

Annual Report 2023–24

Department of Energy, Environment and Climate Action



Cover image

Top right image: Fire used for a Traditional Wadawurrung Smoking Ceremony

Responsible body's declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Department of Energy, Environment and Climate Action Annual Report for the year ending 30 June 2024.



John Bradley

Secretary
Department of Energy, Environment
and Climate Action
29 October 2024

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it.

We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

DEECA is committed to genuinely partnering with Victorian Traditional Owners and Victoria's Aboriginal community to progress their aspirations.



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Secretary's message

This annual report showcases the dedicated efforts of our department staff, who have closely collaborated with First Nations peoples, local governments, community representatives, industry partners, and our portfolio entities to undertake our key functions. Together, we have made significant progress towards the achievement of the Victorian Government's priority outcomes in DEECA portfolios. These span agriculture and forestry, climate action, earth resources, emergency management, energy, environment and circular economy, land management and water.

During 2023–24, our staff showed a strong commitment to managing emergencies, while also delivering on substantial programs. DEECA staff responded to high pathogenicity avian influenza outbreaks involving a comprehensive surveillance program and working closely with poultry owners and industry to contain and eradicate the virus. Our Agriculture Victoria teams collaborated with the apiary industry to successfully prevent the incursion of Varroa mite into Victoria, safeguarding the state's honeybees and pollination-dependent industries after its detection in New South Wales in June 2022. Alongside our Victorian statewide bushfire preparedness and response efforts, we deployed 148 firefighters to support wildfire operations in Canada and assisted interstate emergency response efforts in Queensland and New South Wales.

We continued to strengthen our commitment to Aboriginal self-determination, ensuring cultural safety, and partnering with Traditional Owners and Aboriginal Victorians. During 2023–24, we commenced preparations to ensure DEECA is 'Treaty Ready' and able to actively support Government's participation in Treaty negotiations. We supported 29 cultural burns on public land and delivered the Traditional Owner Flood Recovery Grants Program in response to the 2022 flood event, providing grants to 15 Traditional Owner Groups for their self-determined flood recovery needs. We increased our cultural safety and cultural competence as an agency, with 45 cultural safety training sessions reaching more than 900 staff.

During 2023–24, we continued to lead whole of government delivery of Victoria's climate action and build the state's resilience to climate change. We brought the net zero emissions target forward from 2050 to 2045 through the *Climate Change and Energy Legislation Amendment (Renewable Energy and Storage Targets) Act 2024*. We partnered with our stakeholders including councils, public land managers and schools to plant over 357,000 trees (to 30 June 2024), to address urban heat risk.

Led by Agriculture Victoria, DEECA staff collaborated with primary producers, local businesses and communities to support the growth and security of Victoria's \$20 billion agricultural sector. We increased the awareness and consumption of Victorian produce by featuring a diverse range of producer profiles on the Vic Grown website and by supporting 17 applications for local events that will showcase Victorian food and beverages through the Regional Activation Grant Program. In launching the Agriculture Victoria Connect client portal in April 2024, we completed the transition to self-service functionality for agricultural chemical permits. We delivered grants to improve the capacity of land managers to manage established weeds and pests through the Partnerships against Pests program and supported farmers to take action in emissions reduction and climate adaptation through a regular schedule of climate webinars, which reached approximately 2,000 farmers, supply chains, services providers and industry organisations.

We safeguarded and supported Victoria's agriculture and regional communities while achieving environmental outcomes and fulfilling our commitments under the Murray-Darling Basin Plan. As at 30 June 2024, we secured 826 gegalitres (GL) (77%) of Victoria's 1,075 GL Basin Plan water recovery target and are delivering the remainder through operational projects, the Victorian Murray Floodplain Restoration Project and the Constraints Management Program. This recovered water has been delivered to more than 120 Victorian sites to benefit local plants, animals, and ecosystems, restoring Living Murray icon sites such as the Hattah Lakes and Barmah-Millewa Forest. Following the Commonwealth Government's announcement in August 2023 to use water purchases to deliver an additional 450 GL of water above the Basin Plan target, we worked with communities to design Victoria's Planning our Basin Future Together prospectus. Released in May 2024, the prospectus outlines our commitment and approach towards recovering the additional 450 GL while minimising socioeconomic impact and placing communities at the centre of decision making.

We have made considerable progress towards creating a healthier, more resilient, and biodiverse environment. As at 30 June 2024, Victorian's Container Deposit Scheme had more than 628 million containers returned since its launch, with 564 operational refund collection points, putting more than \$62.8 million back into the pockets of Victorians and processing an average of around 17 million eligible cans, cartons, and bottles each week. Meanwhile, we progressed restoration of natural environments through the Bushbank program, approving \$6 million in funding for 19 Traditional Owner-led projects, which aim to address biodiversity loss and climate change while enabling Traditional Owners to participate in healing Country.

We have collaborated closely with Traditional Owners, public land managers, and the community to sustainably manage and protect the state's public land. We completed development of 7 suburban pocket parks and carried out coastal protection works at Phillip Island, Point Lonsdale, Port Welshpool, and Marengo. Additionally, we introduced Victoria's first statewide Marine Biodiversity Values Map to aid environmental assessments and planning decisions for the state's marine and coastal areas.

Efforts to mitigate the impact of major bushfires and other emergencies on people, property, and the environment continued. During 2023–24, FFMVic partners conducted 316 burns, treating a total of 138,454 hectares of land to keep the statewide bushfire risk below 70%. In May 2024, we released Victoria's Bushfire Management Strategy to enhance Victoria's bushfire management outcomes by directing resources and investment to where they will be most effective. Skilled staff completed 2,082 kilometres of road improvements and built 10 new bridges to improve access and egress for heavy vehicles and equipment responding to bushfires.

A broad range of energy initiatives designed to enhance energy efficiency, bolster consumer protections, and improve affordability were implemented during 2023–24. This included delivering key reforms in the Gas Substitution Roadmap, including phasing out gas connections for new homes that require planning permits from 1 January 2024. Solar Victoria approved more than 78,000 rebate applications for households to install solar panels and energy efficient hot water systems. The State Electricity Commission was established in October 2023 to lead Victoria's renewable energy transition with a focus on supply, homes and people.

We collaborated with water corporations, catchment management authorities, government agencies, industry, Traditional Owners, and the community to ensure Victoria's water resources are safe and sustainable, meeting future urban, rural, and environmental needs. DEECA provided funding of \$6 million for revegetation works on urban rivers and creeks via the Green Links grants program to protect waterways so our wildlife can thrive. We improved the health of Victoria's waterways through supporting catchment management authorities in delivering 19,500 hectares of improved catchment stewardship and more than 11,000 hectares of waterway vegetation works.

To unlock the full potential of Victoria's earth resources, the Resources Victoria Strategy (Towards 2030) was released in March 2024. This strategy outlined key priorities, including to increase investment, build confidence, and secure a steady supply of quarry materials vital for new infrastructure and construction, while also supporting Victoria's transition to net zero by 2045. In August 2023,

amendments to the *Mineral Resources (Sustainable Development) Act 1990* were passed in Parliament, establishing a new risk-based regulatory framework for mining and quarrying in Victoria. To meet future demand for quarry materials and help reduce prices, the department increased approvals for new quarries, resulting in approximately 300 million tonnes of new quarry resources being approved in 2023–24.

Commercial native timber harvesting in Victoria's state forests ended on 1 January 2024. Our Forestry Transition Program is supporting Victoria's native timber industry transition by providing support packages for forestry businesses and implementing long-term programs to help timber communities transition to new, sustainable industries. In 2023–24, this support included approving grants to Baw Baw Shire Council for projects in renewable energy, the visitor economy, and education, and to Murrindindi Shire Council for small business development and community leadership initiatives.

In 2023–24, we continued efforts to make DEECA a safer, more diverse and inclusive workplace. Our employment programs offered dedicated pathways for students with disability, those identifying as Aboriginal and Torres Strait Islander, and individuals with refugee and asylum seeker status. In November 2023, we launched the Family Connect and Support program to better support the mental health and wellbeing of staff and their families. We continued to address gender-based bias and challenged stereotypes in fire and emergency management roles through various initiatives, including unconscious bias training for over 300 Forest Fire Management Victoria leaders. Additionally, in August 2023, we launched our new leadership model to help create a culture that puts our people at the centre of everything we do, strengthening our organisational culture and delivering better outcomes for ourselves and the community we serve.

We take pride in delivering these initiatives that drive improvements for communities across Victoria, and we extend our sincere thanks to our stakeholders and portfolio partners for their invaluable support and collaboration.



John Bradley

Secretary
Department of Energy, Environment
and Climate Action

29 October 2024

Key initiatives and projects 2023–24

In 2023–24 DEECA focused on the following outcomes (also known as our departmental objectives in Budget Papers) for Victorian communities:

- Net zero emission, climate-ready economy and community
- Productive and sustainably used natural resources
- Healthy, resilient and biodiverse environment
- Reliable, sustainable and affordable energy services
- Productive and effective land management
- Safe and sustainable water resources
- Reduced impact of major bushfires and other emergencies on people, property and the environment

A subset of key achievements delivered for Victorian communities in 2023–24, grouped by outcome, include:

Net zero emission, climate-ready economy and community

- bringing the net zero emissions reduction target forward from 2050 to 2045
- delivering the 2021 [Annual Greenhouse Gas Emissions Report](#) in November 2023
- amending the *Planning and Environment Act 1987* to require planning authorities to consider climate change – including climate change hazards and emissions reduction targets – when making certain planning decisions.

Productive and sustainably used natural resources

- supporting 17 applications for events across Victoria that showcase local produce through the Regional Activation Grant Program
- launching the Agriculture Victoria Connect client portal in April 2024, completing the transition to self-service functionality for agricultural chemical permits
- delivering innovations to Victoria’s agriculture industry through new technologies such as methane and carbon dioxide sensors to measure dairy cow greenhouse gas emissions at the Ellinbank SmartFarm and auto retractable netting to protect orchards at the Tatura SmartFarm
- releasing the [Extractive Resources Supply and Demand Study 2022–2030](#) in August 2023 to inform actions to secure the extractive resources needed for Victoria’s growth.

Healthy, resilient and biodiverse environment

- supporting 80 part-time Landcare facilitator positions to enable the effective participation of 740 Landcare and environmental volunteer groups, for activities that protect, enhance and restore the natural environment
- progressing work towards restoring more than 20,000 hectares of land through the [BushBank program](#)
- launching the Container Deposit Scheme, which has facilitated the return of more than 628 million eligible drink cans, bottles and cartons across 564 operational refund collection points since its launch on 1 November 2023 to 30 June 2024.

Reliable, sustainable and affordable energy services

- progressing Victoria's energy transition through the legislation of offshore wind targets of at least 2 gigawatts (GW) by 2032; 4GW by 2035 and 9GW by 2040
- delivering key reforms in the Gas Substitution Roadmap, including phasing out gas connections for new homes requiring planning permits from 1 January 2024
- establishing the State Electricity Commission in October 2023
- approving a record 78,626 rebate applications for households to install solar panels and energy efficient hot water systems.

Productive and effective land management

- completing 7 suburban pocket parks and progressing upgrades at existing parks including Seaford Wetlands and Toolern Creek Regional Park
- delivering coastal protection works at Phillip Island, Point Lonsdale, Port Welshpool and Marengo
- delivering Victoria's first statewide Marine Biodiversity Values Map to support environmental assessments and planning decisions across Victoria's marine and coastal environment.

Safe and sustainable water resources

- increasing community resilience to flooding through the allocation of more than \$2.9 million to 13 successful funding applications for flood studies through the Building Flood Resilience in Victoria initiative
- improving the health of Victoria's waterways by supporting catchment management authorities in delivering 19,500 hectares of improved catchment stewardship
- delivering priorities in the Central and Gippsland Region Sustainable Water Strategy, including completion of the Wonthaggi Stormwater Harvesting project in November 2023 and returning water to Traditional Owners for self-determined use.

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

- releasing [Victoria's Bushfire Management Strategy](#) in May 2024 to drive Victoria towards improved outcomes for bushfire management, directing resources and investment to where they will have the greatest impact
- delivering 316 planned burns on 138,454 hectares of land to reduce Victoria's bushfire risk
- transitioning 50 fixed term contract roles and 50 seasonal firefighting roles into ongoing year-round Forest and Fire Operations Officer roles, bolstering the firefighting workforce to better protect forests and neighbouring communities.

In addition to our planned activities, throughout 2023–24 DEECA staff rapidly responded to emerging government priorities including:

- delivery of scaled up support to workers, businesses and communities following the Victorian Government's announcement on 23 May 2023 to transition away from native timber logging earlier than planned on 1 January 2024
- finalising the wind up of native timber harvesting operations, including the cessation of VicForests on 30 June 2024
- responding to various emergency management and event activities relating to events such as bushfires, floods and biosecurity threats including the avian influenza outbreak. Details of DEECA's emergency response efforts are available on page 12.

A full report of our performance against these outcomes is included from page 23.

About DEECA

DEECA brings together Victoria's climate action, energy and resources, environment, water and agriculture portfolios to maximise connections between the environment, community, industry and economy.

DEECA contributes to the government's commitment to a stronger, fairer, better Victoria by supporting the natural environment to promote economic growth and ensure sustainable communities and industries that are resilient to the impacts of climate change.

The department employs approximately 6,000 staff in 86 locations across the state. To best serve Victorians, DEECA strives to build a positive organisational culture built on strong leadership, diversity, collaboration, innovation and developing its staff. DEECA's vision for diversity and inclusion is a workplace culture that embraces individual differences in all forms and fosters innovation.

DEECA's vision

The department's vision is to support thriving, productive and sustainable communities, environments and industries across Victoria by:

- listening to, working alongside and partnering with the community
- leveraging the connectivity between its portfolios to respond to the impacts of climate change and protecting the natural environment in a productive, collaborative and coordinated way
- maximising opportunities for attracting investment, creating and maintaining jobs, and developing regional economies by supporting sustainable industries.

Strategic framework

Our vision:

A thriving, productive and sustainable Victorian community, environment and industry.

Our values:

DEECA's values align with the core public sector values – responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

Our outcomes:

DEECA's business in 2023–24 focussed on achieving DEECA's outcomes:

- **Agriculture and Forestry** – Productive and sustainably used natural resources
- **Climate Action** – Net zero emission, climate-ready economy and community
- **Earth Resources** – Sustainable development of Victoria's earth resources
- **Emergency Management** – Reduced impact of major bushfires and other emergencies
- **Energy** – Reliable, sustainable and affordable energy services
- **Environment and Resource Recovery** – Healthy, resilient and biodiverse environment
- **Land Management** – Productive and effective land management
- **Water** – Safe, sustainable and productive water resources.

Our organisational pillars:

- high performance and delivery for government
- Aboriginal self-determination is enabled
- trusted leadership and inclusive culture
- strong engagement, partnerships and service excellence
- empowered people with a One-DEECA mindset.

Direct costs attributable to machinery of government changes

In December 2022, the government issued an administrative order restructuring some of its activities via Machinery of Government (MoG) changes, taking effect from 1 January 2023. As result of the MoG changes, the department incurred the following additional direct costs in 2023–24.

Department of Energy, Environment and Climate Action	Costs incurred (2023–24)	Anticipated future costs (1 July 2024 onwards)
Direct costs	–	–
Consultants and contractors	734,181	–
Relocation	–	–
Telephony	–	–
IT and records management	4,624,472	–
Rebranding	140,389	–
Redundancies	–	–
New staff	327,558	–
Other	–	–
Total	5,826,600	–

Direct costs incurred in 2023–24 that were attributable to the December 2022 MoG change mainly relate to engaging contract resources to deliver required system changes, records management and updating signage through routine maintenance. All changes were delivered on a strictly as needed only basis.

Other costs related to MoG changes are incorporated into the department's overall expenditure and cannot be accurately extracted/separated from operational activities.

With the majority of the MoG changes now made, future expenditure is expected to be minimal.




There were no direct costs attributable to the MoG change that have been incurred by the entities that are consolidated into the department's annual report pursuant to section 53(1)(b) of the *Financial Management Act 1994*.

Community charter

DEECA's community charter describes what the Victorian community can expect from the department. DEECA recognises that communities are made up of diverse sectors, organisations, rights holders, interest groups, influencers, families and individuals.

DEECA works collaboratively with the community to deliver services and create opportunities that support thriving, productive, and sustainable communities, environments and industries.

In all aspects of our work, we will:

Be available 	Issues and place-based focus Connect with you where you live, work and play on issues that matter to your communities
	Accessibility Make sure we are easy to contact and our information is straightforward and available in a variety of ways
	Flexibility Recognise and respect the way you want to work with us and adapt our approach according to needs of individuals, organisations and industries
Involve and listen 	Active listening and understanding Listen to and understand your views and needs, actively seek and respect different opinions
	Honesty and transparency Be honest about what's driving our priorities, what we can and can't promise to do, our timelines and why decisions have been made
	Clarity and purposefulness Be clear about why and how we are engaging, making sure we give you real opportunities to participate, shape decisions and make a difference
Take action 	Timely and proactive Engage with communities as early as we can. Identify opportunities and be responsive to issues and feedback
	Consistency Ensure we are consistent in the way we approach decisions
	Closing the loop Share outcomes with communities and report back on what we heard, and how we adapted

Sustainable Development Goals

DEECA's vision is a thriving, productive and sustainable Victorian community, environment and industry. Our actions may be local, but they contribute to a broader, global shift and more sustainable development that supports the objectives of the United Nations Sustainable Development Goals (SDGs).

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

DEECA recognises the many positive efforts already being undertaken across the organisation and our portfolio agencies, towards sustainable development. DEECA's support for the SDGs has been demonstrated in individual policies and programs (for example, *Protecting Victoria's Environment – Biodiversity 2037* and *Water for Victoria*).

The framework also connects us to the international sustainability agenda. It allows us to see how our work contributes to a more sustainable world and guides where we should focus our future efforts to contribute to more sustainable development.

SUSTAINABLE DEVELOPMENT GOALS



A holistic and cohesive approach

We contribute to the achievement of SDGs in Victoria by:

- embedding the SDGs across relevant policies, programs, and service delivery work
- monitoring and reporting on our progress
- collaborating with partners who are also committed to the SDGs.

Our aim is that by clearly communicating our support for the SDGs:

- they increasingly inform DEECA's general business
- our stakeholders, partners and the broader community are encouraged to contribute further to sustainable development
- our employees take pride in the work we are doing to contribute to the SDGs
- we are better positioned to measure, monitor and enhance our critical contribution to Victoria's sustainable development.

Showcasing DEECA's contribution to the SDGs

DEECA is already involved in promoting and delivering sustainable development in Victoria. However, we acknowledge that the SDGs are ambitious and that 'business as usual' is not enough. This Annual Report showcases our continued commitment to advancing the goals.

DEECA's major programs of work in 2023–24 closely aligned with 8 of the SDGs:

- Zero hunger
- Climate action
- Responsible consumption and production
- Sustainable cities and communities
- Affordable and clean energy
- Life on land
- Clean water and sanitation
- Decent work and economic growth

This Annual Report articulates how DEECA performs in relation to relevant SDGs. In many sections, readers will notice the inclusion of appropriate SDG tiles where our performance aligns with SDG objectives. The associated analysis includes key performance indicators providing quantitative evidence of progress.

First Peoples Self-Determination

DEECA is committed to partnering with Traditional Owners and Aboriginal Victorians to advance self-determination. We recognise the relationship of Traditional Owners to Country and their contribution to the management of both built and natural environments, including natural resources such as land and water. We are committed to transforming systems and service delivery so that Traditional Owners and Aboriginal Victorians control decision-making over the matters that affect their lives.

Through *Pupangarli Marnmarnepu* ('Owning our Future'), our Aboriginal Self-Determination Reform Strategy 2020–2025, DEECA has formalised its commitment to support self-determination and embeds self-determination in its work. Now in its fourth year, *Pupangarli Marnmarnepu* continues to build on the foundations of its initial years of implementation.

Key initiatives and actions delivered in 2023–24 that were informed or underpinned by the directions in *Pupangarli Marnmarnepu* include:

- development of a draft Statewide Caring for Country Partnership Forum implementation plan, to support the Statewide Caring for Country Partnership Forum to deliver on its strategic priority areas and support the transfer of power and resources back to Traditional Owners
- delivery of an annual survey to gauge and monitor Traditional Owner satisfaction with DEECA's progress towards self-determination
- introduction of bi-annual progress reporting to the Statewide Caring for Country Partnership Forum to hold DEECA accountable to its commitments under *Pupangarli Marnmarnepu*
- funding of Department Liaison Officers until 2027 to support resourcing for Traditional Owners Corporations to engage with DEECA on their priorities and aspirations for Country
- commencing preparations to ensure DEECA is 'Treaty Ready' and able to actively support Government's participation in Treaty negotiations anticipated to commence in late 2024
- leading DEECA's engagement with the Yoorrook Justice Commission's historic truth telling process, including preparation of 3 ministerial witnesses and production of around 2,000 documents within requested timeframes, to support the Commission's Land Injustice inquiry into land, sky and waters
- finalisation and implementation of DEECA's *Pathway Towards an Indigenous Data Sovereignty Policy* to promote best practice for the collection, use and management of Indigenous data
- establishment of Cultural Fire Community of Practice and onboarding of Cultural Burn Officers in September 2023 within all DEECA Regions, to assist Traditional Owner Corporations through the planning and approval process for the development and progression of their cultural burn nominations and supporting their training aspirations
- delivery of the Traditional Owner Flood Recovery Grants Program in response to the 2022 flood event, providing grants to 15 Traditional Owner Groups for their self-determined flood recovery needs
- implementation through the Neds Corner Transition Advisory Committee of oversight on actions relating to the implementation of the transfer of Neds Corner Station from Trust for Nature to the First People of the Millewa-Mallee Aboriginal Corporation
- implementation of 7 *Native Title and Traditional Owner Settlement Act 2010* related Agreements, including provision of support for 4 Recognition and Settlement Agreements, one Co-operative Management Agreement and 2 Native Title Determinations
- implementation of the new Land Use Activity Portal with the 2 Traditional Owner Groups who have a Land Use Activity Agreement (LUAA)
- three Traditional Owner Land Management Board re-appointments
- facilitation of 3 funding agreements to support Joint Management, to involve Traditional Owners in decision-making about the management of land and natural resources in equal partnership with the State of Victoria
- delivery of 45 cultural safety training sessions to more than 900 staff, including targeted training for managers and expansion of foundational Cultural Safety training to include Regional Cultural Awareness training
- continuation of monthly yarning circles (women's, men's and mixed business), personal wellbeing sessions, Aboriginal Staff Network meetings, and the introduction of annual forums to support culture and wellbeing of Aboriginal staff
- delivery of DEECA and Traditional Owner Corporation Exchange Program, involving 26 participants.

Emergency management

DEECA is one of several Victorian Government departments and agencies with responsibilities in emergency management. Under the *Emergency Management Act 2013*, the Victorian State Emergency Management Plan, and relevant portfolio legislation, DEECA has significant emergency management accountabilities across all phases of emergency management: mitigation, response including relief, and recovery. This key accountability is reflected in our Corporate Plan 2023–27 which presents emergency management as a cross-cutting theme throughout DEECA's outcomes.

DEECA is the responsible agency for emergencies related to biosecurity, energy supply disruption, fire in state forests, national parks and protected public land, dam safety, non-hazardous pollution in inland waters, reticulated water and wastewater disruptions (sewerage), blue-green algae, cetacean stranding, entanglement or vessel strike, wildlife impacted by emergency events and wildlife affected by marine and freshwater pollution.

Actions delivered over 2023–24, grouped by emergency responsibility, include:

Preparing for and responding to energy supply disruptions

- maintaining an energy emergency workforce, supported by a year-round capability and training program, which grew to 59 personnel in 2023–24
- leading the response to the energy supply disruptions caused by the 13 February 2024 storms, which resulted in more than 530,000 homes and businesses losing power at the peak of the event
- supporting the independently led Network Outage Review into the system response to the storms, with a final report to be published in September 2024.

Preparing for and responding to water sector events including dam safety and water service disruptions

- maintaining a water emergency workforce, with 65 rostered positions across 5 roles under a 365-day roster
- progressing critical actions identified from reviews of past events
- clarifying water emergency activation triggers and roles.

Recovering from the October 2022 flood event

- conducting over 700 threatened species assessments and terrestrial weed control on more than 2,000 hectares in flood-affected areas¹
- delivering 477 agriculture recovery activities, reaching over 4,600 impacted farmers¹
- reopening more than 920 kilometers of public land roads and over 200 recreation sites on public land¹

Managing wildlife welfare during emergencies by delivering preparedness, response, relief and recovery obligations

- undertaking wildlife emergency response activities in relation to fire, extreme heat, marine pollution, cetacean strandings and disentanglement events
- training over 120 individuals including vets, vet nurses, wildlife volunteers and DEECA staff, to support wildlife affected by bushfires through the Wildlife Emergency Support Network
- deploying vets and wildlife volunteers as part of the emergency response to a fire near Beaufort in February 2024 to search for and assess injured wildlife.

Preparing and responding to biosecurity and natural disaster emergencies impacting agriculture

- continuing to respond from late May 2024 onwards to the detection of avian influenza, which impacted 8 Victorian poultry farms
- working collaboratively with the apiary industry to successfully prevent an incursion of Varroa mite into Victoria and safeguard Victoria's honeybees and pollination-dependent industries, following a detection of Varroa mite in New South Wales in June 2022
- delivering trapping and surveillance programs in response to the detection of Brown marmorated stink bugs in Melbourne.

Bushfire preparedness and response

- suppressing 1,179 fires impacting 50,890 hectares of public land
- undertaking planned burning and other bushfire risk-reduction activities covering 138,454 hectares of Victoria to maintain risk at or below 70% of maximum levels
- delivering the *Safer Together – Local Government Partnerships Grants* program, which awarded \$1.66 million in grants to support local councils to develop and extend bushfire risk reduction programs with local communities.

¹ Figures cover the period from the start of October 2022 flood recovery activities to 30 June 2024

Our ministers



Hon Lily D'Ambrosio MP
Minister for Energy and Resources
Minister for Climate Action
Minister for the State Electricity Commission

Minister D'Ambrosio is also Coordinating Minister for the department. Minister D'Ambrosio has been Member of the Legislative Assembly for Mill Park since 2002.



Hon Harriet Shing MP
Minister for Water

Minister Shing is also Minister for Housing and Minister for Equality. Minister Shing has been Member of the Legislative Council for Eastern Victoria since 2014.



Hon Steve Dimopoulos MP
Minister for Environment

Minister Dimopoulos is also Minister for Tourism, Sport and Major Events and Minister for Outdoor Recreation. Minister Dimopoulos has been Member of the Legislative Assembly for Oakleigh since 2014.



Hon Ros Spence MP
Minister for Agriculture

Minister Spence is also Minister for Community Sport and Minister for Carers and Volunteers. Minister Spence has been Member of the Legislative Assembly for Kalkallo (formerly Yuroke) since 2014.



Ms Michaela Settle
Parliamentary Secretary for Agriculture

Ms Settle has been a Member of the Legislative Assembly since 2018. Ms Settle was elected as Member of the Legislative Assembly for Eureka in 2022.



Ms Sheena Watt
Parliamentary Secretary for Climate Action

Ms Watt has been a Member of the Legislative Council for the Northern Metropolitan region since 2020.

Our executive

DEECA is led by the Secretary John Bradley who reports to our ministers on page 13. As at 30 June 2024, the Secretary was supported by 7 deputy secretaries and 4 chief executive officers.

John Bradley PSM

Secretary

John Bradley is the Secretary of DEECA and was appointed as the Secretary of DEECA's predecessor, the Department of Environment Land Water and Planning (DELWP) in September 2017.

John is also the President of the Institute of Public Administration Australia (IPAA) Victoria and serves on the Victorian Secretaries Board.

Prior to becoming Secretary, John was CEO of Energy Networks Australia and in previous roles served as CEO of 3 Queensland Government agencies.

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

Kelly Crosthwaite

Deputy Secretary, Bushfire and Forest Services

Kelly Crosthwaite was appointed Deputy Secretary, Bushfire and Forest Services in July 2023. Kelly has been with the department since 2014, having previously held the roles of Executive Director, People and Culture and Regional Director, Port Phillip region.

Kelly has worked for State and Commonwealth natural resource management agencies, with a focus on common property resources. She has extensive experience in managing complex stakeholder issues, implementation of policies into on-ground delivery, and leadership of large operational workforces.

Kelly holds a Bachelor of Law and a Bachelor of Environmental Science and is accredited as a General Fire Fighter for bushfire response.

Sally Fensling

Deputy Secretary, Corporate Services

Sally Fensling was appointed Deputy Secretary, Corporate Services in December 2023.

Sally previously worked in the Department of Jobs Skills Industry and Regions where she held the role of Chief – Legacy, Policy and Partnerships in Regional and Suburban Development and prior to that was Executive Director, Animal Welfare Victoria, and Executive Director, Agriculture Regulatory Policy.

Sally holds a Bachelor of Economics (Hons) and a Masters in Public Policy. She is also a graduate of the Australian Institute of Company Directors.

Carolyn Jackson

Deputy Secretary, Regions, Environment, Climate Action and First Peoples

Carolyn Jackson is the Deputy Secretary, Regions, Environment, Climate Action and First Peoples. Carolyn was appointed to the role in August 2021, leading the department's regional at-place delivery and key initiatives in climate action, waste and recycling, public land management and environmental and biodiversity protections. Carolyn also leads DEECA's First Peoples self-determination reform agenda and the support that DEECA is providing the Yoorrook Justice Commission.

Previously Carolyn held a number of roles across government including Executive Director, Energy Demand, Programs and Safety and Executive Director, Finance and Planning (Chief Finance Officer).

Carolyn holds a Bachelor of Commerce (Economics) and a Bachelor of Laws, as well as a Master of Professional Accounting.

Stan Krpan PSM FAICD

Chief Executive Officer, Solar Victoria

Stan Krpan was appointed as the CEO of Solar Victoria in July 2019. Prior to this Stan was the CEO of Sustainability Victoria for 8 years.

Stan has held positions leading significant government and regulatory reform including as Co-Chair of Building Victoria's Recovery Taskforce in 2020 and inaugural CEO of the Victorian Cladding Taskforce in 2017. He is a Member of the Advisory Board for the Monash Sustainable Development Institute. His career as an executive in the public sector has involved policy reform across a diverse range of sectors including renewable energy, workplace health, safety and environment, sustainability, and climate change.

He is a Fellow of IPAA, and an Alumnus of the Williamson Community Leadership Program.

Stan holds bachelor degrees in Economics and Law and a Master of Laws.

Chris Miller

Interim Chief Executive Officer, State Electricity Commission Implementation Office

Chris Miller is the Interim Chief Executive Officer of the State Electricity Commission (SEC) Implementation Office. Chris was appointed to the role in December 2022.

Chris was previously Deputy Secretary, Tourism and Events at the former Department of Jobs, Precincts and Regions and held executive roles in the Department of Premier and Cabinet including Executive Director, Infrastructure, Planning and Major Projects, General Counsel and Acting Deputy Secretary, Economic Policy and State Productivity.

Prior to joining the Victorian public service in 2015, Chris worked in various roles at EnergyAustralia where he advised on a broad range of energy sector issues and practised as a commercial lawyer at King & Wood Mallesons.

Chris holds a Bachelor of Laws and a Bachelor of Engineering (Mechanical) and a Graduate Diploma in Energy and Resources Law.

Elizabeth Molyneux

Deputy Secretary, Energy

Elizabeth Molyneux was appointed to the role of Deputy Secretary, Energy in October 2022.

Prior to this, Elizabeth held senior roles at AGL Energy, including General Manager Policy and Markets, and General Manager Energy Markets Regulation, and was also a director at Ovo Energy Australia.

With more than 25 years of experience in energy markets and policy reform, Elizabeth has expertise in energy wholesale and retail markets, network regulation, new energy technologies and consumer protection frameworks.

Elizabeth holds a Bachelor of Science and postgraduate qualifications in Economics and Applied Finance and Investment.

Alistair Parker

Acting Chief Executive Officer, VicGrid and Administrative Office Head

Alistair Parker was appointed Acting Chief Executive Officer, VicGrid and Administrative Office Head of the VicGrid Administrative Office in March 2024.

He has over 35 years' experience in the energy industry, including a decade of executive leadership roles at AusNet Services in Victoria and the Power and Water Corporation in the Northern Territory.

Alistair's early career in the United Kingdom comprised 15 years with National Grid as an engineer and in commercial roles. Following this he was a consultant with Ernst & Young in New Zealand and PwC in Australia.

Alistair holds a Bachelor of Electromechanical Engineering from Aston University in England and a Master of Business Administration from Lancaster University in England.

Dougal Purcell

Acting Deputy Secretary Agriculture and Chief Executive, Agriculture Victoria

Dougal Purcell was appointed Acting Deputy Secretary and Chief Executive, Agriculture Victoria in January 2024.

Dougal is an experienced executive and has played a pivotal role in leading priority programs and initiatives to support the Victorian agricultural sector to reduce emissions, adapt to a changing climate, and recover from drought, bushfires, and other natural disaster emergencies, and enhance profitability and resilience.

Dougal holds a Bachelor of Agribusiness, Major Rural Science.

Dr Kirsten Shelly

Deputy Secretary, Water and Catchments

Dr Kirsten Shelly was appointed Deputy Secretary, Water and Catchments in January 2024. She previously held leadership positions across the water sector in Queensland and Victoria, including Director of Water Strategy at Queensland Water Commission, Director of Strategies at Queensland Department of Energy and Water Supply, and a range of roles at Melbourne Water, most recently leading the Services Futures group as their Executive General Manager.

Kirsten's leadership is complemented by her experience on the Victorian Catchment Management Council, Peter Cullen Trust Board and completion of the Australian Institute of Company Directors program.

Kirsten is a Peter Cullen Fellow and holds a Bachelor of Biology and a post doctorate in marine and freshwater algae.

Phuong Tram

Acting Deputy Secretary, Forestry Transition

Phuong Tram was appointed Acting Deputy Secretary, Forestry Transition in July 2023. She is leading Victoria's transition out of native timber harvesting and the expansion of Victoria's plantation estate.

Phuong is an experienced government executive who has held executive roles in the Department of Treasury and Finance, the former DELWP including as the Deputy Chief Financial Officer, and the former Department of Jobs, Precincts and Regions. Phuong was a member of the VicForests Board as a Non-Executive Director from 1 December 2023 and Chair from 1 April 2024 until VicForests' closure on 30 June 2024.

Phuong holds a Bachelor of Commerce (Hons).

Matt Vincent

Chief Executive Officer, Resources Victoria

Matt Vincent was appointed to the role of Chief Executive Officer, Resources Victoria in December 2023.

Matt previously held leadership positions in the former DELWP, the Victorian Building Authority, Environment Protection Authority, Department of Premier and Cabinet and Zoos Victoria.

Matt holds an Associate Diploma in Applied Science and is a graduate of the Australian Institute of Company Directors, Leadership Victoria, and the Harvard Kennedy School.

Our functions and services

As at 30 June 2024, the following DEECA business groups worked to support our ministers, the Secretary and portfolio partners in delivering the government's priorities:

Agriculture Victoria

Agriculture Victoria supports an agriculture, food and fibre sector that is strong, innovative, and sustainable by collaborating with community, industry, and other government agencies to grow and secure agriculture in Victoria. The group partners with the agricultural sector to accelerate emissions reductions, adapt to a changing climate, and recover from drought, bushfires, and other natural disaster emergencies. It also ensures readiness to respond to challenges such as pests, weeds and diseases. Agriculture Victoria provides technical advice and services to enhance resilience and economic performance, including support for exports, investment and diversification, and new product development. Through partnerships with industry and research institutions, it aims to modernise Victorian agriculture with research and innovation to ensure the sector remains competitive and profitable in the future. The group also delivers education and compliance services focused on agriculture and animal welfare, ensuring practices meet regulatory standards.

Bushfire and Forest Services

The Bushfire and Forest Services group manages 3.2 million hectares of state forests, including delivery and maintenance of recreation assets, tourism services and forest health activities. The group also leads DEECA's works across the state in preparing for and responding to bushfire and other emergencies, working alongside emergency services under the Victorian Government's 'all communities, all emergencies' operating framework. Underpinned by DEECA's commitment to work in partnership with Traditional Owners, the group collaborates across government and DEECA to deliver key policies and outcomes in support of communities and industries that use state forests and is directly responsible for recreation policy and service delivery in state forests. The group also undertakes regulatory functions for biodiversity, public land use and fire prevention. It leads development and advice on forest, fire and emergency management policy, strategy and legislation, and delivers safe and fit-for-purpose capability solutions including statewide assets, equipment, technology and learning.

Energy

The Energy group supports the significant transformation of the energy sector underway in Victoria. The group's primary responsibility is to support current and future energy projects, programs and reforms. These initiatives and policy interventions seek to achieve five key goals: increase the affordability, consumer control and access to energy services; improve the reliability, security, and stability of the energy system; reduce emissions from Victoria's energy system; increase jobs and economic development in the energy sector; and enable Aboriginal self-determination in the energy transition. Together with Solar Victoria, the State Electricity Commission Implementation Office and VicGrid, the group is responsible for delivering Victoria's energy policies and programs, boosting jobs in emerging energy industries and growth in the clean economy, while ensuring the reliability, sustainability and affordability of Victoria's energy system.

Forestry Transition

The Forestry Transition group supports the transition of Victoria's native timber sector following the end of native timber harvesting on 1 January 2024. The group delivers a range of programs and initiatives to support native timber workers and their families, the communities they live in and the businesses that have relied on native timber. It also supports the expansion of Victoria's plantation estate through investment in the Gippsland Plantation Investment Program, farm forestry and carbon farming programs. These programs are providing alternative and sustainable wood sources, as well as supporting Victoria's transition to net zero.

Regions, Environment, Climate Action and First Peoples

The Regions, Environment, Climate Action and First Peoples group leads the Victorian Government's climate action and provides advice to government on principles, strategies, policy settings, programs and initiatives related to environmental protection, the management of public land and protecting the state's biodiversity. The group leads the government's transition to a circular economy and coordinates across government to strengthen the waste and recycling sector, while creating jobs and supporting economic growth. Through regional presence, the group provides integrated, place-based design and delivery of programs, projects, and services across departmental portfolios. The group also drives the Aboriginal self-determination reform agenda across DEECA by building the cultural capability of the organisation and providing self-determination policy advice and strategic direction to guide DEECA's partnerships and engagement with Traditional

Owners and Aboriginal Victorians. Through the Truth, Treaty and Reform Branch, the group ensures that DEECA and its portfolio entities meet the requests of the Yoorrook Justice Commission, responds to Victoria's Treaty process, including DEECA's Treaty readiness work, and supports the resolution of native title related matters and agreement-making with Traditional Owners under the *Traditional Owner Settlement Act 2010*.

Resources Victoria

Resources Victoria enables informed and responsible earth resources exploration, development, extraction and rehabilitation across the state. The group performs a key role in: regulating the resources industry to effectively manage risks to the environment and community; managing access to the state's resources for current and future use; policy development and regulatory reform; regulatory approval coordination; and regional geoscientific investigations and data provision. Resources Victoria is helping to drive increases in the mineral and quarry materials the state needs for a vibrant statewide economy and to support the construction sector, new infrastructure and the renewable energy transition. The group works with industry and other stakeholders to build community knowledge and confidence in the resources sector's social, environmental and economic performance.

Solar Victoria

Solar Victoria enables Victorians to access affordable, reliable, clean energy, now and into the future. Solar Victoria achieves this by boosting access to affordable energy, supporting industry growth and innovation, raising safety and quality standards and accelerating Victoria's energy transition. Solar Victoria administers the Solar Homes program, which offers rebates to make solar panels, energy efficient hot water, batteries and solar for rental properties more affordable. The Solar Homes program also administers grants to apartment households who meet eligibility requirements for solar panel installation. By encouraging uptake in solar products and more energy efficient water heating, Solar Victoria helps Victorian households reduce their energy bills, boosts renewable energy supply and supports jobs in the renewable energy sector. Solar Victoria also has governance oversight of the Victorian Energy Upgrades program, the state's largest emissions reduction program, supporting Victoria to achieve its energy transition and emissions reduction goals through improved energy efficiency, demand management, and household and business electrification.

State Electricity Commission Implementation Office

The State Electricity Commission Implementation Office led the re-establishment of the State Electricity Commission (SEC) as a government-owned renewable energy company. The new SEC was established as a corporate entity in October 2023 to deliver renewable, affordable, reliable, energy for all Victorians. The SEC Implementation Office provided support in implementing corporate systems and processes for the SEC and delivering key functions including recruitment, financial and procurement services. It supported the SEC in its establishment of key functions such as delivery of consumer energy solutions and in providing an electricity retail service to government customers. The SEC is accelerating Victoria's renewable energy transition and helping the state achieve its ambitious renewable energy target of 95% by 2035. The SEC is accelerating the transition by: partnering with industry to invest an initial \$1 billion towards delivering 4.5 gigawatts of new renewable energy and storage projects that accelerate the transition and deliver sustainable returns; helping Victorian households reduce their energy bills and emissions by introducing more renewable energy to the grid and offering simple and practical solutions to help them switch to all-electric; and investing in the training and skills to build the renewable energy workforce that Victoria's energy transition requires.

VicGrid

VicGrid supports the energy transition for the public good and the benefit of all Victorians. VicGrid's purpose, working closely with communities, landholders, industry and First Peoples, is to ensure the state's electricity transmission system and Renewable Energy Zones meet Victoria's energy needs by: delivering Victorian Government energy policy, implementing the Victorian Transmission Investment Framework (VTIF), enabling the delivery of high priority transmission projects such as the Victoria-New South Wales Interconnector West, offshore wind connections, Western Renewables Link and MarinusLink, and developing the first Victorian Transmission Plan under the VTIF by 2025.

Water and Catchments

The Water and Catchments group works to ensure that Victoria has safe, sustainable, and productive water resources to meet urban, rural, environmental, and cultural needs, now and in the future. The group works in partnership with water corporations, catchment management authorities, government agencies, industry, community, and Traditional Owners to balance the economic, environmental, and social values of water. This work helps to deliver healthy waterways and aquifers, secure water supplies across Victoria and ensure sustainable irrigation and agriculture, along with greener and more liveable cities and towns. The group is responsible for the implementation of the government's long-term water plan, *Water for Victoria*, which sets the strategic directions for the state's water management for decades to come.

Corporate Services

The Corporate Services group enables good governance, efficient and effective services that meet customer needs and partners to deliver our vision and outcomes. Corporate Services provides whole-of-department services, systems, processes, policies, strategies, standards, reporting and analysis across transformation, finance, digital and customer communications, including the customer contact centre, people and culture, information services, legal and governance and strategic planning, operations and performance. The group reviews, uses and shares insights, data and business intelligence to inform the department's decision making and provides support to build a constructive and capable workforce. The group also has a broader whole-of-Victorian Government view, focusing on public sector reform and future capability.

Organisational structure

as at 30 June 2024

Department of Energy, Environment and Climate Action (DEECA)

Functional Organisational Chart from 30 June 2024



Energy, Environment and Climate Action

Governance

Under the *Public Administration Act 2004*, the Secretary is accountable to the Minister for Energy and Resources, Minister for Climate Action, Minister for the State Electricity Commission, Minister for Water, Minister for Environment and the Minister for Agriculture.

Executive Board

The DEECA Executive Board is responsible for leading the governance and stewardship of the department. It supports the Secretary's decision-making by providing strategic advice and assurance regarding the department's overall performance, overseeing delivery of key projects, programs and enterprise-wide systems, managing risk, establishing workforce policies and setting the tone for DEECA's leadership and culture.

The DEECA Executive Board membership comprises the Secretary, deputy secretaries, the Deputy Secretary and Chief Executive, Agriculture Victoria and the Chief Executive Officer, Resources Victoria.

The Executive Board supports the Secretary with fulfilling statutory responsibilities and has 4 areas of strategic oversight:

- Policy and Strategy – oversight of significant policy, program and strategy activities of the department.
- Corporate Stewardship – oversight of the department's capabilities, processes and systems.
- Operations and Performance – oversight of the operational performance, trends and outlook to achieve effective and efficient delivery of the department's services, platforms, projects and programs.
- Transformation Taskforce – oversight of departmental transformation, change and culture-focused initiatives.

The Executive Board is supported by 9 stewardship and 3 assurance committees that advise and make recommendations to the Executive Board. These committees are required to be reported on under Financial Reporting Directive 22 (FRD22).

Stewardship Committees

DEECA's stewardship committees focus on department-wide strategic priorities. They provide strategic advisory support to the Executive Board across a suite of corporate, service delivery and policy functions.

Biodiversity Stewardship Committee

The Biodiversity Stewardship Committee approves and oversees the delivery of the 5-year business/implementation plan for Biodiversity 2037, with a focus on flagship programs and ensures a partnership with Traditional Owners in managing biodiversity on Country.

Data and Technology Stewardship Committee

The Data and Technology Stewardship Committee leads and oversees DEECA's digital and Information and Communication Technology (ICT) capability, capacity, performance and strategic direction. This includes enabling it to leverage the advantages of data and technology, to manage its strategic ICT risks and achieve its outcomes more effectively and efficiently.

Distributed Energy Resources Stewardship Committee

The Distributed Energy Resources Stewardship Committee monitors progress on electrification and the uptake of related distributed energy resources and seeks to ensure that critical enablers are in place to support the transition of the distribution network. The Committee oversees intersections in energy programs and initiatives and identifies opportunities and needs for alignment and coordination. It also identifies and manages key risks and issues, particularly in relation to consumer protections, regulation, compliance and enforcement.

Emergency Management Stewardship Committee

The Emergency Management Stewardship Committee oversees the delivery of DEECA's emergency management policy, strategic operational frameworks and systems, and ensures that the Secretary and the Executive Board have a clear line of sight of the department's emergency management activities, including all Class 1 and Class 2 emergencies.

Energy Transition Stewardship Committee

The Energy Transition Stewardship Committee provides strategic policy direction on delivering large-scale energy infrastructure and supports management of trade-offs between portfolios or local and state-wide outcomes, in the energy transition. The Committee focuses on negotiating solutions for energy projects, which may include: government objectives with natural tension, agreeing and prioritising issues for collaboration and resolution and providing consistent guidance for the investigation and implementation of agreed solutions. The Committee supports a flow of information between regions and the centre of DEECA.

Finance and Procurement Committee

The Finance and Procurement Committee leads the department's compliance with the requirements of the Victorian Government Financial Management and Procurement Frameworks, to enable DEECA to achieve its strategic outcomes in an effective, efficient and economical manner.

People and Culture Committee

The People and Culture Committee leads, oversees and optimises DEECA's organisational culture and strategic people capability to achieve the department's strategic outcomes in a way that promotes the responsible stewardship of DEECA's 5 organisational pillars.

Recycling Victoria Stewardship Committee

The Recycling Victoria Stewardship Committee oversees Recycling Victoria as a self-sustaining operation, and delivery of its inaugural legislative functions.

Aboriginal Self-Determination and Treaty Committee

The Aboriginal Self-Determination and Treaty Committee drives a 'One DEECA' approach to enabling Self-Determination and supporting Treaty, by enabling policy and system reform initiatives on behalf of the Secretary and the DEECA Executive Board.

Assurance committees

Three assurance committees support the DEECA Executive Board by providing advice on risk and audit, executive staffing and safety and wellbeing.

Executive Staff and Remuneration Committee

The Executive Staff and Remuneration Committee ensures a fair and equitable approach to the employment and setting remuneration at the Senior Executive Service, Principal Scientist and Senior Technical Specialist classification.

Safety and Wellbeing Committee

The Safety and Wellbeing Committee leads and oversees the strategic risk management of staff safety and wellbeing across DEECA, in line with its legislative and statutory obligations on behalf of the Secretary and the DEECA Executive Board.

Risk and Audit Committee

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

It acts as an advisory committee and its responsibilities relate to the department, including any administrative offices or other entities that are accounted for as part of the department's annual financial statements.

The Committee independently reviews and assesses the department's systems and controls for financial management, performance and sustainability, including risk management.

As at 30 June 2024, the Risk and Audit Committee members were:

Peter Lewinsky (Chair)	Independent member
Mark Peters	Independent member
Rachel Thomson	Independent member
Jan Fitzgerald	Independent member (term commenced 21 March 2024)
John Nguyen	Independent member (term commenced 21 March 2024)
Sally Fensling	Deputy Secretary, Corporate Services (term commenced 31 January 2024)
Matt Vincent	CEO, Resources Victoria (term commenced 21 March 2024)
Dougal Purcell	Deputy Secretary and Chief Executive, Agriculture Victoria (acting) (term commenced 20 March 2024)

Departmental objectives, indicators and outputs

This section provides an overview of key activities that are important to the achievement of DEECA's medium-term objectives (also known as Outcomes in the department's Corporate Plan). It also reports on the delivery of the department's outputs, including performance results for output measures published in the 2023–24 Budget Paper Number 3: Service Delivery (BP3) and performance of the department's key initiatives.

The table below provides a summary of DEECA's objectives, indicators and outputs for 2023–24:

Departmental objectives	Indicators	Outputs
Net zero emission, climate-ready economy and community	<ul style="list-style-type: none"> Reduction in Victoria's greenhouse gas emissions relative to 2005 Reduction in greenhouse gas emissions for Victorian schools participating in the Resource Smart Schools program 	<ul style="list-style-type: none"> Climate Action
Healthy, resilient and biodiverse environment	<ul style="list-style-type: none"> Improve Victoria's native species populations and their habitat through targeted management Reduction in pollutants from priority hotspots Environment Protection Authority prosecutions result in a finding of guilt or a clarification of the law Reduction in waste generation per person Increase in diversion of municipal and industrial waste from landfill 	<ul style="list-style-type: none"> Environment and Biodiversity Statutory Activities and Environment Protection Waste and Recycling
Reliable, sustainable and affordable energy services	<ul style="list-style-type: none"> Relative share of Victoria's energy sourced from renewables Percentage of surveyed users of the Victorian Energy Compare website who report that they plan to switch offers after using the website Proportion of new light vehicle sales in Victoria that are zero emissions vehicles (ZEV) Electricity generating capacity installed under the Solar Homes program Solar systems installed under the Solar Homes program 	<ul style="list-style-type: none"> Energy Solar Victoria
Productive and effective land management	<ul style="list-style-type: none"> Level of park visitor satisfaction across the Parks Victoria estate Bay and park assets rated in average to excellent condition Traditional Owner satisfaction with DEECA's progress in enabling self-determination 	<ul style="list-style-type: none"> Management of Public Land and Forests Parks Victoria
Safe and sustainable water resources	<ul style="list-style-type: none"> Proportion of intended properties (or equivalent) in the Goulburn Murray, Macalister, Werribee and Bacchus Marsh irrigation districts connected to a modernised irrigation delivery system Number of river reaches/wetlands with maintained or improved environmental condition 	<ul style="list-style-type: none"> Effective Water Management and Supply
Reduced impact of major bushfires and other emergencies on people, property and the environment	<ul style="list-style-type: none"> Percentage of bushfires contained at first attack and/or under five hectares to suppress bushfires promptly, keep bushfires small and minimise loss Area treated through planned burning and other treatments to maintain the statewide bushfire risk at or below 70 per cent Percentage of agreed departmental emergency management obligations met on time and to standard The economic impact of fire prevention and preparedness investment 	<ul style="list-style-type: none"> Fire and Emergency Management
Productive and sustainably used natural resources	<ul style="list-style-type: none"> Value of Victorian agriculture production Value of Victorian food and fibre exports Metres drilled for minerals exploration in Victoria Level of production of minerals and extractives 	<ul style="list-style-type: none"> Agriculture Resources

Note:

- (i) Output costs reported under departmental objectives, indicators and outputs vary to the output costs reported in Note 4 of the financial statements. This is due to different methodologies being used in allocating department wide costs and is detailed from page 176.

Net zero emission, climate-ready economy and community



Progress towards achieving this objective

Context

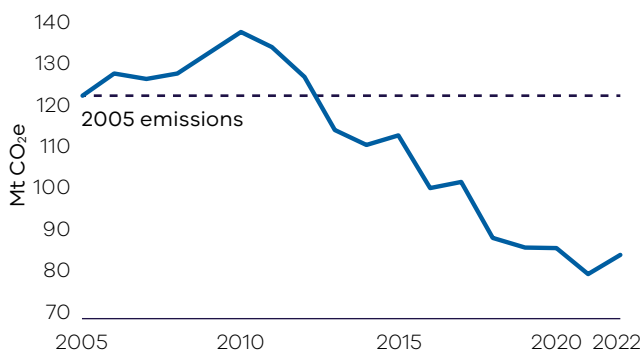
DEECA leads the Victorian Government’s climate action, in line with the *Climate Change Act 2017*.

The Act provides Victoria with a world-leading legislative foundation, which cements our net zero emissions goal in law. The Act establishes a comprehensive framework to achieve net zero greenhouse gas emissions while we plan for, and adapt to, our changing climate. It drives our transition to a climate resilient community and economy and builds the state’s resilience to climate change.

Initiative	2023–24 progress
Drive climate action: <ul style="list-style-type: none"> • reduce Victoria’s emissions • strengthen Victoria’s climate resilience • drive climate leadership through Victorian Government operations. 	Achievements during 2023–24 included: <ul style="list-style-type: none"> • The Annual Greenhouse Gas Emissions Report was tabled in Parliament in November 2023. • The <i>Climate Change and Energy Legislation Amendment (Renewable Energy and Storage Targets) Act 2024</i> passed Parliament on 27 March 2024. Updates included bringing the net zero emissions reduction target forward from 2050 to 2045, mandating interim targets and amending the <i>Planning and Environment Act 1987</i> to create a climate change duty that requires planning authorities to consider climate change – including climate change hazards and emissions reduction targets – when making certain planning decisions. • Expert analysis of updated climate science and projections was conducted to inform Victoria’s second Climate Science Report, scheduled for release in 2024–25.

Departmental Objective Indicator performance

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



Notes on the data:

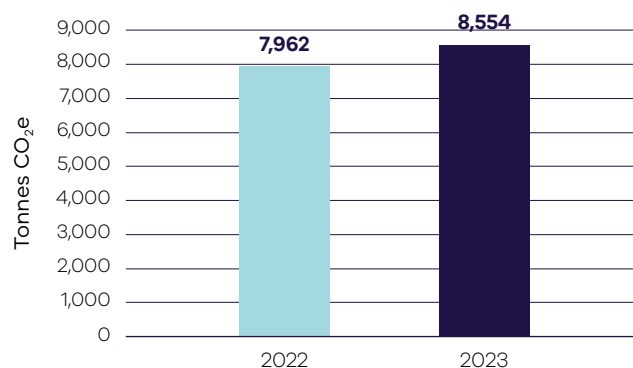
- The most recent Commonwealth data is for 2021–22. There is a 2-year lag in reporting due to the detailed collection process and extensive quality assurance associated with the Commonwealth's reporting.

The Victorian Government has legislated Greenhouse Gas Emissions Reduction targets of:

- 28–33 per cent below 2005 levels by 2025
- 45–50 per cent below 2005 levels by 2030
- 75–80 per cent below 2005 levels by 2035
- Net zero emissions by 2045.

The latest available Commonwealth data shows that by 2022, Victoria's emissions had fallen to 31.3% below 2005 levels, within the range of the 2025 target. Most of these reductions occurred in the electricity sector, with the other key contributor being increased absorption of emissions by Victoria's forests. A report on Victoria's **Greenhouse Gas Emissions** is published every year by the Victorian Government, based on the most recent data available. This draws on emissions data prepared by the Commonwealth Department of Climate Change, Energy, the Environment and Water in accordance with internationally agreed rules.

Indicator: Reduction in greenhouse gas emissions for Victorian schools participating in the ResourceSmart Schools program



Notes on the data:

- Tonnes of carbon dioxide equivalent (CO₂e) emissions abatement is calculated per calendar year to align with schools' reporting period.
- The 2023 result has been calculated using the Commonwealth Department of Climate Change, Energy, the Environment and Water formula for 2022–23, where 1 kilowatt hour (kWh) equals 0.85kg¹ of CO₂e emitted.
- ResourceSmart Schools (RSS) reported energy savings of 10,063,674 kWh in the 2023 school year against a target of 8,500,000 kWh, reflecting a larger number of schools than expected uploading their energy use and costings data into Sustainability Victoria's RSS Online system.
- The CO₂e ratio will be updated annually as the energy grid becomes greener.
- In future years, historical CO₂e figures may change. This is because participating schools can retrospectively adjust their energy billing data in the RSS Online system after annual reporting is complete.

ResourceSmart Schools (RSS) is delivered in partnership with Sustainability Victoria. Through the program, Victorian schools are recruited and assisted with working through a sustainability framework with the aim of achieving 5-star sustainability status.

Once a school has signed up to the program, activities undertaken, billing data, curriculum and other documentation is uploaded to an online platform as evidence the school is embedding sustainability into their operations, curriculum and community.

In 2023, Victorian schools avoided 8,554 tonnes of carbon dioxide equivalent (CO₂e) emitted through their participation in RSS. This can be attributed to benefits realised as schools embed sustainability in their curricula, implement school-wide behaviour change initiatives and other actions such as replacing less efficient appliances and the upgrade and/or installation of energy saving infrastructure such as motion-sensor lighting and rooftop solar PV.

¹ <https://www.dcceew.gov.au/sites/default/files/documents/national-greenhouse-accounts-factors-2022.pdf> page 7

Climate Action

This output leads the development and implementation of strategic, whole of government climate action policy and programs that contributes to Victoria's 2045 target of net zero greenhouse gas emissions and building the State's resilience to climate change.

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Annual energy saved by Victorian schools participating in the ResourceSmart Schools program	kwh	10 063 674	8 500 000	18	✓
<i>Performance is above target due to a larger number of schools than expected uploading their energy use and savings data into Sustainability Victoria's online system.</i>					
Victorian schools participating in the ResourceSmart Schools program	number	563	700	(20)	■
<i>Performance is below target due to continued challenges in the uptake of extracurricular activities in schools since the COVID-19 pandemic.</i>					
Quality					
Stakeholder satisfaction with climate action engagement events	per cent	98	75	31	✓
<i>Performance is above target due to a focus on designing sessions based on participant feedback.</i>					
Timeliness					
Completion of Annual Greenhouse Gas Emissions Report	date	Oct 2023	Oct 2023	0	✓
Delivery of agreed milestones for climate action policy, advice and research within agreed timeframes	per cent	94	80	18	✓
<i>Performance is above target reflecting effort invested in the timely delivery of policy, advice and research.</i>					
Cost					
Total output cost	\$ million	20.8	15.7	32.7	■
<i>The higher than budgeted output cost is predominantly due to the additional funding for Seizing the Economic Opportunity of a Net Zero and Climate Resilient State initiative and carryover of underspend from 2022-23.</i>					

Note:

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

Healthy, resilient and biodiverse environment



Progress towards achieving this objective

Context

DEECA works with portfolio partners and external stakeholders to develop effective, evidence-based policies, programs, regulatory responses, and compliance activities for improved outcomes across a range of areas. These include environment protection, waste and resource recovery, ecosystem resilience, native vegetation management, wildlife, threatened species and land management practices.

Initiative	2023–24 progress
Community Driven Action and Protecting our Iconic Species and Faunal Emblems	<p>During 2023–24, DEECA delivered:</p> <ul style="list-style-type: none"> • \$4.5 million in funding to community groups across the state to deliver 80 part-time Landcare Facilitator positions who supported 740 Landcare and environmental groups • \$1.8 million in funding to Regional Landcare Coordinators working in partnership with Catchment Management Authorities to build the capability of groups, networks and Landcare facilitators through training, workshops and field days • \$230,000 in Wildlife Rehabilitator Grants to support 112 wildlife shelters and foster carers to rehabilitate sick and injured native wildlife and release them back to the wild • the Strategic Environmental Volunteer Coordinators trial to support the environmental volunteering sector connect and grow across the state • continued implementation of the Environmental Volunteering Plan, providing resources to support capability building of community groups and delivering a range of campaigns to acknowledge and celebrate the work that environmental volunteers do to protect and enhance our environment • bespoke actions to benefit threatened species including the Orange-Bellied Parrot and the Southern Brush-tailed Rock Wallaby through both the Icon Species and Faunal Emblem Programs.
Protecting our parks, pets and wildlife – animal welfare	<p>Funding agreements are in place and all annual milestone payments have been made across 4 programs for 2023–24, including:</p> <ul style="list-style-type: none"> • 4-year funding agreement executed with Zoos Victoria for creation of a wildlife hospital in south-western Victoria • 1-year funding agreement executed with Zoos Victoria as Wildlife Emergency Support Network Coordinator • 4-year funding agreement executed with Zoos Victoria for continuation and expansion of the Wildlife Outreach program • 2-year funding agreement executed with Wildlife Victoria to support the Wildlife Hotline. <p>In 2023–24, more than 120 people, including vets, vet nurses, wildlife volunteers and DEECA agency staff were trained and provided with personal protective equipment, enabling their support of wildlife impacted by bushfires through the Wildlife Emergency Support Network.</p> <p>In February 2024, in a first for Victoria, the vets and wildlife volunteers were deployed as part of the emergency response to a fire near Beaufort and worked alongside DEECA wildlife specialists to search for and assess injured wildlife. Further information on these and other wildlife welfare initiatives are available on the DEECA website.</p>

Initiative	2023–24 progress
Restore nature for carbon storage through the BushBank Program	<p>Cassinia Environmental, our delivery partner to restore and protect 20,000 hectares of private land by 2036, secured \$5.5 million in private investment and initiated planting of native shrubs and trees across 2,900 hectares with more than 1,000 kilograms of seed, and more than 100,000 seedlings. These plantings will help Victoria achieve emissions reduction targets and restore habitat for biodiversity.</p> <p>Funding of \$6 million was provided through the BushBank program for 19 Traditional Owner-led projects to address biodiversity loss and climate change and enable Traditional Owners to participate in healing Country.</p> <p>\$7.2 million was provided through the BushBank program for the restoration of public land across the state. These projects will revegetate areas of cleared public land with native vegetation, providing habitat for biodiversity and sequestering carbon.</p>
Reform Household Recycling	<p>The roll out of a 4-stream household recycling system continued to advance during 2023–24. As at 30 June 2024:</p> <ul style="list-style-type: none"> • 55 councils offer a kerbside food organics and garden organics (FOGO) service, of which 15 councils also provide a drop off FOGO service • 18 councils offer a kerbside glass recycling service, with an additional council introducing a service in the first week of July 2024 • 17 councils without kerbside services offer separate glass drop-off services for their communities. <p>Public consultation on proposed regulations and a service standard that specify when and how councils and Alpine Resorts Victoria must provide the 4-stream waste and recycling services to households and alpine resorts was completed in August 2024.</p> <p>All 39 Transfer Station Upgrade projects were delivered in 2023–24. These projects helped regional and rural councils upgrade drop-off points to include separated glass and FOGO services in areas where kerbside services were not available.</p>
Circular Economy Reforms	<p>Subordinate legislation under the <i>Circular Economy Act (Waste Reduction and Recycling) 2021</i> was developed, enabling Recycling Victoria to deliver new functions:</p> <ul style="list-style-type: none"> • The <i>Circular Economy (Waste Reduction and Recycling) (Risk, Consequence and Contingency Plans and Other Matters) Regulations 2023</i> were made on 19 December 2023, which was followed by the release of the first annual Circular Economy Risk, Consequence and Contingency Plan in May 2024. • Consultation was completed in February 2024 on draft regulations that will set a cap on the volume of permitted waste that can be processed through new waste to energy facilities in Victoria and detail licencing requirements for new operators. <p>The Head of Recycling Victoria issued 4 waste to energy existing operator licences in 2023–24.</p> <p>Recycling Victoria published the inaugural Circular Economy Market Report in March 2024.</p>
Container Deposit Scheme	<p>The Victorian Government launched Victoria’s Container Deposit Scheme on 1 November 2023, allowing Victorians to return their eligible drink cans, bottles and cartons for a 10-cent refund at refund collection points across Victoria. The scheme will reduce the state’s litter by up to half, generate more than 600 jobs statewide and turn used drink containers into new, recycled products.</p> <p>As at 30 June 2024, more than 628 million containers were returned through the Container Deposit Scheme since its launch, with 564 operational refund collection points. The initiative has put more than \$62.8 million back into the pockets of Victorians and is processing an average of around 17 million eligible cans, cartons and bottles across the state each week.</p>

Departmental Objective Indicator performance

Indicator: Improve Victoria's native species populations and their habitat through targeted management

Notes on the data:

- Results are reported one year in arrears due to the time needed to collect spatial activity data from delivery partners and complete quality assurance and analysis according to [Biodiversity 2037 activity data requirements](#).

This new indicator for 2023–24 reports on the change in suitable habitat for Victoria's native species populations.

The conservation of Victoria's biodiversity primarily depends on the retention of suitable habitat and the management of threats within these habitats. Typical threats to native species include competition for resources with introduced plants (for example environmental weeds) and herbivores (for example, deer, goats, rabbits and pigs), along with direct predation by foxes and cats.

DEECA's Strategic Management Prospects decision support tool analyses the spatial relationship between species habitats and threats, calculating the most cost-effective places to manage threats or restore habitats as well as the predicted benefit of this management for species. The measure of this predicted management effectiveness is Change in Suitable Habitat (CSH).

CSH represents the increase in the likelihood that a species will persist at a location at a future time (for example, 50 years) in response to sustained management of relevant threats. It is expressed as the proportional increase (percentage) in hectares of Suitable Habitat available to a species under a sustained management regime, compared with no management.

The analysis calculates a CSH metric for each species based on the management actions delivered through DEECA's on-ground biodiversity programs. These individual species' measures can be summarised in 2 different ways. The first is the mean CSH across species. The second is the percentage of species that have an improvement in suitable habitat, where improvement in suitable habitat is defined as a positive change in suitable habitat greater than 2%. The result for this indicator, using these 2 different summary metrics, based on 2022–23 data is:

Mean Change in Suitable Habitat (CSH)

4.7% mean CSH for all species

9.4% mean CSH for species listed as threatened under the *Flora and Fauna Guarantee Act 1988*

Percent of species with positive CSH (above 2% CSH)

38.6% of all species

54.8% of species listed as threatened under the *Flora and Fauna Guarantee Act 1988*

An increase in suitable habitat means that a species has an improved outlook or likelihood of persistence because of implemented management actions. However, it does not mean a species can be considered as secured or recovered. This measure should only be considered as an indicator of species that are benefitting from current investment, not as an indicator of species on track for recovery.

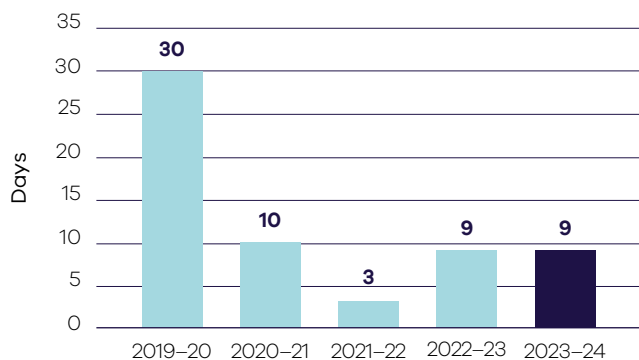
DEECA delivers a range of investment programs to achieve biodiversity policy outcomes through targeted place-based action. This includes:

- [Protecting Biodiversity Program](#) including the [Nature Fund](#) (\$15 million per annum)
- [Weeds and Pests on Public Land Programs](#) (\$2.85 million per annum)
- [Peri Urban Weeds Management Partnership Program](#) (\$1.0 million per annum)
- [Victorian Deer Control Program](#) (\$4.4 million per annum)

These programs deliver sustained landscape-scale predator, pest herbivore and weed control as well as complementary and bespoke threatened species actions aligned to the goals and targets of Victoria's biodiversity plan – [Protecting Victoria's Environment – Biodiversity 2037](#).

Indicator: Reduction in pollutants from priority hotspots

Number of days where the air quality standard was exceeded in the Brooklyn industrial precinct



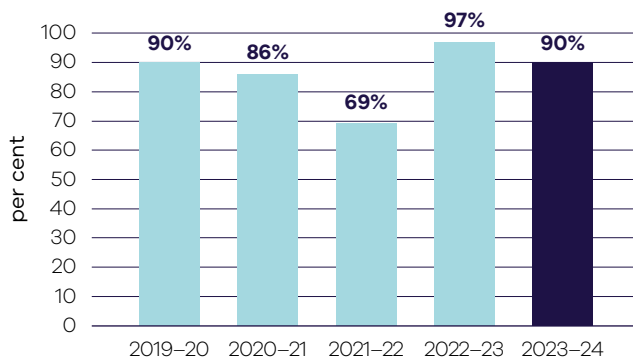
The residential area south of the Brooklyn industrial precinct has a history of poor air quality events due to high dust levels from activities within the precinct. The Environment Protection Authority Victoria (EPA) has monitored the major component of dust in the air, PM10 (particles smaller than 10 micrometres), in Brooklyn since October 2009. EPA has maintained its strategic regulatory focus on reducing air pollution in the precinct to lower environmental risk and improve public health outcomes.

In 2023-24, the national air quality standard / Victorian Environment Reference Standard (ERS) was exceeded on 9 occasions. Most of these days were attributed to activities within the Brooklyn industrial precinct. On 6 of the 9 occasions, higher PM10 readings were also measured at other stations (Geelong), indicating that while the main cause of dust in the precinct is due to industry, there may be some contribution from other dust sources further away on these days. This reinforces the need to reduce local emissions of PM₁₀.

EPA provided 14 alerts to notify local industry of high-risk dust days, followed by unannounced inspections to ensure local industry enacted their dust management plans and implemented appropriate control measures. Where EPA officers determined non-compliance, remedial notices focused on:

- preventing dust by sealing unsealed traffic surfaces
- preventing dust from materials handling activities
- preventing mud being driven onto public roads.

Indicator: Environment Protection Authority prosecutions result in a finding of guilt or a clarification of the law



Notes on the data:

- The 2022-23 and 2023-24 results include summary and indictable prosecutions. Data prior to 2022-23 relates to indictable prosecutions only.

This departmental objective indicator reflects that matters commenced by EPA have a sound legal basis and are in the public interest.

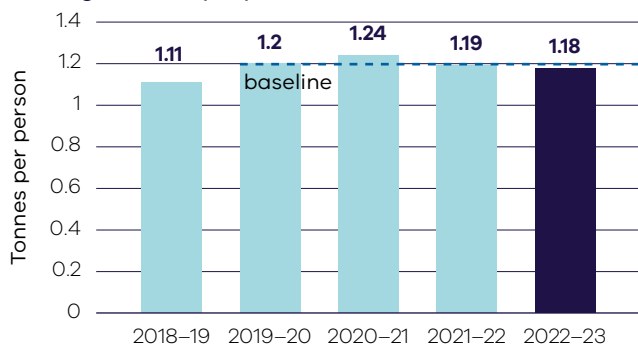
In 2023-24, EPA concluded 98 summary and indictable prosecutions, of which 88 were successful, resulting in a 90% success rate. The number of prosecutions significantly increased from 2022-23, when EPA concluded 63 summary and indictable prosecutions, of which 61 were successful, equating to a 97% success rate in that year. The reduction in the percentage of successful prosecutions is substantially attributable to an increase in the number of contested summary prosecution matters.

In 2023-24, there was also a significant increase in the number of matters dealing with offences under the *Environment Protection Act 2017* (EP Act 2017) including a number of criminal and civil proceedings for breaches of the General Environmental Duty. EPA has been granted stronger powers under the EP Act 2017, which have been implemented through an 'education to comply' approach.

EPA takes a proportionate approach to compliance across all sectors and continues to work with duty holders to help them understand and meet their obligations. For those who continue to disregard their regulatory responsibilities, EPA will use all powers available to protect human health and the environment.

Indicator: Reduction in waste generation per person

Waste generation per person



Notes on the data:

- As implementation of the Victorian Government's circular economy policy, [Recycling Victoria: a new economy](#) commenced in 2019-20, the 2019-20 result is the baseline from which the 'reduction in waste generation per person of 15 per cent by 2030' is measured.
- Historical values may vary slightly from previous reporting if more data subsequently becomes available.
- Data for this indicator is reported one year in arrears. Since the last annual report, Recycling Victoria has collected and analysed an additional 2 years' worth of data (2021-22 and 2022-23). This data has been compiled from the Victorian Recycling Industry Annual Survey and waste to landfill statistics from EPA Victoria. The compilation of this dataset can be viewed via [Victoria's Waste Projection Model dashboard](#).

This indicator reports on waste generated per person. It includes municipal solid waste and commercial and industrial waste but excludes construction and demolition waste.

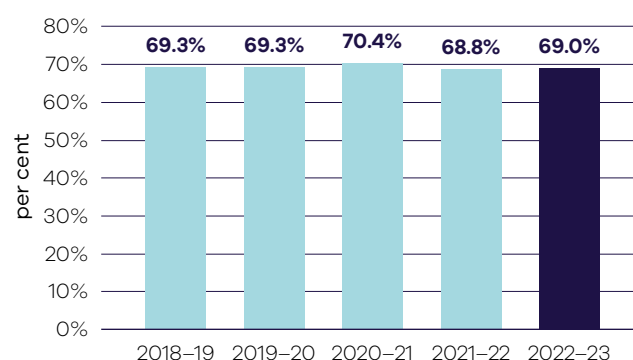
In 2019-20, the total municipal solid waste and commercial industrial waste generated was 1.20 tonnes per person. This generation rate has decreased favourably over the past 2 years, with a generation rate recorded of 1.19 tonnes per person in 2021-22 and 1.18 tonnes per person in 2022-23.

Reducing waste requires changes in behaviour, systems and business operations. It can take time for these changes to occur and their impacts to be realised. The department has delivered several key commitments under the Victorian Government's circular economy policy, [Recycling Victoria: a new economy](#) to support Victorians to reduce waste, as set out below:

- From 1 February 2023, the Victorian Government banned a range of single-use plastic items. The ban is supporting Victorians to reduce waste and litter by avoiding single-use plastic items and choosing reusables instead.
- The department provides oversight of Sustainability Victoria's [Small Acts, Big Impacts](#) campaign. This campaign supports households to reduce waste and reduce contamination in recycling.
- Victoria's \$7 million [Circular Economy Business Innovation Centre](#) has equipped Victorian businesses with the support they need to take advantage of circular economy business opportunities to reduce waste, increase reuse and generate new streams of revenue for businesses.
- The Victorian Government increased Victoria's waste levies over 2021 and 2022. Waste levies are also scheduled to increase from 1 July 2025, to keep Victoria in line with neighbouring jurisdictions. Increasing the cost of sending waste to landfill incentivises waste avoidance and reduction, along with resource recovery and recycling.

Indicator: Increase in diversion of municipal and industrial waste from landfill

Total waste diverted from landfill



Notes on the data:

- Historical values may vary slightly from previous reporting if more data subsequently becomes available.
- Data for this indicator is reported one year in arrears. Since the last annual report, Recycling Victoria has collected 2 years' worth of data for 2021-22 and 2022-23. The compilation of this dataset can be viewed via [Victoria's Waste Projection Model dashboard](#).

This indicator reports on the percentage of municipal, construction and demolition, and commercial and industrial waste diverted from landfill. Hazardous waste is not included in this indicator.

The Victorian Government's circular economy policy, [Recycling Victoria: a new economy](#), establishes a target of diverting 80% of waste from landfill by 2030, with an interim target of 72% by 2025.

The diversion of waste from landfill was 70.4% in 2020–21. This landfill diversion rate has remained stable over the past 2 years at 68.8% in 2021–22 and 69.0% in 2022–23.

The department is delivering several key commitments under [Recycling Victoria: a new economy](#), which are supporting Victorian businesses and communities to increase diversion of waste from landfill and recycle more, including:

- continuing the implementation of a standardised 4-stream household recycling system across the state, where each household will get access to a bin or service for: glass recycling; food organics and garden organics; mixed recyclables and general rubbish
- giving Victorian households access to a food and garden organics service. This could divert up to 650,000 tonnes of organic waste from landfill each year. As at 30 June 2024, 66% of Victorian households already have access to food and garden organics service.
- implementing Victoria's waste to energy framework so that waste to energy facilities can support diversion of waste otherwise destined for landfill, while ensuring that material is recycled where possible.
- commencing the container deposit scheme on 1 November 2023, enabling the return of eligible drink cans, bottles and cartons for a 10-cent refund at 564 refund collection points across Victoria, reducing the state's litter by up to half, generating more than 600 jobs statewide and turning used drink containers into new, recycled products.
- investing significantly in recycling infrastructure to recover materials that would have gone to landfill. The Victorian Government has invested \$122 million in grants to increase Victoria's annual recycling capacity by 1.7 million tonnes, and it is anticipated that a further 963,000 tonnes of capacity will be installed by 2025.

As the impacts of these programs are longer-term, it is expected that over the coming years they will further increase the diversion of waste from landfill.

Recycling Victoria provides data, information and intelligence to inform industry, Government and the community about waste and resource recovery in Victoria. Data is collected and analysed annually to provide insights on how Victoria is tracking towards its circular economy targets, and to inform strategic planning.

In March 2024, Recycling Victoria released the inaugural annual [Circular Economy Market Report](#), an overview of Victoria's progression to a circular economy. [Market insights reports](#) were published in September 2023, providing market profiles for kerbside glass packaging, kerbside metal packaging, kerbside paper and paperboard packaging and kerbside plastic packaging.

Environment and Biodiversity

This output leads the development and implementation of strategic, whole of government environmental policy and delivers investment, regulatory and research functions that support Victoria's diverse and resilient ecosystems.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Environmental volunteer hours contributing to the health of Victoria's biodiversity	number	381 059 (estimate)	330 000	27	✓
<i>A final result will be available in late 2024 following the receipt and analysis of responses to the annual Volunteering Naturally survey. The expected outcome is higher than the target as volunteering rates continue to bounce back from previous years impacted by the COVID-19 pandemic.</i>					
New permanently protected native vegetation on private land	hectares	1 844	800	131	✓
<i>Performance is above target due to the completion of a backlog of covenant requests. Trust for Nature secured 50 new covenants in 2023–24, noting that hectares per covenant vary at each property.</i>					
On-ground action to support local environmental outcomes	hectares	58 000 (estimate)	40 000	45	✓
<i>A final result will be available by early 2025 following the receipt and analysis of statewide data. The expected outcome is higher than the target due to the inclusion of additional deer control activities on agricultural land.</i>					
Pest herbivore control in priority locations	hectares	1 300 000 (estimate)	500 000	160	✓
<i>A final result will be available by early 2025 following the receipt and analysis of statewide data. The expected outcome is higher than the target due to delivery of additional on-ground herbivore control through the Protecting Biodiversity program, particularly increased deer control activities.</i>					
Pest predator control in priority locations	hectares	650 000 (estimate)	700 000	(7)	■
<i>A final result will be available by early 2025 following the receipt and analysis of statewide data. The expected outcome is lower than the target due to a delivery partner experiencing delays in the commencement of a fox control project in Gippsland. This project is expected to be delivered in 2024–25.</i>					
Priority conservation actions for threatened species	number	38	20	90	✓
<i>Performance is above target due to the early completion of some threatened species projects under the Flood Recovery program, ahead of their scheduled completion dates within 2024–25.</i>					
Revegetation in priority locations for habitat connectivity	hectares	668	500	34	✓
<i>Performance is above target due to favourable climatic conditions enabling additional revegetation activity on land secured under the BushBank program.</i>					
Strategic compliance and enforcement operations implemented by the Conservation Regulator	number	7	6	17	✓
<i>Performance is above target as one multi-year operation was completed ahead of schedule within 2023–24.</i>					
Weed control in priority locations	hectares	32 000 (estimate)	50 000	(36)	■
<i>A final result will be available by early 2025 following the receipt and analysis of statewide data. The expected outcome is lower than the target due in part to delays in the commencement of projects, and some delivery partners encountering differences between initial project proposals and the actual extent of weed control performed. A process improvement is being implemented for future projects to alleviate this issue.</i>					

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quality					
Annual Arthur Rylah Institute Client Survey respondents rank the level of overall satisfaction with ARI's research as good, very good or excellent	per cent	100	95	5	✓
<i>Performance is above target reflecting a focus on improvements to timely service delivery and project outputs.</i>					
On ground biodiversity actions targeted towards priority locations	per cent	70	70	0	✓
Preharvest surveys of areas planned for timber harvesting completed	per cent	64	64	0	✓
Presentations made and scientific publications in peer reviewed journals	number	60	60	0	✓
Traditional Owner groups whose Country plans, cultural values and practices are enabled by biodiversity policies and programs	per cent	59	50	18	✓
<i>Performance is above target reflecting the department prioritising Traditional Owner self-determination including through funding support and building a shared understanding of biocultural outcomes.</i>					
Timeliness					
Native Vegetation Credit Extracts processed within 10 days	per cent	100	96	4	✓
Planning referrals relating to native vegetation processed within statutory timeframes	per cent	83	70	19	✓
<i>Performance is above target reflecting a new prioritisation process that has been embedded in workflows, in line with the continuing increase in the number and complexity of cases associated with renewable energy and transport infrastructure priorities.</i>					
Wildlife Licence renewals processed by target dates	per cent	93	96	(3)	○
Cost					
Total output cost	\$ million	152.8	123.4	23.8	■
<i>The higher than budgeted output cost is predominantly due to additional expenditure for establishing the Western Grassland Reserve under the Melbourne Strategic Assessment program, and the Accelerating Energy Project Delivery and Mitigating Biodiversity Impacts and Regional Fund for Wildlife and Habitat Bushfire Recovery initiatives.</i>					

Note:

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

Statutory Activities and Environment Protection

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

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Environment condition notifications provided to Victorians	number	847	>800	6	✓
<i>Performance is above target due to a high number of pollution incidents requiring public notifications to be issued.</i>					
Total inspections of business sites or premises conducted to prevent and respond to risks of harm to human health and the environment	number	5 429	4 000	36	✓
<i>Performance is above target due to a high number of pollution incidents requiring inspections to be undertaken.</i>					
Quality					
Victorian community trust in EPA	per cent	51	70	(27)	■
<i>Performance is below target reflecting consistency with 'trust' scores for similar organisations in other jurisdictions. EPA is continuing to focus on building community trust, including through communications and engagement.</i>					
Timeliness					
Applications for internal review of remedial notices completed within statutory timeframes	per cent	100	100	0	✓
Applications for licences and permits completed within statutory timelines	per cent	86	50	72	✓
<i>Performance is above target due to a higher ratio of permit applications received, which are simpler and lower risk activities compared to licences applications</i>					
EPA advice on planning matters is provided within required timeframes	per cent	86	65	32	✓
<i>Performance is above target due to streamlined advice being provided for lower-risk activities.</i>					
EPA confirms duty holder compliance with remedial notice requirements, or escalates for further action, within 17 days of the compliance due date	per cent	89	80	11	✓
<i>Performance is above target due to a continued focus on process and system improvement.</i>					
EPA provides technical advice to lead agencies within agreed timelines during emergency incidents	per cent	100	90	11	
<i>Performance is above target due to a continued focus on process and system improvement.</i>					
EPA responds to priority waste incidents within 15 hours of notification	per cent	100	90	11	✓
<i>Performance is above target as only one priority waste incident was identified in 2023–24 and it was responded to within 15 hours of notification.</i>					
Environmental audits and preliminary risk screening assessment reports are reviewed to ensure administrative compliance with legislation and guidelines within 14 days of submission	per cent	90	80	13	✓
<i>Performance is above target due to a continued focus on process and system improvement.</i>					
Pollution reporters requesting follow up by EPA receive contact within five working days	per cent	72	75	(4)	○
Cost					
Total output cost	\$ million	151.7	164.8	(7.9)	✓
<i>The lower than budgeted output cost is predominantly due to the transfer of funding from the Statutory Activities and Environment Protection output to the Waste and Recycling output, resulting from the establishment of Recycling Victoria within DEECA under the Circular Economy (Waste Reduction and Recycling) Act 2021</i>					

Note:

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

Waste and Recycling

This output delivers investment into reducing waste, transforming recycling services and increasing value from recycled materials. These activities support industry, innovation, research and development and clean technologies to create new markets and business opportunities for recycled materials.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Cumulative increase in Victorian local council sites supported to upgrade infrastructure to safely collect and sort e-waste for recovery	number	140	140	0	✓
Proportion of Victorian households with access to organic food and garden waste recycling services	per cent	66 (estimate)	50	32	✓
<i>A final result will be available by March 2025 following analysis of data from the 2023–24 Victorian Local Government Annual Survey and other sources. Performance is expected to be above target due to strong council participation in food organics and garden organics recycling services. Larger councils with a higher number of households were among the first to offer new services.</i>					
Proportion of Victorian households with access to separated glass recycling services	per cent	32 (estimate)	23	39	✓
<i>A final result will be available by March 2025 following analysis of data from the 2023–24 Victorian Local Government Annual Survey and other sources. Performance is expected to be above target due to a number of councils taking up incentives for early transition to separated glass recycling services. Larger councils with a higher number of households were among the first to offer new services.</i>					
Quality					
Cumulative increase in the capacity of Victoria's resource recovery infrastructure	tonnes	1 776 154	2 000 000	(11)	■
<i>Performance is below target due to delays in some required project site approvals, resulting in the deferral of commissioning 150,000 tonnes of processing capacity. It is anticipated that the shortfall will be recovered by January 2025.</i>					
Timeliness					
Average assessment time (calendar days) for major investment grants from application closure to recommendation	days	125	75	(67)	■
<i>Performance is below target due to additional effort required to identify risk mitigations and complete due diligence checks for high risk and high value grants.</i>					
Cost					
Total output cost	\$ million	146.2	49.9	193.2	■
<i>The higher than budgeted output cost is predominantly due to additional funding for establishing Recycling Victoria and the reprofiling of Commonwealth funding from 2022–23 to 2023–24 for the Recycling Victoria Infrastructure Fund.</i>					

Note:

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

Reliable, sustainable and affordable energy services



Progress towards achieving this objective

Context

Victoria’s energy sector is undergoing a major transformation as coal-fired generators retire. This requires government leadership to deliver major social and environmental benefits as well as a strong economy.

Renewable energy will play a key role in achieving Victoria’s emissions reduction targets – including by decarbonising the gas sector and other parts of the economy – and providing a sustainable supply of affordable energy. Victoria’s renewable energy supply is increasing steadily, through major projects and rooftop solar rollout, complemented by new electricity transmission and batteries.

Victoria is on track to meet its 2025 target of 40% of the state’s electricity generation being sourced from renewables, with a result of almost 38% in 2023–24, up from approximately 34% in 2021–22. New forms of energy, including offshore wind and hydrogen, are being developed to provide for Victoria’s long-term energy needs.

DEECA provides policy advice to government on the delivery of reliable, sustainable and affordable energy services, as well as leading programs that improve energy efficiency, electrification, strengthen consumer protections and improve affordability. DEECA also plays a critical role in maintaining the safety of our energy system, including responding to, and building resilience against, events that impact Victoria’s energy system. Events range from changing energy demand, supply and prices, to bushfires, floods and extreme weather. We also work with market bodies as well as national and state governments to design and implement reforms to ensure that governance and systems are fit-for purpose to support the energy transition. DEECA works actively to maximise the benefits of the energy transition, including for workforce development and jobs and to support Aboriginal self-determination.

Initiative	2023–24 progress
\$250 Power Savings Bonus program	The fourth round of the Power Saving Bonus program was launched on 24 March 2023 and closed on 31 August 2023. Since the program’s launch, more than 1.83 million applications were received, and 1.82 million applications paid. More than 67,000 Power Saving Bonus applications were submitted through DEECA’s Community Outreach Program partners, an increase of around 15,000 compared to the previous round of the program.
A safe and just community transition to renewable energy	On 16 May 2024, the <i>Energy Legislation Amendment (Energy Safety) Act 2023</i> came into effect. DEECA and Energy Safe Victoria are implementing its reforms. DEECA is leading an Energy Safety Review, which is intended to include an energy safety roadmap to identify priority actions to ensure a safe energy transition and drive further work by the Victorian Government. Consultation and engagement have commenced.
100 Neighbourhood Batteries	In August 2023, the 100 Neighbourhood Batteries program was launched to deliver a range of benefits for Victorian communities. These include unlocking further solar hosting capacity by addressing network constraints, providing back-up power during network outages and directly reducing the cost of energy bills. In March 2024, 6 successful Round 1 projects were announced that will result in the installation of 25 batteries. All projects have commenced and are expected to be completed by August 2025.

