiations with the Treasurer, in relation to the amount of dividends paid by the Treasurer Corporation of Victoria (TCV) in 2017–18 and 2018–19.

	Dividends paid in 2017–18	Dividends paid in 2018–19
Amount of dividends paid (\$ million)		
Factors that have been involved in the negotiations with the Treasurer to determine the amount of dividends paid.		

### Question 35 Commodity risk management

- a) Please provide details of TCV’s Commodity Risk Management Policy

- b) Please explain how this policy influenced the business activities undertaken by TCV in 2017–18 and 2018–19



### Question 36 Foreign exchange risk management

- a) Please provide details of TCV's Foreign Risk Management Policy

- b) Explain how this policy influenced the business activities undertaken by TCV in 2017–18 and 2018–19.

### Question 37 Public Private Partnership (PPP) projects

- a) Please indicate how many PPP projects (and which ones) TCV provided 'project advisory services' for in 2017–18 and 2018–19. For each project, please also specify if the project is a newly confirmed engagement or if it was for a project that was already underway.

b) Please indicate how many business cases TCV provided (and which clients these were for) as part of its 'project advisory services' in 2017–18 and 2018–19. For each business case, also specify if the project forms part of the Department of Treasury and Finance's Gateway Review Process.

**2017–18 Response**

Business case provided by TCV	Client	Gateway Review Process – Y/N

**2018–19 Response**

Business case provided by TCV	Client	Gateway Review Process – Y/N

**Question 38 Green Bonds**

How many TCV Green Bonds were issued in 2017–18 and 2018–19? Please also indicate the maturity and the rate of return.

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