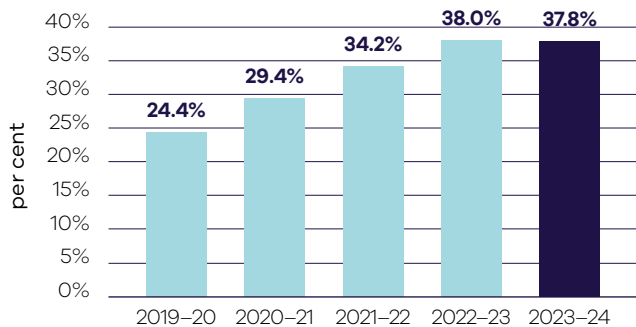
Initiative	2023–24 progress
Driving down gas bills for businesses and households	<p>In December 2023, an update to the Gas Substitution Roadmap was published. It outlined new commitments towards a net zero emissions gas sector that delivers lower energy bills for households and businesses.</p> <p>On 1 January 2024, a new requirement took effect for all new homes requiring a planning permit to be all-electric. Work is progressing for each of the key reforms within the Gas Substitution Roadmap including developing a Regulatory Impact Statement to investigate options to progressively electrify all new residential, and most commercial buildings, where appropriate electric appliance options are readily available.</p> <p>Consultation on Victoria's renewable gas policy also continued with a consultation paper being released in September 2023, discussions with stakeholders undertaken and a Directions Paper in development.</p>
VicGrid functions and delivering the Victorian Transmission Investment Framework	<p>In May 2024, the <i>Energy Legislation Amendment (Renewable Energy – VicGrid) Bill 2024</i> received royal assent. The Bill established a new legislative framework to enable VicGrid to deliver the Victorian Transmission Investment Framework and provide VicGrid with the necessary authority for publication of the first Victorian Transmission Plan in 2025.</p>
Renewable Energy Zones Priority Investments	<p>The Renewable Energy Zone (REZ) fund provides \$540 million for projects that enhance the energy transmission grid and will enable more renewable energy generators to connect to the grid. \$480 million from the REZ Fund has been invested in 12 stage one projects to strengthen and modernise the state's grid.</p> <p>In December 2023, minor network augmentation projects were granted practical completion and in June 2024, an additional project was granted practical completion.</p> <p>On 1 May 2024, the Ararat Synchronous Condenser received development approval and, in consultation with the Department of Transport and Planning, commenced works on site in July 2024.</p> <p>The Koorangie Energy Storage System has finalised design works, commenced construction and is on track for completion by 2024–25.</p> <p>AusNet's Mortlake Turn-In Project has commenced construction and is on track for completion in the fourth quarter of 2025.</p> <p>In March 2024, a study area was announced for the first Gippsland offshore wind transmission project which will support 2GW of transmission capacity.</p>
Offshore wind energy program	<p>In December 2023, the Victorian Government published the 'Offshore Wind Energy Implementation Statement 3' (IS3) which sets out the Victorian Government's progress and next steps in developing an offshore wind sector.</p> <p>IS3 provides important updates on the government's offshore wind procurement approach, legislative and regulatory reform, supply chain and local supply, and transmission and ports. It also outlines the government's approach to protecting the environment and continued commitment to working with Traditional Owners to support meaningful steps to self-determination.</p> <p>In March 2024, the Victorian Government legislated offshore wind targets of at least 2 Gigawatts (GW) by 2032; 4GW by 2035 and 9GW by 2040.</p> <p>On 1 May 2024, the Commonwealth Government announced 6 successful feasibility licences for the Gippsland declared area, with an additional 6 feasibility licences granted in July 2024. The 12 potential projects are progressing the development of their management plans and are expected to participate in a competitive auction to assist in developing their offshore wind projects in Victoria. These are expected to be the first in Australia.</p> <p>In May 2024, the Victorian Government legislated a new licence regime to enable investigatory activities for offshore wind developments to be conducted on public land.</p>

Initiative	2023–24 progress
Bringing back the State Electricity Commission – Implementation	<p>In October 2023, the new entity State Electricity Commission Victoria Pty Ltd (SEC) was incorporated under the <i>Corporations Act 2001</i> (Cth) and was subsequently declared a State-owned company under the <i>State-Owned Enterprises Act 1992</i>.</p> <p>On 26 October 2023, the SEC Strategic Plan (2023 – 2035) was launched, outlining the SEC’s vision, guiding principles and strategic pillars. As a government-owned energy company, the SEC is investing in renewable energy and storage projects that accelerate the transition and deliver sustainable returns; supporting households to go all-electric to reduce their energy bills; and building the renewable energy workforce our energy transition requires.</p> <p>On 30 November 2023, SEC’s first investment was announced – an equity investment of \$245 million to deliver the new 600 Megawatt (MW) Melbourne Renewable Energy Hub (the Hub), near Melton.</p> <p>The Hub will be one of the world’s biggest battery projects and provide enough energy to power up to 200,000 homes during peak periods. The project is expected to be completed in late 2025. The SEC’s investment enabled construction to begin immediately and supported one of the project’s battery components to double in size.</p> <p>In April 2024, the Government announced the appointment of the SEC’s independent board. The SEC’s 5 foundational independent directors commenced on 1 May 2024.</p> <p>During 2023–24, the SEC developed its first pilot to support Victorian homes to switch from gas to electric. The SEC also progressed work on the new SEC Centre of Training Excellence (working closely with the Department of Jobs, Precincts and Regions). The SEC undertook several engagement activities tailored to secondary students and young people to encourage them to become involved in the energy transition.</p>
Solar Homes Program	<p>Growing consumer interest in electrification, stemming from uncertainty regarding energy prices, alongside accessibility improvements to the hot water rebate, has led to record demand for hot water rebates and a greater diversification in the technology mix taken up under the Solar Homes Program.</p> <p>Solar Victoria received record volumes of applications for Solar Homes rebates and loans during 2023–24, driven by higher uptake of hot water rebates, and higher solar PV demand compared to the previous 2 years.</p> <p>During 2023–24, more than 78,000 rebate applications were approved for households to install solar panels and energy efficient hot water systems, with more than 45,000 approved applicants opting for an interest-free loan to support uptake of rooftop solar.</p>
Solar Battery Loan Program	<p>The Solar Battery program reopened for applications as a loan-only program on 17 July 2023, providing interest free loans for solar batteries up to a value of \$8,800.</p> <p>Solar Victoria assesses applicants’ capacity to repay the loan in line with responsible lending guidelines. This makes the loan eligibility assessment more complex. However, it is important to ensure that loans are appropriate for individual circumstances. During the launch period of this new process, the median time for loan application approval was initially 50 business days in November 2023. Following an increase in retailer engagement and improvements to systems and processes, the median time taken to process applications was 12 business days in June 2024. More than 2,000 applications were approved during 2023–24.</p>

Initiative	2023–24 progress
Victorian Energy Upgrades Program	<p>In 2023–24, more than 541,000 households and 22,000 businesses received discounted energy efficient products and services under the Victorian Energy Upgrades (VEU) program.</p> <p>In 2023–24, the VEU program also expanded support for electrification by providing incentives for households to replace gas appliances with efficient electric alternatives. More than 6,400 households replaced inefficient gas heating and more than 17,200 households replaced inefficient gas water heating.</p> <p>On 13 May 2024, the Large Energy User Electrification Support Program was launched. These grants aim to accelerate electrification in large gas-using commercial and industrial businesses by helping them identify opportunities to upgrade their gas equipment and processes to electric.</p> <p>DEECA worked with the energy efficiency industry to improve the technical standards and consumer outcomes for the VEU program.</p> <p>In December 2023, DEECA released new program specifications to address feedback from industry regarding the technical requirements for energy efficient space heating and conducted a review of the incentives for energy efficient refrigerated cabinets.</p> <p>In April 2024, DEECA commenced consultation on a proposed induction cooktop activity, and co-payments and warranty requirements for electrification activities.</p> <p>From 1 May 2024, a ban on telemarketing for VEU upgrades to protect consumers from high-pressure sales tactics and other inappropriate marketing was implemented. A further ban on doorknocking marketing for VEU upgrades took effect on 1 August 2024.</p>

Departmental Objective Indicator performance

Indicator: Relative share of Victoria’s electricity sourced from renewables

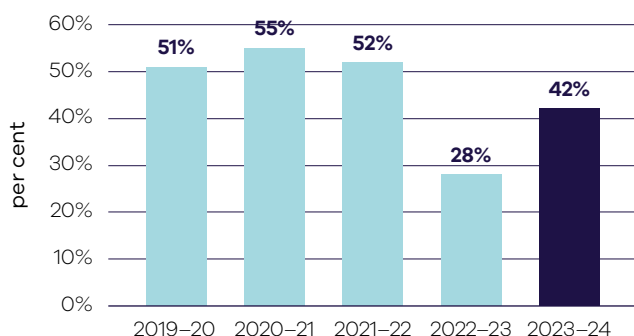


Notes on the data:

- Data for 2019–20 to 2022–23 has been revised to incorporate updates to underlying source material, including from the Australian Energy Market Operator.

In 2023–24, the share of renewable energy in Victoria’s electricity generation reached 37.8%, marginally lower than 38.0% in 2022–23 and up from 34.2% in 2021–22. The slight reduction reported in 2023–24 reflects reduced output from wind generation in May and June 2024 resulting from lower wind conditions in these months, less new large-scale wind and solar connections relative to previous years as well as a small increase in coal generation relative to 2022–23. The lower wind conditions in May and June 2024 reduced Victoria’s wind generation by an estimated 0.9 terrawatt hours (TWh) relative to what would have occurred under normal conditions. Under normal wind conditions, it is estimated that Victoria would have achieved around 38.8% renewable electricity generation in 2023–24. Generation from Victoria’s solar projects and rooftop solar PV systems continued to grow in 2023–24.

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



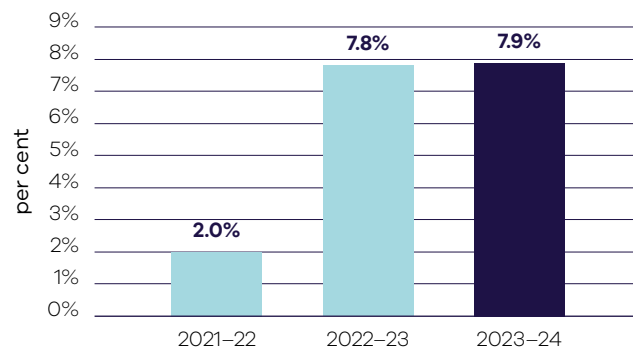
Of the 33,397 Victorian Energy Compare users who completed the online survey during 2023-24, 42% reported they plan to change offers after using the website. This is higher than the 2022-23 result of 28%, but lower than the 2021-22 result of 52%.

This indicator reflects not only the website's approach to presenting information to users, but also external influences such as energy market price volatility and retailer pricing behaviour. In July 2022, retail energy prices and the Victorian Default Offer increased, limiting the benefit of switching offers.

The results for 2022-23 and 2023-24 were influenced by the delivery of the \$250 Power Saving Bonus program, which drove a significant volume of users to the website whose primary purpose was to access a \$250 payment. In 2023-24, the Victorian Energy Compare website received more than 3 million visits, with around 1.2 million of those visitors using the website in July and August 2023 as a result of the \$250 Power Saving Bonus program. The program has ensured the Victorian Energy Compare website and its benefits are now well known among the majority of Victorian energy consumers, and repeat traffic to the website has increased significantly as result of the program.

The Victorian Energy Compare website continues to provide value to Victorian energy consumers. More than 79% reported they had a positive experience in 2023-24 and more than 61% reported they understand usage and energy costs better.

Indicator: Proportion of new light vehicle sales in Victoria that are Zero Emissions Vehicles



This new indicator for 2023-24 reports on new light vehicle sales in Victoria that are Zero Emissions Vehicles as a proportion of all vehicle sales.

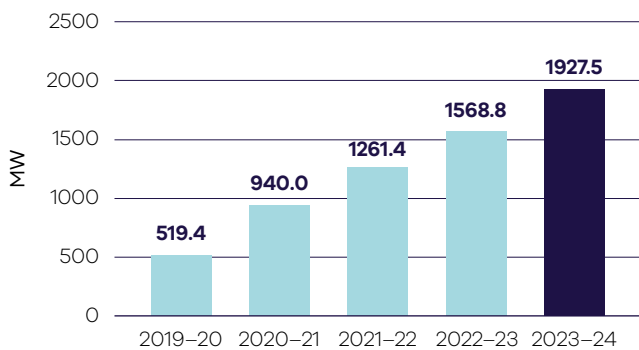
Victoria's Zero Emission Vehicle (ZEV) Roadmap sets a target of 50% of new light vehicle sales to be zero emissions by 2030.

Of the 164,186 new light vehicles sold in Victoria in 2023-24, 7.9% were ZEVs. While the overall market share increase of ZEVs only increased by 0.1 percentage points compared to 2022-23, total ZEV sales in Victoria was higher by 11.8% relative to 2022-23.

This indicator reflects the success of policies and programs supporting Victoria's ZEV Roadmap. Such programs include the roll-out of electric vehicle charging infrastructure across regional Victoria and the previous ZEV subsidy program. Since commencement of the ZEV subsidy program on 1 May 2021 to its conclusion on 30 June 2023, Solar Victoria paid 9,925 ZEV subsidies, totalling \$29.8 million.

The Commonwealth Government's New Vehicle Efficiency Standard, the design of which DEECA made submissions on, will commence in 2025 to increase supply and reduce the cost of ZEVs. This builds on the Commonwealth Government's existing electric vehicle discount, which removed fringe benefit tax on eligible electric vehicles from 1 July 2022.

Indicator: Electricity generating capacity installed under the Solar Homes program



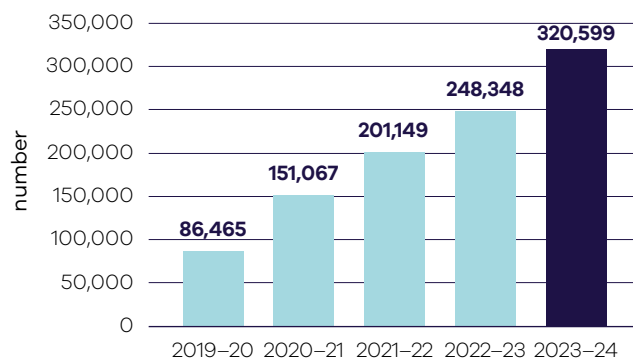
Notes on the data:

- The restatement of prior year data is due to retrospective changes made to the final number of solar systems installed, such as when applications were extended across financial years, cancelled or expired.

The total cumulative electricity generating capacity installed under the Solar Homes program as at 30 June 2024 was 1,927.5 MW, with the annual result for 2023-24 totalling 358.7 MW. This output represents the generating capacity from all solar PV systems installed under the Solar PV rebates for owner occupier households and rental properties program, and solar PV systems installed simultaneously with a battery or Virtual Power Plant rebate.

Demand for solar PV rebates increased in 2023-24, which saw the highest ever total approved applications under the Solar Homes Program. Additionally, the average system size increased from 7.3 kilowatts (kW) to 7.9 kW, further accelerating the increase in generation capacity in 2023-24.

Indicator: Solar systems installed under the Solar Homes program



Notes on the data:

- The restatement of prior year data is due to retrospective changes made to the final number of solar systems installed, such as when applications were extended across financial years, cancelled or expired.

This objective indicator reports on the cumulative number of systems installed under the Solar Homes program, including solar PV, hot water, battery and Virtual Power Plant systems.

The cumulative total number of installed systems under the Solar Homes program (as at 30 June 2024) was 320,599. The annual result for 2023-24 totalled 72,251 systems. Solar PV uptake was approximately 30% higher in 2023-24, up from 38,043 solar PV rebates approved in 2022-23 to 51,198 approved applications in 2023-24.

This increase is attributed to program adjustments such as:

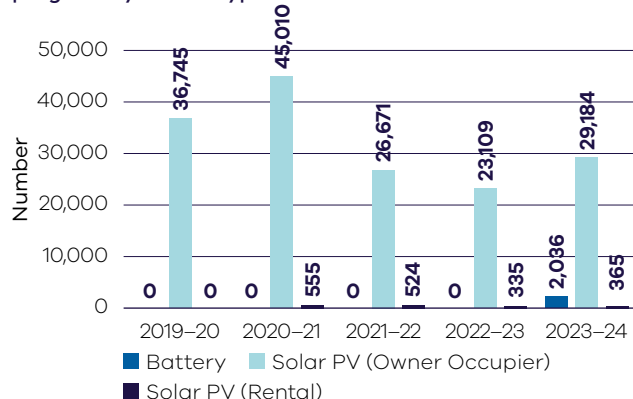
- increasing the household income eligibility threshold from \$180,000 per annum to \$210,000 per annum (August 2023)
- allowing households to access the program again if they move to a new property (October 2023)
- allowing households with a solar system that is more than 10 years old to access rebates and interest free loans to replace ageing systems that may no longer be fit for purpose (October 2023).

Additionally, the Solar for Apartments and Residential Electrification Grants programs supported uptake of solar PV and efficient electric hot water systems at scale, including amongst harder to reach cohorts including apartment residents and rental households.

Recent data shows that Victoria is achieving a similar level of installations per month to Queensland, and significantly more than South Australia and Western Australia.

To assist Victorians with the installation of a solar PV or battery system, the Solar Homes program has approved more than 164,000 customers for an interest-free loan. As at 30 June 2024, 97% of customer loans have been fully paid within the required 4 year loan term.

Interest-free loans approved under the Solar Homes program by rebate type



Energy

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

Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Annual Melbourne tram network demand offset by solar generated large-scale generation certificates	per cent	100	100	0	✓
Energy back-up systems established at Community Hubs	number	24	25	(4)	○
Government-supported events that engage business and supply chains regarding the energy sector	number	10	10	0	✓
Neighbourhood batteries installed	number	0	10	(100)	■
<i>Performance is below target as no batteries were installed during 2023-24, due to the timelines required for detailed program design and the funding agreement processes. Works on all projects have commenced and all 10 batteries from 2023-24 are expected to be delivered within 2024-25.</i>					
New Energy Jobs Fund projects completed	number	13	15	(13)	■
<i>Performance is below target due to Distributed Network Service Provider timelines, planning approval processes and supply chain issues delaying 2 projects. One of the 2 projects was completed in July 2024 and the remaining project is anticipated to be completed by December 2024.</i>					
Renewable Energy Certificates procured under the Renewable Certificate Purchasing initiative sufficient to meet Renewable Energy Target liability associated with annual electricity demand of participating government sites	per cent	100	100	0	✓
Share of Victoria's electricity generation from renewable sources	per cent	37.8	40	(6)	■
<i>Performance is below target reflecting reduced output from wind generation during May and June 2024, a small increase in coal generation and less new large-scale wind and solar connections relative to previous years.</i>					
Victorian Energy Efficiency Certificates (each representing one tonne of greenhouse gas emissions avoided) surrendered by energy retailers to meet their liabilities under the Victorian Energy Efficiency Target	million certificates	6.6	6.9	(4)	○
Vulnerable Victorian energy consumers reached through consumer support programs	number	17 785	13 000	37	✓
<i>Performance is above target due to the extension of the Community Outreach Program, which supported low-income and hard-to-reach energy consumers experiencing hardship to apply for the \$250 Power Savings Bonus.</i>					

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quality					
Users of the Victorian Energy Compare website who report a better understanding of their usage costs after using the website	per cent	61	65	(6)	■
<i>Performance is below target, likely due to the high volume of repeat visitors to the Victorian Energy Compare Website who are already aware of their energy usage costs.</i>					
Timeliness					
Delivery of key Australian Energy Market Commission funding milestones, in line with funding agreements and agreed project deliverables	per cent	100	100	0	✓
Cost					
Total output cost	\$ million	339.3	289.5	17.2	■
<i>The higher than budgeted output cost is predominantly due to additional funding for Round 4 of the \$250 Power Saving Bonus, the Bringing back the State Electricity Commission initiative, VicGrid functions and the Victorian Transmission Investment Framework initiative, partially offset by reprofiling of funding from 2023–24 to future years for the Energy Efficiency Upgrades for Homes initiative.</i>					

Note:

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

Solar Victoria

The Solar Victoria output implements multi-year programs to incentivise the uptake of solar panel energy systems and hot water systems, and interest-free loans for battery storage for homes with existing solar energy systems, as Victoria transitions to a lower emissions future, reducing fossil fuel usage and air pollution, and allowing independence from conventional energy supplies.

Through this output, Solar Victoria supports investment in household energy technology innovation to find new and improved ways to meet future energy demand.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Applications for Solar Battery loans approved	number	2 036	4 500	(55)	■
<i>Performance is below target due to delays in finalising loan agreements and the complexity of meeting responsible lending obligations. Solar Victoria continues to prioritise responsible lending obligations, requiring customers to provide evidence of their ability to repay the loan.</i>					
Applications for Solar PV rebates for owner-occupied households approved	number	47 877	52 000	(8)	■
<i>Performance is below target reflecting customer demand. This is consistent with solar PV market trends as reported by retailers and installers.</i>					
Applications for Solar PV rebates for rental households approved	number	3 321	1 000	232	✓
<i>Performance is above target due to high uptake of rebates through the Solar for Apartments program.</i>					
Applications for hot water rebates approved	number	27 428	4 510	508	✓
<i>Performance is above target due to unprecedented consumer interest in obtaining energy efficient hot water systems, influenced by changes to the eligibility criteria and simplification of the application process.</i>					
Rebated installations audited by the Solar Homes Audit Program to be conducted in accordance with the Solar Homes Assurance Framework plan	per cent	5	5	0	✓

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quality					
Solar Homes Program customers who rate the overall performance of Solar Victoria as 'Good' or 'Very Good' in post-approval surveys	per cent	85.6	75	14	✓
<i>Performance is above target due to efforts to improve the customer experience, particularly on improving document verification processes.</i>					
Timeliness					
Average number of weeks for Solar Victoria to process completed eligibility applications	weeks	1.4	2	30	✓
<i>Performance is above target reflecting efforts to improve document verification processes.</i>					
Rebate payments for Solar retailers processed within five business days	per cent	85.7	80	7	✓
<i>Performance is above target due to efficiency gains from improvements applied to the payment process (including document verification) and customer service experience.</i>					
Cost					
Total output cost	\$ million	150.2	164.2	(8.5)	■
<i>The lower than budgeted output cost is predominantly due to the reprofiling of funding for Round 4 of the \$250 Power Saving Bonus from the Solar Victoria output to the Energy output and lower than expected uptake of Solar Homes loans, partially offset by additional funding received for energy efficient hot water rebates.</i>					

Note:

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

Productive and effective land management



Progress towards achieving this objective

Context

Victoria’s public land, including its parks, forests, coasts, alpine resorts and Crown land reserves, has significant economic, environmental, cultural and recreational value. DEECA manages public land to both protect these values and optimise its use by all Victorians.

In partnering with other public land managers, including Traditional Owners, statutory agencies and Committees of Management, we ensure that our public land and water assets are used in a sustainable manner and that their natural and built assets continue to be maintained and improved.

We partner and work closely with Traditional Owners and Registered Aboriginal Parties to ensure their connection to Country, recognise existing rights under agreements and incorporate Aboriginal knowledge and culture into the management of land and natural values.

We ensure that all Victorians and visitors to the state have access to safe and appropriate infrastructure, and that development, particularly along Victoria’s coastline, is appropriate and takes full account of community, environmental, and economic values as well as Traditional Owner values and aspirations.

Initiative	2023–24 progress
Implement the Suburban Parks Program	<p>Since 2018, the Victorian Government has committed more than \$315 million through the Suburban Parks Program to create, connect and upgrade more than 6,500 hectares of open space across metropolitan Melbourne. Key actions delivered during 2023–24 included:</p> <ul style="list-style-type: none"> • Three New Parks project – 391 hectares of land were acquired and transferred to Parks Victoria by February 2024 for clean-up and management. • Sandbelt Parklands – 86 hectares of acquired former landfill is being managed by an environmental consultant. EPA revoked 2 of 5 Environmental Action Notices in May 2024, and the remaining 3 notices are being actively managed as at June 2024. • Co-Managed Parks – the final 2 parkland plans were completed and endorsed by Parkland Partnership Groups for Quarry Hills in August 2023 and marram baba Merri Creek in November 2023. As at June 2024, initial infrastructure works at Cardinia Creek, Jacksons Creek and marram baba Merri Creek are underway or due to commence in early 2024–25. An interactive web-based map for Quarry Hills has been developed and is being tested with stakeholders. • Seaford Wetlands - construction of the bridge over Kananook Creek was completed in May 2024, with signage and facilities upgrades planned for completion by October 2024. • Four projects are being delivered by Parks Victoria: <ul style="list-style-type: none"> – At Plenty River Trail, cultural heritage assessments were progressed and are expected for completion following the finalisation of Cultural Heritage Management plans in late 2024–25. – At Wattle Park, additional works on heritage-listed trams are planned for completion in mid-2024–25, and a ceremonial space is also being planned with Traditional Owners. – The construction works for the Werribee River Regional Park are due to be finalised in mid-2024–25. – Works at Toolern Creek Regional Park are underway and planned for completion in late 2024–25.

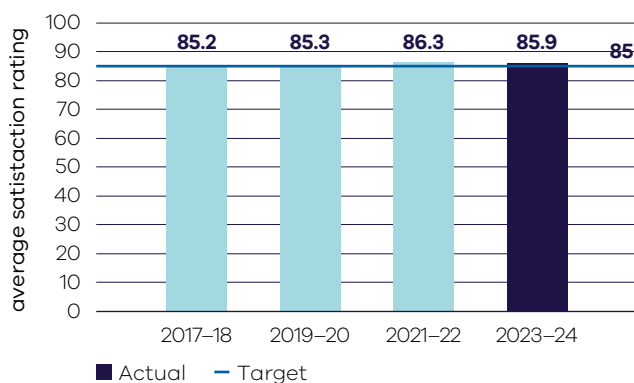
Initiative	2023–24 progress
	<ul style="list-style-type: none"> • Local Parks - DEECA funded 29 new pocket parks, 14 new off-leash dog parks, 41 park revitalisation projects and 7 Northern Metropolitan Trails. <ul style="list-style-type: none"> – Of the 29 pocket parks, 27 are completed as at June 2024, with the remaining projects underway. – All 14 dog parks were completed by July 2023. – All 41 parks revitalisation projects are complete as at June 2024. – Six of the 7 trails delivered under the Northern Metropolitan Trails Program have been delivered with the remaining trail project being the Merri Creek Trail Extension currently undergoing final design and cultural heritage planning and approvals, with completion expected by May 2025.
Delivering better parks and playgrounds	<p>In August 2023, the Victorian Government approved the Better Parks and Playground Program Guidelines, a delivery implementation approach and associated package of 11 targeted projects that make up the program.</p> <p>All 11 projects have funding agreements executed between DEECA and the relevant delivery partner. All projects are formally underway as at June 2024, with most projects in planning and approvals, design or community consultation stages. These projects are being communicated on a new Better Parks and Playgrounds website.</p>
Implementing Great Ocean Road Management reforms, visitor infrastructure improvements and erosion preparedness	<p>In 2023–24 key actions delivered through the Implementing Great Ocean Road Management reforms, visitor infrastructure improvements and erosion preparedness budget initiative included:</p> <ul style="list-style-type: none"> • The Great Ocean Road Coast and Parks Authority (GORCAPA) was appointed as land manager for 153 land parcels in 2023–24, and 259 land parcels in total; significantly reducing fragmented land management from Point Impossible to Peterborough. • GORCAPA is the dedicated manager for coastal reserves formerly managed by 8 different entities (4 Committees of Management and 4 councils). • GORCAPA progressed program delivery to improve visitor facilities and beach access. • GORCAPA made advancements in erosion preparedness through coastal adaptation scoping studies. • DEECA progressed delivery of technical studies to inform the development of the Great Ocean Road Strategic Framework Plan.
Protecting our parks, pets and wildlife – dog parks	<p>DEECA developed the Protecting our parks, pets and wildlife – dog parks initiative (referred to as the New and Upgraded Dog Parks Program) during 2023–24. This included preparing program guidelines for the first round of the program, a delivery implementation approach and briefing eligible local councils on the initiative.</p> <p>This investment will provide funding to specific public land managers to design and deliver the new and upgraded dog parks across Victoria in 2 rounds. This program also supports the continued implementation of the Victorian Government’s Open Space for Everyone Strategy 2021.</p> <p>In May 2024, the Victorian Government announced the package for 19 new and upgraded dog parks to be delivered through the first round of the program.</p> <p>As at June 2024, all 19 projects are underway and will undergo community consultation before designs are made final. Expected features include designated ball play areas, sand digging pits, agility equipment, drinking fountains, fencing, shelters, bins and shading, as well as other park enhancements such as pathway improvements, landscaping and lighting.</p>

Initiative	2023–24 progress
VicCoasts: Building a safe, healthier and more resilient marine and coastal environment for the community	<p data-bbox="331 416 1385 472">During 2023–24, key actions to support a safe, healthier and more resilient marine and coastal environment included:</p> <ul data-bbox="331 488 1433 1182" style="list-style-type: none"> <li data-bbox="331 488 1433 600">• Victoria’s first statewide Marine Biodiversity Values (MBV) Map was completed in May 2024. The MBV ranks all locations across Victoria’s marine environment for their ability to represent key marine and coastal biodiversity features to support environmental assessments and planning decisions across Victoria’s marine and coastal environment. <li data-bbox="331 607 1433 685">• Marine Spatial Planning guidelines and planning areas were released in September 2023, to support the marine industry, government, and the community better plan activities in the marine environment, now and into the future. <li data-bbox="331 692 1433 748">• An overview of values, uses and activities in Gippsland’s marine environment was released in June 2024 to support the offshore renewable energy transition. <li data-bbox="331 754 1433 833">• Coastal protection works were completed at Phillip Island in August 2023, Point Lonsdale in October 2023, Port Welshpool in December 2023 and Marengo in May 2024. Funding agreements were awarded for works at Bullock Island, Rhyll, Loch Sport, Ocean Grove and Williamstown. <li data-bbox="331 840 1433 918">• Through the Coastcare Victoria Program, 77 Summer by the Sea events were delivered attracting more than 2,000 attendees. Six Traditional Owner led Caring for Sea Country workshops were held, building the capacity of volunteers in preserving and caring for Sea Country. <li data-bbox="331 925 1433 1037">• Victoria’s Resilient Coast program delivered the Blue Carbon and Sea Country adaptation study in July 2023 and Coastal Erosion Warning Indicators were implemented through the Victorian Coastal Monitoring Program to increase our understanding of coastal processes and aid coastal management policy and planning. <li data-bbox="331 1043 1433 1155">• The Port Phillip Bay Fund delivered \$3.38 million to support 27 projects (over 2 years) that protect the health of the Bay and the Port Phillip Bay Coastal Hazard Assessment was released in January 2024 to facilitate a better understanding of current and future coastal hazards around the Bay. <li data-bbox="331 1162 1433 1182">• The Victorian Coastal Cliff Hazard Assessment was completed in September 2023.
Conservation Regulator Delivery	<p data-bbox="331 1193 1385 1249">Throughout 2023–24, the Conservation Regulator made progress in its key areas of education, community engagement, compliance monitoring, and enforcement of wildlife and forest laws.</p> <p data-bbox="331 1256 1433 1451">Educational activities over 2023–24 included the launch of a new ‘Visiting Victoria’s parks and forests’ kids’ activity book, an educational resource with a variety of activities designed to help kids and their caretakers learn responsible camping behaviours, such as campfire safety, protecting native wildlife, and the importance of taking rubbish home. In June 2024, the Conservation Regulator ran the joint statewide, coordinated ‘Wildlife Crime: It’s Your Call’ campaign with Crime Stoppers Victoria. The campaign promoted the value of public information in solving wildlife crime and empowered Victorians to report crimes.</p> <p data-bbox="331 1458 1433 1536">To support compliance with the law, the Conservation Regulator produced 33 media releases, facilitated 2 media events and responded to 106 media enquiries. The Conservation Regulator also published 137 social media posts.</p> <p data-bbox="331 1543 1433 1621">Strategic operations provide the opportunity for the regulator to focus on key areas of non-compliance. In 2023–24 the Conservation Regulator undertook 7 strategic operations. This included:</p> <ul data-bbox="331 1637 1433 1854" style="list-style-type: none"> <li data-bbox="331 1637 1433 1693">• Operation SoHo – focused on the protection of native hooded plovers during their critical summer breeding season (proposal endorsed in September 2023). <li data-bbox="331 1700 1433 1756">• Operation Rivulet – monitored compliance at newly established Crown land water frontage campsites across Victoria (proposal endorsed in July 2023). <li data-bbox="331 1762 1433 1796">• Two strategic operations focused on illegal trade of wildlife and wildlife cruelty <li data-bbox="331 1803 1433 1854">• Further operations focused on blue gum plantations, illegal offroad driving and monitoring research permits. <p data-bbox="331 1861 1433 1951">Organised criminal behaviour was effectively addressed over 2023–24. This included working cooperatively with Biosecurity Victoria to dismantle a network involved in the illegal trade and possession of exotic animals and native wildlife between July 2023 and March 2024.</p> <p data-bbox="331 1957 1433 2016">Illegal take of timber continued to be a focus with 248 cases relating to illegal take of timber and penalties applied between \$660–\$5,000.</p>

Initiative	2023–24 progress
	<p>Wildlife cruelty and illegal trade of wildlife remains the Conservation Regulator’s largest category of non-compliance. In 2023–24, 694 charges were laid relating to wildlife crime. In total, the Conservation Regulator laid 882 charges with several substantial prosecution outcomes including the finalisation of a major investigation into reports of injured and starving koalas at a Cape Bridgewater property in January and February 2020. In addition, 364 infringements and 76 official warnings were issued.</p> <p>Alongside the Conservation Regulator’s work in regulation, pre-harvest surveys on areas planned for commercial timber harvesting were delivered through the Forest Protection Survey Program. More than 190 surveys at coupes planned for harvest were delivered and over 11,000 observations recorded, resulting in the protection of threatened species from the impacts of timber harvesting. The program also delivered more than 340 additional targeted threatened species surveys to support forest management decision making.</p>
Terminate Victoria’s Regional Forest Agreement (RFA) commitments	<p>The cessation of native timber harvesting on 1 January 2024 changed the operating context for Victoria’s forest work program. The Victorian Government notified the Commonwealth Government that all 5 Regional Forest Agreements (RFAs) will be terminated on 31 December 2024. In 2023–24, funding supported the continuation of key commitments under the Victorian RFAs including:</p> <ul style="list-style-type: none"> • ongoing listed species and communities risk assessments and implementation of protections and management actions • continuation of forest management planning • continuation of a review of Victoria’s sustainability indicators • completion of research activities around Active Forest Management.

Departmental Objective Indicator performance

Indicator: Level of park visitor satisfaction across the Parks Victoria estate



This indicator measures visitor satisfaction through a biennial survey, with satisfaction defined as the perceived quality of parks, facilities and services and met or unmet expectations.

The most recent survey, conducted in 2023–24, indicated that the Parks Victoria estate received an average satisfaction rating of 85.9, indexed out of 100 against a target of 85. The actual result is calculated as the average of responses to a satisfaction question where:

- Fully satisfied = 100
- Very satisfied = 80
- Satisfied = 60
- Dissatisfied = 40
- Very dissatisfied = 20
- Completely dissatisfied = 0.

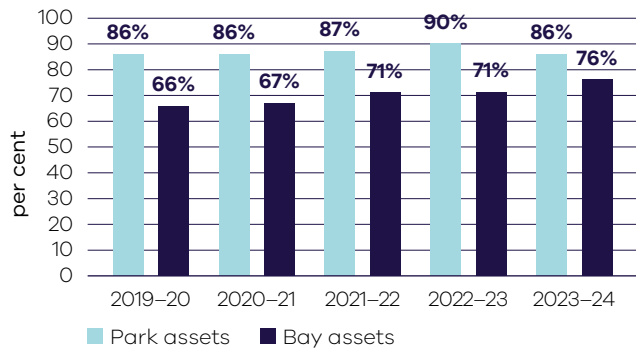
In 2023–24, satisfaction increased for parks where improvement works were completed (such as Braeside Park and Ferntree Gully Picnic Ground) under the \$21 million Urban Parks Active Wellbeing program. The Dandenong Ranges Botanic Garden also saw a significant increase in satisfaction, coinciding with the opening of the Chelsea Australia Garden at Olinda.

The 2023–24 survey has also provided useful feedback to inform future asset investment and maintenance priorities.

Visitors reported being most satisfied with park landscapes including the natural surroundings, being comfortable and safe in the parks, appreciating the plant, animal and bird life, having places to socialise with friends and family, and being able to find peace and solitude.

Almost all respondents reported mental and physical health benefits from visiting parks, and urban parks were reported as enabling visitors to strengthen their social networks.

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



Parks Victoria manages one of the most diverse park and waterway networks in the world. The network contains natural and cultural resources that provide a wide range of benefits to the environment, the community and the economy. Each year, Parks Victoria measures the condition of bay and park assets to inform asset investment and maintenance.

In 2023-24, 86% of park assets were rated in average to excellent condition, against a target of 88%, and 76% of bay assets were rated in average to excellent condition against a target of 80%.

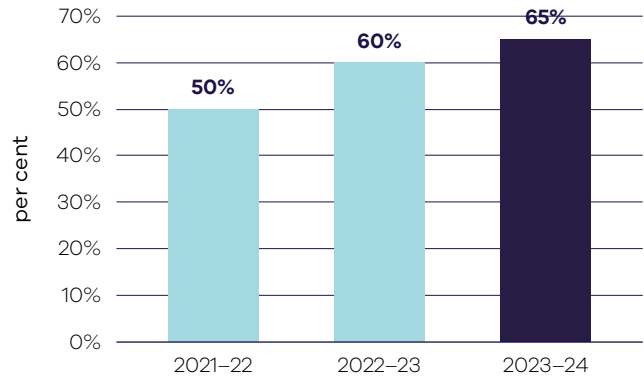
During the year, park asset data accuracy was improved through the implementation of a statewide significant built park asset monitoring program. Parks Victoria conducted a deep dive review of its park assets resulting in some assets having their safety consequence reduced and therefore no longer classified as significant.

The 2023-24 result for built bay assets was lower than the target due to the decline of maritime assets from age and environmental impacts.

Completion of the Altona and Rye pier renewal projects and the removal of the old Hampton and Mornington Fishermans piers mitigated overall asset condition decline. Various minor maintenance works at Black Rock, Frankston and Portsea also contributed towards a slight improvement in overall condition.

Capital projects to replace St Kilda, Mornington Fishermans, Hampton, Warneet and Williamstown Workshops piers are expected to lead to a further improvement in 2024-25.

Indicator: Traditional Owner satisfaction with DEECA's progress in enabling self-determination



In 2023-24, an overall improvement in the positive level of satisfaction of Traditional Owners with the department's progress in enabling self-determination was observed, reaching 65%. This overall increase in satisfaction was accompanied by an increase in survey participation.

Progress during 2023-24 included transformation of DEECA's service delivery and systems to remove barriers to Aboriginal self-determination, including the transfer of power and resources to Traditional Owners.

Examples of DEECA's continuing progress towards self-determination include:

- a continued increase of cultural burns on public land from 4 burns in 2018-19, to 15 in 2021-22, 20 in 2022-23 and 29 in 2023-24
- a significant increase in the number of formal partnership agreements between Aboriginal communities and key water and catchment agencies, which rose from 236 in 2021-22 to 257 in 2022-23.

Further examples of actions delivered by DEECA over 2023-24 to enable self-determination are included on page 11.

Management of Public Land and Forests

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

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Annual visitation to Zoos Victoria	number (million)	2.77	2.85	(3)	○
Crown land leases directly managed by the Department	number	633	666	(4.95)	○
Crown land licenses directly managed by the Department	number	46 455	45 000	3	✓
<i>Native Title and Traditional Owner Settlement Act 2010</i> agreements being implemented by the Department	number	7	7	0	✓
<i>Native Title and Traditional Owner Settlement Act 2010</i> negotiations the Department supports with data and information services	number	9	6	50	✓
<i>Performance is above target due to the commencement of negotiations for the Gunditjmara Part C Native Title claim and Dhudhuroa, Waywurru and Ngurai Illium Native Title claim, and the recommencement of negotiations for the Eastern Maar Recognised Settlement Agreement, all of which the department is supporting with data and information services.</i>					
Participants in Coastcare activities	number	7 519	7 500	0.3	✓
Specimens curated in the State Botanical Collection	number	29 120	20 000	46	✓
<i>Performance is above target due to the Royal Botanic Gardens Victoria prioritising a large donation of marine algae specimens at high risk of damage and dissociation. This collection required minimal physical preparation and was accompanied by straightforward collection data, enabling faster curation than other specimens.</i>					
Suburban pocket parks completed	number	7	9	(22)	■
<i>Performance is below target due to significant land contamination challenges and remediation at one site and a complex road closure at another. Both parks are expected to be delivered in 2024–25.</i>					
Visitors to the Royal Botanic Gardens in Melbourne and Cranbourne	number (million)	1.7	2.3–2.5	(26)	■
<i>Performance is below target due to above average rainfall and poor weather at both sites, extensive roadworks affecting access to the Cranbourne Gardens and increased competition for the annual ticketed Lightscape festival from other events.</i>					
Quality					
Publicly elected Committees of Management that have a current statutory appointment	per cent	88	90	(2.2)	○
Recreational facilities in state forests maintained to have a life expectancy greater than five years	per cent	77	75	3	✓
Timeliness					
Investigations of alleged non-compliance with the Code of Practice for Timber Production 2014 and other relevant laws are completed within the statute of limitations of three years	per cent	100	100	0	✓
Rent reviews of Department managed Crown land leases undertaken within specified time frames	per cent	96	95	1	✓
Cost					
Total output cost	\$ million	367.8	259.7	41.6	■
<i>The higher than budgeted output cost is predominantly due to additional funding for Timber Harvesting Transition Support, funding to address the lasting financial and operational impacts of COVID-19 on portfolio entities and supporting the Suburban Parks Program to align with the key delivery milestones.</i>					

Note:

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

Parks Victoria

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

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Area treated to minimise the impact of pest plants, pest animals and over abundant native animals in parks managed by Parks Victoria	hectares (000)	1 996	1 600	25	✓
<i>Performance is above target due to supplementary external funding enabling additional activity, and a more complete dataset with improved capture of the Good Neighbour program and upgraded data capture methods.</i>					
Total area of estate managed by Parks Victoria	hectares (000)	4 120	4 120	0	✓
Visits to national, state, urban and other terrestrial parks	number (million)	N/A	83	N/A	N/A
<i>Not measured in 2023–24. Results for this measure are captured every 2 years.</i>					
Visits to piers and jetties	number (million)	N/A	38	N/A	N/A
<i>Not measured in 2023–24. Results for this measure are captured every 2 years.</i>					
Quality					
Significant built bay assets managed by Parks Victoria rated in average to excellent condition	per cent	76	80	(5)	■
<i>Performance is below target due to the decline of maritime assets from age and environment. Maintenance and capital works at multiple sites are expected to improve overall bay asset condition in 2024–25.</i>					
Significant built park assets managed by Parks Victoria rated in average to excellent condition	per cent	86	88	(2)	○
Cost					
Total output cost	\$ million	187.7	215.1	(12.7)	■
<i>The lower than budgeted output cost is predominantly due to the reprofiling of the output allocation of funding from the Parks Victoria output to the Fire and Emergency Management and Management of Public Lands and Forests outputs to align expenditure with departmental objectives. The lower than budgeted output cost is also due to changes in how revenue is collected for fees associated with Werribee Mansion which are now recorded under the Parks Victoria legislation provision for cost recovery.</i>					

Note:

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

Safe and sustainable water resources



Progress towards achieving this objective

Context

DEECA works to ensure that Victoria has safe, sustainable and productive water resources to meet urban, rural, environmental and cultural needs. The department partners with water corporations, Catchment Management Authorities (CMA), government agencies, industry, Traditional Owners and the community to balance the economic, environmental and social values of water. This helps to deliver secure water supplies, greener and liveable cities, and towns, as well as ensuring sustainable irrigation and agriculture, healthy waterways, catchments and Country.

The Victorian Government invested \$693.9 million over 4 years (2020 - 2024) to deliver on Water for Victoria and other strategic commitments. Through these programs the government is managing our water resources, while supporting a healthy environment, a prosperous economy and thriving communities.

The table below outlines some key actions DEECA is taking to create a modern and efficient, future-focused and affordable water system.

Initiative	2023–24 progress
Activating Tarago Reservoir for on-water recreation	<p>DEECA continued to provide oversight of inter-agency activities on the implementation planning and delivery of the Victorian Government’s commitment to open Tarago Reservoir to on-water recreation.</p> <p>Melbourne Water and Gippsland Water commenced work in 2023–24 to enable new and additional UV treatment to be installed at their water treatment plants, which source drinking water from the Tarago Reservoir. These upgrades, due to be completed by mid-2025, will allow management of water quality risks associated with introducing boating for non-petrol-powered boats. DEECA provides grant funding and administrative oversight for this work.</p> <p>In April 2024, Melbourne Water engaged an external service provider to undertake a risk assessment and subsequent feasibility study to identify risks to drinking water quality posed by allowing vessels with petrol motors on Tarago Reservoir.</p> <p>The suitability of sites for the location of the new boat ramp is currently being assessed by Better Boating Victoria. Community engagement will be undertaken jointly by Better Boating Victoria and Melbourne Water, with support from DEECA once information is available from this analysis.</p>
Building Flood Resilience in Victoria	<p>Year 4 of the Building Flood Resilience in Victoria initiative provided \$2.9 million in funding towards 13 successful funding applications for flood studies. Applicants and their delivery partners co-contributed a total of \$1.181 million.</p> <p>Projects funded in 2023–24 included: flood studies for the Mallee Catchment Management Authority region, Corangamite Shire Council and Mansfield Shire Council, a demountable levee system for Donald, and an assessment of flood mitigation options for Avoca Recreation Reserve. The Building Flood Resilience in Victoria initiative has allocated more than \$4.297 million to a total of 42 projects through the Risk and Resilience program since the initiative was announced in the 2020–21 State Budget.</p> <p>In May 2022, the Victorian Government announced a \$10 million commitment over 5 years to fast-track development of flood studies for around 32 towns.</p> <p>The second year of the program rolled out in 2023–24 funded 13 projects across the state for a total Victorian government investment of \$2.788 million.</p> <p>These projects will be managed by local councils with catchment management authorities providing technical input and support. A similar level of investment is forecast for years 3, 4 and 5 of the program.</p>

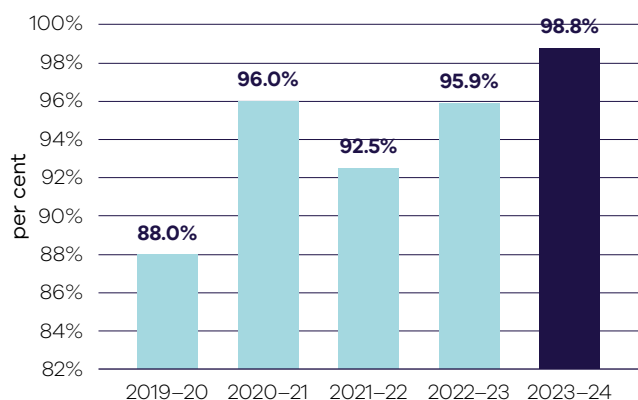
Initiative	2023–24 progress
Delivering community benefits through implementation of the Central and Gippsland Region Sustainable Water Strategy	<p>Key highlights from the Diversifying Water Resources Program’s 18 integrated water management projects funded by the Central and Gippsland Region Sustainable Water Strategy include:</p> <ul style="list-style-type: none"> • The Wonthaggi Stormwater Harvesting and the Fit-for-Purpose Water for Irrigating Recreation Reserves in Morwell projects were both completed in November 2023. • The Greening Trafalgar Recreation Reserve feasibility project to design a wetland and stormwater harvesting scheme was completed in July 2023, enabling the lead organisation to secure funding for the project’s construction phase. • The hydraulic model for Dingley Reticulation Network commenced in September 2023 and has been updated to reflect customer water demands, allowing the completion of pipe sizing for the network. <p>In September 2023, the new non-residential water efficiency program, WaterSmart, was launched as part of the Increasing Water Efficiency Program. As at 30 June 2024, <i>WaterSmart</i> was assisting 429 Central and Gippsland region sites across businesses, councils and other organisations, with digital water use monitoring and water efficiency audits to help find leaks, inefficient equipment and opportunities to reduce or substitute potable water use where appropriate.</p> <p>The \$1.87 million CMA Water Cycle Adaptation Action Plan program was finalised in June 2024 for delivery over 2.5 years. This program will deliver 5–10 priority catchment management and place-based adaptation projects with clear water cycle and natural environment climate adaptation benefits.</p> <p>Implementation highlights for other Central and Gippsland Region Sustainable Water Strategy (CGRSWS) projects during 2023–24 include:</p> <ul style="list-style-type: none"> • Returning water to Traditional Owners for self-determined use. Significant progress was made on actions to return a share of water in the Latrobe System and Moorabool Yuluk (Moorabool River) to the relevant Traditional Owner group as well as other parties. • In addition, the Wadawurrung Traditional Owners Aboriginal Corporation completed a project in February 2024, trialling water delivery in the Moorabool Yuluk using water transferred from Barwon Water and Central Highlands Water. Further information on the trial water delivery can be found on the Central Highlands Water website. • Continuing to support the environmental water reserve across the region, including progress on projects on the Moorabool River, Painkalac Creek, Gellibrand River and Werribee River. <p>The first annual CGRSWS Progress Report was published in November 2023. It includes 9 actions that have been achieved and 76 actions that have been started or partly achieved. The second annual progress report is expected to be available by September 2024.</p>
Iconic Urban Waterways Program	<p>Implementation of <i>Burndap Birrarung burndap umarkoo</i>, the <i>Yarra Strategic Plan</i> (YSP) is progressing. The YSP Implementation Plan 2023–2025, approved in December 2023, will coordinate the actions of DEECA and other responsible public entities in partnership with Traditional Owners over the implementation period. The Implementation Plan addresses the findings of the Birrarung Council’s first annual reports, and commitments and frameworks outlined in the YSP itself.</p> <p>In June 2023, \$1.65 million has been committed for transformative projects identified by the Yarra Collaboration Committee (YCC). These projects, transforming management of the Birrarung’s parklands and maximising the benefits of investment in revegetation, will be delivered over 2023–24 and 2024–25. In 2023–24, the YCC approved project governance and budget allocations, and procurement processes are underway. As part of the Birrarung Parklands project, Wurundjeri Woi-wurrung will be undertaking cultural mapping across the river corridor, a self-determined project that will provide foundational knowledge for cultural input into this and many future projects along the Birrarung.</p> <p>Melbourne Water, as lead agency, and the Birrarung Council have both completed their second year of annual reporting. Both reports were tabled in Parliament in November 2023.</p> <p>By 30 June 2024, all short-term actions for the Waterways of the West and Rivers of the Barwon (Barre Warre Yulluk) Action Plans have either been delivered or are on-going in nature. They are either being guided by Traditional Owner self-determined priorities or linked to overarching policy, such as the Healthy Waterways Strategy. Many longer-term actions have now also commenced.</p>

Initiative	2023–24 progress
	<p>The Kitjarra–dja–bul Bullarto langi-ut (Barwon Rivers Parklands) masterplan was finalised in December 2023. Development of the masterplan and some early implementation actions have been funded by DEECA and led by Corangamite CMA, partnering with Wadawurrung Traditional Owners and multiple agencies in the region.</p> <p>Also supporting the community visions for Barre Warre Yulluk, the Moorabool River Reserve Masterplan 2023–2032, funded through the Iconic Urban Waterways Grants program, was approved by the Golden Plains Shire Council in October 2023.</p> <p>In July 2023, Melton City Council finalised the Arnolds Creek – Coming Back to Life Improvement Plan, funded through an Iconic Urban Waterways grant in 2022. This will drive the revitalisation of a key urban waterway in Melbourne’s outer west.</p>
<p>Improving the health of Victoria’s waterways and catchments in the face of escalating impacts of climate change</p>	<p>The Victorian Waterway Management Program continues to fund CMAs to deliver core water statutory functions, on-ground works (including Flagship Waterway projects), community engagement and Ramsar site management projects. Key highlights for 2023–24 include:</p> <ul style="list-style-type: none"> • Flagship Waterways program: <ul style="list-style-type: none"> – Goulburn Broken CMA commenced a Waterwatch-based citizen science volunteer program to monitor water quality at priority locations on Seven, Hughes and King Parrot creeks. – West Gippsland CMA completed riparian protection works along 86% of the length of the Agnes River, providing essential downstream protection to the Corner Inlet Flagship site. – Wimmera CMA partnered with Barengi Gadjin Land Council to finalise designs for a pipeline to provide long-term watering to ‘The Ranch’ billabong in Dimboola. • East Gippsland CMA is overseeing the renewal of the Gippsland Lakes Ramsar Site Management Plan, with public consultation concluding in January 2024 to inform the final plan, due to be completed in mid-2024–25. • Victoria’s obligations for wetlands of international importance listed under the Ramsar Convention on Wetlands have been met, including through on-ground works and monitoring activities to address key threats as identified in Ramsar Site Management Plans. This included completion of infrastructure works at Beach Road within the Glenelg Estuary and Discovery Bay Ramsar Site by Glenelg Hopkins CMA in June 2024, which has restored fish passage between the estuary and wetland areas. • Delivery of popular citizen science programs including EstuaryWatch and River Detectives continued throughout 2023–24. • A new Victorian Waterway Management Strategy is being developed to guide how Victoria’s rivers, estuaries and wetlands are managed into the future, with initial drafting completed. Governance forums have been established to test the draft with project partners and key stakeholders, prior to public consultation in 2024–25. • Completion of the Kynmer Creek regulator in the Goulburn Broken CMA region in May 2024. • Our Catchments Our Communities program: <ul style="list-style-type: none"> – East Gippsland CMA adopted a regional partnership model to deliver on-ground projects, which included 130 people planting 450 plants at a National Tree Day event on the Mitchell River Walking Track, and local Landcare Groups planting over 1,000 seedlings, 4,200 tube stock and conducting frog and bird surveys in and around local wetlands – The Goulburn Broken Taking Care of Country project worked with landholders to complete 17 hectares of revegetation following 80 hectares of protection from pest plants and animals. Taungurung Land and Waters Council Biik Cultural Land Management completed a total of 182 hectares of weed control and fauna assessments, – North Central CMA’s Healthy Coliban Catchment project included working with 20 landholders to deliver 12.76 kilometres of fencing, 27 hectares of revegetation and 41 hectares of weed control. – Mallee CMA, with the First Peoples Millewa-Mallee Aboriginal Corporation and the private landholder of the significant B16 Cultural Heritage site completed riparian protection works including 33 hectares of weed and animal control, 4.1 hectares of revegetation planting and 3.4 hectares of irrigation installation.
<p>Protecting waterways so our wildlife can thrive</p>	<p>The Green Links grants program is providing \$10 million in grants over 3 years from 2023–24 for revegetation works on urban rivers and creeks.</p> <p>Following a competitive assessment process, 23 successful applications, awarded a combined \$6 million in funding, were announced in February 2024. A further round will be opened in the second half of 2024–25. Green Links works will be undertaken between 2023–24 and 2025–26.</p>

Initiative	2023–24 progress
Urban Water Security – Augmentation readiness to improve urban water security and enable water returns to the environment and Traditional Owners	<p>DEECA is working with urban water corporations to produce an inaugural Water Grid Plan, which will identify potential future urban water supply options and guide incremental readiness investments in climate-resilient water supplies. It will also ensure that work is completed to identify opportunities to enable a proportion of substituted water entitlements to be returned to the environment and Traditional Owners on the completion of projects.</p> <p>An Executive Advisory Committee supports collaboration on, and implementation of, the Water Grid Planning Framework and alignment across the water sector on the options, roles and governance for regionally significant new water supplies. In 2023–24 work included the creation of reference groups for updating resource modelling, water efficiency options analysis and integrated water management options analysis.</p> <p>Environmental water and Traditional Owner working groups were established in the first half of 2023–24 to provide ongoing advice to support decisions around projects that return water to the environment and/or Traditional Owners, or where there is an expected impact on the environment or Traditional Owners.</p> <p>As part of the South-Central Reform program all bulk entitlement holders in the connected Melbourne Supply System have provided in-principle support to a preferred reform direction to create a south-central pooled resource and appropriate supporting entitlement arrangements.</p>
Victorian Murray Floodplain Restoration Project	<p>Since March 2023, the VMFRP has been operating with limited resources and a reduced work program to manage time and cost impacts that resulted from the COVID-19 pandemic, complex regulatory approvals processes, 2022 floods and negotiations with the Commonwealth Government to assist with additional funding to manage the time and cost impacts. Despite these challenges, the project has progressed with key milestones achieved.</p> <p>Achievements for 2023–24 include:</p> <ul style="list-style-type: none"> • The Minister for Planning’s assessments of 5 sites have been received, with 4 sites (Hattah Lakes, Belsar-Yungera, Nyah and Vinifera) demonstrating that the projects can provide net benefits and results in improvement in biodiversity. • Submission of the Planning Scheme Amendment and approvals for <i>Environment Protection and Biodiversity Conservation Act 1999</i> requirements for Hattah Lakes and Belsar-Yungera. <p>Negotiations with the Commonwealth Government are underway to provide further funding to finalise all VMFRP stage 1 (planning and approvals) activities for all sites and commence work to validate Stage 2 construction funding.</p>

Departmental Objective Indicator performance

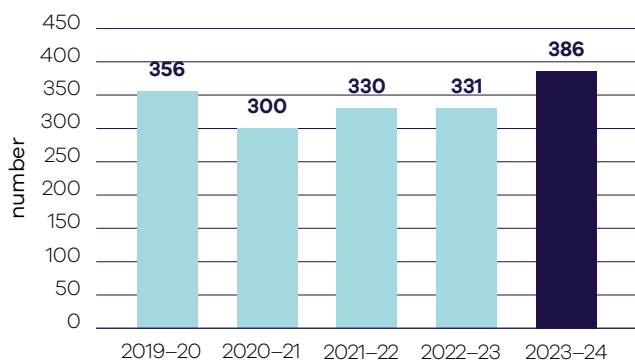
Indicator: Proportion of intended properties (or equivalent) in the Goulburn Murray, Macalister, Werribee and Bacchus Marsh irrigation districts connected to a modernised irrigation delivery system



In 2023–24, 98.8% of intended properties were connected to a modernised irrigation delivery system. During the year, work continued to progress water infrastructure projects including the Goulburn-Murray Water’s Water Efficiency Project, Southern Rural Water’s Macalister Irrigation District Phase 2 Project and Werribee Irrigation District Project Stages 4 and 5. These projects will modernise channels or replace channel systems with new pipeline, in addition to upgrading, automating and rationalising outlets.

As more modernisation projects are funded in these irrigation districts, the baseline number of intended properties to be connected will increase. This will lead to a decrease in the proportion of intended properties connected to a modernised irrigation delivery system until new project works are complete.

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



In 2023-24, on-ground works and watering programs were undertaken at 386 river reaches and wetlands to maintain or improve their environmental condition. This included 11,166 hectares of waterway vegetation works such as tree planting, weed control and fencing alongside waterways, and the completion of 83% of planned environmental watering actions.

Effective Water Management and Supply

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

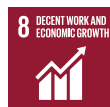
Performance measures	Unit of measure	2023-24 actual	2023-24 target	Performance variation (%)	Result
Quantity					
Area of active stewardship to improve catchment health and resilience through broadacre management	hectares	19 500	19 500	0	✓
Area of waterway vegetation works undertaken to improve the health and resilience of waterways	hectares	11 166	9 050	23	✓
<i>Performance is above target due to catchment management authorities increasing vegetation works in the final year of the program, in line with standard practice for a multi-year natural resource management program where initial years are characterised by planning and engagement and the final years focus on implementation. Strong performance in 2023-24 counters lower than expected performance in 2022-23, when widespread flooding made many project sites inaccessible and/or unsuitable for works for several months.</i>					
Climate and hydrology research activities underway that focus specifically on Victoria	number	9	11	(18)	■
<i>Performance is below target as 2 activities were completed ahead of schedule in 2022-23.</i>					
Cumulative water savings (permanent reduction in irrigation distribution system delivery losses) realised through water recovery projects	megalitres	920 179	945 039	(3)	○
Environmental watering actions achieved at planned sites	per cent	83	90	(8)	■
<i>Performance is below target due to high rainfall events. Many sites experienced wet conditions during 2023-24, which resulted in natural fills and flooding in some areas. Environmental water deliveries were either not possible due to the operational conditions or were not necessary as they were achieved with natural flows and/or spill releases.</i>					
Households or community housing assisted in the Community Rebate and Housing Retrofit Program	number	2 174	1 040	107	✓
<i>Performance is above target due to the average rebate expenditure per customer being lower than initially estimated. This allowed water corporations to offer rebates to more customers to meet demand.</i>					

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Long-term water monitoring site parameters maintained	number	1 559	1 567	(1)	○
New flood studies funded to ensure communities understand flood risk and to inform investment in flood warning and mitigation measures	number	13	6	117	✓
<i>Performance is above target due to the Regional Floodplain Management Strategy pre-planning process, which allowed local councils to take advantage of available funding in 2023–24 to commence flood studies.</i>					
Place-based plans and actions underway for healthier communities and environments that encompass multiple values (Aboriginal, social, environmental and economic)	number	9	9	0	✓
Schools signed up to Schools Water Efficiency program (SWEP)	number	1 452	1 800	(19)	■
<i>Performance is below target due to other competing school priorities (energy, waste and other day to day operations) and the residual impacts of COVID-19 on school participation.</i>					
Quality					
Compliance with the salinity management actions agreed in the Murray Darling Basin Agreement	per cent	100	100	0	✓
Victorian Water Register system availability per annum	per cent	95.8	95.8	0	✓
Waterway and catchment health priority projects delivered involving community and sector partners	per cent	98.8	95	4	✓
Timeliness					
Water market information products published annually to ensure water users can make informed decisions	date	Dec 2023	Dec 2023	0	✓
Waterway licenses and permits processed within statutory timeframes	per cent	97	90	8	✓
<i>Performance is above target reflecting catchment management authorities' organisational capability and resourcing capacity to successfully process new waterway licences and permits, development applications and approvals referred by local councils within the statutory timeframes.</i>					
Cost					
Total output cost	\$ million	296.7	503.1	(41)	✓
<i>The lower than budgeted output cost is due to the profile of Commonwealth contributions for the Sustainable Rural Water Use and Infrastructure Program.</i>					

Note:

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

Reduced impact of major bushfires and other emergencies



Progress towards achieving this objective

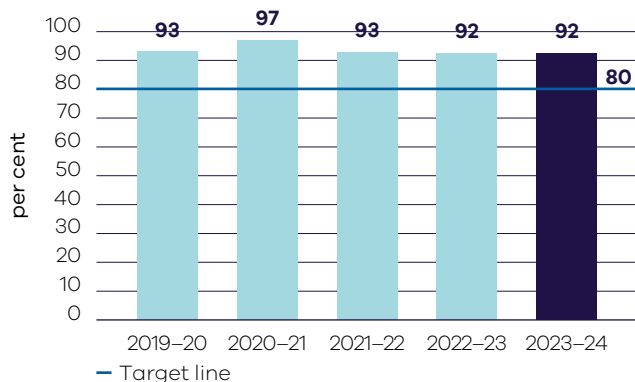
Context

DEECA is one of several Victorian Government departments and agencies with responsibilities for emergency management. DEECA's responsibilities span all phases of emergency management: mitigation, response, and recovery. DEECA's approach to reducing the impact of emergencies is informed by a number of strategies, policies and guidelines. Victoria's Bushfire Management Strategy guides DEECA's integrated approach to reducing the risk of bushfires and the protection of people, property and the environment. The Strategy is supported by Victoria's Bushfire Management Strategy Implementation Plan (2024–27) and a Monitoring, Evaluation and Reporting Framework. The Strategy builds on the ongoing work of the Safer Together Program that the department delivers in partnership with the sector and communities to reduce the impact of major bushfires.

Initiative	2023–24 progress
Bolstering the forest firefighting workforce	<p>Every fire season, project firefighters are employed as a surge workforce to assist with fuel reduction activities and respond to bushfires on public land. With Victoria's climate changing and extreme weather events becoming more frequent, year-round efforts are necessary to maintain access routes, reduce hazardous fuel levels, and work with affected communities.</p> <p>In July 2023, DEECA transitioned 50 seasonal contract roles into full-time ongoing Forest and Fire Operations Officer (FFOO) roles, bolstering the firefighting workforce to better protect forests and neighbouring communities. A further 54 fixed term contract FFOO roles will also transition into ongoing roles in 2024–25.</p>
Delivering the Fire Reform Program, including Safer Together	<p>Victoria's Bushfire Management Strategy, which sets the 10-year vision and strategic outcomes for bushfire management in Victoria, was released in May 2024. The Strategy was accompanied by a Strategy Implementation Plan and Victoria's Bushfire Monitoring, Evaluation and Reporting Framework, which will enable monitoring and transparent public reporting on progress towards Strategy outcomes.</p> <p>The review of DEECA's fuel management target for reducing risk to human life and residential property is progressing alongside the development of new ecosystem resilience outcomes targets. This work is occurring alongside the development of a Roadmap for Future Bushfire Risk Management Targets, which will establish the pathway to expanding measures and targets to other agencies, land tenures and bushfire risk management activities. The targets and a first phase of the Roadmap focusing primarily on fuel management are expected to be delivered in December 2024, with a proposed second phase of the Roadmap focusing on broader bushfire risk management to follow.</p> <p>The Safer Together program continues to create opportunities to improve the way the bushfire management sector works together and with communities to manage bushfire risk. Key highlights for 2023–24 included awarding \$1.66 million in grants to support councils to deliver initiatives with local communities to manage bushfire risk; and new investment in bushfire risk and fire ecology research to continue strengthening the evidence-base underpinning bushfire management in Victoria.</p>
Coordinating and delivering high quality works including those under DEECA's recovery program and the Roading and Bridges program, including the Thurra Bridge Project	<p>During 2023–24, a total of 2,082 kilometres of roads were improved and 10 new bridges were completed. These upgrades improve the roads for all vehicles and provide better access and egress for heavy vehicles and equipment responding to bushfire.</p> <p>The Thurra Bridge replacement project advanced to the contract management phase, with the contract awarded in January 2024 and the contractor inducted in March 2024. The site has been established and the demolition of the old bridge was completed in May 2024, with the new bridge scheduled for completion in December 2025.</p>

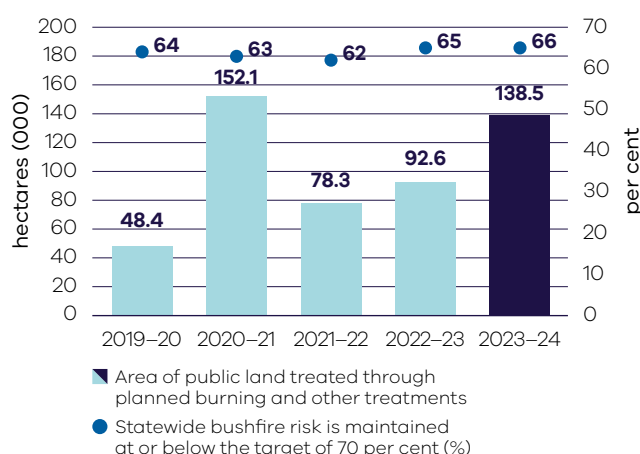
Initiative	2023–24 progress
Delivering the Fuel Management, Strategic Fuel Breaks, and other fire related programs.	<p>During 2023–24, the fuel management program delivered 316 burns with a total of 138,454 hectares of land treated. This includes 16,163 hectares of non-burn fuel treatments (including mowing, slashing, mulching and rolling) and 122,291 hectares of planned burning (all burn types).</p> <p>The Strategic Fuel Breaks program was finalised in December 2023. The 2023–24 target of 34 kilometres of new strategic fuel breaks constructed was exceeded with 37 kilometres delivered.</p> <p>During 2023–24, 941 kilometres of strategic fuel breaks were maintained, which exceeded the target of 900 kilometres. There were delays to delivery over spring and summer caused by wet weather conditions, which restricted the use of plant and machinery to conduct maintenance work. These were offset by additional works planned and carried out by the regions in autumn and winter.</p>
Flood Recovery	<p>DEECA continues to undertake land and biodiversity management programs to support communities and the Victorian environment to recover from the October 2022 floods. Key outcomes from recovery programs in 2023–24 include:</p> <ul style="list-style-type: none"> • 45 additional grants to support Committees of Management on Crown land reserves to assist with remediation of flood impacts • environmental assessment of 29 contaminated land sites • over 700 threatened species assessments, more than 2,000 hectares of terrestrial weed control in flood-affected areas, and over 580,000 native fish stocked in waterways in northern Victoria reopening more than 920 kilometres of public land roads and over 200 recreation sites on public land • protection and restoration of cultural places and heritage listed assets including Mudgegonga Rock Art Site • partnerships with Traditional Owner groups to restore country and build the cultural capability of emergency management staff • repair of critical water infrastructure including 95 water gauges and 144 other essential water and wastewater asset site assessments.

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



During the 2023–24 bushfire season, the department responded to 1,179 fires impacting 50,890 hectares of public land. Of these fires 92.4% were contained at less than five hectares in size (against a target of 80%) and 96% of fires were contained at ‘first attack’ or by 8am the day after detection (against a target of 80%). Performance was significantly above the target of 80% due to the wet conditions experienced, which reduced fire danger conditions throughout most of the bushfire season.

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



Notes on the data:

- The statewide fuel driven bushfire risk for 2023–24 is a provisional figure.

During 2023–24, Forest Fire Management Victoria (FFMVic) undertook planned burning and other bushfire risk-reduction activities covering 138,454 hectares of Victoria. This comprised delivering 316 burns (including delivery of 138 out of 214 identified priority burns) covering 122,291 hectares. Additionally, 16,163 hectares of non-burn fuel treatments were undertaken, including 279 hectares of storm debris area that was mechanically treated.

During 2023–24, FFMVic also supported the delivery of 29 Traditional Owner burns.

Weather conditions in 2023–24 varied considerably across the year. Favourable weather conditions started in late March 2024, enabling significant burning and mechanical fuel management activity. In early April 2024, persistent cool southerly airflows and rainfall limited planned burning opportunities. Weather conditions improved from mid-April to May 2024 which saw planned burning activity increase.

The provisional statewide fuel-driven bushfire risk as at 30 June 2024 was 66%, within the state’s target to maintain risk at or below 70% of maximum levels. The provisional figure does not fully account for the area of public land treated through planned burning and other treatments delivered throughout 2023–24. The final figure will be reported in late 2024 via [Victoria’s Bushfire Risk Management Report](#), published by the Office of Bushfire Risk Management.

The result for this indicator has exceeded the target. The [Regional Bushfire Management Strategies](#) and [Joint Fuel Management program](#) have enabled DEECA to target bushfire risk reduction activities in those areas with the highest risk in locations such as the Surf Coast, Otway Ranges, Macedon and around central and north-eastern Victoria.

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



100 per cent of the department’s emergency management obligations as a control agency for fire were met on time and to standard, meeting its accountabilities under the State Emergency Management Plan.

Indicator: The economic impact of fire prevention and preparedness investment

As part of the [Safer Together](#) initiative, DEECA invested in the uplift of existing bushfire risk models and data. This included partnering with research institutions to support the development of new research projects including expansion of risk modelling capabilities, continued enhancement of predictive services and smoke modelling, and building capability across the bushfire management sector.

DEECA’s investment in bushfire prevention and preparedness activities addresses significant social, environmental and economic costs associated with response and recovery. Key activities delivered during 2023–24 included:

- delivering a targeted program of fuel treatment, including planned burning, mechanical fuel treatment and creating and upgrading strategic fuel breaks
- building the capability and capacity of land and fire managers to support Traditional Owners to reintroduce cultural fire on Country
- improving bushfire risk modelling, smoke modelling, fire ecology capability and risk communication products to share bushfire risk knowledge, data and information with Victorians living in or visiting high bushfire risk areas
- delivering the Safer Together – Local Government Partnerships Grants program, which awarded \$1.66 million in grants to support local councils to develop and extend bushfire risk reduction programs with local communities
- supporting communities to better understand and mitigate their bushfire risk through dedicated community-based bushfire officers and project officers across the state
- investment in the development of new modelling frameworks to inform the design of programs that improve ecosystem resilience outcomes.

Fire and Emergency Management

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

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Bridges or crossings on the strategic fire access road network replaced or upgraded	number	10	10	0	✓
New Strategic fuel breaks constructed	km	37	34	9	✓
<i>Performance is above target due to favourable weather conditions allowing construction of additional fuel breaks.</i>					
Personnel with accreditation in a fire and emergency management role	number	2 949	2 450	20	✓
<i>Performance is above target due to a continued proactive approach at ensuring staff progress to accreditation as soon as practicable, strong engagement in the training programs and an intake of seasonal Project Fire Fighters and fixed term Forest Fire Operations Officers.</i>					
Stakeholder and community forums on bushfire management and planned burning held	number	14	12	17	✓
<i>Performance is above target due to increased engagement associated with the fire reform program.</i>					
State forests roads (Category 1) and bridges (on Category 1 roads) with documented inspections and/or maintenance programs to meet regulatory obligations	per cent	100	100	0	✓
Statewide bushfire risk is maintained at or below the target	per cent	66 (estimate)	70	6	✓
<i>The final result will be published in Victoria's Bushfire Risk Management Report 2023–24. Performance is expected to be better than the target due to the targeted delivery of Forest Fire Management Victoria's bushfire risk reduction program in key areas of higher bushfire risk.</i>					
Strategic fire access roads improved	km	2 082	2 000	4	✓
Strategic fuel breaks maintained	km	941	900	4.6	✓
Quality					
Fires contained at less than five hectares to suppress fires before they become established, minimising impact	per cent	92.4	80	16	✓
<i>Performance is above target due to reduced fire danger conditions resulting from tropical moisture, rapid response from fire crews to the majority of new fire starts and a large number of unattended campfires extinguished by Forest Fire Management Victoria. These incidents were addressed promptly due to the less active bushfire season, which allowed for increased personnel on patrols.</i>					
Personnel accredited to serve in a senior capacity (level 2 or 3) in a fire and emergency management role	number	352	340	4	✓
Proportion of Community-Based Bushfire Management partnerships rated as high functioning	per cent	80	80	0	✓

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Timeliness					
100 per cent of burns identified in the current year of the Joint Fuel Management Program ready for on ground delivery	date	Apr 2024	Feb 2024	(17)	■
<i>Performance is below target due to above average rainfall during December 2023 and January 2024, and resource impacts from bushfire response and storm damage in February 2024, which led to a 2 month delay in the preparation and planning of burns identified in the Joint Fuel Management Program.</i>					
Assessment of model of cover completed to assess resource requirements and availability	date	Dec 2023	Dec 2023	0	✓
Fires contained at first attack to suppress fires before they become established, minimising impact	per cent	96	80	20	✓
<i>Performance is above target due to reduced fire danger conditions resulting from tropical moisture, rapid response from fire crews to the majority of new fire starts and a large number of unattended campfires extinguished by Forest Fire Management Victoria. These incidents were addressed promptly due to the less active bushfire season, which allowed for increased personnel on patrols.</i>					
Readiness and response plans completed prior to the upcoming fire season	date	Oct 2023	Oct 2023	0	✓
Cost					
Total output cost	\$ million	656.3	431.5	52.1	■
<i>The higher than budgeted output cost is predominantly due to additional funding received to support coordinating efforts for storm and flood emergency works in response to the October 2022 floods and bushfire emergency management preparation and recovery activities.</i>					

Note:

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

Productive and sustainably used natural resources



Progress towards achieving this objective

Context

DEECA collaborates with partners, local communities and industry to support a more productive, globally competitive, sustainable and jobs-rich agriculture, food and fibre, and resources sectors.

The Resources output contributes to this objective by aiming to achieve a growing and sustainable earth resources sector through effective policy, programs and regulation.

The Agriculture output contributes to increasing the productivity, competitiveness and sustainability of food and fibre industries and creates the conditions to grow the natural resources economy. This includes protecting and enhancing market access and management of biosecurity risks, increasing the use of new technologies, improving farm practices and supply chain efficiency, building the resilience of the sector to manage risks and emergencies, and assisting the transition of the native timber sector while expanding investment in plantations.

Initiative	2023–24 progress
Backing Victoria's world-class producers to grow	<p>Programs to support the agriculture sector and promote opportunities in the food and beverage industry progressed during 2023–24, including:</p> <ul style="list-style-type: none"> <i>Partnerships against Pests</i>: Program grant applications were open to the public from 29 November 2023 to 19 February 2024. 56 applications were received, with 21 grants approved to 20 recipients. <i>Farming Safe and Well</i>: Projects supporting farm safety for targeted cohorts commenced, including the Culturally and Linguistically Diverse (CALD) agriculture workforce project. Analysis of safety risks that farms face from natural disasters have been drafted, with plans for further targeted responses to be completed by December 2024. <i>National Centre for Farmer Health (NCFH) Core funding</i>: Funding was provided to the NCFH to deliver preventative programs to improve farmer physical and mental health, improve workplace safety and conduct research. Throughout 2023–24 more than 210 health checks were provided to farmers and more than 50 training sessions and events have been provided to health care providers and students. <i>Vic Grown Program</i>: the Vic Grown website profiles 31 producers as at June 2024. It was promoted at the Melbourne Food and Wine Festival 2024 to increase awareness of the platform and the producers that it showcases. <i>Regional Activation Grant Program (RAGP)</i>: The RAGP opened on 4 January 2024 and closed on 8 March 2024. 17 activations were selected to progress to next stage assessments with activation events commencing in 2024–25. Activations will support additional producer profiles to be added to the Vic Grown website. <i>Victorian Wine Strategy</i>: \$0.5 million is committed to a new Victorian Wine Strategy to provide strategic direction to the industry from 2025 to 2030. An industry steering committee was appointed in December 2023 to guide strategy development. A cross-agency group has also been formed to provide co-ordination among government agencies. <i>Use of 1080</i>: From April to June 2024 Agriculture Victoria facilitated a survey of all authorised 1080 users in Victoria (about 5,600 people) to understand pest animal control practices. The survey will provide insights into the current use of 1080 and alternatives, providing an evidence base for future considerations.
Implementing animal welfare commitments	<p>The findings of the Pet Census were released in January 2024, following receipt of 37,588 responses. Further research was undertaken in February and March 2024 based on the results of the Pet Census. Data and insights from the Pet Census will be used to inform policy development and other programs and activities across Animal Welfare Victoria.</p>

Initiative	2023–24 progress
	<p>A long-term draft Cat Management Strategy for Victoria was released on Engage Victoria for public feedback between March and April 2024. The Cat Management Strategy was developed in consultation with councils, animal welfare organisations, land managers, conservation groups and veterinary professionals. More than 2,000 survey responses and submissions were received on the draft strategy. Feedback will inform development of the Final Cat Management Strategy, planned for release in late 2024–25.</p> <p>The first phase of stakeholder engagement for the Rehoming Pets Reforms project was completed in July 2023, with 488 sector, research and teaching organisations invited to workshops. Policy options for a regulatory framework for the sector were developed for consultation with stakeholders. A further phase of engagement is planned in 2025.</p>
Deliver an emergency animal disease preparedness program	<p>The Emergency Animal Disease (EAD) Interdepartmental Committee continued to provide leadership on the delivery of the EAD Preparedness program, with progress in 2023–24 including:</p> <ul style="list-style-type: none"> • the update and release of the revised State EAD Response Plan in May 2024 • the <i>Biosecurity Legislation Amendment (Incident Response)</i> (BLAIR) Bill 2024 that received Royal Assent in February 2024, amending the <i>Livestock Disease Control Act 1994</i>, <i>Livestock Management Act 2010</i> and <i>Plant Biosecurity Act 2010</i> to enhance the Victorian Government’s capability to manage biosecurity incidents, prepare for, respond and recover from an EAD, or plant pest or disease, detection or outbreak • amendments to the <i>Livestock Disease Control Regulations 2017</i> that were made in February 2024 • continued industry engagement and training program delivery via the Backyard Biosecurity campaign • the commissioning of a new mobile laboratory van to enable safe sample collection • installation of real-time scanning technology at 26 priority saleyards and abattoir sites (launched August 2023) • the procurement and fit out of 2 mobile incident command centres • establishment of the Emergency Veterinary Response Team with additional veterinarians ready to support EAD responses. Agriculture Victoria utilised its Emergency Veterinary Response Team to support vaccination of cattle during the Anthrax outbreak in northern Victoria in February 2024 and to support the current avian influenza response. • work commenced to revise the State Emergency Management Plan Animal, Marine, Plant and Environmental Biosecurity Sub-Plan. The updated plan was released in August 2024.
Accelerate action by the agriculture sector to reduce emissions and adapt to climate change	<p>Programs and activities to support and accelerate climate action in the agriculture sector progressed during 2023–24, including:</p> <ul style="list-style-type: none"> • continued delivery of research trials examining the impact and effectiveness of methane-inhibiting technologies and products, including a full lactation study to evaluate the long-term mitigation potential of an Asparagopsis (seaweed) product, which highlighted prolonged and significant methane mitigation • development of an interactive Agriculture and Climate Spatial Tool prototype that provides projections of future growing conditions and production scenarios • partnering with external service providers to deliver more than 60 on-farm emissions action plans across dairy, beef, sheep, pig and poultry, grains and horticulture industries, as part of the On-Farm Emissions Action Plan Pilot • supporting farmers to act in emissions calculation, emissions reduction, carbon sequestration, climate adaption and seasonal risk management through a regular schedule of climate webinars, which reached approximately 2,000 farmers, supply chains, services providers and industry organisations • the Victorian Agriculture and Climate Change Council (the Council) engaged with a range of key stakeholders, private sector organisations and other climate change experts to inform advice to the Victorian Government. Members of the Council were appointed for a second term in June 2024. • all commonwealth, state and territory agriculture ministers delivered a shared National Statement on Climate Change and Agriculture in July 2023 and agreed on an updated National Drought Agreement, which came into effect in May 2024.

Initiative	2023–24 progress
Develop and deliver high impact, outcomes focused research and innovation programs	<p>An external impact evaluation was completed in October 2023 for Agriculture Victoria Research 5-year Business Plans (2017–2022). The results showed strong endorsement of the industry co-designed and co-invested research programs, highlighting:</p> <ul style="list-style-type: none"> • net benefits for grains research were estimated at \$1.8 billion over 30 years (from 2017 onwards), with a benefit cost ratio of 12:1. • net benefits for biosecurity research were estimated at \$489 million over 30 years (from 2017 onwards), with a benefit cost ratio of 8.2:1. • net benefits for horticulture research were estimated at \$202 million over 30 years (from 2017 onwards), with a benefit cost ratio of 6.6:1. • net benefits for agriculture resources research were estimated at \$79 million over 30 years (from 2017 onwards), with a benefit cost ratio of 4.7:1. <p>New technologies have been established and extended at the 5 regional Agriculture Victoria Research SmartFarms to deliver and demonstrate cutting edge research to industry, including:</p> <ul style="list-style-type: none"> • installation of methane and carbon dioxide sensors was completed during the fourth quarter of 2023–24 at the Ellinbank SmartFarm to enable measurement of greenhouse gas emissions emitted from individual dairy cows • the Free Air Temperature Extreme facility (FATE) completed a \$1 million expansion including a doubling of the field trial footprint. FATE is globally unique and is used to demonstrate and improve crop adaptation to heat stress events. <p>Research collaborations and partnerships continued to be established in 2023–24 with AgTech providers to deliver benefits to growers through digital farming.</p> <ul style="list-style-type: none"> • In conjunction with Inspired Ag, auto retractable netting was established as a research and demonstration tool at the Tatura SmartFarm, to be used to protect orchards from sun and hail damage. • In conjunction with the University of Queensland, digital twins were completed for the apple, pear, cherry, plum and nectarine orchards at Tatura SmartFarm to provide a virtual model and visualisation of the orchard, allowing real-time sensor data to be used to monitor orchard operations and identify areas for improvement. <p>Agriculture Victoria Research continued the development of biocontrol agents, diagnostic and surveillance tools to improve Victoria’s and Australia’s preparedness for agricultural pests and diseases, including:</p> <ul style="list-style-type: none"> • Collaborative research with Fundación para el Estudio de Especies Invasivas (FuEDEI) in Argentina identified the Aceria mite in the first quarter of 2023–24 as a promising new biological control agent for silverleaf nightshade. Silverleaf nightshade is a serious weed of cropping and grazing industries in south-eastern Australia that is difficult and costly to control with herbicides. • An innovative \$800,000, 2-year project co-funded with the Australian Research Data Commons is focused on revolutionising beehive health and traceability within apiarist and horticulture communities. <p>Agriculture Victoria Research and industry commenced a 4-year, \$4.8 million industry co-invested project in December 2023 to assist Australian pulse breeders to develop varieties with the correct quality attributes for their intended market and facilitate Australian growers to produce pulse varieties for these markets.</p> <p>The Get into AgSTEM program continues to promote agriculture as a future career opportunity to students, with more than 1,050 participants involved in 65 workshops conducted across regional and metropolitan Victoria during 2023–24.</p>

Initiative	2023–24 progress
Deliver biosecurity regulatory services	<p>Biosecurity regulatory services are delivered to reduce harm within an extensive state, national and international system. Regulatory functions include biosecurity, livestock animal welfare, product integrity and traceability, food safety and agricultural and veterinary chemicals. Delivery progress during 2023–24 included:</p> <ul style="list-style-type: none"> • 93% (3,000 of 3,216) of Plant Health Certificates were issued within 45 minutes at the Melbourne Markets • 1,921 property inspections were completed for the control of invasive plant and animal priority species • 1,985 Agriculture Chemical User Permits were processed and issued • 4,235 animal health certificates were issued • 97% of animal welfare complaints were triaged within 24 hours. A total of 1,738 animal welfare complaints were received over 2023–24. <p>The Agriculture Victoria Connect client portal went live in April 2024, completing the transition to self-service functionality for Agricultural chemical permits.</p> <p>A new Governor in Council Order was made declaring a range of plant pests and diseases as exotic under the <i>Plant Biosecurity Act 2010</i>. This included 76 additional plants and diseases, most not found in Australia, and enables controls to be introduced if required to prevent the entry of these pests and diseases.</p>
Strengthening diversity and inclusion through skills in the Agriculture workforce	<p>Programs and activities to strengthen diversity and inclusion through skills in the Agriculture workforce progressed during 2023–24, including:</p> <ul style="list-style-type: none"> • <i>AgriFutures Victorian Rural Women's 2024 Award</i>: Victoria's 2024 Rural Women's Award Winner was Grace Larson, a paediatric nurse. Grace represented Victoria at the national awards in Canberra in August 2024. • <i>Garinga djimbayang program</i>: This program is part of the Agricultural College Modernisation Program and will be delivered through to June 2026, via 2 workstreams: <ul style="list-style-type: none"> – <i>Communications project</i>: An Aboriginal services provider has been contracted (following a competitive tender process) to work with First Nations people to share their stories through case studies, videos and images. The communication products created will be used to support and attract more First Nations peoples to train for careers and work in Victorian agriculture. – <i>Grant program</i>: The garinga djimbayang grant program was launched in June 2024 to support partnerships between TAFEs and Registered Aboriginal Parties to embed Aboriginal traditional knowledge and practices into design and delivery of elements of accredited agriculture training. It is expected that grant funding for successful applicants will be allocated by December 2024 for delivery through to May 2026. • <i>Rural Women's Network</i>: The network's flagship Leadership and Mentoring programs were successfully run in 2023–24. Eight women were awarded up to \$10,000 to participate in the Leadership program and 12 women were placed in the mentoring program, where they were paired in peer-to-peer mentoring with a focus on skills and experience exchange. • <i>Young Farmers</i>: A new 10-person Young Farmers Advisory Council was appointed in August 2023. The Council focuses on issues impacting those new or trying to enter farming. Round 10 of the Upskill and Invest – Young Farmer Scholarships opened on 27 May 2024. The program aims to provide 12-14 scholarships valued at up to \$10,000 for participants aged 18–35 to upskill and invest in agriculture.

Initiative	2023–24 progress
Reform Victoria's animal welfare laws	<p>A suite of internal and external engagement was completed throughout 2023–24 to support finalisation of the draft Animal Care and Protection Bill:</p> <ul style="list-style-type: none"> • A draft Bill was released for public consultation in 2023, with an exposure draft released for consultation from 15 December 2023 to 25 March 2024 via Engage Victoria. A parallel feedback process also allowed government stakeholders a final opportunity to provide a response. • 603 written submissions were received as part of the public consultation, including 90 from groups and organisations (such as advocacy, industry, veterinarian, legal, commercial and research bodies). • A preliminary scoping survey about topics related to regulations was also made available to the public, alongside consultation on the draft Bill. A total of 208 responses to the survey were received. <p>All feedback received on the draft Bill is being considered and will help to finalise the <i>Animal Care and Protection Bill</i> before introduction to Parliament.</p>
Support agriculture recovery from floods and storms	<p>Agriculture Victoria continued to provide tailored technical advice and decision-making support services to flood and storm affected farmers to inform farm business recovery.</p> <p>During 2023–24 Agriculture Victoria delivered 143 events, engaging 1,506 farmers. Events since December 2023 have focused on planning and building resilience to future natural disasters.</p> <p>Since the statewide flooding event in October 2022, Agriculture Victoria delivered a total of 477 recovery activities, engaging 4,611 impacted farmers.</p> <p>The Victorian Government, in partnership with the Commonwealth Government under the Disaster Recovery Funding Arrangements, activated a range of financial support programs for primary producers to support recovery from the October 2022 flood and storm event.</p> <p>Agriculture Victoria continues to prepare the agricultural sector for future natural disasters, through a strong on-ground presence in farming communities across Victoria, tailoring technical information and decision-making support and continued social connection.</p> <p>The Rural Financial Counselling Service provided case-managed business planning support for impacted farmers who are experiencing financial difficulty. This service is co funded by the Victorian and Commonwealth governments.</p>
Timber industry support	<p>Under the Forestry Transition Program (previously the Victorian Forestry Plan), support programs were released during 2023–24 to assist Victoria's native timber industry transition, following the cessation of native timber harvesting on 1 January 2024.</p> <p>Transition packages for sawmills, harvest and haulage contractors, community forestry operators and other forestry businesses were released and are being implemented. The transition packages have enabled timber businesses to make important commercial decisions to retain workers or even grow and diversify their business. Many businesses have taken time to assess their future and applications were staggered throughout 2023–24. This is reflected in the different stages of assessment as the financial year closed.</p> <p>As at 30 June 2024, applications were received, processed and approved for the following:</p> <ul style="list-style-type: none"> • Sawmill Transition Support Package: 11 applications received, with 10 of these approved • Harvest and Haulage Support Package: 25 applications received, with 17 of these approved • Community Forestry Support Package: 43 applications received, with 27 of these approved • Forestry Business Support Package: 31 applications received, with one of these approved. <p>Programs were also released to support the transition, growth and attraction of businesses. As at 30 June 2024, expressions of interest and applications were received and approved for the following:</p> <ul style="list-style-type: none"> • Across Round 1 and 2 of the Timber Innovation Fund: 61 applications received, with 47 projects approved. The third funding round opened in May 2024 and one application has been received. • Forestry Transition Fund: 24 applications received, with 10 projects approved.

Initiative	2023–24 progress
Timber worker support	<p>With the ending of native timber harvesting, holistic support has been provided during 2023–24 to impacted workers and their families through the Worker Support Program, which provides personalised supports including: 1 to 1 case management; training; employment assistance services; and mental health and wellbeing support.</p> <p>As at 30 June 2024, 1,392 workers and family members have received support and 286 payments were made to impacted workers.</p> <p>A dedicated Opal Worker Support Service is also being provided by ForestWorks and expanded through the Latrobe Valley Authority and Gippsland Trades and Labour Council, following Opal Australian Paper announcing its exit from white paper production. As at 30 June 2024:</p> <ul style="list-style-type: none"> • 112 workers have secured new employment, including 4 who were provided relocation support • 54 workers are being supported by employment service providers, as part of this they are undertaking exploratory short-term work engagements and trialling different industries and opportunities. • 33 workers and family members have been supported to obtain higher levels of education.
Manage the transition away from native timber harvesting, supporting timber communities	<p>Long-term programs to support local economies transition to new, sustainable industries continue. Wellington Shire Council and Orbost Chamber of Commerce are finalising economic development projects approved in 2023–24.</p> <p>During 2023–24, further applications to the Community Development Fund were approved, including to:</p> <ul style="list-style-type: none"> • Baw Baw Shire Council for the implementation of Local Development Strategy priority projects in renewable energy, the visitor economy and education • Murrindindi Shire Council to undertake community capability building activities to support small business development and community leadership • Heyfield Community Resource Centre for a grant to lead the execution of Local Development Strategy priority projects in the visitor economy, advanced manufacturing, new energy and health and aged care opportunities. <p>To support the expansion of Victoria’s plantation timber estate as part of the managed transition from native timber harvesting, DEECA continues to deliver the \$120 million Gippsland Plantations Investment Program (GPIP) as part of Victoria’s Plantation Strategy.</p> <p>Hancock Victorian Plantations (HVP) successfully acquitted the final GPIP grant agreement condition precedent in November 2023, enabling them to commence plantation development activities. Since then, HVP has acquired approximately 1,500 hectares of land for planting and has planted approximately 1 million seedlings as part of the 2024 winter planting program which ended on 16 July 2024. HVP also lodged 2 carbon projects with the Clean Energy Regulator that will facilitate the creation of Australian Carbon Credit Units.</p>
Enabling a more streamlined approach to resources decision-making	<p>The change to a risk-based regulatory framework for mining and quarrying activities in Victoria commences 1 July 2027 as per the amendments to the <i>Mineral Resources (Sustainable Development) Act 1990</i>, passed by Parliament in August 2023. To support the transition to the new framework, the following was achieved during 2023–24:</p> <ul style="list-style-type: none"> • created 3 Stakeholder Reference Groups • commenced work on a Traditional Owner Partnership strategic plan • worked with the Department of Transport and Planning in relation to Victorian Planning Provisions and Planning Scheme Amendments • progressed work on concept design of the regulatory instruments that will sit under the Act, such as the principal regulations, standards, and codes of conduct. <p>The Resources Victoria Approvals Coordination (RVAC) function, established in August 2023, aims to reduce approval times by case-managing resource development applications.</p> <p>To meet future demand and reduce prices, RVAC has increased approvals for new quarries resulting in the ratio for every one tonne of quarry material currently being produced, 4 new tonnes are approved for development (approximately 300 million tonnes approved in 2023–24). Quarry approvals include Holcim Warrnambool, Boral Montrose and Fulton Hogan Tynong. This enables the supply of quarry materials for wind turbine construction, for Level Crossing Removal projects on the Lilydale-Belgrave and Pakenham-Cranbourne lines and for the North-East Link construction project.</p>

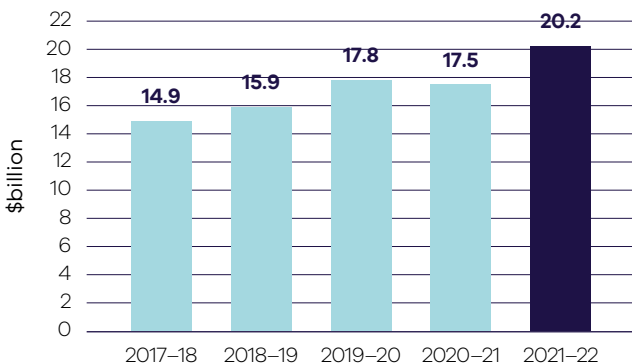
Initiative	2023–24 progress
Reform to Perform: Resources sector support to achieve Net Zero and the Big Build	<p>The Resources Victoria Strategy (Towards 2030) was released in March 2024. The strategy highlights the key priorities and areas of focus for Resources Victoria including increasing investment, building confidence and securing the supply of quarry materials essential for new infrastructure and construction, while supporting Victoria’s transition to net zero by 2045.</p> <p>The Geological Survey of Victoria in collaboration with Geoscience Australia completed the Shepparton-Numurkah Regional Ground Gravity Survey in May 2024. The 9-month project measured the Earth’s gravity at more than 23,000 locations along 80,000 kilometres of public roads and tracks between Seymour, Echuca and Wodonga, covering an area of about 17,000 square kilometres. This information will inform local resource and land management decisions and the mapping of geological structures adds to the state’s geological database vital for highlighting new exploration opportunities including critical minerals.</p> <p>The Extractive Resources Supply and Demand Study 2022–2030 was released in August 2023. This study investigated whether Victoria has the supply of extractive resources to meet demand between 2021–22 and 2029–30. The study concluded that the forecast supply/demand outlook for extractive materials in Victoria will tighten with the forecast demand for extractive resources in 2030 rising to 79.5 million tonnes, up from 63.7 million in 2020–21.</p>
Developing Victoria’s critical minerals	<p>The Critical Minerals work program progressed during 2023–24 with the following highlights:</p> <ul style="list-style-type: none"> Resources Victoria staff attended the Prospectors and Developers Association of Canada conference in Toronto in March 2024, the largest conference of its type in the world, promoting Victoria’s critical minerals prospectivity to approximately 70 companies and delegations from across the world. An assessment of the development of mineral sands in north-west Victoria was completed in February 2024, capturing new opportunities for the state. <p>A new geoscientific report was published on the prospectivity/presence of sedimentary copper in eastern Victoria in May 2024, aimed at highlighting the state’s potential for critical minerals.</p>
Securing Victoria’s extractive resources	<p>The Extractive Industry Interest Area (EIIA) Refresh program was completed in October 2023. Contemporary new geoscience data of all EIAs in metropolitan Melbourne has been modelled, deepening the knowledge about the quality and availability of extractive resources. This provides the evidence for introducing State Resource Overlay across resources close to demand centres through the Strategic Extractive Resource Area (SERA) program.</p> <p>Development of Tranche 1 of the SERA program progressed during 2023–24. Work included development of draft planning provisions in readiness for public consultation for 3 priority SERAs – Lang Lang, Oakland’s Junction and Trafalgar. The 3 SERAs collectively secure more than 920 million tonnes of hard rock and sand resources vital for the quarry materials needed to support future infrastructure development. Development of the planning provisions involved significant engagement with Traditional Owners, industry, local councils and other authorities. The next step will be formal public consultation in early 2024–25.</p> <p>As part of processing quarry regulatory approvals, a Quarry Approvals team was created within the Earth Resources Regulator in January 2024 to review stalled applications. This team has worked with more than 100 licence holders to identify and address barriers to approvals for quarries across the state.</p>

Initiative	2023–24 progress
Earth Resources Regulation	<p>An underground incident occurred at the Ballarat Gold Mine on 13 March 2024, where one worker tragically lost their life. The Earth Resources Regulator has supported WorkSafe as part of the investigation into this incident.</p> <p>In August 2023, the Earth Resources Regulator released a Code of Practice for the construction, operation and decommissioning of petroleum wells in Victoria. The code provides information to industry about minimising and managing risks associated with onshore petroleum wells during all stages of the petroleum well lifecycle.</p> <p>The Earth Resources Regulator also released a draft Code of Practice for Common Risk Management Techniques for Quarries for public consultation over September to October 2023. Following extensive consultation and industry feedback, the format and style of the code is being reviewed to provide industry with a clear and easy to use guide to good practice.</p> <p>To help unlock Victoria’s resource potential and reduce requirements to industry, the Earth Resources Regulator is waiving the need for licensees to progressively reduce their exploration area. Between 1 April 2024 until 30 June 2025 the waiver will automatically be granted to licensees meeting their licence requirements.</p> <p>The Mine Remediation Works program, focused on the rehabilitation of 3 former mine sites, progressed including:</p> <ul style="list-style-type: none"> • Benambra: On-site sampling and investigations were completed prior to the site closure period for winter. Sampling analysis assessed by the contracted environmental assessor will inform the detailed site investigation report for the next phase of work • Kralcopic Bendigo Mines: Woodvale drill core removal works were completed in April 2024 and all on-site sampling for the detailed site investigations were completed. The Eaglehawk site has been rehabilitated to the satisfaction of the Crown land manager and handover has been completed. • Red Robin: The EPA-accredited auditor has assessed the provisional detailed site investigation reports, and this will inform the development of rehabilitation options.

Departmental Objective Indicator performance

Indicator: Value of Victorian agriculture production

Gross value of Victorian agriculture production



Notes on the data:

- The data for this indicator is reported 2 years in arrears, with the 2022–23 result expected in December 2024 and 2023–24 result expected in late 2025. This delay is expected to reduce as the Australian Bureau of Statistics (ABS) progresses its agriculture statistics modernisation program.
- In June 2024, ABS released data for 2022–23, incorporating new sources and methods. However, this new data does not cover the value of certain agricultural commodities like hay, silage, and eggs. DEECA is working to address these gaps to better determine the overall gross value of Victoria's agricultural production.

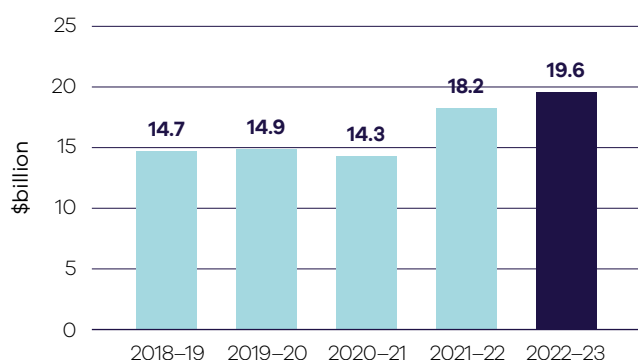
Based on the most recently available data, in 2021–22, the gross value of agricultural production in Victoria was \$20.2 billion, a 15% increase from 2020–21. During the 5 years up to 2021–22, the gross value of agricultural production in Victoria increased by 36%, rising from \$14.9 billion in 2017–18 to \$20.2 billion in 2021–22. Ranked by value, the most valuable commodities were grains (\$4.2 billion), horticulture (\$3.9 billion), milk (\$3.0 billion), beef (\$2.9 billion), and sheep (\$2.2 billion).

The high value of production during recent years has been sustained despite several challenges, including high input prices, repeated extreme weather events, and disruptions to overseas markets and supply chains arising from COVID-19 and geopolitical

developments. Recent years' positive performance reflects favourable seasonal conditions and mostly strong commodity prices among other factors. Commodity prices have been supported by the diversification of Victoria's international markets. Farmers continue to adapt to new conditions and circumstances by adopting new processes and technologies, such as crop and price forecasting, robotics, crop and soil monitoring, intelligent spraying and trough and tank sensors.

Parts of Victoria have experienced repeated extreme weather in recent years, including major floods and storms during late 2022, and repeated storms during late 2023 and early 2024. This caused major losses and hardship for some producers. During 2023–24 farm input prices remained high while seasonal conditions deteriorated, and commodity prices declined in many cases. Forecasts suggest average farm profitability and possibly the gross value of production will decline by 2023–24.¹

Indicator: Value of Victorian food and fibre exports



Notes on the data:

- Historical data may differ slightly from data published in prior annual reports. This reflects revisions in the source data from the Department of Foreign Affairs and Trade.
- Data for this indicator is reported one year in arrears.

Victorian food and fibre exports performed strongly in 2022–23, reaching a record high of \$19.6 billion, a 7% increase from the previous year. Victoria's exports represented 24% of the national total, continuing Victoria's position as the nation's largest food and fibre exporter by value.

Victoria remains on track to meet the Victorian Government's target of increasing the state's food and fibre exports to \$20 billion by 2030. By value, grains (\$5.6 billion), meat (\$4.5 billion), dairy (\$2.5 billion) and animal fibre (\$2.1 billion) were Victoria's most valuable export products in 2022–23. Victoria's top 6 food and fibre exports grew in export value during 2022–23, most notably grains (up 26%), animal fibre (up 13%), horticulture (up 13%) and

prepared foods (up 10%). Growth in grain exports accounted for over 85% of the net increase in Victorian food and fibre export value in 2022–23.

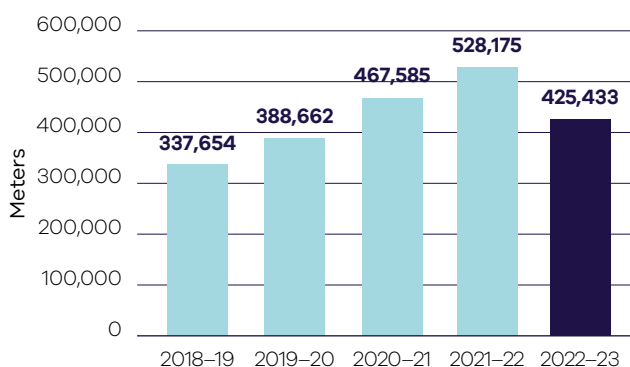
By market, China (\$4.7 billion), Japan (\$1.7 billion), the United States (\$1.6 billion), and New Zealand (\$1.1 billion) were the most valuable export destinations in 2022–23. The value of Victoria's food and fibre exports saw significant increases in most of Victoria's key markets. Notably, exports to Singapore increased (up 57% to \$994 million), the United Arab Emirates (up 36% to \$693 million), South Korea (up 22% to \$810 million), and Indonesia (up 21% to \$1 billion).

Comparing 2018–19 to 2022–23, the value of Victorian food and fibre exports into markets outside of the top 5 has grown from 41% to 48%, indicating a strong global appetite for Victorian food and fibre and an increase in international market diversification.

The 7% growth in export value compared to 2021–22 achieved by food and fibre producers, is a testament to their resilience and the ongoing global demand for their premium products.

As the journey towards global recovery from the COVID-19 pandemic continues, Victoria's global standing as a provider of high-quality food and fibre products continues to protect the sector from severe economic consequences.

Indicator: Metres drilled for minerals exploration in Victoria



Notes on the data:

- Data for this indicator is reported one year in arrears.
- Source: Geological Survey of Victoria, audited reports for mineral exploration.

¹ Australian Bureau of Agriculture and Resources Sciences and Economics, June 2024

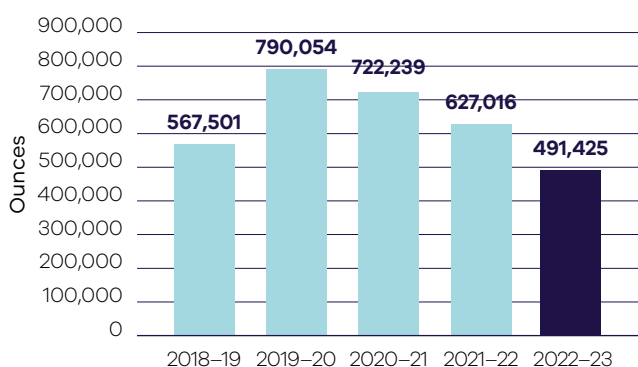
The number of metres drilled for minerals exploration in Victoria during 2022–23 was 425,433 metres. This represents a reduction of 102,742 metres or 19.5% compared to 2021–22.

The lower level of metres drilled in 2022–23 is mainly due to a 30.3% decrease in mineral exploration associated with exploration licences, with 164,435 metres drilled in 2022–23 compared to 235,767 in 2021–22. Exploration activity was impacted by broader economic drivers including higher interest rates and geopolitical tensions creating uncertain economic conditions. The decrease in minerals exploration in Victoria is consistent with the trend globally.

Metres drilled associated with mining licences totalled 191,219 metres, a 13.6% decrease compared to 2021–22 (221,293 metres). The drilling on retention licences largely remained steady, with 69,779 metres drilled (1.9% less than 2021–22).

Indicator: Level of production of minerals and extractives

Annual production of gold

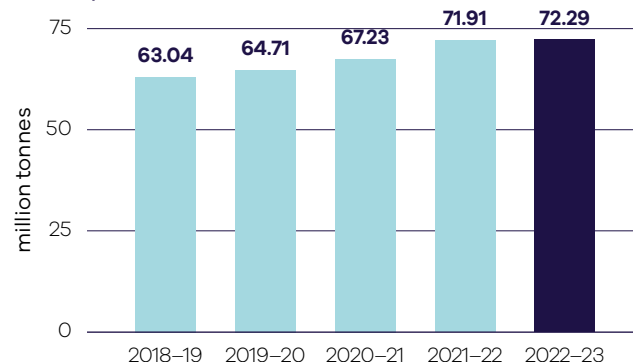


Notes on the data:

- Data for this indicator is reported one year in arrears.
- The restatement of prior year data in some cases is due to the receipt of late submissions from licence holders.
- Source: [Earth Resources Regulation Annual 2022–23 Statistical Report](#)

The volume of gold production in Victoria in 2022–23 was 491,425 ounces. This represents a reduction of 135,591 ounces or 21.6% from 2021–22. This was mainly driven by lower production from the Fosterville Gold Mine located near Bendigo (the largest gold producer in Victoria) reflecting lower gold grades and primary ventilation operating restrictions related to low frequency noise constraints.

Annual production of extractives

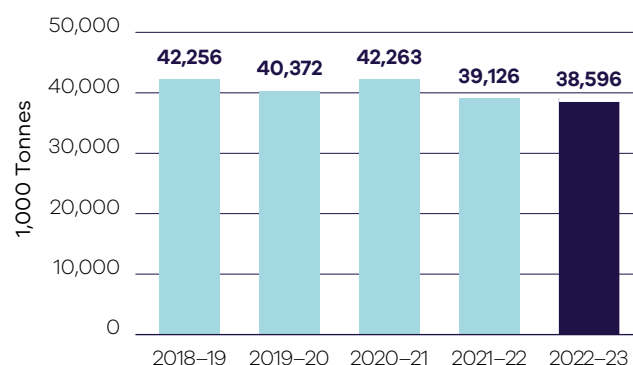


Notes on the data:

- Data for this indicator is reported one year in arrears.
- The restatement of prior year data in some cases is due to the receipt of late submissions from licence holders.
- Source: [Earth Resources Regulation Annual 2022–23 Statistical Report](#)

During 2022–23 extractives production increased to 72.29 million tonnes (an increase of 0.5% from 2021–22). The increase was driven by higher hard rock production (48.5 million tonnes produced, a 7.2% increase) partly offset by lower soft rock production (23.79 million tonnes produced, a 10.8% decrease). Victoria’s Big Build continued to drive new investment in critical infrastructure covering major construction and transport initiatives. This continues to grow the demand for extractives material (sand, stone, and gravel) that is projected to grow to in excess of 100 million tonnes by 2050.

Annual production of brown coal

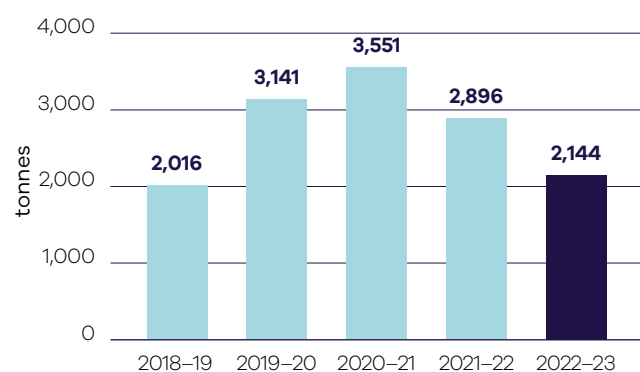


Notes on the data:

- Data for this indicator is reported one year in arrears.
- The restatement of prior year data in some cases is due to the receipt of late submissions from licence holders.
- Source: [Earth Resources Regulation Annual 2022–23 Statistical Report](#)

Brown coal production decreased by 1.4% during 2022–23 to 38.6 million tonnes. Brown coal production will continue to decrease in the future, reflecting the impact of increasing renewable energy sources for electricity generation, as part of the transition of the economy to net zero by 2045 and the planned closure of coal fired power stations. Yallourn Power Station and Loy Yang A Power Station are scheduled to close in mid-2028 and 2035 respectively.

Annual production of antimony



Notes on the data:

- Data for this indicator is reported one year in arrears.
- The restatement of prior year data in some cases is due to the receipt of late submissions from licence holders.
- Source: [Earth Resources Regulation Annual 2022–23 Statistical Report](#)

Antimony is produced from Australia’s only antimony mine at Costerfield in central Victoria. Production decreased to 2,144 tonnes in 2022–23 from 2,896 tonnes in 2021–22 (a reduction of 26%). The lower level of production reflects the impact of lower grades of antimony and supply chain issues impacting operational performance.

Agriculture

This output delivers services to the agriculture, food and fibre sectors to enhance productivity, connect the sector with international markets, create jobs, support growth and maintain effective biosecurity.

This output delivers effective and efficient regulation, compliance, emergency management, biosecurity research and development, and diagnostic services to protect and enhance market access by addressing trade barriers and managing the risks of pests, diseases and chemical use. The department undertakes research and development to develop new technologies and practices and provides services to enhance their adoption to increase farm productivity and supply chain efficiencies. It provides policy advice and support to industries and businesses to innovate, manage economic and climatic volatility, natural disasters and biosecurity emergencies, and meet consumer and community expectations for food quality, food safety and animal welfare and environmental standards.

The output also creates the conditions to grow the natural resources economy by ensuring resources are sustainably allocated and used for both recreational and commercial purposes.

Agriculture Industry Development and Regulation

This sub-output supports a more productive, competitive, sustainable and jobs-rich food and fibre sector by delivering policy advice, regulation and support to meet consumer and community expectations for agriculture industry development, pets and animal welfare, regulatory policies and frameworks.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Farms and related small businesses facing significant adjustment pressures supported to make better-informed decisions by the Rural Financial Counselling Service	number	2 279	1 700	34	✓
<i>Performance is above target due to the ongoing impact of the 2022 floods and storms, resulting in a higher number of farms and related small businesses being supported through the program. Additionally, reduced commodity prices and increased input costs have led to financial stress for farmers, further increasing requests for assistance.</i>					
Inspections or audits of scientific establishments undertaken to provide assurance of compliance with relevant industry standards for animal welfare	number	27	25	8	✓
<i>Performance is above target due to the anticipated fluctuations during the year. This performance measure comprises audits set by the department (scheduled audits) as well as inspections (ad hoc) triggered by applications received from licence holders.</i>					
Strategies developed to maintain and / or grow export opportunities, pathways and capability and overcome identified trade barriers	number	3	3	0	✓
Visits of the Responsible Pet Ownership program to Victorian kindergartens and primary schools	number	2 580	3 100	(17)	■
<i>Performance is below target as the Responsible Pet Ownership program continues to rebuild following COVID-19, which saw a significant loss of pet educators and suitability-tested dogs. COVIDSafe settings led to many puppies and dogs missing out on critical socialisation and training. As a result, fewer dogs have passed the program's suitability tests in recent years.</i>					
Young farmer scholarships awarded	number	14	12	17	✓
<i>Performance is above target as 14 scholarships were able to be awarded within the allocated annual budget for this program. When applications are received for less than the maximum scholarship allowable, additional scholarships are able to be awarded.</i>					
Quality					
Grant recipients who met or exceeded agreed milestones	per cent	75	75	0	✓
Timeliness					
Performance and grant agreements acquitted within timeframes specified in the funding agreement	per cent	90	90	0	✓

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Cost					
Total output cost	\$ million	142.5	152.7	(7)	✓
<i>The lower than budgeted output costs is predominantly due to the reprofiling of funding from 2022–23 to 2023–24 for the Animal care and protection initiative.</i>					

Note:

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

Agriculture Research

This sub-output supports more productive, competitive, sustainable and jobs-rich food and fibre sectors by delivering research and innovation to develop innovative new technologies and farming systems that increase food and fibre productivity and product quality.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Applications for intellectual property protection	number	14	16	(13)	■
<i>Performance is below target due to a rescope of the program. The number of applications reflects the revised scope.</i>					
Commercial technology licence agreements finalised	number	15	16	(6)	■
<i>Performance is below target due to a rescope of the program. The number of agreements finalised reflects the revised scope.</i>					
Genetic improvement of dairy cows achieved through breeding contributing to increased milk production and dairy productivity	per cent	1	1	0	✓
Key bioscience platform technologies established	number	1	1	0	✓
Postgraduate-level/PhD students in training	number	63	65	(3)	○
Value of co-investment from external (non-state) funding sources attracted to the Department's research projects that support productive agriculture	\$ million	37.6	41	(8)	■
<i>Performance is below target due to a rescope of the program, resulting in reduced external co-investment. Industry co-investment levels remain consistent at 50% or above.</i>					
Quality					
Satisfaction rating of industry investors in agriculture productivity research and development	scale 1-10	8	7	14	✓
<i>Performance is above target due to strong alignment with industry strategy and research goals, and reputation for delivering research.</i>					
Scientific and technical publications subjected to independent peer review in international and national journals that promote productive agriculture	number	235	260	(10)	■
<i>Performance is below target due to a rescope of the program. The number of publications reflects the revised scope.</i>					
Timeliness					
Provision of technical advice, diagnostic identification tests on pests and diseases including suspected exotics within agreed timeframes	per cent	87.6	85	3	✓
Research project milestones and reports completed on time	per cent	93.6	90	4	✓

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Cost					
Total output cost	\$ million	110.3	119.4	(7.6)	✓
<i>The lower than budgeted output cost is predominantly due to the reprofiling of the output allocation of the Agriculture sub outputs (Agriculture Industry and Development Regulation, Agriculture Research and Biosecurity and Agriculture Services) as a result of the Machinery of Government transfer in 2022–23.</i>					

Note:

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

Biosecurity and Agriculture Services

This sub-output delivers biosecurity, agriculture and emergency management services and regulatory programs which support the food and fibre sector to achieve sustainable growth while managing risks and minimising adverse impacts to the economy, environment and public health and safety.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Animal pest, disease and residue control programs maintained to ensure Victorian agricultural produce complies with food safety and biosecurity standards required to access markets	number	5	5	0	✓
Client interactions with land health services	number	1 726	1 700	2	✓
Clients engaged with agriculture productivity services	number	4 099	3 910	4.8	✓
Improved agricultural services, programs and products developed	number	10	10	0	✓
Known state prohibited weed sites monitored and treated in line with the relevant weed action plan	per cent	98	95	3	✓
Plant pest, disease and residue control programs maintained to ensure Victorian agricultural produce complies with food safety and biosecurity standards required to access markets	number	6	6	0	✓
Properties inspected for invasive plant and animal priority species	number	1 921	2 700	(29)	■
<i>Performance is below target due to the redirection of resources to higher priority activities. This includes emergency responses such as Avian Influenza and Varroa Mite, and surveillance programs in response to Brown Marmorated Stink Bug.</i>					
Quality					
Client satisfaction rating of agricultural services	scale 1-10	8.9	8	11	✓
<i>Performance is above target due to prioritising the design of client focussed services.</i>					
National biosecurity, agriculture/veterinary chemical use and animal welfare programs implemented in accordance with agreed plans	per cent	100	96	4	✓
Preparedness activities implemented, in line with agreed plans, to ensure response readiness for emergency animal and plant pest, disease and natural disaster incidents	per cent	90	90	0	✓

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Timeliness					
Animal health certificates issued within specified timeframes to support international market access	per cent	98	95	3	✓
Commence action within specified timeframes on new or amended accreditations to restore or enable trade	per cent	100	96	4	✓
Initial action taken to respond to reported emergency animal and plant pest, disease and natural disaster incidents complies with national agreements and obligations	per cent	100	100	0	✓
Plant health certificates issued within specified timeframes at the Melbourne Wholesale Fruit and Vegetable Market to support domestic market access	per cent	93	95	(2)	○
Cost					
Total output cost	\$ million	168.7	120.2	40.3	■
<i>The higher than budgeted output cost is predominantly due to additional funding received for biosecurity and natural disaster emergencies and the reprofiling of the output allocation of the Agriculture sub outputs (Agriculture Industry and Development Regulation, Agriculture Research and Biosecurity and Agriculture Services) as a result of the Machinery of Government transfer in 2022–23.</i>					

Note:

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

Sustainably manage forest resources

This sub-output creates the conditions to ensure the natural resources economy including forestry resources are sustainably allocated and used for both recreational and commercial purposes.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Key statutory obligations relevant to VicForests complied with (tabling annual reports, audits, corporate plan and board appointments)	per cent	100	100	0	✓
Timeliness					
Facilitate the delivery of the Victorian Forestry Plan in line with key project milestones	per cent	100	100	0	✓
Cost					
Total output cost	\$ million	311.2	112.6	176.4	■
<i>The higher than budgeted output cost is predominantly due to additional funding for the Native Timber Harvesting Transition, Forestry Transition Program and Timber Harvesting Transition Support initiatives.</i>					

Note:

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

Resources

This output develops and delivers policy, programs and regulation to enable investment and generate jobs through the sustainable development of the State's earth resources, including extractives, minerals and petroleum.

The department acquires and provides access to high-quality geoscience data and knowledge to inform government decision making and attract new investment and jobs to the Victoria. It develops and implements legislative and regulatory reforms in the earth resources sector to improve outcomes for all stakeholders.

Supporting investment in resources and low emission technologies, the department fosters innovation, productivity, jobs and trade in the state's earth resources sector. Through strategic resource and related land use planning, new opportunities are able to be identified for Victoria's earth resources, along with supporting major infrastructure development in the state.

DEECA also regulates the earth resources sector through transparent, consistent and timely regulatory processes that provide industry with confidence to invest and have regard to the needs of communities and minimise impacts to the environment.

Performance measures	Unit of measure	2023–24 actual	2023–24 target	Performance variation (%)	Result
Quantity					
Community and stakeholder engagement information forums	number	62	55	13	✓
<i>Performance is above target as additional community and stakeholder engagement was required to address matters such as mine remediation and acquisition of quarry materials to support infrastructure development.</i>					
Quality					
Exploration and mining licences which are active	per cent	84.6	82.5	3	✓
Timeliness					
Extractive Industries Work Authority work plans processed within regulatory timeframes	per cent	86.8	95	(9)	■
<i>Performance is below target due to the short-term impact of clearing a backlog of complex and voluminous applications.</i>					
Facilitate the delivery of resources projects in line with grant agreements and project milestones	per cent	96.8	100	(3)	○
Industry geoscience data packages released for minerals and petroleum sectors consistent with agreed timelines	number	10	10	0	✓
Mineral licence applications and work plans processed within regulatory timeframes	per cent	87	95	(8)	■
<i>Performance is below target due to a large number of complex work plan submissions received over a short period of time, creating a backlog of applications.</i>					
Regulatory audits completed within agreed timelines	per cent	98.4	98	0	✓
Cost					
Total output cost	\$ million	52.2	48.5	7.5	■
<i>The higher than budgeted output cost is predominantly due to the reprofiling of funding from 2022–23 to 2023–24 for the Resources for Recovery: Securing the Resources for Victoria's economic recovery initiative.</i>					

Note:

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

Discontinued measures for 2023–24

Following assessment by the Public Accounts and Estimates Committee, the performance measures listed below were discontinued for 2023–24.

Output group	Performance measure name
Environment and Biodiversity	Hours volunteered across all government funded environmental volunteering programs
Energy	Total renewable electricity generation capacity from the Victorian Renewable Energy Target 2017 Auction projects
Energy	Microgrids established
Energy	Relative reduction in statewide powerline related bushfire risk
Solar Victoria	Applications for Solar PV rebates for owner occupied and rental households approved
Solar Victoria	Applications for home battery rebates approved
Solar Victoria	Applications for Solar PV rebates for small businesses approved
Solar Victoria	Applications for Home Heating and Cooling Upgrade rebates for reverse cycle air conditioning units to replace inefficient heating systems approved
Solar Victoria	Applications for Zero Emissions Vehicle subsidies approved
Management of Public Land and Forests	Contaminated Crown land sites assessed/prepared for remediation
Management of Public Land and Forests	Off-leash dog parks completed
Effective Water Management and Supply	Interactions with Water Markets reporting and transparency information, including visits to the Water Register webpage and other digital information, per month
Fire and Emergency Management	Strategic fuel breaks built or upgraded
Fire and Emergency Management	100 per cent of burns identified in the Joint Fuel Management Program prepared for delivery
Agriculture	Number of small scale local and craft producers attending workshops/mentoring programs
Agriculture	New or amended Interstate Certificate Assurance (ICA) or other market access accreditations developed to restore or enable trade

Discontinued departmental objective indicators for 2023–24

Objective	Departmental Objective Indicator
Healthy, resilient and biodiverse environment	Participation in community-based environmental programs

Discontinued operations

There were no discontinued operations for 2023–24 under the department's output structure.

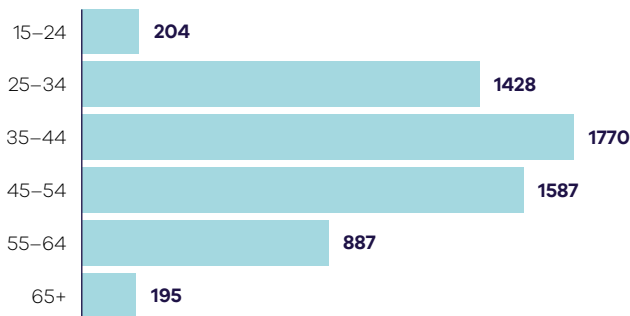
Our people



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

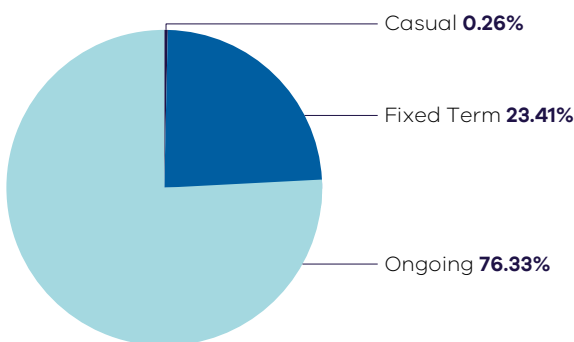
On 30 June 2024, DEECA employed 5,809 full time equivalent (FTE) staff, with a total headcount of 6,071.

Figure 1. Staff distribution by age (headcount)



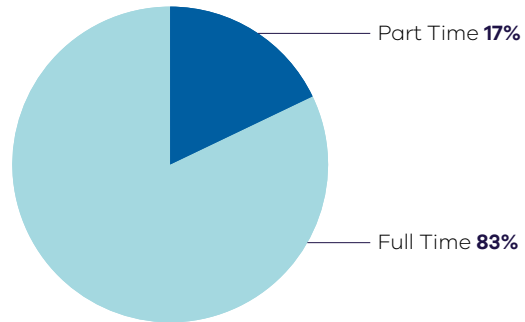
The largest age cohort is staff between 35–44 years of age, accounting for 29% of total staff. The next largest is the 45–54 year age cohort, accounting for 26% of staff.

Figure 1.1 Staff distribution by work status (headcount)



There were 4,634 staff in ongoing roles, representing 76% of all staff.

Figure 1.2 Ongoing staff distribution by working arrangement (headcount)



Reflecting the availability of flexible working arrangements, 786 (17%) of 4,634 ongoing staff utilise part-time working arrangements.

Figure 2. Staff distribution by classification (headcount)

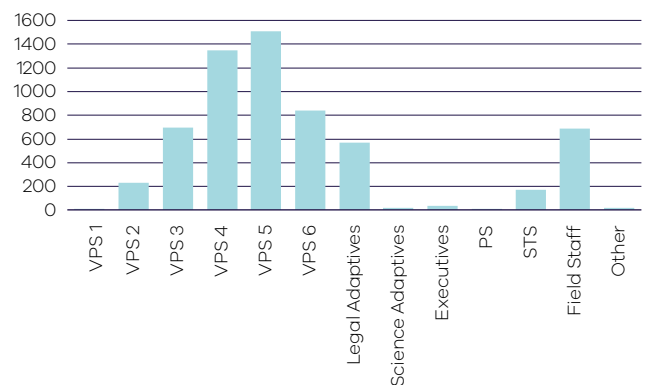
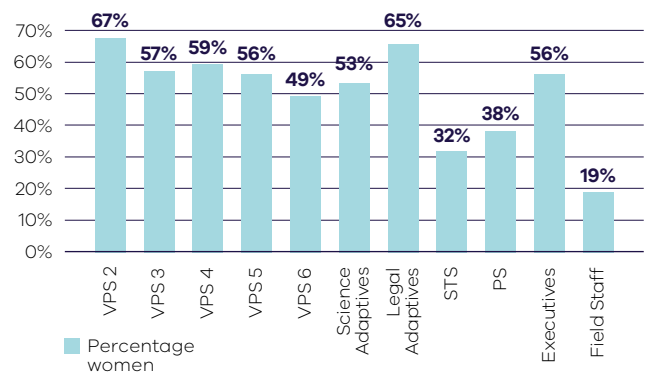
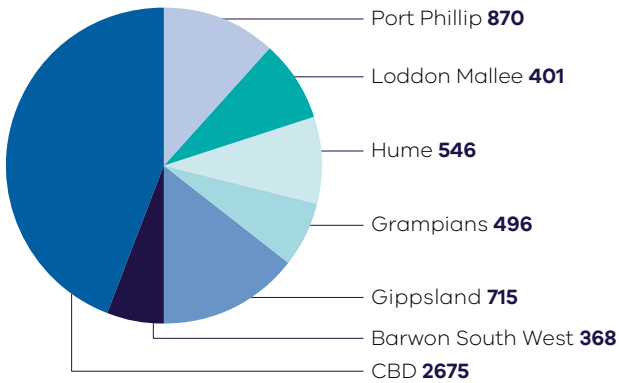


Figure 2.1 Distribution of women by classification (headcount)



In the 2 classifications with the largest number of staff, VPS Grade 4 and VPS Grade 5, the representation of women is: 59% of 1,331 VPS Grade 4 staff and 56% of 1,484 VPS Grade 5 staff.

Figure 3. Staff distribution by region (headcount)



DEECA is geographically dispersed across 86 locations across Victoria, with 44% of staff based in the Melbourne central business district (CBD) and 14% in the Port Phillip region (which covers the rest of the Greater Melbourne area), with the remaining 42% in regional Victoria. The largest regional staff population is in Gippsland where 12% of staff are based. In 2023–24, most office-based staff worked under hybrid working arrangements.

DEECA's Workforce

How do we compare to the Victorian population?

Victorian population statistics were extracted from the Australian Bureau of Statistics 2021 census data, and DEECA statistics were derived from the People Matter Survey results.

Identify as LGBTIQA+
10% DEECA | **6%** VIC

Are a carer:
80% DEECA | **39%** VIC


Percentage of Women:
48% DEECA | **51%** VIC

1% of DEECA employees identify as Transgender, Non-Binary or Gender Diverse

Religious Affiliation:
25% DEECA | **31%** VIC

Disability:
8% DEECA | **17%** VIC

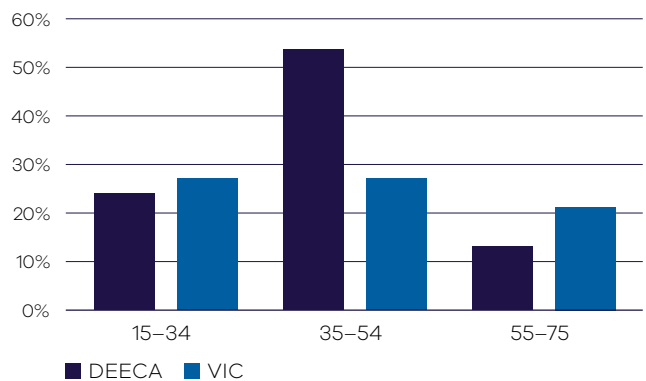
Percentage of people with a disability


Aboriginal and/or Torres Strait Islander:
2% DEECA | **1%** VIC

Language:
13% DEECA | **30%** VIC

Speak a language other than English at home

Age breakdown



DEECA has a diverse workforce according to the department's 2023 People Matter Survey results. Notably DEECA comprises 10% of staff who identify as LGTBIQA+, 80% are carers, 8% are people with disability, 13% speak a language at home other than English.

Additional information on DEECA's workforce profile is available at Appendix 2.

Our culture and values

How we work and interact with each other, and with our ministers, stakeholders and the community is critically important to achieving better outcomes for Victoria. As we go about our work, we are guided by the VPS values and the DEECA Leadership Model.

VPS values

The Victorian Public Sector (VPS) values are:

- responsiveness
- integrity
- impartiality
- accountability
- respect
- leadership
- human rights.

These values reflect the way we work as individuals and team members. The values and the Code of Conduct for Victorian Public Sector employees provide the foundation of the integrity and accountability framework for all VPS employees.

Together with the DEECA Leadership Model, these values articulate the attitudes and behaviours required to build a culture that supports our people to successfully deliver for our community, the environment and sustainable industries.

The DEECA Leadership Model

In addition to the VPS values, we use the DEECA Leadership Model to shape the way we work. The DEECA Leadership Model, launched in August 2023, provides a set of simple principles and habits that remind us of what we need to focus on, and that guides our daily interactions and decisions as we deliver our work.

The Leadership Model comprises 3 key principles – ‘Work Together’, ‘Do What Matters’ and ‘Make a Difference’ – and 9 underpinning habits, as outlined below.

The commitment of our leaders to model these essential behaviours will help put our people at the centre of everything we do, strengthen our organisational culture, and deliver better outcomes for the community we serve.

DEECA Leadership Model



Work Together

Connect with others

We work across team boundaries to solve challenges and work successfully as one DEECA.

Develop our people

We nurture everyone's potential to thrive at DEECA by providing opportunities for people to develop. We actively support people's growth through coaching and mentoring.

Keep everyone safe

We create an inclusive, physically and psychologically safe environment for all. We promote overall wellbeing and high performance.



Do What Matters

Create clarity

We consistently identify and communicate priorities on what matters most. We provide clarity to people on their roles and our expectations. We make clear decisions on allocation of limited resources.

Own it

We take accountability for the success and learnings of a project, process or task through to decision or completion. We empower our people to do the same.

Deliver for community, environment and sustainable industries

We constantly focus on prioritising outcomes, always seeking to further the purpose of creating thriving environments, communities and sustainable industries.



Make a Difference

Seek new ways

We look for alternative ways to respond to challenges and promote a mindset of continuous learning for ourselves and others.

Speak up

We speak up to suggest a new idea or to challenge behaviour. We empower our teams to do the same without fear of retribution.

Take action

We encourage a culture of action and decision making. We embrace challenges, and we take action in order to build a better Victoria for everyone.

People Matter Survey

The 2023 People Matter Survey was open for responses between 29 May and 23 June 2023. DEECA had a response rate of 77%, with 4,329 staff completing the survey, which was an increase from the 72% response rate of the former DELWP in 2022. The results of the survey provided valuable insights into what our people are thinking and experiencing in the workplace, and informed actions to drive improvements in our workplace culture and staff wellbeing.

In the 2023 People Matter Survey, DEECA's employee satisfaction was 69% compared to 72% the previous year. While there was a slight decline in staff engagement of 3 index points, DEECA's results were generally higher than comparable VPS departments. Our people told us that they were particularly satisfied with:

- our workplace flexibility (an average of 90% responded positively to questions about flexible working)
- the leadership from our managers (an average of 90% responded positively to questions about the leadership of our managers)
- our meaningful work (an average of 88% responded positively to questions about how worthwhile their work contribution is)
- the support from the people they work with (an average of 84% responded positively to questions about how well people work together and support each other).

Positively, a high number of people consider their managers to be supportive, with 93% reporting their managers support working flexibly, and 89% feeling heard by their managers.

Levels of work-related stress remained unchanged from the 2022 results with 25% of people reporting high to severe stress. A total of 91% of respondents experienced some form of work-related stress ranging from mild to severe, which is an increase from 89% respondents in 2022. Of the 3,939 survey respondents who reported work-related stress, 45% selected *workload* as one of the causal factors of their stress (a reduction from 50% in 2022), noting that respondents were able to select multiple causal factors. *Time pressure* was selected as a causal factor by 41% of respondents (a reduction from 47% in 2022), *Job security* by 22% (an increase from 14% in 2022) and the impact of *organisation or workplace change* was selected by 17% (an increase from 9% in 2022).

As workload and time pressure continue to be key drivers of work-related stress for DEECA employees, the department focused on workload sustainability, implementing a plan to create a culture of open and ongoing communication about workload, capacity and wellbeing across the department. This work is ongoing and remains a high priority.

In 2023, bullying continued to be the highest reported negative behaviour with 9% (398 people) reporting they had experienced bullying in the last 12 months, consistent with 2022 results. Reported rates of discrimination (5%), violence and aggression (5%) and sexual harassment (3%) also remained unchanged from 2022.

Implementing the DEECA Leadership Model, delivering Safe and Respectful Workplaces training, and preparing to implement the Psychological Health Regulations under the *Occupational Health and Safety Act 2004*, demonstrate the department's ongoing commitment to, and focus on, addressing negative workplace behaviours.

Capability development

During 2023–24, DEECA delivered 10,399 instructor led training sessions (4,899 corporate training and 5,500 safety and wellbeing training sessions). Additionally, 5,028 staff completed a total of 32,616 DEECA eLearning courses.

In November 2023, DEECA implemented the first phase of a new Success Factors Learning Management System, a platform designed to provide DEECA staff a simple, streamlined way to access professional development, safety and wellbeing, and accreditation training.

Enterprise bargaining

During 2023–24, the department negotiated a new departmental appendix for the *Victorian Public Service Enterprise Agreement 2024*, which amalgamated the emergency specific terms and conditions of employment for DEECA staff. The department also commenced negotiations with the Australian Workers' Union (AWU) for a new enterprise agreement for field staff and wild dog controllers. The department has constructive working relationships with both the Community and Public Sector Union (CPSU) and the AWU. The department recorded nil time lost through industrial disputes in 2023–24.

Occupational Health, Safety and Wellbeing

DEECA is committed to creating and maintaining a physically and psychologically safe workplace. We have systems in place to manage all known hazards and we continue to improve our safety and wellbeing culture by reviewing and continually improving our systems of work, regularly re-assessing and managing our risks, and creating an environment and culture where our people feel safe and empowered to recognise, raise and address issues.

The department's approach includes the following features:

- a strong consultative structure that facilitates direct engagement with elected health and safety representatives, as well as management representatives, on local matters being raised by our people. DEECA's consultative structure was reviewed and consulted on in 2023–24 to ensure it remained fit for purpose and best reflected the needs of DEECA groups and regions; a new consultative structure will be in effect for 2024–25 and demonstrates our ongoing commitment to strengthening safety and wellbeing consultation and collaboration across the department
- strong leadership, culture and commitment from senior executives throughout the consultative structure (for example, regional directors or deputy chief fire officers chairing or co-chairing a Regional Safety and Wellbeing Consultative Committee, and a deputy secretary chairing the Departmental Safety and Wellbeing Consultative Committee)
- engagement across DEECA through consultative committees that support the safety and wellbeing management system through collaboration on local safety and wellbeing action plans aimed at enhancing the department's safety and wellbeing performance
- a Safety and Wellbeing Assurance Committee that oversees safety and wellbeing initiatives, investment and strategic risks, with senior executive representatives from across DEECA, to ensure safety and wellbeing outcomes are being met
- a safety and wellbeing management system based on policies, procedures, supporting guidance and services that our people use to address, promote, and protect safety, health, and wellbeing
- a focus on continuous improvement through activities such as an internal assurance strategy, independent reviews, investigations, safety advisor led assurance activities, workplace inspections and managers undertaking job safety observations of field operations.

Initiatives to support our people's health, safety and wellbeing

During 2023–24, the department completed a review of its Safety and Wellbeing Operating Model and implemented several initiatives aimed at improving the physical and mental health, safety and wellbeing of our employees and other workplace participants.

Highlights from our health, safety and wellbeing initiatives for the year include:

- active involvement of the Secretary and Workplace Services Branch Director in safety and wellbeing programs within the public sector, including participation in the Public Sector Occupational Health and Safety (OHS) Leadership Group and the interdepartmental OHS Executive Group, and the Safety Manager participating in the Australasian Fire Authorities Council Workplace Health and Safety Working Group
- delivering a voucher-based influenza vaccination program, allowing employees to choose a vaccination time and location that suited them, resulting in 1,473 employees (at a rate of 25.4 per 100 FTE) redeeming a voucher with a further 148 vaccination reimbursements claimed
- delivering 50 Q fever vaccinations for Forest Fire Management Victoria emergency workers to support Agriculture Victoria in responding to emergency animal diseases
- delivering 2,077 Fit for Emergency medical assessments for Forest Fire Management Victoria employees to support safe emergency deployments across the state
- supporting the completion of 330 Emergency Management Medical Questionnaires for Agriculture Victoria staff to ensure emergency roles and capabilities are appropriately aligned
- continued delivery of a virtual safety and wellbeing noticeboard to provide staff with access to safety and wellbeing advice, whether they are working remotely or at DEECA sites
- continuing to destigmatise mental health and wellbeing by supporting national wellbeing initiatives and delivering mental health and wellbeing literacy training to 759 employees
- conducting 149 site and field safety assurance reviews across Victoria (at a rate of 2.6 reviews per 100 FTE). This represents an increase of 59 reviews since 2022–23, due to the resumption of site visits after the prolonged impact of COVID Safe settings and the filling of staff vacancies. These reviews led to 169 corrective actions (a 33% decrease on corrective actions required in 2022–23) and resulted in safety improvements targeting the greatest risk areas across the department

- continued promotion and improvement of the Working Alone or in Isolation Policy, Guideline and web-based application (JourneyMate) to provide direction and supporting tools to assess risks associated with working alone or in isolation, and to ensure escalation and emergency response assistance are provided in a timely manner
- launching a *Family Connect and Support* program in November 2023 to better support the mental health and wellbeing of our people and their families. The program includes guidance material, a wellbeing support guide and videos containing personal stories and tips.
- continuing to embed the key actions from the WorkWell project into ongoing practises to improve the mental health of firefighters
- completion of 2,502 safety and wellbeing induction eLearning courses by DEECA staff
- delivery of 5 virtual interactive training sessions on the new incident and hazard management and reporting system, SafeWell, 2 of which were specifically for peer supporters
- continued delivery of online training modules for Appropriate Workplace Behaviour, Sexual Harassment, Occupational Health and Safety Induction and Creating a Mentally Healthy Workplace. These modules remain a key component of staff mandatory training.
- delivery of quarterly health and safety representative forums for all 198 health and safety representatives (HSRs) and 54 deputy HSRs at DEECA, focusing on fostering consultation and collaboration.

Avian influenza response

In 2023–24, DEECA supported the emergency response to avian influenza in the state, including the establishment of a Local Control Centre (LCC) in Ballarat and dedicating resources to the response. Throughout the response, safety officers from the department ensured the continued prioritisation of health and safety, including providing senior safety leadership and direction to the Incident Controller and other functional leaders, conducting safety briefings, providing oversight of safety administration systems, conducting on-site safety assurance reviews, providing operational staff with safety information, ensuring compliance with safety systems and ensuring completion of required safety reporting to the regulator and implementing any corrective actions identified. Additional occupational health and safety supports have also been provided through investigations into safety-related incidents and the development of guidelines and job safety related documents to assist in safety compliance.

Wellbeing services

During 2023–24, there was a total of 1,129 new Employee Assistance Program (EAP) referrals, providing 2,662 hours of support throughout the year. Overall, the annual utilisation rate for the department was 19.4% which is higher than the average rate of 11.3% for the government and public administration sector. Promotion of the EAP focused on proactive and early engagement with the services for support.

Specialist, targeted and tailored support through the EAP continued to be provided for staff impacted by changes following the establishment of DEECA and the integration of Parks Victoria, changes to the native timber harvesting industry, forestry transition and integration of VicForests, and the inquiry into the 2022 flood event. Yarning Circles continued to be available for our First Nations people participating in or impacted by the Yoorrook Justice Commission process.

A total of 2,014 hours of dedicated support was provided through the Regional EAP Coordinators (RECs) in response to organisational change processes, the Grampians bushfires and the avian influenza emergency response. In addition, RECs were used to provide targeted support in response to emerging issues impacting individual or team wellbeing, and to employees following safety incidents.

As at 30 June 2024, DEECA's Peer Support Program had 91 peer supporters providing local support to staff with a range of work and personal needs. During 2023–24, a major focus was the ongoing learning and development of peer supporters to build capability and confidence, ensuring best practice support for our staff. Throughout the year, peer supporters engaged in around 1,070 conversations across the organisation, providing wellbeing-focused support and guidance for our people.

In addition to direct engagement, peer supporters participated in additional activities including coordinating RUOK day events and providing telephone-based psychological first aid to staff through the Reach Out program. Through the Reach Out program, peer supporters conducted proactive post-deployment check-in calls for staff deployed to the Canadian bushfires and those impacted by the forestry transition, providing support to 110 employees. The Reach Out program also provided 113 new referrals in 2023–24, with peer supporters delivering telephone-based psychological first aid Referrals to the Reach Out program in 2023–24 included support following an employee's passing (29), work-related events such as exposure to emotional events (23), and personal issues impacting work or performance (16).

Through the 6 trained Family Violence Contact Officers, the department directly supported 22 staff experiencing violence, enabling access to 205 special leave days to support people in managing the actions and distress associated with family and domestic violence.

Over 2023–24, DEECA partnered with Aware Super to deliver the following financial wellbeing sessions:

- 1 session on Planning for Retirement, attended by 142 people
- 2 sessions on Navigating Redundancy, attended by 48 people
- 1 session on Better Money Habits, attended by 59 people
- 1 session on Understanding Investments, attended by 50 people.

Incident management

A review of DEECA's Safety Operating Model was undertaken in 2022–23, resulting in improvements to strengthen capacity and resourcing. This includes the development of a Safety Assurance Framework and annual assurance strategies to target key foundational activities each year, which will be informed by incident trends from DEECA's new SafeWell system.

SafeWell improves the accessibility and clarity of reporting and allows users to report on psychological incidents and hazards in the workplace. The implementation of the SafeWell system included targeted communications to uplift understanding of what, when and how to report incidents, hazards and near misses. This has predictably increased engagement with incident and hazard reporting and has led to an increase in reporting since its introduction.

The number of health and safety incidents and near misses reported across the department (excluding COVID-19 reports) increased to 1,127 in 2023–24 from 655 in 2022–23, representing an increase of 472 incidents, or 72%. This also represents an increase in reports per 100 FTE from 15.4 reports in 2022–23 to 19.4 reports in 2023–24. Of the 1,127 incidents reported in 2023–24, 89% had a management plan and associated actions, with 81% of these closed as at 30 June 2024. This reflects that the majority of incidents and near misses were able to be addressed through the application of administrative controls and local actions, as a result of foundational safety systems, policies and procedures.

As displayed in Figure 1, overall incidents remained consistent throughout the first quarter of 2023–24, with a notable spike throughout an extended fire response and planned burning period (November 2023 to May 2024) that was not seen in the previous 2 years. Incidents tracked similarly to 2022–23 with the number of reports peaking in February and March and remaining low throughout the remainder of the year.

Vehicle related incidents remained elevated in 2023–24, where there were 198 vehicle incidents recorded (3.41 incidents per 100 FTE), 73 more than the previous year (125 incidents in total, at 2.93 incidents per 100 FTE). In response to this, DEECA's vehicle related incidents data has been reviewed and analysed, and actions to support driver and fleet management and safety will be implemented in 2024–25.

There were also 97 notifiable incidents that occurred across the department. Notifiable incidents are those that require the Victorian WorkCover Authority (WorkSafe), who is the Occupational Health and Safety Regulator in Victoria, to be notified. These notifiable incidents included:

- 33 resulting from the fall or release from a height of any plant, substance or thing – 17 of these incidents impacted staff, vehicles or plant, 9 incidents involved trees/branches falling in the vicinity of staff members and 7 were unrelated to trees/branches
- 25 relating to a person needing immediate medical treatment for one of the WorkSafe identified injuries; these include fractures, lacerations, allergic reactions, injuries in the eye area, confirmed snake bite and suspected snake bites, and non-work-related injuries
- 22 resulting from an uncontrolled escape, spillage or leakage of any substance - 10 relating to herbicide of which 8 resulted in staff members being impacted, 10 relating to fuel, diesel, burn mix, brake/hydraulic fluid of which 3 impacted staff members
- 10 notifications relating to an implosion, explosion, or fire – 2 of these were related to burn overs during emergency response, 5 related to fire in components of plant/vehicles
- 5 relating to the collapse, overturning, failure, or malfunction of, or damage to, any plant, including 4 vehicle-related incidents
- 1 notification relating to electric shock occurring to a contractor
- 1 notification regarding dangerous goods, which is currently under investigation.

Figure 1. Number of health and safety reported incidents by month (excluding COVID-19 incidents)

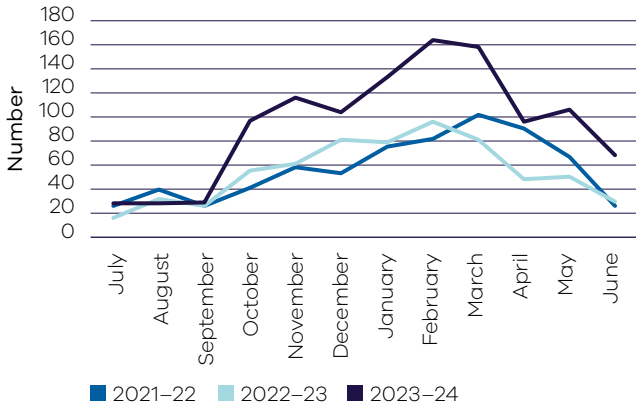
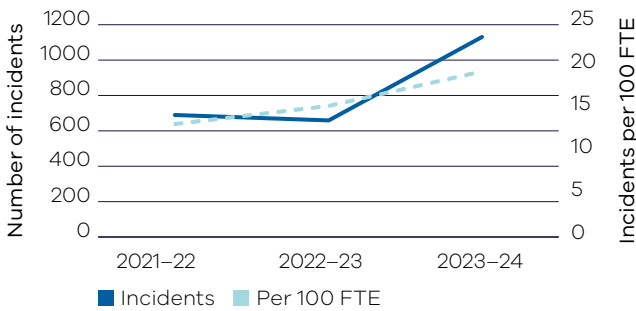


Figure 2. Number of health and safety reported Incidents and Rate per 100 FTE (excluding COVID-19 incidents)



WorkCover claims

A total of 86 standard claims were lodged with DEECA’s WorkCover insurer in 2023–24, with 56 claims (65%) involving lost time. This is an increase in standard claims, compared to 60 standard claims in 2022–23, however there was a considerable decrease in claims costs in 2023–24. Additionally, there was a significant decrease in the number of mental injury claims received, from 20 claims (14 accepted) in 2022–23 down to 10 claims in 2023–24 (6 accepted). This is attributed to the proactive early intervention and return to work efforts undertaken by the Injury Management Team, supporting employees to return to work early into their recovery. These positive factors resulted in an improved WorkCover employer performance rating for DEECA in 2023–24.

The 56 claims involving lost time resulted in 1,340 days lost because of workplace injuries. As of 30 June 2024, over half of the 56 claimants (35) have had a full return to work, with 5 claimants having a partial return to work and 16 having no capacity to return. While injuries that led to claims occurred throughout the year, most injuries were sustained during planned burning and bushfire responses. The majority of these injuries were physical (slips, trips, falls and other) (93.1%), with a small proportion of claims for mental injury (6.9%).

Five claims were received on behalf of Forest Fire Management Victoria under the Presumptive Rights legislation. DEECA continues to support the implementation of the Presumptive Rights legislation, which provides a presumption to claims compensation for both male and female forest firefighters for specific cancers.

Figure 3. Number of standard Workcover claims against number of lost time claims¹

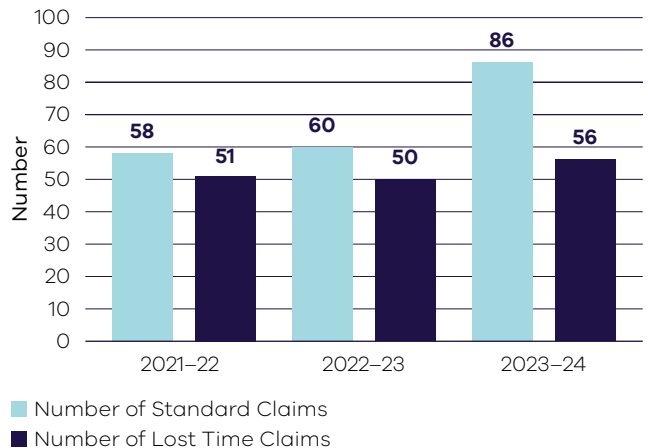
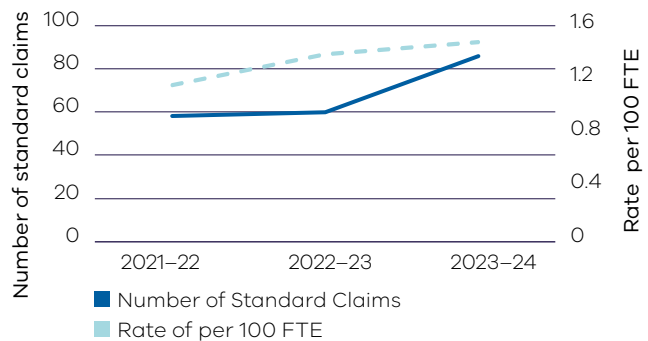


Figure 4. Number of Standard Workcover Claims and Rate per 100 FTE



¹ Number of lost time claims are a subset of total standard claims.

Figure 5. Accepted Lost Time Mental Injury Claims vs. Non-Mental Injury Workcover Claims

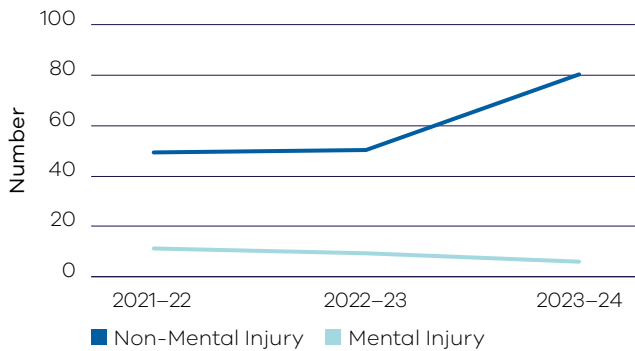


Figure 6. Number of Workcover Claims Exceeding 13 Weeks and Rate per 100 FTE

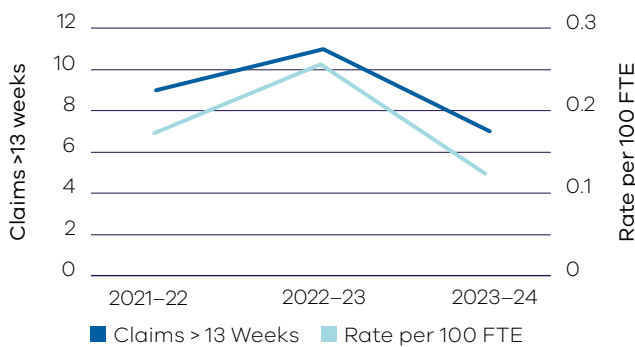


Figure 7. DEECA Workcover premium rate



Figures 1–7: Reporting for 2021–22 captures data for the former Department of Environment, Land, Water and Planning (DELWP).

Upcoming Psychological Health Regulations

WorkSafe Victoria’s proposed Occupational Health and Safety Amendment (Psychological Health) Regulations are expected to be introduced in late 2024. The proposed regulations aim to strengthen the occupational health and safety framework by recognising that psychological health hazards are no less harmful to employees’ safety and wellbeing than physical hazards and promoting the importance of psychological health and safety in the working environment. The introduction of the proposed regulations will require DEECA to identify and control hazards, and review reporting requirements, including the introduction of Prevention Plans for high-risk psychosocial hazards. Planning for the introduction of the proposed regulations has commenced and DEECA is developing a psychological health framework to support a holistic, department-wide approach to psychological health that will better support staff and ensure compliance with the proposed regulations.

The focus of activity for 2023–24 included: the establishment of a psychological health collaborative working group; strengthening of existing governance arrangements; the ongoing development of an awareness campaign that includes an animated video and poster series; introduction of a psychological health incident and hazard reporting workflow through SafeWell; commencement of a psychosocial hazards risk management pilot and the development of a supporting toolkit for staff and managers.

Further information

Additional information on the department’s performance against key Occupational Health and Safety performance indicators is provided at **Appendix 3**.

Diversity and inclusion

Through targeted initiatives and programs, action plans and celebration of significant days on the diversity and inclusion calendar, DEECA continues to elevate the importance of diversity and inclusion. In 2023–24, our staff-led networks played a significant part in capturing the lived experiences of our people, strengthening intersectionality, diversity and inclusion. The 2023 People Matter Survey (PMS) showed that 81% of surveyed staff responded positively to questions about inclusion in the organisation.

Aboriginal Self-Determination

DEECA’s *Pupangarli Marmarnepu: Aboriginal Self-Determination Reform Strategy 2020–25* sets the direction, outcomes, and priorities for DEECA to meet and respond to maintaining genuine partnerships with Traditional Owners and Victorian Aboriginal and Torres Strait Islander communities.

The fourth year of the implementation action plan for *Pupangarli Marnmarnepu* was completed in 2023–24. Actions taken highlight DEECA's strength in collaborating across the department to continue our journey to embed true self-determination for Traditional Owners and Victorian Aboriginal and Torres Strait Islander communities.

DEECA has continued to build on programs to support Aboriginal employment, engagement and networking for new and existing staff, including a Traditional Owner Corporation Exchange program, where staff are placed in Traditional Owner Corporation roles for up to 12 months. In a number of its Groups DEECA has revised existing position descriptions for Designated Aboriginal Positions and Identified roles, as well as ensuring increasing opportunities for Aboriginal representation on interview panels. DEECA has also reestablished the Aboriginal Staff Network and introduced a fortnightly staff bulletin dedicated to First Nations staff engagement.

Aboriginal Cultural Safety

The department's Aboriginal Cultural Capability Framework '*Our Culture is in our Country, and Our Country is our Culture*' supports and promotes self-determination by building Aboriginal cultural capability among our people. The Framework intends to ensure staff across DEECA have the foundational knowledge, behaviour, and skills to meet our commitments with Traditional Owners, and Aboriginal and Torres Strait Islander Victorians. DEECA is developing an implementation plan and monitoring and evaluation framework to progress the work of the Cultural Safety Framework, which is expected to be completed in October 2024.

During 2023–24, 45 DEECA-wide Cultural Safety training courses were delivered, completed by more than 900 staff members. As at 30 June 2024, Aboriginal Cultural Safety Training was completed by 50% of our people leaders. DEECA has 93 managers of Aboriginal staff and 45% of these managers have completed Aboriginal Cultural Safety Training.

Cultural safety, awareness and capability training were delivered on Country across DEECA regions, and will continue in 2024–25. Additionally, a statewide Aboriginal Cultural Safety Training program will be launched in 2024–25.

Programs supporting Aboriginal employment

As at 30 June 2024, 1.89% of DEECA's workforce identified as Aboriginal and/or Torres Strait Islander. DEECA's Aboriginal Staff Network has 142 active members and one gathering was held during 2023–24 to provide opportunities for First Nations staff to connect, build on the foundations of the network and participate in cultural and professional development activities.

DEECA understands that there are challenges in building a talent pipeline for Aboriginal and Torres Strait Islander staff, given the limited pool of job seekers across Victoria and other departments within the Victorian Government competing for talent. It requires the delicate balancing of the need to meet DEECA's targets and objectives in a meaningful manner, while ensuring the Traditional Owner Corporations and communities are supported in their own self-determination. The department has focused on building a sustainable talent pipeline, while listening to the needs of Traditional Owners, so that we are working in partnership to build capacity to learn and grow together.

Key initiatives to attract Aboriginal talent and grow our Aboriginal staff numbers include:

- *Aboriginal Talent Pool* – DEECA's First Peoples' Talent Pool provides candidates who are interviewed by DEECA the opportunity to be considered for future career opportunities. The talent pool has been utilised by hiring managers across DEECA and has become a core part of DEECA's recruitment process. A refresh of the program was completed in 2023–24 to better recruit, retain, develop and support Aboriginal staff.
- *Work Shadowing program* – the Work Shadowing program allows participants to 'shadow' another staff member in a different business area of DEECA to explore new opportunities and experiences, to support the career aspirations of the Aboriginal Staff Network members. As a result of internal promotion of the program, the Conservation Regulator provided secondments to 3 Aboriginal staff members in 2023–24.
- DEECA continues to partner with the Victorian Public Sector Commission (VPSC) in providing opportunities for First Nations staff within the department through the Barring Djinang Aboriginal employment strategy as follows:
 - *Internships* – in partnership with CareerTrackers, DEECA offers 3-month internship placements to Aboriginal students through VPSC's internship program, building a talent pipeline for future graduates within the department. In 2024, DEECA welcomed 4 interns.
 - *Leadership and Development Programs* – 13 First Nations staff participated in career development, leadership and graduate programs during 2023–24.
 - *Traditional Owner Corporation (TOC) and DEECA Exchange Policy* – 6 DEECA staff participated in the exchange program in TOC roles during 2023–24, to build capability and understanding of the importance of working with TOCs, ensuring self-determination is a priority for all the work we do at DEECA.

DEECA also acknowledged Aboriginal days of significance, including Sorry Day and Reconciliation Week through Secretary messages to all staff; facilitated on-Country cultural tours; and celebrated NAIDOC Week through virtual and in-person events. This year's NAIDOC Week event held in Naarm attracted approximately 120 guests, including First Nations staff and community and allies. Many regional events were also well attended. DEECA continues to support and encourage acknowledgement of First Nations days of significance at all levels of the department.

Our commitment to access and inclusion

Work continues across the department to deliver key actions under the department's *Access and Inclusion Plan 2021–24* as well as our commitments under *Getting to work: Victorian public sector disability employment action plan 2018–25*.

Our data on disability

A key commitment in the [Victorian public sector disability employment action plan 2018–2025](#) is achieving a 12% Victorian public sector disability employment target by 2025.

A total of 8% of DEECA's respondents to the 2023 People Matter Survey identified as being a person with a disability (342 people). The percentage of respondents in this category has increased by 1 percentage point year on year since 2021. Around 54% of respondents who reported (through the People Matter Survey) that they are living with disability have shared their disability information with the organisation.

Staff with disability scored lower across measures of wellbeing, engagement and satisfaction compared to those not living with a disability. While employees with disability scored lower in these areas, 79% agreed with the statement that DEECA encourages respectful workplace behaviours. Workplace flexibility was also rated positively with 87% of staff who identified as a person with a disability reporting that their manager supports flexible working.

Inclusive workplace culture and capability

In 2023–24, DEECA progressed several key initiatives from our *Access and Inclusion Plan 2021–24*. The initiatives aim to increase the disability confidence of our workforce, and to ensure DEECA is a safe and inclusive workplace for people with disability, health conditions and carers.

The department delivered on internal review recommendations relating to inclusive recruitment capability. These recommendations aim to advance the department's maturity and approach to recruitment by incorporating candidate-centric practices that are both inclusive and aligned to the organisational values. The new Navigating

Recruitment eLearning course was developed and launched in April 2024 for staff involved in recruitment. As at 30 June 2024, 80 staff have completed the course.

A range of resources has been developed to support inclusive recruitment practices, including Tailored Disability Confidence and Inclusive Recruitment Training for operational recruitment staff. 22 staff completed this training during 2023–24.

DEECA also supports our neurodivergent employees through services offered by the VPS Neurodiverse Confident Services Support program. In 2023–24, employees with neurodivergence accessed the support program and engaged in counselling and coaching services to enable them to perform at their best. Managers and colleagues of neurodivergent employees also participated in the program to increase awareness about neurodiversity and to help support neurodivergent employees within their teams.

An additional priority was raising awareness of disability across the department and building the disability confidence of our staff. Through collaboration between key departmental stakeholders and the staff led All Abilities Network (AAN), DEECA employees celebrated several days of significance, including a week of events across the VPS to recognise International Day of People with Disability on Tuesday 3 December 2023. Of note was the VPS-wide town hall event hosted by DEECA's AAN. The event, 'Psychological Safety – a neurodiverse approach: how to be curious and not judgemental', brought together staff from across the department and the wider VPS to hear an insightful panel discussion about neurodiversity and exploring the theme, 'United in action to rescue and achieve the Sustainable Development Goals for, with and by persons with disability'.

Inclusive communities

DEECA is committed to supporting people with disability in the community. We continue to deliver against our commitments as outlined under *Priority 4: Inclusive communities* of our [Access and Inclusion Plan 2021–24](#) as well as [Inclusive Victoria: state disability plan \(2022–26\)](#).

Gender equality

DEECA recognises that a workplace that fosters gender equality is crucial to building a diverse workforce that reflects the community it serves. The department prides itself as a safe and inclusive employer within the Victorian Government, focusing on our people's sense of belonging by addressing gender discrimination and inequality. The department aims for gender balance across cohorts. In 2023–24 the department comprised of 51% women. The department's executive cohort

comprised 56% women, an increase from 53.5% the previous year.

We have also aimed to increase women's participation in the workforce, including by implementing flexible work. In 2023–24, 75% of women worked full time, increased from 74% in the previous year. Increased participation in the workforce also has positive effects on the gender pay gap.

The department is committed to reducing the gender pay gap and performs a gender pay gap audit annually, with a target of less than 2%. In 2023–24, the gender pay gap was 0%, for the third consecutive year.

DEECA also continues to actively support government commitments to ensure that no less than 50% of appointments to portfolio entity boards are women. At 30 June 2024, women comprised 56% of appointees to DEECA's portfolio entity boards.

DEECA Gender Equality Action Plan 2021–22 – 2025–26

DEECA's *Gender Equality Action Plan (GEAP)* is our inaugural response to the Gender Equality Act 2020 and has been assessed as fully compliant by the Victorian Gender Equality Commissioner. It provides a critical platform to shift the culture of our organisation and elevate our commitment to gender equality.

DEECA acknowledges that people with intersectional identities can experience increased gender discrimination. That is, the department understands that a person's characteristics can expose them to compounding inequalities. DEECA has adopted a holistic and intersectional strategy lens to develop synergistic actions that deliver material and reasonable progress to gender equality. We achieved this by leveraging our policies, stakeholder consultations, human resource processes, subject matter experts and peer advocacy groups. Our GEAP will deliver 22 actions across the 7 indicators of workplace gender equality outlined in the *Gender Equality Act 2020*.

As part of the delivery of our GEAP, gender inclusive leadership training was delivered to over 70 emerging professionals. This training prepared our emerging leaders for decision-making, leadership roles, embedding the key principles of intersectionality and gender inclusivity in their everyday practices.

To further progress gender equality, the department delivered several live coaching events, aimed at providing women with the tools they need for financial success and career acceleration. Across 7 events, over 1,100 staff attended. This contributed to an action in our Gender Equality Action Plan (GEAP) 2021–22 – 2025–26 and contributes to [Victoria's Gender Equality Strategy and Action Plan](#) in advancing the economic empowerment of women.

Gender Impact Assessments

Under the *Gender Equality Act 2020*, the department is obligated to complete Gender Impact Assessments (GIAs) when developing and reviewing public-facing programs, policies or services that have a direct and/or significant impact on the community.

To streamline the process and to support staff in completing GIAs, DEECA developed and launched in January 2024 a GIA tool that streamlines the GIA process. The tool is compliant with the Victorian Gender Equality Commission's requirements and supports staff to thoroughly consider gender impacts with an intersectional approach in the development and implementation of policies and initiatives. To supplement the launch, the department partnered with gender equality experts to build capacity in conducting GIAs among staff and leaders.

The tool is intuitive and guides authors through the GIA process, while prompting evidence for an intersectional approach and ensuring their initiatives are compliant with the *Gender Equality Act 2020*. Completed GIAs are stored centrally, which serves as a library to inform future projects.

Forest Fire Management Victoria (FFMVic) – Equity in emergency management

DEECA continues to actively address gender-based bias and challenge stereotypes in fire and emergency management roles through actions such as:

- local marketing to attract more applications from women for the annual seasonal firefighter intake, with a focus on districts where women are under-represented
- promoting emergency management as a career to young women through the [Girls on Fire program](#)
- delivering unconscious bias training to over 300 leaders (as at 30 June 2024) across FFMVic
- implementing initiatives to increase the number of women within Senior Duty Officer roles, with a goal of 30–50% representation by the 2026–27 season
- supporting staff participation in a 12-month multi-agency program that pairs women with well-connected senior leaders from across the emergency management sector, providing opportunities to assist with their development and exposure beyond their existing networks. In 2023–24, 10 staff participated in the program.

Lesbian, Gay, Bisexual, Transgender, Intersex, Queer and Asexual+ (LGBTIQ+) Inclusion – Championing a Place of Pride

DEECA continues to be a workplace that strives to create inclusion and belonging for our LGBTIQ+ employees. In the 2023 People Matter Survey, 9% of staff self-identified as being lesbian, gay, bisexual, asexual or pansexual, with 1% of participants self-

identifying as trans, non-binary or gender diverse and a further 10% preferring not to disclose.

As at 30 June 2024, the department's Place of Pride employee-led network consisted of 288 active members and has 10 dedicated employees volunteering on its steering committee, creating a sense of community at DEECA. The Place of Pride network has led several LGBTIQ+ events to celebrate all things queer, including DEECA having a visible presence at the Midsumma Festival 2024 and International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT), Wear it Purple Day and hosting and participating in events attended by employees across the VPS.

DEECA's Place of Pride network continues to deliver LGBTIQ+ Awareness Training. Six sessions were delivered in 2023–24, with a focus on regional staff. The training aims to raise awareness and understanding of the LGBTIQ+ community and provides participants with DEECA-specific content and context to build on belonging and inclusion.

Multicultural inclusion – elevating the voices of diverse communities

Our people are diverse; our teams are rich in cultural identity and are of multiple faiths. From DEECA's 2023 People Matter Survey results, we know that 23% of staff were not born in Australia, 26% identified as having a cultural identity that is not Australian or Aboriginal or Torres Strait Islander and DEECA staff speak more than 20 different languages. Of the survey participants, 26% of staff identified as having a faith.

DEECA is committed to elevating the lived experience of staff and seeks to increase the participation of multicultural women and women of colour in leadership positions. The department is proud to support the Multicultural Network and Women of Colour Network. These active staff-led networks have more than 80 members and engaged leadership teams, which together aim to elevate inclusion initiatives for people from cultural and linguistically diverse backgrounds.

The DEECA Women of Colour Network facilitates a mentorship program that connects employees seeking senior and/or leadership positions with executive leaders in the organisation. The program support career development, progression and retention of DEECA's women of colour workforce and anyone who self-identifies as a woman or non-binary person of colour, and contributes to an action in the department's Gender Equality Action Plan, to empower women across the organisation and contains a range of measures to increase the number of women (and women of colour) in senior positions. The program successfully connected 14 mentees with executive mentors during 2023–24.

DEECA's staff networks also have a strong presence within the VPS Women of Colour working groups, ensuring DEECA contributes to inter-departmental activities. Members of these multicultural networks helped shape DEECA's Gender Equality Action Plan, ensuring an intersectional approach to equality is actioned across the department.

Diversity and inclusion through employment pathway programs

Our commitment to diversity and inclusion is embedded in our employment programs and pathways, which provide meaningful opportunities for new and emerging talent. These programs reflect the importance DEECA places on building a more inclusive workforce through strong, sustainable talent pipelines and are a key avenue for creating and supporting opportunities for underrepresented groups.

The employment programs offered by the department provide dedicated pathways for students living with disability, those who identify as Aboriginal and Torres Strait Islander, and those with refugee and asylum seeker status. These pathways are provided through several initiatives, including:

- the Victorian Government Graduate Program
- the Barring Djinang internship program
- the Australian Disability Network's Stepping into Internship program
- the Refugee and Asylum Seeker Summer Internships.

During 2023–24, these programs assisted 94 participants in entering the workforce and contributed to a diverse and inclusive Victorian public sector, with a focus on intersectional representation throughout many of the programs. Of the participants, 6.4% identified as Aboriginal and Torres Strait Islander. Additionally, 9.4% of participants identified as living with disability, reflecting our inclusive hiring practices and the support offered. Women made up 52.1% of participants, showcasing our commitment to gender equality, while 7.3% of our participants identify as Culturally and Linguistically Diverse (CALD) (this statistic is based on limited data and is likely higher).

Employment programs present an important opportunity to deliver on the employment targets and talent pipelines outlined in the *Pupangarli Mammarnepu 'Owning Our Future' Aboriginal Self-Determination Reform Strategy 2020–2025* and the *Getting to work: Victorian public sector disability employment action plan 2018–25*. To further support inclusion and equity amongst these cohorts, candidates requesting adjustments to the recruitment process and/or during their employment with DEECA, are supported through the workplace adjustments policy and procedure.

DEECA continues to invest in and support its vision for a more equitable future by providing meaningful opportunities to new and emerging talent.

DEECA's Science Graduate program attracts highly motivated and skilled candidates from the science, technology, engineering and mathematics (STEM) sectors, embedding science into policy, planning and decision-making across our portfolio areas and ensuring new thinking and diverse perspectives shape our strategies for the future. In 2023–24, the 2-year program supported 39 participants at various program stages, with 58.9% of participants being women. The program has earned recognition as an industry leader and has a proven track record of success, attracting top talent and also nurturing participants' long-term career growth in DEECA, with more than 80% of past participants remaining employed with the department for at least a decade.

The department also supported the Youth Employment Scheme (YES) which aims to increase entry-level roles for young people aged 15 to 29 and provide fixed term career pathways for those facing employment barriers. DEECA recruited and supported 7 staff through this pathway during 2023–24, with over 40% of participants from priority cohorts such as rural and remote residents and Aboriginal and/or Torres Strait Islander people. All participants engaged in workplace learning, while obtaining a certificate qualification, improving their future employability within government and beyond.

DEECA maintained a strong face-to-face and virtual presence at careers expos, forums, professional practice and learning and development sessions, and collaborating with major universities and youth organisations to showcase the department and its work. The department also attended the Australian Association of Graduate Employers conference with industry leaders and explored the latest innovations to help grow our programs.

Safe and Respectful Workplaces Program

DEECA is committed to providing a workplace where our people feel safe, respected and included. The department's Safe and Respectful Workplaces Framework encompasses the Safe and Respectful Workplace Behaviour Policy and Safe and Respectful Response Procedure, bringing together a range of strategies to better prevent and respond to reports of sexual harassment and other harmful behaviours.

The delivery methods for educating staff on Safe and Respectful Workplace principles continue to evolve, based on evaluations and participant feedback. Several changes were made to our training programs in 2023–24, including:

- **Safe and Respectful Workplaces workshops** – This workshop is aimed at all staff and incorporates policy and procedure information, People Matter Survey data and practical active bystander actions. The program content was refreshed and updated, and the duration increased to 2.5 hours to enable more focussed discussions and active participation. In 2023–24, 11 online open sessions and 13 dedicated team-based in-person workshops were delivered to 394 participants.
- **Safe and Respectful Workplaces First Responders** – This training is based on the Safe and Respectful Workplaces policy and procedure and assists people leaders in understanding their obligations and options in managing disclosures of harmful behaviours, while supporting individuals and their teams if a disclosure occurs. These sessions are delivered to key departmental staff, managers and field-based leaders in locations and work environments that present a heightened risk of negative behaviours. The First Responder course was redeveloped as the 'Leading Safe and Respectful Teams' course with refreshed content and offered as a suite of learning options to provide more flexibility to management teams. During 2023–24, a one-hour webinar and 2 full 3-hour sessions were delivered to 25 people leaders.
- **Safe and Respectful Workplaces Champions Network** – This is a staff network of active bystanders, which aims to have representation across all divisions, VPS levels and work centres. A bi-monthly internal bulletin for champions and their local networks links and further supports and educates staff, as well as providing a place to share important messages from related work across DEECA. As at 30 June 2024, 12 editions have been distributed since its launch. Supporting arrangements for the Safe and Respectful Workplaces Champions Network are being refreshed to better reflect DEECA's future needs with targeted recruitment to encourage membership from all DEECA groups and divisions and work centres, and to ensure lived-experience representation from different diversity groups across DEECA. As at 30 June 2024, the number of Safe and Respectful Workplace Champions stands at 361.
- **Safe and Respectful Workplaces Lunchbox/Promos** – This new initiative delivers short presentations on the Safe and Respectful Workplaces framework and program components such as training, resources and networking opportunities. Presentations are given at Lunch and Learn events by a guest speaker at team forums and to executive leadership groups. Seven sessions were delivered in 2023–24 to over 200 participants.

Financial review

Table 1. Five-year financial summary⁽ⁱ⁾: Departmental (controlled) activities

	DEECA 2024 \$'000	DEECA 2023 \$'000 ^(v)	DELWP 2022 \$'000	DELWP 2021 \$'000	DELWP 2020 \$'000 ^{(iv)(vi)}
Income from government ⁽ⁱⁱ⁾	2,564,008	3,420,474	2,373,698	2,477,285	2,168,943
Total income from transactions	3,498,001	4,370,800	3,246,486	3,157,203	2,782,305
Total expenses from transactions	3,311,189	4,114,619	3,114,827	3,184,016	2,785,079
Net result from transactions ⁽ⁱⁱⁱ⁾	186,812	256,181	131,659	(26,813)	(2,774)
Net result for the period	180,599	(81,783)	613,586	769,765	(97,689)
Net cash flow from operating activities	228,869	408,385	215,478	(31,678)	69,824
Total assets	12,888,431	12,807,741	12,210,155	10,344,722	8,487,868
Total liabilities	1,313,987	1,411,951	894,127	740,993	430,920

Due to Machinery of Government changes and other administrative changes, which impact the make-up of functions/outputs delivered by the department, the amounts disclosed across the 5-year financial summary are not directly comparable. Refer to the notes below.

Notes:

- (i) The five-year financial summary differs to the Budget Portfolio outcomes. The variations relate to the inclusion of entities such as the Victorian Environmental Water Holder and the Commissioner for Environmental Sustainability and exclusion of the Rural Assistance Commissioner in Budget Portfolio outcomes reporting.
- (ii) Income from government includes both output and special appropriations.
- (iii) The 'net result from transactions' is identical to the 'net operating balance' for the general government sector.
- (iv) From 1 July 2020, the local government output function was transferred to the former Department of Jobs, Precincts and Regions.
- (v) From 1 January 2023, the planning and land services output functions were transferred to the Department of Transport and Planning and the agriculture and resources output functions transferred to DEECA from the former Department of Jobs, Precincts and Regions. Additionally from 1 January 2023, the department's results consolidate the below entities under section 53(1)(b) of the *Financial Management Act 1994*:
 - Rural Assistance Commission
 - Mine Land Rehabilitation Authority
- (vi) Total income and expenses from transactions have been revised for 2020 following a review of the department's chart of accounts and reclassifications to reflect classifications used by the Department of Treasury and Finance whole-of-government reporting.

Current year financial review

Financial performance and business review

The department's net result from transactions for the financial year ending 30 June 2024 is a surplus of \$186.8 million, compared with a surplus of \$256.1 million in 2023. With the inclusion of other economic outflows of \$6.2 million, the net result for the year is a surplus of \$180.6 million, compared with a deficit of \$81.8 million in 2023.

Overall, the department's 2023–24 income from transactions decreased by 20% predominantly as a result of a reduction in appropriation revenue, due to the conclusion of the Power Saving Bonus program in August 2023 and the full year impact of no longer receiving special appropriations relating to planning functions (which were transferred to the Department of Transport and Planning on 1 January 2023). These reductions were offset by increases in appropriation funding relating to new programs in 2023–24 including those in forestry transition and energy as well as additional funding to support

emergency management and response efforts for bushfire and other emergencies.

The department's 2023–24 expenses from transactions also decreased by 20%, predominantly as a result of a reduction in grants, mainly due to the end of the Power Saving Bonus program in August 2023 and a moderate decrease in supplies and services expenditure. These decreases were partially offset by increases in salaries and wages (due to new programs and the transfer of staff into DEECA as well as additional overtime payments for emergency response and planned burn activities) and increases in depreciation and interest reflecting the full year of holding a share in the public private partnerships for the Royal Melbourne Showgrounds and AgriBio Research Centre.

Other economic flows amounted to an outflow of \$6.2 million for 2023–24, compared to an outflow of \$338.0 million for 2022–23. The \$331.8 million difference was due to significant losses in 2022–23 from non-financial assets (including the write-off of a duplicated asset transferred to DEECA as part of MoG changes) and financial assets (including the reduction in value of the Victorian Renewable Energy Target (VRET) financial derivatives due to settlement and decrease in value from changing wholesale electricity prices).

Financial position – balance sheet

DEECA's net assets as at 30 June 2024 were \$11.6 billion, comprising total assets of \$12.9 billion and total liabilities of \$1.3 billion.

Total assets increased by \$80.7 million to \$12.9 billion, mainly as a result of increases in cash and cash deposits of \$199.2 million in trust balances for Parks and Reserves and the Sustainability Fund, being partially offset by a decrease in derivative financial instruments (\$78.2 million due to the settlement of the derivatives and a reduction in their fair value at 30 June 2024) and a decrease in prepayments (\$20.8 million due to the lower uptake of Solar Home loans).

Total liabilities decreased by \$98.0 million to \$1.3 billion in 2023–24. The decrease mainly reflects a decrease in payables of \$85.5 million (lower accrued grants due to an overall reduction in grants paid/payable by the department) and decreased borrowings of \$20.5 million resulting from the repayment of loans provided by the Rural Assistance Commissioner. These decreases were partly offset by an increase in employee provisions of \$14.8 million mainly arising from staff transferred to DEECA.

Cash flows

DEECA's cash and deposits as at 30 June 2024 was \$1.5 billion, an increase of \$200 million from 1 July 2023. This is mainly due to \$228.9 million in net cash inflows from operating activities being offset by investing and financing activities. Cash inflows from operating activities result from changes in receivables, payables and provisions, mainly arising from the timing of cash receipts and payments.

Subsequent events

A number of events occurred after the reporting period of 2023–24 and before the date the financial statements were authorised for issue. These are considered to be non-adjusting, meaning their financial impact is not reflected in the 2023–24 financial statements but they are disclosed for information purposes.

- On 1 July 2024, the following legislation was proclaimed, abolishing the respective entities and transferring their remaining assets, liabilities and commitments to the department:
 - The *Sustainable Forests (Timber) Repeal Act 2024* abolished VicForests. Its remaining assets, liabilities and commitments were transferred to DEECA via contributed capital in accordance with FRD 119.
 - The *State Electricity Commission Amendment Act 2023* abolished the legacy entity State Electricity Commission of Victoria. Its remaining assets, liabilities and commitments were transferred to DEECA via contributed capital in accordance with FRD 119.
- *The Victorian Public Service Enterprise Agreement 2024 (Agreement)* was formally approved by the Fair Work Commission on 12 August 2024. The agreement has a nominal expiry date of 9 April 2028. Following approval of the agreement, all VPS staff employed at DEECA are entitled to a:
 - 3% salary increase backdated to 1 May 2024, with an estimated cost of \$3.0 million for the period 1 May 2024 to 30 June 2024
 - Once off cost of living lump sum payment of \$5,600 per full time employee and prorated for part-time employees, who were employed at the department on 28 June 2024. The estimated cost is \$29.1 million.
- On 2 August 2024, Marinus Link Pty Limited, a company where DEECA administers the state's 33.3% equity interest, signed a contract with Italian company Prysmian for the supply of high-voltage direct current (HVDC) cables. The contract covers the design, manufacture, supply and installations for Stage 1 of the Marinus Link interconnector project, a 750-megawatt HVDC cable system. Awarding the contract to Prysmian provides greater certainty around the targeted construction start date in 2026. See note 4.2.3 (b) for more information on the arrangement.

Financial governance

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

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

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

Financial transactions are subject to regular compliance reviews by the Financial Compliance team within the Finance, Infrastructure and Procurement Services division in DEECA.

Governance of Financial Management (GOFM) training is mandatory for all new financial delegates within the department. Refresher GOFM training is to be undertaken every 4 years for financial delegations to be maintained. Governance and integrity training is available online and compulsory for all staff.

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

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

Budget portfolio outcome statements

A comparison of the budget portfolio outcome statements for the department, as published in the 2023–24 Budget Paper No. 5, and the actual results for the year can be found at Appendix 4.

Attestation for financial management compliance with Ministerial Standing Directions 5.1.4

Department of Energy, Environment and Climate Action Financial Management Compliance Attestation Statement

I, John Bradley, certify that the Department of Energy, Environment and Climate Action has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



John Bradley
Secretary
Department of Energy, Environment and Climate Action

20 September 2024

OFFICIAL

Climate-related risk disclosure statement



This statement summarises DEECA's response to climate-related risks and opportunities across its operations.

Climate change has the potential to directly and indirectly impact the services and programs that DEECA delivers on behalf of the Victorian Government. This requires ongoing effort to understand and manage climate-related risks and opportunities and build resilience to impacts.

Victoria is affected by a range of climate hazards, including floods, heatwaves, drought, bushfires and sea-level rise, which are changing under a warming climate. These hazards pose risks, which may include damage to buildings and infrastructure, impacts to biodiversity, coastal erosion, and additional strain on energy systems and emergency services.

DEECA has a role in managing climate-related risks to its own assets and operations across portfolios with our functions in emergency management, productive and effective land management, natural management of the public land estate, securing and delivering water, energy and waste and resource recovery services and protecting biodiversity.

To address these challenges, management of climate risks is integrated in DEECA operations. This includes approaches to monitoring maturity of DEECA's climate risk management, conducting risk assessments, and planning for adaptation.

DEECA's climate risk management approach focuses on:

- evaluating and managing climate risks to assets and services
- reducing greenhouse gas emissions from its own operations and portfolio responsibilities
- incorporating adaptation strategies into planning and reporting
- updating policies and guidance to incorporate climate change considerations
- coordinating efforts to protect state assets managed by DEECA
- undertaking research and development to create sustainable innovations to support climate transitions.

DEECA also leads the Victorian Government response to climate change and delivers initiatives aimed at achieving a net zero emission, climate ready economy and community. As such, there are areas of overlap between DEECA's role in understanding, managing and monitoring climate-related risks and opportunities for its own assets and operations, and how these are managed for Victoria.

Climate-related risk governance

The DEECA Executive Board (the Board) is accountable for the department's risk management framework and is the collective owner of DEECA's strategic risks. The Board actively manages multiple climate-related physical and transition strategic risks¹ and opportunities, including those relating to our departmental objectives:

- delivering government commitments to achieve net-zero emissions and a climate-ready economy, environment and community
- reducing the impact of major bushfires, floods, biosecurity, and other emergencies on people, property and the environment
- securing and delivering safe, sustainable and affordable water, energy and waste and resource recovery services
- planning for and delivering healthy, resilient and biodiverse environment and productive and effective land management
- supporting productive and sustainably used natural resources and sustainable development of Victoria's earth resources.

The Board monitors risks through quarterly risk management reports, which include mitigation activity updates and briefings on strategic risk assessment workshops undertaken by subject matter experts. The Board is supported in managing and monitoring climate-related risks by stewardship and assurance committees, as outlined in the About DEECA section of this Annual Report, drawing on expertise from across the department's executive leadership team as required.

¹ Transition risks are those related to the transition to a lower-carbon economy. Physical risks are those related to the physical impacts of climate change

In particular, the Board is supported by the:

- Biodiversity Committee, which oversees the delivery of the 5-year business/implementation plan for *Biodiversity 2037*
- Distributed Energy Resources Committee, which oversees the intersections in energy programs and initiatives and identifies opportunities and needs for alignment and coordination
- Emergency Management Committee, which oversees the delivery of DEECA's emergency management policy, strategic operational frameworks and systems, and ensures that the Secretary and the Executive Board have a clear line of sight of the department's emergency management activities
- Energy Transition Stewardship Committee, which provides strategic policy direction for multiple government objectives
- Recycling Victoria Stewardship Committee, which oversees Recycling Victoria as a self-sustaining operation.

The DEECA Risk and Audit Committee provides independent assurance to the Secretary that the department's risk management and controls are operating effectively and efficiently. This committee

actively monitors the department's risk profile, including climate-related risks, and assesses the risk management strategies adopted. The internal audit program provides further assurance through the assessment of key controls mitigating strategic risks.

Climate-related risk strategy

Climate change has a direct impact on the services and programs that DEECA delivers on behalf of the Victorian Government, and requires sustained action to manage the risks, maximise opportunities and build resilience.

In 2023–24, climate-related risks were identified and their effect on service delivery, asset management, and business operations evaluated through the department's climate risk attestation process. The attestation process formalises the integration of climate risk into business planning and supports the development of targeted actions and strategies to mitigate climate-related risk.

DEECA is monitoring and managing several key strategic climate-related risks across its assets, operations and objectives, informed by the Victorian Climate Science Report and Victoria's Future Climate Tool. These include:

Climate-related risk	Strategic Actions
Victoria's marine and coastal environment including DEECA's portfolio of natural and built coastal assets are susceptible to coastal hazard impacts, including erosion and inundation. These impacts are projected to increase with changes in wave action, storm activity and sea level rise associated with climate change.	<p>To address climate-related risk to Victoria's marine and coastal environment, DEECA is:</p> <ul style="list-style-type: none"> • embedding climate change adaptation and strategic management of coastal hazards into a long-term statewide approach for managing coastal protection assets. This approach identifies priority assets for maintenance, replacement or adaptation. In 2023–24, this informed delivery of coastal protection works at Phillip Island, Point Lonsdale, Port Welshpool and Marengo. • delivering priority actions in the Marine and Coastal Strategy and directions of the Marine and Coastal Policy for managing coastal hazard risk through Victoria's Resilient Coast program. Under the program, the Blue Carbon and Sea Country adaptation study was completed in July 2023, and support and capacity building sessions provided to land managers. • improving our understanding of coastal processes and hazards. In 2023–24, Coastal Erosion Warning Indicators were implemented through the Victorian Coastal Monitoring Program to increase our understanding of coastal processes and aid coastal management policy and planning.
Extreme weather from climate change is a significant long-term risk to energy security, increasingly affecting Victoria's power systems.	<p>To improve energy network resilience to climate change, DEECA is:</p> <ul style="list-style-type: none"> • delivering the \$7.5 million Energy Resilience Solutions program to install 26 back-up power systems at community hubs in 24 high-risk towns • installing back up power systems at essential services sites, local businesses and households in Mallacoota, Omeo and Corryong through the \$7 million Community Microgrids and Sustainable Energy program. The program is also delivering a town-scale 'islandable' microgrid in Corryong in partnership with the Commonwealth Government and AusNet which will provide back-up power to the township for up to 5 days in the event of a prolonged power outage.

Climate-related risk	Strategic Actions
<p>Climate change is impacting our water cycle, increasing the threat of natural disasters, and lowering average rainfall.</p>	<p>To address climate related risk to Victoria's natural water supply, DEECA is leading implementation of the Water Cycle Adaptation Action Plan 2022–2026. This includes actions such as:</p> <ul style="list-style-type: none"> • supporting the built environment to reflect fit-for-purpose flood risk data across relevant planning mechanisms. In 2023–24, DEECA allocated funding for 13 new flood studies. These studies, supported by government funding, are required under the Victorian Floodplain Management Strategy to consider climate change sensitivity. • increasing capacity and capability of water cycle managers and supporting delivery of priority place-based adaptation projects. In 2023–24, DEECA committed \$2.5 million for adaptation projects including \$70,000 to Wadawurrung Traditional Owners Aboriginal Corporation to trial the watering of the Durdiwarrah Wetland, to restore wetland health and improve climate resilience.
<p>Climate change is a key driver of increasingly extreme weather conditions leading to new bushfire behaviour and permanent changes to Victoria's ecosystems.</p>	<p>Released in May 2024, Victoria's Bushfire Management Strategy guides bushfire management for safer communities and healthier ecosystems in a changing climate. It sets the direction for fire agencies to embed climate change considerations into their bushfire management programs and activities. This includes the following approaches to mitigate and adapt to climate change:</p> <ul style="list-style-type: none"> • supporting decision-making through refining data and improving modelling to better understand how climate change impacts bushfire risk, and to support the analysis of bushfire and fire management activities under various future climate change scenarios • building community resilience by increasing awareness and understanding of climate change and its effects on bushfire risks • applying an adaptation lens to all phases of bushfire management, in line with Victoria's 7 Adaptation Action Plans • strengthening sector capacity and capability to address the challenges posed by climate change.
<p>As the climate becomes warmer and drier, it threatens the productivity and sustainability of the agriculture sector. Climate change will affect water availability and the state can expect more extreme events such as heatwaves, storms, bushfires, droughts and flood. These will increasingly test the resilience of the primary production sector.</p>	<p>To grow and secure Victoria's agriculture in the face of climate change, DEECA is:</p> <ul style="list-style-type: none"> • supporting farmers in climate adaption and seasonal risk management through a regular schedule of climate webinars, which reached approximately 2,000 farmers, supply chains, services providers and industry organisations in 2023–24 • supporting the Victorian Agriculture and Climate Change Council, which provides independent, expert and strategic advice to the Minister for Agriculture on how the agriculture sector can prepare for, and respond to, the impacts of climate change and inform the government's broader climate action agenda as it relates to the agriculture sector.

Efforts to mitigate and adapt to climate change present opportunities for DEECA including:

Climate adaptation action	Opportunity
<p>Native timber harvesting in Victoria’s state forests ended on 1 January 2024, with positive impact on biodiversity, protected and vulnerable species, bushfire prevention and management, and the effects of climate change.</p>	<p>The transition to exit native timber harvesting provides an opportunity to consider new forest management approaches, including regeneration and restoration of previously harvested coupes, or of forest damaged by severe events such as bushfire, taking into account evolving needs for climate adaptation, and contributing to overall climate resilience.</p>
<p>DEECA is committed to ‘building back better’, to ensure that infrastructure, communities and the environment are resilient to future emergency events in the face of a changing climate.</p>	<p>By integrating climate sensitive design into bridge and crossing infrastructure projects since 2008, including 51 new concrete bridges since 2018, DEECA has seen a return on investment, with infrastructure experiencing substantially reduced damage as a result of extreme events, quicker return to service and reduced cost of reinstatement.</p>
<p>DEECA has committed to achieving net zero emissions from its operations by 2030 with actions in place such as:</p> <ul style="list-style-type: none"> • a standard requirement for new builds and significant rebuilds to have LED lighting and solar installation be built to both 6-star NABERS ratings and Green Star principles • discontinuing gas assets through lifecycle management of existing infrastructure • a minimum 30% solar generation capacity and battery storage for new capital builds. 	<p>Sustainable building design and the shift to all-electric presents opportunities to reduce annual energy costs and enhance energy security in the event of potential future gas supply shortages in Australia.</p>

DEECA is also investing in research and innovation to better understand and respond to climate-related risks. Examples include:

- Research to support climate adapted fire management
 - DEECA is investing in research to enhance understanding of how fuel accumulation is affected by environmental changes, which links with research examining the effectiveness of fuel reduction activities under varying weather and fuel conditions. This research will improve our ability to refine our fuel reduction program to ensure it remains effective in a changing climate.
 - DEECA is leading new research aimed at developing tools and approaches for measuring the effectiveness of fire management approaches. This research aims to reduce the impact of future bushfires on ecosystem resilience by considering different climate scenarios.
- Research to support climate change adaptation in the primary production sector
 - In conjunction with Inspired Ag, auto retractable netting was established as a research and demonstration tool at the Tatura SmartFarm to protect orchards from sun and hail damage.
 - Under the Victorian Dairy Innovation Agreement, Dairy Australia, Gardiner Foundation, and DEECA are jointly investing \$97.5 million in the DairyBio and DairyFeedbase research programs. These programs are dedicated to breeding cow and pastures that are more resilient to climate change, and to reducing greenhouse gas emissions from enteric methane and synthetic fertilisers.
 - The Grains Research Development Corporation has committed \$30 million to a 5-year co-funded partnership with DEECA to establish and maintain the Australian Grains Genebank (AGG) at the Horsham SmartFarm. The AGG investment will accelerate the development of climate resilient, high yielding and high value grain crops. This investment will ensure the Australian grains industry has access to essential plant genetic resources to meet future climate challenges.

Climate-related risk management

DEECA's risk management framework provides the foundation and organisational arrangements to ensure that climate-related risks are effectively identified, assessed and managed throughout the department. The framework is aligned to the Victorian Government Risk Management Framework and provides guidance for designing, implementing, monitoring, reviewing and continually improving risk management throughout DEECA.

DEECA's risk management framework requires DEECA business units to consider their operating context, including the impacts of climate change, and assess risks and opportunities so that risks are managed in line with the department's risk appetite. Climate-related risks are assessed and managed at the strategic, operational and program or project levels.

As required by DEECA's risk management framework, all risks are assessed for potential impacts on the environment, with impacts of extreme harm being outside the department's risk appetite. The department mitigates the impacts of climate-related risks through business adaptation strategies, delivery of climate-related programs and associated operational risk management activities.

Climate-related metrics and targets

DEECA is committed to reducing greenhouse gas emissions across its operations. To achieve uplift in organisational climate risk maturity, the department is developing performance metrics and targets for managing existing climate-related risks.

DEECA has also committed to a range of actions to achieve net zero emissions by 2030, including:

- a Zero Emissions Vehicle (ZEV) first policy to transition the department's shared passenger vehicle fleet to ZEVs by 2027. DEECA now has 74 ZEVs in the shared passenger vehicle fleet and is installing charging infrastructure at DEECA sites to support the transition to ZEVs as part of our ZEV first policy.
- increased Green Power purchasing across all DEECA managed sites, in advance of the Victorian Government commitment to transition its operations to 100% renewable energy by July 2025
- an audit of gas assets across DEECA sites to establish when these assets will reach end of life, to identify opportunities for these assets to be replaced with zero emissions alternatives at that time.

More information on these measures and reporting on climate-related metrics in line with requirements under Financial Reporting Direction 24 is provided under Environmental Performance on the next page.

Leading climate action for Victoria

DEECA leads the Victorian Government's action on climate change and emissions reduction.

The [Victorian Government Climate-related risk disclosure 2022](#) communicates understanding about the climate-related risks and opportunities that are relevant to Victoria, and the actions the Victorian Government is taking to manage risk and capitalise on opportunities.

Environmental performance



DEECA achieving net zero emissions

In 2023–24 the DEECA Board endorsed a net zero transition plan with a commitment for the department to achieve net zero emissions by 2030 through a range of actions including:

- a Zero Emissions Vehicle (ZEV) First policy to transition the department’s shared passenger vehicle fleet to ZEVs by 2027
- increased Green Power purchasing across all DEECA managed sites, in advance of the Victoria Government commitment to transition its operations to 100% renewable energy by July 2025
- measures to support gas substitution in DEECA including processes to replace gas assets with zero emissions alternatives when they reach end of life. This action supports the Victorian Government Gas Substitution Roadmap.

The commitment to achieve net zero emissions by 2030 allows time to transition to longer term and ongoing net zero emissions alternatives, rather than incurring annual costs to purchase Australian Carbon Credit Units (ACCUs) to achieve a net zero status. An ACCU is a unit issued by the Clean Energy Regulator and represents one tonne of carbon dioxide equivalent stored or avoided by a project.

The information in this report provides greater transparency to the Victorian community of the environmental impacts of public services and illustrates how they are being responsibly managed. The following disclosure is a mix of quantitative and qualitative data presenting the department’s environmental performance over 2023–24.

Green Team program

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

Environmental Management System (EMS)

The department’s EMS is a structured approach to managing both environmental performance and environmental compliance. All Victorian Government departments are required to adopt an EMS that is aligned to International Standard ISO 14001 and report annually on their environmental performance under FRD 24. DEECA’s EMS was externally audited in September 2023.

Reporting boundary for environmental data

DEECA was established on 1 January 2023 through Machinery of Government changes. DEECA tracks environmental data from 1 April to 31 March to allow for a full reporting year and provide greater accuracy for the annual report. This is the second report for DEECA, with the 2022–23 report setting the baseline for the department.

DEECA reporting excludes residences and sites where DEECA staff are located within another department’s facility. Non-DEECA staff accommodated within a DEECA-managed facility are counted towards the DEECA reported consumption figures (but not full-time equivalent (FTE) figures). Entities co-located within DEECA tenancies are also included in this report. All other DEECA entities are excluded from this reporting.

Under FRD 24 reporting requirements, consumption indicators require breakdown by site type. To address this requirement, the following site categorisation has been established and used throughout this report. The full time equivalent (FTE) staff figure from the end of June 2024 used for this report is 5,809.

Site category	Number of locations	Description
Offices	25	DEECA office sites
Mixed use sites	39	DEECA office sites with depots or warehouses attached
Research centres	12	Agriculture Victoria research centres
Other	50	Airbases, depots, farms, fire towers, radio towers and warehouses

Greenhouse gas emissions

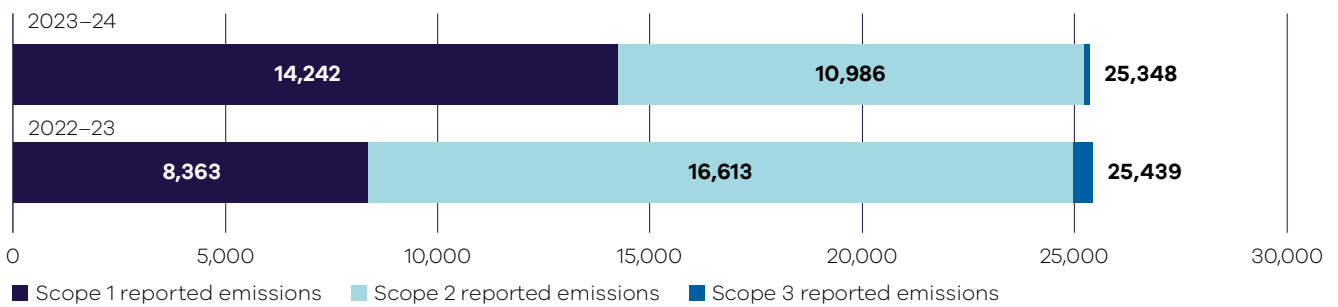
Total greenhouse gas emissions for DEECA over the 2023–24 reporting period was 25,348 tonnes of carbon dioxide equivalent (tonnes CO₂-e), which is comparable with emissions for the 2022–23 baseline reporting year. Under FRD 24 reporting, emissions are categorised into 3 scopes:

- **Scope 1:** emissions released to the atmosphere as a direct result of an activity.
- **Scope 2:** emissions released to the atmosphere from the indirect consumption of an energy commodity.
- **Scope 3:** indirect emissions that are generated in the wider economy. They occur because of the activities of a facility, but from sources not owned or controlled by that facility's business.

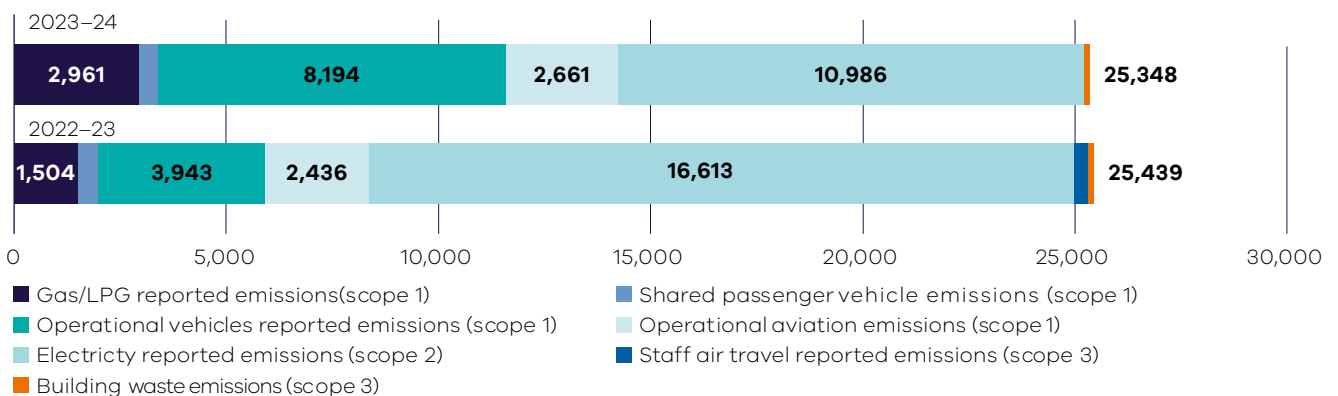
The increase in Scope 1 emissions for 2023–24 is due to the DEECA approach of transitioning to net zero alternatives rather than the annual purchase of ACCUs to ultimately achieve a net zero status. Despite this, there has been a reduction in scope 1 emissions associated with shared passenger vehicles due to the transition of 74 zero emissions vehicles to the fleet.

The reduction in Scope 2 electricity reported emissions was achieved through the additional Green Power purchasing commitment made by Agriculture Victoria from September 2023.

G1–G3. Total reported emissions by scope (tonnes CO₂-e)



G1–G3. Total reported emissions by category (tonnes CO₂-e)



Indicator	2023–24	2022–23
Total reported greenhouse gas emissions (tonnes CO₂-e)	25,348	25,439⁽ⁱ⁾
G1. Scope 1: Direct emissions (tonnes CO₂-e)	14,242	8,363⁽ⁱ⁾
Gas / LPG reported emissions	2,961	1,504 ^{(i) (ii)}
Shared passenger vehicle emissions	426	480
Operational vehicle reported emissions ⁽ⁱⁱⁱ⁾	8,194	3,943 ⁽ⁱⁱ⁾
Operational aviation emissions ⁽ⁱⁱⁱ⁾	2,661	2,436
Carbon Dioxide CO ₂	14,149	8,307 ⁽ⁱ⁾
Methane CH ₄	8	4
Nitrous Oxide N ₂ O	85	52
G2. Scope 2: Electricity reported emissions (tonnes CO₂-e)	10,986^(iv)	16,613⁽ⁱ⁾
G3. Scope 3: Other greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO₂-e)	120	462

Explanatory notes:

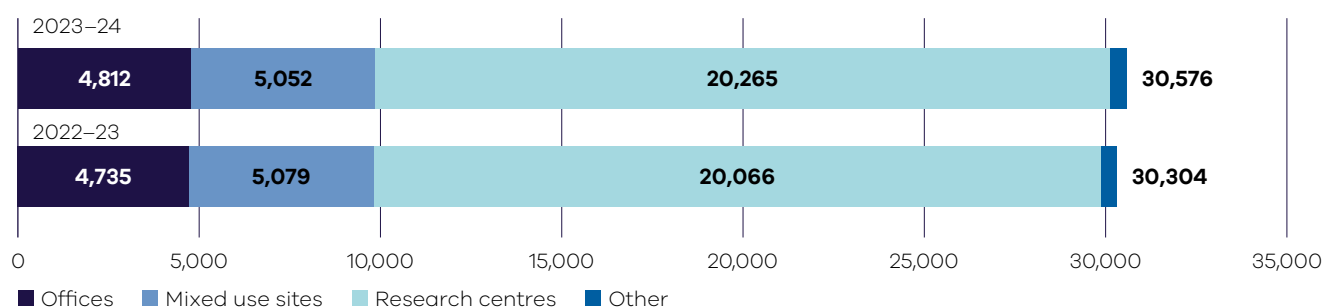
- The 2022–23 figures have been updated to include actual rather than estimated consumption data.
- The former DELWP purchased ACCUs in 2022 to be used towards reducing departmental emissions. For 2022–23, 5,508 of these ACCUs were used by DEECA for the baseline reporting year. ACCUs have not been purchased since 1 January 2023, with DEECA prioritising the transition to zero emissions alternatives. Gas / LPG emissions would have been 3,069 tonnes in 2022–23, but 1,565 tonnes were offset using ACCUs.
- DEECA emissions from operational vehicles and operational aviation are directly linked to the level of emergency response activity required each year.
- There has been a reduction in emissions because of increased Green Power purchasing. The transition of DEECA managed Agriculture Victoria electricity accounts to 100% Green Power purchasing was completed in September 2023. This transition excludes Agri Bio, which is anticipated to transition to 100% renewable electricity from July 2025 in line with the Victorian Government commitment.

Electricity production and consumption

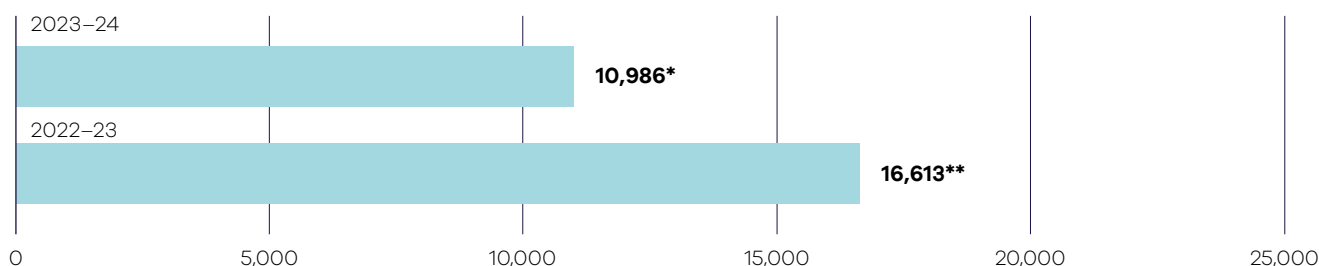
Total electricity consumption for DEECA over the 2023–24 reporting period was 30,576 megawatt hours (MWh) which is comparable with consumption for the 2022–23 baseline reporting year. All new builds and significant rebuilds have LED lighting and solar installation as a standard requirement and are built to a 6-star NABERS rating incorporating Green Star principles.

All DEECA-managed electricity accounts now have 100% Green Power applied. The DEECA-managed Agriculture Victoria electricity accounts transitioned to 100% Green Power purchasing from September 2023. This excludes Agri Bio, which is anticipated to transition to 100% renewable electricity from July 2025, in line with the Victorian Government commitment.

EL1. Total electricity consumption (grid and solar) (MWh)



G2. Reported electricity emissions (tonnes CO₂-e)



*An additional 12,149 tonnes of electricity emissions were offset through Green Power purchasing

**An additional 8,133 tonnes of electricity emissions were offset through Green Power purchasing

Indicator	2023-24	2022-23
EL1. Total electricity consumption (MWh)	30,576	30,304⁽ⁱ⁾
Purchased electricity	29,285	29,113 ⁽ⁱ⁾
Generated electricity (consumed)	1,291	1,191 ⁽ⁱ⁾
Offices	4,812	4,735 ⁽ⁱ⁾
Mixed use sites	5,052	5,079 ⁽ⁱ⁾
Research centres	20,265	20,066 ⁽ⁱ⁾
Other	447	424 ⁽ⁱ⁾
EL2. On-site electricity generated (MWh)⁽ⁱⁱ⁾	1,753	1,456⁽ⁱ⁾
Generated electricity (consumed)	1,291	1,191 ⁽ⁱ⁾
Generated electricity (exported)	462	265 ⁽ⁱ⁾
EL3. On site Solar Photo-Voltaic (PV) installed generation capacity (Megawatts)	1,645	1,550⁽ⁱⁱⁱ⁾
EL4. Green power purchased (MWh)	14,756	9,568⁽ⁱ⁾
G2. Reported scope 2 greenhouse gas emissions from electricity consumption (tonnes CO₂-e)	10,986	16,613⁽ⁱ⁾
Electricity emissions (excluding Green Power)	23,135	24,746 ⁽ⁱ⁾
Electricity emissions offset through the purchasing of Green Power	12,149 ^(iv)	8,133 ⁽ⁱ⁾

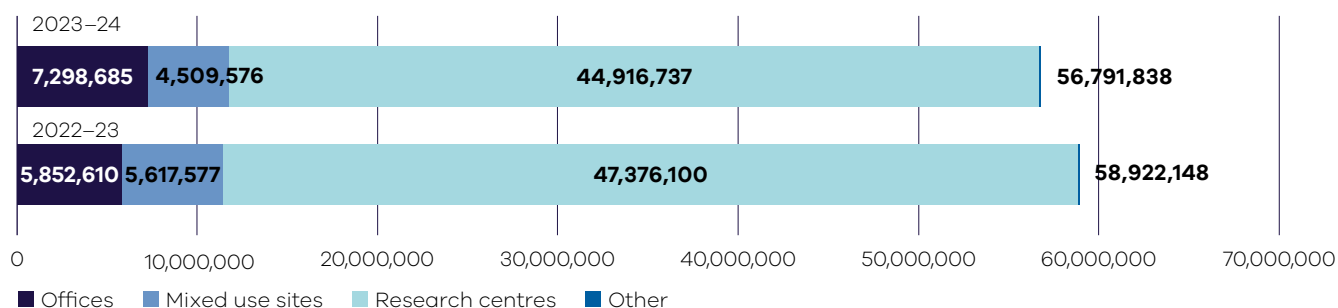
Explanatory notes:

- The 2022-23 figures have been updated to include actual rather than estimated consumption data.
- Some older Solar PV installations do not have the capability to be tracked. Estimations are included where actual data is unavailable.
- The 2022-23 figures have been updated to include all solar at Agriculture Victoria sites.
- This figure includes the remaining 492 ACCUs that were purchased by the former DELWP in 2022.

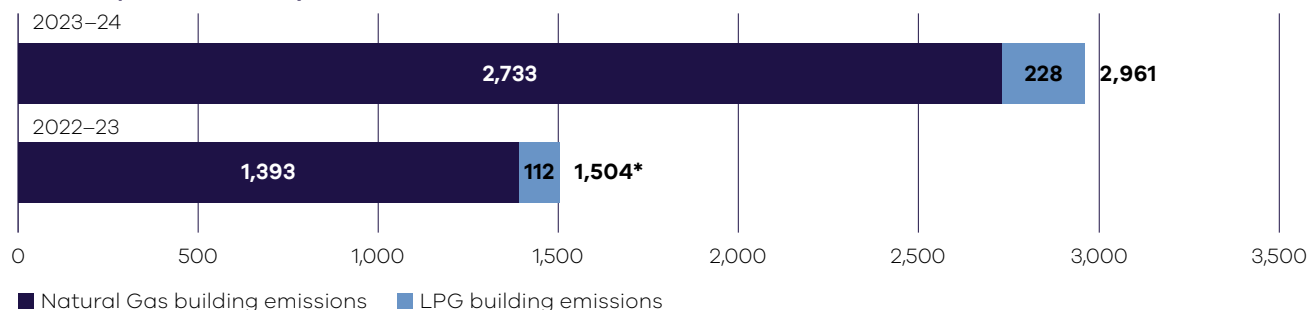
Stationary fuel use

Total stationary fuel consumption for DEECA over the 2023-24 reporting period was 56,791,838 megajoules (MJ), which represents a 3.6% reduction on the 2022-23 baseline year. DEECA is implementing measures to support gas substitution across the department including processes to replace gas assets with zero emissions alternatives when they reach end of life. This action supports the Victorian Government Gas Substitution Roadmap.

F1. Total fuels used in buildings (MJ)



F2 / G1 Reported stationary fuel emissions (tonnes CO₂-e)



*An additional 1,565 tonnes of emissions from stationary fuels were offset using ACCUs

Indicator	2023-24	2022-23
F1. Total fuels used in buildings (MJ)	56,791,838	58,922,148⁽ⁱ⁾
Natural Gas	53,027,636	55,233,309 ⁽ⁱ⁾
Liquid Petroleum Gas (LPG) ⁽ⁱⁱ⁾	3,764,202	3,688,839
Offices	7,298,685 ⁽ⁱⁱⁱ⁾	5,852,610 ⁽ⁱ⁾
Mixed use sites	4,509,576	5,617,577
Research centres	44,916,737	47,376,100 ⁽ⁱ⁾
Other	66,840	75,861
F2 / G1. Reported scope 1 greenhouse gas emissions from stationary fuel consumption (tonnes CO₂-e)	2,961	1,504⁽ⁱ⁾
Natural Gas	2,733	2,845 ⁽ⁱ⁾
Liquid Petroleum Gas (LPG)	228	224
Stationary fuel consumption emissions (excluding ACCUs)	2,961	3,069 ⁽ⁱ⁾
Stationary fuel consumption emissions offset through the purchasing of ACCUs ^(iv)	0	1,565

Explanatory notes:

- The 2022-23 figures have been updated to include actual rather than estimated consumption data.
- This figure is based on LPG delivered to site (either as canisters or refilled into site LPG storage tanks). Canisters and tanks can remain unused for long periods of time.
- Gas consumption in offices has increased in 2023-24 due to the new tenancy at the Bendigo GovHub and increases at the leased Traralgon site.
- The former DELWP purchased ACCUs in 2022 to be used towards reducing departmental emissions. For 2022-23, 1,565 of these ACCUs were used by DEECA for the baseline reporting year. DEECA will not be purchasing ACCUs at the present time, focusing instead on the transition to zero emissions alternatives.

Transportation

The total energy used for transport by DEECA over the 2023–24 reporting period was 160,568,506 MJ. This 4% increase on the 2022–23 baseline for the department is due to the increased use of operational vehicles and operational aviation associated with emergency response activity. Operational vehicles and operational aviation account for 96% of DEECA transport emissions.

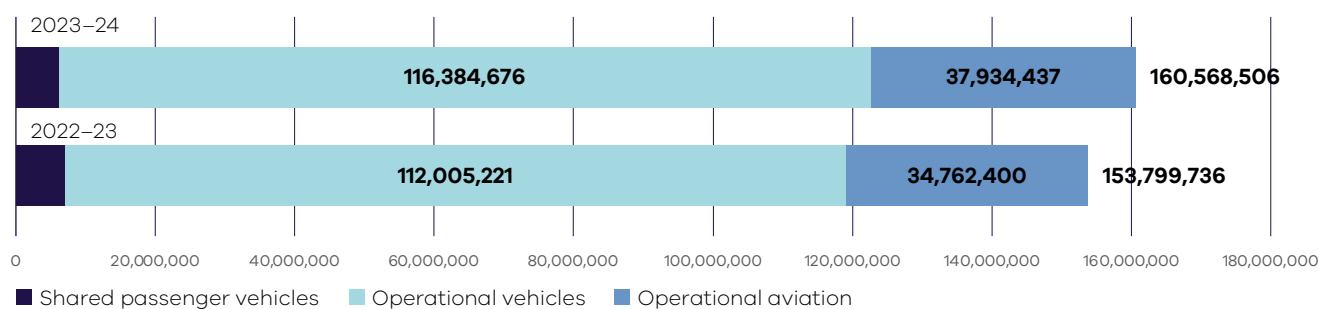
DEECA continues to support the policy of 'Zero Emissions Vehicle (ZEV) First' for the shared passenger vehicle fleet. The DEECA fleet will transition to ZEVs as current leases expire, with charging infrastructure also being installed at relevant sites to assist with this transition. As at 30 June 2024, there were 74 ZEVs in the shared passenger vehicle fleet, with an additional 31 exemptions granted. The shared passenger vehicle fleet accounts for 4% of DEECA transport emissions.

DEECA's Bushfire and Forest Services Group (BFSG) has developed a ZEV preparation plan to better understand the state of current and future research and development into zero or low emission utility vehicles, and to better recognise the opportunities and challenges for DEECA in making the transition. DEECA investigated the conversion of 3 existing dual cab utility vehicles to battery electric to trial the concept and socialise the emerging technology with the DEECA workforce. This was scheduled to take place through a trial with ROEV, however, in May 2024 ROEV announced it was terminating its vehicle conversion program. There are no other companies offering scaled conversions of 4WD vehicles at present. The current lack of available options means that DEECA cannot transition to low or zero emission vehicles at present to replace its existing fleet of internal combustion engine vehicles.

Electrification of Agriculture Victoria Smart Farm vehicles is also being explored. While there are currently limited options to reduce emissions from heavy machinery, Agriculture Victoria is exploring options for side-by-side vehicles. As at 30 June 2024, there were 6 ZEVs in this operational farm vehicle fleet.

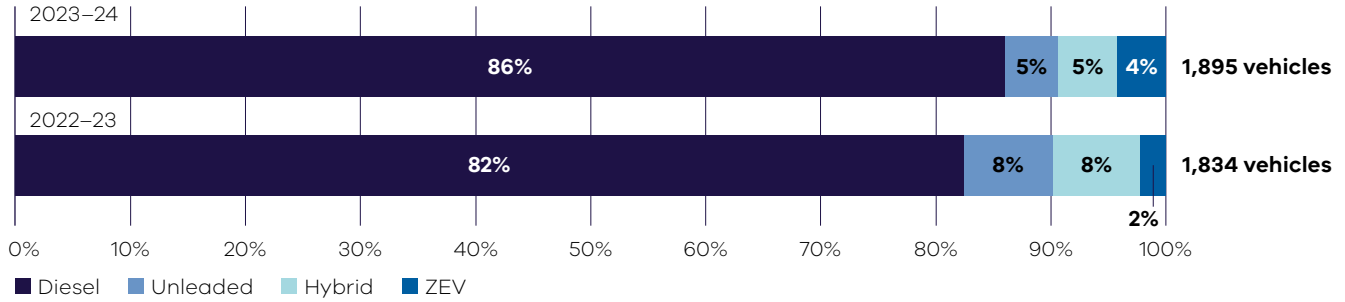
DEECA is unable to transition operational aviation away from fossil fuels at present due to limited available zero emissions alternatives. However, DEECA is trialling Remotely Piloted Aircraft Systems (drones), to help address operational aviation emissions.

T1. Total energy used in transportation (MJ)



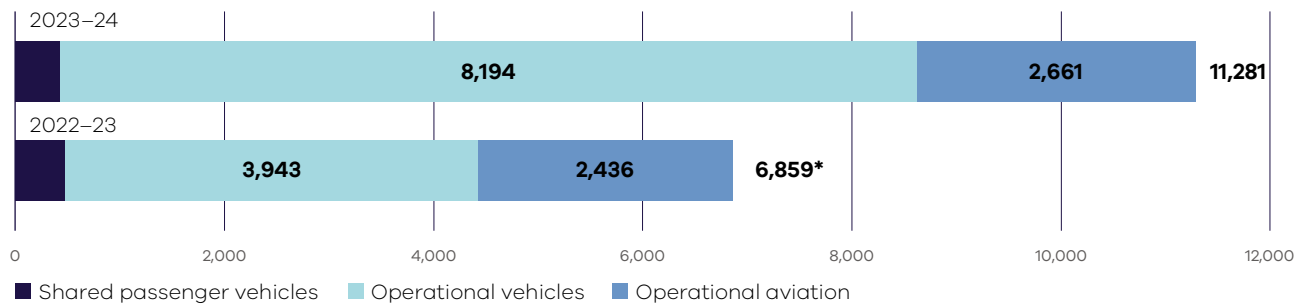
Indicator	2023–24	2022–23
T1: Total energy used in transportation (MJ)⁽ⁱ⁾	160,568,506	153,799,736
Shared passenger vehicles⁽ⁱⁱ⁾	6,249,393	7,032,115⁽ⁱⁱ⁾
Diesel	1,506,855	1,412,714 ⁽ⁱⁱ⁾
Unleaded	2,197,586	2,735,923 ⁽ⁱⁱ⁾
Hybrid	2,544,952	2,883,478 ⁽ⁱⁱ⁾
Operational vehicles⁽ⁱⁱⁱ⁾	116,384,676	112,005,221
Diesel	116,085,444	111,712,847
Unleaded	299,232	292,374
Operational aviation^(iv)	37,934,437	34,762,400
Diesel	36,912,854	33,109,308
Kerosene	1,021,583	1,653,092

T2. Breakdown of the DEECA vehicle fleet



Indicator	2023-24	2022-23
T2: Number of vehicles in the DEECA fleet	1,895	1,834
Shared passenger vehicles⁽ⁱ⁾	270	365
Diesel	36	68
Unleaded	62	119
Hybrid	98	140
ZEV ^(v)	74	38
Operational vehicles⁽ⁱⁱⁱ⁾	1,625	1,469
Diesel	1,594	1,443
Unleaded	25	23
ZEV	6	3

T3. Reported transport emissions (tonnes CO₂-e)



*An additional 3,943 tonnes of emissions from operational vehicles were offset using ACCUs

Indicator	2023–24	2022–23
T3: Reported scope 1 greenhouse gas emissions from transport (tonnes CO₂-e)	11,281	6,859
Shared passenger vehicles⁽ⁱ⁾	426	480⁽ⁱⁱ⁾
Diesel	105	99 ⁽ⁱⁱ⁾
Unleaded	321	381 ⁽ⁱⁱ⁾
Reported operational vehicles⁽ⁱⁱⁱ⁾	8,194	3,943
Diesel	8,174	7,866
Unleaded	20	20
Operational vehicle emissions (excluding ACCUs)	8,194	7,886
Operational vehicle emissions offset through the purchasing of ACCUs ^(vi)	0	3,943
Operational aviation^(iv)	2,661	2,436
Kerosene	2,592	2,324
Gasoline	69	112

Explanatory notes:

- i. The shared passenger vehicle fleet includes leased vehicles and departmental use of the vehicle fleet managed by the Department of Government Services. For 2022–23, this data included the vehicles that transferred to the Department of Transport and Planning that were managed under the DEECA system. Energy use linked to ZEVs is captured under building energy from ZEV charging infrastructure. Executive vehicles are not included in the shared passenger vehicle fleet and are not covered under FRD 24 reporting.
- ii. The 2022–23 figures have been updated to include actual rather than estimated consumption data.
- iii. The BFSG operational vehicle fleet includes all owned and leased utility vehicles, ultralight tankers, heavy tankers, dozers, heavy-duty vehicles, and farm vehicles. In addition to this fleet, BFSG also has access to an additional vehicle fleet under a 'wet hire' arrangement where the machine, operator, and fuels are provided by a contractor. Use of this 'wet hire' fleet is currently not tracked or reported.
All data for Agriculture Victoria operational farm vehicles is estimated, as this fleet is not currently tracked for reporting purposes. Systems will be established to include actual data for future annual reporting.
- iv. The operational aviation data includes DEECA's use of a hired fleet for DEECA Forest and Fire Management operations.
- v. DEECA has a 'ZEV First' policy in place for the shared passenger vehicle fleet.
- vi. The former DELWP purchased ACCUs in 2022 to be used towards reducing departmental emissions. For 2022–23, 3,943 of these ACCUs were used by DEECA for the baseline reporting year. ACCUs have not been purchased since 1 January 2023, with DEECA prioritising the transition to zero emissions alternatives.

Commercial air travel

Indicator	2023–24	2022–23
T4. Total distance travelled by commercial air travel (km)	3,804,551	2,967,028
G3. Reported scope 3 greenhouse gas emissions from commercial air travel (tonnes CO₂-e)	0	331
Commercial air travel emissions offset through the State Purchasing Contract ⁽ⁱ⁾	760	225

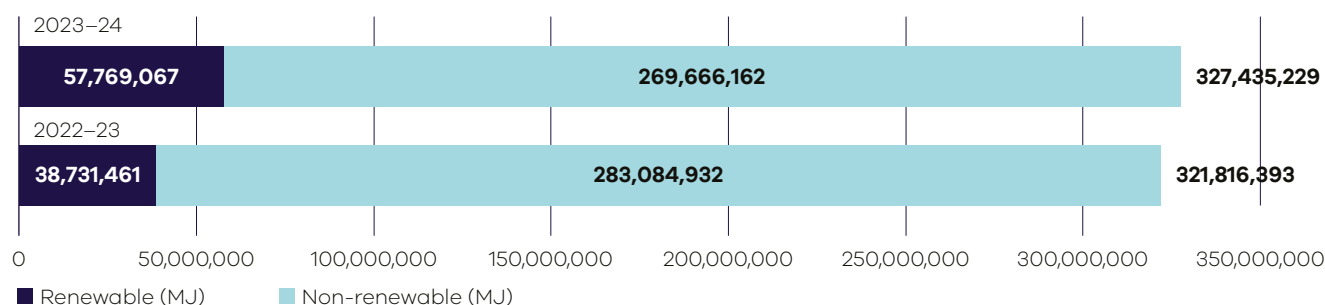
Explanatory notes:

- i. All former DELWP emissions from air travel have been offset since July 2016 through the State Purchasing Contract for travel management services. All DEECA air travel emissions were offset from April 2023 onwards.

Total energy use

The total energy used by DEECA over the 2023–24 reporting period was 327,435,229 MJ. This includes all energy used in buildings and transportation. This 2% increase on the 2022–23 baseline is through increased operational vehicle use and operational aviation associated with emergency response activity. Increased Green Power purchasing for the department in 2023–24 has resulted in the increased proportion of renewable energy.

E3. Total energy used (MJ)



Indicator	2023–24	2022–23
E1. Total energy used from fuels (MJ)	217,360,344	212,721,884⁽ⁱ⁾
Stationary	56,791,838	58,922,148 ⁽ⁱ⁾
Transportation	160,568,506	153,799,736 ⁽ⁱ⁾
E2. Total energy used from electricity (MJ)	110,074,885	109,094,510⁽ⁱ⁾
E3. Total energy used segmented into renewable and non-renewable sources (MJ)	327,435,229	321,816,393⁽ⁱ⁾
Renewable	57,769,067	38,731,461 ⁽ⁱ⁾
Non-renewable	269,666,162	283,084,932 ⁽ⁱ⁾
E4. Units of energy used normalised by FTE (MJ/FTE)	56,365	57,139⁽ⁱ⁾

Explanatory notes:

i. The 2022–23 figures have been updated to include actual rather than estimated consumption data.

Sustainable buildings and infrastructure

DEECA will continue to implement sustainable building guidelines to ensure the design and delivery of buildings incorporates best practice sustainable design principles and resource efficient features. This means that all new builds and significant rebuilds will have LED lighting and solar installation as a standard requirement, be built to 6-star NABERS energy rating standard and incorporate Green Star principles.

For the 2023–24 reporting period, 95 kilowatts of solar PV were installed across 3 sites and LED lighting upgrades undertaken at a further 7 sites.

Accommodation, Carpool and Library Services (ACLS), through the Department of Government Services, manages leases on behalf of DEECA. The ACLS has established Green Lease Schedules at the following 6 sites where DEECA staff are located:

- East Melbourne: 8 Nicholson Street
- Melbourne: 2 Lonsdale Street
- Melbourne: 150 Lonsdale Street
- Morwell: Latrobe Valley Government Hub
- Orbost: 171-173 Nicholson Street
- Wangaratta: Ovens Street.

The Green Lease Schedules provide minimum performance expectations between landlord and tenant, compelling the landlord to regularly rate buildings and improve building efficiency.

All new ACLS managed government office buildings and tenancy fit-outs have required a minimum 5-Star NABERS energy efficiency rating since 2021 and will require a 6-Star rating from 2025. The table below summarises NABERS rating undertaken by landlords through ACLS lease requirements during the current reporting period.

Name of building	Building type	Rating scheme	Rating
East Melbourne: 8 Nicholson Street	Office	NABERS - Energy	5.0
Melbourne: 2 Lonsdale Street	Office	NABERS - Energy	5.0
Melbourne: 150 Lonsdale Street	Office	NABERS - Energy	4.0

Sustainable procurement

DEECA considers sustainable procurement objectives through its implementation of Victoria’s Social Procurement Framework, which establishes requirements that apply to Victorian Government departments and agencies when they procure goods, services, and construction.

The department’s procurement team provides advice to support and strengthen environmental procurement practices. Departmental templates for tendering and contracting have specific sections for tenderers to consider environmental sustainability benefits/impacts in their tender response, which allows tender evaluation teams to weight and score this as a separate assessment criterion, where relevant.

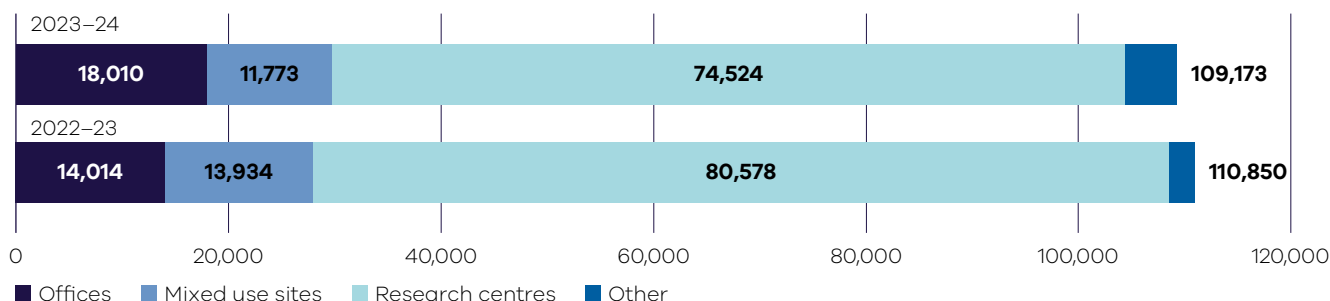
Staff are encouraged to consider environmental aspects and sustainability in planning their procurement activity. The procurement approval template includes specific questions to demonstrate whether sustainability was considered in the evaluation and how it was considered.

The department will continue to promote greener procurement and strengthen environmentally sustainable practices when procuring stationery, IT equipment, fleet vehicles and office furniture.

Water consumption

Total water consumption for DEECA over the 2023–24 reporting period was 109,173 kilolitres (kl), which is comparable with consumption for the 2022–23 baseline reporting year. The department continues to track water consumption across 32 sites through the VicFacilities portal. This has enabled any water leaks to be identified at sites in advance of billing data becoming available. All new builds and significant rebuilds have water efficient fixtures, water efficient appliances and rainwater systems as a standard requirement and are built to a 6-star NABERS rating incorporating Green Star principles.

W1. Total water consumption (kl)



Indicator	2023–24	2022–23
W1. Total water consumption (kl)⁽ⁱ⁾	109,173	110,850⁽ⁱⁱ⁾
Offices	18,010 ⁽ⁱⁱⁱ⁾	14,014 ⁽ⁱⁱ⁾
Mixed use sites	11,773	13,934 ⁽ⁱⁱ⁾
Research centres	74,524	80,578 ⁽ⁱⁱ⁾
Other	4,866	2,324 ⁽ⁱⁱ⁾
W2. Units of office water used per FTE (kl /FTE)	18.8	19.7⁽ⁱⁱ⁾

Explanatory notes:

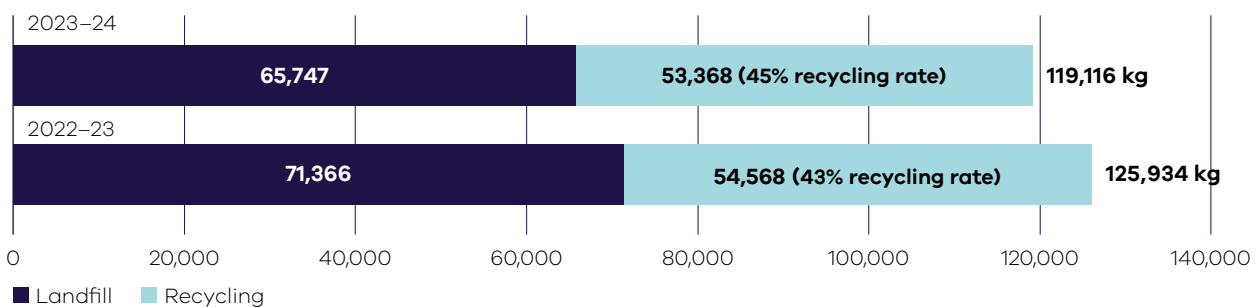
- i. Water data is sourced directly from water corporations, building managers, or estimated where data is unavailable. Water consumption for multi tenanted CBD sites (and some regional offices) is taken as a proportion of the total building water consumption.
- ii. The 2022–23 figures have been updated to include actual rather than estimated consumption data.
- iii. The increase in office water consumption in 2023–24 is primarily due to the inclusion of staff occupying the Galkangu Gov Hub from September 2023. Water use attributed to DEECA is taken as a proportion of the total building water consumption. There was also an increase in water consumption at 8 Nicholson Street attributed to increased office attendance.

Waste and recycling

Total waste generation for DEECA over the 2023–24 reporting period was 119,224 kilograms which represents a 5% reduction on the 2022–23 baseline year.

DEECA also collected an additional 210 kilograms of metal, plastics, batteries, mobile phones and stationery through the Green Collect recycling scheme and 5,379 kilograms of redundant IT e-waste through the ReTech scheme. Excess office furniture and fit-out materials are reused and recycled, reducing waste generated by office moves across all sites. The department continued to participate in the take-away coffee cup recycling scheme at 8 Nicholson Street.

WR1/WR4. Waste and recycling (kg)



Indicator	2023-24	2022-23
WR1. Total units of waste disposed of (kilograms)⁽ⁱ⁾	119,116	125,934
Landfill	65,747	71,366
Recycling - comingled	14,950	20,186
Recycling - paper and card	18,727	9,759
Recycling - secure documents	12,567	17,262
Recycling - food and garden organics	7,125	7,361
WR2. Percentage of office sites which are covered by dedicated collection services for:⁽ⁱⁱ⁾		
E-waste	23%	12%
Printer cartridges	43%	41%
Batteries	32%	31%
Soft plastics	0%	0%
WR3. Total units of waste disposed of normalised by FTE	20.5	22.4
WR4. Recycling rate percentage	45%	43%
WR5 / G3. Scope 3 greenhouse gas emissions from with waste disposal (tonnes CO₂-e)	120	131

Explanatory notes:

- i. DEECA waste and recycling data is calculated from annual waste audits at 16 locations where 61% of total staff are located.
- ii. This indicator includes offices, mixed use sites and research centres. The e-waste collection service is managed by the department. Outside of the Melbourne CBD, battery and printer cartridge collections are managed by staff volunteers. No soft plastics collections are in place at present, although these will recommence once drop off points are re-established across the state. This waste and recycling data is measured in kitchens and stationery rooms only.

Legislative and other information

Major Entities

Agriculture

Agriculture Victoria Services Pty Ltd (AVS)
Dairy Food Safety Victoria
Dairy Food Safety Victoria Selection Committee
Melbourne Market Authority
Murray Valley Wine Grape Industry Development Committee
PrimeSafe
PrimeSafe Selection Committee
Phytogene Pty Ltd (a subsidiary of AVS)
Veterinary Practitioners Registration Board of Victoria
VicForests⁽ⁱ⁾
Victorian Agriculture and Climate Change Council
Victorian Strawberry Industry Development Committee
Ministerial advisory committees⁽ⁱⁱ⁾ (various) including:

- Apicultural Industry Advisory Committee
- Cattle Compensation Advisory Committee
- Sheep and Goat Compensation Advisory Committee
- Swine Industry Projects Advisory Committee

Energy and Resources

Electric Line Clearance Consultative Committee
Energy Safe Victoria
Latrobe Valley Mine Rehabilitation Advisory Committee
Mine Land Rehabilitation Authority
Mining Warden/s
Victorian Electrolysis Committee

State Electricity Commission

State Electricity Commission Victoria
SEC (Victoria) Pty Ltd⁽ⁱⁱⁱ⁾
SEC Energy Pty Ltd (a wholly owned subsidiary of SEC (Victoria) Pty Ltd)
SEC Infrastructure Pty Ltd (a wholly owned subsidiary of SEC (Victoria) Pty Ltd)

Environment

Budj Bim Council
Caulfield Racecourse Reserve Trust
Commissioner for Environmental Sustainability
Dhelkunya Dja Land Management Board
Director of National Parks
Environment Protection Authority
Great Ocean Road Coast and Parks Authority
Gunaikurnai Traditional Owner Land Management Board
Marine and Coastal Council
National Parks Advisory Council
Parks Victoria
Phillip Island Nature Parks Board of Management
Reference Areas Advisory Committee
Royal Botanic Gardens Board of Victoria
Scientific Advisory Committee
Sustainability Victoria
Trust for Nature (Victoria)
Victorian Environmental Assessment Council
Yorta Yorta Traditional Owner Land Management Board
Zoological Parks and Gardens Board
Committees of Management (various) and trustees appointed under restricted Crown grants^(iv)
Ministerial advisory committees (various)

Water

Birrarung Council
Border Groundwaters Agreement Review Committee
Barwon Region Water Corporation (and Barwon Asset Solutions Pty Ltd, its wholly owned subsidiary)
Central Gippsland Region Water Corporation
Central Highlands Region Water Corporation
Coliban Region Water Corporation
Corangamite Catchment Management Authority
East Gippsland Catchment Management Authority
East Gippsland Region Water Corporation
Gippsland and Southern Rural Water Corporation
Glenelg Hopkins Catchment Management Authority
Goulburn Broken Catchment Management Authority
Goulburn-Murray Rural Water Corporation
Goulburn Valley Region Water Corporation
Grampians Wimmera Mallee Water Corporation
Greater Western Water Corporation

Lower Murray Urban and Rural Water Corporation
 Mallee Catchment Management Authority
 Melbourne Water Corporation
 North Central Catchment Management Authority
 North East Region Water Corporation
 North East Catchment Management Authority
 South East Water Corporation
 South Gippsland Region Water Corporation
 Victorian Environmental Water Holder
 Wannon Region Water Corporation
 Westernport Region Water Corporation
 West Gippsland Catchment Management Authority
 Wimmera Catchment Management Authority
 Yarra Valley Water Corporation

Notes

- (i) VicForests was abolished on 30 June 2024 by the *Sustainable Forests (Timber) Repeal Act 2024*.
- (ii) Two ministerial advisory committees (the Sheep and Goat Identification Advisory Committee and the National Livestock Identification System Implementation Advisory Committee) were abolished and replaced by the Victorian Livestock Traceability Advisory Committee.
- (iii) SEC (Victoria) Pty Ltd and its subsidiaries were each declared to be a 'state owned company' under section 66(1) of the *State Owned Enterprises Act 1992* on 14 November 2023 by Order published in the Government Gazette.
- (iv) In the DEECA portfolio there are approximately 975 committees of management incorporated (or waiting incorporation) under the *Crown Land (Reserves) Act 1978* and 33 restricted Crown grants where trustees manage one or more Crown land reserves. Major incorporated committees of management include Barwon Coast Committee of Management, Bellarine Bayside Foreshore Committee of Management and Working Heritage.

Administrative offices in relation to the department

VicGrid was established as an administrative office in relation to the Department of Energy, Environment and Climate Action on 1 March 2024 by Order in Council under section 11 of the *Public Administration Act 2004*.

Acts administered

Minister for Agriculture

Agricultural and Veterinary Chemicals (Control of Use) Act 1992

Agricultural and Veterinary Chemicals (Victoria) Act 1994

Agricultural Industry Development Act 1990

Biological Control Act 1986

Conservation, Forests and Lands Act 1987

Certain provisions are jointly and severally administered with the Minister for Environment and Minister for Outdoor Recreation and, in so far as it relates to the exercise of powers for the purposes of the *Catchment and Land Protection Act 1994* these powers are jointly and severally administered with the Minister for Water, or certain provisions solely administered by the Minister for Agriculture (such as certain provisions of the *Forests Act 1958*) or the Minister for Outdoor Recreation (such as certain provisions of the *Fisheries Act 1995*). The Act is otherwise administered by the Minister for Environment, the Minister for Outdoor Recreation and the Minister for Water.

Control of Genetically Modified Crops Act 2004

Dairy Act 2000

Domestic Animals Act 1994

Drugs, Poisons and Controlled Substances Act 1981

Parts IVA and IVB. Part XI (this Part is jointly and severally administered with the Minister for Health and the Minister for Mental Health). The Act is otherwise administered by the Minister for Health and the Minister for Mental Health.

Farm Debt Mediation Act 2011

Flora and Fauna Guarantee Act 1988

Certain provisions are jointly administered with the Minister for Environment. The Act is otherwise administered by the Minister for Environment.

Food Act 1984

Section 63 in so far as it relates to the making of regulations related to primary production and processing standards (in so far as it relates to those matters this section is jointly and severally administered with the Minister for Health). The Act is otherwise administered by the Minister for Health.

Forests Act 1958

Certain provisions jointly and severally administered with the Minister for Environment and two provisions which are solely administered by the Minister for Agriculture. The Act is otherwise administered by the Minister for Environment.

Forests (Wood Pulp Agreement) Act 1974

Forests (Wood Pulp Agreement) Act 1996

Grain Handling and Storage Act 1995

Part 3. The Act is otherwise administered by the Treasurer.

Impounding of Livestock Act 1994

Land Conservation (Vehicle Control) Act 1972

Section 3 is jointly administered with the Minister for Environment. The Act is otherwise administered by the Minister for Environment.

Livestock Disease Control Act 1994

Livestock Management Act 2010

Meat Industry Act 1993

Melbourne Market Authority Act 1977

Plant Biosecurity Act 2010

Prevention of Cruelty to Animals Act 1986

Rain-making Control Act 1967

Rural Assistance Schemes Act 2016

Seafood Safety Act 2003

Stock (Seller Liability and Declarations) Act 1993

*Sustainable Forests (Timber) Act 2004**

(*This Act was repealed on 1 July 2024 by the *Sustainable Forests (Timber) Repeal Act 2024*). Certain provisions were jointly and severally administered with the Minister for Environment. Part 2, section 45, Division 1 of Part 6 and Part 8 was only administered by the Minister for Environment. The Act was otherwise administered by the Minister for Agriculture.

Veterinary Practice Act 1997

Wildlife Act 1975

Section 7A in so far as it relates to game (this section is jointly administered with the Minister for Environment and the Minister for Outdoor Recreation).

Section 7A except in so far as it relates to game (this section is jointly administered with the Minister for Environment). The Act is otherwise administered by the Minister for Environment and the Minister for Outdoor Recreation.

Minister for Climate Action

Climate Change Act 2017

Except certain provisions jointly administered with the Premier and jointly and severally administered with the Minister for the State Electricity Commission in so far as those provisions relate to the Solar Homes program.

Minister for Energy and Resources

Electricity Industry Act 2000

The Act is jointly and severally administered with the Minister for the State Electricity Commission.

Electricity Safety Act 1998

Energy Safe Victoria Act 2005

Extractive Industries (Lysterfield) Act 1986

Fuel Emergency Act 1977

Gas Industry Act 2001

Gas Safety Act 1997

Geothermal Energy Resources Act 2005

Greenhouse Gas Geological Sequestration Act 2008

Mineral Resources (Sustainable Development) Act 1990

Mines (Aluminium Agreement) Act 1961

National Electricity (Victoria) Act 2005

National Gas (Victoria) Act 2008

Nuclear Activities (Prohibitions) Act 1983

Offshore Petroleum and Greenhouse Gas Storage Act 2010

Petroleum Act 1998

Pipelines Act 2005

Renewable Energy (Jobs and Investment) Act 2017

Except sections 8 and 10, which are jointly and severally administered with the Minister for the State Electricity Commission in so far as these provisions relate to the Solar Homes program.

Underseas Mineral Resources Act 1963

Victorian Energy Efficiency Target Act 2007

Victorian Renewable Energy Act 2006

Minister for Environment

Aboriginal Lands Act 1991

The Act is jointly and severally administered with the Minister for Treaty and First Peoples.

Alpine Resorts Act 1983

Alpine Resorts (Management) Act 1997

Catchment and Land Protection Act 1994

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

Caulfield Racecourse Reserve Act 2017

Circular Economy (Waste Reduction and Recycling) Act 2021

Commissioner for Environmental Sustainability Act 2003

Conservation, Forests and Lands Act 1987

Certain provisions are jointly and severally administered with the Minister for Agriculture and Minister for Outdoor Recreation and, in so far as it relates to the exercise of powers for the purposes of the *Catchment and Land Protection Act 1994* these powers are jointly and severally administered with the Minister for Water, or certain provisions solely administered by the Minister for Agriculture (such as certain provisions of the *Forests Act 1958*) or the Minister for Outdoor Recreation (such as certain provisions of the *Fisheries Act 1995*). The Act is otherwise administered by the Minister for Environment.

Crown Land (Reserves) Act 1978

Except certain provisions for Crown Allotments administered by the Premier, the Assistant Treasurer, the Minister for Planning, the Minister for Ports and Freight, the Minister for Tourism, Sport and Major Events, the Minister for Corrections and the Minister for Health.

Cultural and Recreational Lands Act 1963

Dental Hospital Land Act 2011

Environment Protection Act 2017

Flora and Fauna Guarantee Act 1988

Except certain provisions jointly administered with the Minister for Agriculture.

Forests Act 1958

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

Geelong Lands (Steampacket Place) Act 1996

Geelong Market Site Act 1983

Great Ocean Road and Environs Protection Act 2020

Heritage Rivers Act 1992

Land Act 1958

Except certain provisions for Crown Allotments jointly administered with the Assistant Treasurer, or administered by the Assistant Treasurer, the Attorney-General, the Minister for Corrections, the Minister for Health, the Minister for Health Infrastructure, the Minister for Government Services, the Minister for Ports and Freight, the Minister for Roads and Road Safety and the Minister for Creative Industries.

Land Conservation (Vehicle Control) Act 1972

Except section 3 which is jointly administered with the Minister for Agriculture.

Land (Goonawarra Golf Course) Act 1988

Land (Reservations and other Matters) Act 1997

Land (Reservations and other Matters) Act 1999

Land (Revocation of Reservations – Metropolitan Land) Act 2016

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

Land (Revocation of Reservations) Act 2008

Land (Revocation of Reservations) Act 2012

Land (Revocation of Reservations) Act 2016

Land (Revocation of Reservations) Act 2019

Land (Revocation of Reservations) Act 2024

Land (Revocation of Reservations and Other Matters) Act 2009

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

Land (St. Kilda Sea Baths) Act 2000

Land (St Kilda Triangle) Act 2006

Marine and Coastal Act 2018

Melbourne and Olympic Parks Act 1985

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

Melbourne Strategic Assessment (Environment Mitigation Levy) Act 2020

Melbourne (Yarra Park) Land Act 1980

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

National Environment Protection Council (Victoria) Act 1995

National Parks Act 1975

Parks and Crown Land Legislation (Mount Buffalo) Act 2010

Parks Victoria Act 2018

Pollution of Waters by Oil and Noxious Substances Act 1986

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

Queen Victoria Market Lands Act 1996

Reference Areas Act 1978

Royal Agricultural Show-grounds Act 1931

Royal Agricultural Showgrounds Act 2003

Royal Botanic Gardens Act 1991

Royal Children's Hospital (Land) Act 2007

Royal Women's Hospital Land Act 2012

Safety on Public Land Act 2004

South Melbourne Land Act 1986

Southgate Project Act 1994

State Owned Enterprises Act 1992

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

*Sustainable Forests (Timber) Act 2004**

(*This Act was repealed on 1 July 2024 by the *Sustainable Forests (Timber) Repeal Act 2024*). Certain provisions were jointly and severally administered with the Minister for Environment. Part 2, section 45, Division 1 of Part 6 and Part 8 was only administered by the Minister for Environment. The Act was otherwise administered by the Minister for Agriculture.

Sustainability Victoria Act 2005

Swan Hill Pioneer Settlement Authority (Repeal) Act 1994

Temperance Halls Act 1958

University of Melbourne Land Act 2000

Victorian Conservation Trust Act 1972

Victorian Environmental Assessment Council Act 2001

Victorian Plantations Corporation Act 1993

Water Industry Act 1994

Parts 4, 4A, 7 and 8. Section 184 is administered jointly and severally with the Minister for Water and the Act is otherwise administered by the Minister for Water.

Wildlife Act 1975

Except certain provisions, in so far as it relates to the effective management of hunting, including preserving good order among hunters of game are jointly administered with the Minister for Agriculture and the Minister for Outdoor Recreation. Certain provisions, in so far as it relates to the hunting of game, are jointly administered with the Minister for Agriculture and the Minister for Outdoor Recreation. This Act is otherwise administered by the Minister for Environment.

Zoological Parks and Gardens Act 1995

Minister for the State Electricity Commission

Climate Change Act 2017

Part 4, Division 1 of Part 5 and section 97 in so far as these provisions relate to the Solar Homes program (these provisions are jointly and severally administered with the Minister for Climate Action). The Act is otherwise administered by the Minister for Climate Action and the Premier.

Electricity Industry Act 2000

The Act is jointly and severally administered with the Minister for Energy and Resources.

Renewable Energy (Jobs and Investment) Act 2017

Sections 8 and 10 (these provisions are jointly and severally administered with the Minister for Energy and Resources in so far as these provisions relate to the Solar Homes program). The Act is otherwise administered by the Minister for Energy and Resources.

Former SEC (Residual Provisions) Act 1958

The Act is jointly and severally administered with the Treasurer.

Minister for Water

Catchment and Land Protection Act 1994

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

Conservation, Forests and Lands Act 1987

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

Groundwater (Border Agreement) Act 1985

Murray-Darling Basin Act 1993

State Owned Enterprises Act 1992

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

Water Act 1989

Except section 324 (this section is jointly and severally administered with the Minister for Outdoor Recreation in so far as it relates to the making of regulations for houseboats).

Water (Commonwealth Powers) Act 2008

Water Efficiency Labelling and Standards Act 2005

Water Industry Act 1994

Except Parts 4, 4A, 7 and 8 (these Parts are administered by the Minister for Environment) and section 184 (this section is jointly and severally administered with the Minister for Environment).

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

Implementation of the Local Jobs First Policy

The *Local Jobs First Act 2003* brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee Policy (MPSG), which were administered separately up to August 2018.

Departments and public sector bodies are required to apply the Local Jobs First policy (under the *Local Jobs First Act 2003*) in all projects valued at \$3 million or more in metropolitan Melbourne or statewide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more.

The MPSG and VIPP guidelines will continue to apply to MPSG and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

A Local Jobs First Standard Project is a project:

- with a budget of \$1 million or more in rural and regional Victoria, or
- with a budget of \$3 million or more for statewide projects or for projects in metropolitan Melbourne, or
- declared to be a Standard Project by the responsible minister/s under section 7A (1) of the Act.

A Local Jobs First Strategic Project is a project:

- with a budget of \$50 million or more, or
- declared to be a Strategic Project by the responsible minister/s under section 7A (2) of the Act.

Projects commenced – Local Jobs First Standard

During 2023–24, the department commenced 5 Local Jobs First Standard Projects totalling \$19.32 million to which a Local Industry Development Plan (LIDP) was required. Of those projects, 3 were in regional Victoria with an average local content commitment of 66% and 2 occurred statewide with an average local content commitment of 97%. The MPSG applied to none of these projects.

The specific project outcomes expected from the implementation of the Local Jobs First policy to the 5 projects where information was provided, are as follows:

- an average local content commitment of 79%
- a total of 41 jobs (Annualised Employee Equivalent (AEE)), including the creation of 7 new jobs and the retention of 34 existing jobs (AEE)
- a total of 2 positions retained for apprenticeship and traineeship
- engagement of 85 small to medium-sized businesses through the supply chain on commenced standard projects.

Projects completed – Local Jobs First Standard

During 2023–24, the department completed 5 Local Jobs First standard projects, totalling \$32.40 million to which a LIDP was required. Of those projects, 3 were in regional Victoria with an average local content commitment of 93%, one in metropolitan Melbourne with an average local content commitment of 0%. One standard project was completed that occurred statewide with local content commitment of 100%. The MSPG applied to none of these projects.

The outcomes reported from the implementation of the Local Jobs First policy to these projects where information was provided, were as follows:

- an average local content of 76%
- a total of 60 jobs (AEE), including the creation of 17 new jobs and the retention of 43 existing jobs (AEE)
- engagement of 244 small to medium-sized businesses through the supply chain on completed standard projects.

Projects commenced – Local Jobs First Strategic

During 2023–24, the department commenced 2 Local Jobs First Strategic Projects, valued at \$1.06 billion to which a LIDP was required. Both projects occurred statewide with an average local content commitment of 88%. The MSPG applied to one of these projects.

The outcomes expected from the implementation of the Local Jobs First policy where information was provided, are as follows:

- an average local content commitment of 88%
- a total of 50 (AEE) positions were committed, including the creation of 4 new jobs and the retention of 46 existing jobs (AEE)
- a total of 10 positions for apprentices, trainees and cadets, including the creation of three new apprenticeships, traineeships and cadetships, and the retention of seven existing apprenticeships and traineeships
- engagement of 91 small to medium-sized businesses through the supply chain on commenced strategic projects.

Projects completed – Local Jobs First Strategic

During 2023–24, the department did not complete any Local Jobs First Strategic Projects.

Reporting on grants provided

For grants provided during 2023–24, a total of 13 interaction reference numbers were required, which entailed a conversation with the Industry Capability Network (Victoria) Ltd on how to best maximise local engagement on the grants that were provided during the financial year.

Victoria's Social Procurement Framework

Victoria's Social Procurement Framework (SPF) establishes requirements that apply to Victorian Government departments and agencies when they procure goods, services and construction. Under the framework, DEECA is required to provide an aggregate level summary of its social procurement activities in its annual report.

DEECA's Social Procurement Strategy focusses on the following objectives set in the SPF:

- sustainable Victorian social enterprise and Aboriginal businesses sectors
- environmentally sustainable outputs
- environmentally sustainable business practices
- opportunities for Victorians with disability
- women's equality and safety.

The strategy outlines the ways the department is progressing to meet its social procurement obligations, namely:

- purchasing from certified Victorian social enterprises
- purchasing from certified Victorian Aboriginal businesses and granting a standing exemption from some procurement processes for direct selection of an Aboriginal business for contract with a value less than \$200,000
- incorporating requirements for environmentally sustainable outputs and business practices in DEECA's requests for tender and quotation documents
- promotion of Aboriginal businesses and social benefit suppliers through department-wide information sessions in partnership with Social Traders and Kinaway.

In 2023–24, DEECA spent a total of \$3.4 million¹ through direct engagement of 65 social benefit suppliers, including a total of \$2.2 million with 35 certified Victorian Aboriginal businesses.

¹ Spend is exclusive of GST. Excludes corporate card purchases. DEECA follows the Department of Government Services Social Procurement Framework Measurement and Reporting Guidelines.

Disclosure of government advertising expenditure

In 2023–24, there was one advertising campaign with a total media spend of \$100,000 or greater (exclusive of GST). The details of this campaign is outlined below.

Details of government advertising expenditure (campaigns with a media spend of \$100 000 or greater)

Name of campaign	Start/end date	Advertising (media) expenditure (excl. GST)	Creative and campaign development expenditure (excl. GST)	Research expenditure (excl. GST)	Post-campaign evaluation expenditure (excl. GST)	Print and collateral expenditure (excl. GST)	Other campaign expenditure (excl. GST)	Total
'Save with solar' advertising campaign	Jul 2023–Jun 2024	Approved: \$1,000,000	Planned: \$85,000	Planned: \$38,000	Planned: \$0	Planned: \$2,600	Planned: \$3,700	Planned/ Approved: \$1,129,300
		Actual: \$600,000	Actual: \$18,110	Actual: \$26,375	Actual: \$0	Actual: \$2,554	Actual: \$3,691	Actual: \$650,730

Campaign summary:

The 'Save with Solar' advertising campaign was aimed at increasing consumer access to affordable energy and helping households switch to cheaper, cleaner energy in the home. The advertising campaign ran from 4 July 2023 to 30 June 2024 promoting rebates and interest-free loans available under the Victorian Government's Solar Homes Program for the installation of solar panels, batteries and energy-efficient hot water systems at Victorian homes and rental properties. The campaign was a continuation of earlier activity in 2022–23 and utilised a range of channels, including cinema, radio, print media, online and social media.

Notes:

Approved 'Advertising (media) expenditure' is the amount approved for each campaign by the Advertising Approval Group (AAG). **Planned** campaign expenditure amounts are the amounts included in the Campaign Strategy form submitted to the AAG for review.

Consultancies

In 2023–24, there were 238 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023–24 in relation to these consultancies was \$56.68 million (exclusive of GST).

In 2023–24, there were 62 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2023–24 in relation to these consultancies was \$0.26 million (exclusive of GST).

Details of individual consultancies where the total fees payable were \$10,000 or greater are listed in the DEECA Annual Report 2023–24 – Additional Information document, published on the DEECA website. The full list of all consultancies is available on request, subject to the provisions of the *Freedom of Information Act 1982*.

Reviews and studies expenditure

Details of reviews and studies

During 2023–24, there were 8 major reviews and studies undertaken outside of the department's business as usual functions with a total cost of \$1.9 million.

Major reviews and studies have been defined as those that exceeded \$100,000 (exclusive of GST) that result in a published report, in line with the FRD22 Additional information on request guidance note. Note that the department's enduring research responsibilities in the scientific disciplines of agriculture, ecology and biodiversity, climate science, hydrology, geoscience, forest management, and bushfire science are part of its regular service delivery and are therefore excluded from this disclosure.

Details of the 8 individual reviews and studies are outlined below.

		(\$ thousand)				
Name of the review (portfolio(s) and output(s))	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST)	Final cost if completed, including costs associated with previous years (excl. GST)	Publicly available (Y/N) and URL
Victorian Pet Census (Agriculture portfolio; Agriculture output)	To gather contemporary data on pet ownership, attitudes, and experiences across Victoria.	Conduct quantitative research with a representative sample of Victorians including opt-in responses from the public.	Informed education, policy, and program initiatives regarding pet ownership across Victoria.	423	436	Y – Animal Welfare Victoria website
Blue Carbon on Sea Country: Opportunities Report (Environment portfolio; Environment and biodiversity output)	To identify opportunities for Traditional Owner leadership and engagement in blue carbon projects.	Explore opportunities relating to education and training, mapping blue carbon, site level assessments, blue carbon projects on private land, natural resource management, nurseries, monitoring restoration, environmental economic accounting and economic empowerment.	Conservation and restoration of blue carbon ecosystems and identification of opportunities for Traditional owner-led adaptation and planning.	300	300	Y – DEECA website
Lake Eildon Technical Assessment (Water portfolio; Effective water management and supply output)	To identify methods to reduce downstream flooding in response to the major flooding event in October 2022.	Assess 6 operating arrangements at Lake Eildon for their potential to improve protection for downstream communities from future flooding.	Evidence to inform flood studies and flood mitigation options.	250	250	Y – DEECA website
Lake Eppalock Technical Assessment (Water portfolio; Effective water management and supply output)	To identify methods to reduce downstream flooding in response to the major flooding event in October 2022.	Assess 5 operating and infrastructure arrangements at Lake Eppalock for their potential to improve protection for downstream communities from future flooding.	Evidence to inform flood studies and flood mitigation options.	236	236	Y – DEECA website

(\$ thousand)

Name of the review (portfolio(s) and output(s))	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST)	Final cost if completed, including costs associated with previous years (excl. GST)	Publicly available (Y/N) and URL
Review of Victoria to New South Wales Interconnector West (VNI West) Plan B report (Energy and Resources portfolio; Energy output)	To independently assess the feasibility and merits of the physical network changes proposed as an alternative to VNI West (referred to as Plan B).	Independently assess the feasibility and merits of the proposal: 'No Longer Lost in Transmission' (Aug 2023) prepared by professors Bartlett and Mountain and Darren Edwards.	The review confirmed VNI West as the right solution for Victoria's energy future. It also found flaws in the analysis and assumptions of the Plan B report.	208	208	Y – Volume 1 and Volume 2
Extractive Resources Supply and Demand Study 2022–2030 (Energy and Resources portfolio; Resources output)	To determine whether Victoria has the supply of extractive resources to meet demand between 2021–22 and 2029–30.	Examine the supply and demand forecasts for hard rock, sand and gravel, and for clay and clay shale (clay) in the short- to medium-term.	Evidence to support measures aimed at ensuring the supply of materials meets forecast demand where it is needed in the short to long term.	200	500	Y – Resources Victoria website
Victorian Constraints Measures Program – Feasibility Study (Water Portfolio; Effective Water Management and Supply output)	To investigate the feasibility of options to relax river operating rules (constraints) in Northern Victoria.	Conduct technical assessments including bathymetry, hydrological modelling and environmental benefits/risks assessments, with all modelling considering 2050/2070 climate change scenarios for long-term investment viability.	Evidence to inform broader investigations of constraints relaxation across the Southern-Connected Basin.	189	9,800	Y – DEECA website
Victorian Coastal Monitoring Program – Coastal Erosion Indicators	To provide high-level coastal erosion indicators that summarise the current state of all sites monitored through the Victorian Coastal Monitoring Program.	Collect and analyse drone data to identify long-term shoreline change, short-term change, ratio of shoreline eroding, ratio of backshore eroding and maximum backshore erosion.	Information to support decision making and adaptation planning.	100	150	Y – CoastKit website

Information and communication technology expenditure

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

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

For 2023–24, the department had a total ICT expenditure of \$191.89 million (exclusive of GST) with the details shown below.

	\$'000
Non Business as Usual (non BAU):	
Operational expenditure	39,751
Capital expenditure	4,017
Total non BAU	43,768
Total Business as Usual (BAU)	148,126
Total ICT expenditure	191,894

Disclosure of major contracts

During 2023–24, the department entered into 3 contracts greater than \$10 million in value (inclusive of GST). Details of the contracts are published on the Victorian Government Contract Publishing System and can be viewed online at [Buying for Victoria](#).

Disclosure of emergency procurement

In 2023–24, DEECA activated emergency procurement on one occasion in accordance with the requirements of Victorian Government policy and accompanying guidelines. Twenty new contracts, each valued at or more than \$100,000 (inclusive of GST), were awarded in connection with the emergency. Details of the department's emergency procurements are shown below.

Nature of Emergency	Date of activation	Summary of goods and services procured under new contracts	Total spend on goods and services in response to the emergency	Number of new contracts awarded valued at \$100 000 (incl. GST) or more
Avian Influenza (Class 2 Biosecurity) within Victoria	23 May 2024	Poultry destruction Site cleaning Site decontamination Waste disposal Plant/vehicle hire Labour hire Personal protective equipment	\$7,829,951 ^(a)	20

Note:

(a) This is the total of all expenditure inclusive of GST, including contracts under and over \$100,000.

Freedom of Information

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

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

The department receives FOI requests for a wide range of documents relating to the many different functions that it performs. The Act allows a department to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to the department in-confidence.

FOI requests relating to a portfolio agency should be made direct to that agency. Contact details of portfolio agencies can be found on the [Office of the Victorian Information Commissioner \(OVIC\) website](#).

Under the Act, the FOI processing time for requests received is 30 calendar days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, a 15 day automatic extension applies. The processing time may also be extended by periods of up to 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

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

Making a request

Freedom of Information (FOI) requests must be made in writing. A request can be submitted online at www.ovic.vic.gov.au or by sending a written request to: foi.unit@deeca.vic.gov.au.

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

An application fee of \$32.70 applies. Access charges may also be payable.

The department's FOI Unit can be contacted by email at foi.unit@deeca.vic.gov.au.

FOI statistics and timeliness

For the period from 1 July 2023 to 30 June 2024, the department received 241 new FOI requests. They came from:

	Number	Per cent (%)
Individuals	128	53
Members of Parliament	42	17
Lawyers	33	14
Journalists	10	4
Community groups	23	10
Companies	5	2
Total	241	100

For the same period, the department made decisions on 128 requests. Fifteen of these requests were received during prior financial years. The outcomes were:

	Number	Per cent (%)
Full access granted	41	32
Partial access granted	53	41
Access denied	16	13
No relevant documents found	18	14
Total	128	100

The processing time for the FOI requests is shown below, with an average of 52 days.

	Number	Per cent (%)
Within statutory timelines	75	59
1–45 days overdue	37	29
46 days or more overdue	16	12
Total	128	100

The department closed 16 requests with the outcomes shown below:

	Number
Request not processed ⁽ⁱ⁾	11
Unreasonable diversion of resources	5
Total	16

Note:

- i. Request not processed includes: all requested documents released outside the Act; request withdrawn by applicant; deposit not paid and where the Act does not apply.

The department also responded to 65 requests, including 4 received during the previous financial year, with the outcomes shown below:

	Number
Invalid request ⁽ⁱ⁾	17
Transferred	48
Total	65

Note:

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

Further Information:

Further information regarding the operation and scope of FOI can be obtained from the FOI Act, regulations made under the FOI Act and [OVIC](#).

Office of the Victorian Information Commissioner

Reviews

Between 1 July 2023 and 30 June 2024, OVIC received 22 requests for a review of an FOI decision made by the department.

Complaints

Between 1 July 2023 and 30 June 2024, the department was advised by OVIC of 8 complaints made about the processing of FOI requests.

Victorian Civil and Administrative Tribunal

Between 1 July 2023 and 30 June 2024, 3 applications for a review of an FOI decision made by the department were lodged at the Victorian Civil and Administrative Tribunal.

Compliance with the *Building Act 1993*

Mechanisms for inspection, reporting, scheduling and carrying out of maintenance works on existing buildings

The Department of Government Services' Accommodation, Carpool and Library Services (ACLS) Division manages, maintains and reports on the leased and owned accommodation portfolio occupied by the department under the Centralised Accommodation Model. These include buildings within the Central Business District and selected owned accommodation in regional areas.

Further to the above sites, the department also has responsibility for the management of its owned and directly leased portfolio assets via a dedicated in-house facilities team and through an outsourced facilities management service provider: Jones Lang LaSalle (JLL). The owned and directly leased portfolio includes offices, combined office/work centre sites, work centres, residences, airbases, fire lookout towers, farms, research facilities and sites identified for land sales no longer required by the department. The role of the facility management teams and JLL is supported by a range of independent audits and regulatory compliance inspections, to ensure the building portfolio, depots and sites remain safe, functional, and compliant.

Mechanisms to ensure that buildings conform with the building standards

The department engages suitably qualified organisations with relevant experience to assist in meeting requirements of the National Construction Code, Annual Essential Safety Measures Reports (AESMR), Occupational Health and Safety Regulation

and Environmental Audit compliance obligations regarding building condition and hazardous material audits in the workplace. Specifically, AESMR are undertaken by the facilities providers and a certificate is issued and displayed at each site. Dependent on the category of the building, an occupancy permit or a Certificate of Final Inspection is obtained when construction is completed. This includes new buildings and upgrades to existing facilities.

Major Works Projects

Major works projects (over \$50,000) commenced or completed in 2023–24 include:

Projects commenced:

- Anglesea depot/work centre development
- Attwood – biosecurity central storage and staging facility
- Attwood – replace tile façade
- Attwood, Ellinbank, Mildura Hamilton, Rutherglen, Maffra, Swan Hill, Kerang, Echuca, Warrnambool – security access upgrades
- Bairnsdale depot/work centre – office and amenities upgrade
- Bairnsdale depot/work centre redevelopment
- Barwon Downs office/depot/work centre trailer shed storage and forklift shed
- Casterton amenities upgrade and meeting room
- Cavendish office/depot/work centre trailer storage
- Dargo depot/work centre – extension of female and unisex changerooms
- Daylesford office/depot/work centre trailer storage
- Edenhope wash bay and workshop extension
- Ellinbank dairy feedlot shed incorporating solar panels and battery installation
- Ellinbank – refurbishment of conference centre
- Ellinbank – walk in freezer
- Ellinbank – water infrastructure upgrades/repairs
- Ellinbank – replacement of decks and front timber steps
- Erica depot/work centre – reseal of driveway
- Gellibrand depot/work centre – vehicle and equipment storage shed
- Hamilton – replace roller doors and exit doors to equipment storage sheds
- Horsham Grains Innovation Park (GIP) – replace potting soil mixer
- Horsham GIP – road replacement
- Horsham GIP – solar panel Installation
- Horsham GIP – town water mains replacement
- Horsham Smart farm – construction of saline evaporation ponds
- Horsham Smart farm – new Irrigation infrastructure
- Horsham Smart farm – new storage shed to house Free to Air Temperature Experiment Facility (FATE) equipment
- Horsham Smart Farm – relocation Generator and Upgrade of Electrical Infrastructure to support FATE
- Horsham Smart farm – reverse osmosis plant (de-salination)
- Knoxfield depot/work centre – fire depot extension
- Mansfield office and depot/work centre (level 3 Incident Control Centre) development
- Noojee hardstand and civil works
- Nowa Nowa depot/work centre – trailer storage shed
- Statewide LED lighting upgrades
- Tatura – greenhouse building electrical wire replacement
- Tatura – greenhouse outer lining replacement

Projects completed:

- 8 Nicholson Street data centre removal
- Alexandra office/depot, Altona North office/depot, Anglesea office/depot, Bacchus Marsh office, Bairnsdale office, Benalla office/depot, Colac car park, 8 Nicholson Street office, Heidelberg (Arthur Rylah Institute), Heywood office/depot, Knoxfield office/depot, 2 Lonsdale Street office, Ovens office/depot, Tallangatta office/depot, Traralgon office and Wodonga office – Electrical vehicle charging stations
- Bendoc depot/work centre – Extension of shed and extra drainage to water tanks, including cover for fuel bowser
- Briagolong hardstand and civil works
- Broadford depot/work centre – Civil road works
- Colac – Install kitchenette and lift
- Dargo depot/work centre – dangerous goods and hazardous substances shed upgrade
- Dartmoor depot/work centre development
- Ellinbank – drains and bridges – dairy dam project
- Erica depot/work centre – Amenities upgrade project
- Gellibrand depot/work centre – Deck extension and roof restoration
- Maryborough depot/work centre development
- Mildura – Security boundary fence
- Mitta Valley depot/work centre – Installation of site generator
- Mount Rowan office and depot/work centre (level 3 Incident Control Centre) development
- Orbost North depot/work centre – seal driveway and exit point onto main road
- Statewide signage replacement

Number of building permits, occupancy permits or certificate of final inspection issued in relation to buildings owned by the department

During 2023–24, there were 8 building permits, 3 occupancy permits and 17 certificates of final inspection issued to the department for capital infrastructure projects completed.

Number of emergency orders and building orders issued in relation to buildings

During 2023–24, there were nil emergency orders and building orders issued in relation to buildings.

Number of buildings that have been brought into conformity with building standards

During 2023–24, there were nil buildings brought into conformity with building standards.

Competitive neutrality policy

The department is compliant with the requirements of the Victorian Government’s Competitive Neutrality Policy. Competitive neutrality requires government businesses to ensure that where services compete, or potentially compete, with the private sector, any net advantage arising from government ownership is accounted for if it is not in the public interest.

Government businesses are required to set a competitively neutral price, which accounts for any net advantage that comes from public ownership. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The competitive neutrality policy is integrated into the department’s pricing policy and applied to relevant policy changes, with expertise sought from Better Regulation Victoria as needed.

In 2023–24, there were nil competitive neutrality complaints made against the department.

Compliance with the *Public Interest Disclosures Act 2012*

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

The department does not tolerate improper conduct by employees, nor reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. The department has a Public Interest Disclosures Management Policy and Procedure, as well as integrity training and communications in place to support staff compliance with the Act.

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

Reporting Procedures

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

- Secretary of the department
- Public Interest Disclosure Coordinator
- manager or supervisor of the discloser
- manager or supervisor of the person who is the subject of the disclosure
- a person acting in any of the above roles.

Department of Energy, Environment and Climate Action, PO Box 500, East Melbourne Victoria 8002
Telephone: 1800 903 877
email: disclosures@deeca.vic.gov.au

Alternatively, disclosures may also be made directly to:

The Independent Broad-based Anti-corruption Commission (IBAC)
Level 1, North Tower 459 Collins Street,
Melbourne Victoria 3000
GPO Box 24234, Melbourne Victoria 3001
Telephone: 1300 735 135
Website: www.ibac.vic.gov.au

Further Information

The Public Interest Disclosure management guide which outlines the system for reporting disclosures of improper conduct or detrimental action by the department or any of its employees and/or officers, is available on DEECA's website.

Public Interest Disclosure	2023–24 number	2022–23 number
The number of disclosures made by an individual to the department and notified to the Independent Broad-based Anti-Corruption Commission	5	2

Compliance with the *Carers Recognition Act 2012*

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

The department recognises the role that many of our staff have as carers and supports them to balance their work and care responsibilities. This includes staff that care for and support people with a mental illness, disability, chronic illness or complex care needs as well as older people with specific needs, children and young people with additional care needs, and people who have terminal illness.

Our program of work to support carers is informed by the carer relationship principles set out in the Act and the priority actions outlined in the Whole of Victorian Government *Recognising and Supporting Victoria's Carers: Victorian Carers Strategy 2018–2022*. The department's actions aim to reduce the barriers to workforce participation for carers and ensure carers can make choices about work and their carers roles, are enabled to participate socially and economically, and are supported with their health and wellbeing. Our partnership with Grace Papers, experts in workplace gender equality, ensures staff have access to resources, coaching and webinars that support carers in the workplace. Since the start of the partnership to 30 June 2024, there were over 700 registrations for Grace Papers' career coaching platform.

Carers, as they are defined under the *Carers Recognition Act 2012*, are included in DEECA's Workplace Adjustment Policy, which ensures that staff can access the supports they need to manage both work and caring responsibilities.

DEECA's flexible work settings are set out in the VPS Flexible Work Policy and DEECA's Flexible Work Implementation Guide. Flexible work arrangements are also available as one of the ways that employees can balance their caring responsibilities, in the context of their role.

The department's support programs, including our employee assistance program, peer support network and our Workplace Conciliator are also available to employees. The department has a number of staff-led networks, including the Parents and Carers Staff Network and the All-Abilities Staff Network for carers, staff with disability, and disability allies.

Compliance with the *Disability Act 2006*

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

The department has complied with its obligations under the *Disability Act 2006* to prepare a Disability Action Plan, through the completion of the *Access and Inclusion Plan 2021–2024*. Reporting against our Disability Action Plan can be found in the 'Our People' section of this report.

As set out in the section above on caring, the department's Workplace Adjustments Policy and flexible work settings are available to help meet the workplace needs of our employees with disability. Our support programs and staff-led networks such as the All-Abilities Staff Network are also important supports in place for employees with disability.

Disclosure of procurement complaints

Under the Victorian Government Purchasing Board (VGPB) Governance Policy, the department must disclose any formal complaints relating to the procurement of goods and services.

The department received one formal complaint in 2023–24 relating to a procurement activity to update the STORM Tool, a custom application for stormwater quality assessments, in which the complainant raised concerns on the application of VGPB policies.

An internal review found that all departmental procurement policies had been adhered to and the complaint was referred to VGPB on 15 March 2024, as the complainant was not satisfied with the outcome. The VGPB investigation concluded there had been no breaches of VGPB policies by the department and the complaint was resolved.

Compliance with the *Caulfield Racecourse Reserve Act 2017*

Section 32 of the *Caulfield Racecourse Reserve Act 2017* provides for DEECA to include in its annual report of operations for each financial year, details regarding the use of the Caulfield Racecourse Reserve for the purposes of recreation and for public park purposes during that year.

Released in December 2023, the Caulfield Racecourse Reserve Strategic Management Plan outlines the medium term directions for the planning, development and use of the reserve for the purposes of racing, recreation and as a public park. It addresses key areas including:

- the addition of the Caulfield Racecourse Reserve to the Victorian Heritage Register
- providing more cost-effective infrastructure solutions
- a greater emphasis on sustainability and environmental outcomes.

Significant works were undertaken in 2023–24 at the Caulfield Racecourse Reserve to improve safety, remove legacy horse training infrastructure, improve public accessibility and extend opening hours. Further infrastructure work and planning commenced on enhancements to the public park and recreation spaces across the Reserve including sports fields, pathways, signage and informal recreation amenities.

The past year saw a significant increase in public use of the Caulfield Racecourse Reserve with improved access and amenity. The public visit for a range of reasons including the monthly community markets, which have become a popular feature. A Sustainability Working Group was established with community and stakeholder representation, which led to a number of environmental improvements and the identification of more than 34 bird species in the reserve, attracting more visitors to this unique open space in an urban environment.

Compliance with the *Marine and Coastal Act 2018*

The *Marine and Coastal Act 2018* (the Act) sets objectives and guiding principles for planning and managing the state's marine and coastal environment. It establishes an integrated and coordinated whole-of-government approach including partnering with Traditional Owners, industry and the community.

Pursuant to section 40 of the Act, the department is required to include in its annual report:

- (a) a summary of the implementation of a Marine and Coastal Strategy during that financial year
- (b) a summary of any product made under a regional and strategic partnership during that financial year, including the status of the implementation of the product
- (c) a summary of the implementation of any environmental management plans during that financial year
- (d) a summary of any consents given during that financial year.

The **Marine and Coastal Strategy 2022** (the Strategy) addresses the objectives of the Act through 6 actions to improve marine and coastal management and planning across the state from 2022 to 2027. The Strategy puts into practice the Marine and Coastal Policy 2020. Year 2 of the Strategy was implemented over 2023–24.

Summary of implementation of the **Marine and Coastal Strategy (2022) in 2023–24**

In 2023–24, significant progress was made in delivering 43 of the 54 activities across the 6 priority actions by DEECA and external partners. Multiple organisations throughout Victoria are leading implementation of these activities, including coastal Registered Aboriginal Parties, Committees of Management, coastal local governments, coastal Catchment Management Authorities, Parks Victoria, Department of Transport and Planning, EPA, Trust for Nature, Better Boating Victoria, Victorian Fisheries Authority, the Victorian Marine and Coastal Council, and DEECA.

DEECA provides oversight and coordination for implementation of priority actions in the Strategy and leads key activities within each action. The following section presents highlights from a range of DEECA led or funded activities. Some activities have been progressed by external partners and are therefore not included in DEECA's annual reporting.

Action 1 – Traditional Owners determine how their rights and obligations are embedded into the planning and management of the marine and coastal environment.

Supported by DEECA's Sea Country grants program, all 5 activities are progressing. This includes:

- i. Developing Sea ranger programs (Gunaikurnai Land and Water Aboriginal Corporation and Gunditj Mirring Traditional Owners Aboriginal Corporation).
- ii. Developing a biocultural land strategy (Eastern Maar Aboriginal Corporation).
- iii. Facilitating cultural exchanges and cultural heritage recording (Gunditj Mirring Traditional Owners Aboriginal Corporation, and Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation).
- iv. Undertaking cultural mapping and incorporating marine and coastal knowledge in Country Plans (Wadawurrung Traditional Owners Aboriginal Corporation, Bunurong Land Council Aboriginal Corporation, Gunditj Mirring Traditional Owners Aboriginal Corporation, Eastern Maar Aboriginal Corporation, Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation, and Gunaikurnai Land and Waters Aboriginal Corporation).

Action 2 – Improve the condition and ecological connectivity of habitats and respect and care for our marine and coastal areas.

11 of the 12 activities have commenced to deliver this action. Highlights from 2023–24 delivery include:

- i. DEECA's expansion of coastal habitat mapping to include Victorian sites with high potential for blue carbon identified by the CoastKit knowledge management database.
- ii. DEECA's continued exploration of mechanisms to support blue carbon protection and restoration, and enable blue carbon projects in Victoria via its Western Port Blue Carbon Planning Project.
- iii. DEECA's support for projects delivering Blue Carbon outcomes such as Western Port Biosphere restoration project.
- iv. Coastcare supported community stewardship activities by building volunteer capability to respond to climate change and protect and rehabilitate marine and coastal sites and values.
- v. The delivery of more than \$0.35 million into community-driven conservation projects via the Community Grants Program, fostering volunteer efforts to preserve and enhance Victoria's coastal regions.
- vi. Victoria's coastal land managers continued monitoring and implementing environmental improvements through on ground works by

staff and volunteers. This is supported by implementation of strategic plans such as the Great Ocean Road Coast and Parks Authority Coastal Vegetation Strategy, the Port Phillip Bay Environmental Management Plan, multiple Conservation Action Plans across Parks Victoria managed sites, and updating the Gippsland Lakes Ramsar Site Management Plan.

Action 3 – Adapt to Climate Change. All 14 activities have commenced to deliver this action. Highlights from 2023–24 delivery include:

- i. Continued progress of the Victorian Coastal Monitoring Program and the next Victorian Climate Science Report (expected to be tabled in Parliament in November 2024), which are increasing our understanding of coastal hazards and risks.
- ii. Activity leads continuing to identify research opportunities and gaps and sharing emerging climate change science and cultural knowledge.
- iii. Coastal Registered Aboriginal Parties partnering with research groups to monitor native species and understand changes as a result of climate change. The Gunaikurnai Land and Water Aboriginal Corporation commenced the inaugural tagging program of long-finned eel (*Anguilla reinhardtii*) in partnership with the Arthur Rylah Institute. CSIRO is working with Gunaikurnai Land and Waters Aboriginal Corporation, Gunditj Mirring Traditional Owners Aboriginal Corporation and Eastern Maar Aboriginal Corporation to monitor grey nurse sharks and their habitats.
- iv. The continued consolidation by the Victorian Marine and Coastal Council of the latest science, stakeholder-informed evidence and other knowledge needed to support decision-making for our marine and coastal environments.
- v. DEECA's entrenchment of adaptation as a core component of planning in the marine and coastal environment, through the implementation of the Victoria's Resilient Coast (VRC) adaptation framework and guidelines. Round 3 of the VRC grant program awarded \$1million across 7 adaptation projects in 2023–24. As at 30 June 2024, \$2.8 million has been allocated across 25 projects. The Bunurong Land Council Aboriginal Corporation and Wadawurrung Traditional Owners Aboriginal Corporation also received VRC funding to consider opportunities for Traditional Owner led blue carbon restoration on Sea Country.
- vi. DEECA's review and update of the sea level rise planning benchmark based on the latest science in the Intergovernmental Panel on Climate Change sixth synthesis report.

Action 4 – Support sustainable use and development of the marine and coastal environment.

All 12 activities have commenced to deliver this action, including:

- i. DEECA's delivery of Coastal and Marine Management Plan (CMMP) Guidelines to support coastal Committees of Management, local government and Parks Victoria to develop and implement CMMPs.
- ii. DEECA's strategic coastal protection asset framework to identify high-risk priority protection assets for maintenance, replacement, or removal, in line with the Victorian Asset Management Accountability Framework. DEECA commissioned 62 technical reports in 2023–24 for high-risk coastal protection assets.
- iii. DEECA's pilot on-ground nature-based treatment project to reduce erosion and inundation risks, via the Commonwealth Government's Coastal and Estuarine Risk Mitigation Grants Program and the delivery of 13 projects to the value of \$1 million by coastal land managers, via the Coastal Public Access and Risk Grants program.
- iv. The strengthening of coastal infrastructure management through Victorian Government policies and guidance material.
- v. Better Boating Victoria's implementation of the Victorian Recreational Boating Strategy and allocation of funds to maintain boating infrastructure and monitor waterway safety.
- vi. Freight Victoria's implementation of the Sustainable Local Ports Framework and the Victorian Commercial Ports Strategy 2022 in collaboration with stakeholders, the community, and Traditional Owners.
- vii. DEECA's release of the third Offshore Wind Implementation Statement in 2023, progressing work towards delivering a thriving offshore wind sector in Victoria.

Action 5 – Implement the Marine Spatial Planning Framework. Delivery of 4 the 5 activities in this action are in progress, including:

- i. The development of mechanisms needed to support Marine Spatial Planning in Victoria such as additional evidence and international research.
- ii. DEECA has updated the CoastKit platform to support planning in marine and coastal ecosystems. This includes work on the marine ecosystem classification system, Marine Biodiversity Values Map, Feature Activity Sensitivity Tool (FeAST) and Victoria's first marine habitat map.
- iii. DEECA released 3 documents to provide guidance and tools to support marine spatial planning in Victoria: Marine Spatial Planning

Guidelines and Victoria's Marine Planning Areas (both published in September 2023); and an overview of values, uses and activities in Gippsland's marine environment (published July 2024). Representatives from Victoria's coastal Registered Aboriginal Parties have been involved throughout implementation of the Marine Spatial Planning Framework, ensuring that knowledge and assertions for Sea Country are highlighted and embedded across all outputs.

Action 6 – Identify resource needs for sustainable marine and coastal management. One of the 6 activities in this action is in progress. DEECA continues to progress long-term investment planning for implementation of the Strategy as outlined in Action 6 and based on the principles outlined in the Marine and Coastal Policy 2020.

Regional and Strategic Partnerships

Under the Act, the Inverloch Regional and Strategic Partnership (RASP) was created to address ongoing and future erosion and inundation impacts. The partnership has overseen the development of the draft [Cape to Cape Resilience Plan in 2023–24](#), in preparation for final public consultation and plan completion. The plan provides long-term coastal hazard resilience and strategic adaptation planning to enable the Cape to Cape community, between Cape Paterson and Cape Liptrap, to respond and adapt to climate change impacts on the coast. The plan assisted the Victorian Government to acquire \$3.3 million from the Commonwealth Government's Coastal and Estuarine Risk Mitigation Program (Emergency Response Fund) for on-ground works at Inverloch surf beach. Through this funding, feasibility assessments for sand nourishment on the Cape also commenced in 2023–24.

The Adapt West – Shaping our Shores Project is being led by the Port Phillip Bay Western Shoreline RASP. Started in February 2024, the project aims to respond to climate change and coastal hazard impacts on marine and coastal values of Port Phillip Bay's western shoreline. Work has commenced on stages 1 and 2 (scoping, values and objectives) of the project. The partnership also acquired \$0.95 million from the Commonwealth Government's Disaster Ready Fund to progress the technical and strategic planning assessments required to support the development of a regional Coastal Hazard Adaptation and Resilience Plan.

Environmental Management Plans

The Act states that DEECA, in collaboration with Melbourne Water and EPA, is responsible for implementing the Port Phillip Bay Environmental Management Plan 2017–2027 (PPB EMP). The PPB EMP represents the Victorian Government's ongoing commitment to the vision of a healthy Port Phillip Bay that is valued and cared for by all Victorians.

DEECA released the interactive [2021–22 PPB EMP Annual Report and Delivery Plan Update online](#) in May 2024. This publication includes report cards for the priority areas of the EMP.

The PPB EMP Delivery Plan Update comprises 277 projects delivered by Victorian Government agencies, key environmental organisations and other stakeholder groups to achieve the 3 goals of the EMP: stewardship of Port Phillip Bay is fostered across community, industry and government; water quality is improved to ensure environmental health and community enjoyment of the Bay; and the Bay's habitats and marine life are thriving. These 277 projects will be progressively achieved, and their status reported in the EMP Annual Report, with new activities identified and added over the EMP's 10-year implementation.

During 2023–24, progress was made to deliver the next Annual Report and Delivery Plan update for 2022–23, and completion of the [EMP Monitoring, Evaluation, Reporting and Implementation \(MERI\) Plan](#). DEECA and its partner agencies hosted a stakeholder forum in August 2023 to launch the MERI Plan and provide the opportunity for stakeholders to input into the assessment process. The 2022–23 Annual Report, Delivery Plan and MERI Plan will be released September 2024.

Coastal and Marine Management Plans

A Coastal and Marine Management Plan (CMMP) is prepared under the Act to establish an agreement between the Victorian Government, the relevant land manager and community about how to manage an area/s of marine and coastal Crown land in Victoria. As at 30 June 2024, Victoria has over 18 approved CMMPs, 3 of which were approved by DEECA in 2023–24:

1. Mount Eliza Coastal and Marine Management Plan
2. Flinders Coastal and Marine Management Plan
3. Portsea Coastal and Marine Management Plan

Consents

All use, development or works on marine and coastal Crown land by any party, including Committees of Management and local government, requires consent under the Act. There are 3 DEECA regions that manage Act consents for Victoria's marine and coastal environment: Gippsland, Port Phillip and Barwon South West.

In 2023–24:

- Barwon Southwest region approved 81 consents valued at \$70.0 million. Types of use and development included maintenance and upgrades, coastal protection structures and environmental protection works, hydrology and geotechnical engineering, facilities, campgrounds, on-water construction, events, dredging, CMMPs and masterplans, and works conducted by the Department of Transport and Planning and VicRoads.
- Port Phillip region approved 189 consents valued at \$90.6 million. Types of use and development included maintenance and upgrades, facilities, campgrounds, on-water construction, dredging, surf lifesaving clubs and commercial uses.
- Gippsland region approved 55 consents valued at \$7 million. Types of approved use and development include maintenance and upgrades, coastal protection structures/environmental protection works, hydrology and geotechnical engineering, on-water construction, events, dredging, surf lifesaving clubs, jetty maintenance and upgrades, offshore wind/energy exploration, and pipeline projects.

Compliance with the *Melbourne Strategic Assessment (Environment Mitigation Levy) Act 2020*

The *Melbourne Strategic Assessment (Environment Mitigation Levy) Act 2020* provides a legislative framework for the Melbourne Strategic Assessment program. It imposes a levy to fund mitigation measures for impacts on biodiversity caused by the development of Melbourne's growth corridors. The levy is paid into the Melbourne Strategic Assessment Fund and goes towards conservation reserves and programs.

Pursuant to section 91 of the Act, the department is required to include in its annual report details of the income and expenditure of the Melbourne Strategic Assessment Fund and the balance of the fund. These details for the financial year (ending 30 June 2024) are set out in the table below:

Melbourne Strategic Assessment Fund	(\$ million)
Opening balance	103.74
Income	57.32
Expenditure	47.32
Closing balance	113.74

DEECA continues to progress land acquisitions, which will require a significant draw down of levied funds over time, to deliver the Western Grassland Reserve. The 5-year forward budget and delivery plan anticipates the balance of the Melbourne Strategic Assessment Fund to reduce to a small surplus by 2030. In 2023–24, 585 hectares of land were acquired for the Western Grassland Reserve and 42 hectares for a conservation reserve. Several parcels within other conservation reserves were acquired.

DEECA is continuing to work with local government authorities and the Royal Botanic Gardens on habitat restoration and protection for the Southern Brown Bandicoot; and with Melbourne Water on wetland planning to support habitat for the Growling Grass Frog.

The program has also supported the 3 Registered Aboriginal Parties within the Melbourne Strategic Assessment footprint through funding a Melbourne Strategic Assessment partnership manager role in Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation and Bunurong Land Council Aboriginal Council, and a research and biocultural landscape mapping project with Wadawurrung Traditional Owners Aboriginal Corporation to ensure their goals for Country are embedded across the program.

Compliance with the *Flora and Fauna Guarantee Act 1988*

The *Flora and Fauna Guarantee Act 1988* (the Act) establishes the legal and administrative structure to enable and promote the conservation of Victoria's native flora and fauna. The Act, including its objectives, was amended in 2019 to strengthen it and improve its effectiveness.

A Biodiversity Strategy must be prepared that outlines the proposals for achieving the targets for measuring and the framework for monitoring the objectives under section 4 of the Act. [Protecting Victoria's Environment – Biodiversity 2037](#) is the current Biodiversity Strategy. The most recent assessment on the implementation of Biodiversity 2037 can be found on DEECA's website.

In addition, the following departmental initiatives, grouped according to broad theme, contribute toward delivering the objectives of the Act:

Grants and community programs

- BushBank*
- Coastcare Victoria program
- Environmental Volunteering Plan
- Faunal Emblems program*
- Icon Species program
- Nature Fund program
- Peri-urban Weed Management Partnership program
- Port Phillip Bay Fund
- Victorian Landcare Program
- Victorians Value Nature survey
- Victoria's resilient coast – Adapting to 2100+ program
- Wildlife Advisory Services
- Wildlife Rehabilitator Grants

Biodiversity data and knowledge

- ActivityKit
- Research undertaken by the Arthur Rylah Institute for Environmental Research
- Biodiversity 2037 Monitoring, Evaluation and Reporting Framework
- *Flora and Fauna Guarantee Act 1988* Action Statements
- *Flora and Fauna Guarantee Act 1988* Scientific Advisory Committee
- Feature Activity Sensitivity Tool (FeAST)
- Habitat Distribution Models
- Habitat Importance Maps
- Native vegetation extent and condition maps including Ecological Vegetation Classes (EVCs)
- Marine and Coastal Knowledge Framework
- NatureKit
- Specific needs assessments
- Strategic Management Prospects
- Translocation Assessment Panel
- Victorian Biodiversity Atlas
- Victorian Bushfire Monitoring program
- Victorian Coastal Monitoring program
- Victorian Forest Monitoring program

Programs and regulation

- Basin Salinity Management 2030
- Biodiversity Recovery Program
- Melbourne Strategic Assessment program
- Conservation Regulator*
- On-ground regulation – Wildlife and Protected Flora
- On-ground regulation – Timber harvesting
- On-ground regulation – Public land
- Protecting Biodiversity Program
- Regulatory approvals – Native vegetation clearing
- Sustainable Irrigation program
- Strengthening Country Program
- Victorian Deer Control Strategy and program
- Victorian Murray Floodplain Restoration project
- Weeds and Pests on Public Land program
- Wildlife Care and Protection
- Wildlife Emergency Management

Policy and legislation

- Critical Habitat Guidelines
- Invasive Species Policy
- Marine and Coastal Knowledge Framework
- Marine and Coastal Strategy*
- Our Catchments Our Communities
- Port Phillip Bay Environmental Management Plan 2017–2027
- Sustainable Water Strategies
- Threatened Species Policy
- Victorian Forestry Plan and Immediate Protection Areas implementation
- Victorian Koala Management Strategy
- Victorian Waterway Management Strategy
- Wildlife Policy
- Wildlife Welfare

Infrastructure planning

- New information, tools and guidance to facilitate renewable energy projects while mitigating biodiversity impacts
- Marine Spatial Planning Framework
- Victorian Transmission Investment Framework
- Victorian Planning Provisions Clause 52.17 (Native Vegetation)

*These initiatives are included in the DEECA Corporate Plan 2023–2027. Progress against these initiatives is reported in the Departmental Objectives, Indicators and Outputs section from page 23.

Compliance with the *Mineral Resources (Sustainable Development) Act 1990*

The Mining Warden is an independent statutory office holder appointed by the Governor in Council under the [Mineral Resources \(Sustainable Development Act\) 1990](#).

Pursuant to section 105 of the Act, the Mining Warden is required to submit a report to the minister within 3 months after the end of the financial year.

The report must include information on the following:

Nature and status of any dispute referred to the Mining Warden under section 97: 4 new cases were referred and investigated in 2023–24

Nature and status of any matter referred under section 98: nil new matters were referred and investigated in 2023–24.

Compliance with DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, DEECA made 1,339 datasets available in a variety of formats on the DataVic website in 2023–24. Information included in this Annual Report will also be available at DataVic in electronic readable format.

DEECA continues to make an extensive range of its data holdings accessible through the DataVic portal including information on:

- biodiversity: species and their locations around Victoria, bioregions
- water and catchments: hydrography and information regarding waterways, stream condition, wetland models and landscape profiles, salinity, groundwater sites
- climate change: rainfall, temperature and other datasets relating to the climate
- fire mapping: bushfire extents and fire operations
- energy: renewable energy storage, feed in tariff data
- land: Crown land tenure, forest cover, public land management including heritage rivers, wilderness zones, remote and natural areas and natural catchment areas, state forest recreation sites, hunting areas, recreation historic relics
- government funded public EV chargers
- marine assets.

This data is used by many organisations for a variety of purposes, including analysis, research, education and decision making.

Water Resource Assessment Program

Under Section 22 (1) of the *Water Act 1989* (the Act), the Minister for Water is required to ensure that a continuous program of assessment of the water resources of the state is undertaken. Under Section 22 (2), the water resource assessment program must provide for the collection, collation, analysis and publication of information about:

- (a) the availability of water, including surface water and groundwater
 - (ab) the use of one water source as a substitute for another water source
 - (ac) the environmental water reserve
- (b) the disposal of wastewater (including trade waste, sewage and saline water)
- (c) the use and re-use of water resources
- (d) floodwaters
- (e) drainage and waterway management
- (f) water quality (including salinity)
- (g) in-stream uses of water
 - (ga) current and historic levels of allocation and use of surface water and groundwater
 - (gb) current and historic condition of waterways and aquifers
- (h) anything else that the minister decides is appropriate.

Section 26 of the Act requires DEECA to report annually on these areas.

DEECA provides information on Victoria's water resources through a range of comprehensive reporting mechanisms, including a weekly update on the state's water resources published on the [DEECA Water and Catchments](#) website, along with more comprehensive information published on the [Water Measurement Information System](#) and [Victorian Water Register](#) websites, and on the [Victorian Water Accounts](#) (VWA) website.

The VWA is an annual statewide summary of Victoria's water resources. It documents water availability and provides assessments of rainfall, streamflow and groundwater levels, as well as information on water storages and re-use of treated wastewater. Information on water taken for consumptive use, water set aside for environmental purposes and water for Traditional Owners, is provided within the context of the Victorian water allocation framework, which sets out entitlements to water.

The VWA sources data from the state's surface water and groundwater monitoring networks, and draws on information from water corporations, DEECA, the Essential Services Commission, the Murray-Darling Basin Authority (MDBA) and catchment management authorities (CMAs).

The Victorian Water Accounts are now a completely digital offering, beginning in 2021–22.

The new site contains interactive data visualisations and data download options for multiple years, providing easier and more interactive ways to access the accounts. Accounts for earlier years going back to 2003 remain available as PDFs via [VWA: Previous Victorian water accounts](#).

The Victorian Water Register is a public register of water entitlement ownership in Victoria. It holds water shares that are recorded by the Victorian Water Registrar. It also holds water licences and delivery shares recorded by the rural water corporations. It records and enables seasonal determinations against water shares and provides for the trading and other dealings with water entitlements. The Victorian Water Register captures information on water availability and price, and makes this publicly and freely available via the water register website. The website can also be used to generate statistics and reports on levels of use, directions of trade, and prices paid for water. All water monitoring data collected by DEECA and its partners is made accessible on [Victoria's Water Measurement Information System](#).

Research undertaken through the Victorian Water and Climate initiative is helping to build an understanding of how the water cycle has been changing over time and the influence of climate change on water resources. The second phase of the research initiative was launched in July 2021. The new research projects expand on the knowledge gained from the previous phase and will improve understanding of current and future water availability. During 2023–24, research projects covered topics including rainfall intensity changes across Victoria, the role that large-scale climate drivers have on weather patterns, and improvements to modelling of water resources under a changing climate. A key objective of the research program is to ensure it remains user focused to inform any future iterations of the *Guidelines for Assessing the Impact of Climate Change on Water Availability in Victoria* and facilitate the application of the best available science for water management in Victoria. Research findings from the program are widely shared with the Victorian water sector through a range of methods, including synthesis reports, webinars and workshops. As well as these reporting tools, there are numerous processes in place to collect and provide specific information as required under the *Water Act 1989*. These are briefly summarised below, with references to sites and resources containing further and more detailed information.

a) Availability of water

Surface water

The state's surface water resources assessment network includes 953 sites that were monitored in 2023–24 through 3 regional water monitoring partnerships. These partnerships comprise 59 public and private organisations that procure their monitoring requirements under this program. The partnerships include state government departments, water corporations, CMAs, local councils (with a flood management function), the Bureau of Meteorology and the MDBA.

Surface water monitoring services are procured by DEECA on behalf of the regional water monitoring partnerships to ensure efficiency and statewide consistency in data quality.

All surface water data collected through the partnerships, summary reports on historical longer-term trends of surface water quality and the current status of water quantity are available on the [Water Measurement Information System](#) and the [Current Water Snapshot](#).

Groundwater

Victoria's State Observation Bore Network is underpinned by a program that involves monitoring of 1,426 bores. This monitoring program is jointly managed by DEECA and the rural water corporations and can include quarterly monitoring or real time daily monitoring of water level. Salinity is the most common water quality parameter measured at groundwater bores.

All groundwater data is available via the [Water Measurement Information System](#). Summary reports on historical longer-term trends in groundwater levels across the state are available on the [DEECA website](#). Information on groundwater use and trends is also provided on the [Victorian Water Accounts](#) website.

Accurate monitoring data is crucial for the sustainable management of groundwater resources and can help resolve management issues, questions or disputes raised by groundwater users.

ab) Use of one water source as a substitute for another water source

Under *Ministerial Reporting Direction 03*, water corporations are required to provide information in their annual reports on how they are promoting the integrated and sustainable use of water resources in their region. This includes projects undertaken in line with targets set in their corporate plan to deliver water recycling, water conservation, sustainable and resilient water services systems, and sustainable water strategies. Water corporations' annual reports are tabled in Parliament and are available on the water corporations' websites.

ac) Environmental Water Reserve

DEECA oversees the *Victorian Environmental Water Program* in conjunction with the Victorian Waterway Management Program (see section (e)) to maintain or improve the condition of Victoria's rivers, estuaries and wetlands, through provision and protection of water for the environment. The program is delivering priority actions from the Victorian Government's Water Plan, *Water for Victoria*, including responding to climate change, improved management of environmental water, strengthened monitoring and reporting, partnering with Traditional Owners, clear and transparent environmental water charging arrangements, and strong governance. The program is a partnership between DEECA, CMAs, the Victorian Environmental Water Holder (VEWH), Traditional Owners, water corporations, public land managers and other delivery partners.

The Environmental Water Reserve (EWR) is the legal term for water set aside for the environment under the *Water Act 1989*. The EWR comprises, or is contributed to, by:

- entitlements for the environment that are called either bulk entitlements or environmental entitlements
- the operation of caps on licensed consumptive water use (such as sustainable diversion limits or permissible consumptive volumes) and conditions on consumptive bulk entitlements, licences and permits, and as set out in management plans.

In regulated systems, the EWR consists of environmental entitlements, environmental bulk entitlements and various operational conditions on consumptive water use (noting that under some of these conditions, the water is not exclusively for the environment – for example, passing flow requirements). The environmental entitlements and environmental bulk entitlements refer to water usually held in and released from storages. The VEWH holds these entitlements on behalf of the Minister for Water. The VEWH is an independent statutory body responsible for making decisions on the most efficient and effective use of Victoria's environmental water entitlements.

Potential watering actions are documented by VEWH in its annual seasonal watering plan, which is informed by seasonal watering proposals prepared by each of the CMAs and Melbourne Water. The VEWH then commits water to these actions throughout the year via seasonal watering statements, which authorise waterway managers to use environmental water.

The VEWH is established under Part 3AA of the *Water Act 1989*. Further details about the VEWH, including its annual report and water holdings, can be found on the [VEWH website](#).

As at 30 June 2024, the VEWH water holdings comprised 25 entitlements and 107 water shares. During 2023–24, the VEWH worked with CMAs and Melbourne Water to manage this water to meet environmental objectives at 59 river reaches and 93 wetlands, including:

- **Gippsland:** Latrobe, Thomson and Macalister rivers, and the lower Latrobe wetlands (Sale Common, Dowd Morass and Heart Morass).
- **Central Victoria:** Yarra, Tarago, Maribyrnong, Werribee, Moorabool and Upper Barwon rivers, Pyrites Creek, the lower Barwon wetlands (Hospital Swamps and Reedy Lake) and one wetland in the Yarra system (Yering Backswamp).
- **Western Victoria:** Glenelg, Wimmera and Mackenzie rivers and the Burnt and Mount William Creeks, as well as 40 wetlands via the Wimmera-Mallee Pipeline.
- **Northern Victoria:** Ovens, Goulburn, Broken, Campaspe and Loddon rivers, and the upper and lower Broken Creek, 2 Living Murray icon sites (Barmah Forest, and Gunbower Forest) and 5 wetlands in the central and lower Murray systems.

Highlights from 2023–24 include:

Delivery of water for the environment to Lake Elizabeth and Kunat Kunat in spring 2023 to manage salinity and support survival of Murray hardyhead eggs and larvae. Surveys in autumn 2024 detected young fish of different sizes, indicating multiple successful spawning events since spring.

Spring watering of Moira grass plains in Barmah Forest was achieved through delivery of water for the environment between and after larger natural events. This resulted in excellent growth of Moira grass and river swamp wallaby grass, which are beginning to recover after a period of significantly reduced growth due to grazing pressure from feral animals.

Delivery of 83% of environmental watering actions at planned sites across Victoria, against a target of 90%. Wet conditions from winter 2023 through to summer 2024 meant that many sites that were originally planned to receive water for the environment under the [Seasonal Watering Plan 2023–24](#) received natural flooding. As a result, deliveries of environmental water were either not possible due to operational conditions or were not necessary as watering objectives had already been met.

Completion of the Taylors Weir fishway in the North Central region in October 2023 and the Kynmer Creek regulator in the Goulburn Broken region in May 2024, and removal of the Bromfield Street weir in the Glenelg Hopkins region in April 2024.

Implementing Murray-Darling Basin Plan environmental watering obligations (Chapter 8, Environmental Watering Plan) in partnership with the VEWH and CMAs, including continuing constructive interjurisdictional collaborations for ongoing and future work to meet mutual obligations.

During 2023–24, waterway managers continued to seek opportunities to increase the involvement of Traditional Owners in environmental water planning, management and monitoring. This included engaging with Traditional Owners during the preparation of seasonal watering proposals on how proposed environmental watering actions may also meet objectives for Traditional Owner cultural values and uses. This resulted in an increase in the number of potential watering actions in the VEWH's 2024–25 seasonal watering plan that have been planned in partnership with Traditional Owners.

In unregulated rivers, environmental water is protected through conditions on licences and bulk entitlements, caps or through statutory water management plans and non-statutory local management plans. Water corporations are responsible for ensuring that these conditions are met. During 2023–24, environmental water was considered and protected through input into numerous reviews in unregulated systems. A new state-wide prioritisation framework was also developed in June 2024 to underpin future management of unregulated rivers.

b) Disposal of wastewater (including trade waste, sewage and saline water)

All urban water corporations are required to report on wastewater disposals as part of the report of operations in their annual reports. These performance reports include indicators related to financial, service delivery and environmental performance. Specific wastewater indicators are prepared for reliability of collection services, quality of disposal and management. The annual reports are tabled in Parliament and available on water corporations' websites.

c) Use and re-use of water resources

See section (ab) above, 'The use of one water source as a substitute for another water source'. All urban water corporations are required to report on total use of alternative water sources such as recycled wastewater and stormwater re-use as part of the report of operations in their annual reports. The performance report includes indicators related to environmental performance for effluent re-use and greenhouse gas emissions. The annual reports are tabled in Parliament and available on water corporations' websites.

d) Floodwaters

The [Victorian Floodplain Management Strategy 2016](#) (VFMS) is the principal government policy for continuously building Victoria's flood risk resilience. Building on lessons learned from flood emergencies in 2010, 2011 and 2012, the strategy clarifies and confirms government and government agency roles and accountabilities. The VFMS supports agencies to deliver their respective accountabilities by specifying clear actions against each Victorian Government policy set out in the strategy. The VFMS includes 56 actions assigned to agencies across the floodplain management sector, including DEECA, local councils, CMAs and the Victoria State Emergency Service (VICSES). These actions are now all complete and/or embedded as part of agencies' business as usual practice. The strategy will continue to inform consistent decisions and actions for the management of flood-related issues over its 10-year term from 2016.

Three consecutive La Niña years (2020, 2021 and 2022) brought increased storm activity with heavy downpours resulting in flooding of Victoria's waterways and assets, particularly in the northeast, central and south Gippsland areas of the state. During October and November 2022 much of Victoria experienced intense and heavy rainfall. The high rainfall caused riverine flooding, with various peaks across the state. Many of the areas adversely impacted by these events were sites previously impacted by the 2019–20 bushfires and/or by similar storm events in June and October 2021. During the 2022 event, there were more than 200 reported incidents, including but not limited to 26 dam safety incidents, 16 fish death events, over 71 different sewer spills, 53 additional wastewater discharges, 10 water quality issues, 3 water service disruptions and 4 wastewater service disruptions. Almost all incidents have been resolved, except for 2 wastewater discharges, which are being managed under business-as-usual conditions. All dam incidents have been made safe, with several dams requiring medium to longer-term remediation works. DEECA is working with the dam owners in planning these works. During the summer of 2023–24, areas of central Victoria were again impacted by major flooding. After experiencing one of the driest Septembers on record, Victoria was impacted by several intense localised storm and flood events across October 2023 (Gippsland region) to January 2024 (Northern Victoria).

The longer-term impacts of the October 2022 flood event on waterway health remains significant. Seven of the 9 regional CMAs reported medium to extensive damage to numerous waterways, including the Murray River and its major Victorian tributaries (Mitta Mitta, Ovens, Goulburn, Campaspe, Loddon), and to waterways in the Wimmera, Hopkins and Barwon catchments. Damage was recorded to waterway beds and banks, riparian areas alongside waterways, Crown land frontages, existing erosion control structures, environmental water delivery assets including regulators and in-stream habitat structures. There were also significant impacts at Ramsar sites (Barmah Forest, Gunbower Forest, Kerang Lakes). As with recovery following the 2019–20 bushfires, overall recovery from flood events is ongoing with multi-year funding programs required to repair and restore waterway assets in affected areas.

Regional Floodplain Management Strategies (RFMS) are being coordinated by CMAs and Melbourne Water in partnership with local councils, VICSES and other agencies. The purpose of the RFMS is to support communities to identify, prioritise and implement flood mitigation activities, reduce existing flood risks, and manage residual risk. The RFMS have identified more than 400 locally prioritised and led actions for mitigating the effects of flooding for Victorian communities. Work to deliver RFMS implementation plans typically include detailed flood studies, flood mitigation works, flood warning system upgrades and planning scheme amendments.

CMAs worked with local government, VICSES and others to prepare the most recent tranche of competitive funding applications to implement their highest priority actions through the third round of the **Risk Resilience Grants Program (RRGP)**, which opened on 13 June 2023 and closed on 10 August 2023. This work includes securing a commitment from funding applicants that they will contribute local funding equal to at least one third of the proposed project budget in line with government policy on investing in flood mitigation. The program receives federal government funding through the National Partnership Agreements on Disaster Risk Reduction and is administered by Emergency Management Victoria with co-funding from DEECA.

FloodZoom is a web-based tool that incorporates current flood spatial data, live rainfall and stream level data to enable clear consequence planning, making it a single source of riverine flood information in Victoria to support flood readiness and response. A significant task for the FloodZoom program is ensuring flood data and intelligence products are continually updated as flood studies are completed and delivered by local councils and CMAs. The importance of this work was highlighted during the 2022 floods. Considerable positive feedback was received confirming the platform was indispensable for flood analysts providing advice to VICSES for warnings, evacuations and broader response strategies. In a new initiative, FloodZoom is now partnering with the **Digital Twin Victoria** online spatial data platform. In doing so, flood maps from completed flood studies contained by FloodZoom can now be freely viewed by the public.

In addition to its role as a key decision support tool for core emergency functions during flood events, FloodZoom also hosts a planning system module used by CMAs to streamline management of land use planning application referrals and permits, an algal module for reporting blue green algae outbreaks, and dam and risk management modules designed to assist water corporations.

e) Waterway management and drainage

DEECA oversees the Victorian Waterway Management Program that aims to maintain or improve the condition of Victoria's waterways (rivers, estuaries and wetlands). The program is a partnership between state government, Traditional Owners, regional agencies and authorities, other management partners and local communities.

As part of the program, DEECA is responsible for establishing the state policy framework for waterway management. Regional implementation is led by waterway managers from CMAs and Melbourne Water in the Port Phillip and Westernport region, via the Regional Waterway Strategies.

Through *Water for Victoria*, the Victorian Government invested \$248 million over 4 years (2020 to 2024) to improve the health of waterways and catchments. This included:

- significant on-ground works across regional Victoria to implement Regional Waterway Strategies and Regional Catchment Strategies
- management of environmental water entitlements and projects
- funding to support and improve Ramsar sites (including the Gippsland Lakes)
- service delivery to provide advice to the public regarding flood risks and processing of thousands of permits and licenses related to works and developments along waterways
- review of the Victorian Waterway Management Strategy (2013) and work towards releasing the renewed strategy by mid 2025.

Funding of approximately \$40.2 million provided by the Victorian Government in 2023–24 has been invested by CMAs for improving the health of Victoria’s waterways and catchments. The delivery of CMA programs is tracked and reported annually.

Over 2023–24 CMAs have:

- completed approximately 11,165 hectares of waterway vegetation works including tree planting, weed control and fencing alongside waterways
- maintained or improved the environmental condition of approximately 218 river reaches and wetlands
- continued the delivery of large-scale, long-term investment in Flagship Waterway projects to improve waterway outcomes at priority sites around the state
- processed 97% of waterway licenses and permits within statutory timeframes
- implemented 17 catchment stewardship projects working closely with community, sector partners and Traditional Owners to deliver 19,500 hectares of improved catchment stewardship
- further developed foundations with partners and Landcare networks to complete stewardship plans and assessments for over 130,000 hectares across Victoria
- continued the delivery of major long term statewide monitoring programs in targeted rivers and wetlands to assess and improve the value and success of the program
- continued the delivery of a range of citizen science programs that focus on waterway health, including EstuaryWatch and Waterwatch Victoria, school-based programs including River Detectives, and a range of other programs including monitoring frogs, waterbirds and litter.

More information on these programs and achievements can be found on the [DEECA website](#).

Major drainage systems in the Melbourne region are the responsibility of Melbourne Water, managed under their Waterways and Drainage Strategy and reported against in the Melbourne Water Annual Report.

f) Water quality (including salinity)

Water quality monitoring was conducted at 459 partnership sites across the state in 2023–24. A range of water quality parameters are either continuously monitored or sampled at regular intervals from these sites, and cover a range of physical, chemical, nutrient, metal, anion, cation, organic load and algal analyses. Data from the monitoring network is made publicly available through the [Water Measurement Information System](#). Water quality across the state is generally good. However, it can vary depending on location, weather conditions, land use and land use practices.

g) In-stream uses of water

Refer to section (ac) above, ‘Environmental Water Reserve’, for details regarding the in-stream uses of water.

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

The *Victorian Water Accounts* (VWA) provides a comprehensive annual overview of the state’s water resources. This includes providing an annual statewide and system picture of water availability and use for each of Victoria’s 29 river basins and 20 groundwater catchments, and for each of the state’s rural and urban distribution systems.

The 2021–22 accounts were released in March 2024 and have been published as a digital product on the [VWA website](#). Details of Victoria’s water availability and use in 2022–23 will be provided in the 2022–23 Victorian Water Accounts. These are expected to be completed around October 2024. Comprehensive historic information on allocations and water use is also available in Water Accounts and State Water Reports dating back to 2003–04.

Surface water

The 2021–22 VWA reflect that the majority of Victoria received more rainfall than average and more than the previous year. Rainfall was above average in the north-west, and significantly above average in the north-east and eastern Gippsland. Rainfall was average in the rest of the state.

In 2021–22, seasonal allocations to high-reliability entitlements in all declared water systems reached 100%. A 100% allocation means that an entitlement owner has their full water entitlement volume available to use or trade. All northern regulated systems reached 100% allocation against high reliability water entitlements by October 2021, and against low reliability entitlements for the Murray, Broken and Bullarook systems by February 2022. An even wetter year was experienced in 2023–24, emphasised by the Murray system receiving a 100% allocation to low-reliability entitlements – the first time since the introduction of the current entitlement products in 2007.

The Thomson-Macalister and Werribee regulated systems in the south both received 100% against high reliability entitlements by December 2021 and 100% against low reliability entitlements by March 2022.

The Wimmera-Mallee Pipeline Product allocation reached 63% allocation of entitlement volumes in June 2022.

Groundwater

Seasonal restrictions are announced in accordance with the groundwater management plans developed for Water Supply Protection Areas (WSPAs) and Groundwater Management Areas (GMAs). A restriction may be used to reduce the risks from falling groundwater levels; allow the resource to be shared between all users; or recognise and reduce the social and environmental costs of lowering groundwater levels.

The 2021–22 VWA reflect that restrictions on groundwater use were in place in all management zones in the Lower Campaspe Valley WSPA (75%), Katunga WSPA (70%), Deutgam WSPA (50%) and the West Wimmera GMA Neuarpur Sub-Zone 1 (80%).

gb) Current and historic condition of waterways and aquifers

DEECA has reviewed and improved Victoria's existing waterway health monitoring programs to have a greater focus on monitoring the changes that result from management actions – an action in *Water for Victoria*. Management interventions should over time result in improvements to overall waterway resource conditions. Statewide condition monitoring programs such as the Index of Stream Condition (ISC) provide information about the overall condition of Victoria's waterways and guide state policy and regional investment programs. Three previous ISC assessments have been undertaken. The results of the most recent ISC assessment were released in 2010 and are available at [MapshareVic](#) and [Data Vic](#). A key lesson from these assessments is that changes in resource condition in response to management interventions may take many decades to emerge as the benefits of management interventions accumulate and ecological systems have time to recover. *Water for Victoria* acknowledges that the full benefits of investments, such as the first 10 Flagship Waterway projects established in 2016 to improve waterway health, may not be realised for 30 years or more. Responses to management interventions need to be measured at relevant scales and assessed against specific management targets. As such, the schedule of broad scale condition monitoring of rivers, wetland and estuaries has been revised to occur less frequently, cycling between rivers, wetlands and estuaries.

The first statewide [Index of Estuary Condition \(IEC\)](#) assessment was completed in 2021. IEC results are available on [DEECA's Waterways and catchments website](#), [MapshareVic](#) and [Data Vic](#). The results from the most recent statewide wetland assessment in 2010 that looked at 827 wetlands are also available at [MapshareVic](#). An updated assessment of statewide wetland condition is due for reporting in 2024–25.

Aquifer condition is monitored through Victoria's State Observation Bore Network. See section (a) 'Availability of Water – Groundwater' for more information.

h) Anything else that the minister decides is appropriate

Sustainable Water Strategies

Sustainable Water Strategies (SWSs) are a legislative requirement under Division 1B of the *Water Act 1989* and fulfil Victoria's commitment under the National Water Initiative to carry out open, statutory-based water planning.

There were 4 SWSs developed between 2006 and 2011. These strategies set out long-term plans to secure each region's water future, identifying and managing threats to the supply and quality of the region's water resources and identifying ways to improve waterway health.

DEECA leads the development and implementation of SWSs in partnership with the water sector, Traditional Owners, water users and the community. The collaborative development of SWSs, including public consultation, is important to ensure a sustainable water future for each region and the waterways, communities and businesses that depend on those supplies.

There are currently 3 existing regional SWSs for Victoria:

- Central and Gippsland Region Sustainable Water Strategy (CGRSWS) – 2022
- Northern Region Sustainable Water Strategy – 2009
- Western Region Sustainable Water Strategy – 2011

The original Central Region SWS (2006) and Gippsland Region SWS (2011) were combined into a single revised SWS for the Central and Gippsland Region in 2022 to account for the increased connectivity of the Victorian water grid network across the region and the need to consider sustainable water management across that combined region.

Water for Victoria commits to maintaining Victoria's planning framework, including the role of SWSs.

Environmental Contribution Tranche 6 funding has been secured to continue to implement SWSs to a total of \$8.0 million over 4 years, commencing 1 July 2024.

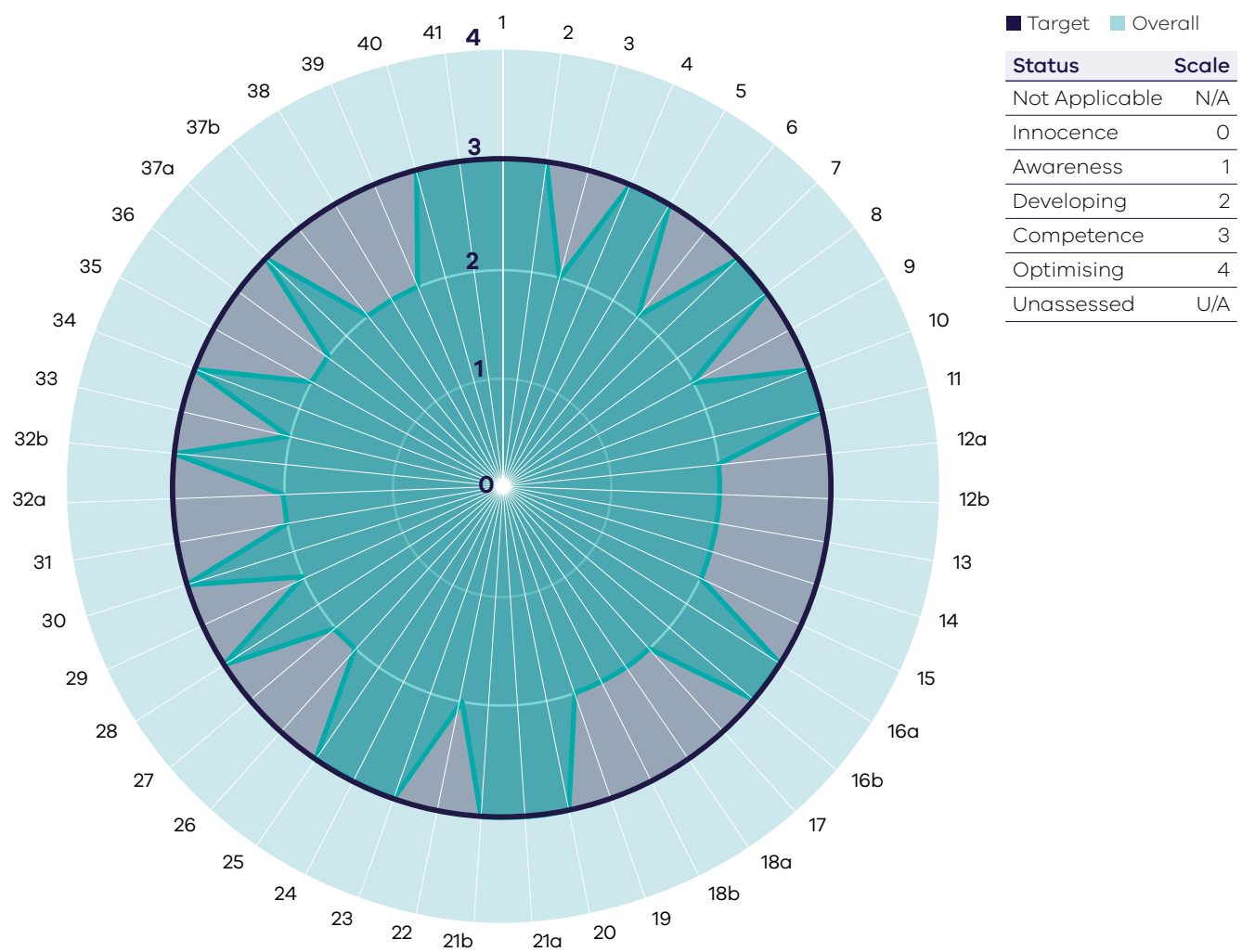
More information on SWSs and further details on the status of each individual SWS action is available on the [DEECA website](#).

Asset Management Accountability Framework (AMAF) maturity assessment

The Asset Management Accountability Framework (AMAF) is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the [Department of Treasury and Finance website](#).

The department's target maturity rating against the requirements of the AMAF is 'developing', meaning systems and processes are being embedded, often applied effectively, with clear links to the AMAF mandatory requirement.

The department's long-term target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Leadership and accountability (requirements 1–19)

The department has not reached the target maturity rating for some requirements within this category and is partially compliant for this AMAF element. There is no material non-compliance reported. A plan to improve the department's maturity rating in the areas of resourcing and skills, governance, allocating asset management responsibility, monitoring asset performance, asset management system performance and reporting to government is in place. The AMAF requirements under the Leadership and Accountability key element are detailed below:

AMAF requirement no.	Chapter No. / Area	Requirement
1	3.1 Overview and key requirements	Appropriate financial and risk thresholds are defined in line with the AMAF requirements
2	3.1.1 Resourcing and skills	Asset management functions are established and appropriately resourced
3	3.1.1 Resourcing and skills	Contracted service providers or entities have arrangements in place to ensure their staff are appropriately skilled and trained
4	3.1.2 Governance	Appropriate governance frameworks are established
5	3.1.2 Governance	Mandatory requirements under other government policies are complied with
6	3.1.2 Allocating asset management responsibility	Responsibility, authority, and accountability for all stages of the asset lifecycle are often defined and allocated
7	3.1.2 Allocating asset management responsibility	Asset management activities are carried out under proper authorisation
8	3.1.2 Allocating asset management responsibility	Systems and processes are in place to support the AMAF
9	3.1.2 Allocating asset management responsibility	Individuals responsible and accountable for decision making are mostly documented
10	3.1.2 Allocating asset management responsibility	Internal management processes are established for most entities outside the standing directions
11	3.1.3 Attestation Requirements	Audit committee satisfied with AMAF process undertaken by the department
12a	3.1.4 Monitoring asset performance	Performance standards and targets are being established
12b	3.1.4 Monitoring asset performance	Processes to regularly record, monitor, and assess performance are being established
13	3.1.4 Monitoring asset performance	Performance and utilisation of assets are reviewed periodically
14	3.1.4 Monitoring asset performance	Asset performance monitoring incorporation into the overall corporate and strategic planning frameworks are being developed
15	3.1.4 Asset management system performance	Systems and processes for monitoring performance are being developed to measure asset performance and the asset management systems more thoroughly
16a	3.1.4 Asset Management System Performance	A self-assessment of asset management maturity within the organisation is conducted at least every 3 years
16b	3.1.4 Asset Management System Performance	The maturity of asset management systems and practices against aspirational targets and path towards achieving maturity is ongoing
17	3.1.4 Reporting to Government	DEECA can provide relevant asset information and performance data to government / central agencies as required
18a	3.1.4 Evaluation of asset performance	The review and evaluation of asset performance by asset class is developing
18b	3.1.4 Evaluation of asset performance	Changes to the organisation's asset management and risk management processes and systems are made to ensure the organisations service delivery objectives are made
19	3.1.5 Other requirements	Appropriate risk management strategies and processes to support asset management are being developed.

Planning (requirements 20–23)

The department has met its target maturity rating under most requirements within this category and is partially compliant for this AMAF element. The department did not comply with a requirement related to risk management and contingency planning. There is no material non-compliance reported. The department will develop an improved plan to further develop the organisation's asset risk planning and strategies. The AMAF requirements under the Planning key element are detailed below:

AMAF requirement no.	Chapter No. / Area	Requirement
20	3.2.2 Asset management strategy	A departmental wide asset management strategy has been developed
21a	3.2.2 Asset management strategy	The strategy outlines how the organisation's assets will support its service delivery objectives. For some asset classes, Strategic Asset Management Plans and Asset Class Management plans detail the asset lifecycle activities.
21b	3.2.2 Asset management strategy	The strategy is evaluated by senior management and updated where applicable
22	3.2.2 Risk management and contingency planning	Asset risk management planning is being developed and incorporated into the asset management strategy
23	3.2.2 Risk management and contingency planning	The effectiveness of risk management measures is monitored and evaluated on a regular basis

Acquisition (requirements 24 and 25)

The department has met its target maturity rating in this category. The AMAF requirements under the Acquisition key element are detailed below:

AMAF requirement no.	Chapter No. / Area	Requirement
24	3.3.1 Overview	The process for acquisition of new assets considers different solutions, risks, procurement and approval mechanisms
25	3.3.2 Acquisition Process	The process considers aspects of the organisation's asset management strategies, nature of assets and market conditions in the acquisition of new assets

Operation (requirements 26–40)

The department has not reached the target maturity rating for some requirements within this category and is partially compliant against this AMAF element. The department partially complies with requirements in the areas of monitoring and preventive action, maintenance of assets, information management and record keeping. There are no material non-compliances reported. The department is developing an improved plan that will further enhance compliance in these areas. The AMAF requirements under the Operation key element are detailed below:

AMAF requirement no.	Chapter No. / Area	Requirement
26	3.4.2 Monitoring and preventative action	Processes to identify, monitor and record the condition of their organisation's asset are being established
27	3.4.2 Monitoring and preventative action	Processes to proactively identify potential asset performance failures and identify options for preventive action are being established
28	3.4.2 Monitoring and preventative action	Actions to control and address critical incidents are undertaken
29	3.4.2 Monitoring and preventative action	Processes for the effectiveness of corrective actions to be reviewed and assessed are developing
30	3.4.2 Monitoring and preventative action	Policies and procedures that securely protect their assets against fraudulent activity or improper use are established
31	3.4.3 Maintenance of assets	Systems and processes for undertaking maintenance activities are being established
32a	3.4.3 Maintenance of assets	Processes for the review of maintenance programs are being developed
32b	3.4.3 Maintenance of assets	Available resources for maintenance are examined to ensure that assets are maintained to the right standard
33	3.4.3 Information management	Accurate recording, identification, valuation and reporting procedures are established
34	3.4.3 Information management	An Asset Information Management System (AIMS) has been established
35	3.4.3 Information management	Information in AIMS is readily accessible to relevant individuals
36	3.4.3 Information management	Up-to-date asset information and historical records are maintained in AIMS
37a	3.4.3 Information management	Minimum information requirements are defined
37b	3.4.3 Information management	Processes to generate the required information and establish necessary controls are implemented
38	3.4.3 Information management	Information in AIMS is regularly reviewed
39	3.4.3 Record keeping	Appropriate record keeping processes are being developed
40	3.4.4 Asset valuation	Asset valuations are recorded in the relevant policies and procedures

Disposal (requirement 41)

The department has met its target maturity rating in this category. The AMAF requirement under the Disposal key element are detailed below:

AMAF requirement no.	Chapter No. / Area	Requirement
41	3.5 Disposal	Relevant approval processes are complied with, and, where possible, a disposal method that maximises financial benefits selected

Additional information available

In compliance with the requirements of the Standing Directions of the Minister for Finance, details of the items listed below are available on the department's [annual report webpage](#).

- a. a statement that declarations of pecuniary interests have been duly completed by all relevant officers of the department
- b. details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary
- c. details of publications produced by the department about the activities of the department and where they can be obtained
- d. details of changes in prices, fees, charges, rates and levies charged by the department for its services, including services that are administered
- e. details of any major external reviews carried out in respect of the operation of the department
- f. details of any major research and development activities undertaken by the department
- g. details of overseas visits funded by the department including a summary of the objectives and outcomes of each visit
- h. details of major promotional, public relations and marketing activities undertaken by the department to develop community awareness of the services provided by the department
- i. details of assessment and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the report of operations
- j. general statement on industrial relations within the department and details of time lost through industrial accidents and disputes, which are not otherwise detailed in the report of operations
- k. list of major committees sponsored by the department, the purpose of each committee and the extent to which the purposes have been achieved
- l. details of consultancies (valued at \$10,000 or greater) including:
 - i. consultants engaged
 - ii. services provided
 - iii. expenditure committed to for each engagement.

Details of all consultancies and contractors (including i. consultants/contractors engaged; ii. services provided; iii. expenditure committed to for each engagement) are available on request from the DEECA Customer Contact Centre on 136 186, or via email: [Customer Service](#), subject to the provisions of the *Freedom of Information Act 1982*.

Financial Statements



How this report is structured

The Department of Energy, Environment and Climate Action (DEECA) has presented its audited general purpose financial statements for the financial year ended 30 June 2024 in the following structure to provide users with the information about the department's stewardship of resources entrusted to it.

Financial Statements 30 June 2024

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Accountable Officer's and Chief Finance Officer's declaration

The attached financial statements for the Department of Energy, Environment and Climate Action have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and financial position of the department at 30 June 2024.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 20 September 2024.



John Bradley

Secretary

Department of Energy, Environment
and Climate Action

Melbourne

20 September 2024



Etienne Gouws

Executive Director, Finance

Department of Energy, Environment
and Climate Action

Melbourne

20 September 2024

Auditor-General's report



Independent Auditor's Report

To the Secretary of the Department of Energy, Environment and Climate Action

Opinion	<p>I have audited the financial report of the Department of Energy, Environment and Climate Action (the department) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2024• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including material accounting policy information• Accountable Officer's and Chief Finance Officer's declaration. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the department as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the Auditor's Responsibilities for the Audit of the Financial Report section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Secretary's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Secretary's responsibilities for the financial report	<p>The Secretary of the department is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Secretary determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Secretary is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Key audit matters	Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. This matter was addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.
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Key audit matter	How I addressed the matter
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The Fair Value Estimate of Financial Derivatives

Note 6.2 Derivative Financial Instruments

<p>Derivative financial asset: \$69 million Derivative financial liability: \$15 million Loss on revaluation of derivative financial asset: \$28 million</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> • derivative financial asset and liability balances and their fair value movements are financially significant • the accounting treatment of financial instruments is complex • the derivative model is highly complex and involves significant management judgements and subjective assumptions which are difficult to determine in the current uncertain economic environment • the fair value approach uses significant unobservable inputs, such as future wholesale electricity prices that are forward-looking and influenced by demand and supply fluctuations in the energy market • small changes in key assumptions used in the model can materially affect the fair value • management engage an external valuation expert to prepare the fair value estimate • the applicable accounting standards <i>AASB 13 Fair Value Measurement</i> and <i>AASB 7 Financial Instruments: Disclosures</i> both require extensive financial report disclosures. 	<p>My key audit procedures included:</p> <ul style="list-style-type: none"> • obtaining an understanding of the approach to estimating the fair value of the financial instruments • assessing the competence, objectivity and capability of management's expert engaged to assist with the valuation process • engaging subject matter experts to assist in obtaining sufficient appropriate audit evidence, including: <ul style="list-style-type: none"> ○ the appropriateness of the fair value model ○ the reasonableness and consistency of assumptions used ○ the reasonableness of all inputs used, with specific reference to underlying data and supporting documentation ○ the model's computational accuracy ○ developing an auditor's range to assess the fair value estimate. • evaluating our subject matter experts' findings and concluding the work was adequate for the purposes of our audit • substantiating the accuracy and validity of a selection of derivative settlements to underlying supporting information • reviewing the appropriateness of financial report disclosures as required by Australian Accounting Standards.
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Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary
- conclude on the appropriateness of the Secretary's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the department to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Secretary regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Secretary, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. I describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

MELBOURNE
30 September 2024



Andrew Greaves
Auditor-General of Victoria

Comprehensive operating statement for the financial year ended 30 June 2024⁽ⁱ⁾

	Notes	2024 \$'000	2023 \$'000
Revenue and income from transactions			
Output appropriations	2.2.1	2,561,891	3,355,969
Special appropriations	2.2.2	2,117	64,505
Sale of goods and services	2.3.1	146,238	148,975
Municipal and Industrial Waste Levy	2.3.2	474,401	479,212
Metropolitan Parks Improvement Rate	2.3.3	200,379	206,204
Grants	2.3.4	23,249	24,906
Interest income	7.1.2	29,375	21,497
Other income	2.3.5	60,351	69,532
Total revenue and income from transactions		3,498,001	4,370,800
Expenses from transactions			
Employee expenses	3.1.1	(876,557)	(755,971)
Grants and other transfers	3.1.2	(1,485,655)	(2,401,657)
Supplies and services	3.1.3	(736,479)	(763,530)
Depreciation and amortisation	5.1.2	(115,211)	(96,301)
Interest expense	7.2.2	(40,716)	(22,055)
Initial recognition expense from financial instruments	3.1.4	–	(22,219)
Loan repayments transferred to the administered entity	3.1.5	(56,571)	(52,886)
Total expenses from transactions		(3,311,189)	(4,114,619)
Net result from transactions (net operating balance)		186,812	256,181
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	9.2	20,056	(158,950)
Net (loss) on financial instruments	9.2	(29,852)	(176,999)
Other gains/(losses) from other economic flows	9.2	3,583	(2,015)
Total other economic flows included in net result		(6,213)	(337,964)
Net result		180,599	(81,783)
Other economic flows – other comprehensive income			
Items that will not be classified to net result			
Net change in physical asset revaluation surplus	9.3.1	–	184,519
Total other economic flows – other comprehensive income		–	184,519
Comprehensive result		180,599	102,736

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

Note:

This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Balance sheet as at 30 June 2024⁽ⁱ⁾

	Notes	2024 \$'000	2023 \$'000
Assets			
Financial assets			
Cash and cash deposits	7.1	1,449,735	1,250,537
Receivables	6.1	1,392,774	1,398,173
Derivative financial instruments	6.2	68,901	147,127
Investments and other financial assets		2,264	2,554
Total financial assets		2,913,674	2,798,391
Non-financial assets			
Property, plant and equipment	5.1	9,911,204	9,908,944
Non-financial physical assets classified as held for sale	5.2	1,050	7,276
Intangible assets	5.3	10,394	13,152
Prepayments	6.4	30,913	51,706
Other non-financial assets	6.5	21,196	28,272
Total non-financial assets		9,974,757	10,009,350
Total assets		12,888,431	12,807,741
Liabilities			
Payables	6.3	306,154	391,647
Other financial liabilities	6.7	211,014	207,672
Borrowings	7.2	419,764	440,228
Employee related provisions	3.1.1(a)	232,863	218,019
Other provisions	6.6	117,766	117,994
Derivative financial instruments	6.2	14,913	20,394
Other liabilities		11,513	15,997
Total liabilities		1,313,987	1,411,951
Net assets		11,574,444	11,395,790
Equity			
Accumulated surplus		4,111,012	3,930,413
Physical asset revaluation surplus	9.3.1	6,692,330	6,692,330
Contributed capital		771,102	773,047
Net worth		11,574,444	11,395,790

The balance sheet should be read in conjunction with the notes to the financial statements.

Note:

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Statement of changes in equity for the financial year ended 30 June 2024 ⁽ⁱ⁾

	Notes	Accumulated surplus/(deficit) \$'000	Physical asset revaluation surplus \$'000	Contributed capital \$'000	Total \$'000
2023					
Balance at 1 July 2022		4,508,735	6,615,663	191,630	11,316,028
Net result for the year		(81,783)	–	–	(81,783)
Transfers between equity classes		(496,539)	(107,852)	604,391	–
Other comprehensive income for the year	9.3.1	–	184,519	–	184,519
Additions to Net Asset Base	2.2.1	–	–	265,796	265,796
Capital contributions of assets ⁽ⁱⁱ⁾		–	–	(108,191)	(108,191)
Capital contributions transferred to portfolio entities	9.3.2	–	–	(133,774)	(133,774)
Restructure of administrative arrangements – net assets received	4.3	–	–	749,219	749,219
Restructure of administrative arrangements – net assets transferred	4.3	–	–	(796,024)	(796,024)
Balance at 30 June 2023		3,930,413	6,692,330	773,047	11,395,790
2024					
Balance at 1 July 2023		3,930,413	6,692,330	773,047	11,395,790
Net result for the year		180,599	–	–	180,599
Additions to Net Asset Base	2.2.1	–	–	542,333	542,333
Capital contributions of assets ⁽ⁱⁱ⁾		–	–	(89,801)	(89,801)
Capital contributions transferred to portfolio entities	9.3.2	–	–	(454,477)	(454,477)
Balance at 30 June 2024		4,111,012	6,692,330	771,102	11,574,444

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

Note:

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

(ii) The movement relates to asset transfers to and from the department and transfer of gain and loss on disposal of assets to the administered entity.

Cash flow statement for the financial year ended 30 June 2024⁽ⁱ⁾

	Notes	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts			
Receipts from government		2,570,743	3,338,319
Receipts from other entities		832,892	972,855
Goods and Services Tax recovered from the Australian Tax Office (ATO) (ii)		33,378	54,999
Derivative settlements		5,138	80,675
Interest received		21,928	21,497
Total receipts		3,464,079	4,468,345
Payments			
Payments of grants and other transfers		(1,563,392)	(2,403,959)
Payments to suppliers and employees		(1,612,435)	(1,612,874)
Payment of derivatives		(29,020)	(19,759)
Interest and other costs of finance paid		(30,363)	(23,368)
Total payments		(3,235,210)	(4,059,960)
Net cash flows from/(used in) operating activities	7.1.1	228,869	408,385
Cash flows from investing activities			
Payments for investments		(82)	–
Purchases of non-financial assets		(125,266)	(189,395)
Sales of non-financial assets		27,809	24,344
Net cash flows from/(used in) investing activities		(97,539)	(165,051)
Cash flows from financing activities			
Cash received from activities transferred in – restructure of administrative arrangements		4,369	183,780
Cash provided with activities transferred out – restructure of administrative arrangements		–	(568,501)
Owner contributions by state government	2.2.1	542,333	265,796
Capital contributions transferred to portfolio entities	9.3.2	(454,477)	(133,774)
Repayments of principal portion of lease liabilities		(25,288)	(23,776)
Net Borrowing		(671)	(86)
Proceeds from/(repayments of) advances		1,602	2,229
Net cash flows from/ (used in) financing activities		67,868	(274,332)
Net increase/(decrease) in cash and cash equivalents		199,198	(30,999)
Cash and cash equivalents at the beginning of the financial year		1,250,537	1,281,536
Cash and cash equivalents at the end of the financial year	7.1	1,449,735	1,250,537

The cash flow statement should be read in conjunction with the notes to the financial statements.

Note:

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

(ii) Goods and Services Tax recovered from the ATO is presented on a net basis.

Notes to the financial statements for the year ended 30 June 2024

Note 1. About this report

The Department of Energy, Environment and Climate Action (the department, DEECA) is a government department of the State of Victoria, established pursuant to an order made by the Premier under the *Public Administration Act 2004*. It is an administrative agency acting on behalf of the Crown.

Significant changes in prior year

On 1 January 2023, the department's name changed from the Department of Environment, Land, Water and Planning to the Department of Energy, Environment and Climate Action by order of the Governor in Council under Section 10 of the *Public Administration Act 2004*. Additionally, a significant transfer of functions was declared by the Premier under section 30 of the *Public Administration Act 2004* to take effect from 1 January 2023. Under this transfer (called a machinery of government change or a restructure of administrative arrangements) the department relinquished the Planning and Heritage, Building and Land Use Victoria outputs and gained the Agriculture and Resources outputs. Refer to Note 4.3 Restructuring of administrative arrangements for more information.

Its principal address is:

Department of Energy, Environment
and Climate Action

8 Nicholson Street
East Melbourne Victoria 3002

A description of the nature of the department's operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

Basis of preparation

These financial statements are in Australian dollars and prepared using the historical cost convention unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the department.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates relate to:

- the recognition of grant revenue (refer to Note 2 Funding delivery of our services).
- the estimation of the fair value of derivative financial instruments (refer to Note 6.2 Derivative financial instruments, Note 3.1.4 Initial recognition expense from financial instruments and Note 9.2 Other economic flows included in net result).
- the assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.1.1(a) Employee benefits in the balance sheet).
- the type of joint arrangement in which the department had an interest during the reporting period (refer to Note 4.2 Administered (non-controlled) items, Note 4.2.3 Administered investments in joint operation and Note 5.4 Joint operations).
- the classification of transactions and balances as administered by the department (refer to Note 4.2).
- the recognition and measurement of the Victorian Desalination Project (refer to Note 4.2 Administered (non-controlled) items and Note 4.2.4 Victorian Desalination Project).
- the impairment of non-financial assets (refer to Note 5.1.2 Depreciation, amortisation and impairment).
- the estimated useful lives over which non-financial assets are depreciated (refer to Note 5.1.2).
- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1.3 Fair value determination).
- the estimation of amounts required to be provisioned or disclosed as contingent liabilities (refer to Note 4.2 Administered (non-controlled) items and 8.2 Contingent assets and contingent liabilities).
- the estimation of contractual receivables recoverability (refer to Note 6.1 Receivables).

These financial statements cover the department as an individual reporting entity and include all the controlled activities of the department.

Where control of an entity is obtained during the financial period, its results are included in the comprehensive operating statement from the date on which control commenced. Where control ceases during a financial period, the entity's results are included for that part of the period in which control existed. Where entities adopt dissimilar accounting policies and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

The results of the following agencies have been combined into the department's financial statements, from 1 January 2023, pursuant to a determination made by the Assistant Treasurer under section 53(1) (b) of the *Financial Management Act 1994*.

- Rural Assistance Commissioner
- Mine Land Rehabilitation Authority

In addition, VicGrid (which was previously reported as a group within the energy output) was declared an administrative office pursuant to Section 11 of the *Public Administration Act 2004* and is now included in the financial statements as an administrative office from 1 March 2024. It is included in the energy output group.

In preparing the department's combined financial statements, all material transactions and balances between the entities are eliminated.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in these financial statements, please refer to Note 9.13 Glossary of technical terms.

Note 2. Funding delivery of our services

Introduction

DEECA brings together Victoria's agriculture, climate action, energy, environment, emergency management, forestry, resources and water functions into a single department to maximise connections between the environment, community, industry and economy.

To enable the department to fulfil its purpose and provide outputs as described in Note 4, it receives income (predominantly accrual based parliamentary appropriations). The department also receives fees for various goods and services, levies and parks charges.

Significant judgement: Grants revenue

The department has made judgements about whether amounts received as grants should be recognised as income of not-for-profit entities (using AASB 1058) or as revenue from contracts with customers (using AASB 15). Grant agreements that do not contain sufficiently specific performance obligations (in the department's judgement) are recognised as income whereas grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers and recognised when the department satisfies the performance obligation.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Appropriations
 - 2.2.1 Summary of compliance with annual parliamentary appropriations
 - 2.2.2 Summary of compliance with special appropriations
 - 2.2.3 Annotated income agreements
- 2.3 Income from transactions
 - 2.3.1 Sale of goods and services
 - 2.3.2 Municipal and Industrial Waste Levy
 - 2.3.3 Metropolitan Parks Improvement Rate
 - 2.3.4 Grants
 - 2.3.5 Other income

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2024 \$'000	2023 \$'000
Revenue and income from transactions			
Output appropriations	2.2.1	2,561,891	3,355,969
Special output appropriations	2.2.2	2,117	64,505
Sale of goods and services	2.3.1	146,238	148,975
Municipal and Industrial Landfill Levy	2.3.2	474,401	479,212
Metropolitan Parks Improvement Rate	2.3.3	200,379	206,204
Grants	2.3.4	23,249	24,906
Interest income	7.1.2	29,375	21,497
Other income	2.3.5	60,351	69,532
Total revenue and income from transactions		3,498,001	4,370,800

Revenue and income that fund delivery of the department's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2 Appropriations

Once annual parliamentary appropriations are applied by the Treasurer, they become controlled by the department and are recognised as income when applied for the purposes defined under the relevant Appropriations Act.

Output appropriations

Income from the outputs the department provides to the government is recognised when those outputs have been delivered and the relevant minister has certified delivery of those outputs in accordance with specified performance criteria.

The department has access to various parliamentary appropriations income under the Appropriation Act, the *Administrative Arrangements Act 1983* and under the following sections of the FMA:

- *Section 29 – Annotated revenue*
The department on behalf of the relevant Minister may apply to the Treasurer to retain certain types of revenue/receipts from third parties. The income which forms part of a section 29 agreement is annotated to the annual appropriation.
- *Section 30 – Transfer between items of departmental appropriation*
The department may upon the approval of the Treasurer transfer to or from other appropriation items (purposes).
- *Section 32 – Carryover unspent appropriation*
A carryover arises when amounts appropriated annually for the department, which remain unapplied at the end of one financial year, are approved by the Treasurer for application in the following financial year.
- *Section 35 – Advances*
An advance can be provided by the Treasurer to meet urgent claims in the budget year that were unforeseen at the time of the Budget. Amounts advanced under this authority are reported to and sanctioned by the Parliament in a subsequent year's annual Appropriation Bill.

Special appropriations

Under section 28 of the FMA, income is recognised when the amount appropriated for that purpose is due and payable to the department.

2.2.1 Summary of compliance with annual parliamentary appropriations

The following table discloses the details of the various parliamentary appropriations received by the department for the year. In accordance with accrual output-based management procedures 'provision for outputs' and 'additions to net assets' are disclosed as 'controlled' activities of the department. Administered transactions are those that are undertaken on behalf of the state over which the department has no control or discretion.

	Appropriation Act					Financial Management Act 1994					Adjustment due to restructure of administrative arrangements ⁽ⁱⁱⁱ⁾	Total parliamentary authority \$'000	Appropriation applied \$'000	Variance (a) \$'000	
	Annual appropriation ⁽ⁱ⁾ \$'000	Advance from Treasurer ⁽ⁱⁱ⁾ \$'000	Section 29 \$'000	Section 30 \$'000	Section 32 \$'000	Section 35 \$'000	Section 35 \$'000	Section 35 \$'000	Section 35 \$'000						
2024															
Controlled															
Provision of outputs	1,790,429	700,387	129,473	30,595	80,762	-	-	-	-	-	2,731,646	2,561,891	169,755		
Additions to net assets base (ATNAB)	234,976	337,671	47,750	(30,595)	6,256	-	-	-	-	-	596,058	542,333	53,725		
Administered															
Payments made on behalf of the state (POBOS) ⁽ⁱⁱⁱ⁾	703,938	-	-	-	-	-	-	-	-	-	703,938	581,303	122,635		
POBOS – state contribution under the <i>Murray Darling Basin Act 1993</i>	31,385	-	-	-	-	-	-	-	-	-	31,385	31,385	-		
Total	2,760,728	1,038,058	177,223	-	87,018	-	-	-	-	-	4,063,027	3,716,912	346,115		
2023															
Controlled															
Provision of outputs	2,054,587	1,072,069	231,402	26,756	75,828	-	-	-	-	90,365	3,551,007	3,355,969	195,038		
Additions to net assets base (ATNAB)	292,461	20,980	69,050	(26,756)	12,280	-	-	-	-	(11,672)	356,343	265,796	90,547		
Administered															
Payments made on behalf of the state (POBOS)	683,483	-	-	-	-	-	-	-	-	(1,927)	681,556	589,056	92,500		
POBOS – state contribution under the <i>Murray Darling Basin Act 1993</i>	32,269	-	-	-	-	-	-	-	-	-	32,269	31,429	840		
Total	3,062,800	1,093,049	300,452	-	88,108	-	-	-	-	76,766	4,621,175	4,242,250	378,925		

Notes:

(i) As published in the Victorian Budget 2023–24 Statement of Finances (incorporating Quarterly Financial Report No.3) Budget Paper No.4 Appendix A Table A.5: Consolidated Fund payments: total annual appropriations.

(ii) The amount disclosed is the final approved Treasurer's advance. The final in-principle amount approved was \$1,167,933 million, the variance is predominantly due to the timing of program announcements and the department will apply to reinstate for 2024–25.

(iii) Effective from 01 January 2023, Appropriation has been transferred in/(out) of DEECA as a result of restructure of administrative arrangements (MoG).

(a) Variance analysis

(i) Provision of outputs

The budgeted output appropriation exceeds actual 2024 output appropriation by \$169.755 million which is mainly driven by cashflow rephasing of funding available in 2023–24 for use in future years (\$140.359 million) and carryover requests (\$57.544 million) which have been partially offset by the use of available appropriation to fund a number of initiatives relating to the Agriculture, and Energy and Resources portfolios.

These rephasing of cashflows predominantly relate to the following initiatives:

- Energy Efficiency Upgrades for Homes initiatives (\$47.419 million) to align the timing of state-matched funding with Commonwealth payments.
- Cheaper Cleaner Energy to Drive Economic Recovery – Energy Innovation Fund to align its funding profile with revised milestone dates, which were adjusted due to global supply chain issues (\$28.800 million).
- Animal Care and Protection initiative to align its funding profile with revised milestone payments to finalise cross-departmental project management arrangements with the Department of Jobs, Skills, Industry and Region (\$11.500 million).
- Three New Parks link to Suburban Parks to align its funding profile with revised milestones, which were delayed due to changes in adjoining land ownership and the need to recommission aging infrastructure (\$11.120 million).

Additionally, the department requested to carryover output appropriation into 2024–25 (\$57.544 million).

(ii) Additions to net assets (ATNAB)

The budgeted capital appropriation exceeds actual 2024 capital appropriation by \$53.725 million which is mainly driven by cashflow rephasing of available funding in 2023–24 for use in future years (\$50.951 million). These rephasing of cashflows predominantly relate to the following initiatives:

- Bendigo Mine-Impacted Groundwater Long-term Management initiative due to revisions to proposed designs as a result of recent groundwater data monitoring which impacted planning and approval timelines, delaying market engagement (\$20.427 million).
- Three New Parks link to Suburban Parks initiative due to delays in the compulsory land acquisition and compensation processes as a result of the complexity of stakeholder negotiations (\$10.500 million).
- Yallock-Bulluk Marine and Coastal Park initiative to align the funding profile with the revised completion schedule due to delays in obtaining cultural heritage assessments (\$7.450 million).

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

The budgeted POBOS exceeds actual 2024 POBOS by \$122.635 million mainly driven by a rephasing of cashflows of funding available in 2023–24 for use in future years for the Victorian Desalination Project. It is anticipated the funding will be utilised across the forward estimates to support future water orders (\$121.147 million).

(iv) Section 30

The transfer between capital and output expenditure pursuant to section 30 of the *Financial Management Act 1994* predominantly relates to expenditure being reclassified as operating instead of capital in line with the payment made for the Expanding Werribee Open Range Zoo initiative (\$25.875 million).

2.2.2 Summary of compliance with special appropriations

Authority	Purpose	Appropriation Applied	
		2024 \$'000	2023 \$'000
Output special appropriations			
Section 201V of the <i>Planning and Environmental Act 1987</i> ⁽ⁱ⁾	Growth Area Infrastructure Contributions	–	63,705
Section 10 of the <i>Financial Management Act 1994</i>	Appropriation of Commonwealth grants etc.	2,117	800
Total special appropriations		2,117	64,505

Note:

- (i) The appropriation related to Growth Area Infrastructure Contributions was transferred to the Department of Transport and Planning (DTP) as part of the administrative restructure. 2023 comparatives are for 6 months only – refer to Note 4.3.

2.2.3 Annotated income agreements

The department is permitted under section 29 of the *Financial Management Act 1994* to have certain income annotated to the annual appropriation. The income which forms part of a section 29 agreement is recognised by the department as an administered item and the receipts paid into the consolidated fund. If a section 29 agreement is in place, the relevant appropriation item will be increased by the equivalent amount at the point of income recognition.

The following is a listing of the FMA section 29 annotated income agreements approved by the Treasurer:

	Note	2024 \$'000	2023 \$'000
Commonwealth specific purpose payments – output			
Goulburn-Murray Water – Water Efficiency Project		10,900	41,000
Coastal and Estuarine Risk Mitigation Program		8,977	–
Recycling Victoria Infrastructure Fund		8,438	13,446
Solar for Apartments		8,050	–
Murray Darling Basin Plan Implementation		7,255	5,510
Building Resilience to Manage Fruit Fly		4,000	–
Constraint Measure Project Business Case Development		3,682	3,963
Future Drought Fund – Farm Business Resilience		3,620	–
National Energy Productivity Measure		1,300	1,016
Management of Established Pests and Weeds		1,130	1,483
National Water Grid		1,050	1,350
Horse Traceability		888	300
Carbon Farming Outreach Program		874	–
Environment Restoration Fund		806	300
Future Drought Fund – Regional Drought Resilience Planning		696	1,216
Transforming Digital Environmental Assessments		600	–
Livestock Traceability		266	–
Plant and Exotic Disease Preparedness And Eradication		190	244
National Action Plan for Pests of Horticulture Crops		175	–
Sustainable Rural Water Use and Infrastructure Program		162	39,387
National Plant Health Surveillance Program		160	160
BushBroker		144	783
Urban Rivers and Catchments Program		140	–

Note	2024 \$'000	2023 \$'000
Commonwealth specific purpose payments – output		
National Flood Mitigation Infrastructure Program ⁽ⁱⁱⁱ⁾	–	2,382
Mount Martha North Beach Restoration ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	–	900
Consumer Data Right ⁽ⁱⁱⁱ⁾	–	854
Dairy Sector Digital Export Risk Assurance Diagnostic ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	–	350
National Water Infrastructure Development Fund – Feasibility Studies ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	–	200
National Forest Pest Surveillance Program ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	–	72
Miscellaneous Industry Contributions ⁽ⁱⁱⁱ⁾	–	14
Total Commonwealth specific purpose payments – output	63,504	114,930
Commonwealth specific purpose payments – capital		
Goulburn-Murray Water – Water Efficiency Project	23,500	43,000
National Partnership Agreement for the National Water Infrastructure Development Fund	18,750	15,300
National Water Grid	5,500	10,750
Total Commonwealth specific purpose payments – capital	47,750	69,050
User charges or sales of goods and services		
Research and Development Corporations Contributions	35,969	21,500
Livestock Electronic Tags	11,730	6,629
Miscellaneous Industry Contributions – Agriculture	8,628	4,391
Bioscience Research Centre – La Trobe contribution to quarterly services payments	2,393	1,542
Agriculture and Veterinary Chemical Permits	1,368	317
FutureMax biosecurity technology platform	1,323	697
Revenue retained on behalf of the Environment Protection Authority	592	1,593
Cooperative Research Centre Contributions Projects	127	19
National Bee Pest Surveillance Program	60	116
New and Emerging Plant Industries	15	15
Land Use Victoria – Land Registry Commercialisation ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	–	64,326
Paper Australia Pulpwood Agreement ⁽ⁱⁱⁱ⁾	–	8,399
Pest and Disease Preparedness and Response Programs – Other State Contribution ⁽ⁱⁱⁱ⁾	–	2,434
Miscellaneous Industry Contributions ⁽ⁱⁱⁱ⁾	–	318
Commercial Forest ⁽ⁱⁱⁱ⁾	–	292
Water Register – Planning ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	–	67
Land Registration Services ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	–	48
Mapping ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	–	21
Total user charges or sales of goods and services	62,204	112,724
Municipal payments		
Domestic Animals Act 1994	3,765	3,748
Total Municipal payments	3,765	3,748
Total annotated income agreements	177,223	300,452

Note:

(i) Comparatives figures are for 6 months only (1 Jan to 30 June) – these agreements was transferred from DJSIR on 1 January 2023

(ii) Comparative figures are for 6 months only (1 Jul to 31 Dec) – these agreements was transferred to DTP on 1 January 2023.

(iii) There was no funding received for these programs during 2023–24 financial year.

2.3 Income from transactions

2.3.1 Sale of goods and services

	2024 \$'000	2023 \$'000
Sale of goods and services		
Rendering of services	132,894	140,458
Regulatory fees	9,402	5,920
Sales of goods and livestock	3,942	2,597
Total sale of goods and services	146,238	148,975

The sale of goods and services included in the table above are transactions that the department has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. The department recognises revenue when it transfers control of a good or service to the customer, i.e., when, or as, the performance obligations for the sale of goods and services to the customer are satisfied.

The services provided by the department include the management of council landfill contracts, environmental impact assessments, and transaction processing services. Revenue from the rendering of these services is recognised at a point in time when the performance obligation is satisfied, (which is generally at the end of the contract when the services have been delivered and/or the report has been issued).

The department's sale of goods and services are made with a short credit term, there is no financing element present.

Consideration received in advance of recognising the associated revenue from the customer is recorded as contract liabilities under other liabilities on the balance sheet and is recognised as revenue upon satisfaction of performance obligations. Where the performance obligations are satisfied but not yet billed, a contract asset is recorded. As the department generally invoices on or shortly after satisfying performance obligations, there is no contract asset and/or contract liability balance at 30 June 2024 (or 30 June 2023).

Income recognised under AASB 1058

2.3.2 Municipal and Industrial Waste Levy

	2024 \$'000	2023 \$'000
Municipal and Industrial Waste Levy		
Municipal and Industrial Waste Levy	474,401	479,212
Total Municipal and Industrial Waste Levy	474,401	479,212

The department has determined that the Municipal and Industrial Waste Levy is recognised under AASB 1058 as the income received is not linked to specific performance obligations.

The department is entitled to receive (through Environmental Protection Authority as its collecting agent) the levy amounts at the end of the period during which the levy applies under the *Environment Protection Act 2017*.

The department recognises income at the time when the levy amounts become receivable from the Environmental Protection Authority.

2.3.3 Metropolitan Parks Improvement Rate

	2024 \$'000	2023 \$'000
Metropolitan Parks Improvement Rate		
Metropolitan Parks Improvement Rate	200,379	206,204
Total Metropolitan Parks Improvement Rate	200,379	206,204

The Metropolitan Parks Improvement Rate, commonly known as the 'parks charge', is an annual levy on all commercial and residential properties in the Melbourne and metropolitan areas. The parks charge is billed and collected by the three metropolitan retail water corporations and is paid directly into the Parks and Reserves Trust Account controlled by the department on behalf of the Minister for Environment.

The department recognises income when the annual levy is received under AASB 1058 as the income has been earned under arrangements that in the department's judgement are not linked to sufficiently specific performance obligations.

The *Water Industry Act 1994* determines how the parks charge is to be levied. For 2023–24 the minimum charge was levied at the rate of \$84.86 (2023: \$81.60) and the rate in the dollar of Net Annual Value was 0.497 cents (2023: 0.486 cents).

In accordance with the *Water Industry Act 1994*, the Metropolitan Parks Improvement Rate of \$200.379 million (2023: \$206.204 million) is recognised as income.

The *Water Industry Act 1994* requires that money collected be spent on controlling, developing and managing open space, parks, waterways and bays within the metropolitan area. During the 2023–24 financial year, a total of \$182.000 million was disbursed from the trust (in 2022–23, \$195.315 million was disbursed from the trust) for the following activities:

- Park management services in the metropolitan area including the management of bays, maintenance and construction of park assets. These include National and State parks, Zoological parks, State gardens and the Shrine of Remembrance
- Purchase of public open space for conservation, recreation, leisure or tourism
- Management and maintenance of public beaches and renourishment works.

The disbursements are disclosed in Note 3.1.2 Grants and other transfers.

2.3.4 Grants

	2024 \$'000	2023 \$'000
Grants		
Income recognised as income of not-for-profit entity (AASB 1058)		
Specific purpose grants	23,934	22,861
General purpose grants ⁽ⁱ⁾	(685)	2,045
Total grants	23,249	24,906

Note:

- (i) The general purpose grants in 2023–24 has resulted in negative balance, due to a return of \$1.0 million of funding received during 2022–23 by DEECA from DTP for the Neerim East Trail Bike Project.

The department has determined that the grant income included in the table above is recognised under AASB 1058, given that the income has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the department has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the department recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9;
- a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately on passed to the relevant recipient entities on behalf of the Commonwealth government.

Specific purpose grants of the department are funding obtained for development, capital construction and operation of specific projects. The grant arrangements have been assessed and there are no specific performance obligations for the department. As a result, the department recognises income when the grant is received.

The department's general purpose grant arrangements do not have sufficiently specific performance obligations. Therefore, income is recognised when the grant is received by the department.

2.3.5 Other income

	2024 \$'000	2023 \$'000
Other income		
Melbourne Strategic Assessment Levy ⁽ⁱ⁾	57,322	44,573
Land licences and leases	450	948
Insurance Settlements	193	2,462
Other miscellaneous income	2,386	21,540
Other assets or services received free of charge	–	9
Total other income	60,351	69,532

Note:

- (i) 2023 comparatives for other miscellaneous income has been amended by \$44.573 million to separately disclose Melbourne Strategic Assessment Levy.

Note 3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the department in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded. Note 4 discloses aggregated information in relation to the income and expenses by output.

Structure

- 3.1 Expenses incurred in delivery of services
 - 3.1.1 Employee benefits in the comprehensive operating statement
 - 3.1.2 Grants and other transfers
 - 3.1.3 Supplies and services
 - 3.1.4 Initial recognition expense from financial instruments
 - 3.1.5 Loan repayments transferred to the administered entity

3.1 Expenses incurred in delivery of services

	Note	2024 \$'000	2023 \$'000
Expenses from transactions			
Employee expenses	3.1.1	(876,557)	(755,971)
Grants and other transfers	3.1.2	(1,485,655)	(2,401,657)
Supplies and services	3.1.3	(736,479)	(763,530)
Initial recognition expense from financial instruments	3.1.4	–	(22,219)
Loan repayments transferred to the administered entity	3.1.5	(56,571)	(52,886)
Total expenses from transactions (excluding depreciation and interest)		(3,155,262)	(3,996,263)

3.1.1 Employee benefits in the comprehensive operating statement

	2024 \$'000	2023 \$'000
Employee expenses		
Salaries and wages	(624,828)	(558,230)
Defined contribution superannuation expense	(80,711)	(65,109)
Defined benefit superannuation expense	(2,741)	(3,102)
Termination benefits	(4,218)	(10)
Leave expenses (annual leave and long service leave)	(94,726)	(82,161)
Other on-costs (fringe benefits tax, payroll tax and WorkCover levy)	(69,333)	(47,359)
Total employee expenses	(876,557)	(755,971)

Employee expenses include all costs relating to employment including salaries and wages, fringe benefits tax, leave entitlements, termination payments, defined benefit superannuation plans, defined contribution superannuation plans and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The department does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the state as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The department recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.1.1 (a) Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of annual leave, fatigue management leave (previously earned emergency recreational leave) and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

Amounts relating to salary and wages that have been expensed during the year but are unpaid at year end are recognised as accruals and disclosed as part of the Payables balance.

	2024 \$'000	2023 \$'000
Current provision for employee benefits		
Annual leave⁽ⁱ⁾		
Unconditional and expected to settle within 12 months	52,533	45,648
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	9,146	14,900
Long service leave⁽ⁱ⁾		
Unconditional and expected to settle within 12 months	8,292	11,060
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	94,955	88,285
Fatigue management leave⁽ⁱ⁾		
Unconditional and expected to settle within 12 months	4,668	1,640
Total current provision for employee benefits (excluding on-costs)	169,594	161,533
Provisions for on-costs:		
Unconditional and expected to settle within 12 months	12,030	10,170
Unconditional and expected to settle after 12 months ⁽ⁱⁱ⁾	21,368	17,070
Total current provisions for on-costs	33,398	27,240
Total current provisions for employee benefits	202,992	188,773
Non-current provisions for employee benefits		
Employee benefits ⁽ⁱ⁾⁽ⁱⁱ⁾	24,768	24,799
On-costs ⁽ⁱⁱ⁾	5,103	4,447
Total non-current provisions for employee benefits	29,871	29,246
Total provisions for employee benefits	232,863	218,019

Note:

- (i) Provisions for employee benefits consist of amounts for annual leave, LSL and fatigue management leave accrued by employees, not including on-costs.
- (ii) The amounts disclosed are discounted to present values.

Reconciliation of movement in on-cost provision

	2024 \$'000
Opening balance at 1 July 2023	31,687
Additional provisions recognised	20,644
Reductions arising from payments/other sacrifices of future economic benefits	(13,487)
Unwind of discount and effect of changes in the discount rate	(343)
Closing balance at 30 June 2024	38,501
Current	33,398
Non-current	5,103
Total provision for on-cost	38,501

Salaries and wages, annual leave and sick leave

Liabilities for salaries and wages (including non-monetary benefits and on-costs) are recognised as part of payables as current liabilities, because the department does not have an unconditional right to defer settlements of these liabilities. The liability for salaries and wages is recognised in the balance sheet at remuneration rates which are current at the reporting date. As the department expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts and are recognised as payables in Note 6.3.

Liabilities for **annual leave and fatigue management leave** (including non-monetary benefits and on-costs) are recognised as part of the employee benefit provision also as current liabilities, because the department does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, and annual leave are measured at:

- undiscounted value – if the department expects to wholly settle within 12 months
- present value – if the department does not expect to wholly settle within 12 months.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the statement of comprehensive income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Fatigue management leave

Fatigue management leave (FML) is provided to staff for the management of long-term fatigue that can result from extended involvement in emergency management over a 12-month period.

FML is accrued based on overtime and standby duties performed outside of normal hours when the Emergency Provision in Appendix 6 of the VPS Agreement 2020 or Section II of the Field Staff Services and Wild Dog Controller Agreement 2021 have been enacted. FML is calculated over a 12-month period being, from 1 September to 31 August. Any entitlement must be accrued and used within each 12-month period. Leave entitlements that have been accrued and yet to be taken are paid out to staff upon termination if the staff leaves prior to the end of the FML period each year (31 August).

Provisions are recognised as current liabilities (undiscounted) for unpaid fatigue management leave at reporting date.

Long service leave

Unconditional long service leave (LSL) is disclosed as a current liability, even where the department does not expect to settle the liability within 12 months, because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. Leave becomes unconditional after 7 years of service.

The components of this current LSL liability are measured at:

- undiscounted value – if the department expects to wholly settle within 12 months
- present value – if the department does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

The department has used the DTF 2008 Long Service Leave Model to calculate the present value of the LSL provision and also to split the provision between "settle within 12 months" and "settle after 12 months" for the current financial year. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in net result (refer to Note 9.2 Other economic flows included in net result).

3.1.1 (b) Superannuation contributions

The amount recognised in the comprehensive operating statement in relation to superannuation is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The defined benefit plan provides benefits based on years of service and final average salary.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the department are listed in the above table as follows:

Fund	Paid contribution for the year		Contribution outstanding at year end	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Defined benefit plans⁽ⁱ⁾				
Emergency Services Superannuation Scheme	2,511	3,043	–	–
Other	230	59	–	–
Defined contribution plans				
Vic Super/ Aware Super Scheme ⁽ⁱⁱ⁾	39,830	32,126	–	–
Various other	40,881	32,983	–	–
Total superannuation contributions	83,452	68,211	–	–

Note:

- (i) The bases for determining the level of contributions are determined by the various actuaries of the defined benefit superannuation plans.
- (ii) On 1 May 2023, the VicSuper name retired. VicSuper members moved to the Aware Super Accumulation and Pension division in the Fund.

3.1.2 Grants and other transfers

	2024 \$'000	2023 \$'000
Grants and other transfers		
Grants to portfolio agencies (other than catchment management authorities)	(788,813)	(1,044,667)
Grants to catchment management authorities	(88,525)	(94,883)
Grants to non-portfolio agencies	(64,702)	(138,397)
Grants to the Commonwealth, other state, territory and local governments	(64,274)	(63,306)
Grants to private individuals, businesses and non-profit organisations	(479,341)	(1,023,697)
Other grants and transfers	–	(36,707)
Total grants and other transfers	(1,485,655)	(2,401,657)

Grants and other transfers are contributions of the department's resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

Grants can either be operating or capital in nature. Grants that are capital in nature and provided to other state controlled entities are treated as contributed capital transfers and recognised in equity.

Grant expenses are recognised in the reporting period in which they are paid or payable. Grants can take the form of money, assets, goods, services or forgiveness of liabilities.

3.1.3 Supplies and services

	2024 \$'000	2023 \$'000
Supplies and services		
Contract and professional services	(266,614)	(356,345)
Equipment maintenance and hire	(70,125)	(42,921)
IT costs	(68,309)	(58,285)
Waste resource and recovery costs	(63,336)	(36,523)
Statutory fees, learning and development costs and general expenses	(62,822)	(61,537)
Office and accommodation	(53,520)	(47,402)
Other operating expenses	(47,500)	(72,269)
Laboratory, farm and livestock	(30,751)	(17,110)
Insurance expenses	(25,242)	(22,415)
Postage and telephone	(19,356)	(17,107)
Motor vehicle costs	(13,866)	(12,998)
Community awareness and publicity	(7,328)	(13,074)
Cost of goods sold/provided	(5,732)	(3,797)
Payments for shared services	(1,476)	(1,057)
Short-term lease expense	(302)	(424)
Settlement of litigation	(200)	(266)
Total supplies and services	(736,479)	(763,530)

Supplies and services generally represent the day-to-day running costs that are incurred in the normal operations of the department. Supplies and services are recognised as an expense in the reporting period in which they are incurred.

The following lease payments are expensed on a straight-line basis.

- Short-term leases – leases with a term less than 12 months; and
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments are not included in the measurement of the lease liability (i.e., variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occur.

3.1.4 Initial recognition expense from financial instruments

	2024 \$'000	2023 \$'000
Initial recognition expense from financial instruments		
Initial recognition expense from financial instruments	–	(22,219)
Total initial recognition expense from financial instruments	–	(22,219)

Contracts entered into to support Victoria's renewable energy targets (VRET) have been classified as derivative financial instruments at fair value through the profit and loss and are recognised and measured in accordance with AASB 9.

An expense is recognised when the fair value of the contract, at the date of initial recognition, results in a liability for the department. Refer to Note 6.2 Derivative Financial Instruments.

3.1.5 Loan repayments transferred to the administered entity

	2024 \$'000	2023 \$'000
Loan repayments transferred to the administered entity		
Loan repayments transferred to the administered entity	(56,571)	(52,886)
Total loan repayments transferred to the administered entity	(56,571)	(52,886)

The department issues concessional loans to eligible households and businesses to be used towards the purchase and installation of rooftop solar panels and/or solar batteries. Individual loans are capped and must be repaid over 4 years. The loan repayments collected by the department are returned to the consolidated fund via the administered entity.

Note 4. Disaggregated financial information by output

Introduction

The department is predominately funded by accrual based parliamentary appropriations for the provision of outputs. This section provides a description of the departmental outputs performed during the year ended 30 June 2024 along with the objectives of those outputs.

This section disaggregates revenue and income that enables the delivery of service (described in Note 2) by output and records the allocation of expenses incurred (described in Note 3) also by output.

The aggregation in this section also provides information on controlled and administered items in connection with these outputs.

Significant judgement: Controlled and administered items

The distinction between controlled and administered items is drawn on whether the department has the ability to deploy the resources in question for its own benefit (controlled items) or whether it does so on behalf of the state (administered). The department remains accountable for transactions involving administered items, but it does not recognise these items in its primary financial statements.

The department is administering the desalination project arrangement and shareholding in Marinus Link Pty Ltd on behalf of the state and therefore recognises the associated income, expenses, assets, liabilities and off-balance sheet disclosures as administered items.

Other administered items include environmental contributions from Victorian water businesses, the state's share of the Murray-Darling Basin Authority's jointly controlled assets, proceeds from the sale of administered surplus land and buildings, and grants provided by the Commonwealth to assist the state government in meeting general or specific delivery obligations.

Judgement is required in allocating income and expenses to specific outputs, including judgements made in making allocations for shared services expenses and corporate costs such as insurance expenses. Allocation of expenses are made on a percentage basis in line with the delivery of the output.

Structure

- 4.1 Departmental outputs
 - 4.1.1 Description and objectives
 - 4.1.2 Departmental Outputs – Controlled comprehensive operating statement
 - 4.1.3 Departmental Outputs – Controlled assets and liabilities
- 4.2 Administered (non-controlled) items
 - 4.2.1 Administered income and expenses
 - 4.2.2 Administered assets and liabilities
 - 4.2.3 Administered investment
 - 4.2.4 Administered service concession arrangements and related financial instruments
- 4.3 Restructuring of administrative arrangements

4.1 Departmental outputs

4.1.1 Description and objectives

A description of the eight departmental outputs performed during the year ended 30 June 2024, and the objectives of these outputs, is summarised below.

Net zero emission, climate-ready economy and community

Objective

This objective leads the government's response to climate change, in line with the *Climate Change Act 2017*. The government's response includes reducing greenhouse gas emissions, adapting to the impacts of a climate change, and supporting the economic and social transition to a net-zero emissions and climate resilient future.

Climate Change

This output leads the development and implementation of strategic, whole of government climate change policy and programs that contribute to Victoria's 2045 (brought forward from 2050) target of net-zero emissions and build the state's resilience to climate change.

Healthy, resilient and biodiverse environment

Objective

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

Environment and Biodiversity

This output develops and implements environmental policy and delivers investment, regulatory and research functions.

Waste and Recycling

This output delivers investment into reducing waste, transforming recycling services and increasing value from recycled materials. These activities support industry, innovation, research and development and clean technologies to create new markets and business opportunities for recycled materials.

Statutory Activities and Environmental Protection

This output protects the environment and people by preventing and reducing harm from pollution and waste through better regulation, conducting research and gathering intelligence to inform compliance and enforcement activities, collaboration and provision of advice.

Productive and effective land management

Objective

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

Management of Public Land and Forests

This output provides stewardship of Victoria's forests, coasts and Crown land reserves to ensure that natural, built and historic assets are managed responsibly.

Parks Victoria

This output manages the development and protection of Victoria's natural, cultural and community assets for safe enjoyment and sustainable use by all Victorians.

Safe and sustainable water resources

Objective

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

Effective Water Management and Supply

This output develops policies, provides strategic advice and oversees regulatory systems and institutional arrangements to effectively manage Victoria's water resources.

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

Objective

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

Fire and Emergency Management

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

Reliable, sustainable and affordable energy services

Objective

This objective delivers programs on renewable energy, improving energy efficiency and productivity. It also provides policy advice to government on the delivery of reliable, sustainable and affordable energy services to households and business consumers.

Energy

This output delivers state-based energy programs, including renewable energy development, energy efficiency and affordability improvements, and facilitation of new investment.

Solar Homes

This output will over ten years, provide 778,500 households with either solar panel energy systems, solar hot water systems, or battery storage for homes with existing solar energy systems. Solar panels rebates for small businesses and financial subsidies to vulnerable and low-income households to upgrade heating and install high-efficiency reverse cycle air conditioners are also provided.

Promote productive and sustainably used natural resources (new outputs from 1 January 2023)

Objective

This objective supports a more productive, globally competitive, sustainable and jobs-rich agriculture, food and fibre, and resources sectors. The department delivers the objective in collaboration with partners, local communities and industry to deliver outcomes that provide benefits to all Victorians.

Agriculture

The Agriculture output contributes to increasing the productivity, competitiveness and sustainability of food and fibre industries and creates the conditions to grow the natural resources economy. This includes protecting and enhancing market access and management of biosecurity risks, increasing the use of new technologies, improving farm practices and supply chain efficiency, building the resilience of the sector to manage risks and emergencies, and ensuring forestry and game resources are sustainably allocated and used for both recreational and commercial purposes.

Resources

The Resources output contributes to this objective by aiming to achieve a growing and sustainable earth resources sector through effective policy, programs and regulation.

Changes in outputs

Current year changes

From 1 March 2024, VicGrid (the business unit within the energy output group) is replaced by VicGrid, the administrative office.

Prior year changes

The Building output was disaggregated from the Planning, Building and Heritage output for financial year 2022–23. This was to provide increased clarity and accountability on services delivery.

As a result of the administrative restructure, announced on 5 December 2022, the following changes to outputs took effect from 1 January 2023:

Outputs transferred to DTP

- A safe and quality-built environment delivered by the Building, Planning and Heritage groups
- Productive and effective land management the portion delivered by the Land Use Victoria group.

Outputs received from DJSIR

- Promote productive and sustainably used natural resources delivered by the Agriculture and Resource groups.

4.1.2 Departmental Outputs – Controlled comprehensive operating statement

Additional information about the objectives of these departmental outputs is located in the Report of Operations under the 'Operational and budgetary objectives and performance against objectives' section.

	Agriculture ⁽ⁱ⁾		Building ⁽ⁱⁱ⁾		Climate Action	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income from transactions						
Output appropriations	696,051	375,898	–	93,723	9,105	11,871
Special output appropriations	–	–	–	–	–	–
Sale of goods and services	30,722	20,676	–	–	–	5,429
Municipal and Industrial Waste Levy	–	–	–	–	–	–
Metropolitan Parks Improvement Rate	–	–	–	–	–	–
Grants	231	(6,299)	–	781	–	(8)
Interest income	2,505	982	–	–	–	–
Other income	24,002	(3,797)	–	(1)	7,737	15,045
Total revenue and income from transactions	753,511	387,460	–	94,503	16,842	32,337
Expenses from transactions						
Employee expenses	(178,622)	(83,734)	–	(3,936)	(10,636)	(11,682)
Grants and other transfers	(361,374)	(197,955)	–	(86,551)	(5,098)	(7,455)
Supplies and services	(143,488)	(77,120)	–	(3,466)	(4,784)	(7,500)
Depreciation and amortisation	(23,515)	(9,927)	–	(14)	(271)	(293)
Interest expense	(24,876)	(12,162)	–	1	(1)	22
Initial recognition expense from financial liabilities	–	–	–	–	–	–
Loan repayments transferred to the administered entity	–	–	–	–	–	–
Total expenses from transactions	(731,875)	(380,898)	–	(93,966)	(20,790)	(26,908)
Net result from transactions (net operating balance)	21,636	6,562	–	537	(3,948)	5,429
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	1,954	1,783	–	2	98	31
Net gain/(loss) on financial instruments	(1,173)	(7)	–	–	(3)	–
Other gains/(losses) from other economic flows	774	(113)	–	(2)	39	(31)
Total other economic flows included in net result	1,555	1,663	–	–	134	–
Net result	23,191	8,225	–	537	(3,814)	5,429
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Net changes in physical asset revaluation surplus	–	19,980	–	–	–	2,746
Total other economic flows – other non-owner changes in equity	–	19,980	–	–	–	2,746
Comprehensive result	23,191	28,205	–	537	(3,814)	8,175

Note:

- (i) These outputs were transferred to the department on 1 January 2023. Comparatives reported are for 6 months only – 1 Jan 2023 to 30 June 2023. Refer to Note 4.3.
- (ii) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. Comparatives reported for 6 months (1 July 2022 to 31 Dec 2022). Refer to Note 4.3.

4.1.2 Departmental Outputs – Controlled comprehensive operating statement (continued)

	Effective Water Management and Supply		Energy		Environment and Biodiversity	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income from transactions						
Output appropriations	268,925	332,904	346,376	1,116,815	79,309	136,973
Special output appropriations	224	–	–	–	1,893	–
Sale of goods and services	10,581	11,024	6	32	24,333	20,528
Municipal and Industrial Waste Levy	–	–	–	–	–	–
Metropolitan Parks Improvement Rate	–	–	–	–	–	–
Grants	5,613	4,741	7,239	(65)	388	58
Interest income	1	1	1,603	1,078	–	–
Other income	(416)	(4,314)	6,720	19,641	90,683	91,620
Total revenue and income from transactions	284,928	344,356	361,944	1,137,501	196,606	249,179
Expenses from transactions						
Employee expenses	(67,389)	(57,771)	(80,150)	(65,111)	(55,328)	(62,347)
Grants and other transfers	(152,631)	(216,920)	(162,372)	(946,612)	(61,559)	(79,008)
Supplies and services	(65,266)	(66,639)	(90,249)	(79,725)	(31,047)	(63,786)
Depreciation and amortisation	(8,706)	(7,995)	(2,431)	(1,995)	(3,017)	(3,037)
Interest expense	(10)	143	(4,127)	(3,829)	(22)	59
Initial recognition expense from financial liabilities	–	–	–	(22,219)	–	–
Loan repayments transferred to the administered entity	–	–	–	–	–	–
Total expenses from transactions	(294,002)	(349,182)	(339,329)	(1,119,491)	(150,973)	(208,119)
Net result from transactions (net operating balance)	(9,074)	(4,826)	22,615	18,010	45,633	41,060
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	1,233	150	(56)	(1,209)	637	863
Net gain/(loss) on financial instruments	(34)	(5)	(28,565)	(176,505)	(14)	(3)
Other gains/(losses) from other economic flows	471	(198)	379	(265)	195	(138)
Total other economic flows included in net result	1,670	(53)	(28,242)	(177,979)	818	722
Net result	(7,404)	(4,879)	(5,627)	(159,969)	46,451	41,782
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Net changes in physical asset revaluation surplus	–	17,580	–	23,476	–	12,217
Total other economic flows – other non-owner changes in equity	–	17,580	–	23,476	–	12,217
Comprehensive result	(7,404)	12,701	(5,627)	(136,493)	46,451	53,999

4.1.2 Departmental Outputs – Controlled comprehensive operating statement (continued)

	Fire and Emergency Management		Land Use Victoria ⁽ⁱ⁾		Management of Public Land and Forest	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income from transactions						
Output appropriations	581,876	597,736	–	107,976	294,245	265,719
Special output appropriations	–	–	–	–	–	–
Sale of goods and services	2,551	2,325	–	18,285	380	1,888
Municipal and Industrial Waste Levy	–	–	–	–	–	–
Metropolitan Parks Improvement Rate	–	–	–	–	94,410	103,985
Grants	7,251	15,288	–	(9)	(478)	4,070
Interest income	982	674	–	–	7,300	4,978
Other income	12,712	7,030	–	(31)	8,911	37,424
Total revenue and income from transactions	605,372	623,053	–	126,221	404,768	418,064
Expenses from transactions						
Employee expenses	(278,886)	(228,355)	–	(34,426)	(112,680)	(105,457)
Grants and other transfers	(99,947)	(145,787)	–	(235)	(188,496)	(239,558)
Supplies and services	(216,615)	(185,930)	–	(102,235)	(52,330)	(61,868)
Depreciation and amortisation	(59,643)	(56,582)	–	(1,123)	(13,890)	(11,770)
Interest expense	(1,255)	(508)	–	19	(52)	174
Initial recognition expense from financial liabilities	–	–	–	–	–	–
Loan repayments transferred to the administered entity	–	–	–	–	–	–
Total expenses from transactions	(656,346)	(617,162)	–	(138,000)	(367,448)	(418,479)
Net result from transactions (net operating balance)	(50,974)	5,891	–	(11,779)	37,320	(415)
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	5,026	32,807	–	117	9,785	(196,749)
Net gain/(loss) on financial instruments	(64)	(18)	–	(1)	(26)	(6)
Other gains/(losses) from other economic flows	881	(769)	–	(35)	360	(262)
Total other economic flows included in net result	5,843	32,020	–	81	10,119	(197,017)
Net result	(45,131)	37,911	–	(11,698)	47,439	(197,432)
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Net changes in physical asset revaluation surplus	–	68,163	–	–	–	23,200
Total other economic flows – other non-owner changes in equity	–	68,163	–	–	–	23,200
Comprehensive result	(45,131)	106,074	–	(11,698)	47,439	(174,232)

Note:

- (i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. Comparatives reported are for 6 months (1 July 2022 to 31 Dec 2022). Refer to Note 4.3.

4.1.2 Departmental Outputs – Controlled comprehensive operating statement (continued)

	Parks Victoria		Planning and Heritage ⁽ⁱ⁾		Resources ⁽ⁱⁱ⁾	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income from transactions						
Output appropriations	72,165	49,744	–	59,734	49,446	25,414
Special output appropriations	–	800	–	63,705	–	–
Sale of goods and services	–	2	–	1	–	705
Municipal and Industrial Waste Levy	–	–	–	–	–	–
Metropolitan Parks Improvement Rate	105,969	102,219	–	–	–	–
Grants	3,001	(5)	–	4,402	1	222
Interest income	–	–	–	3,295	–	–
Other income	2,458	21,201	–	38	60	436
Total revenue and income from transactions	183,593	173,961	–	131,175	49,507	26,777
Expenses from transactions						
Employee expenses	(2,519)	(1,222)	–	(32,548)	(33,721)	(16,392)
Grants and other transfers	(173,557)	(160,987)	–	(27,100)	(610)	(808)
Supplies and services	(14,351)	(1,342)	–	(13,427)	(16,480)	(10,165)
Depreciation and amortisation	(484)	(146)	–	(1,330)	(1,331)	(506)
Interest expense	(1)	15	–	6	(10)	17
Initial recognition expense from financial liabilities	–	–	–	–	–	–
Loan repayments transferred to the administered entity	–	–	–	–	–	–
Total expenses from transactions	(190,912)	(163,682)	–	(74,399)	(52,152)	(27,854)
Net result from transactions (net operating balance)	(7,319)	10,279	–	56,776	(2,645)	(1,077)
Other economic flows included in net result						
Net gain/(loss) on non-financial assets	193	20	–	2,884	425	93
Net gain/(loss) on financial instruments	(6)	–	–	–	(9)	(1)
Other gains/(losses) from other economic flows	76	(20)	–	(11)	121	(31)
Total other economic flows included in net result	263	–	–	2,873	537	61
Net result	(7,056)	10,279	–	59,649	(2,108)	(1,016)
Other economic flows – other comprehensive income						
Items that will not be classified to net result						
Net changes in physical asset revaluation surplus	–	1,732	–	–	–	2,819
Total other economic flows – other non-owner changes in equity	–	1,732	–	–	–	2,819
Comprehensive result	(7,056)	12,011	–	59,649	(2,108)	1,803

Note:

(i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023.

Comparatives reported are for 6 months (1 July 2022 to 31 Dec 2022). Refer to Note 4.3.

(ii) These outputs were transferred to the department on 1 January 2023. Comparatives reported are for 6 months only – 1 Jan 2023 to 30 June 2023. Refer to Note 4.3.

4.1.2 Departmental Outputs – Controlled comprehensive operating statement (continued)

	Solar Homes		Statutory Activities and Environmental Protection ⁽ⁱ⁾		Waste and Recycling		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income from transactions								
Output appropriations	137,525	158,349	1,944	1,240	24,924	21,872	2,561,891	3,355,969
Special output appropriations	–	–	–	–	–	–	2,117	64,505
Sale of goods and services	–	10	–	–	77,665	68,069	146,238	148,975
Municipal and Industrial Waste Levy	–	–	474,401	479,212	–	–	474,401	479,212
Metropolitan Parks Improvement Rate	–	–	–	–	–	–	200,379	206,204
Grants	2	615	–	–	1	1,114	23,249	24,906
Interest income	7,447	7,539	9,537	2,951	–	–	29,375	21,497
Other income	1,070	181	(137,256)	(176,409)	43,670	61,469	60,351	69,532
Total revenue and income from transactions	146,044	166,694	348,626	306,994	146,260	152,524	3,498,001	4,370,800
Expenses from transactions								
Employee expenses	(31,827)	(29,580)	(1,263)	(1,271)	(23,536)	(22,138)	(876,557)	(755,971)
Grants and other transfers	(89,586)	(110,865)	(152,911)	(132,478)	(37,514)	(49,340)	(1,485,655)	(2,401,657)
Supplies and services	(17,038)	(17,094)	(196)	250	(84,635)	(73,481)	(736,479)	(763,530)
Depreciation and amortisation	(1,383)	(633)	–	–	(540)	(949)	(115,211)	(96,301)
Interest expense	(10,356)	(6,052)	–	–	(6)	40	(40,716)	(22,055)
Initial recognition expense from financial liabilities	–	–	–	–	–	–	–	(22,219)
Loan repayments transferred to the administered entity	(56,571)	(52,886)	–	–	–	–	(56,571)	(52,886)
Total expenses from transactions	(206,761)	(217,110)	(154,370)	(133,499)	(146,231)	(145,868)	(3,311,189)	(4,114,619)
Net result from transactions (net operating balance)	(60,717)	(50,416)	194,256	173,495	29	6,656	186,812	256,181
Other economic flows included in net result								
Net gain/(loss) on non-financial assets	540	82	–	–	221	177	20,056	(158,950)
Net gain/(loss) on financial instruments	47	(451)	–	–	(5)	(1)	(29,852)	(176,998)
Other gains/(losses) from other economic flows	214	(81)	–	–	73	(61)	3,583	(2,016)
Total other economic flows included in net result	801	(450)	–	–	289	115	(6,213)	(337,964)
Net result	(59,916)	(50,866)	194,256	173,495	318	6,771	180,599	(81,783)
Other economic flows – other comprehensive income								
Items that will not be classified to net result								
Net changes in physical asset revaluation surplus	–	7,187	–	–	–	5,419	–	184,519
Total other economic flows – other non-owner changes in equity	–	7,187	–	–	–	5,419	–	184,519
Comprehensive result	(59,916)	(43,679)	194,256	173,495	318	12,190	180,599	102,736

Note:

(i) The Sustainability Fund Trust Account within the Statutory Activities and Environmental Protection Output makes transfer payments to fund on-going works to other DEECA Outputs.

4.1.3 Departmental Outputs – Controlled assets and liabilities

	Agriculture ⁽ⁱ⁾		Building ⁽ⁱⁱ⁾		Climate Action	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets						
Financial assets						
Cash and cash deposits	212,946	193,434	–	–	3,028	6,780
Receivables	244,617	121,633	–	–	10,859	14,882
Derivative financial instruments	–	–	–	–	–	–
Investments and other financial assets	2,193	2,483	–	–	–	–
Total financial assets	459,756	317,550	–	–	13,887	21,662
Non-financial assets						
Property, plant and equipment	768,892	740,899	–	–	4,555	8,224
Non-financial physical assets classified as held for sale	162	57	–	–	8	10
Intangible assets	2,068	335	–	–	–	10
Prepayments	985	281	–	–	39	28
Other non-financial assets	2,561	4,379	–	–	–	1
Total non-financial assets	774,668	745,951	–	–	4,602	8,273
Total assets	1,234,424	1,063,501	–	–	18,489	29,935
Liabilities						
Payables	96,587	121,470	–	–	571	818
Other financial liabilities	–	–	–	–	–	–
Borrowings	362,554	390,329	–	–	227	266
Employee related provisions	55,873	52,032	–	–	3,389	2,861
Other provisions	16,295	808	–	–	83	112
Derivative financial instruments	–	–	–	–	–	–
Other liabilities	1,704	1,970	–	–	1	1
Total Liabilities	533,013	566,609	–	–	4,271	4,058
Net Asset	701,411	496,892	–	–	14,218	25,877

Note:

(i) These outputs were transferred to the department on 1 January 2023. Refer to Note 4.3.

(ii) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.

4.1.3 Departmental Outputs – Controlled assets and liabilities (continued)

	Effective Water Management and Supply		Energy		Environment and Biodiversity	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets						
Financial assets						
Cash and cash deposits	41,108	41,705	179,172	180,493	218,703	200,162
Receivables	132,112	95,857	119,201	144,057	54,669	67,009
Derivative financial instruments	–	–	68,901	147,127	–	–
Investments and other financial assets	–	–	–	–	–	–
Total financial assets	173,220	137,562	367,274	471,677	273,372	267,171
Non-financial assets						
Property, plant and equipment	150,453	149,634	39,991	66,085	161,677	145,869
Non-financial physical assets classified as held for sale	98	50	362	2,809	41	11
Intangible assets	–	64	–	85	267	1,051
Prepayments	810	220	469	320	210	1,997
Other non-financial assets	3	6	3	7	1	6
Total non-financial assets	151,364	149,974	40,825	69,306	162,196	148,934
Total assets	324,584	287,536	408,099	540,983	435,568	416,105
Liabilities						
Payables	38,315	32,008	68,524	90,518	4,013	14,195
Other financial liabilities	–	–	211,014	207,672	–	–
Borrowings	2,357	1,556	1,846	1,815	4,194	3,932
Employee related provisions	18,083	16,589	15,968	17,091	20,589	22,051
Other provisions	3,001	719	3,068	7,086	415	499
Derivative financial instruments	–	–	14,913	20,394	–	–
Other liabilities	18	5	15	7	7	3
Total Liabilities	61,774	50,877	315,348	344,583	29,218	40,680
Net Asset	262,810	236,659	92,751	196,400	406,350	375,425

4.1.3 Departmental Outputs – Controlled assets and liabilities (continued)

	Fire and Emergency Management		Land Use Victoria ⁽ⁱ⁾		Management of Public Land and Forest	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets						
Financial assets						
Cash and cash deposits	79,406	122,932	–	–	265,146	134,638
Receivables	247,124	369,477	–	–	101,953	127,427
Derivative financial instruments	–	–	–	–	–	–
Investments and other financial assets	–	–	–	–	–	–
Total financial assets	326,530	492,409	–	–	367,099	262,065
Non-financial assets						
Property, plant and equipment	1,129,495	1,143,686	–	–	7,601,491	7,602,177
Non-financial physical assets classified as held for sale	184	196	–	–	94	4,095
Intangible assets	7,002	11,178	–	–	1,057	367
Prepayments	916	692	–	–	4,052	293
Other non-financial assets	17,986	23,224	–	–	639	643
Total non-financial assets	1,155,583	1,178,976	–	–	7,607,333	7,607,575
Total assets	1,482,113	1,671,385	–	–	7,974,432	7,869,640
Liabilities						
Payables	12,825	22,607	–	–	10,046	21,614
Other financial liabilities	–	–	–	–	–	–
Borrowings	41,364	36,198	–	–	3,901	3,448
Employee related provisions	68,164	62,042	–	–	31,131	25,852
Other provisions	1,874	3,611	–	–	68,457	75,092
Derivative financial instruments	–	–	–	–	–	–
Other liabilities	34	19	–	–	3,645	7
Total Liabilities	124,261	124,477	–	–	117,180	126,013
Net Asset	1,357,852	1,546,908	–	–	7,857,252	7,743,627

Note:

- (i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.

4.1.3 Departmental Outputs – Controlled assets and liabilities (continued)

	Parks Victoria		Planning and Heritage ⁽ⁱ⁾		Resources ⁽ⁱⁱ⁾	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets						
Financial assets						
Cash and cash deposits	1,293	106,674	–	–	12,914	11,273
Receivables	21,410	9,446	–	–	27,013	11,100
Derivative financial instruments	–	–	–	–	–	–
Investments and other financial assets	–	–	–	–	71	71
Total financial assets	22,703	116,120	–	–	39,998	22,444
Non-financial assets						
Property, plant and equipment	7,999	4,869	–	–	16,222	11,669
Non-financial physical assets classified as held for sale	16	5	–	–	25	8
Intangible assets	–	6	–	–	–	10
Prepayments	97	25	–	–	306	326
Other non-financial assets	1	1	–	–	1	1
Total non-financial assets	8,113	4,906	–	–	16,554	12,014
Total assets	30,816	121,026	–	–	56,552	34,458
Liabilities						
Payables	5,702	3,420	–	–	7,746	2,273
Other financial liabilities	–	–	–	–	–	–
Borrowings	333	127	–	–	1,539	1,257
Employee related provisions	720	310	–	–	8,349	7,239
Other provisions	162	71	–	–	9,141	11,229
Derivative financial instruments	–	–	–	–	–	–
Other liabilities	3	–	–	–	1,542	4,245
Total Liabilities	6,920	3,928	–	–	28,317	26,243
Net Asset	23,896	117,098	–	–	28,235	8,215

Note:

- (i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.
- (ii) These outputs were transferred to the department on 1 January 2023. Refer to Note 4.3.

4.1.3 Departmental Outputs – Controlled assets and liabilities (continued)

	Solar Homes		Statutory Activities and Environmental Protection ⁽ⁱ⁾		Waste and Recycling		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets								
Financial assets								
Cash and cash deposits	4,414	3,130	403,079	200,217	28,526	49,098	1,449,735	1,250,537
Receivables	149,563	131,817	250,554	258,328	33,699	47,141	1,392,774	1,398,173
Derivative financial instruments	–	–	–	–	–	–	68,901	147,127
Investments and other financial assets	–	–	–	–	–	–	2,264	2,554
Total financial assets	153,977	134,947	653,633	458,545	62,225	96,239	2,913,674	2,798,391
Non-financial assets								
Property, plant and equipment	22,625	20,416	–	–	7,804	15,415	9,911,204	9,908,944
Non-financial physical assets classified as held for sale	45	20	–	–	15	15	1,050	7,276
Intangible assets	–	26	–	–	–	20	10,394	13,152
Prepayments	22,858	47,330	(1)	(1)	172	194	30,913	51,706
Other non-financial assets	2	2	–	–	(1)	2	21,196	28,272
Total non-financial assets	45,530	67,794	(1)	(1)	7,990	15,646	9,974,757	10,009,350
Total assets	199,507	202,741	653,632	458,544	70,215	111,885	12,888,431	12,807,741
Liabilities								
Payables	27,961	49,855	23,330	22,497	10,534	10,371	306,154	391,647
Other financial liabilities	–	–	–	–	–	–	211,014	207,672
Borrowings	1,022	641	–	–	427	659	419,764	440,228
Employee related provisions	5,673	4,893	166	152	4,758	6,907	232,863	218,019
Other provisions	15,155	18,308	–	–	115	461	117,766	117,994
Derivative financial instruments	–	–	–	–	–	–	14,913	20,394
Other liabilities	8	2	–	–	4,536	9,737	11,513	15,997
Total Liabilities	49,819	73,699	23,496	22,649	20,370	28,135	1,313,987	1,411,951
Net Asset	149,688	129,042	630,136	435,895	49,845	83,750	11,574,444	11,395,790

4.2 Administered (non-controlled) items

In addition to the specific departmental operations which are controlled and included in the financial statements (balance sheet, comprehensive operating statement, cash flow statement and statement of changes in equity), the department administers or manages other activities and resources on behalf of the state. The department does not gain control over assets arising from transactions listed below and consequently no income is recognised in the department's financial statements. Accordingly, the amounts is disclosed as income in the schedule of Administered Items. The transactions and balances relating to these activities are reported as administered items in this note.

4.2.1 Administered income and expenses

	Agriculture ⁽ⁱ⁾		Building ⁽ⁱⁱ⁾		Climate Action	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered revenue and income from transactions						
Appropriations – payments on behalf of the state (POBOS)	–	–	–	–	–	–
Interest income	216	103	–	–	–	–
Sales of goods and services	66,070	43,202	–	–	2	–
Royalties, land leases and licences	–	1	–	–	–	–
Land titles income	–	–	–	–	–	–
Environmental contribution	–	–	–	–	–	–
Grants	1,274	–	–	–	–	–
Assets received free of charge	–	–	–	–	–	–
Other income and loan repayments transferred from the controlled entity	85	16	–	–	3	2
Total administered revenue and income from transactions	67,645	43,322	–	–	5	2
Administered expenses from transactions						
Grants and other transfers	–	–	–	–	–	–
Victorian Desalination Project interest expense (Note 4.2.4)	–	–	–	–	–	–
Other expenses	–	–	–	–	–	–
Depreciation and amortisation	–	–	–	–	–	–
Other expenses associated with jointly controlled assets	–	–	–	–	–	–
Payments into the consolidated fund	(57,516)	(43,961)	–	–	(135)	(2)
Total administered expenses from transactions	(57,516)	(43,961)	–	–	(135)	(2)
Total administered net result from transactions (net operating balance)	10,129	(639)			(130)	–
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	(2,341)	(63)	–	–	–	(9)
Net gain/(loss) on financial instruments	28	5	–	–	1	1
Share of net profit/(loss) of joint venturers (Note 4.2.3(b))	–	–	–	–	–	–
Other gains/(losses) from other economic flows	–	–	–	–	–	–
Total administered other economic flows included in net result	(2,313)	(58)	–	–	1	(8)
Administered net result	7,816	(697)	–	–	(129)	(8)
Other comprehensive income	–	–	–	–	–	–
Administered comprehensive result	7,816	(697)	–	–	(129)	(8)

Note:

- (i) These outputs were transferred to the department on 1 January 2023. Comparatives reported are for 6 months only – 1 Jan 2023 to 30 June 2023. Refer to Note 4.3.
- (ii) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.

4.2.1 Administered income and expenses (continued)

	Effective Water Management and Supply		Energy		Environment and Biodiversity	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered revenue and income from transactions						
Appropriations – payments on behalf of the state(POBOS)	603,735	609,692	8,953	8,897	–	–
Interest income (Note 4.2.4)	396,272	400,070	277	141	3	2
Sales of goods and services	169,691	167,821	45	1,138	161	1,107
Royalties, land leases and licences	–	–	–	–	1,565	1,319
Land titles income	–	–	–	–	–	–
Environmental contribution	173,480	173,480	–	–	–	–
Grants	–	–	1,300	–	1,150	77
Assets received free of charge	41,806	36,281	–	–	–	–
Other income and loan repayments transferred from the controlled entity	39	10	11,685	7,895	16	7
Total administered revenue and income from transactions	1,385,023	1,387,354	22,260	18,071	2,895	2,512
Administered expenses from transactions						
Grants and other transfers	(31,385)	(31,429)	(8,901)	(8,897)	–	–
Victorian Desalination Project interest expense (Note 4.2.4)	(354,249)	(360,662)	–	–	–	–
Other expenses	(162,662)	(164,854)	(52)	–	–	–
Depreciation and amortisation	(11,752)	(11,179)	–	–	–	–
Other expenses associated with jointly controlled assets	–	–	–	–	–	–
Payments into the consolidated fund	(807,283)	(759,614)	(88,093)	(86,172)	(3,655)	(2,488)
Total administered expenses from transactions	(1,367,331)	(1,327,738)	(97,046)	(95,069)	(3,655)	(2,488)
Total administered net result from transactions (net operating balance)	17,692	59,616	(74,786)	(76,998)	(760)	24
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	265	799	(1,361)	1,178	(4)	(47)
Net gain/(loss) on financial instruments	17	4	14	5	7	3
Share of net profit/(loss) of joint venturers (Note 4.2.3(b))	–	–	(1,238)	–	–	–
Other gains/(losses) from other economic flows	–	–	–	–	–	–
Total administered other economic flows included in net result	282	803	(2,585)	1,183	3	(44)
Administered net result	17,974	60,419	(77,371)	(75,815)	(757)	(20)
Other comprehensive income	–	–	(763)	–	–	–
Administered comprehensive result	17,974	60,419	(78,134)	(75,815)	(757)	(20)

4.2.1 Administered income and expenses (continued)

	Fire and Emergency Management		Land Use Victoria ⁽ⁱ⁾		Management of Public Land and Forest	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered revenue and income from transactions						
Appropriations – payments on behalf of the state (POBOS)	–	–	–	1,896	–	–
Interest income	–	–	–	–	–	–
Sales of goods and services	39	3	–	23,101	17	22
Royalties, land leases and licences	16	24	–	–	6,750	11,502
Land titles income	–	–	–	241,164	–	–
Environmental contribution	–	–	–	–	–	–
Grants	169	–	–	–	–	–
Assets received free of charge	–	–	–	–	–	–
Other income and loan repayments transferred from the controlled entity	74	40	–	35,982	32	14
Total administered revenue and income from transactions	298	67	–	302,143	6,799	11,538
Administered expenses from transactions						
Grants and other transfers	–	–	–	(28,221)	–	–
Victorian Desalination Project interest expense (Note 4.2.4)	–	–	–	–	–	–
Other expenses	–	–	–	(249)	(10,108)	(14,002)
Depreciation and amortisation	–	–	–	(1,896)	–	–
Other expenses associated with jointly controlled assets	–	–	–	–	–	–
Payments into the consolidated fund	(3,247)	(74)	–	(281,520)	(14,684)	(20,220)
Total administered expenses from transactions	(3,247)	(74)	–	(311,886)	(24,792)	(34,222)
Total administered net result from transactions (net operating balance)	(2,949)	(7)	–	(9,743)	(17,993)	(22,684)
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	(2,319)	(572)	–	(10)	2,896	(8,560)
Net gain/(loss) on financial instruments	31	16	–	1	13	5
Share of net profit/(loss) of joint venturers (Note 4.2.3(b))	–	–	–	–	–	–
Other gains/(losses) from other economic flows	–	–	–	–	–	–
Total administered other economic flows included in net result	(2,288)	(556)	–	(9)	2,909	(8,555)
Administered net result	(5,237)	(563)	–	(9,752)	(15,084)	(31,239)
Other comprehensive income	–	–	–	–	–	–
Administered comprehensive result	(5,237)	(563)	–	(9,752)	(15,084)	(31,239)

Note:

- (i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. Comparatives reported for 6 months (1 July 2022 to 31 Dec 2022). Refer to Note 4.3.

4.2.1 Administered income and expenses (continued)

	Parks Victoria		Planning and Heritage ⁽ⁱ⁾		Resources ⁽ⁱⁱⁱ⁾	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered revenue and income from transactions						
Appropriations – payments on behalf of the state (POBOS)	–	–	–	–	–	–
Interest income	–	–	–	–	164	67
Sales of goods and services	3	–	–	1,490	1,046	(787)
Royalties, land leases and licences	–	–	–	–	141,976	60,678
Land titles income	–	–	–	–	–	–
Environmental contribution	–	–	–	–	–	–
Grants	–	–	–	–	–	–
Assets received free of charge	–	–	–	–	–	–
Other income and loan repayments transferred from the controlled entity	6	1	–	–	10	88
Total administered revenue and income from transactions	9	1	–	1,490	143,196	60,046
Administered expenses from transactions						
Grants and other transfers	–	–	–	–	–	–
Victorian Desalination Project interest expense (Note 4.2.4)	–	–	–	–	–	–
Other expenses	–	–	–	–	–	–
Depreciation and amortisation	–	–	–	–	–	–
Other expenses associated with jointly controlled assets	–	–	–	–	–	–
Payments into the consolidated fund	(265)	(1)	–	(1,506)	(132,997)	(9,521)
Total administered expenses from transactions	(265)	(1)	–	(1,506)	(132,997)	(9,521)
Total administered net result from transactions (net operating balance)	(256)	–	–	(16)	10,199	50,525
Administered other economic flows included in net result						
Net gain/(loss) on non-financial assets	–	(5)	–	(1,990)	–	(9)
Net gain/(loss) on financial instruments	3	–	–	–	149	1
Share of net profit/(loss) of joint venturers (Note 4.2.3(b))	–	–	–	–	–	–
Other gains/(losses) from other economic flows	–	–	–	–	–	–
Total administered other economic flows included in net result	3	(5)	–	(1,990)	149	(8)
Administered net result	(253)	(5)	–	(2,006)	10,348	50,517
Other comprehensive income	–	–	–	–	–	–
Administered comprehensive result	(253)	(5)	–	(2,006)	10,348	50,517

Note:

(i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023.

Comparatives reported for 6 months (1 July 2022 to 31 Dec 2022). Refer to Note 4.3.

(ii) These outputs were transferred to the department on 1 January 2023. Comparatives reported are for 6 months only – 1 Jan 2023 to 30 June 2023. Refer to Note 4.3.

4.2.1 Administered income and expenses (continued)

	Solar Homes		Statutory Activities and Environmental Protection ⁽ⁱ⁾		Waste and Recycling		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered revenue and income from transactions								
Appropriations – payments on behalf of the state (POBOS)	–	–	–	–	–	–	612,688	620,485
Interest income	–	–	–	–	–	–	396,932	400,383
Sales of goods and services	9	–	–	–	3	–	237,086	237,096
Royalties, land leases and licences	–	–	–	–	–	–	150,307	73,523
Land titles income	–	–	–	–	–	–	–	241,164
Environmental contribution	–	–	–	–	–	–	173,480	173,480
Grants	–	–	–	–	–	–	3,893	77
Assets received free of charge	–	–	–	–	–	–	41,806	36,281
transferred from the controlled entity ⁽ⁱⁱ⁾	56,589	52,887	–	–	6	3	68,545	96,945
Total administered revenue and income from transactions	56,598	52,887	–	–	9	3	1,684,737	1,879,434
Administered expenses from transactions								
Grants and other transfers	–	–	–	–	–	–	(40,286)	(68,547)
Victorian Desalination Project interest expense (Note 4.2.4)	–	–	–	–	–	–	(354,249)	(360,662)
Other expenses	–	–	–	–	–	–	(172,822)	(179,103)
Depreciation and amortisation	–	–	–	–	–	–	(11,752)	(13,076)
Other expenses associated with jointly controlled assets	–	–	–	–	–	–	–	–
Payments into the consolidated fund	(57,314)	(52,888)	–	–	(255)	(4)	(1,165,444)	(1,257,978)
Total administered expenses from transactions	(57,314)	(52,888)	–	–	(255)	(4)	(1,744,553)	(1,879,366)
Total administered net result from transactions (net operating balance)	(716)	(1)	–	–	(246)	(1)	(59,816)	68
Administered other economic flows included in net result								
Net gain/(loss) on non-financial assets	–	(23)	–	–	–	(17)	(2,864)	(9,327)
Net gain/(loss) on financial instruments	8	2	–	–	3	1	274	44
Share of net profit/(loss) of joint venturers (Note 4.2.3(b))	–	–	–	–	–	–	(1,238)	–
Other gains/(losses) from other economic flows	–	–	–	–	–	–	–	–
Total administered other economic flows included in net result	8	(21)	–	–	3	(16)	(3,828)	(9,283)
Administered net result	(708)	(22)	–	–	(243)	(17)	(63,644)	(9,215)
Other comprehensive income	–	–	–	–	–	–	(763)	–
Administered comprehensive result	(708)	(22)	–	–	(243)	(17)	(64,407)	(9,215)

Note:

(i) This output does not involve administered transactions - it is included here for completeness.

(ii) Relates to the transfer of customer loan repayments under the Solar Victoria scheme from the controlled entity to be remitted to the Department of Treasury and Finance.

4.2.1 Administered income and expenses (continued)

Except as otherwise disclosed, administered resources are accounted for on an accrual basis using same accounting policies adopted for recognition of the departmental items in the financial statements. Both controlled and administered items of the department are consolidated into the financial statements of the state.

Appropriations – payments on behalf of the state (POBOS)

Appropriation income is recognised on an accrual basis for the provision of outputs delivered through Payments on Behalf of the State.

Interest income

Interest income is recognised to reflect a constant periodic rate of return on the financial asset.

Sales of goods and services

Sales of goods and services is recognised as revenue under AASB 15. Refer to controlled entities Note 2.3.1 Sales of goods and services for further details on accounting policy. Revenue from sales of goods and services is recognised by reference to the stage of completion of the services being performed and when the department no longer has any of the significant risks and rewards of ownership of the goods transferred to the buyer.

Royalties, land leases and licences

Income from royalties, leases and licences of Crown land is recognised on an accrual basis under AASB 1058 *Income of not-for-profit entities* on the basis that the department recognises the income when received and these incomes are not derived from a contract with a customer under AASB 15 *Revenue from contracts with customers*. This revenue has been earned under arrangements that are not linked to enforceable or sufficiently specific performance obligations.

Land titles income

On 27 August 2018, Victorian Land Registry Services (VLRS), now known as Secure Electronic Registries Victoria (SERV) became responsible for providing the services of land titles and registry functions of (LUV) on behalf of the state of Victoria.

The land titles fees collected by the SERV are recognised in the operating statement on behalf of the state on an accrual basis when services are provided. The land titles function was transferred to the DTP, figures in the comparative financial year for this output reflect the period from 1 July 2022 to 31 December 2022. There were no balances at 30 June 2023 or 30 June 2024.

Environmental contribution

Water authorities are required to contribute towards initiatives to improve the sustainable management of water. These contributions are collected through the Environmental Contribution Levy and recognised as revenue when the department has the right to receive them on behalf of the state.

Grants

The department's administered grants mainly comprise funds provided by the Commonwealth to assist the state government in meeting general or specific service delivery obligations, primarily for the purpose of aiding the financing of the operations of the recipient, capital purposes and/or for on passing to other recipients. The department also receives grants for on passing from other jurisdictions. The department does not have control over these grants, and the income is not recognised in the department's financial statements. Grant revenue is recognised on an accrual basis under AASB 1058 *Income of not-for-profit entities*.

Assets received free of charge

On behalf of the state, the department jointly controls assets of the Murray-Darling Basin Authority. Jointly controlled assets received free of charge give rise to income, which is recognised on an accrual basis.

Other income and loan repayments transferred from the controlled entity

Amounts disclosed as other income include revenue recognised from unwinding of Grant of right to operate liability, the transfer of customer loan repayments under the Solar Victoria scheme from the controlled entity to be remitted to the Department of Treasury and Finance, fines, donations, regulatory fees and charges, refunds and reimbursements and other miscellaneous income.

Regulatory fees and charges, and refunds and reimbursements are recognised at the time of billing. Donations and other miscellaneous income are recognised when received.

The department does not gain control over assets arising from administered fines, consequently no income is recognised in the department's financial statements. The department collects these amounts on behalf of the state. Accordingly, the amounts is disclosed as income.

Share of net income/loss received from joint ventures

The department has determined that the state's share in the Marinus Link joint arrangement (Note 4.2.3) should be classified as a joint venture. It is accounted for using the equity method, in which the net income or loss from the arrangement is recognised as an other economic flow.

4.2.2 Administered assets and liabilities

	Agriculture ⁽ⁱ⁾		Building ⁽ⁱⁱ⁾		Climate Action	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered financial assets						
Cash	138	78	–	–	7	11
Receivables	24,970	19,595	–	–	1,207	1,728
Contractual receivable from Melbourne Water Corporation (Note 4.2.4)	–	–	–	–	–	–
Investments - accounted for using equity method	–	–	–	–	–	–
Total administered financial assets	25,108	19,673	–	–	1,214	1,739
Administered non-financial assets						
Share of jointly controlled assets (Note 4.2.3)	–	–	–	–	–	–
Intangible assets (Note 4.2.4)	–	–	–	–	–	–
Intangible assets held for sale (Note 4.2.4)	–	–	–	–	–	–
Total administered non-financial assets	–	–	–	–	–	–
Total administered assets	25,108	19,673	–	–	1,214	1,739
Administered liabilities						
Creditors and accruals	2,323	(1,463)	–	–	117	(203)
Borrowings (Note 4.2.4)	–	–	–	–	–	–
Unearned income	528	23	–	–	26	3
Total administered liabilities	2,851	(1,440)	–	–	143	(200)
Total administered net assets	22,257	21,113	–	–	1,071	1,939

Note:

- (i) These outputs were transferred to the department on 1 January 2023. Refer to Note 4.3.
- (ii) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.

4.2.2 Administered assets and liabilities (continued)

	Effective Water Management and Supply		Energy		Environment and Biodiversity	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered financial assets						
Cash	37,593	36,186	67	92	110	120
Receivables	73,047	69,914	20,896	15,442	6,061	7,689
Contractual receivable from Melbourne Water Corporation (Note 4.2.4)	3,464,736	3,513,023	–	–	–	–
Investments – accounted for using equity method	–	–	55,201	–	–	–
Total administered financial assets	3,575,376	3,619,123	76,164	15,534	6,171	7,809
Administered non-financial assets						
Share of jointly controlled assets (Note 4.2.3)	1,071,798	1,039,977	–	–	–	–
Intangible assets (Note 4.2.4)	145,484	108,210	–	–	–	–
Intangible assets held for sale (Note 4.2.4)	–	–	3,561	18,887	–	–
Total administered non-financial assets	1,217,282	1,148,187	3,561	18,887	–	–
Total administered assets	4,792,658	4,767,310	79,725	34,421	6,171	7,809
Administered liabilities						
Creditors and accruals	59,930	84,590	3,855	(1,733)	586	(902)
Borrowings (Note 4.2.4)	3,114,123	3,169,562	–	–	–	–
Unearned income	2,032	1,897	259	27	133	14
Total administered liabilities	3,176,085	3,256,049	4,114	(1,706)	719	(888)
Total administered net assets	1,616,573	1,511,261	75,611	36,127	5,452	8,697

4.2.2 Administered assets and liabilities (continued)

	Fire and Emergency Management		Land Use Victoria ⁽ⁱ⁾		Management of Public Land and Forest	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered financial assets						
Cash	157	267	–	–	87	114
Receivables	27,387	42,899	–	–	11,177	14,601
Contractual receivable from Melbourne Water Corporation (Note 4.2.4)	–	–	–	–	–	–
Investments – accounted for using equity method	–	–	–	–	–	–
Total administered financial assets	27,544	43,166	–	–	11,264	14,715
Administered non-financial assets						
Share of jointly controlled assets (Note 4.2.3)	–	–	–	–	–	–
Intangible assets (Note 4.2.4)	–	–	–	–	–	–
Intangible assets held for sale (Note 4.2.4)	–	–	–	–	–	–
Total administered non-financial assets	–	–	–	–	–	–
Total administered assets	27,544	43,166	–	–	11,264	14,715
Administered liabilities						
Creditors and accruals	2,647	(5,032)	–	–	1,115	(1,708)
Borrowings (Note 4.2.4)	–	–	–	–	–	–
Unearned income	601	79	–	–	2,051	1,907
Total administered liabilities	3,248	(4,953)	–	–	3,166	199
Total administered net assets	24,296	48,119	–	–	8,098	14,516

Note:

- (i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.

4.2.2 Administered assets and liabilities (continued)

	Parks Victoria		Planning and Heritage ⁽ⁱ⁾		Resources ⁽ⁱⁱ⁾	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered financial assets						
Cash	14	7	–	–	5,558	5,084
Receivables	2,371	1,090	–	–	122,774	118,834
Contractual receivable from Melbourne Water Corporation (Note 4.2.4)	–	–	–	–	–	–
Investments – accounted for using equity method	–	–	–	–	–	–
Total administered financial assets	2,385	1,097	–	–	128,332	123,918
Administered non-financial assets						
Share of jointly controlled assets (Note 4.2.3)	–	–	–	–	–	–
Intangible assets (Note 4.2.4)	–	–	–	–	–	–
Intangible assets held for sale (Note 4.2.4)	–	–	–	–	–	–
Total administered non-financial assets	–	–	–	–	–	–
Total administered assets	2,385	1,097	–	–	128,332	123,918
Administered liabilities						
Creditors and accruals	229	(128)	–	–	362	(208)
Borrowings (Note 4.2.4)	–	–	–	–	95	–
Unearned income	52	2	–	–	982	903
Total administered liabilities	281	(126)	–	–	1,439	695
Total administered net assets	2,104	1,223	–	–	126,893	123,223

Note:

(i) These outputs were transferred to the Department of Transport and Planning on 1 January 2023. There are no balances in either 2023 or 2024 and are included here for completeness and to align to Note 4.1.2.

(ii) These outputs were transferred to the department on 1 January 2023. Refer to Note 4.3.

4.2.2 Administered assets and liabilities (continued)

	Solar Homes		Statutory Activities and Environmental Protection ⁽ⁱ⁾		Waste and Recycling		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered financial assets								
Cash	38	28	–	–	13	21	43,782	42,008
Receivables	6,648	4,523	–	–	2,277	3,386	298,815	299,702
Contractual receivable from Melbourne Water Corporation (Note 4.2.4)	–	–	–	–	–	–	3,464,736	3,513,023
Investments - accounted for using equity method	–	–	–	–	–	–	55,201	–
Total administered financial assets	6,686	4,551	–	–	2,290	3,407	3,862,534	3,854,733
Administered non-financial assets								
Share of jointly controlled assets (Note 4.2.3)	–	–	–	–	–	–	1,071,798	1,039,977
Intangible assets (Note 4.2.4)	–	–	–	–	–	–	145,484	108,210
Intangible assets held for sale (Note 4.2.4)	–	–	–	–	–	–	3,561	18,887
Total administered non-financial assets	–	–	–	–	–	–	1,220,843	1,167,074
Total administered assets	6,686	4,551	–	–	2,290	3,407	5,083,377	5,021,807
Administered liabilities								
Creditors and accruals	642	(531)	–	–	220	(397)	72,026	72,287
Borrowings (Note 4.2.4)	–	–	–	–	–	–	3,114,218	3,169,562
Unearned income	146	8	–	–	50	6	6,860	4,870
Total administered liabilities	788	(523)	–	–	270	(391)	3,193,104	3,246,719
Total administered net assets	5,898	5,074	–	–	2,020	3,798	1,890,273	1,775,088

Note:

(i) This output does not involve administered transactions - it is included here for completeness.

Administered resources are accounted for on an accrual basis using same accounting policies adopted for recognition of the departmental items in the financial statements. Where an accounting policy is relevant for administered resources but not controlled, the policy is provided in the note below. Both controlled and administered items of the department are consolidated into the financial statements of the state.

The state's investment in all its controlled entities is disclosed in the administered note of DTF's financial statements. This includes the investment in DEECA's portfolio entities.

Contingencies and commitments

Contingencies or commitments arising from the department's administered items arising from the service concession arrangement are disclosed in Note 4.2.4.

Contingencies or commitments arising from the department's interest in the joint venture are disclosed in Note 4.2.3(b) (2023: Nil).

4.2.3 Administered investments

(a) Joint operations - Murray-Darling Basin Authority (MDBA)

The department, on behalf of the state, has an interest in the Murray-Darling Basin Authority (MDBA) represented by the River Murray Operations and the Living Murray Initiative. The department has determined that the state's interest is classified as a joint operation as per AASB 11 *Joint Arrangements* and will recognise its share of jointly held assets, incurred liabilities, earned income and incurred expenses in its similar line items.

The MDBA is an independent, expertise based statutory agency responsible for developing, implementing and monitoring the Basin Plans. The MDBA undertakes activities that support the sustainable and integrated management of the water resources of the Murray-Darling Basin in a way that best meets the social, economic and environmental needs of the Basin and its communities.

Two unincorporated joint arrangements were established under the MDBA to hold the assets on behalf of the participants through separate agreements called the "Asset Agreement for River Murray Operations Assets" (RMO) and the "Further Agreement on Addressing Over Allocation and Achieving Environmental Objectives in the Murray-Darling Basin – Control and Management of Living Murray Initiative Assets" (LMI). The principal place of operation is in Australia. The participants are obliged to provide funding to the MDBA for the management of the RMO and LMI assets and operations.

The agreements in relation to the Murray Darling Basin Agreement joint arrangement require unanimous consent from all parties for all relevant activities. The participants own the infrastructure assets and water rights of the joint arrangements which are being managed through the RMO and LMI and there are no liabilities held for either RMO or LMI.

Name of entity	Principal activity	Country of incorporation	Ownership interest	
			2024 %	2023 %
River Murray Operations	To undertake activities that support the sustainable and integrated management of water resources of the Murray-Darling Basin. RMO hold the infrastructure assets on behalf of the participants.	Australia	26.67	26.67
Living Murray Initiative	To improve the ecological condition of significant forests, wetlands and lakes along the River Murray. LMI holds the water entitlements on behalf of the participants.	Australia	26.67	26.67

Amounts recognised as joint operations

The state's interest in assets, liabilities, income, and expenses employed in the above joint operations is detailed below. The amounts are included in the administered financial statements under their respective categories.

	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
	River Murray Operations		Living Murray Initiative		Total	
Non-current assets						
Property, plant and equipment	887,021	855,523	–	–	887,021	855,523
Intangible assets	1,086	1,086	183,691	183,368	184,777	184,454
Total non-current assets	888,107	856,609	183,691	183,368	1,071,798	1,039,977
Total assets	888,107	856,609	183,691	183,368	1,071,798	1,039,977
Income	4,727	2,156	–	–	4,727	2,156
Expenses	(11,937)	(12,574)	–	–	(11,937)	(12,574)
Total other economic flows included in net result	(234)	(349)	323	2,082	89	1,733

The accounting policies for the joint operations' non-current assets are outlined below.

River Murray Operations – Non-current assets**Asset recognition threshold**

Infrastructure assets are recognised initially at cost in the 'Statement of Financial Position'. Infrastructure assets are not recognised unless the cost exceeds \$10,000; whilst plant and equipment assets are recognised when the cost exceeds \$2,000. If individual assets below the thresholds form part of a group of similar assets which are significant in total these items are required to be recognised.

Acquisition of assets

Assets acquired during the year are recorded at cost on acquisition. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Revaluations

Infrastructure assets are recorded at fair value (based on current replacement cost at the date of revaluation) less any subsequent accumulated depreciation and subsequent accumulated impairment losses in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and AASB 136 *Impairment of Assets*.

Infrastructure assets are revalued by an independent external asset valuer on behalf of the Authority on a three year cycle. An independent external valuation was undertaken for the financial year ended 30 June 2022. In the intervening two years of the revaluation cycle, infrastructure asset values are assessed by means of an internal management valuation. The latter is an indexation based valuation using the relevant market indices.

Work in progress, flooding easements, and equitable interest in land are carried at cost less any impairment.

Living Murray Initiative – Intangible assets (water entitlements)

The Authority and the Living Murray governments undertake market based and infrastructure improvements based savings measures to recover water entitlements. On completion, a measure is recorded on the 'Environmental Water Register' and recognised as an 'Intangible Asset' in the LMI – Joint Venture accounts.

Water entitlements acquired for LMI purpose are:

- (a) water access rights, water delivery rights, irrigation rights or other similar rights relating to water; or
- (b) interests in, or in relation to, such rights; that are held by a person for the purpose of the LMI.

Work in Progress

The Authority and the Living Murray governments undertake market based, infrastructure improvements, a mix of infrastructure and regulatory and other mechanisms based measures to recover water entitlements.

Prior to completion and formal approval of the measure, expenditure is recognised as 'Work in Progress' in the LMI – Joint Venture financial accounts. On completion and approval, the measure is listed in the 'Environmental Water Register' and recognised as an 'Intangible Asset'.

Valuation

Under AASB 138 *Intangible Assets*, intangible assets are required to be disclosed at cost or fair value. Fair value can only be applied if it can be shown that an active market exists for all intangible assets within the same class. Water licences are considered intangible assets and it has been assessed by an independent expert that there was no active market for water entitlements consistent with the recognition criteria set out in AASB 13 *Fair Value Measurement*. Accordingly, these licences (both completed measures and work in progress) are carried at cost less any accumulated amortisation and impairment losses.

In the event of the availability of the water allocation, a measure within a Work in Progress can be listed as an 'Interim Listing' in the 'Environmental Water Register'. A measure will remain in Work in Progress until the proponent is satisfied that the project is complete.

4.2.3 Administered investments – continued

(b) Joint operations – Marinus Link

On 22 March 2024, the state acquired a 33.33% shareholding in Marinus Link Pty Ltd (MLPL), a company owned by the Australian, Tasmanian and Victorian governments with responsibility for progressing the Marinus Link interconnector project. The project is a proposed undersea and underground electricity and telecommunications interconnector between North West Tasmania and the Latrobe Valley in Victoria that will enable the flow of more electricity in both directions into the National energy market.

The department administers the investment on behalf of the state and has determined that the state's interest in the company is classified as a joint venture as per AASB 11 *Joint Arrangements* as all relevant decisions of the company require unanimous support of the 3 governments. As a joint venture, the department will account for its investment using the equity method.

After initially recognising the investment in the balance sheet, the equity method requires the state's share of the post-acquisition profits or losses of the investment to be recognised in the net result as 'other economic flows'. The share of post-acquisition movements in revaluation surpluses and any other reserves is recognised in both the comprehensive operating statement and the statement of changes in equity. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment, as well as any dividends received or receivable.

Name of entity	Principal activity	Country of incorporation	Ownership interest	
			2024 %	2023 %
Marinus Link Pty Ltd	To undertake activities that progress the development and delivery of the Marinus Link interconnector project.	Australia	33.33	–
			2024 \$'000	2023 \$'000
			Total	Total
Investment accounted for using equity method				
Marinus Link joint venture			55,201	–
Movement in the state's proportional share of post-acquisition net assets				
Carrying amount at the beginning of the year			–	–
Capital contribution 22 March 2024			55,676	–
State's share of interests in the joint venture's operating statement			–	–
Share of joint venture's net result after tax			(1,238)	–
Share of joint venture's other comprehensive income			763	–
Dividends received/receivable from joint venture			–	–
Carrying amount at the end of the year			55,201	–

Share of contingent assets and liabilities

Contingent assets

In April 2022, the Commonwealth committed \$75 million in funding under the Federal Funding Agreement to progress Marinus Link to a financial investment decision, of which MLPL will receive \$56.2 million. MLPL recognised \$9.7 million in 2024, the remaining payments will be received over the next two financial years, contingent on the completion of agreed milestones.

Contingent liabilities

In 2019, Project Marinus received a grant from ARENA to support the project work on the feasibility study, Upon operationalisation of MLPL on 1 December 2021, the terms and conditions of this grant, including certain repayment conditions where the grant revenue of \$10 million received would be required to be repaid, were novated to MLPL. No other claims related to property loss, personal injury, contractual and other matters were outstanding.

4.2.4 Administered service concession arrangements and related financial instruments

A service concession arrangement is a contract between a grantor and an operator in which the operator:

- a. has right of access to the service concession assets to provide public services on behalf of the grantor for a period of time
- b. is responsible for at least some of the management of the public services provided through the service concession asset and does not act merely as an agent on behalf of the grantor; and
- c. is compensated for its services over the period of the service concession arrangement.

The department has determined the following arrangement meets the criteria to be classified as a service concession arrangement as per AASB 1059 *Service Concession Arrangements*:

- Victorian Desalination Project. Melbourne Water Corporation is the grantor and as such the department has recognised the arrangement as a financial liability using AASB 9.

Previously, the department administered the service concession arrangement relating to the commercialisation of Victoria's on-line Land Titles Office. This was transferred to the Department of Transport and Planning on 1 January 2023.

Victorian Desalination Project

In July 2009, the state of Victoria (the state) entered into a 30-year Public Private Partnership (PPP) arrangement with the AquaSure consortium (AquaSure). The Victorian Desalination Project (VDP) was initiated to design, build, finance and operate a desalination plant, transfer pipeline and 220 kV underground power cable capable of supplying 150 gigalitres of water per annum into the Melbourne network. Construction of the VDP began in 2009 and the lease term commenced in 2012 upon successful commissioning.

Under the arrangement, the state has an obligation to make Water Security Payments (WSPs) to AquaSure provided the plant is maintained to the appropriate standard. The WSPs have two components: capital payments for the project assets (Note 4.2.2 under the Effective Water Management and Supply output group) and other expenses for operating, maintenance and lifecycle costs.

The state will also make Water Usage Payments (WUPs) for any water that is ordered and delivered to the required standard. Water can be ordered annually for flexible amounts from 0 to 150 gigalitres (in set increments).

As at 30 June 2024 AquaSure had produced no water for the 2023–24 supply period.

On 1 April 2024 the Minister for Water announced the 2024–25 Supply Notice with a Required Annual Water Volume for zero GL in 2024–25 and non-binding forecasts of 50 GL for 2025–26 and 75 GL for 2026–27.

A Statement of Obligations (SoO) was issued to the Melbourne Water Corporation (MWC) under section 41 of the *Water Industry Act 1994* that required MWC to pay all monies as required by the state under the project deed with AquaSure. The arrangement was codified through the Water Interface Agreement (WIA) between the state, the department and MWC. The department does not control any receipt arising from this arrangement and is required to pay the amounts from the MWC into the state's consolidated fund. With consideration to the policy, the department has classified the arrangement as administered.

AquaSure is required to transfer the project assets to the state at the end of the project term for no additional payment by the state and MWC have purchased the rights to acquire the assets at that time.

The arrangement between the state and AquaSure is assessed to fall within the scope of AASB 1059 *Service Concession Arrangements*: *Grantors* with MWC being the Grantor.

As the contracting entity with the operator, DEECA recognises a financial liability relating to the obligation to make payments to AquaSure for construction, operation and maintenance of the service concession asset. A financial asset receivable is also recognised relating to the right to receive payment from MWC under the WIA.

Financial asset & liability

The financial asset and financial liability are measured at amortised cost using the effective interest method under the requirements of AASB 9. The financial asset (contractual receivable from MWC) and financial liability (borrowings) is disclosed in Note 4.2.2 under the Effective Water Management and Supply output group.

	2024	
	Financial asset \$'000	Financial liability \$'000
Contractual financial asset		
Contractual receivable from Melbourne Water Corporation	3,464,736	–
Contractual financial liability		
Borrowings – Payable to AquaSure	–	3,114,123

In addition, the project payments also include other commitments for operating, maintenance and lifecycle costs (refer below for other commitment).

Renewable energy certificates

The Project Deed requires a minimum number of Renewable Energy Certificates (RECs) to be purchased to offset the electricity used by the plant. The number of RECs that are consumed will vary based on the volume of water produced by the plant. The RECs that remain at the end of the supply period are administered by the department.

The Minister has control of the RECs which are surplus to requirements of the project. The department recognises the RECs as an intangible asset valued at \$145.5 million (2023 \$108.2 million). Refer to Note 4.2.1 Administered income and expenses, Note 4.2.2 Administered asset and liabilities.

Debt modification impact assessment

When there is a refinancing benefit, AASB 9 requires an assessment to be conducted to determine if the modification of debt is substantial, meaning the difference is at least 10 percent or greater between the present value of the modified cash flow and original cash flow, being both discounted at the original effective interest rate. Substantial debt modification is to be treated as an extinguishment of the existing debt and a recognition of a new liability. There was no debt modification in 2024 or 2023.

Other Commitments – Operating, maintenance and Lifecycle costs

Under the service concession arrangement that the state entered into with AquaSure the state pays a base Water Security Payment, provided the plant is maintained to the appropriate standard, that includes other commitments for its operation, maintenance and lifecycle costs. The nominal amounts for the other commitments below represent the charges payable under the agreement at the end of the reporting period. The commitments to Aquasure are matched by a receivable commitment from Melbourne Water.

Commissioned PPP – other commitments	2024		2023	
	Other commitments		Other commitments	
	Present value \$'000	Nominal value \$'000	Present value \$'000	Nominal value \$'000
Victorian Desalination Project	1,517,749	3,195,840	1,504,041	3,311,729
Total	1,517,749	3,195,840	1,504,041	3,311,729

Note:

- (i) Net values are also disclosed at nominal values, exclusive of GST.
- (ii) The present value of the 'Other commitments' have been discounted to 30 June of the respective financial years. The basis for discounting has been to take each 12-month period of cash flows and discount these cash flows at the end of the period using the annual discount rate. The discount rate used to calculate the present value of the commitment is 9.99 percent which is the nominal pre-tax discount rate representative of the overall risk of the project at inception.
- (iii) The 'Other commitments' have been updated to reflect indexation factors, such as Consumer Price Index, Producer Price Index, Polymer Manufacturing Index, and Average Weekly Earnings Index. Commitments are updated for the change in actual amounts paid and forecast percentage increases are based on the original forecasted indices and applied to the adjusted actual payments. This methodology has been applied to reduce volatility in the forecast 'Other commitments.'
- (iv) Net costs associated with the 15 billion litres of water delivered for the 2022–23 financial year have been reflected in commitments for 2024 (2023: 15 billion litres of water). The announcement of the OGL water order for 2024–25 is a binding commitment and has been included in 2024. The announcement of the 50GL water order for 2025–26 and 75GL for 2026–27 are non-binding commitments and have not been included.

Victorian Desalination Project other commitments payable to AquaSure

	2024 \$'000	2023 \$'000
Commitments payable – Victorian Desalination Project		
Other commitments		
Not later than one year	170,726	170,496
Later than one year but no later than five years	770,554	712,291
Later than five years	2,574,145	2,760,115
Total PPP commitments for expenditure (inclusive of GST)	3,515,425	3,642,902
Less GST payable to the Australian Taxation Office	(319,584)	(331,173)
Total commitments for expenditure (exclusive of GST)	3,195,841	3,311,729

Victorian Desalination Project SCA other commitments receivable from Melbourne Water Corporation

	2024 \$'000	2023 \$'000
Commitments receivable – Victorian Desalination Project		
Other commitments		
Not later than one year	170,726	170,496
Later than one year but no later than five years	770,554	712,291
Later than five years	2,574,145	2,760,115
Total commitments receivable (inclusive of GST)	3,515,425	3,642,902
Less GST payable to the Australian Taxation Office	(319,584)	(331,173)
Total commitments receivable (exclusive of GST)	3,195,841	3,311,729

Financial instrument specific disclosures**Financial Instruments: Categorisation**

	2024			2023		
	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total \$'000	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Contractual financial assets						
Contractual receivable from Melbourne Water Corporation	3,464,736	–	3,464,736	3,513,023	–	3,513,023
Contractual financial liabilities⁽ⁱ⁾						
Payable to AquaSure (borrowings)	–	3,114,123	3,114,123	–	3,169,562	3,169,562

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

	2024			2023		
	Net holding gain/(loss) ⁽ⁱ⁾ \$'000	Total interest income/(expense) \$'000	Total \$'000	Net holding gain/(loss) ⁽ⁱ⁾ \$'000	Total interest income/(expense) \$'000	Total \$'000
Contractual financial assets						
Financial assets at amortised cost	–	394,660	394,660	–	398,937	398,937
Contractual financial liabilities						
Financial liability at amortised cost	–	–	–	–	(360,662)	(360,662)

Note:

(i) Net holding gain/(loss) for the financial asset reflects the refinancing gain/(loss) generated/(incurred) on the financial asset and liability during the financial year.

Financial risk management objectives and policies

Refer to Note 8.1.3 for further financial instrument disclosure relating to risk management objectives and policies.

Financial instruments: Credit risk

Credit risk refers to the possibility of the department's counterparty defaulting on their contractual obligations resulting in financial loss to the department. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the department's contractual financial assets is minimal because the debtor is Melbourne Water Corporation. The SoO under section 4I of the *Water Industry Act 1994* requires Melbourne Water Corporation to pay all monies as required by the state under the project deed with AquaSure.

The carrying amount of contractual financial assets recorded in the financial statements represents the department's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Credit quality of contractual financial assets that are neither past due nor impaired

	2024		2023	
	Government agencies \$'000	Total \$'000	Government agencies \$'000	Total \$'000
Contractual financial assets				
Contractual receivable from Melbourne Water Corporation	3,464,736	3,464,736	3,513,023	3,513,023

Financial instruments: Liquidity risk

Liquidity risk arises when the department is unable to meet its financial obligations as and when they fall due.

The department's exposure to liquidity risk is the carrying amounts of the borrowings associated with the Victorian Desalination Project. The department manages its liquidity risk by ensuring that it has access to sufficient cash in the public account to meet its current liabilities.

The department's exposure to liquidity risk is deemed insignificant based on prior period data and current assessment of risk. Cash for unexpected events is generally sourced by drawing on amounts receivable from the Victorian government through the Public Account.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements, represents the department's maximum exposure to liquidity risk.

Maturity analysis of contractual financial liabilities

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates				
			Less than 1 month \$'000	1–3 months \$'000	3 months –1 year \$'000	1–5 years \$'000	5 years + \$'000
2024							
Payable to AquaSure (borrowings)	3,114,123	6,710,149	38,335	62,317	304,506	1,658,808	4,646,183
2023							
Payable to AquaSure (borrowings)	3,169,562	7,119,838	38,114	65,277	306,297	1,642,267	5,067,883

Financial instruments: Market risk

The department's exposures to market risk are primarily through interest rate risk. Objectives, policies and processes used to manage each of these risks is disclosed below.

Interest rate risk

The department's interest bearing liabilities are managed by AquaSure as the borrower of funds from financial institutions for the project. The interest rate risk is mitigated by hedging of the debt. Interest rates are fixed at the inception of the agreement and refinancing options are subject to approval by the Minister for Finance. The department's exposure to interest rate risk is set out below.

Interest rate exposure of financial instruments

	2024				2023	
			Interest rate exposure		Interest rate exposure	
	Weighted average interest rate %	Carrying amount \$'000	Fixed interest rate \$'000	Weighted average interest rate %	Carrying amount \$'000	Fixed interest rate \$'000
Financial assets						
Contractual receivable from Melbourne Water Corporation	11.28	3,464,736	3,464,736	11.28	3,513,023	3,513,023
Financial liabilities						
Payable to AquaSure (borrowings)	11.29	3,114,123	3,114,123	11.29	3,169,562	3,169,562

Fair value of financial instruments

	2024		2023	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Contractual financial assets				
Contractual receivable from Melbourne Water Corporation	3,464,736	4,446,829	3,513,023	4,435,834
Contractual financial liabilities				
Payable to AquaSure (borrowings)	3,114,123	4,006,876	3,169,562	4,006,328

4.3 Restructuring of administrative arrangements in 2022–23 financial year

Reorganisations of assets, liabilities, activities and responsibilities amongst the entities that the government controls that meet the definition of a restructure of administrative arrangements as per AASB 1004 *Contributions* are accounted for as transfers of contributed capital in accordance with the requirements of FRD 119 *Transfers through contributed capital*.

There are no administrative arrangements in 2023–24.

During 2022–23, the department underwent the following restructures of administrative arrangements:

Recycling Victoria

On 1 July 2022, the *Circular Economy (Waste Reduction and Recycling Act 2021)* abolished the seven Waste and Resource Recovery Groups (WRRG) and transferred all associated rights, functions, powers, duties, assets and liabilities to the Recycling Victoria business unit in the department. In addition, the infrastructure planning function performed by Sustainability Victoria (SV) transferred to the department.

The income and expenses for these functions for the reporting period 1 July 2022 to 30 June 2023 are reported by the department (as part of the recycling output) and are disclosed in Notes 4.1 and 4.2.

The net assets assumed by the department are recognised in the balance sheet at the carrying amount of those assets in the transferors' balance sheet immediately before the transfer.

Administrative restructure via machinery of government changes

On 5 December 2022, the Government announced a restructure of administrative arrangements via machinery of government changes to take effect from 1 January 2023. As part of the restructure, the following output transfers occurred:

- the department relinquished the Planning and Heritage, Building and Land Use Victoria outputs to Department of Transport and Planning (DTP) (effective date of transfer 1 January 2023)
- the department assumed responsibility for the Agriculture and Resources outputs from the Department of Jobs, Skills, Industry and Regions (DJSIR) (effective date of transfer 1 January 2023)

On 20 March 2023, a further determination was made by the Premier to transfer the individual corporate staff supporting the impacted output groups to the new departments. The effective date of this transfer was 27 March 2023. These transfers are disclosed in aggregate with the 1 January 2023 transfers.

The combined income and expenses for outputs for the Planning and Heritage, Building and Land Use Victoria output are reported by the Department of Transport and Planning.

The combined income and expenses for the Agriculture and Resources outputs for the reporting period (including those recognised by DJSIR) are as follows:

	Reported by DJSIR 1 Jul 2022 to 31 Dec 2023 \$'000	Reported by DEECA 1 Jan 2023 to 30 Jun 2023 \$'000	Total 2023 \$'000
Agriculture and Resources			
Controlled income and expenses			
Income	261,898	414,237	676,135
Expense	(245,180)	(408,749)	(653,929)
Net result from transactions	16,718	5,488	22,206
Other economic flows	987	1,719	2,706
Net result	17,705	7,207	24,912
Administered income and expenses			
Income	105,922	103,367	209,289
Expense	(167,983)	(53,482)	(221,465)

Restructuring of administrative arrangements – net asset transfers

The net assets assumed by/transferred to the department for impacted output groups as a result of the administrative restructures is recognised in the balance sheet at the carrying amount of those assets in the transferors' (DJSIR, WRRG, SV) and the transferee's (the department) balance sheet immediately before the transfer.

The net asset transfers were treated as contributions/return of capital by/to the state. No income or expense has been recognised by the department in respect of the net assets transferred.

	Transfer in WRRG & SV \$'000	Transfer in DJSIR \$'000	Transfer out DTP \$'000	Net impact \$'000
Assets				
Cash and cash deposits	12,050	171,730	(568,501)	(384,721)
Receivables	14,440	309,410	(63,036)	260,814
Investments and other financial assets	–	71	–	71
Property, plant and equipment	740	811,468	(174,676)	637,532
Non-financial assets classified as held for sale	40	–	–	40
Intangible assets	–	–	(32,983)	(32,983)
Prepayments	37	–	–	37
Other non-financial assets	–	5,445	(359)	5,086
Liabilities				
Borrowings	(656)	(409,117)	–	(409,773)
Payables	(15,619)	(77,711)	8,682	(84,648)
Employee provisions	(2,213)	(54,155)	33,336	(23,032)
Other provisions	(280)	(11,124)	1,503	(9,901)
Other liabilities	(5,337)	–	10	(5,327)
Net assets recognised/(transferred) – capital contributed by/(returned to) the state	3,202	746,017	(796,024)	(46,805)

Administered assets and liabilities transferred

These balances are not reflected in the department's balance sheet but are provided for information purposes.

	Transfer in WRRG & SV \$'000	Transfer in DJSIR \$'000	Transfer out DTP \$'000	Net impact \$'000
Assets				
Cash and deposits	–	6,107	(10,649)	(4,542)
Receivables	–	73,418	(1,489)	71,929
Intangible assets	–	–	(510,523)	(510,523)
Liabilities				
Payables	–	1,055	2,343	3,398
Employee provisions	–	–	–	–
Grant of right to operate	–	–	2,482,078	2,482,078
Unearned income	–	–	71,425	71,425

Note 5. Key assets available to support output delivery

Introduction

The department controls property, plant, equipment and other assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the department to be utilised for the delivery of those outputs.

The department acknowledges that included in the disclosed land values are lands over which native titles claims have been granted. Native title decisions recognise First Peoples' ongoing connection to their Country and is an important step towards progressing self-determination by recognising rights to access, use and protection of public land in accordance with their traditional laws and custom and the right to be consulted on the use and development of land or its natural resource for the protection of places and areas with cultural importance.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 5.1.3 in connection with how those fair values were determined.

Structure

- 5.1 Property, plant and equipment
 - 5.1.1 Reconciliation of movements in carrying values
 - 5.1.2 Depreciation, amortisation and impairment
 - 5.1.3 Fair value determination
- 5.2 Non-financial assets classified as held for sale
 - 5.2.1 Fair value determination
- 5.3 Intangible assets
- 5.4 Joint operations

Financial Physical Assets

5.1 Property, plant and equipment

	2024 \$'000	2023 \$'000
Land		
Freehold land		
At fair value	103,151	18,914
Total freehold land	103,151	18,914
Crown land		
Land, unused roads and government roads at fair value	4,611,361	4,733,936
National parks at fair value	5,479	5,626
State forests at fair value	2,590,144	2,597,568
Conservation reserves at fair value	159,879	116,378
Metropolitan parks at fair value	117,938	17,158
Land used for operational purposes at fair value	57,099	57,061
Total crown land	7,541,900	7,527,727
Land purchase in progress		
Freehold land	119,728	239,588
Total land purchase in progress	119,728	239,588
Total land	7,764,779	7,786,229
Buildings and structures		
Buildings and structures at fair value	1,048,498	931,109
Less accumulated depreciation	(54,973)	–
Total buildings and structures (net carrying amount)	993,525	931,109
Right-of-use buildings and structures at fair value	117,366	117,275
Less accumulated depreciation	(13,597)	(6,429)
Total right-of-use building and structures (net carrying amount)	103,769	110,846
Total buildings and structures (net carrying amount)	1,097,294	1,041,955
Roads		
At fair value	843,461	841,119
Less accumulated depreciation	(27,900)	–
Total roads (net carrying amount)	815,561	841,119
Plant and equipment		
Plant and equipment at fair value	236,132	235,688
Less accumulated depreciation	(145,442)	(135,741)
Total plant and equipment (net carrying amount)	90,690	99,947
Right-of-use plant and equipment at fair value	102,298	88,713
Less accumulated depreciation	(38,596)	(35,453)
Total right-of-use plant and equipment (net carrying amount)	63,702	53,260
Total plant and equipment (net carrying amount)	154,392	153,207
Assets under construction at cost		
Buildings and structures	60,633	75,855
Plant and equipment	15,504	7,147
Roads	566	957
Total assets under construction at cost	76,703	83,959
Historic and cultural assets		
At fair value	2,475	2,475
Less accumulated depreciation	–	–
Total historic and cultural assets	2,475	2,475
Total property, plant and equipment (net carrying amount)	9,911,204	9,908,944

5.1.1 Reconciliation of movements in carrying values

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metro-politan parks \$'000	Land used for operational purposes \$'000	Land purchased in progress \$'000	Buildings and structures other than RoU structures \$'000	RoU buildings and structures \$'000	Roads other than RoU equipment \$'000	Plant and equipment other than RoU \$'000	RoU plant and equipment \$'000	Assets under construction \$'000	Historic and cultural assets \$'000	Total \$'000
Balance at 1 July 2023	18,914	4,793,936	5,626	2,597,568	116,378	17,158	57,061	239,588	931,109	110,846	841,119	99,947	53,260	83,959	2,475	9,908,944
Additions	-	9	-	-	65	387	-	27,491	2,983	613	1,365	-	27,730	66,718	-	127,361
Disposals	-	(3,157)	-	-	-	-	(166)	-	(315)	(22)	-	(559)	(5,277)	-	-	(9,496)
Reclassification to asset classified as held for sale	177	2,408	-	-	-	-	-	-	-	-	-	-	(223)	-	-	2,362
Capital contributions (to)/ from owners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers (to)/ from other government entities	-	(10,013)	-	-	(941)	-	-	-	-	-	-	-	-	-	-	(10,954)
Machinery of Government transfers in/(out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to third parties ⁽ⁱ⁾	-	(8,247)	(147)	-	(1,714)	-	-	-	-	-	-	-	-	-	-	(10,108)
Net transfers in/ (out) – from other categories	84,060	(83,505)	-	-	46,199	100,393	204	(147,351)	65,561	-	977	7,436	-	(73,974)	-	-
Revaluation increments/ (decrements)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recognition/ (derecognition), write-on/(write-down) of assets ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	-	(20,070)	-	(7,424)	(108)	-	-	-	43,022	(7,668)	267	(18)	-	-	-	15,669
Depreciation expense (refer to Note 5.1.2)	-	-	-	-	-	-	-	-	(48,835)	(7,668)	(28,167)	(16,116)	(11,788)	-	-	(112,574)
Balance at 30 June 2024	103,151	4,611,361	5,479	2,590,144	159,879	117,938	57,099	119,728	993,525	103,769	815,561	90,690	63,702	76,703	2,475	9,911,204

Note:

- (i) Land transferred to third parties is treated as a return of equity via administered expenses as per the requirements of FRD 117 Contributions of Existing Non-Financial Assets to Third Parties.
- (ii) Net recognitions are treated as Other economic flows included in net result – Net gain on non-financial assets, as outlined in Note 9.2.
- (iii) Net recognitions of coastal protection assets worth \$45.413 million in included under the asset class Building and Structures other than ROU.

5.1.1 Reconciliation of movements in carrying values (continued)

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metro-politan parks \$'000	Land used for operational purposes \$'000	Land purchase in progress \$'000	Buildings and structures other than RoU structures \$'000	RoU Buildings and structures \$'000	Roads \$'000	Plant and equipment other than RoU \$'000	RoU plant and equipment \$'000	Assets under construction \$'000	Historic and cultural assets \$'000	Total \$'000
Balance at 1 July 2022	170,710	4,463,480	5,626	2,599,099	109,636	9,212	57,295	217,144	677,140	1,847	749,140	68,448	47,243	71,362	4,530	9,251,912
Additions	257	448	-	-	5,036	7,706	-	22,499	48,743	(66)	4,089	25,416	13,442	(3,469)	2	124,703
Disposals	(2,002)	(5,897)	-	-	-	-	-	-	(2,285)	-	-	(47)	(4,918)	-	-	(15,149)
Reclassification to asset classified as held for sale	(177)	593	-	-	-	-	-	-	-	-	-	-	12	-	-	428
Capital contributions (to)/ from owners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers (to)/ from other government entities	-	(93)	-	-	-	-	-	-	(1,706)	-	-	-	(154)	-	-	(1,953)
Machinery of Government transfers in/ (out)	(156,715)	488,891	-	-	-	-	(10)	150,445	113,560	113,560	-	20,018	7,335	16,066	(2,057)	637,533
Transfers to third parties ⁽ⁱ⁾	-	(13,998)	-	-	(4)	-	-	-	-	-	-	-	-	-	-	(14,002)
Net transfers in/ (out) – from other categories	(41)	863	-	-	-	(1,611)	-	1,566	(14,289)	-	13,979	310	-	-	-	777
Revaluation increments/ (decrements)	4,224	(5,076)	-	(6)	1,710	1,851	(179)	(1,611)	85,913	-	96,617	-	-	-	-	183,443
Recognition/ (derecognition), write-on/(write-down) of assets ⁽ⁱⁱ⁾	2,658	(195,275)	-	(1,525)	-	-	(55)	-	25,498	-	2,467	(311)	-	-	-	(166,543)
Depreciation expense (refer to Note 5.1.2)	-	-	-	-	-	-	-	-	(38,350)	(4,495)	(25,173)	(13,887)	(9,700)	-	-	(91,605)
Balance at 30 June 2023	18,914	4,733,936	5,626	2,597,568	116,378	17,158	57,061	239,588	931,109	110,846	841,119	99,947	53,260	83,959	2,475	9,908,944

Note:

- (i) Land transferred to third parties is treated as a return of equity via administered expenses as per the requirements of FRD 17 Contributions of Existing Non-Financial Assets to Third Parties.
 (ii) Net recognitions are treated as Other economic flows included in net result – Net gain on non-financial assets, as outlined in Note 9.2.

Property, plant and equipment classifications

Freehold land

Freehold land consists of land held or being acquired for the purpose of various government objectives such as planning for community open spaces and delivering other public and environmental purposes.

Crown land

The department's Crown land holdings include land being held or being acquired for the following Crown land categories.

Land and unused roads

Reserved and unreserved land acquired and held by the department for future reservation purposes. Unused roads consist of roads that have been closed for public purposes.

National and metropolitan parks

The area of public land set aside as national and metropolitan parks, which include state parks, wilderness parks, and other parks established under the *National Parks Act 1975*, comprises a diverse range of Crown land parcels permanently reserved for the benefit of the public.

State forests

State forests include Crown land parcels managed to balance a variety of uses. These uses include conserving flora and fauna, protecting water catchments and water supply, providing timber for sustainable forestry, protecting landscape, archaeological and historic values, and providing recreational and educational opportunities.

Conservation reserves

Land conservation reserves include Crown land parcels set aside for conservation of specific ecosystems, animal and plant species, geomorphological features, and significant historical and cultural qualities.

Land used for operational purposes

Crown land used for operational purposes for delivering the department's objectives. This includes various operational depots around the state of Victoria.

Land purchase in progress

Land purchase in progress is land that has been acquired and compulsory acquisitions that are in the process of being acquired by the government to be combined or divided to achieve various government objectives.

Buildings and structures

Consist of buildings and structures used to achieve the departments objectives. This includes departmental depot sites, fire towers, bores, crossings and leasehold improvements.

Plant and equipment

Consist of vehicles, workshops and other field and office equipment.

Roads

The roads, tracks and trails managed by the department are defined as Rural Class 5 and are sub-divided into five sub-classes as follows:

- 5A Primary roads: all-weather road, predominantly two lanes and mainly sealed
- 5B Secondary roads: all-weather two lane road, formed and gravelled or single lane sealed road with gravel shoulders
- 5C Minor roads: generally all-weather, single lane two-way unsealed formed road, usually lightly gravelled
- 5D Access roads: substantially single lane, two-way, generally dry weather formed (natural materials) road
- 5E Tracks and trails: predominantly single lane, two-way earth tracks (unformed) at or near the natural surface level. Costs are expensed as incurred, because these tracks and trails have a useful life of less than one year.

Assets under construction

Consist of cost relating to the construction of building and structures in progress.

Historic and cultural assets

The department also hold historic and cultural assets that the department intends to preserve because of their unique historical, cultural or environmental attributes.

Fair value for plant and equipment that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Refer to Note 5.1.3 for information on fair value determination of property, plant and equipment.

Measurement

Initial measurement

The department capitalises expenditure on individual items of \$5,000 (2023: \$5,000) or more, and records these as non-financial assets.

All non-financial physical assets are measured initially at cost. When an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a Machinery of Government change are transferred at their carrying amount.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of directly attributable variable and fixed overheads.

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

Aggregate expenditure on items that will, when completed, result in non-financial assets that provide future economic benefits is recognised as construction in progress.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less
- any lease incentive received.

Subsequent measurement

Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised in Note 5.1.3.

5.1.2 Depreciation, amortisation and impairment

Depreciation is an expense that arises from the consumption of a produced physical asset.

All items of property, plant and equipment that have finite useful lives, are depreciated. Exceptions to this rule are assets under construction, assets held for sale and land.

Intangible assets are amortised.

These expenses are classified as a 'transaction' and reduce the 'net result from transactions'.

Depreciation and amortisation are calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The following estimated useful lives for the different asset classes for current and prior years are used in the calculation of depreciation and amortisation:

Asset class	Useful life
Buildings and structures (including right-of-use assets)	1 to 100 years
Roads	80 years
Plant and equipment (including right-of-use assets)	1 to 42 years
Intangible assets	3 to 10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the department obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Historic and cultural assets have been assessed to have an indefinite useful life. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

	2024 \$'000	2023 \$'000
Depreciation and amortisation		
Property, plant and equipment		
Buildings and structures other than right-of-use	(48,835)	(38,350)
Right-of-use buildings and structures	(7,668)	(4,495)
Roads	(28,167)	(25,173)
Right-of-use motor vehicle assets	(11,788)	(9,700)
Plant and equipment other than right-of-use motor vehicle	(16,116)	(13,887)
Total depreciation of property, plant and equipment	(112,574)	(91,605)
Intangible assets		
Software (amortisation)	(2,637)	(4,696)
Total amortisation of intangible assets	(2,637)	(4,696)
Total depreciation and amortisation	(115,211)	(96,301)

Impairment

The recoverable amount of primarily non-cash generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

5.1.3 Fair value determination

Fair value measurement hierarchy of property, plant and equipment

	Carrying amount \$'000	Fair value measurement at end of financial year using:		
		Level 1 ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000
2024				
Land at fair value				
Non specialised land				
Freehold land	-	-	-	-
Land purchases in progress	-	-	-	-
Specialised land				
Freehold land	103,151	-	-	103,151
Crown land – Land, unused roads and government roads	4,611,361	-	-	4,611,361
Crown land – National parks	5,479	-	-	5,479
Crown land – State forests	2,590,144	-	-	2,590,144
Crown land – Conservation reserves	159,879	-	-	159,879
Crown land – Metropolitan parks	117,938	-	-	117,938
Crown land – Land used for operational purposes	57,099	-	-	57,099
Land purchases in progress	119,728	-	-	119,728
Buildings and structures at fair value				
Non-specialised buildings and structures	-	-	-	-
Specialised buildings and structures	993,525	-	-	993,525
Right-of-use buildings structures	103,769	-	-	103,769
Roads at fair value				
Roads	815,561	-	-	815,561
Plant and equipment at fair value				
Plant and equipment other than right-of-use	90,690	-	-	90,690
Right-of-use plant and equipment	63,702	-	63,702	-
Historic and cultural assets at fair value				
Artwork and historic assets	2,475	-	2,475	-

	Carrying amount \$'000	Fair value measurement at end of financial year using:		
		Level 1 ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000
2023				
Land at fair value				
Non specialised land				
Freehold land	–	–	–	–
Land purchases in progress	–	–	–	–
Specialised land				
Freehold land	18,915	–	–	18,915
Crown land – Land, unused roads and government roads	4,733,936	–	–	4,733,936
Crown land – National parks	5,626	–	–	5,626
Crown land – State forests	2,597,568	–	–	2,597,568
Crown land – Conservation reserves	116,378	–	–	116,378
Crown land – Metropolitan parks	17,158	–	–	17,158
Crown land – Land used for operational purposes	57,061	–	–	57,061
Land purchases in progress	239,588	–	–	239,588
Buildings and structures at fair value				
Non specialised buildings and structures	–	–	–	–
Specialised buildings and structures	931,109	–	–	931,109
Right-of-use buildings structures	110,846	–	–	110,846
Roads at fair value				
Roads	841,119	–	–	841,119
Plant and equipment at fair value				
Plant and equipment other than right-of-use	99,947	–	–	99,947
Right-of-use plant and equipment	53,260	–	53,260	–
Historic and cultural assets at fair value				
Artwork and historic assets	2,475	–	2,475	–

Note:

(i) Classified in accordance with the fair value hierarchy, refer to Note 8.3.

(ii) Assets under construction are excluded from the table above.

The measurement and classification of each class of property, plant and equipment is outlined below. There have been no transfers between levels during the period.

Specialised land

The market based direct comparison method is used for specialised land although it is adjusted for a community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment reflects valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land is classified as Level 3.

An independent valuation of the department's specialised land was performed by VGV. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuations was 30 June 2021. Subsequently, a managerial revaluation was recognised in 2022, as the annual assessment of fair value (undertaken in accordance with Financial Reporting Direction 103 *Non-financial physical assets*) indicated a movement in fair value since the formal revaluation of more than 10 per cent.

The department's 2024 annual assessment of fair value in accordance to Financial Reporting Direction 103 *Non-financial physical assets for specialised land* did not result in a revaluation adjustment as the movement in values was less than 10 per cent. Reliance is placed on land indices and building cost indexation factors provided by the VGV to perform the annual assessment.

Specialised buildings and structures

For the majority of the department's specialised buildings, the current replacement cost method is used adjusting for the associated depreciation. As depreciation adjustments are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the department's specialised buildings within the Public Safety and Environment Purpose Group was performed by VGV. The valuation was performed using the current replacement cost method. The effective date of the valuations was 30 June 2021. Subsequently, a managerial revaluation was recognised in 2023, as the annual assessment of fair value (undertaken in accordance with Financial Reporting Direction 103 *Non-financial physical assets*) indicated a movement in fair value since the formal revaluation of more than 10 per cent.

Structures are valued using the current replacement cost method. This cost represents the replacement cost of the component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the current service capacity of the asset.

Where it has not been possible to examine hidden works, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the structures. The estimated cost of reconstruction includes structure services and finishes.

An independent valuation of the department's structures was performed by VGV. The valuation was performed based on the current replacement cost of the assets. The effective date of the valuations was 30 June 2021.

The department's 2024 annual assessment of fair value in accordance with Financial Reporting Direction 103 *Non-financial physical assets for specialised buildings* indicated that fair values had not moved by more than 10 per cent since the 2023 managerial revaluation. Reliance is placed on land indices and building cost indexation factors provided by the VGV to perform the annual assessment and recognise the revaluation adjustment.

Roads

Roads are valued using the current replacement cost method. This cost represents the replacement cost of the component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the current service capacity of the asset. As depreciation adjustments are considered significant, unobservable inputs in nature, roads are classified as Level 3.

Where it has not been possible to examine hidden works, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the roads. The estimated cost of reconstruction includes structure services and finishes.

An independent valuation of the department's roads was performed by VGV as at 30 June 2021. The valuation was performed based on the current replacement cost of the assets. Subsequently, a managerial revaluation was recognised in 2023, as the annual assessment of fair value (undertaken in accordance with Financial Reporting Direction 103 *Non-financial physical assets*) indicated a movement in fair value since the formal revaluation of more than 10 per cent.

The department's 2024 annual assessment of fair value in accordance with Financial Reporting Direction 103 *Non-financial physical assets* for roads indicated that fair values had not moved by more than 10 per cent since the 2023 managerial revaluation. Reliance is placed on the applicable indices from the Australian Bureau of Statistics – Table 17, Index Number 3101 road and bridge construction Victoria to perform the annual assessment and recognise the revaluation adjustment.

Plant and equipment

Plant and equipment are held at fair value.

The department completes an annual assessment of fair value and given the movement in fair value was less than 10 per cent there is no requirement to adopt a managerial valuation for 30 June 2024.

When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the carrying amount. Given valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable, these assets are classified as Level 3.

Motor vehicles are valued using the market direct comparison method. Under this valuation method, the vehicles are compared to recent comparable sales. To the extent that motor vehicles under finance lease have an exit price prescribed by the lessor at the start of the lease term, these assets are classified as Level 2 under the market approach.

Historic and cultural assets

Historic and cultural assets are valued using the market direct comparison method. Under this valuation method, the historic and cultural assets are determined by a comparison to similar examples of the artist's work in existence throughout Australia and research on prices paid for similar examples offered at auction or through art galleries in recent years.

To the extent that historic and cultural assets do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

An independent valuation of the department's historic and cultural assets was performed by the VGV. The effective date of the valuations was 30 June 2021.

The department completes an annual assessment of fair value. The movement in fair value was less than 10 per cent therefore a managerial valuation was not adopted for 30 June 2024.

Right-of-use assets

The net present value of the remaining lease payments is often the appropriate proxy for fair value of relevant right-of-use assets.

Valuation techniques

There were no changes in valuation techniques throughout the period to 30 June 2024.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 fair value movements

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conservation reserves \$'000	Metro-politan parks \$'000	Land used for operational purposes \$'000	Land purchase in progress \$'000	Buildings and structures \$'000	RoU buildings and structures \$'000	Roads equipment \$'000	Plant and equipment \$'000	Total \$'000
Balance at 1 July 2023	18,914	4,733,936	5,626	2,597,568	116,378	17,158	57,061	239,588	931,109	110,846	841,119	99,947	9,769,250
Purchases/(sales)	-	(3,148)	-	-	65	387	(166)	27,491	2,668	591	1,365	(559)	28,694
Transfers in/(out) of Level 3 – assets classified as held for sale (Note 5.2)	177	2,408	-	-	-	-	-	-	-	-	-	-	2,585
Transfers in/(out) - free of charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in/(out) – from other categories ⁽ⁱ⁾	84,060	(83,505)	-	-	46,199	100,393	204	(147,351)	65,561	-	977	7,436	73,974
Depreciation expense	-	-	-	-	-	-	-	-	(48,835)	(7,668)	(28,167)	(16,116)	(100,786)
Gains/(losses) recognised in net result	103,151	4,649,691	5,626	2,597,568	162,642	117,938	57,099	119,728	950,503	103,769	815,294	90,708	9,773,717
Gains/(losses) recognised in other economic flows – other comprehensive income	-	(20,070)	-	(7,424)	(108)	-	-	-	43,022	-	267	(18)	15,669
Revaluation increments/(decrements)	-	(20,070)	-	(7,424)	(108)	-	-	-	43,022	-	267	(18)	15,669
Transfers in/(out) through contributions by owner	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in/(out) – third party	-	(8,247)	(147)	-	(1,714)	-	-	-	-	-	-	-	(10,108)
Machinery of Government transfers in/(out)	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in/(out) – other capital contributions	-	(10,013)	-	-	(941)	-	-	-	-	-	-	-	(10,954)
Balance at 30 June 2024	103,151	4,611,361	5,479	2,590,144	159,879	117,938	57,099	119,728	993,525	103,769	815,561	90,690	9,768,324

Note:

(i) Net transfers from assets under construction. Assets under construction are excluded from the table above.

Reconciliation of Level 3 fair value movements (continued)

	Freehold land \$'000	Land and unused roads \$'000	National parks \$'000	State forests \$'000	Conser- vation reserves \$'000	Metro- politan parks \$'000	Land used for operational purposes \$'000	Land purchase in progress \$'000	Buildings and structures \$'000	Buildings and structures \$'000	Roads \$'000	Plant and equipment \$'000	Total \$'000
Balance at 1 July 2022	36,166	4,463,480	5,626	2,599,099	109,636	9,212	57,295	217,116	652,447	1,847	749,140	68,448	8,969,512
Purchases/(sales)	(1,745)	(5,449)	-	-	5,036	7,706	-	22,499	46,458	(66)	4,089	25,369	103,897
Transfers in/(out) of Level 3 – assets classified as held for sale (Note 5.2)	(177)	593	-	-	-	-	-	-	-	-	-	-	416
Transfers in/(out) – free of charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in/(out) – from other categories ⁽ⁱ⁾	(41)	863	-	-	-	(1,611)	-	1,566	(14,289)	-	13,979	310	777
Depreciation expense	-	-	-	-	-	-	-	-	(38,350)	(4,495)	(25,173)	(13,887)	(81,905)
	34,203	4,459,487	5,626	2,599,099	114,672	15,307	57,295	241,181	646,266	(2,714)	742,035	80,240	8,992,697
Gains/(losses) recognised in net result													
Recognition/ (derecognition), write-on/ (write-down) of assets	2,658	(195,275)	-	(1,525)	-	-	(55)	-	25,498	-	2,467	(311)	(166,543)
	2,658	(195,275)	-	(1,525)	-	-	(55)	-	25,498	-	2,467	(311)	(166,543)
Gains/(losses) recognised in other economic flows – other comprehensive income													
Revaluation increments/ (decrements)	4,224	(5,076)	-	(6)	1,710	1,851	(179)	(1,611)	85,913	-	96,617	-	183,443
	4,224	(5,076)	-	(6)	1,710	1,851	(179)	(1,611)	85,913	-	96,617	-	183,443
Transfers in/(out) through contributions by owner													
Transfers in/(out) – third party	-	(13,998)	-	-	(4)	-	-	-	-	-	-	-	(14,002)
Machinery of Government transfers in/(out)	(22,171)	488,891	-	-	-	-	-	18	175,138	113,560	-	20,018	775,454
Transfers in/(out) – other capital contributions	-	(93)	-	-	-	-	-	-	(1,706)	-	-	-	(1,799)
	(22,171)	474,800	-	-	(4)	-	-	18	173,432	113,560	-	20,018	759,653
Balance at 30 June 2023	18,914	4,793,936	5,626	2,597,568	116,378	17,158	57,061	239,588	931,109	110,846	841,119	99,947	9,769,250

Note:

(i) Net transfers from assets under construction.

Assets under construction are excluded from the table above.

Description of significant unobservable inputs to Level 3 valuations

2024 and 2023	Valuation technique	Significant Unobservable Inputs
Specialised land	Market approach	Community Service Obligation adjustment Direct cost per square metre
Specialised buildings	Current replacement cost	Useful life of specialised buildings Cost per structure
Specialised structures	Current replacement cost	Useful life of specialised structures Cost per kilometre
Roads	Current replacement cost	Useful life of roads Cost per unit
Plant and equipment	Current replacement cost	Useful life of plant and equipment

5.2 Non-financial physical assets classified as held for sale

	2024 \$'000	2023 \$'000
Non-financial physical assets classified as held for sale		
Land held for sale	19	4,029
Leased motor vehicles held for sale	748	525
Large scale generation certificates held for sale	283	2,722
Total non-financial physical assets classified as held for sale	1,050	7,276

Land held for sale represents land deemed surplus to the needs of the state and sale is highly probable within the next 12 months.

Motor vehicles held for sale represent vehicles identified for immediate disposal and subsequent sale in their current condition through the VicFleet disposal process. It is anticipated that these disposals will be completed within the next 12 months.

During the year, the department received large scale generation certificates in relation to agreements signed under the Renewable Certificates Purchasing Initiative. These certificates are held for sale as it is expected that the certificates will be sold to retailers within the next 12 months.

Measurement of non-financial physical assets

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is considered as met only when

- the asset is available for immediate sale in the current condition; and
- the sale is highly probable, and the asset's sale is expected to be completed within 12 months from the date of classification.

Once classified as held for sale these non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs of disposal and are not subject to depreciation.

5.2.1 Fair value determination

Fair value measurement hierarchy of non-financial physical assets classified as held for sale

	Carrying amount \$'000	Fair value measurement at end of financial year using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
2024				
Land held for sale	19	–	19	–
Right-of-use motor vehicles held for sale	748	–	748	–
Large scale generation certificates held for sale	283	283	–	–
Total	1,050	283	767	–
2023				
Land held for sale	4,029	–	4,029	–
Right-of-use motor vehicles held for sale	525	–	525	–
Large scale generation certificates held for sale	2,722	2,722	–	–
Total	7,276	2,722	4,554	–

There have been no transfers between levels during the period. There were no changes in valuation techniques throughout the period to 30 June 2024.

Land held for sale is measured at the lower of carrying amount and fair value less costs to sell. The market based direct comparison method is used to value land held for sale. Valuation of the land is determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the land being valued.

Motor vehicles held for sale are carried at fair value less costs of disposal. To the extent that non-financial physical assets classified as held for sale do not contain significant, unobservable price inputs, these assets are classified as Level 2 under the market approach.

Large scale generation certificates held for sale are carried at fair value less costs to sell. The fair value is determined by the department with reference to observable market prices of large-scale generation certificates currently trading in the market as at reporting date. Given there is an active market for the certificates, these assets are classified as Level 1.

5.3 Intangible assets

	2024 \$'000	2023 \$'000
Software		
At cost	36,928	42,424
Less accumulated amortisation	(30,390)	(31,157)
	6,538	11,267
Construction in progress – at cost	3,856	1,885
Total intangible assets	10,394	13,152

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally generated intangible asset** arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Where expenditure exceeds \$300,000 (2023: \$300,000) on the development of software, the department recognises software as an intangible asset when ready for use and at the value of the total expenditure.

Subsequent measurement

Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Intangible produced assets with finite useful lives, are amortised as an 'expense from transactions' on a straight-line basis over their useful lives.

Produced intangible assets have useful lives of between 3 and 10 years.

	2024 \$'000	2023 \$'000
Movements in carrying amounts		
Balance at 1 July	13,152	46,000
Additions	1,971	4,488
Disposals	(2,092)	–
Transfers in/(out) – MoG	–	(32,648)
Transfer of assets to administered ledger	–	–
Net transfers in/(out) – from other categories	–	8
Amortisation expense	(2,637)	(4,696)
Balance at 30 June	10,394	13,152

Impairment of intangible assets

Intangible assets with indefinite useful lives are tested annually for impairment and whenever there is an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in Note 5.1.2.

5.4 Joint operations

Joint arrangements are contractual arrangements between the department and one or more other parties to undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities of the joint arrangement require the unanimous consent of the parties sharing control.

Interests in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. For joint operations, the department recognises in its financial statements: its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities that it had incurred; its revenue from the sale of its share of the output from the joint operation and its expenses, including its share of any expenses incurred jointly.

The department has determined that the state's interest in the entities below are classified as joint operations as per AASB 11 *Joint Arrangements*.

Name of entity	Principal activity	Country of incorporation	Ownership interest	
			2024 %	2023 ⁽ⁱ⁾ %
Royal Melbourne Showgrounds	To host a variety of events for public at the Showgrounds	Australia	50	50
Biosciences Research Centre	To continue to provide a world-class research facility	Australia	75	75

(i) DEECA assumed its interest on 1 January 2023 as part of MoG transfers from DJSIR (formerly DJPR)

Royal Melbourne Showgrounds

Background to the arrangement

The state entered into a joint operation with the Royal Agricultural Society of Victoria Limited (RASV) in October 2003 to redevelop the Royal Melbourne Showgrounds. Two joint operations structures were established, an unincorporated joint operation to carry out and deliver the joint operations project, and an incorporated joint operation entity, Showgrounds Nominees Pty Ltd, to hold the assets of the joint operation and to enter into agreements on behalf of the state and RASV.

In June 2006, Showgrounds Nominees Pty Ltd entered into a Development and Operations Agreement (on behalf of the state and RASV) with the concessionaire, PPP Solutions (Showgrounds) Nominee Pty Ltd, to design, construct, finance and maintain the new facilities at the showgrounds. The project operation term is 25 years from the date of commercial acceptance of completed works which occurred in August 2006. The showgrounds buildings will revert to the joint operation on the conclusion of the arrangement. The PPP arrangement has subsequently been assessed as a lease as per AASB 16. Payments to PPP Solutions (Showgrounds) Nominee Pty Ltd over the term of the arrangement will be accounted for as lease repayments (to cover the design/construct/finance) and operating and maintenance costs for on-going maintenance of the facility. The department's share of these commitments is reported in Note 7.3.4.

The state's initial contribution to the joint operation is \$100.7 million (expressed in 2004 dollars) while RASV has contributed its freehold title to the showgrounds land valued at \$51 million in June 2005.

In May 2020, RASV advised the state that it was unable to meet its share of the quarterly service payments to the Concessionaire. Accordingly, in May 2020, in addition to its share of the joint operations, the controlling department, at the time, (DJPR) recognised a financial guarantee liability amounting to \$61.12 million in relation to this obligation. As the guarantee was called upon by RASV it reduced and the balance transferred to DEECA on 1 January 2023 was \$45.08 million. This liability is disclosed in Note 6.3. Since June 2020, the state has provided RASV with a loan to fulfil its obligation to pay RASV's proportion of quarterly service fee payments to the Concessionaire.

Biosciences Research Centre

Background to the arrangement

In April 2008, the state entered into a joint operation agreement with La Trobe University (La Trobe) to establish a world class research facility on the University's campus in Bundoora, AgriBio, Centre for AgriBioscience. The project operation term is 25 years from the date of commercial acceptance of completed works which occurred in August 2006. The joint operation project is being delivered under the Partnerships Victoria Policy framework.

A similar structure to the Showgrounds Joint operation has been adopted comprising an unincorporated joint operation to carry out and deliver the joint operation project. An incorporated joint operation entity, Biosciences Research Centre Pty Ltd holds the assets of the joint operation and enters into agreements on behalf of the State and La Trobe. The State's contribution to the joint operation is \$227.3 million (expressed in May 2009 dollars).

On 30 April 2009, Biosciences Research Centre Pty Ltd entered into a project agreement (on behalf of the state and La Trobe) with Plenary Research Pty Ltd (the Concessionaire) to design, construct, finance and maintain the facility over the project's operating term. The project's operating term is 25 years from the date of commercial acceptance which occurred 18 July 2012. The PPP arrangement has subsequently been assessed as a lease as per AASB 16. Payments to Plenary Research Pty Ltd over the term of the arrangement will be accounted for as lease repayments (to cover the design/construct/finance) and operating and maintenance costs for on-going maintenance of the facility. The department's share of these commitments is reported in Note 7.3.4.

In accordance with the joint operation agreement, the participants are required to fund the administration expenses of the joint operation in equal shares of 50 per cent each. In addition, La Trobe contributes on a quarterly basis, 25 per cent of the general facilities management, maintenance and minor work costs associated with the services.

The department pays quarterly service payments in full each quarter as they fall due. In December 2015, La Trobe exercised the right to pay all of its remaining service payments, hence its share of funding obligation in full. Accordingly, the state (via the controlling department) has recognised a 100% share in the joint operation's lease liability.

Department's interest in joint operations

The department's interest in assets, liabilities, income, and expenses in the above joint operations is detailed below. The amounts are included in the department's financial statements in the same financial statement line. Contingent liabilities and commitments arising from the department's interests in joint operations are disclosed in Note 7.5 – Commitments for expenditure and Note 8.2 – Contingent assets and contingent liabilities.

	Royal Melbourne Showgrounds		Bioscience Research Centre	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets				
Current assets				
Cash and deposits	318	348	–	–
Receivables	474	8	4,484	369
Accrued income	267	252	7,249	7,489
Prepayments	184	–	–	–
Property, plant and equipment – at fair value	111,179	112,493	80,966	79,494
Liabilities				
Leases	29,027	31,704	228,029	234,812
Payables	1,769	1,769	7,249	7,489
Other liabilities	1,927	1,982	–	–
Net assets recognised	79,699	77,646	(142,579)	(154,949)
Income	785	743	38,942	39,270
Expenses	(5,309)	(5,519)	(40,779)	(35,774)
Net (loss)/gain	(4,524)	(4,776)	(1,837)	3,496

Note 6. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from the department's operations.

Structure

- 6.1 Receivables
- 6.2 Derivative financial instruments
- 6.3 Payables
 - 6.3.1 Maturity analysis of contractual payables
- 6.4 Prepayments
- 6.5 Other non-financial assets
- 6.6 Other provisions
 - 6.6.1 Reconciliation of movement in other provisions
- 6.7 Other financial liabilities

6.1 Receivables

	2024 \$'000	2023 \$'000
Current receivables		
Contractual		
Trade and other receivables	32,850	40,428
Concessional loans – Solar Victoria ⁽ⁱ⁾	92,033	95,654
Allowance for impairment losses of contractual receivables	(3,821)	(3,656)
Accrued income	21,420	8,173
	142,482	140,599
Statutory		
Amounts owing from Victorian government ⁽ⁱⁱⁱ⁾	652,476	638,429
Landfill levies receivable	250,556	258,330
Other receivables	6,573	13,427
GST input tax credit recoverable	27,961	20,356
	937,566	930,542
Total current receivables	1,080,048	1,071,141
Non-current receivables		
Contractual		
Other receivables	19,726	19,726
Other loans – Rural Assistance Commissioner ⁽ⁱⁱ⁾	95,291	115,437
	115,017	135,163
Statutory		
Amounts owing from Victorian government ⁽ⁱⁱⁱ⁾	197,709	191,869
Total non-current receivables	312,726	327,032
Total receivables	1,392,774	1,398,173

Note

- (i) Relates to concessional loan provided by the state as part of the Solar Homes Program.
- (ii) Loans provided by the Rural Assistance Commissioner as part of rural assistance schemes provided to farmers which is guaranteed by the Commonwealth. See Note 7.2 – Borrowings for advances from Commonwealth relating to the Federal Government's concessional loan scheme with the Department of Agriculture and Water Resources.
- (iii) 2023 comparatives for current and non-current balances for amounts owing from Victorian government has been reclassified by \$226.331 million.

Contractual receivables (consisting of trade receivables, concessional loans and accrued income) are classified as financial instruments and categorised as ‘financial assets at amortised cost’. They are initially recognised at fair value plus any directly attributable transaction costs. The department determines the present value of the concessional loans receivable by discounting the future expected cash flows at a market comparable interest rate. The department holds the contractual receivables with the objective to collect the contractual cash flows (comprising of interest and principal for concessional loans) and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The department applies AASB 9 for initial measurement of the statutory receivables. As a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost. Amounts recognised from the Victorian government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

Details about the department’s impairment policies, the department’s exposure to credit risk, and the calculation of the loss allowance are set out in Note 8.1.3.

The movement in the allowance of \$165,000 (2023: increase of \$1,011,000) was recognised in the operating result for the current financial year. The average credit period on sales of goods and services and for other receivables is 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter, interest is charged at 10.0 percent (2023: 10.0 percent) on the outstanding balance of invoices relating to land licences. The interest rate is determined under the *Penalty Interest Rate Act 1983*.

No interest is charged on accrued income for the outstanding balance. An allowance is made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. No such allowance has been made in this financial year for accrued receivables.

6.2 Derivative financial instruments

	2024 \$'000	2023 \$'000
Financial assets		
Derivative financial instruments	68,901	147,127
Liabilities		
Derivative financial instruments	14,913	20,394

Financial instruments: Categorisation

To assist Victoria achieve its legislated renewable energy use targets (VRET), the department entered into contracts to support the construction of renewable energy generators to feed into the National Electricity Market (NEM). The contracts, which include future settlements of Contract for Differences and rights to large-scale generation certificates (LGCs) from/to proponents, have been classified as financial derivative instruments and are measured at fair value through profit and loss (net result) in accordance with AASB 9.

Initial recognition

Derivative financial instruments are initially recognised in the balance sheet at their fair value at the time the department becomes party to the contractual provisions of the instrument. This is when the proponent has satisfied the contract’s conditions precedent. Income or expense recognised represents the fair value of the expected future settlements at the initial recognition.

Initial recognition of off-market instruments may be delayed until such point in time when the department is able to reliably estimate the fair value for those derivatives for which unobservable data inputs are used as part of the valuation techniques.

Subsequent measurement

After initial recognition, the department measures the financial instruments at fair value. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives after initial recognition are recognised in the comprehensive operating statement as an ‘other economic flow’ included in the net result (refer to Note 9.2).

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

Refer to Note 8.1.2 for the net holding gain/(loss) from derivative financial instruments.

Financial risk management objectives and policies

Refer to Note 8.1.3 for further financial instrument disclosure relating to risk management objectives and policies.

(a) Financial instruments: Credit risk

Credit risk refers to the possibility of the department's counterparty defaulting on their contractual obligations resulting in financial loss to the department. Credit risk is measured at fair value and is monitored on a regular basis.

The department's credit risk arises mainly from in-the-money receipts due from renewable energy generators (consisting of both the Contracts for Difference and the delivery of LGCs). The present value of the future cash flows relating to in-the-money receipts are reflected on the balance sheet as a favourable derivative financial instrument (asset position).

The department determines its maximum exposure to credit risk relating to derivative financial instruments on each reporting date as the sum of the nominal values of all forecasted net cash receipts where the floating price due by the proponent exceeds the fixed price payable by the state over the remaining contract term. The department reduces some of its exposure to credit risk from derivative financial instruments contracted with unrated renewable energy generators by obtaining collateral security in the form of a bank guarantee or security deposit. Collateral is obtained annually in advance and is only valid for a year from issue date. The value of each year's collateral is determined as the estimate net cash inflows from proponents in the year. The credit risk associated to the market-to-market of the remaining term of the contracts not covered by collateral is managed on the basis of the department's net exposure to each proponent's group of financial assets and financial liabilities.

					2024
	External credit rating	Maximum exposure ⁽ⁱ⁾ \$'000	Collateral held \$'000	Collateral type	Net carrying value ⁽ⁱⁱ⁾ \$'000
Contractual financial assets					
Derivative financial instruments	Unrated	100,654	5,710	Bank guarantee	68,901
Total contractual financial assets		100,654	5,710		68,901

Note:

- (i) This represents the sum of all in-the-money cash receipts due in respect to the Contract for Difference.
(ii) The carrying value of \$68.901 million represents a derivative asset position which is the net present value of the sum of all net cash receipts, net cash payments and LGCs. LGCs are not linked to cash flows.

					2023
	External credit rating	Maximum exposure ⁽ⁱ⁾ \$'000	Collateral held \$'000	Collateral type	Net carrying value ⁽ⁱⁱ⁾ \$'000
Contractual financial assets					
Derivative financial instruments	Unrated	60,309	7,000	Bank guarantee	147,127
Total contractual financial assets		60,309	7,000		147,127

Note:

- (i) This represents the sum of all in-the-money cash receipts due in respect to the Contract for Difference.
(ii) The carrying value of \$147.127 million represents a derivative asset position which is the net present value of the sum of all net cash receipts, net cash payments and LGCs. LGCs are not linked to cash flows.

(b) Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The department is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial derivative settlements. Refer to Note 8.1.3(b) for further financial instrument disclosures relating to liquidity risk.

The carrying amount recorded in the following table represents the department's maximum exposure to liquidity risk relating to derivative financial instruments.

	2024			
	Up to 1 year \$'000	Between 1 to 5 years \$'000	5 Years or more \$'000	Total ⁽ⁱ⁾ \$'000
Contractual financial liabilities				
Derivative financial instruments	72,603	246,784	186,374	505,761
				2023
	Up to 1 year \$'000	Between 1 to 5 years \$'000	5 Years or more \$'000	Total ⁽ⁱ⁾ \$'000
Contractual financial liabilities				
Derivative financial instruments	29,940	187,957	213,759	431,657

Note:

- (i) The amount disclosed in the above table is the nominal amount. This represents the sum of all out-of-money cash payments due in respect to the Contract for Difference.

(c) Financial instruments: Market risk

The department's exposures to market risk are primarily through interest rate risk and market conditions. Objectives, policies and processes used to manage each of these risks is disclosed below and also in Note 8.1.3(c).

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The department manages the fair value interest rate risks relating to the derivative financial instruments by placing a Payment Cap clause in its contractual agreements with proponents to limit the value of the department's liability over the term of the contracts. The respective Payment Caps applied to contractual arrangements are determined as part of the department's Auction tender processes and escalate at a fixed 4 percent per annum.

Equity price risk

The department is exposed to equity market price risk through its derivative forward sale contracts of large-scale generation certificates with external market participants. The entering of forward sale contracts forms part of the department's risk management policies to ensure that potential losses on sale of excess large-scale generation certificates are limited to forward contract values, reducing exposure to significant market volatility resulting from the expected oversupply of large-scale generation certificates.

There were no open and unsettled forward sale or purchase transactions for the year ended 30 June 2024 or 30 June 2023.

In the absence of an active market, the fair value of the department's derivative contracts for difference and the large scale generation certificates receivable are valued using unobservable inputs such as wholesale electricity prices provided by an independent advisory firm. The forecast wholesale electricity price is considered a significant input to the valuation technique applied.

Fair value determination

The fair value of derivative financial instruments is based on the discounted cash flow technique. The selection of variables requires significant judgement and therefore there is a range of reasonably possible assumptions in respect of these variables that could be used in estimating the fair value of derivatives. Significant inputs in applying this technique include wholesale electricity price forecasts, LGC price forecasts, discount rate and credit value adjustment as outlined in the table below.

The assumptions underpinning the wholesale electricity prices forecast used for performing the fair value assessment for the current financial year, included detailed consideration of factors influencing demand and supply fluctuations in the energy market, including the energy market's transition into a renewable energy future. The rising interest rates and inflation rates also have significant impact on the fair value movement.

In the absence of an active market, the fair value of the department's derivative contracts for difference and the LGCs receivable are valued using unobservable inputs such as wholesale electricity prices forecast provided by an independent advisory firm and comparable risk free rates of zero coupon government bonds. In addition, assumptions are applied to forecast the renewable energy generation volumes over the life of the instrument. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are unobservable, the department categorises these investments as Level 3.

	Carrying amount \$'000	Fair value measurement at end of reporting period using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
2024				
Derivative financial assets	68,901	–	–	68,901
Derivative financial liabilities	14,913	–	–	14,913
2023				
Derivative financial assets	147,127	–	–	147,127
Derivative financial liabilities	20,394	–	–	20,394

There have been no transfers between levels during the period.

Reconciliation of Level 3 fair value movements

	Financial asset at fair value through net result		Financial liability at fair value through net result		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Opening balance	147,127	429,933	(20,394)	–	126,733	429,933
Total gains or losses recognised in:						
Net result	(29,081)	(187,143)	11,393	(20,394)	(17,688)	(207,537)
Other comprehensive income	–	–	–	–	–	–
Settlements	(55,057)	(95,663)	–	–	(55,057)	(95,663)
Reclassification to liability	5,912	–	(5,912)	–	–	–
Closing balance	68,901	147,127	(14,913)	(20,394)	53,988	126,733

Description of Level 3 valuation techniques used and key inputs to valuation – 2024

	Valuation technique ⁽ⁱ⁾	Significant unobservable inputs ⁽ⁱ⁾	Sensitivity ⁽ⁱ⁾	Range	Increase \$'000	Decrease \$'000
Financial derivative instruments	Discounted cash flow method	Wholesale electricity price forecasts	10%	\$17.15 – \$155.02 / MWh	104,849	(71,518)
		LGC price forecasts	10%	\$0 – \$51.26 / MWh	36,751	(36,746)
		Discount rate – Risk free rates of zero coupon government bonds (2,3,5,10 years tenors)	1%	5.31% – 3.07%	1,064	(1,172)
		Credit value adjustment – Australian Corporate Bond Spreads and Yields FNFSBBB10M	1%	2.69% – 0.69%	(1,091)	1,156

Description of Level 3 valuation techniques used and key inputs to valuation – 2023

	Valuation technique ⁽ⁱ⁾	Significant unobservable inputs ⁽ⁱ⁾	Sensitivity ⁽ⁱ⁾	Range	Increase \$'000	Decrease \$'000
Financial derivative instruments	Discounted cash flow method	Wholesale electricity price forecasts	10%	\$11.84 – \$136.24/ MWh	111,225	(103,514)
		LGC price forecasts	10%	\$0 – \$63.23/ MWh	39,309	(37,657)
		Discount rate - Risk free rates of zero coupon government bonds (2,3,5,10 years tenors)	1%, -1%	5.185% – 2.95%	3,647	(4,214)
		Credit value adjustment – Australian Corporate Bond Spreads and Yields FNFSBBB10M	1%, -1%	3.21% – 1.21%	(711)	715

Note:

- (i) Illustrations on the valuation techniques, significant unobservable inputs and the related quantitative range of those inputs are indicative and should not be directly used without consultation with entities' independent valuer.

6.3 Payables

	2024 \$'000	2023 \$'000
Current payables		
Contractual		
Trade creditors	10,731	13,716
Accrued grants and other transfers	86,243	148,693
Capital accruals	7,073	5,405
Other payable and accrued expenses	131,229	156,008
Financial guarantee	42,369	42,369
	277,645	366,191
Statutory		
Advances	25,768	16,159
Taxes payables	2,741	9,297
	28,509	25,456
Total payables	306,154	391,647
Represented by:		
Current payables	263,785	349,278
Non-current payables	42,369	42,369
Total payables	306,154	391,647

Payables includes short and long term trade debt and accounts payable, grants, taxes and interest payable, and other financial liabilities.

Payables consist of:

- Contractual payables, such as trade creditors and accruals, classified as financial instruments and measured at amortised cost. Trade creditors and accruals represent liabilities for goods and services provided to the department prior to the end of the financial year that are unpaid.
- Statutory payables, such as goods and services tax and fringe benefits tax payables, and advances from the Public Account, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The average credit period is 30 days. No interest is charged on the trade creditors or other payables for the first 30 days from the date of the invoice. Thereafter, interest may be charged at differing rates determined by the individual trade arrangements entered into. In response to the COVID-19 pandemic, the department is mostly in compliance with the whole of government policy of making payments to suppliers in 10 business days.

Financial guarantees

In May 2020, RASV advised the state that it was unable to meet its share of the quarterly service payments to the Concessionaire. Accordingly in May 2020, the controlling department at the time (DJPR) recognised a financial guarantee liability amounting to \$61.12 million in relation to this obligation. On 1 January 2023, as part of the MoG arrangements, this liability was transferred to the department at its carrying value of \$45.08 million. Since June 2020, the state has provided RASV with a loan to fulfil its obligation to pay RASV's proportion of quarterly service fee payments to the Concessionaire. The loan is recognised as a non-current contractual receivable.

Payments that are contingent under financial guarantee contracts are recognised as a liability, at fair value, at the time the guarantee is issued. Subsequently, should there be a material increase in the likelihood that the guarantee may have to be exercised, the liability is recognised at the higher of the amount determined in accordance with the expected credit loss model under AASB 9 *Financial Instruments* and the amount initially recognised less, when appropriate, cumulative amortisation recognised.

In the determination of fair value, consideration is given to factors including the overall capital management/prudential supervision framework in operation, the protection provided by the State Government by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to the department in the event of default.

Advances

Advances mainly include advances from the Public Account made pursuant to section 37 of the *Financial Management Act 1994* and represent payments made in advance of receiving appropriation funding. These advances are recognised at the gross value of amounts owing and are not discounted to the present value of future cash flows.

6.3.1 Maturity analysis of contractual payables

	Maturity dates						
	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	1 month – 3 months ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	3 months – 1 year ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	1–5 years ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000	5+ years ⁽ⁱ⁾⁽ⁱⁱ⁾ \$'000
2024							
Trade creditors	10,731	10,731	8,911	333	1,487	–	–
Accrued grants and other transfers	86,243	86,243	86,243	–	–	–	–
Capital accruals	7,073	7,073	7,073	–	–	–	–
Other payables and accrued expenses	131,229	131,012	131,012	–	–	–	–
Financial guarantee	42,369	43,015	–	1,478	4,440	23,863	13,234
Total	277,645	278,074	233,239	1,811	5,927	23,863	13,234
2023							
Trade creditors	13,716	13,716	13,300	11	405	–	–
Accrued grants and other transfers	148,693	148,693	148,693	–	–	–	–
Capital accruals	5,405	5,405	5,405	–	–	–	–
Other payable and accrued expenses	156,008	156,008	156,008	–	–	–	–
Financial guarantee	42,369	48,913	–	1,473	4,426	29,780	13,234
Total	366,191	372,735	323,406	1,484	4,831	29,780	13,234

Note:

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

(ii) Maturity analysis for 2023 comparatives has been updated. There is no change to nominal or carrying amount.

6.4 Prepayments

	2024 \$'000	2023 \$'000
Prepayment		
Information technology services	8,326	2,635
Solar Homes program	22,587	47,334
Other	–	1,737
Total prepayments	30,913	51,706

Prepayments represent payments in advance of receipt of goods or services, or the payments made for services covering a term extending beyond that financial accounting period.

6.5 Other non-financial assets

	2024 \$'000	2023 \$'000
Current inventories		
Supplies and consumables – at cost		
Fire stores	14,373	19,852
Seed bank	1,437	1,437
Publications held for distribution and other stores	3,166	2,979
	18,976	24,268
Inventories held for distribution		
Publications held for sale – at cost	8	–
Total inventories	18,984	24,268
Biological assets		
Biological assets	2,212	4,004
Total other non-financial assets	21,196	28,272

Fire stores are items held to respond to fire and emergency situations. Items include fire retardant, phoscheck and personal protective equipment.

Inventories include goods and other items held either for sale or for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Biological assets comprise livestock and are valued at fair value.

6.6 Other provisions

	2024 \$'000	2023 \$'000
Current other provisions		
Land purchases	66,918	74,143
Solar programs	15,535	22,023
Onerous lease contracts	936	442
Other provisions	19,289	3,388
Mine site rehabilitation	8,885	11,114
Total current other provisions	111,563	111,110
Non-current other provisions		
Onerous lease contracts	6,203	6,884
Total non-current other provisions	6,203	6,884
Total other provisions	117,766	117,994

Other provisions are recognised when the department has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The future sacrifice of economic benefits includes costs associated with land purchases, Solar programs, LGCs, onerous lease contracts, insurance claims, restoration and rehabilitation related to bushfire activities involving the department, mine site rehabilitation and other environmental activities such as native vegetation offsets.

The amount recognised as a liability is the best estimate to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Onerous contracts

An onerous contract is considered to exist when the unavoidable cost of meeting the contractual obligations exceeds the estimated economic benefits to be received.

Present obligations arising under onerous contracts are recognised as a provision to the extent that the present obligation exceeds the estimated economic benefits to be received. This provision represents the present value of the future lease payments that the department is presently obligated to make in respect of onerous lease contracts under lease agreements, less income expected to be earned on the lease including estimated future sublease income. The estimate may vary as a result of changes in utilisation of the leased premises and sublease arrangements where applicable. The unexpired term of the leases vary up to a maximum of 15 years.

6.6.1 Reconciliation of movement in other provisions

	Land purchases \$'000	Solar programs \$'000	Onerous lease contracts \$'000	Mine site rehabilitation \$'000	Other \$'000	Total \$'000
Balance at 1 July 2023	74,143	22,023	7,326	11,114	3,388	117,994
Additional provisions recognised	–	12,681	786	57	21,015	34,539
Reductions arising from payments/other sacrifices of future economic benefits	(7,225)	(19,169)	–	(2,286)	(5,114)	(33,794)
Increase/(reductions) resulting from re-measurement or settlement without cost	–	–	(1,754)	–	–	(1,754)
Unwind of discount and effect of changes in the discount rate	–	–	781	–	–	781
Balance at 30 June 2024	66,918	15,535	7,139	8,885	19,289	117,766
Current	66,918	15,535	936	8,885	19,289	111,563
Non-current	–	–	6,203	–	–	6,203
Balance at 30 June 2024	66,918	15,535	7,139	8,885	19,289	117,766

6.7 Other financial liabilities

	2024 \$'000	2023 \$'000
Other financial liabilities		
Other financial liabilities	211,014	207,672
Total other financial liabilities	211,014	207,672

The liability relates to support to secure Victoria's energy supply and support for the transition to renewable energy generation. Other financial liabilities are recognised on the date on which DEECA entered into these contracts and are measured at amortised cost.

The department's policy in managing the risks inherent in these arrangements is disclosed in Note 8.1.3.

Note 7. How we financed our operations

Introduction

This section provides information on the sources of finance utilised by the department during its operations, along with interest expenses, the cost of borrowings and other information related to financial activities of the department. This section includes disclosures of balances that are financial instruments and Note 8.1 and 8.3 provides additional, specific financial instrument disclosures.

Structure

- 7.1 Cash flow information and balances
 - 7.1.1 Reconciliation of net result for the period to net cash flow from operating activities
 - 7.1.2 Interest income
- 7.2 Borrowings
 - 7.2.1 Maturity analysis of borrowings
 - 7.2.2 Interest expense
- 7.3 Lease liabilities (department as lessee)
 - 7.3.1 Right-of-use assets
 - 7.3.2 Amounts recognised in the comprehensive operating statement
 - 7.3.3 Amounts recognised in the cash flow statement
 - 7.3.4 Commissioned public private partnerships accounted for as leases
- 7.4 Trust account balances
- 7.5 Commitments for expenditure
 - 7.5.1 Public private partnership (PPP) commitment

7.1 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents includes cash and short term investments, as indicated in the reconciliation below.

	2024 \$'000	2023 \$'000
Cash and cash deposits		
Cash at bank and on hand	2,209	3,163
Funds held in trust - cash	853,184	800,655
Funds held in trust - deposits on call	594,342	446,719
Total cash and deposits disclosed in the balance sheet	1,449,735	1,250,537
Balance as per cash flow statement	1,449,735	1,250,537

Due to the state of Victoria's investment policy and government funding arrangements, the department does not hold a large cash reserve in its bank accounts. Cash received by the department from the generation of income is generally paid into the state's bank account, known as the Public Account. Similarly, any departmental expenditure, including those in the form of cheques drawn by the department for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that, the Public Account would remit to the department the cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by the department's suppliers or creditors. These funding arrangements often result in the department having a notional shortfall in the cash at bank required for payment of un-presented cheques at reporting date.

Funds held in trust include cash and term deposits and include a number of trust accounts managed and controlled by the department. Refer to Note 7.4.

7.1.1 Reconciliation of net result for the period to net cash flow from operating activities

	2024 \$'000	2023 \$'000
Net result for the period	180,599	(81,783)
Non-cash movements		
Depreciation and amortisation	115,211	96,301
Net (gain)/loss on disposal of property, plant and equipment and large-scale generation certificates held for sale	(6,880)	(9,630)
Net recognition of non-financial assets	(15,668)	166,543
Write-down of property, plant, equipment and intangible assets	1,539	2,037
Concessional loan interest	2,907	–
Net (gain)/loss on financial instruments	29,852	176,999
Net gain arising from revaluation of employee benefits	(3,395)	239
Net (gain)/loss on disposal of biological assets	953	
Fair value of assets or services received free of charge	–	(9)
Initial recognition (income)/expense from financial instruments	–	22,218
Other provision discount rate adjustments	(188)	1,781
Movements in assets and liabilities		
(Increase)/decrease in receivables	(36,314)	34,431
(Increase)/decrease in inventories	5,284	2,844
(Increase)/decrease in prepayments	24,423	9,117
Increase/(decrease) in payables	(94,665)	(9,032)
Increase/(decrease) in provisions	21,840	(5,913)
Increase/(decrease) in other liabilities	3,371	2,242
Net cash flows from operating activities	228,869	408,385

7.1.2 Interest income

	2024 \$'000	2023 \$'000
Interest income from financial assets not at fair value through profit and loss:		
Interest on cash deposits and investments	21,755	13,880
Interest accretion on concessional loans	7,620	7,617
Total interest income	29,375	21,497

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

7.2 Borrowings

	2024 \$'000	2023 \$'000
Current Borrowings⁽ⁱ⁾		
Lease liabilities – motor vehicle	20,666	19,007
Lease liabilities – buildings and structures ^(iv)	1,252	1,577
Lease liabilities - Public private partnership (PPP) ^{(ii)(iv)}	11,697	10,190
Advances from the Commonwealth ⁽ⁱⁱⁱ⁾	30	700
Total current borrowings	33,645	31,474
Non-Current Borrowings⁽ⁱ⁾		
Lease liabilities – motor vehicle	43,743	34,613
Lease liabilities – buildings and structures ^(iv)	184	107
Lease liabilities - Public private partnership (PPP) ^{(ii)(iv)}	245,361	257,058
Advances from the Commonwealth ⁽ⁱⁱⁱ⁾	96,831	116,976
Total non-current borrowings	386,119	408,754
Total borrowings	419,764	440,228

Note:

(i) Secured by the leased assets.

(ii) The department's share of PPPs as part of joint operations. Refer to Note 5.4.

(iii) Relate to Rural Assistance Commission concessional loans. Refer to Note 9.4.

(iv) 2023 comparatives for current and non-current lease liabilities - buildings and structures and lease liabilities – public private partnership (PPP) has been amended by \$7.519 million to reclassify the leases between the two categories.

Borrowings refer to interest bearing liabilities which are lease liabilities that relate to buildings and structures, and motor vehicles leased through the VicFleet and Fleet Plus lease facilities.

Borrowings are classified as financial instruments. The department classifies its interest-bearing liabilities as financial liabilities at amortised cost subsequent to initial recognition.

During the current and prior year, there were no defaults and breaches.

7.2.1 Maturity analysis of borrowings

	Carrying amount \$'000	Nominal amount \$'000	Maturity dates				
			Less than 1 month \$'000	1 month – 3 months \$'000	3 months – 1 year \$'000	1–5 years \$'000	5+ years \$'000
2024							
Lease liabilities	322,903	476,035	7,665	10,919	37,283	181,584	238,584
Advances from the Commonwealth	96,861	96,861	–	400	–	95,631	830
Total	419,764	572,896	7,665	11,319	37,283	277,215	239,414
2023							
Lease liabilities	322,552	450,001	7,846	10,143	35,632	170,561	225,819
Advances from the Commonwealth	117,676	117,676	–	700	–	103,672	13,304
Total	440,228	567,677	7,846	10,843	35,632	274,233	239,123

7.2.2 Interest expense

	2024 \$'000	2023 \$'000
Interest expense		
Interest on leases	(2,354)	(1,212)
Interest on leases – PPP	(23,889)	(12,022)
Interest foregone on concessional loans	(10,353)	(6,109)
Other interest expense	(4,120)	(2,712)
Total interest expense	(40,716)	(22,055)

Interest expense is costs incurred in connection with leasing arrangements and the wind back of interest relating to make good provisions.

Concessional loan discount on initial recognition includes interest expense calculated using the effective interest method as described in AASB 9 *Financial Instruments*.

Interest expense is recognised in the period in which it is incurred.

7.3 Leases liabilities (department as lessee)

Information about leases for which the department is a lessee is presented below.

The department's leasing activities

The department leases office accommodation, motor vehicles, and various other assets for fire emergency purposes.

Office accommodation is mostly leased from the Accommodation, Carpool and Library Services (ACLS), part of the Department of Government Services.

Motor vehicles are leased through the VicFleet and Fleet Plus lease facilities. The lease term is the period over which the vehicle is to be leased. Generally, vehicles must be retained for three years or 60,000 kilometres for VicFleet vehicles and 15 years for FleetPlus vehicles, whichever occurs first. On disposal of the vehicle any profit or loss on sale is borne by the department.

Other leased assets include airport hangars, and emergency management system hosting and storage. These assets are leased to assist the department in delivering its fire and emergency management outputs. The assets are leased for a period between 1 and 3 years.

The other leases the department recognises relates to its share of public private partnership (PPP) arrangements which have been determined to meet the definition of a lease. Refer to Note 7.3.4.

At 30 June 2024, the department was committed to short term leases. The total commitment at the end of the financial year is disclosed in Note 7.5.

Leases at significantly below-market terms and conditions

From 1 January 2023, the department holds land under a concessionary lease arrangement through its Biosciences Research Centre joint operation. The Biosciences research facility is constructed on this land. The concessionary lease has a term of 25 years concluding in August 2036 with an option to renew for another 25 years. Rental charge is \$1 per annum.

7.3.1 Right-of-use assets

Right-of-use assets are presented in Note 5.

7.3.2 Amounts recognised in the comprehensive operating statement

The following amounts are recognised in the comprehensive operating statement relating to leases:

	2024 \$'000	2023 \$'000
Interest on lease liabilities	(2,354)	(1,212)
Interest on PPP related lease liabilities	(23,889)	(12,022)
Expenses relating to low value and short term leases	(1,476)	(424)
Total amount recognised in the comprehensive operating statement	(27,719)	(13,658)

7.3.3 Amounts recognised in the cash flow statement

The following amounts are recognised in the cash flow statement for the year ended 30 June 2024 relating to leases:

	2024 \$'000	2023 \$'000
Total cash outflow for leases	(25,288)	(23,776)

For any new contracts entered into the department considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the department assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the department and for which the supplier does not have substantive substitution rights;
- the department has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the department has the right to direct the use of the identified asset throughout the period of use.
- the department has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use. This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the department's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments);
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low value assets

The department has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.

Presentation of right-of-use assets and lease liabilities

The department presents right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

7.3.4 Commissioned public private partnerships accounted for as leases

Public private partnerships (PPP) involve 2 payments streams:

- Service fee payments which relate to the financing building of the asset
- Operating and maintenance costs which relate to the on-going operation and maintenance of the assets

The department has determined that its share of PPP service fee payments that relate to the below project facilities are accounted for as leases and disclosed in Note 7.3 and its share of operating and maintenance costs are expensed when incurred and disclosed as commitments in Note 7.5.

Royal Melbourne Showground

The department received a share in the Royal Melbourne Showgrounds joint operation as part of the machinery of government changes which took effect on 1 January 2023. The joint operation entity, in 2006 had entered into a PPP arrangement with PPP Solutions (Showgrounds) Nominee Pty Ltd to design, construct, finance and maintain the new facilities at the showgrounds. The PPP arrangement has been assessed as lease under the requirements of AASB 16. For more information on the arrangement refer to Note 5.4.

Biosciences Research Centre

The department received a share in the Biosciences Research Centre joint operation as part of the machinery of government changes which took effect on 1 January 2023. The joint operation entity, in 2009 had entered into a PPP arrangement with Plenary Research Pty Ltd (the Concessionaire) to design, construct, finance and maintain the Biosciences Research Centre. The PPP arrangement has been assessed as lease under the requirements of AASB 16. For more information on the arrangement refer to Note 5.4.

	Minimum future lease payments		Present value of minimum future lease payments	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Commissioned PPP related finance lease liabilities payable				
Not longer than 1 year	32,414	31,853	30,786	30,252
Longer than 1 year but not longer than 5 years	135,501	133,104	105,016	103,142
Longer than 5 years	238,586	273,423	121,256	133,854
Minimum future lease payments	406,501	438,380	257,058	267,248
Less: future finance charges	(149,443)	(171,132)	–	–
Present value of minimum lease payments	257,058	267,248	257,058	267,248
Included in the financial statements as:				
Current borrowings lease liabilities (Note 7.2)	–	–	11,697	10,190
Non-current borrowings lease liabilities (Note 7.2)	–	–	245,361	257,058
Total	–	–	257,058	267,248

7.4 Trust account balances

The department has responsibility for transactions and balances relating to trust funds held. No third party funds were held under management for either 2024–23 or 2022–23. The following is a listing of trust account balances in cash and deposits relating to trust accounts controlled and administered by the department.

	2024				2023					
	Balance at 1 July 2023 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2024 \$'000	Balance at 1 July 2022 \$'000	MoG transfer in \$'000	Total receipts \$'000	Total payments \$'000	MoG transfer out \$'000	Balance at 30 June 2023 \$'000
Controlled trusts										
Cash, deposits and investments										
Albury Wodonga Land Transfer Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives funding and earns interest for the appropriate management and protection of land transferred from the Albury Wodonga Corporation.	570	25	(4)	591	553	–	17	–	–	570
Animals In Research and Teaching Welfare Fund Established under the <i>Prevention of Cruelty to Animals Act 1986</i> to record the receipt and disbursement of funds collected for monitoring and reporting on compliance by animal research and teaching establishments.	2,619	3,450	(3,747)	2,322	–	3,796	12	(1,189)	–	2,619
Building New Communities Fund Operates under s201VB of the <i>Planning & Environment Act 1987</i> to provide assistance for capital works for state funded infrastructure in any growth area.	–	–	–	–	158,349	–	34,371	–	(192,720)	–
Bulgana Green Power Hub Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> for the delivery of the Bulgana Green Power Hub. It is the single point of administration for receipt and holding of revenues received, net Contract for Difference net payments received by and paid to proponent and settlement of Base payments due to the proponent.	38,607	10,049	(7,889)	40,767	7,691	–	33,620	(2,704)	–	38,607
Casino Area Works Trust Operates under schedule 5 of the <i>Casino (Management Agreement) (Amendment) Act 1996</i> to be applied to works for the general improvement of facilities in the Melbourne casino area.	–	–	–	–	149	–	–	–	(149)	–
Department Suspende Operates under s19(2) of the <i>Financial Management Act 1994</i> as a working account. It holds all generic unclaimed funds until they have been identified.	142	5	–	147	142	–	–	–	–	142

	2024				2023			
	Balance at 1 July 2023	Total receipts 2023	Total payments 2024	Balance at 30 June 2024	Balance at 1 July 2022	Total receipts 2022	Total payments 2023	Balance at 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Controlled trusts								
Cash, deposits and investments								
Disease Compensation Funds Established under section 5 of the <i>Livestock Disease Control Act 1994</i> to support the control and eradication of any outbreak and to provide compensation for livestock destroyed due to suffering or suspected of suffering from diseases.	50,709	11,623	(4,941)	57,391	-	47,063	(2,412)	50,709
DTF VicFleet Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives funding and makes payments in relation to the government motor vehicle pool.	1,304	2,951	(2,711)	1,544	1,016	-	(4,460)	1,304
Goulburn Murray Water Connections Project Trust Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives fees and disburses payments in relation to the delivery of the Goulburn Murray Water connections and irrigations modernisation program.	546	2	-	548	545	1	-	546
Growth Areas Public Transport Fund Operates under s201VA of the <i>Planning & Environment Act 1987</i> to provide assistance for the state funded public transport infrastructure works in any growth areas.	-	-	-	-	282,383	34,333	(6,277)	-
Inter-departmental Transfer Trust Operates under s19(2) of the <i>Financial Management Act 1994</i> to record inter-departmental transfers when no other trust arrangement exists.	87,009	16,288	(38,238)	65,059	29,364	38,616	(35,996)	87,009
Melbourne Strategic Assessment Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives fees and disburses payments in relation to the delivery of the Melbourne Strategic Assessment Program.	108,718	55,517	(46,199)	118,036	68,012	54,677	(13,971)	108,718

	2024			2023						
	Balance at 1 July 2023 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2024 \$'000	Balance at 1 July 2022 \$'000	MoG transfer in \$'000	Total receipts \$'000	Total payments \$'000	MoG transfer out \$'000	Balance at 30 June 2023 \$'000
Controlled trusts										
Cash, deposits and investments										
Municipal and Industrial Landfill Levy Trust Account Established under s70F of the <i>Environment Protection Act 1970</i> and operates under s19 of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives municipal and industrial landfill levies from the Environment Protection Authority as specified in s448 of the <i>Environment Protection Act 2017</i> and manages payments to environmental agencies with the remaining balance transferred to the Sustainability Fund Trust Account in accordance with s449(2) of the Act.	-	482,175	(482,175)	-	-	-	457,119	(457,119)	-	-
Parks and Reserves Trust Account Operates under s153A of the <i>Water Industry Act 1994</i> as a specific purpose operating account. It receives the Metropolitan Parks Improvement Rate and makes payments for the management and control of open spaces, parks and waterways in metropolitan area.	202,167	207,403	(182,000)	227,570	184,965	-	212,517	(195,315)	-	202,167
Plant and Machinery Trust Account Operates under s23 of the <i>Conservation, Forests and Lands Act 1987</i> as a specific purpose operating account. It receives funding and makes payments for the renewal, replacement, operation, maintenance and repair of plant and machinery.	41,415	7,368	(35,207)	13,576	38,092	1,106	19,049	(16,832)	-	41,415
Project Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It receives income and makes payments associated with services the department has been contracted to supply on a fee for service basis.	394,525	315,809	(314,828)	395,506	383,820	66,030	313,420	(311,957)	(56,788)	394,525
Renewable Energy Certificate Purchasing Initiative Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. Maintains a single point of administration for revenue holding, consultancy fee, administrative costs, staffing and training. Payments are received from the Sustainability Fund for implementing the Renewable Certificate Purchasing Initiative and for purchasing Large-scale Generation Certificates	39,632	7,629	(2,728)	44,533	37,593	-	7,095	(5,056)	-	39,632

	2024			2023				
	Balance at 1 July 2023 \$'000	Total receipts 2023 \$'000	Total payments 2024 \$'000	Balance at 1 July 2022 \$'000	MoG transfer in \$'000	Total receipts payments \$'000	Total transfer out \$'000	Balance at 30 June 2023 \$'000
Controlled trusts								
Cash, deposits and investments								
Recycling Victoria Fund Established under the <i>Circular Economy (Waste Reduction and Recycling) Act 2021</i> to record the receipt and disbursement of funds for the container deposits scheme and the waste to energy scheme.	-	6	(6)	-	-	-	-	-
Recycling Victoria Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It holds funds as security to ensure all obligations are met in relation to the tripartite contracts between DEECA, contractors in the waste and recycling industry and local governments.	-	3,703	-	3,703	-	-	-	-
Revenue Suspense Operates under s19(2) of the <i>Financial Management Act 1994</i> as a departmental account. It records all unknown revenue receipts; funds are held until receipts are identified.	26	3	-	4,663	4	-	(4,641)	26
State Development Special Projects Established under section 19 of the <i>Financial Management Act 1994</i> , to assist in facilitating, encouraging, promoting and carrying out activities leading to a balanced economic development of the State of Victoria.	237	-	-	-	241	1	(5)	237
Stores Suspense Operates under s23 of the <i>Conservation, Forests and Lands Act 1987</i> as a specific purpose operating account. It receives funding and makes payments for the purchase of stores and the cost of manufacturing articles for stock.	1,332	5,887	(1,463)	6,294	-	481	(5,443)	1,332
Sustainability Fund Trust Account Established under s70F of the <i>Environment Protection Act 1970</i> and operates under s19 of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages grants fostering environmentally sustainable uses of resources, waste management best practice, greenhouse gas reduction and adapting to climate change.	201,065	349,365	(156,765)	393,665	-	302,798	(168,582)	201,065

	2024					2023				
	Balance at 1 July 2023	Total receipts	Total payments	Balance at 30 June 2024	Balance at 1 July 2022	MoG in transfer	Total receipts	Total payments	MoG transfer out	Balance at 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Controlled trusts										
Cash, deposits and investments										
Treasury Trust – Floods										
Operates under s19 of the <i>Financial Management Act 1994</i> as a shared operating account. It makes state funds available for the restoration of assets and public facilities damaged in floods.	1,494	–	(570)	924	1,297	–	370	(173)	–	1,494
Victorian Renewable Energy Target Auction Trust Account										
Operates under s19(2) of the <i>Financial Management Act 1994</i> for the delivery of the <i>Victorian Renewable Energy Target 2017 Reverse Auction Support Agreements</i> . It is the single point of administration for receipt and holding of revenues received, net Contract for Difference net payments received by and paid to proponents and settlement of Base payments due to the proponents.	75,257	19,845	(19,480)	75,622	9,739	–	65,781	(263)	–	75,257
Total controlled trusts	1,247,374	1,499,103	(1,298,951)	1,447,526	1,281,516	176,385	1,585,731	(1,227,754)	(568,504)	1,247,374

	2024			2023						
	Balance at 1 July 2023 \$'000	Total receipts 2023 \$'000	Total payments 2024 \$'000	Balance at 30 June 2024 \$'000	Balance at 1 July 2022 \$'000	MoG transfer in \$'000	Total receipts 2023 \$'000	Total payments 2023 \$'000	MoG transfer out \$'000	Balance at 30 June 2023 \$'000
Controlled trusts										
Cash, deposits and investments										
CH Barbour Forestry Foundation Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donations.	9	-	9	9	9	-	-	-	-	9
J Gilmore Farm Water Supply and Hanslow Cup Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donation.	47	1	48	46	46	-	1	-	-	47
Land Registry Commercialisation Trust Account Operates under s19(1) of the <i>Financial Management Act 1994</i> as a holding account. It manages funds, in accordance with the Concession Deed, collected by the Victorian Land Registry Services from customers following commercialisation of part of the State's land titles and registry functions.	-	-	-	61,634	61,634	-	2,167	(53,154)	(10,647)	-
Paid Parental Leave Treasury Trust Fund Operates under s19(2) of the <i>Financial Management Act 1994</i> as a working account. It receives funds from the Commonwealth to meet the eligible costs of parental leave for departmental employees.	61	34	95	69	69	-	-	(8)	-	61
Public Service Commuters' Club Operates under s19 of the <i>Financial Management Act 1994</i> as a working account. It services loans to staff for the purchase of yearly tickets and funds are recouped through staff salaries and wages.	374	5	379	361	361	-	13	-	-	374
Securities Trust Fund Operates under s19 of the <i>Financial Management Act 1994</i> as a working account. It receives and holds bonds for use by third parties of public land.	111	1	112	16	16	94	3	-	(2)	111
Sidney Plowman Award Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donations.	26	1	27	25	25	-	1	-	-	26
Treasury Trust Operates under s19(2) of the <i>Financial Management Act 1994</i> as a working account. It records the receipt and disbursement of unclaimed and unidentified monies such as unrepresented cheques, surplus cash, unidentified remittances etc.	368	10	(225)	153	373	-	48	(53)	-	368

	2024				2023					
	Balance at 1 July 2023 \$'000	Total receipts \$'000	Total payments \$'000	Balance at 30 June 2024 \$'000	Balance at 1 July 2022 \$'000	MoG transfer in \$'000	Total receipts \$'000	Total payments \$'000	MoG transfer out \$'000	Balance at 30 June 2023 \$'000
Controlled trusts										
Cash, deposits and investments										
Victorian Desalination Project Trust Account Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages and quarantines adjustment payments to AquaSure and any associated efficiencies and savings that arise relating to water orders placed with the Victorian Desalination Plant.	36,026	1,611	(128)	37,509	40,784	-	1,772	(6,530)	-	36,026
Victorian State Foresters' Association Operates under s19(2) of the <i>Financial Management Act 1994</i> as a specific purpose operating account. It manages funds for prizes, scholarships, research and private donation.	9	-	-	9	9	-	-	-	-	9
Lysterfield Reclamation Levy Established under section 7 of the <i>Extractive Industries (Lysterfield) Act 1986</i> for the purposes of applying monies received in the trust to the reclamation of certain lands in accordance with the Act.	4,978	463	-	5,441	-	6,012	-	(1,034)	-	4,978
Total administered trusts	42,009	2,126	(353)	43,782	103,326	6,106	4,005	(60,779)	(10,649)	42,009

Trust Accounts opened or closed by the department during 2023–24

Opened

Recycling Victoria Fund Recycling Victoria Trust Account

Closed

No trust accounts were closed during the year.

Treasury trust

The following is a subset of the Treasury Trust and relates to the Victorian floods of 2011.

The state has made funds available for the restoration of assets and public facilities damaged in floods through the Treasury Trust Fund.

	2024 \$'000	2023 \$'000
Treasury trust – Victorian floods		
Cash at bank at 30 June	1,297	1,297
Total funds under management	1,297	1,297
Treasury trust – Victorian floods		
Opening balance	1,297	1,297
Other contributions	–	–
Total receipts	1,297	1,297
Payments to portfolio agencies	–	–
Other payments	–	–
Total payments	–	–
Cash at bank 30 June	1,297	1,297

Third party funds under management

No third party funds were held under management for either 2023–24 or 2022–23.

7.5 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts.

Operating commitments represents future expenditure arising from contracts and include commitments for future good and services. Capital commitments represents future expenditure arising from contracts and include construction of buildings, roads, structures and software and the purchase of plant, equipment and intangible assets.

The department's lease commitment relates to short-term leases (with lease term equal or less than 12 months) and low value leases (with asset value equal or less than \$10,000) on various plant and equipment.

These commitments are recorded below at nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	Nominal amounts			
	Less than 1 year \$'000	1–5 years \$'000	5+ years \$'000	Total \$'000
2024				
Operating commitments payable	191,330	265,729	9,977	467,036
Lease and accommodation commitments payable	35,332	518	1,085	36,935
Grant commitments payable	218,486	137,601	5,531	361,618
Capital expenditure commitments payable	57,726	53,764	–	111,490
PPP commitments payable	14,773	81,981	150,217	246,971
Total commitments (inclusive of GST)	517,647	539,593	166,810	1,224,050
Less GST recoverable from the Australian Taxation Office				(111,277)
Total commitments (exclusive of GST)				1,112,773
2023				
Operating commitments payable ⁽ⁱ⁾	154,093	127,256	17,274	298,623
Lease and accommodation commitments payable	34,327	–	–	34,327
Grant commitments payable	100,930	18,457	7,819	127,206
Capital expenditure commitments payable	49,645	85,989	–	135,634
PPP commitments payable	12,894	75,103	168,303	256,300
Total commitments (inclusive of GST)	351,889	306,805	193,396	852,090
Less GST recoverable from the Australian Taxation Office				(71,359)
Total commitments (exclusive of GST)				780,731

Note:

- (i) 2023 comparative figures for the operating commitments payable has been amended to include a contract value of \$67.138 million.

7.5.1 Public private partnership (PPP) commitments

The department sometimes enters into arrangements with private sector participants to design and construct or upgrade assets used to provide public services. These arrangements usually include the provision of operational and maintenance services for a specified period of time. These arrangements are often referred to as PPPs.

In the more common form used for these arrangements, the department pays the operator over the arrangement period, subject to specified performance criteria being met. At the date of commitment to the principal provisions of the arrangement, these estimated periodic payments are allocated between a component related to the design and construction or upgrading of the asset and components related to the ongoing operation and maintenance of the asset. The former component is accounted for as either a lease, a service concession arrangement or construction of an item of property, plant and equipment. The remaining components are accounted for as commitments for operating costs, which are expensed in the comprehensive operating statement as they are incurred. At the end of the concession period, the land and state works, together with the constructed facilities, will be returned to the department. The table below shows the commitments for operating and maintaining the asset. Refer to Note 7.3.4 for information on the financing component of the PPP.

	Other commitments ⁽ⁱ⁾ Present value	Other Commitments Nominal value	Other commitments ⁽ⁱ⁾ Present value	Other Commitments ⁽ⁱ⁾ Nominal value
	2024 \$'000	2024 \$'000	2023 \$'000	2023 \$'000
Commissioned PPP commitments payable				
Royal Melbourne Showgrounds ⁽ⁱⁱ⁾	16,031	22,870	16,359	24,455
Biosciences Research Centre ⁽ⁱⁱⁱ⁾	132,443	224,101	129,844	231,845
Total commitments payable to PPP	148,475	246,971	146,203	256,300
Commissioned PPP commitments receivable				
Royal Melbourne Showgrounds ⁽ⁱⁱ⁾	8,016	11,435	8,179	12,227
Biosciences Research Centre ⁽ⁱⁱⁱ⁾	9,670	16,339	9,827	17,297
GST recoverable from the Australian Taxation Office	13,498	22,452	15,585	23,300
Total commitments receivable for PPP	31,183	50,226	33,591	52,824
Net commitments for PPPs	117,291	196,745	112,612	203,476

- (i) Commitments relate to operating maintenance and life cycle costs. For the Biosciences Research Centre this excludes pass through costs related to utilities, waste management and insurance on the basis that they are variable in nature and cannot be reliably estimated.
- (ii) The figures represent 100 per cent of the total commitment under the terms of the PPP with the concessionaire offset by a 50 per cent of the quarterly service payment recoupment under the terms of the joint arrangement with Royal Melbourne Showgrounds. DEECA has recognised a financial guarantee liability in relation to the receivable from Royal Melbourne Showgrounds refer Note 7.2.1.
- (iii) The figures represent 100 per cent of the operating commitment under the terms of the PPP with the concessionaire, offset by a 25 per cent of the general operating costs recoupment from La Trobe University under the terms of the joint arrangement. In 2016, La Trobe University has prepaid the net present value of its commitment to fund 25 per cent of the Biosciences Research Centre operating costs resulting in the DJPR (the department that controlled the joint operations at the time) recognising a liability for this prepayment that will be offset against the Bioscience Research Centre operating costs over the remaining contract term. This liability was transferred to DEECA on 1 January 2023.

Note 8. Risks, contingencies and valuation judgements

Introduction

The department is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instruments' specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the department related mainly to fair value determination.

Use of judgements and estimates

The fair value of derivative financial instruments is determined based on prices directly observable in the market, where available, or, for unlisted financial instruments, using specific valuation techniques (mainly based on present value) that maximize the use of observable market inputs. In circumstances where this is not possible, management assess the complexity of assumptions and methodologies used to estimate input data as complex and engage third party industry experts to assist with the development of the most appropriate range of estimations.

Judgement was required in determining how to best obtain market data inputs for the fair value calculations. The department elected to appoint a third party expert to provide price forecast data estimations. Specific decisions were made with the third-party expert to incorporate some of the observable assumptions and adopt a return on investment approach to estimate the wholesale electricity price forecasts.

Management considers that the data relating to wholesale electricity price forecasts are the most significant inputs used in determining the fair value of derivative financial instruments.

Wholesale electricity price is considered one of the key areas of estimation involved in the valuation. Management undertook a detailed process to understand the method.

The calculation of the fair value of certain financial assets and liabilities require the judgements, estimates and assumptions relating to future events.

The estimates and assumptions made are based on previous experience and other factors that management considers reasonable in the circumstances, but that are inherently uncertain and unpredictable. Unexpected events or circumstances may arise. Furthermore, the department is subject to risks and uncertainties which may result in the actual amounts deviating from the estimates.

Structure

- 8.1 Financial instruments specific disclosures
 - 8.1.1 Financial instruments: Categorisation
 - 8.1.2 Financial instruments: Net holding gain/ (loss) on financial instruments by category
 - 8.1.3 Financial risk management objectives and policies
- 8.2 Contingent assets and contingent liabilities
- 8.3 Fair value determination
 - 8.3.1 Fair value determination of financial assets and liabilities

It may become necessary to change estimates made previously due to changes in the assumptions on which the previous estimates were based or due to knowledge or subsequent events.

Management revises the estimates and assumptions periodically and the effects of any changes are reflected through profit and loss if they only involve that period. If the revision involves both the current and the future periods, the change is recognised in the period in which the revision is made and in the related future periods.

Derivative financial instruments

Methodologies and assumptions used by external providers to determine the appropriate forecast to apply as part of the valuation.

In accordance with AASB 13, the department includes a measurement of credit risk, both counterparty (Credit Valuation Adjustment or CVA) and its own (Debit Valuation Adjustment or DVA), to adjust the fair value of financial instruments for the corresponding amount of counterparty risk, using the method discussed in Note 6.2 Derivative financial instruments.

Expected credit losses on contractual receivables at amortised cost

The loss allowances for contractual receivables are based on assumptions about risk of default and expected loss rates. The department uses judgement in making these assumptions and selecting the inputs to the expected credit loss calculation, based on the department's past history and existing market conditions as well as forward-looking estimates at the end of each reporting period.

8.1 Financial instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the department's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met, and the assets are not designated as fair value through net result:

- the assets are held by the department to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The department recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Financial assets at fair value through net result

Equity instruments that are held for trading as well as derivative instruments are classified as fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

However, as an exception to those rules above, the department may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Categories of financial liabilities

Financial liabilities at fair value through net result are categorised as such at trade date if they are classified as held for trading or designated as such upon initial recognition.

Financial instrument assets are designated at fair value through profit or loss on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values, and have their performance evaluated in accordance with documented risk management and investment strategies. Financial instruments at fair value through profit and loss are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequent to initial recognition, any changes in fair value are recognised in the net result as other economic flows.

Financial liabilities at amortised cost are initially recognised on the date they originate. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in net result over the period of the interest-bearing liability, using the effective interest method (refer to Note 9.12 Glossary of technical terms).

Derivative financial instruments are classified as fair value through net result. Refer to Note 6.2 for further details on derivative financial instruments.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the contractual rights to receive cash flows from the asset have expired; or
- the department retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the department has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the department has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the department's continuing involvement in the asset.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments

Subsequent to initial recognition, reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the department's business model for managing its financial assets has changed such that its previous model would no longer apply.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

8.1.1 Financial instruments: Categorisation

	2024				2023			
	Financial assets at amortised cost	Financial assets / liabilities designated at fair value through profit/loss	Financial liabilities at amortised cost	Total	Financial assets at amortised cost	Financial assets / liabilities designated at fair value through profit/loss	Financial liabilities at amortised cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets								
Cash and deposits								
Cash, deposits on call and term deposits less than 3 months	1,449,735	–	–	1,449,735	1,250,537	–	–	1,250,537
Receivables⁽ⁱ⁾								
Trade and other receivables	52,576	–	–	52,576	60,153	–	–	60,153
Concessional loans – Solar	92,033	–	–	92,033	95,654	–	–	95,654
Other loans – RAC	95,291	–	–	95,291	115,437	–	–	115,437
Derivative financial instruments	–	68,901	–	68,901	–	147,127	–	147,127
Total contractual financial assets	1,689,635	68,901	–	1,758,536	1,521,781	147,127	–	1,668,908
Contractual financial liabilities								
Payables⁽ⁱⁱ⁾								
Trade creditors	–	–	10,731	10,731	–	–	13,716	13,716
Accrued grants and other transfers	–	–	86,243	86,243	–	–	148,693	148,693
Capital accruals	–	–	7,073	7,073	–	–	5,405	5,405
Other payable and accrued expenses	–	–	131,229	131,229	–	–	156,008	156,008
Financial guarantee	–	–	42,369	42,369	–	–	42,369	42,369
Other financial liabilities	–	–	211,014	211,014	–	–	207,672	207,672
Borrowings								
Lease liabilities	–	–	322,903	322,903	–	–	322,552	322,552
Advances from Commonwealth	–	–	96,861	96,861	–	–	117,676	117,676
Derivative financial instruments	–	14,913	–	14,913	–	20,394	–	20,394
Other liabilities	–	–	11,513	11,513	–	–	15,859	15,859
Total contractual financial liabilities	–	14,913	919,936	934,849	–	20,394	1,029,950	1,050,344

Note:

- (i) The amount of receivables disclosed excludes accrued income and statutory receivables (i.e., amounts owing from Victorian Government, landfill levies receivable and GST input tax credit receivable) totalling \$1,152.874 million (2023: \$1,130.584 million) – Refer to Note 6.1 Receivables.
- (ii) The amount of payables disclosed excludes statutory payables (i.e. Advances from the Public Account and taxes payable) totalling \$28.509 million (2023: \$25.456 million) – Refer to Note 6.3 Payables.

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

2024

	Net holding gain/ (loss) \$'000	Total interest income/ (expense) \$'000	Impairment loss \$'000	Total \$'000
Contractual financial assets				
Financial assets at amortised cost – other than on derecognition	–	29,375	(196)	29,179
Financial assets at fair value through net result	(28,538)	–	–	(28,538)
Total contractual financial assets	(28,538)	29,375	(196)	641
Contractual financial liabilities				
Financial liabilities at amortised cost	–	(26,243)	–	(26,243)
Financial guarantees	–	(4,120)	–	(4,120)
Financial liabilities designated at fair value through net result	–	–	–	–
Total contractual financial liabilities	–	(30,363)	–	(30,363)

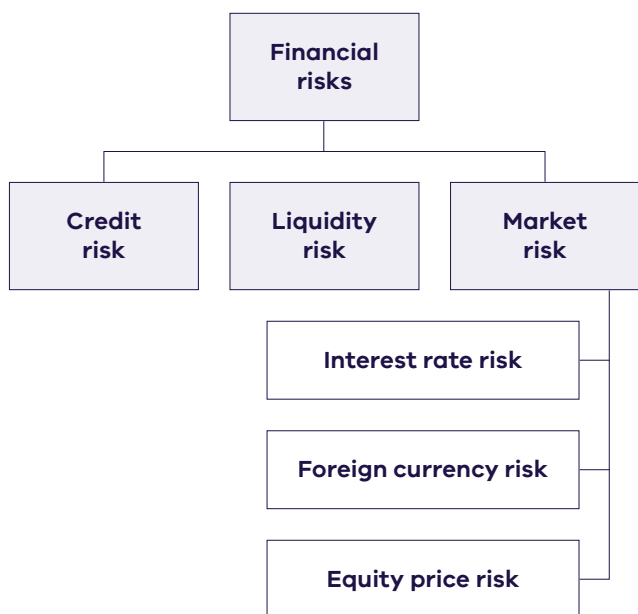
2023

	Net holding gain / (loss) \$'000	Total interest income/ (expense) \$'000	Impairment loss \$'000	Total \$'000
Contractual financial assets				
Financial assets at amortised cost – other than on derecognition	–	21,497	(500)	20,997
Financial assets at fair value through net result	(176,499)	–	–	(176,499)
Total contractual financial assets	(176,499)	21,497	(500)	(155,502)
Contractual financial liabilities				
Financial liabilities at amortised cost	–	(15,946)	–	(15,946)
Financial guarantee	–	(508)	–	(508)
Financial liabilities designated at fair value through net result	–	–	–	–
Total contractual financial liabilities	–	(16,454)	–	(16,454)

The net holding gains or losses disclosed above are determined as follows:

- for cash and cash equivalents and financial assets at amortised cost, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;
- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- for financial assets and liabilities designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

8.1.3 Financial risk management objectives and policies



(a) Financial instruments: Credit risk

Credit risk refers to the possibility of the department’s counter party defaulting on their contractual obligations resulting in financial loss to the department. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with contractual financial assets with the main debtor as the Victorian Government is considered minimal. For all other contractual financial assets other than those with government, credit assessments are required where \$5,000 or more of goods and services are provided. If a customer has a credit rating of less than a Triple-B rating, collateral security in the form of a bank guarantee or security deposit is obtained to reduce the department’s credit risk exposure. The collateral security does not apply to the Solar Victoria loans as these loans are less than \$5,000. Refer to Note 6.2 for credit risk relating to derivative financial instruments.

As a whole, the department’s financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above is disclosed throughout the financial statement notes.

The main purpose in holding financial instruments is to prudently manage the department’s financial risks within the government policy parameters.

The department’s main financial risks include credit risk, liquidity risk and market risk. The department manages these financial risks in accordance with its financial risk management policy.

The department uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the accountable officer of the department.

Credit quality of financial assets

	2024					
	Financial institution (AA credit rating) \$'000	Government agencies (AA credit rating) \$'000	Government agencies (BBB credit rating) \$'000	Other (min BBB credit rating) \$'000	Other unrated \$'000	Total \$'000
Contractual financial assets						
Financial assets with loss allowance measured at 12-month expected credit loss:						
Cash and deposits (not assessed for impairment due to materiality)	1,449,735	–	–	–	–	1,449,735
Concessional loans – Solar	–	–	–	–	92,033	92,033
Other loans – RAC	–	–	–	–	95,291	95,291
Financial assets with loss allowance measured at lifetime expected credit loss:						
Trade receivables applying the simplified approach for impairment	–	–	–	–	52,576	52,576
Total contractual financial assets⁽ⁱ⁾	1,449,735	–	–	–	239,900	1,689,635

Note:

(i) The total amounts disclosed here exclude statutory amounts (e.g., amounts owing from Victorian Government and GST input tax credit recoverable) and derivatives.

	2023					
	Financial institution (AA credit rating) \$'000	Government agencies (AA credit rating) \$'000	Government agencies (BBB credit rating) \$'000	Other (min BBB credit rating) \$'000	Other unrated \$'000	Total \$'000
Contractual financial assets						
Financial assets with loss allowance measured at 12-month expected credit loss:						
Cash and deposits (not assessed for impairment due to materiality)	1,250,537	–	–	–	–	1,250,537
Concessional loans – Solar	–	–	–	–	95,654	95,654
Other loans – RAC	–	–	–	–	115,437	115,437
Financial assets with loss allowance measured at lifetime expected credit loss:						
Trade receivables applying the simplified approach for impairment	–	–	–	–	60,154	60,154
Total contractual financial assets⁽ⁱ⁾	1,250,537	–	–	–	271,245	1,521,782

Note:

(i) The total amounts disclosed here exclude statutory amounts (e.g., amounts owing from Victorian Government and GST input tax credit recoverable) and derivatives.

Impairment of financial assets under AASB 9

The department records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the department's contractual receivables and statutory receivables.

Equity instruments are not subject to impairment under AASB 9. Other financial assets designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Contractual receivables at amortised cost

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security and there are no other credit enhancements relating to the department's receivables.

The department applies both the AASB 9 simplified approach and the general approach to measure expected credit losses.

Simplified approach

The simplified approach is applied for all contractual receivables that result from transactions within the scope of AASB 15 *Revenue from Contracts* (i.e., trade receivables) using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates.

The department has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the department's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

On this basis, the department determines the closing loss allowance at end of the financial year as follows:

Contractual receivables

	Current	Less than 1 month	1–3 months	3–6 months	6 month –1 year	1–5 years	Total
2024							
Expected loss rate – Public Bodies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Expected loss rate – Individual / Commercial customers	0.00%	0.00%	0.10%	1.54%	3.20%	13.50%	
Gross carrying amount of contractual receivables (\$'000)	31,892	2,990	1,556	68	795	15,954	53,255
Loss allowance (\$'000)	–	–	–	–	18	166	184
	Current	Less than 1 month	1–3 months	3–6 months	6 month –1 year	1–5 years	Total
2023							
Expected loss rate – Public Bodies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Expected loss rate – Individual / Commercial customers	0.00%	0.00%	0.00%	0.90%	2.00%	11.90%	
Gross carrying amount of contractual receivables (\$'000)	27,984	1,863	1,499	76	1,965	26,767	60,154
Loss allowance (\$'000)	–	–	–	–	37	68	106

General approach – Solar concessional loans

The general approach is applied to contractual receivables that contain a significant financing component such as concessional loans advanced to customers. The general approach defines the expected credit loss (ECL) to be function of the risk dimensions, being the probability of default (PD), loss given default (LGD) and exposure at default (EAD). In addition, the department considers the time value of money by applying an appropriate discount factor to the expected credit loss model.

In assessing the ECL for the current financial year, the department considered the impact that current economic conditions might have on the ability of customers to make future repayments on their outstanding concessional loan balances. This was done through utilisation of an estimated unemployment rate in the ECL calculation. The estimated unemployment rate for the State of Victoria was published by the Australian Bureau of Statistics in June 2024.

The department considers the probability of default upon initial recognition of a contractual asset containing a significant financing component and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the department compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a customer under the concessional loan scheme is more than 90 days past due in making a contractual payment.

Contractual assets containing a significant financing component

	Outstanding balance \$'000	Expected credit loss \$'000	Coverage ratio %
2024			
Stage 1 – Performing loans	98,794	361	0.37
Stage 2 – Underperforming loans	2,171	546	25.15
Stage 3 – Non-performing loans	2,836	2,068	72.92
Loss allowance	103,801	2,975	2.87
	Outstanding balance \$'000	Expected credit loss \$'000	Coverage ratio %
2023			
Stage 1 – Performing loans	98,254	334	0.34
Stage 2 – Underperforming loans	2,066	639	30.96
Stage 3 – Non-performing loans	2,566	2,064	80.38
Loss allowance	102,886	3,037	2.95

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

	2024 \$'000	2023 \$'000
Balance at 1 July	3,656	2,645
Reversal of unused provision recognised in the net result	(62)	–
Reversal of provision of receivables written off during the year as uncollectible	–	–
Increase in provision recognised in the net result	227	265
Increase in provision transferred in MoG	–	746
Balance at 30 June	3,821	3,656

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Statutory receivables at amortised cost

The department's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses. The department has recognised no loss allowance.

(b) Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The department operates under the government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The department is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. The department manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings and financial exposure by senior management, including monthly reviews on current and future borrowing levels and financial exposure requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets;
- careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- a high credit rating for the State of Victoria (Moody's Investor Services and Standard & Poor's double-A, which assists in accessing debt market at a lower interest rate).

The department's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The carrying amount detailed for contractual payables in Note 6.3.1, and the carrying amount of derivative financial instruments recorded in Note 6.2(b) represents the department's maximum exposure to liquidity risk.

(c) Financial instruments: Market risk

The department's exposures to market risk are primarily through interest rate and equity price risk with insignificant exposure to foreign currency risks. Objectives, policies and processes used to manage each of these risks is disclosed below.

Sensitivity disclosure analysis and assumptions

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the department believes the following movements are 'reasonably possible' over the next 12 months (the cash rate is sourced from the Reserve Bank of Australia):

- movement of 100 basis points up and 100 basis points down (2023: 100 basis points up and 100 basis points down) in market interest rates (AUD);

The tables that follow show the impact on the department's net result and equity for each category of financial instrument held by the department at the end of the reporting period, if the above movements were to occur.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The department has minimal exposure to cash flow interest rate risks through cash and deposits in the Centralised Banking System (CBS). The interest rate paid on surplus account balances are the cash rate plus 15 basis points and funds are all at call.

The department's borrowings are office accommodation, motor vehicle leases and other asset leases as disclosed in Note 7.3. The department's motor vehicles leases are managed by VicFleet and Fleet Plus and interest rates are fixed at the inception of the lease. Office accommodation and other asset leases liabilities are determined using the interest rate implicit in the lease if that rate is readily determinable.

The department leases office accommodation, motor vehicles, and various other assets for fire emergency purposes.

Office accommodation is mostly leased from the Shared Service Provider (SSP), part of the Department of Treasury and Finance. As a result of the Central Accommodation Management initiative implemented in the current financial year, the department has entered into two year lease agreements with SSP for all its office accommodation.

Motor vehicles are leased through the VicFleet and Fleet Plus lease facilities. The lease term is the period over which the vehicle is to be leased. Generally, vehicles must be retained for three years or 60,000 kilometres for VicFleet vehicles and 15 years for FleetPlus vehicles, whichever occurs first. On disposal of the vehicle any profit or loss on sale is borne by the department.

Other leased assets include the department's share in joint operations PPPs (Showgrounds and AgriBio Centre), airport hangars, and emergency management system hosting and storage. These assets are leased to assist the department in delivering its fire and emergency management outputs. The assets are leased for a period between 1 and 3 years.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the department's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

	Weighted average effective interest rate	Carrying amount \$'000	Interest rate exposure		
			Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000
2024					
Financial assets					
Cash and deposits					
Cash and deposits on call	4.40%	1,449,735	–	594,342	855,393
Receivables⁽ⁱ⁾					
Trade and other receivables		52,576	–	–	52,576
Concessional loans - Solar		92,033	–	–	92,033
Other loans - RAC	4.37%	95,291	–	–	95,291
Derivative financial Instruments		68,901	–	–	68,901
Total financial assets		1,758,536	–	594,342	1,164,194
Financial liabilities					
Payables⁽ⁱⁱ⁾					
Trade creditors		10,731	–	–	10,731
Accrued grants and other transfers		86,243	–	–	86,243
Capital accruals		7,073	–	–	7,073
Other payables and accrued expenses		131,229	–	–	131,229
Financial guarantee		42,369	–	–	42,369
Other financial liabilities		211,014	–	–	211,014
Borrowings					
Lease liabilities	3.48%	322,903	322,903	–	–
Advances from Commonwealth	4.37%	96,861	–	–	96,861
Derivative financial Instruments		14,913	–	–	14,913
Other liabilities		11,513	–	–	11,513
Total financial liabilities		934,849	322,903	–	611,946

Note:

- (i) The amount of receivables disclosed excludes accrued income and statutory receivables (i.e. amounts owing from Victorian Government, landfill levies receivable and GST input tax credit receivable) totalling \$1,152.874 million – Refer to Note 6.1 Receivables
- (ii) The amount of payables disclosed excludes statutory payables (i.e., advances from the Public Account and taxes payable) totalling \$28.509 million – Refer to Note 6.3 Payables.

Interest rate exposure of financial instruments (continued)

	Weighted average effective interest rate	Interest rate exposure			
		Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non- interest bearing \$'000
2023					
Financial assets					
Cash and deposits					
Cash and deposits on call	2.98%	1,250,537	–	446,719	803,818
Receivables⁽ⁱ⁾					
Trade and other receivables		60,154	–	–	60,154
Concessional loans – Solar		95,654	–	–	95,654
Other loans – RAC		115,437	–	–	115,437
Derivative financial Instruments		147,127	–	–	147,127
Total financial assets		1,668,909	–	446,719	1,222,190
Financial liabilities					
Payables⁽ⁱⁱ⁾					
Trade creditors		13,716	–	–	13,716
Accrued grants and other transfers		148,693	–	–	148,693
Capital accruals		5,405	–	–	5,405
Other payables and accrued expenses		156,008	–	–	156,008
Financial guarantee		42,369	–	–	42,369
Other financial liabilities		207,672	–	–	207,672
Borrowings					
Lease liabilities	2.63%	322,552	322,552	–	–
Advances from Commonwealth		117,676	–	–	117,676
Derivative financial Instruments		20,394	–	–	20,394
Other liabilities		15,859	–	–	15,859
Total financial liabilities		1,050,344	322,552	–	727,792

Note

(i) The amount of receivables disclosed excludes accrued income and statutory receivables (i.e. amounts owing from Victorian Government, landfill levies receivable and GST input tax credit receivable) totalling \$1,130.584 million – Refer to Note 6.1 Receivables

(ii) The amount of payables disclosed excludes statutory payables (i.e., advances from the Public Account and taxes payable) totalling \$25.456 million – Refer to Note 6.3 Payables.

Interest rate risk sensitivity

	Carrying amount \$'000	2024 Interest rate risk	
		-1.0% (-100 basis points) Net result \$'000	+1.0% (100 basis points) Net result \$'000
Contractual financial assets:			
Cash and cash deposits ⁽ⁱ⁾	1,449,735	(5,943)	5,943
Total impact		(5,943)	5,943
Contractual financial liabilities:			
Borrowings ⁽ⁱⁱ⁾	322,903	-	-
Total impact		-	-

	Carrying amount \$'000	2023 Interest rate risk	
		-1.0% (-100 basis points) Net result \$'000	+2.0% (+200 basis points) Net result \$'000
Contractual financial assets:			
Cash and cash deposits ⁽ⁱ⁾	1,250,537	(4,467)	4,467
Total impact		(4,467)	4,467
Contractual financial liabilities:			
Borrowings ⁽ⁱⁱ⁾	322,552	-	-
Total impact		-	-

Note:

- (i) All cash and cash equivalents are held in Australian dollars. \$594.342 million (2023: \$446.719 million) cash and cash equivalents were held on deposit at variable interest rates. The remainder of the balance was held in non-interest bearing accounts. This item is not subject to any other identified risk sensitivities.
- (ii) Borrowings relate to lease liabilities associated with office accommodation, other assets, motor vehicles and PPP arrangements. Office accommodation and other assets have incremental borrowings rates applied. Motor vehicle leases have interest fixed at the inception of the lease. This item is not subject to identified risk sensitivities.

Foreign currency risk

The department had no exposure to foreign currency risk as at either 30 June 2024 or 30 June 2023.

Equity price risk

The department's exposure to equity price risk is outlined in Note 6.2 Derivative financial instruments.

8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statement and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the entity
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

	2024 \$'000	2023 \$'000
Quantifiable contingent assets		
The department does not have any contingent assets	–	–
Other	–	–
Quantifiable contingent liabilities		
Damages claims	225	670
Public liability insurance claims ⁽ⁱ⁾	1,066	1,449
Other contingent liabilities ⁽ⁱⁱ⁾	2,500	3,170
Mining site rehabilitation bonds ⁽ⁱⁱⁱ⁾	310,618	247,803
Total quantifiable contingent liabilities	314,409	253,092

Quantifiable contingent liabilities

(i) Public liability insurance claims

These claims relate to various personal expense matters resulting from serious injury and natural disasters.

(ii) Other contingent liabilities

The other contingent liabilities relate to various compensation claims.

(iii) Mining site rehabilitation bonds

This contingent liability has been raised as per the requirements under the *Mineral Resources (Sustainable Development) Act 1990*, which stipulate that the holders of an exploration or mining licence, or extractive industry work authority are required to rehabilitate their earth resources sites (details of responsibility in the Act), and failure to do so by them, may result in the state being liable to rehabilitate the sites under the Act. The contingent liability represents an estimate of the State's possible financial exposure, in the event that authority holders with a rehabilitation bond shortfall default on their obligations and the state makes a determination to rehabilitate the sites.

During 2023–24 Mining site rehabilitation bonds contingent liability has increased by \$62.815 million to \$310.618 million (2023:\$247.803 million). This reflects a review and update of site rehabilitation costs and the probability of default by the licence holder as compared to the rehabilitation bond in place. \$44.400 million of the total increase is associated with extractives sites across the state for four licence holders. For gold mineral licences the % probability of default has increased from 0.3 to 0.5 from the previous reporting period, resulting in higher contingent amounts for Stawell and Fosterville gold mines (\$5.0 million).

Unquantifiable contingent liabilities

The department has the following unquantifiable contingent liabilities.

Native Titles

There have been three new native title claims made in relation to Victorian land and resources totalling of seven active native title claims in 2023–24. (2023: four native title claims). No material losses are anticipated in respect of any of these contingencies.

Yallourn Power Station safety net

The government has reached an agreement with Energy Australia (EA) to ensure an orderly transition as EA implements the closure of the Yallourn Power Station in June 2028.

The agreement includes, should it be needed, a safety net to avoid an unplanned exit from Yallourn. As part of this safety net, under certain scenarios, the State agrees to provide partial support to EA in the event of exceptional costs incurred in the operation of the Yallourn Power Station.

This support will help to ensure Yallourn's workers and Victoria's energy system have sufficient time to plan for the plant's closure. The possible liability depends on a number of future events and cannot be reliably and readily quantified.

Royal Melbourne Showgrounds redevelopment

The state has entered into an agreement with Royal Agricultural Society of Victoria (RASV) pursuant to which the state agrees to support certain payment obligations of RASV that may arise under the Non-Core Development Agreement subject to the RASV complying with certain obligations as set out in that Deed. The possible liability depends on a number of future events and cannot be reliably and readily quantified.

Planning scheme compensation

A claim under section 98 of the *Planning and Environment Act 1987* in relation to land located within the Western Grasslands Reserve is in progress at 30 June 2024. The amount of any compensation payable still depends on a number of factors and cannot be reliably quantified.

8.3 Fair value determination

This section sets out information on how the department determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Contractual financial assets and liabilities at fair value through net result (financial derivatives)
- Property, plant and equipment
- Non-financial physical assets classified as held for sale (refer to Note 5.2)

In addition, the fair values of other assets and liabilities which are carried at amortised cost, also need to be determined for disclosure purposes.

The department determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The department determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each financial year.

How fair value disclosures are structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value
 - in respect of those assets and liabilities subject to fair value determination using Level 3 inputs
 - a reconciliation of the movements in fair values from the beginning of the year to the end
 - details of significant unobservable inputs used in the fair value determination.

This is divided between disclosures in connection with fair value determination for financial assets and liabilities (refer to Note 8.3.1 and Note 6.2) and non-financial physical assets (refer to Note 5.1.3 and Note 5.2.1).

8.3.1 Fair value determination of financial assets and liabilities

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices.
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly.
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The department currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2023–24 reporting period. These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	<ul style="list-style-type: none"> • Trade creditors • Accrued grants and other transfers • Capital accruals • Other payables and accrued expenses
<ul style="list-style-type: none"> • Trade and other receivables 	Borrowings <ul style="list-style-type: none"> • Lease liabilities
	Other liabilities

Note 9. Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 9.1 Ex gratia expenses
- 9.2 Other economic flows included in net result
- 9.3 Equity
 - 9.3.1 Physical asset revaluation surplus
 - 9.3.2 Capital contributions transferred to portfolio entities
- 9.4 Entities consolidated pursuant to section 53(1)(b) of the FMA
- 9.5 Responsible persons
- 9.6 Remuneration of executive officers
- 9.7 Remuneration of auditors
- 9.8 Related parties
- 9.9 Other accounting policies
- 9.10 Post balance date events
- 9.11 Australian Accounting Standards issued that are not yet effective
- 9.12 Style conventions
- 9.13 Glossary of technical terms

9.1 Ex gratia expenses

The department made ex gratia payments of \$45,000 (2023 \$9,705) – note amount is not rounded to \$'000.

9.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- disposals of financial assets and derecognition of financial liabilities
- realised and unrealised gains and losses from revaluations of financial instruments at fair value
- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates
- re-measurement of other provisions.

	2024 \$'000	2023 \$'000
Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment and large scale generation certificates held for sale	6,880	7,268
Net recognition/(de-recognition) of non-financial assets	15,668	(166,543)
Write-on/(write-down) of property, plant and equipment, intangible assets and inventories	(1,539)	(2,037)
Net gain/(loss) on disposal of biological assets	(953)	–
Net gain/(loss) arising from revaluation of biological assets	–	2,362
Total net gain/(loss) on non-financial assets	20,056	(158,950)
Net gain/(loss) on financial instruments		
Impairment of receivables	(197)	(500)
Impairment of loans receivables	(1,117)	–
Net gain/(loss) arising from the revaluation of financial assets and liabilities at fair value	(28,538)	(176,499)
Total net gain/(loss) on financial instruments	(29,852)	(176,999)
Other gains from other economic flows		
Net gain arising from revaluation of employee benefits	3,395	(239)
Other provision discount rate adjustments	188	(1,776)
Total other gains/(losses) from other economic flows	3,583	(2,015)
Total other economic flows included in net result	(6,213)	(337,964)

The net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Net gain/(loss) on disposal of property, plant and equipment

Any gain or loss on the disposal of property, plant and equipment is recognised at the date of disposal and is the difference between the proceeds and the carrying value of the asset at the time.

Recognition and derecognition of non-financial assets

Land is recognised under the categories set out at Note 5.1 Property, plant and equipment when the department identifies specific parcels of land, park, forest or reserve that it controls, and their cost can be reliably determined. The department considers relevant information from land management databases and systems, such as the use and purpose for which a particular parcel has been reserved for, to determine the parcels of Crown land over which it has control and responsibility. Where land has been received at no cost the fair value is determined by the Valuer-General Victoria.

Other government entities are able to change the status of Crown land through grants and reservations made under legislation that is not administered by either of the Ministers who hold portfolio responsibility (for example, Crown grants may be issued under the *Project Development and Construction Management Act 1994*). The department's policy is to recognise the effect of such changes when it is made aware of the change in status.

Land is derecognised when it is not eligible to be treated as a return of equity to other government entities or when the information is available in the Land Information Management System regarding changes to area size. Gains or losses on the recognition or derecognition of land are recognised in the net result (other economic flows).

Write-down of property, plant and equipment and intangible assets

The department will recognise a write-down of property, plant and equipment and intangible assets when there is evidence that there is a change in the market or an equipment breakdown. This is identified through impairment and life reviews.

Net gain/(loss) arising from the revaluation of financial assets at fair value.

Any gains or losses arising from changes in the fair value of derivatives after initial recognition are recognised in the comprehensive operating statement as an 'other economic flow' included in the net result.

9.3 Equity

9.3.1 Asset revaluation surplus

	2024 \$'000	2023 \$'000
Physical asset revaluation surplus		
Balance at 1 July	6,692,330	6,615,663
<i>Increment/(decrement) on revaluation during the year resulting from:</i>		
Buildings and structures	–	85,913
Road	–	96,617
Historic and cultural assets	–	–
Crown land – Land, unused roads	–	(5,076)
Freehold land	–	4,224
Crown land – Land used for operational purposes	–	(179)
Crown land – State forests	–	(6)
Crown land – National parks	–	–
Crown land – Conservation reserves	–	1,710
Crown land – Metropolitan parks	–	1,851
Land purchase in progress	–	(1,611)
Subtotal	–	183,443
Biological asset revaluation	–	1,076
Total increment/(decrement) on revaluation during the year to be included in Operating Statement under other economic flows:	–	184,519
Transfer to accumulated surplus on MoG transfer to DTP	–	(107,852)
Balance at 30 Jun	6,692,330	6,692,330
Net change in physical asset revaluation surplus	–	76,667

Nature and purpose of physical asset revaluation surplus

The physical asset revaluation surplus is used to record increments and decrements on the revaluation of non-current physical assets.

9.3.2 Capital contributions transferred to portfolio entities

	2024 \$'000	2023 \$'000
Capital contributions transferred to portfolio entities		
Contributions to Parks Victoria	7,467	37,071
Contributions to water authorities	50,120	66,680
Contributions to Zoological Parks and Gardens Board of Victoria	2,800	25,875
Contribution to Alpine Resort Management Boards	–	1,000
Contribution to Royal Botanic Gardens Board	2,414	966
Contribution to Victorian Building Authority	–	2,182
Contribution to SEC Victoria Pty Ltd	336,000	–
Contribution to Administered entity (for Marinus Link Pty Ltd)	55,676	–
Total capital contributions transferred to portfolio entities	454,477	133,774

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the department.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

9.4 Entities consolidated pursuant to section 53(1)(b) of the FMA

From 1 January 2023, the following two entities have been combined into the department's financial statements pursuant to a determination made by the Assistant Treasurer under section 53(1)(b) of the *Financial Management Act 1994*:

- Rural Assistance Commissioner (RAC)
- Mine Land Rehabilitation Authority (MLRA)

	DEECA		RAC		MLRA		Eliminations and adjustments		DEECA combined group	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Total income/ (expense) from transactions	3,498,173	4,370,049	(1)	78	(171)	673	–	–	3,498,001	4,370,800
Net result from transactions	186,983	256,280	–	(99)	(171)	–	–	–	186,812	256,181
Total assets^(e)	12,788,903	12,687,195	99,327	120,350	201	196	–	–	12,888,431	12,807,741
Total liabilities	1,216,958	1,294,075	96,808	117,660	221	216	–	–	1,313,987	1,411,951

The following is provided for information purposes.

	Reported by DEECA 1 Jul 2023 to 30 Jun 2024 \$'000	Reported by DEECA & DJSIR 1 July 2022 to 30 Jun 2023 \$'000
RAC		
Income	–	120
Expense	(1)	(354)
Net result from transactions	(1)	(234)
Other economic flows	1	–
Net result	–	(234)
MLRA		
Income	173	1,590
Expense	(344)	(1,590)
Net result from transactions	(171)	–
Other economic flows	–	–
Net result	(171)	–

9.5 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

The persons who held the positions of Ministers and Accountable Officers in the department are as follows:

Name	Position	Period
The Hon. Lily D'Ambrosio MP	Minister for Climate Action Minister for Energy and Resources Minister for the State Electricity Commission	1 July 2023 to 30 June 2024
The Hon. Harriet Shing MP	Minister for Water	1 Jul 2023 to 30 June 2024
The Hon. Ingrid Stitt MP	Minister for Environment	1 July 2023 to 1 October 2023
The Hon. Steve Dimopoulos MP	Minister for Environment	2 October 2023 to 30 June 2024
The Hon. Gayle Tierney MP	Minister for Agriculture	1 July 2023 to 1 October 2023
The Hon. Ros Spence MP	Minister for Agriculture	2 October 2023 to 30 June 2024
John Bradley PSM	Secretary	1 Jul 2023 to 30 Jun 2024

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of the department during the reporting period was in the range: \$630,000 – \$640,000 (\$620,000 – \$630,000 in 2022–23⁽ⁱ⁾).

Note:

(i) 2022–23 comparative figure for remuneration of the Accountable Officer has been amended to include all employee benefits.

Acting arrangements

Minister	Dates	Acting Minister
Minister Lily D'Ambrosio MP	10 Jul – 16 Jul 2023	Minister Ingrid Stitt MP
	17 Sep – 24 Sep 2023	Minister Ingrid Stitt MP
	7 Jan – 28 Jan 2024	Minister Harriet Shing MP
	24 Feb – 25 Feb 2024	Minister Harriet Shing MP
Minister Harriet Shing MP	7 Dec – 6 Jan 2024	Minister Lily D'Ambrosio MP
Minister Ingrid Stitt MP	1 Jul – 9 Jul 2023	Minister Lily D'Ambrosio MP
	28 Sep – 1 Oct 2023	Minister Lily D'Ambrosio MP
Minister Steve Dimopoulos MP	28 Dec – 5 Jan 2024	Minister Ros Spence MP
	29 Jun – 30 Jun 2024	Minister Harriet Shing MP
Minister Gayle Tierney MP	4 Sep – 17 Sep 2023	Minister Harriet Shing MP
Minister Ros Spence MP	6 Jan – 6 Jan 2024	Minister Lily D'Ambrosio MP
	7 Jan – 21 Jan 2024	Minister Harriet Shing MP

9.6 Remuneration of executive officers (including executives defined as Key Management Personnel)

The number of executive officers, other than ministers and the accountable officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include superannuation contributions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave and deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

	2024 \$'000	2023 \$'000
Remuneration of executive officers		
Short-term employee benefits	46,444	39,399
Post-employment benefits	4,763	4,007
Other long-term benefits	1,218	1,634
Termination benefits	534	416
Total remuneration of executive officers^{(i)(iii)(iv)}	52,959	45,456
Total number of executives^(iv)	247	214
Total annualised employee equivalent (AEE)^{(ii)(iv)}	210	193

Note

- (i) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the department under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 9.8).
- (ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.
- (iii) Remuneration for staff who have acted in executive positions over two months have been included in the table above.
- (iv) Totals include the cost incurred on executives that delivered services, as executive officers, under secondment or similar arrangements to the department, but that are employed by another public sector body.

9.7 Remuneration of auditors

	2024 \$'000	2023 \$'000
Victorian Auditor-General's Office		
Audit of the financial statements	585	570
Total remuneration of auditors	585	570

The remuneration of auditors is recognised in other operating expenses.

9.8 Related parties

The department is a wholly owned and controlled entity of the State of Victoria. Related parties of the department include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government related entities

The following transactions are considered to be related parties with significant transactions with the department.

The department receives parliamentary and special appropriation to draw funds out of the Consolidated Funds to be applied towards departmental outputs (see Note 2.2 Appropriations and Note 2.2.1 Summary of compliance with annual parliamentary appropriations) and income from government related entities such as grant income (see Note 2.3.4 Grants), landfill levy (see Note 2.3.2 Municipal and Industrial Waste Levy) and parks charge (see Note 2.3.3 Metropolitan Parks Improvement Rate). In addition, the department oversees administered items on behalf of the state with reference to Payments made on behalf of the state (see Note 2.2 Appropriations and Note 2.2.1 Summary of compliance with annual parliamentary appropriations) and detailed in (Note 4.2 Administered (non-controlled) items).

The department transacts with other portfolio and government agencies through transactions such as grants (Note 3.1.2 Grants and other transfers), supplies and services (Note 3.1.4 Supplies and services) and capital appropriations (Note 9.3.2 Capital contribution transferred to portfolio entities) in line with budgeted allocations.

The department has advances from government, such as those related to GST payments (required to account for timing differences). These advances are unsecured loans which bear no interest (see Note 6.3 Payables). In addition, the department leases motor vehicles for operating purposes from VicFleet (Note 7.2 Borrowings).

Other related parties - Key management personnel (KMP)

KMP of the department includes the Portfolio Ministers (see Note 9.5), members of DEECA's executive board and other key leadership positions. This report also discloses the KMP of VicGrid, an administrative office incorporated into the financial statements pursuant to section 45(4) of the FMA and agencies whose financial statements have been consolidated pursuant to section 53(1)(b) of the FMA. The following table shows the department's KMP:

Position	Name	Period
Secretary	Mr John Bradley PSM	1 Jul 2023 to 30 Jun 2024
Deputy Secretary Corporate Services	Dr Graeme Emonson PSM	1 Jul 2023 to 4 Jul 2023
	Mr Barney Bodroza (acting)	5 Jul 2023 to 11 Dec 2023
	Ms Sally Fensling	12 Dec 2023 to 30 Jun 2024
Deputy Secretary Energy	Ms Elizabeth Molyneux	1 Jul 2023 to 30 Jun 2024
Deputy Secretary, Regions, Environment, Climate Action and First Peoples	Ms Carolyn Jackson	1 Jul 2023 to 30 Jun 2024
Deputy Secretary Forest, Fire and Regions Deputy Secretary, Bushfire and Forest Services	Ms Christine Ferguson PSM	1 Jul 2023 to 7 Jul 2023
	Ms Kelly Crosthwaite	10 Jul 2023 to 30 Jun 2024
Deputy Secretary Water and Catchments	Ms Helen Vaughan PSM	1 Jul 2023 to 22 Sep 2023
	Mr Andrew Fennessy (acting)	23 Sep 2023 to 22 Jan 2024
	Ms Kirsten Shelly	22 Jan 2024 to 30 Jun 2024
Deputy Secretary Forestry and Resources	Mr Paul Smith	1 Jul 2023 to 23 Sep 2024
	Ms Phuong Tram (acting)	24 Sep 2023 to 30 Jun 2024
Deputy Secretary Agriculture Victoria	Mr Matt Lowe	1 Jul 2023 to 22 Dec 2023
Deputy Secretary, CEO Agriculture Victoria	Mr Dougal Purcell (acting)	29 Jan 2024 to 30 Jun 2024
Head Recycling Victoria	Mr Tony Circelli	1 Jul 2023 to 30 Jun 2024
Chief Executive Officer Resources Victoria	Mr Chris Webb (acting)	24 Sep 2023 to 10 Dec 2023
	Mr Matt Vincent	4 Dec 2023 to 30 Jun 2024
Chief Executive Officer Solar Homes	Mr Stan Krpan PSM	1 Jul 2023 to 30 Jun 2024
Chief Fire Officer	Mr Chris Hardman	1 Jul 2023 to 30 Jun 2024
Interim CEO State Electricity Implementation Officer	Mr Chris Miller	1 Jul 2023 to 30 Jun 2024
Personnel of administrative office incorporated pursuant to Section 45(4) of the FMA		
Chief Executive Officer, VicGrid and Administrative Office	Mr Alistair Parker	1 Mar 2024 to 30 Jun 2024
Entities consolidated pursuant to Section 53(1)(b) of the FMA		
Rural Assistance Commissioner	Mr Peter Tuohey	1 Jul 2023 to 30 Jun 2024
Chief Executive Officer Mine Land Rehabilitation Authority	Ms Jennifer Brerton	1 Jul 2023 to 30 Jun 2024
Chair of the Mine Land Rehabilitation Authority	Mr Rae Mackay	1 Jul 2023 to 31 Dec 2023
	Ms Therese Ryan	1 Jan 2024 to 30 Jun 2024

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Ministers' remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

	2024 \$'000	2023 \$'000
Compensation of key management personnel		
Short-term employee benefits	6,525	5,255
Post-employment benefits	427	330
Other long-term benefits	196	136
Termination benefits	322	–
Total compensation of key management personnel	7,470	5,721

Note: The above remuneration amounts have also been disclosed in Note 9.6 Remuneration of executive officers.

Remuneration for staff who have acted in the executive position for over two months have been included in the table above and Note 9.6.

The increase in KMP remuneration is due to additional roles being assessed as KMP as well as a full year of disclosure for KMP from groups transferred as part of the 2023 administrative restructure.

Transactions with key management personnel and other related parties

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g., stamp duty and other government fees and charges.

Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the department, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

The Secretary is also the president of the Institute of Public Administration Australian (Victorian Division Inc) to which the department paid services fees and charges on normal commercial terms during the reporting period.

9.9 Other accounting policies

Accounting for goods and services tax (GST)

Income, expenses and non-financial assets and liabilities are recognised net of the amount of associated GST, except where the GST incurred is not recoverable from the taxation authority. In this case, the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Commitments for expenditure and contingent assets and liabilities are also stated inclusive of GST.

9.10 Post balance date events

Subsequent events are events that occur after the reporting period and before the date the financial statements are authorised for issue. The department recognises/discloses these events as follows:

- adjustments are made to amounts recognised in the financial statements for events where those events provide information about conditions that existed at the reporting date (i.e. adjusting events)
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest (i.e. non-adjusting events).

The department has determined the following are non-adjusting events:

On 1 July 2024, the following legislation was proclaimed, abolishing the respective entities and transferring their remaining assets, liabilities and commitments to the department:

The *Sustainable Forests (Timber) Repeal Act 2024* abolished VicForests. Its remaining assets, liabilities and commitments were transferred to the department via contributed capital in accordance with FRD 119. The estimated value of the net liability transfer is \$14.7 million.

The *State Electricity Commission Amendment Act 2023* abolished the legacy entity State Electricity Commission of Victoria. Its remaining assets, liabilities and commitments were transferred to the department via contributed capital in accordance with FRD 119. The estimated value of the net asset transfer is \$4.3 million.

The *Victorian Public Service Enterprise Agreement 2024 (Agreement)* was formally approved by the Fair Work Commission on 12 August 2024. The agreement has a nominal expiry date of 9 April 2028.

Now that the agreement has been approved, all VPS staff employed at DEECA are entitled to:

3% salary increase backed to 1 May 2024 with an estimated cost of \$3.0 million for the period 1 May 2024 to 30 June 2024

Once off cost of living lump sum payment of \$5,600 per full time employee (as at 28 June 2024) and prorated for part-time employees. The estimated cost is \$29.1 million.

On 1 August 2024, Marinus Link Pty Limited (a company in which DEECA administers the State's 33.3% equity interest) signed a contract with Italian company Prysmian to supply high-voltage direct current (HVDC) cables. This contract covers the design, manufacture, supply and installations for Stage 1 of the Marinus Link interconnector project, a 750-megawatt HVDC cable system. Awarding the contract to Prysmian provides greater certainty around the targeted construction start date in 2026. See Note 4.2.3(b) for more information on the arrangement.

There are no other subsequent events to disclose.

9.11 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2023–24 reporting period. These accounting standards have not been applied to these financial statements. DEECA is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on financial statements
AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	<p>AASB 2022-10 amends AASB 13 <i>Fair Value Measurement</i> by adding authoritative implementation guidance and illustrative examples for fair value measurements of nonfinancial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>The Standard:</p> <ul style="list-style-type: none"> specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i> or if it is highly probable that it will be used for an alternative purpose; clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services; specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence. 	01 January 2024	The department is assessing the impact of this standard.
AASB 17 <i>Insurance Contracts</i>	AASB 17 replaces AASB 4 <i>Insurance Contracts</i> , AASB 1023 <i>General Insurance Contracts</i> and AASB 1038 <i>Life Insurance Contracts</i> for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026.	01 July 2026	Department is assessing the impact of this standard.
AASB 2022-8 <i>Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments</i>	AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.		
AASB 2022-9 <i>Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector</i>	AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026.		

In addition to the new standards and amendments above, the AASB has issued a number of other amending standards that are not effective for the 2023–24 reporting period. These standards are not expected to have any significant impact on public sector entities and thus have not been included in the table.

9.12 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

(xxx.x)	negative numbers
20xx	year period
20xx–xx	year period

9.13 Glossary of technical terms

Administered item

Refers to a department lacking the capacity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Amortisation

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Biological assets

Mainly comprise commercial forests and also any living animal, plant or agricultural produce that is the harvested product of biological assets.

Borrowings

Refers to interest-bearing liabilities mainly raised from public borrowings raised through lease liabilities, service concession arrangements and other interest-bearing arrangements. Borrowings also include non interest-bearing advances from government that are acquired for policy purposes.

Commitments

Include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result

This is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Controlled item

Refers to the capacity of a department to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Depreciation

This is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method

The method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses

Include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex gratia expenses

The voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Finance lease

This is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Financial instrument

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

General government sector

Comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Grants for on-passing

All grants paid to one institutional sector (e.g., a state general government entity) to be passed on to another institutional sector (e.g., local government or a private non-profit institution).

Intangible assets

Represent identifiable non-monetary assets without physical substance.

Interest expense

Represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, service concession financial liabilities and amortisation of discounts or premiums in relation to borrowings.

Interest income

Includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Joint ventures

Joint ventures are contractual arrangements between the department and one or more other parties to undertake an economic activity that is subject to joint control and have right to the net assets of the arrangement. Joint control only exists when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Leases

These are rights conveyed in a contract, or part of a contract, the right-to-use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net worth

Net worth is assets less liabilities, which is an economic measure of wealth.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets. It includes inventories, land, buildings, road networks, land under roads, plant and equipment, cultural and heritage assets, intangible and biological assets.

Non-produced assets

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

Other economic flows included in net result

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets
- fair value changes of financial instruments and agricultural assets.

Other economic flows – other comprehensive income

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

- a) changes in physical asset revaluation surplus
- b) gains and losses on remeasuring available-for-sale financial assets.

Payables

Includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

The public non-financial corporation (PNFC) sector

Comprises bodies mainly engaged in the production of goods and services (of a non-financial nature) for sale in the marketplace at prices that aim to recover most of the costs involved (e.g. water and port authorities). In general, PNFCs are legally distinguishable from the governments that own them.

Receivables

Include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Taxation income

Taxation income represents income received from the state's taxpayers and includes:

- levies (including the environmental levy) on statutory corporations in other sectors of government
- the Metropolitan Parks Improvement Rate
- other taxes, including landfill levies, licence and concession fees.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g., assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Appendices

Appendix 1: Disclosure Index

The annual report is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the department's compliance with statutory disclosure requirements.

Click on a requirement or legislation title to refer to the relevant requirements for the corresponding disclosure requirements, or alternatively, refer to the corresponding page references.

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Note:

(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.

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Appendix 2: Comparative workforce data

Table 1 provides the headcount and full-time staff equivalent (FTE) numbers of all active public service employees of DEECA employed in the last full pay period in June 2024 and in the last full pay period in June 2023 (the previous reporting period).

On 30 June 2024, DEECA employed 6,071 staff, with the full-time equivalent (FTE) of 5,809 staff across Victoria.

Table 1: Details of DEECA employment levels in June 2024 and 2023

Demographic data

	June 2024						June 2023					
	All employees Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Fixed term and casual Number (head-count)	Fixed term and casual FTE	All employees Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Fixed term and casual Number (head-count)	Fixed term and casual FTE
Gender												
Women	3123	2903	1808	678	2300	637	3089	2860	1637	653	2103	799
Men	2923	2881	2189	117	2273	617	2806	2754	1987	138	2087	667
Self-Described	21	21	13	3	16	5	18	17	12	2	14	4
Prefer not to say	4	4	4	0	4	0	0	0	0	0	0	0
Total Employees	6071	5809	4014	798	4592	1259	5913	5632	3636	793	4204	1428
Age												
15-24	204	203	71	2	72	131	155	151	50	2	51	100
25-34	1428	1396	870	91	938	467	1394	1364	746	78	803	561
35-44	1770	1662	1090	338	1337	342	1742	1621	961	344	1207	414
45-54	1587	1516	1153	243	1332	191	1560	1490	1090	236	1265	224
55-64	887	853	695	86	754	106	882	841	666	97	731	110
65+	195	180	135	38	160	22	180	165	123	36	147	18
Total Employees	6071	5809	4014	798	4592	1259	5913	5632	3636	793	4204	1428

Classification data

June 2024

June 2023

	All employees Number (head-count)			Ongoing			Fixed term and casual			All employees Number (head-count)			Ongoing			Fixed term and casual		
	Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Number (head-count)	Fixed term and casual FTE	Number (head-count)	Fixed term and casual FTE	Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Number (head-count)	Fixed term and casual FTE	Number (head-count)	Fixed term and casual FTE
VPS grades																		
VPS 1	2	2	0	0	0	2	2	2	0	0	0	0	0	0	0	0	0	0
VPS 2	225	201	108	36	129	81	72	249 ^(a)	225 ^(a)	113 ^(a)	39 ^(a)	136 ^(a)	97 ^(a)	89 ^(a)				
VPS 3	690	657	452	97	521	141	136	645 ^(a)	612 ^(a)	394 ^(a)	90 ^(a)	458 ^(a)	161 ^(a)	154 ^(a)				
VPS 4	1331	1266	870	201	1016	260	250	1379 ^(a)	1311 ^(a)	814 ^(a)	184 ^(a)	944 ^(a)	381 ^(a)	367 ^(a)				
VPS 5	1484	1417	977	219	1141	288	276	1458 ^(a)	1386 ^(a)	868 ^(a)	218 ^(a)	1029 ^(a)	372 ^(a)	357 ^(a)				
VPS 6	829	807	633	94	707	102	99	832 ^(a)	804 ^(a)	584 ^(a)	100 ^(a)	661 ^(a)	148 ^(a)	143 ^(a)				
Science Adaptives	564	526	338	117	420	109	106	584 ^(a)	544 ^(a)	351 ^(a)	126 ^(a)	440 ^(a)	107 ^(a)	104 ^(a)				
Legal Adaptives	20	18	10	7	15	3	3	18	16	8	6	12	4	4				
Total VPS grades	5145	4894	3388	771	3949	986	945	5165	4897	3132	763	3680	1270	1217				
Senior employees																		
Senior Technical Specialist (STS)	37	37	22	2	24	13	13	40	39	20	3	22	17	17				
Principal Scientist (PS)	13	12	6	3	8	4	4	13	12	8	3	10	2	2				
Executives	173	170	161	12	170	0	0	202	197	184	18	197	0	0				
Total Senior employees	223	218	189	17	201	17	17	255^(a)	248^(a)	212^(a)	24^(a)	229^(a)	19^(a)	19^(a)				
Field Staff	683	678	418	10	424	255	254	472^(a)	467^(a)	272^(a)	6^(a)	275^(a)	194^(a)	191^(a)				
Other	20	20	19	0	19	1	1	21^(a)	21^(a)	20	0^(a)	20^(a)	1^(a)	1^(a)				
Total employees	6071	5809	4014	798	4592	1259	1217	5913	5632	3636	793	4204	1484	1428				

Footnotes:

a. DEECA identified errors in the reporting of some VPS classifications and some subtotals published in the DEECA Annual Report 2022-23. Some of these errors occurred during the publication process and others due to the translation of data received during Machinery of Government changes – however, the overall Headcount and FTE numbers are not affected. The 2022-23 data has been corrected in this year's Annual Report. This may result in comparability issues for readers.

Notes:

- Ongoing employees includes people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June each year.
- FTE means 'full-time staff equivalent' and is rounded to the nearest whole number.
- Individual FTE figures may not add to totals due to rounding.
- Employees reported with a classification of 'other' include the following categories: Trainee and Wild Dog controllers.
- Employees reported with a classification of 'Executives' include the Accountable Officer and exclude the Chief Finance Officer who is employed by the Secretary of the Department of Treasury and Finance.

All figures reflect employment levels during the last full pay period in June each year.

- Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies, and people who are not employees but appointees to a statutory office, as defined in the *Public Administration Act 2004*.
- Employees attached to the Commissioner for Environmental Sustainability are employees of the DEECA Secretary and are included in the above figures.
- Staff from the following 2 entities are combined into the DEECA's staff numbers pursuant to a determination made by the Assistant Treasurer under section 53(1)(b) of the *Financial Management Act 1994*:
 - Rural Assistance Commission
 - Mine Land Rehabilitation Authority

Table 2: Profile of Sustainability Victoria workforce

Sustainability Victoria is a statutory authority that facilitates and promotes environmental suitability in the use of resources. Employees attached to Sustainability Victoria are employees of the DEECA Secretary. As at 30 June 2024, Sustainability Victoria employed 155 FTE staff across Victoria.

Demographic data

	June 2024						June 2023						
	All employees			Fixed term and casual			All employees			Fixed term and casual			
	Number (head-count)	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Number (head-count)	FTE	Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Number (head-count)	FTE
Gender													
Women	120	25	9	32	86	77	134	122	31	12	40	91	82
Men	47	14	1	15	32	31	57	55	18	1	19	38	37
Self-Described	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Employees	167	39	10	47	118	109	191	177	49	13	59	129	118
Age													
15-24	0	0	0	0	0	0	1	1	0	0	0	1	1
25-34	34	1	1	2	32	30	47	45	8	1	9	38	36
35-44	57	9	3	12	45	42	68	62	13	5	17	50	45
45-54	50	17	4	20	29	27	48	45	14	5	18	29	27
55-64	22	9	1	10	12	11	23	21	11	1	12	11	10
65+	4	3	1	4	0	0	4	4	3	1	4	0	0
Total Employees	167	39	10	47	118	109	191	177	49	13	59	129	118

Classification data

June 2024

June 2023

	June 2024				June 2023						
	All employees Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Fixed term and casual Number (head-count)	Fixed term and casual FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Fixed term and casual Number (head-count)	Fixed term and casual FTE
VPS grades											
VPS 1	0	0	0	0	0	0	0	0	0	0	0
VPS 2	0	0	0	0	0	0	0	0	0	0	0
VPS 3	3	2	1	0	2	1	2	0	2	2	1
VPS 4	42	37	6	3	36	33	9	4	12	50	44
VPS 5	89	84	21	7	60	57	25	8	31	58	55
VPS 6	22	21	9	0	11	10	12	1	13	11	11
Senior employees											
Senior Technical Specialist	4	4	2	0	2	2	1	0	1	3	3
Executives	7	6	0	0	7	6	0	0	0	5	4
Total employees	167	155	39	10	118	109	49	13	59	129	118

Notes:

- Individual FTE figures may not add to totals due to rounding.
- All figures reflect employment levels during the last full pay period in June of each year.
- Excluded are those on leave without pay or absent on secondment, external contractors/consultants, and temporary staff employed by employment agencies.
- All employees have been correctly classified in workforce data collection aligned to the VPS classification structure.
- Employees attached to Sustainability Victoria are employees of the DEECA Secretary. Employee numbers are also reported in their annual report.

Table 3: Details of VicGrid employment levels in June 2024

The following provides the headcount and FTE numbers of all active staff in VicGrid employed in the last full pay period in June 2024. VicGrid was established as an administrative office on 1 March 2024 and its staff transferred from DEECA on 17 June 2024.

	June 2024						
	All employees Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Fixed term and casual Number (head-count)	Fixed term and casual FTE
Gender							
Women	42	41	6	3	9	33	32
Men	48	48	17	2	19	29	29
Self-Described	0	0	0	0	0	0	0
Prefer not to say	1	1	0	0	0	1	1
Total Employees	91	89	23	5	27	63	62
Age							
15–24	0	0	0	0	0	0	0
25–34	19	19	2	0	2	17	17
35–44	39	38	11	3	14	25	24
45–54	24	24	7	2	9	15	15
55–64	8	8	2	0	2	6	6
65+	1	1	1	0	1	0	0
Total Employees	91	89	23	5	27	63	62

Classification data

	June 2024						
	All employees Number (head-count)	All employees FTE	Ongoing Full-time (head-count)	Ongoing Part-time (head-count)	Ongoing FTE	Fixed term and casual Number (head-count)	Fixed term and casual FTE
VPS grades							
VPS 1	0	0	0	0	0	0	0
VPS 2	0	0	0	0	0	0	0
VPS 3	0	0	0	0	0	0	0
VPS 4	11	11	1	0	1	10	10
VPS 5	32	31	4	2	6	26	25
VPS 6	23	22	9	3	11	11	11
Science Adaptives	0	0	0	0	0	0	0
Legal Adaptives	0	0	0	0	0	0	0
Total VPS grades	66	64	14	5	18	47	46
Senior employees							
Senior Technical Specialist (STS)	16	16	0	0	0	16	16
Principal Scientist (PS)	0	0	0	0	0	0	0
Executives	9	9	9	0	9	0	0
Total Senior employees	25	25	9	0	9	16	16
Field Staff	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total employees	91	89	23	5	27	63	62

Notes:

Individual FTE figures may not add to totals due to rounding.

Table 4: Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff

The following table discloses the annualised total salary for senior employees of the department, categorised by classification. The salary amount is reported as the full-time annualised salary.

Income band (salary)	Executives	Senior Technical Specialist	Principal Scientist	Senior Medical Advisor	Senior Regulatory Analyst	Other
< \$160,000	–	–	–	–	–	–
\$160,000 – \$179,999	–	3 ^(g)	–	–	–	–
\$180,000 – \$199,999	41 ^(a)	17 ^(h)	7 ⁽ⁱ⁾	–	–	–
\$200,000 – \$219,999	52 ^(b)	7 ⁽ⁱ⁾	4	–	–	–
\$220,000 – \$239,999	23 ^(c)	8	1	–	–	–
\$240,000 – \$259,999	16 ^(d)	2	–	–	–	–
\$260,000 – \$279,999	8 ^(e)	–	–	–	–	–
\$280,000 – \$299,999	8	–	1	–	–	–
\$300,000 – \$319,999	9	–	–	–	–	–
\$320,000 – \$339,999	3	–	–	–	–	–
\$340,000 – \$359,999	1	–	–	–	–	–
\$360,000 – \$379,999	2 ^(f)	–	–	–	–	–
\$380,000 – \$399,999	1	–	–	–	–	–
\$400,000 – \$419,999	2	–	–	–	–	–
\$420,000 – \$439,999	1	–	–	–	–	–
\$440,000 – \$459,999	2	–	–	–	–	–
\$460,000 – \$479,999	1	–	–	–	–	–
\$480,000 – \$499,999	1	–	–	–	–	–
\$500,000 – \$519,999	–	–	–	–	–	–
\$520,000 – \$539,999	–	–	–	–	–	–
\$540,000 – \$559,999	1	–	–	–	–	–
\$560,000 – \$579,999	–	–	–	–	–	–
\$580,000 – \$599,999	–	–	–	–	–	–
Total	172	37	13	–	–	–

Footnotes:

The salaries reported above are for the full financial year, at a 1.0 FTE rate unless otherwise stated, and exclude superannuation.

- There are 2 employees employed on a part-time basis at 0.9 FTE rate.
- There are 2 employees employed on a part-time basis at 0.6 FTE rate, 3 at 0.8 FTE rate and one at 0.9 FTE rate.
- There is one employee employed on a part-time basis at 0.6 FTE rate.
- There is one employee employed on a part-time basis at 0.7 FTE rate.
- There is one employee employed on a part-time basis at 0.7 FTE rate.
- There is one employee employed on a part-time basis at 0.6 FTE rate.
- There is one employee employed on a part-time basis at 0.9 FTE rate.
- There is one employee employed on a part-time basis at 0.8 FTE rate.
- There is one employee employed on a part-time basis at 0.8 FTE rate.
- There are 3 employees employed on a part-time basis at 0.5 FTE rate.

Executive data

For a department, a member of the Senior Executive Service (SES) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* (PAA). For a public body, an executive is defined as a person employed as an executive under Part 3 of the PAA or a person to whom the Victorian Government's Public Entity Executive Remuneration Policy applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of SES does not include a statutory office holder or an Accountable Officer.

The following tables disclose the SES profile of the department (Tables 1 and 2) and its portfolio agencies (Tables 3, 4 and 5) for 30 June 2024.

Profile of DEECA Senior Executive Service staff: June 2024 and comparative variance to 2023

Table 1: Total number of SESs for the department, broken down by gender

Class	All No.	All Var. ^(a)	Men No.	Men Var.	Women No.	Women Var.	Self-described No.	Self-described Var.
SES-3	10	(2)	5	(3)	5	1	0	0
SES-2	42	(7)	21	(4)	21	(3)	0	0
SES-1	120	(20)	49	(11)	71	(9)	0	0
Total^(b)	172	(29)	75	(18)	97	(11)	0	0

Footnotes:

(a) The June 2024 figures disclose the variations, denoted by 'var', between the current and previous reporting periods.

(b) The total headcount does not include the Accountable Officer (Secretary).

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.6 in the financial statements lists the actual number of SES and the total remuneration paid to SES over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the department during the relevant reporting period. To assist readers, these 2 disclosures are reconciled below.

Table 2: Reconciliation of DEECA executive numbers

	Jun-24	Jun-23
Note 9.6 of the Financial Statements	247	214
Less: separations, leave without pay and VPS6 occupying long term acting SES positions	(75)	(13)
Subtotal	172	201
Secretary	1	1
Grand total	173	202

Profile of Sustainability Victoria Senior Executive Service staff: June 2024 and comparative variance to 2023

Table 3. Total number of SESs for Sustainability Victoria, broken down by gender

Class	All No.	All Var. ^(a)	Men No.	Men Var.	Women No.	Women Var.	Self-described No.	Self-described Var.
SES-3	0	0	0	0	0	0	0	0
SES-2	1	1	1	1	0	0	0	0
SES-1	6	1	1	(1)	5	2	0	0
Total	7	2	2	0	5	2	0	0

(a) The June 2024 figures disclose the variations, denoted by 'var', between the current and previous reporting periods.

Table 4. Reconciliation of Sustainability Victoria executive numbers

	2024	2023
Executives	6	7
Accountable Officer (CEO)	1	0
sub total	7	7
Less		
Separations	0	(2)
Leave without pay	0	0
sub total	0	0
Total executive numbers at 30 June 2024	7	5

Number of SES for the department's portfolio agencies at June 2024

Portfolio agencies	Total		Women		Men		Self described	
	No.	Var.	No.	Var.	No.	Var.	No.	Var.
Agriculture Victoria Services Pty Ltd	3	1	2	1	1	0	0	0
Alpine Resorts Victoria	4	0	1	(1)	3	1	0	0
Barwon Coast Committee of Management	0	0	0	0	0	0	0	0
Barwon Region Water Corporation	20	1	10	(1)	10	2	0	0
Barwon Region Water Corporation (Asset Solutions)	3	0	2	1	1	(1)	0	0
Bellarine Bayside Foreshore Committee of Management (Inc)	0	0	0	0	0	0	0	0
Capel Sound Foreshore Committee of Management Inc	0	0	0	0	0	0	0	0
Central Gippsland Region Water Corporation	5	(1)	0	(1)	5	0	0	0
Central Highlands Region Water Corporation	5	0	2	0	3	0	0	0
Coliban Region Water Corporation	8	2	5	1	3	1	0	0
Corangamite Catchment Management Authority	0	0	0	0	0	0	0	0
Dairy Food Safety Victoria	0	0	0	0	0	0	0	0
East Gippsland Catchment Management Authority	0	0	0	0	0	0	0	0
East Gippsland Region Water Corporation	6	0	1	(1)	5	1	0	0
Energy Safe Victoria	4	0	2	0	2	0	0	0
Environment Protection Authority	12	(1)	7	0	5	(1)	0	0
Game Management Authority	0	0	0	0	0	0	0	0
Gippsland & Southern Rural Water Corporation	5	(1)	2	(1)	3	0	0	0
Glenelg Hopkins Catchment Management Authority	0	0	0	0	0	0	0	0
Goulburn Broken Catchment Management Authority	0	0	0	0	0	0	0	0
Goulburn Valley Region Water Corporation	5	(2)	3	0	2	(2)	0	0
Goulburn-Murray Rural Water Corporation	9	1	4	0	5	1	0	0
Grampians Wimmera Mallee Water Corporation	4	(1)	2	(1)	2	0	0	0
Great Ocean Road Coast and Parks Authority	4	0	2	0	2	0	0	0
Greater Western Water	6	(2)	3	(2)	3	0	0	0
Lower Murray Urban and Rural Water Corporation	5	4	3	2	2	2	0	0
Mallee Catchment Management Authority	0	0	0	0	0	0	0	0
Melbourne Market Authority	3	0	1	0	2	0	0	0
Melbourne Water Corporation	6	0	4	1	2	(1)	0	0
North Central Catchment Management Authority	0	0	0	0	0	0	0	0
North East Catchment Management Authority	0	0	0	0	0	0	0	0
North East Region Water Corporation	5	(1)	2	0	3	(1)	0	0

Portfolio agencies	Total		Women		Men		Self described	
	No.	Var.	No.	Var.	No.	Var.	No.	Var.
Parks Victoria	28	0	15	1	13	(1)	0	0
Phillip Island Nature Park Board of Management	2	2	1	1	1	1	0	0
Point Leo Foreshore and Public Parks Reserves Committee of Management Inc	0	0	0	0	0	0	0	0
PrimeSafe	0	0	0	0	0	0	0	0
Royal Botanic Gardens Board	2	(2)	0	(1)	2	(1)	0	0
South East Water Corporation	7	(1)	4	0	3	(1)	0	0
South Gippsland Region Water Corporation	3	(1)	2	(1)	1	0	0	0
Sustainability Victoria	6	2	5	2	1	0	0	0
Trust for Nature (Victoria)	0	0	0	0	0	0	0	0
Veterinary Practitioners Registration Board	0	0	0	0	0	0	0	0
VicForests	0	(3)	0	(2)	0	(1)	0	0
VicGrid	7	7	1	1	6	6	0	0
Wannon Region Water Corporation	5	0	1	0	4	0	0	0
West Gippsland Catchment Management Authority	0	0	0	0	0	0	0	0
Westernport Region Water Corporation	2	0	0	0	2	0	0	0
Wimmera Catchment Management Authority	0	0	0	0	0	0	0	0
Winton Wetlands Committee of Management	0	0	0	0	0	0	0	0
Working Heritage Incorporated	0	0	0	0	0	0	0	0
Yarra Valley Water Corporation	5	(2)	4	0	1	(2)	0	0
Zoological Parks and Gardens Board	8	0	4	0	4	0	0	0
Total	197	2	95	(1)	102	3	0	0

Notes:

For the purpose of this table, Executive Officers are defined as SES-1, SES-2, SES-3, PESES-1, PESES-2 and PESES-3 employees who have significant management responsibility and receive a total remuneration package of \$216,376 or more.

All figures reflect executive employment levels as at last pay in June 2024.

Excluded are those on leave without pay or absent on secondment, external contractors / consultants and temporary staff employed by employment agencies.

Validation of this data is still in progress and subject to change.

Appendix 3: Occupational Health and Safety performance measures

Measure	Key Performance indicator	2023–24	2022–23 ^(a)	2021–22 ^(b)
Incidents	Incidents ^(c)	1142	1723 ^(d)	2318 ^(d)
	Incidents excluding COVID-19 incidents	1127	655	686
	Incident rate per 100 FTE	19.40 ^(e)	15.37 ^(e)	13.20 ^(e)
	Number of incidents requiring first aid (and/ or further medical treatment)	232	134	131
	Number of incidents requiring further medical treatment	127	100	90 ^(f)
	Percentage of investigations completed against the total number of incidents reported	6.92% ^(e)	5.75% ^(e)	4.80% ^(e)
Hazards	No. of hazards reported	266	128	143
	Rate per 100 FTE	4.58	3.00	2.75
WorkCover Claims	Number of standard claims ^(g)	86(h)	60	58
	Rate per 100 FTE	1.48	1.38	1.15
	Number of lost time claims	56(h)	50	51
	Rate per 100 FTE	0.96	1.14	0.95
	Number of claims at 13 weeks	12	43	45
	Rate per 100 FTE	0.21	1.01	0.91
	Percentage of claims at 13 weeks	14%	73%	81%
	Number of claims exceeding 13 weeks	7	11	9
	Rate per 100 FTE	0.12	0.26	0.12
	Number of claims at 26 weeks	5	5	6
	Percentage of claims at 26 weeks against total number of standard claims	5.8%	8.4%	10%
Fatalities	Fatality claims	0	0	0
Claim costs	Average cost per standard claim	\$75,592	\$118,970	\$116,378
Absenteeism	Number of days absent due to sickness	42,830	34,447	37,131
	Rate per 100 FTE	768	838	770
Return to Work (RTW)	Percentage of RTW arrangements initiated for claims by premium period	72%	63%	77%
Legislative compliance	Number of WorkSafe Victoria Notices issued	3	5	1
	Rate of notices issued per inspector visit	1	1	0
	Number of prosecutions	0	0	0
Management commitment	Evidence of safety and wellbeing policy statement, objectives, regular reporting to senior management and plans	Completed	Completed	Completed
	Evidence of safety and wellbeing criteria in purchasing guidelines (including goods, services and personnel)	Completed	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups (DWG), health and safety representatives (HSR) and issue resolution processes (IRP)	Completed	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs and IRPs	Completed	Completed	Completed

Measure	Key Performance indicator	2023-24	2022-23 ^(a)	2021-22 ^(b)
Risk management	Percentage of internal audits/ inspections conducted as planned	100%	100%	100%
	Number of Improvement Notices issued across the department by WorkSafe Inspector	3	4	1
	Number of issues identified and actioned arising from:			
	Internal audits ⁽ⁱ⁾	149	90	193
	HSR provisional improvement notices (PINs)	0	1	0
	WorkSafe notices	3	5	1
Corrective Actions	No. of corrective actions	169	252	136
	Percentage of corrective actions completed	42%	53%	28.6%
Occupational Health and Safety Management System (OHSMS)	Number of procedures developed and approved; and/or	1 new procedure developed and approved	1 new procedure developed and approved	1 new policy developed and approved
	Number of procedures reviewed and refined	8 policies reviewed and refined (5 approved; 3 waiting approval) 2 procedures reviewed and refined	13 policies reviewed and refined (9 approved; 4 waiting approval) 4 procedures reviewed and refined (all approved)	12 policies reviewed and refined (10 approved; 2 waiting approval) 9 procedures reviewed and refined (7 approved; 2 waiting approval)
Percentage of SES, managers and staff that have received OHS training	Induction	47%	35%	24%
	SES training	29%	43%	45%
	Management training	24%	35%	42%
	Contractors, temps and visitors ^(j)	Provided	Provided	Provided
Percentage of HSRs trained	Acceptance of role	39%	32%	34%
	Retraining (refresher)	9%	29%	20%
	Reporting of incident and injuries ^(k)	N/A	N/A	N/A
Percentage of staff that have received Mental Health and Wellbeing Training	DEECA-wide	61%	79%	73%
	Executives (SES) (SES3/SES2)	71%	77%	88%
	People Leaders (SES1/VPS 6)	64%	83%	83%
	Managers, Supervisors and employees (up to VPS 5)(l)	60%	78%	71%
People Matter Survey results (or equivalent)	Percentage of response rates	70%	77%	72%

Measure	Key Performance indicator	2023–24	2022–23 ^(a)	2021–22 ^(b)
Mental health and wellbeing	Mental injury 13-week claims as a percentage of total claims	2.3%	12%	22%
	Mental injury 26-week claims as a percentage of total claims	3.4%	5%	20%
	Averaged fully developed costs – mental injury claims ^(m)	\$423,158	\$597,568	\$318,463
	Averaged no. of days/shifts lost per workers' compensation claim for mental injury	140	146	60.50
	Staff appointed and trained as peer support officers	91	96 ⁽ⁿ⁾	80

Footnotes:

- (a) A Machinery of Government change that came into effect from 1 January 2023 established the new Department of Energy, Environment and Climate Action (DEECA). Unless otherwise noted, 2022–23 figures in this table include reporting for the former Department of Environment, Land, Water and Planning (DELWP) (including Planning and Land Use Victoria) from July–December 2022, and DEECA Groups (excluding Agriculture and Resources staff) from January–June 2023 due to unavailability of data.
- (b) Reporting for 2021–22 captures data for the former DELWP.
- (c) 2023–24 reporting captures all incident data from 2 incident and hazard management systems (POSSUM and SafeWell) as DEECA transitioned from the old system to the new system in December 2023.
- (d) Data sourced from DEECA's old incident and hazard reporting system, POSSUM. Data captures all former DELWP groups (including Planning and Land Use Victoria) and excludes Agriculture and Resources data.
- (e) Excludes COVID-19 related incidents when calculating the percentage of incidents reported.
- (f) Excludes COVID-19 related incidents where there was self-reporting that further medical treatment was required.
- (g) Data is sourced from the Victorian WorkCover Authority. Rates are based on FTE counts as at 30 June 2024. This excludes external contractors/consultants and temporary staff employed by employment agencies.
- (h) Total claim figures will vary after the time of reporting as claims are continually adjusted and amended.
- (i) This metric reports on the total number of Safety and Wellbeing Advisor system reviews undertaken for the year.
- (j) The department does not have a mechanism to record the completion rate of 'training' undertaken by contractors, temporary staff and visitors but the department does provide induction to contractors, temporary staff and visitors.
- (k) The department does not deliver specific training on how to report incidents and injuries. Information about the 'incident and hazard' reporting system, SafeWell is included within induction.
- (l) Rates include fixed term employees, ongoing employees and Project Fire Fighters.
- (m) This metric reports the average of payments including estimates of future costs for all claims made in the 12-month period to 30 June each year, where the employer has paid the time loss excess (10 days of earnings). This metric is retrospectively updated for the previous year each reporting period if required.
- (n) Figure includes Planning and Land Use Victoria groups from July–December 2022, and current DEECA Groups (including Agriculture and Resources staff) from January–June 2023.

Appendix 4: Budget portfolio outcomes

The budget portfolio outcomes provide a comparison between the actual financial statements of DEECA and the forecast financial information as published in Budget Paper No.5 Statement of Finances (BP5).

The budget portfolio outcomes comprise the comprehensive operating statement, balance sheet, statement of cash flows, statement of changes in equity and administered items statement for the full financial year 2023–24.

Financial transactions and balances are classified into either controlled or administered categories as agreed with the Treasurer in the context of the published statements in BP5. The budget portfolio outcome statements are not subject to audit by the Victorian Auditor-General's Office (VAGO).

Financial performance – operating statement

In 2023–24, the budget portfolio recorded an operating surplus of \$187 million compared with a 2023–24 published budget operating surplus of \$188 million. Both income and expenses from transactions saw an increase of around \$534 million from the original published budget. This movement in the department's financial position reflects additional resources to deliver on the government's objectives and outcomes throughout the financial year. This included new priority initiatives, amended policies and programs, or responses to emergency events. The major revenue and expense variances were primarily attributed to the following:

Forestry transition program (\$346 million):

Following the Victorian Government's announcement on 23 May 2023 to transition away from native timber logging earlier than planned on 1 January 2024, existing funding was brought forward and scaled up to deliver support to workers, businesses and communities affected by this policy decision.

Additionally, further funding was provided through the 2023–24 and 2024–25 State Budget to finalise the wind up of native timber harvesting operations, including the cessation of VicForests on 30 June 2024.

Emergency management preparedness, response and recovery (\$202 million):

Urgent funding was required during 2023–24 for various emergency management and activities relating to events such as bushfires, floods and biosecurity threats.

Other (\$192 million):

Other significant movements during 2023–24 related to costs associated with establishing Recycling Victoria (\$73 million), the \$250 Power Saving Bonus (\$38 million), re-establishing the State Electricity Commission of Victoria (SEC) (\$24 million), portfolio agency support payments (\$19 million), VicGrid

functions and delivering the Victorian Transmission Investment Framework (\$19 million), the VicCoasts: Building a safer, healthier and more resilient marine and coastal environment for the community initiative (\$7 million), the Protecting our parks, pets and wildlife – dog parks initiative (\$6 million) and Lemon Springs remediation (\$6 million).

The above increases were partially offset by the reduction of on-passed grant payments associated with the Sustainable Rural Water Use and Infrastructure Program, due to reduced Commonwealth funding (\$204 million).

Financial position – balance sheet

Total assets are \$154 million lower than the published budget. This is primarily attributed to delays in land acquisition and settlement associated with the Melbourne Strategic Assessment program, the rephasing of the construction of a water treatment plant associated with the Bendigo Mine-Impacted Groundwater Long-term Management initiative, and the transfer of assets to portfolio entities in 2023–24. The movement is also attributed to a decrease in prepayments to State Trustees Limited for the management of the Solar Homes loans and rebates, which is influenced by lower than anticipated uptake of concessional loans under the program.

Total liabilities are \$25 million lower than the published budget. This decrease is primarily attributed to a reduction in trade creditors and accrued expenses associated with the Energy Efficiency Upgrades for Homes and timber worker and industry support initiatives and is partially offset by an increase in payables for the Sustainable Rural Water Use and Infrastructure program.

Cash flows

The overall cash position at the end of the 2023–24 financial year is \$1,353 million, which is \$73 million lower than the published budget for 2023–24. This is primarily attributed to the Machinery of Government changes announced in 2022–23, where the Planning portfolio transferred from the former DELWP to the Department of Transport and Planning and moving the Agriculture and Resources portfolios from the former Department of Jobs, Precincts and Regions to DEECA. This decrease was partially offset by adjustments in the funding profile for various initiatives including the Melbourne Strategic Assessment program, the Victorian Renewable Energy Target (VRET), the Bulgana Support Agreement, Bendigo Mine-Impacted Groundwater Long-term management and the Suburban Parks program.

Administered items statement

The department's administered income statement primarily comprises contributions to the Victorian Desalination Plant, Earth Resources and Tenements, Environmental Contribution, Solar Victoria and the Murray-Darling Basin Authority.

The net result is \$44 million higher than the published budget. This is primarily attributed to the lower-than-expected contract payments for the zero gigalitre water order from the Victorian Desalination Plant for 2023–24 announced by the Minister for Water in April 2023.

Detailed financial results for the 2023–24 portfolio budget and actual results are included in the following pages.

Table 1. Operating statement for the financial year ended 30 June 2024

Operating Statement – Controlled	Actuals 2023–24 (\$m)	Published Budget 2023–24 (\$m)	Variance (\$m)	Variance (%)	Variance notes
Net result from continuing operations					
Income from transactions					
Output appropriations	2,562	2,154	408	19%	1
Special appropriation	2	(0)	2	100%	2
Interest	29	50	(21)	(41%)	3
Sales of goods and services	146	109	38	35%	4
Grants	23	16	6	40%	5
Other income	679	580	99	17%	6
Total income from transactions	3,441	2,909	533	18%	
Expenses from transactions					
Employee benefits	881	749	132	18%	7
Depreciation and amortisation	115	110	5	5%	8
Interest expense	41	44	(3)	(7%)	9
Grants and other transfers	1,475	1,188	287	24%	10
Capital asset charge	–	–	–	0%	
Other operating expenses	742	629	113	18%	11
Total expenses from transactions	3,254	2,720	534	20%	
Net result from transactions (net operating balance)	187	188	(1)	(1%)	
Total other economic flows included in net result					
Net gain/(loss) on non-financial assets	20	(7)	27	(368%)	12
Net gain/(loss) on financial instruments and statutory receivables/payables	(29)	(1)	(27)	2200%	13
Other gains/(losses) from other economic flows	4	–	4	100%	14
Total other economic flows included in net result	(5)	(9)	3	(38%)	
Net result	182	180	2	1%	
Other economic flows – other comprehensive income					
Items that will not be classified to net result					
Changes in non-financial assets revaluation reserve	–	–	0	0%	
Adjustment to accumulated surplus/(deficit) due to a change in accounting policy	–	–	–	0%	
Other	–	–	–	0%	
Total other economic flows – other comprehensive income	0	–	0	0%	
Comprehensive result	182	180	2	1%	

Note:

The above operating statement differs from the 5-year financial summary. The variations relate to the inclusion of entities such as the Victorian Environmental Water Holder and the Commissioner for Environmental Sustainability in Budget Portfolio reporting and exclusion of the Rural Assistance Commissioner.

Variance notes:

1. The variance is primarily attributed to additional funding received for timber harvesting transition support and various initiatives associated with bushfires and other emergency events recovery and response.
2. The variance is primarily attributed to additional Commonwealth grants received for the Regional Fund for Wildlife and Habitat Bushfire Recovery initiative.
3. The variance is primarily attributed to lower-than-expected interest income received by the Parks and Reserves Trust Account and the lower-than-expected concessional loan uptake for the Solar Homes programs.
4. The variance is primarily attributed to an increase in revenue from local councils for the management of council landfill contracts by Recycling Victoria. Recycling Victoria manages waste management contracts on behalf of local councils.
5. The variance is primarily attributed to grants received from the Department of Justice and Community Safety for the Cheaper cleaner energy to drive economic recovery initiative.
6. The variance is primarily attributed to higher revenue associated with the Municipal and Industrial Waste Levy and lower than expected repayments of interest-free loans for solar energy products due to lower than expected uptake of loans.
7. The variance is primarily attributed to workforce reduction payments, the COVID-19 Debt Levy and higher employee costs resulting from Enterprise Bargaining Agreement progression increments, as well as the impact of new funding decisions and emergency management and response activities.
8. The variance is primarily attributed to increase in depreciation expenses due to the revaluation of assets in 2022-23.
9. The variance is primarily attributed to a reduction in the interest adjustment for the Solar Homes concessional loans as a result of lower-than-expected uptake of these loans.
10. The variance is primarily attributed to an increase in grants payments associated with timber harvesting transition support, the Forestry transition program, timber worker and industry support, the Power Saving Bonus and emergency management initiatives, partially offset by lower than estimated grants payments for the Sustainable Rural Water Use and Infrastructure Program due to lower Commonwealth funding.
11. The variance is primarily attributed to an increase in contract payments associated with waste collection contractors. This is funded through the additional 'Sale of goods and services' revenue received from local councils for the management of landfill contracts for Recycling Victoria, and emergency management and response activities.
12. The variance is primarily attributed to the initial recognition of coastal assets.
13. The variance is primarily attributed to the mandatory annual fair value assessment of derivative financial instruments associated with VRET and the Bulgana Support Agreement.
14. The variance is primarily attributed to the revaluation of long-service leave.

Table 2. Balance sheet as at 30 June 2024

Balance Sheet - Controlled	Actuals 2023–24 (\$m)	Published Budget 2023–24 (\$m)	Variance (\$m)	Variance (%)	Variance notes
Assets					
Financial assets					
Cash and deposits	1,353	1,426	(73)	(5%)	1
Receivables	1,401	1,330	72	5%	1
Other financial assets	63	51	12	23%	2
Investments accounted for using the equity method	–	–	–	0%	
Total financial assets	2,818	2,807	11	0%	
Non-financial assets					
Inventories	19	29	(10)	(34%)	3
Non-financial assets classified as held for sale including disposal group assets	1	6	(5)	(83%)	4
Property, plant and equipment	9,911	10,032	(121)	(1%)	5
Biological assets	2	4	(2)	(45%)	6
Intangible assets	10	13	(3)	(21%)	7
Other	27	52	(24)	(47%)	8
Total non-financial assets	9,971	10,136	(165)	(2%)	
Total assets	12,789	12,943	(154)	(1%)	
Liabilities					
Payables	272	342	(70)	(20%)	9
Borrowings	585	555	30	5%	10
Provisions	352	338	14	4%	
Total liabilities	1,210	1,235	(25)	(2%)	
Net assets	11,579	11,708	(129)	(1%)	
Equity					
Accumulated surplus/(deficit)	4,118	4,117	2	0%	
Reserves	6,693	6,692	0	0%	
Contributed capital	768	899	(130)	(14%)	11
Total equity	11,579	11,708	(129)	(1%)	

Variance notes:

1. The variance is primarily attributed to lower-than-expected payments received from debtors.
2. The variance is primarily attributed to the annual fair value assessment of the derivative financial instruments for the VRET and the Bulgana Support Agreement.
3. The variance is primarily attributed to a reduction in stores inventory for general department operations.
4. The variance is primarily attributed to a reduction in land assets deemed surplus and held for sale and the renewable energy certificates related to the Securing Our Energy Future – Solar Trams initiative.
5. The variance is primarily attributed to delays in land acquisition and settlement for the Melbourne Strategic Assessment program, the reprofiling of the construction of a water treatment plant associated with the Bendigo Mine-Impacted Groundwater Long-term Management initiative, and the transfer of land assets to portfolio entities in 2023–24.
6. The variance is primarily attributed to movements in the fair value of the livestock recorded by Agriculture Victoria.
7. The variance is primarily attributed to the decommissioning of software assets.
8. The variance is primarily attributed to the reduction in prepayments to State Trustees Limited for management of the Solar Homes loans and rebates. This is driven by lower than expected uptake of the concessional loans for this program.
9. The variance is attributed to the reduction in trade creditors and accrued expenses associated with Energy Efficiency Upgrades for Homes and timber worker and industry support, partially offset by the Sustainable Rural Water Use and Infrastructure program.
10. The variance is primarily attributed to the movement in the derivative financial instruments associated with VRET.

11. The variance is attributed to a lower-than-expected uptake of Solar Homes loans, as well as the rephasing of several initiatives, including the Bendigo Mine Impacted Groundwater Long-term Management capital project, Yallock-Bulluk Marine and Coastal Park, and new suburban parks, to future years to align with the updated delivery milestones. Additionally, the variance results from a funding swap between capital and operational funds for the Expanding Werribee Open Range Zoo initiative, as well as the transfer of footbridge assets to Parks Victoria.

Table 3. Statement of cash flows for the financial year ended 30 June 2024

	Actuals 2023-24 (\$m)	Published Budget 2023-24 (\$m)	Variance (\$m)	Variance (%)	Variance note
Cash Flow Statement – Controlled					
Cash flows from operating activities					
Receipts					
Receipts from Government	2,692	2,110	581	28%	1
Receipts from other entities	846	782	64	8%	2
Goods and Services Tax recovered from the ATO	(8)	0	(8)	100%	
Interest received	22	33	(11)	(34%)	3
Other receipts	57	50	7	13%	4
Total receipts	3,609	2,975	633	21%	
Payments					
Payments of grants and other transfers	(1,594)	(1,306)	(288)	22%	5
Payments to suppliers and employees	(1,602)	(1,384)	(218)	16%	6
Goods and Services Tax paid to the ATO	(6)	0	(6)	100%	
Capital asset charge	–	–	–	0%	
Interest and other costs of finance	(41)	(44)	3	(7%)	7
Total payments	(3,243)	(2,734)	(509)	19%	
Net cash flows from/ (used in) operating activities	366	242	124	51%	
Cash flows from investing activities					
Net investment	0	1	(1)	(100%)	8
Payments for non-financial assets	(181)	(346)	165	(48%)	9
Proceeds from sale of non-financial assets	30	16	15	94%	10
Net loans to other parties	8	6	2	30%	11
Cash flows from investing activities	(143)	(323)	180	(56%)	
Cash flows from financing activities					
Owner contributions by State Government	83	226	(142)	(63%)	12
Repayment of finance leases	–	–	–	0%	
Repayment of right of use leases	(19)	(20)	1	(5%)	
Net borrowings	(188)	48	(236)	(490%)	13
Cash flows from financing activities	(123)	254	(377)	(149%)	
Net increase/(decrease) in cash and cash equivalents	100	172	(73)	(42%)	
Cash and cash equivalents at the beginning of the financial year	1,254	1,254	0	0%	
Cash and cash equivalents at the end of the financial year	1,353	1,426	(73)	(5%)	

Variance notes:

- The variance is primarily attributed to higher-than-expected receipts from the Victorian Government State Administration Unit, associated with initiatives including Timber Harvesting Transition Support, the Forestry Transition program, various emergency management, response and recovery initiatives and the Power Saving Bonus.
- The variance is primarily attributed to an increase in receipts received from local councils for the management of landfill contracts related to Recycling Victoria. Recycling Victoria manages waste management contracts with rubbish collection contractors on behalf of the local councils.

3. The variance is primarily attributed to lower-than-expected interest receipts income received by the Parks and Reserves Trust Account.
4. The variance is primarily attributed to receipts received from Parks Victoria and Melbourne Water Corporation for the sale of services.
5. The variance is primarily attributed to an increase in grants funding associated with Timber Harvesting Transition Support, the Forestry Transition Program and timber worker and industry support. The variance is also attributed to various emergency management, response and recovery initiatives and the Power Saving Bonus initiative, partially offset by the reduction in grant payments associated with the Sustainable Rural Water Use and Infrastructure Program due to reduced Commonwealth funding.
6. The variance is primarily attributed to payments to suppliers and employees for the management of council landfill contracts by Recycling Victoria, which is a pass-through arrangement, Energy Efficiency Upgrades for Homes and various initiatives for emergency management, response and recovery. The variance is also attributable to payments incurred by the State Electricity Commission (SEC) Implementation Office for the Bringing back the SEC program.
7. The variance is primarily attributed to lower-than-expected uptake for concessional loans for the Solar Homes program.
8. The variance is primarily attributed to the holding gains on derivatives associated with VRET and the Bulgana Support Agreement.
9. The variance is primarily attributed to a change in the funding profile for the Melbourne Strategic Assessment program, VRET and the Bulgana Support Agreement, Bendigo Mine Impacted Groundwater Long-term Management and the Suburban Parks initiative.
10. The variance is primarily attributed to the Securing Our Energy Future – Solar Trams initiative and proceeds from sale of assets held in the Plant and Machinery Trust.
11. The variance is primarily attributed to higher-than-expected loan repayments for Solar Homes, leading to loans being settled earlier than expected.
12. The variance is attributed to a lower-than-expected uptake of Solar Homes loans, as well as the rephasing of several initiatives, including the Bendigo Mine Impacted Groundwater Long-term Management capital project, Yallock-Bulluk Marine and Coastal Park, and new suburban parks, to future years to align with the updated delivery milestones. Additionally, the variance results from a funding swap between capital and operational funds for the Expanding Werribee Open Range Zoo initiative.
13. The variance is primarily attributed to the transfer between DEECA, the Department of Jobs, Skills, Industry and Regions and the Department of Transport and Planning as a result of MoG changes effective from 1 January 2023.

Table 4. Statement of changes in equity for the financial year ended 30 June 2024

	2023–24 Actuals (\$ m)	2023–24 Published Budget (\$ m)	Variance (\$ m)	Variance (%)
Statement of Changes in Equity – Controlled				
Opening accumulated surplus/(deficit)	3,937	3,937	–	0%
Net result	182	180	2	1%
Accumulated funds	–	–	–	0%
Adjustment due to change in accounting policy	(0)	–	(0)	0%
Closing accumulated surplus/(deficit)	4,118	4,117	1	0%
Opening contribution by owners	770	770	0	0%
Net transaction with owners in their capacity as owners	(2)	128	(130)	(102%)
Closing contribution by owners	768	899	(130)	(14%)
Opening physical asset revaluation reserve	6,692	6,692	–	0%
Movement in physical asset reserve	0	–	0	0%
Closing physical asset revaluation reserve	6,692	6,692	0	0%
Other reserve	–	–	–	0%
Movement in other reserve	–	–	–	0%
Closing other reserve	0	0	0	0%
Total equity	11,579	11,708	(129)	(1%)

Table 5. Administered items statement for the financial year ended 30 June 2024

Administered items statement	Actuals 2023–24 (\$m)	Published Budget 2023–24 (\$m)	Variance (\$m)	Variance (%)	Variance notes
Administered income					
Appropriations - payments made on behalf of the State	613	735	(123)	(17%)	1
Fair value of assets and services received free of charge or for nominal consideration	42	0	42	100%	2
Sales of goods and services	224	369	(145)	(39%)	3
Grants	4	0	4	100%	4
Interest	397	395	2	0%	
Other income	406	457	(52)	(11%)	5
Total administered income	1,685	1,957	(273)	(14%)	
Administered expenses					
Expenses on behalf of the State	173	294	(121)	(41%)	6
Grants and other transfers	40	32	9	28%	7
Payments into consolidated fund	1,165	1,367	(201)	(15%)	8
Interest and depreciation expense	366	365	1	0%	
Total administered expenses	1,745	2,057	(313)	(15%)	
Income less expenses	(60)	(100)	40	(40%)	
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	(3)	(6)	3	(53%)	9
Net gain/(loss) on financial instruments and statutory receivables/payables	–	–	–	0%	
Total other economic flows included in net result	(3)	(6)	4	(58%)	
Net result	(62)	(106)	44	(41%)	
Other economic flows – other comprehensive income					
Asset revaluation reserve	39	0	39	100%	10
Other	–	–	–	0%	
Total other economic flows – other comprehensive income	39	0	39	100%	
Comprehensive result	(23)	(106)	83	(78%)	
Administered assets					
Cash and deposits	44	43	1	3%	
Receivables	3,764	3,771	(7)	(0%)	
Other financial assets	–	–	–	0%	
Investments accounted for using the equity method	56	0	56	100%	11
Property, plant and equipment	887	845	42	5%	
Intangible assets	330	286	44	15%	12
Non-financial assets classified as held for sale including disposal group assets	4	(3)	6	(224%)	13
Total administered assets	5,084	4,942	142	3%	
Administered liabilities					
Payables	79	77	2	3%	
Borrowings	3,114	3,114	(0)	(0%)	
Provisions	0	(22)	22	(100%)	14
Total administered liabilities	3,193	3,169	24	1%	
Net assets	1,891	1,773	118	7%	

Variance Notes:

1. The variance is primarily attributed to a reduction in 'Payments on behalf of the state (POBOS)' funding received for the Victorian Desalination Plant to deliver the zero GL water order in 2023–24.
2. The variance is primarily attributed to the recognition of Renewable Energy Certificates during the 2023–24 financial year that were not utilised to offset energy consumption for the Victorian Desalination Plant.
3. The variance is primarily attributed to reduced revenue associated with the Victorian Desalination Plant received from Melbourne Water Corporation as a result of the revised water order for 2023–24, a decline in administered revenue related to the Paper Australia Pulpwood Agreement, and adjustments in the revenue collection method for fees associated with Werribee Mansion, which are now recorded under the Parks Victoria legislation provision for cost recovery.
4. The variance is primarily attributed to Commonwealth grants for various initiatives such as the National Energy Productivity Measure.
5. The variance is primarily attributed to decreased repayments for Solar Homes concessional loans due to lower uptake of these loans.
6. The variance is primarily attributed to lower-than-expected contract payments associated with the Victorian Desalination Plant due to zero GL water order for 2023–24.
7. The variance is primarily due to a reclassification in expenses for the National Energy Market Bodies initiative.
8. The variance is primarily attributed to the zero GL lower water order to be delivered by the Victorian Desalination Plant, reduced participation in Solar Homes loans, decreased administered revenue from the Paper Australia Pulpwood Agreement and Earth Resources Tenements, as well as changes in the revenue collection methods for fees associated with Werribee Mansion, which are now categorised under the Parks Victoria legislation for cost recovery.
9. The variance is primarily attributed to the revaluation of Renewable Energy Certificates for the Victorian Desalination Plant.
10. The variance is primarily attributed to movements in the state's share of the asset reserves reported by the Murray Darling Basin Authority.
11. The variance is primarily attributed to the initial equity payment made to TAS Network and Marinus Link Pty Ltd to enable Victoria's contribution for the Marinus Link.
12. The variance is primarily attributed to the recognition of Renewable Energy Certificates during the 2023–24 financial year that were not utilised to offset energy consumption for the Victorian Desalination Plant and are expected to be utilised in future years.
13. The variance is primarily attributed to VRET and the Bulgana Support Agreement.
14. The variance is primarily attributed to the adjustment required to surrender Renewable Energy Certificates to the Clean Energy Regulator due to the zero GL water order in 2023–24.

Appendix 5: Capital projects

The department and its related portfolio entities manage a range of capital projects to deliver services for government.

Information on new and existing capital projects for departments and the broader Victorian public sector is contained in the most recent Budget Paper No. 4: State Capital Program. During 2023–24, the department completed the following capital projects with a Total Estimated Investment (TEI) of \$10 million or greater. The details related to these projects are reported below:

Table 1: Capital projects reaching practical completion during the financial year ended 30 June 2024

Project Name	Original completion date	Latest approved completion date	Practical completion date	Reason for variance in completion dates	Original approved TEI budget (\$ million)	Latest approved TEI budget (\$ million)	Actual TEI cost (\$ million)	Variation between actual cost and latest approved TEI budget	Reason for variance from latest approved TEI Budget
N/A									

Table 2: Capital projects reaching financial completion during the financial year ended 30 June 2024

Project Name	Practical completion date	Financial completion date	Original approved TEI budget (\$ million)	Latest approved TEI budget (\$ million)	Actual TEI cost (\$ million)	Variation between actual cost and latest approved TEI	Reason for variance from latest approved TEI Budget
Off-farm Efficiency Program (Statewide)	Jun-26	Jun-24	18.0	118.5	118.5	0	N/A

Appendix 6: Disclosure of grants and transfer payments

This section provides information on grants and contributions paid by the department in 2023–24. Financial assistance provided by way of grants and contributions in 2023–24 was as follows:

Table 1 – Disclosure of grants and transfer payments by output

Table number	Output	\$
2	Agriculture	431,225,467
3	Climate Action	5,050,901
4	Effective Water Management and Supply	152,809,419
5	Energy	190,292,744
6	Environment and Biodiversity	67,347,903
7	Fire and Emergency Management	104,548,275
8	Management of Public Lands and Forests	100,640,028
9	Parks Victoria	222,591,881
10	Resources	1,611,088
11	Solar Victoria	124,375,453
12	Statutory Activities and Environment Protection	149,258,309
13	Waste and Recycling	34,810,511
	Total	1,584,561,980

Please note that this appendix has been prepared on a cash basis.

Table 2 – Agriculture

Grant Recipient	\$
VicForests ¹	236,685,464
Forestworks Ltd	33,213,189
Australian Sustainable Hardwoods Pty Ltd	27,538,770
Hancock Victorian Plantations Pty Ltd	17,296,402
Department of Agriculture and Fisheries	17,195,745
Walcha Timber Co Pty Ltd	12,775,165
Ag Brown Sawmill Pty Ltd	6,212,461
Ryan & McNulty Proprietary Limited	5,932,100
Department of Jobs, Skills, Industry & Regions	4,162,361
The University of Melbourne	3,638,000
Arbutnot Sawmills Pty Ltd	2,991,164
Walkers Sawmill Pty Ltd	2,942,000
Steritech Pty Ltd	2,880,000
Longwarry Sawmilling Pty Ltd	2,110,596
The Royal Society for the Prevention of Cruelty to Animals (Victoria)	1,993,327
Department of Regional NSW Primary Industries	1,722,209
South West Institute of TAFE	1,700,000
The Trustee for Sally Crick Family Trust	1,690,819
ANC Forestry Group Pty Ltd	1,664,577
Mectec Pty Ltd	1,599,668
Montana Timber Holdings Pty. Ltd.	1,500,000
LaunchVic Limited	1,250,000
Brunts Harvesting Pty Ltd	1,054,245
Wheeler & Sons Pty Ltd	981,704
Victorian Sustainable Products Pty Ltd	946,208
RFCS Victoria West	937,289
MJ & MJ Brady Pty Ltd	919,299
MJM Forestry Services	913,919
Logpros Pty Ltd	907,291
Department of Health	900,000
GOTAFE	895,446
Boss Logging Pty Ltd	885,700
Sunraysia Institute of TAFE	813,022
Eddy Enterprises Pty Ltd	793,332
Federation University Australia	791,757
Wodonga Institute of TAFE	748,877
Rural Industries Skill Training Centre Inc	694,327
RSPCA Victoria	667,179
AgBiz Assist	616,340

Grant Recipient	\$
Geoffrey Gardiner Dairy Foundation Ltd	610,000
Nationwide Trees Pty Ltd	600,000
Kellys Timber Pty Ltd	586,561
Mildura Rural City Council	578,325
Stafford Logging Pty Ltd	567,383
Victorian Farmers Federation	566,665
Eddy Haulage Pty Ltd	543,243
Wellington Shire Council	495,909
Greater Shepparton City Council	448,169
Agribusiness Yarra Valley Inc	443,068
The Gordon	418,825
RFCS Gippsland	407,541
Food and Wine Victoria Ltd	400,000
Turk's Agricultural Services	371,086
Velisha Education Group Pty Ltd	368,253
Australian Distillers	360,000
Cherry Growers of Australia Inc	355,000
CDH Contracting Pty Ltd	350,000
Orbost & District Chamber of Commerce & Industry	345,000
Four Pillars Distillery	333,519
Gippsland Logging & Earthmoving Pty Ltd	330,000
Wimmera Catchment Management Authority	320,297
Regional Community Vet Clinic Limited	316,553
Australian Horse Industry Council – AHIC	315,000
Plant Health Australia Limited	301,661
Meyer Log Cartage Pty Ltd	301,269
Melbourne Polytechnic	300,000
Heywood Forestry Services	277,156
Conway Transport Pty Ltd	273,983
North East Logging	266,666
Second Chance Animal Rescue Inc.	252,795
Samaria Contracting Pty Ltd	250,000
Central Excavations & Contracting Pty Ltd	249,115
Dairy Australia Limited	245,000
Powelltown Sawmills Pty Ltd	245,000
The Lost Dogs Home	229,329
JJ & JJ Coffey	224,107
Moran Logging Co Pty Ltd	216,152
Rural Financial Counselling Service Victoria – WSW Inc	204,096
Harness Racing Australia Inc	199,000

¹ Funding is provided as a passthrough grant for targeted timber industry and worker transition support services and to support the cessation of VicForests and associated costs.

Grant Recipient	\$
MWM Logging Pty Ltd	194,689
Simply Baths Pty Ltd	194,178
Dahlsens Steel Truss & Frame Pty Ltd	190,000
Talbot Timbers	183,356
Pyrenees Timber Pty Ltd	178,606
Department of Education	168,671
Billson's Brewery	168,600
Victorian Gorse Taskforce	167,500
Jamieson Bros Pty Ltd	160,000
Landcare Victoria Inc	160,000
Victorian Rabbit Action Network Inc	157,472
DN & LJ Blackwood Pty Ltd	152,457
Pyrenees Bushcraft	151,535
East Gippsland Shire Council	150,364
Barolli Orchards Pty Ltd	150,000
Environment Protection Authority	150,000
McMillans Pty Ltd	150,000
Nursery & Garden Industry Victoria	150,000
Pomona Valley Pty Ltd	150,000
RJN Cua Vineyards	150,000
The Australian Distillers Association Inc	150,000
Swan Sawmill Pty Ltd	148,795
Victorian Serrated Tussock Working Party	147,500
Geelong Animal Welfare Society	146,800
Radevski Coolstores Pty Ltd	142,830
I M Sweet Australia Pty Ltd	136,000
Equorum Ltd	135,152
Scrub Cat Earthmoving Pty Ltd	130,043
Goulburn Broken Catchment Management Authority	130,000
The Royal Agricultural Society of Victoria Limited	125,000
Cutri Fruit Trusco Pty Ltd	124,126
Give a Kitty a Home Rescue Inc	121,716
Bakery Hill Distillery	118,180
W & J Fenner Logging	110,000
Victorian Blackberry Taskforce	108,960
Cherished Pets Foundation	108,850
Lort Smith	108,471
JCS Timber	108,334
CSIRO	106,842
Australian College of Agriculture & Horticulture	100,000
Ion Group Pty Ltd	100,000
Nowa Nowa Community Development Group	100,000

Grant Recipient	\$
Skillinvest - Longerenong College	100,000
Westside Community Desexing	95,000
The Pet Rescue Project	94,683
Suffoir Winery, Brewery & Distillery	92,942
Starward	92,650
The Institute of Foresters of Australia	91,978
Baw Baw Shire Council	90,000
Food & Drink Victoria Ltd	90,000
Pet Medical Crisis	90,000
Spirits Victoria Association	88,734
Australian Agritech Association	88,332
Project Meow Ltd	87,335
Yarra Valley Cherries	85,976
Maneki Neko Cat Rescue Inc	85,698
Mountain Brumby Sanctuary	80,360
Benalla Rural City Council	80,000
Wimmera Southern Mallee Development Limited	80,000
Puss & Mew Distillery	78,965
Raced Racehorse After Care Education Diversity Limited	78,000
Blair & Campbell Pty Ltd	77,760
Cherry Phil	75,000
Agrikal Pty Ltd	74,085
M Edwards & Sons Pty Ltd	72,300
Beagle Rescue Victoria	70,703
Food Frontier	70,000
Itinerant Spirits	69,900
Loaded Barrel Distillery Pty Ltd	69,696
Animal Aid	68,812
4 Up Skilling Pty Ltd	67,220
Strong Hearts Farm Sanctuary	66,900
Starting Over Dog Rescue	63,675
Bhatti Fruit Orchards Pty Ltd	62,440
Shergill Farm & Nursery	61,178
Horse Shepherd Equine Sanctuary	61,000
Bellarine Distillery	60,054
D & C Bell Pty Ltd	60,000
The Trustee for Richardson Webb Family Trust	60,000
Torello Farm Shop	60,000
Christie Centre	59,191
Thirsty Group	58,991
Australian K9 Rescue Vic Ltd	58,700
Bass & Flinders Distillery Pty Ltd	58,155
Ga Minutoli	58,051

Grant Recipient	\$
Australian Animal Protection Society	58,000
Project Underdog Rescue Inc	57,180
Wangaratta Rural City Council	56,129
Three Foxes	55,688
Orchards Operations Pty Ltd	53,350
Dutch Rules Distilling Co	52,500
Fossey's Distillery	52,500
Mary Monica	52,500
Oneday Estate Pty Ltd	52,500
Timboon Railway Shed Distillery	52,500
Mates Gin Distillery	52,188
Loch Brewery & Distillery	52,084
Big Tree Distillery	51,980
Project Brewing Company	51,720
Brunswick Aces	50,475
Casella Family Brands	50,000
First Nations Bushfood & Botanical Alliance Australia Ltd	50,000
Four Peaks Pastoral & Land	50,000
Fruit Growers Victoria Ltd	50,000
North Central Catchment Management Authority	50,000
Phillipsons Account Services	50,000
Upper Murray Providore Pty Ltd	50,000
Yandilla Park Pty Ltd	50,000
Forever Friends Animal Rescue	49,990
Route 109 Distillery	49,742
Clark Generations Pty Ltd	49,405
Hop Nation Pty Ltd	48,145
Azalea Wholesale Nursery	48,000
Greyt Greys Rescue Inc	48,000
The Trustee for A & J Corbett Trust & The Trustee for G & D Corbett Trust	47,693
Ruralbiz Training	47,480
Alchemy Distillers	47,173
Kinglake Distillery	46,929
Phoenix Animal Rescue Horsham Ltd	46,200
Rabbit Runaway Orphanage	46,070
Swan Hill Rural City Council	45,364
Vle Operations Pty Ltd	45,364
Wangaratta Livestock Exchange	45,364
The Bluey & Alice Bunny Refuge	45,345
Climate Zeitgeist Pty Ltd	45,000
Department of Energy, Environment and Climate Action	45,000

Grant Recipient	\$
Corangamite Regional Livestock Exchange	44,000
Shepparton Regional Saleyard	43,182
Patient Wolf Distilling Co	42,500
Noodledoof Brewing Company Pty Ltd	41,681
Penni Ave Group Pty Ltd	40,950
Idavue Estate	40,425
Otway Tonewoods	40,000
Victorian Animal Aid Trust	40,000
Geelong Chamber of Commerce	39,931
Here's Looking at You Kid	39,751
JV Orchards Pty Ltd	39,600
One at a Time Pet Rescue	39,575
Moira Shire Council	38,952
BP & JN Weller Pty Ltd	38,864
Connecting Country (Mt Alexander Region) Inc	38,768
Warrnambool Coastcare Landcare Network	37,748
Chiefs Son Distillery Pt Ltd	37,500
Gindu	37,500
Lamb Care Australia Inc	37,500
Reed & Co Distillery	37,500
Tar Barrel Pty Ltd	37,500
Moloney Logging Pty Ltd	36,950
H & J Van De Ven Pty Ltd	36,530
Cat Protection Society of Victoria	36,000
South Gippsland Animal Aid Paws Galore Thrift Shop Incorporated	36,000
Racing 2 Rehome Inc	35,695
Otway Harvest Trail	35,677
South Gippsland Animal Aid	35,441
Leslie Apted & Sons Pty Ltd	35,293
Flowstate Brewers & Distillers	35,007
Western District Health Service	35,000
The Whiskery	34,800
Mornington Peninsula Landcare Network	34,686
Horses for Hope Limited	34,614
Campaspe Shire Council	34,545
Bass Coast Landcare Network Inc	34,380
Bellarine Estate P/L	34,209
Farm Dog Brewing	34,202
Warburton Valley Ceda	34,075
Buloke & Northern Grampians Landcare Network	33,750

Grant Recipient	\$
Project Platypus Inc	33,705
Food & Fibre Gippsland	33,644
Peakers Distillery	33,437
Mount Hotham Chamber of Commerce Inc	33,000
Food & Fibre Great South Coast Inc	32,955
Brogan's Way Distillery	32,784
Murrindindi Food & Wine Inc.	32,500
Victorian Dog Rescue and Resource Group Inc	32,500
Darling Distillery	32,187
Hotstuff Firewood Supplies	32,006
AUSVEG Ltd	32,000
Jindabyne Nursery	31,585
Latrobe Catchment Landcare Network	30,888
South Gippsland Landcare Network	30,413
Yarra Valley ECOSS Inc.	30,374
DMD Livestock & Property Agents Pty Ltd	30,364
Alpine Resorts Victoria	30,150
Eddcon Pty Ltd	30,000
Tiny Bear Distillery	29,663
Wilding Whisky Pty Ltd	29,154
Backwoods Distilling Co	28,669
Destination Goulburn Valley	28,500
TFB Wine Investments Pty Ltd	28,200
That Spirited Lot Distillers	27,943
Bellarine Landcare Group Inc	27,720
Heytesbury District Landcare Network	27,630
Common Ground Project	27,417
Bush Heritage Australia	27,000
Murray River Region Tourism	26,950
Daylesford Spirit Pty Ltd	26,249
Blue Cross Animal Society of Victoria	25,900
Mitta To Murray Landcare Inc	25,835
Hepburn Distillery	25,761
Up2us Landcare Alliance	25,668
J.W Campbell & V.K Campbell	25,419
Invasive Species Council	25,000
Smith Dosser Proprietary	25,000
The Trustee for Morningquest Meats Trust	25,000
Wood4good Pty Ltd	25,000
Blackwood Haulage Pty Ltd	24,800
Curry Haulage Pty Ltd	24,770
Scali Orchards & Coolstores	24,750
Great Ocean Road Gin	24,738

Grant Recipient	\$
Jon Tiner Co Pty Ltd	24,557
Murrindindi Shire Council	24,545
Colac Otway Shire Council	24,455
Moorabool Catchment Landcare Group	22,284
Danny Boy Distillery	22,093
Beyond Racing Ltd	21,896
Penni Ave Distillery	21,823
Killik Handcrafted Rum	21,778
Beechworth Bitters Company	21,067
Beechworth Berries	20,981
Domaine Asmara Pty Ltd	20,413
Tails of the Forgotten Paws Au	20,099
Riverine Plains Inc	20,000
Port Campbell Progress Group	18,528
Australian Sheep Breeders Association Inc	18,268
Hepburn Shire Council	18,000
Launch Housing Ltd	18,000
Cherryhill Orchards Pty Ltd	17,843
Helping Hands Animal Rescue Inc	17,707
Narkoojee Pty Ltd	17,500
Barrs Lane Distillery Pty Ltd	17,227
Kitty Rescue Squad Aus Inc	16,600
Geelong Animal Rescue Gar Limited	16,500
Riverview Installations	16,240
PA & BM Troc	16,003
Glencoe Properties Pty Ltd	16,000
Julie Noelle Carroll	16,000
Longroad Dairy Pty Ltd	16,000
M & T Nevill Trading Pty Ltd	16,000
M&M Axford	16,000
Ocean Road Pastoral Pty Ltd	16,000
Robertson Family Trust	16,000
The Hermitage Dairy Pty Ltd	16,000
Wells Ag Pty Ltd	16,000
Wilandra Farms	16,000
Wooleen Beef	16,000
Bridges Brothers Pty Ltd	15,820
Agri-Nomics	15,811
Hunters Rum Distilling Pty Ltd	15,368
2nd Chance Cat Rescue	15,213
Zilm Pastoral	15,118
Jemaj Pty Ltd.	15,015
Bottled Creations Pty Ltd	15,000
Clifton Still Pty Ltd	15,000

Grant Recipient	\$
FHAH Pty Ltd	15,000
Jimmyrum Pty Ltd	15,000
Kabina Group Pty Ltd	15,000
Nagambie Brewery Company Pty Ltd	15,000
New Beginnings Animal Rescue Inc	15,000
Organic Bay Distillery Pty Ltd	15,000
Sally's Cat & Kitten Rescue Inc.	15,000
Snowgum Distillery	15,000
Wat Manufacturing Solutions Pty Ltd	15,000
Sambell Pastoral	14,695
Western Port Catchment Landcare Network	14,607
The Trustee of Sutherland Family Trust	14,225
P & S Vines Family Trust	14,059
Sugarloaf Produce	13,800
Poison Creek Distilling Pty Ltd	13,774
QXXQ	13,690
Corangamite Shire Council	13,500
Imbue Distillery Pty Ltd	13,342
Falling Crane Distillery	13,166
Costello Rural Pty Ltd	13,101
Lakeshore Gardening	12,797
Naught Distilling	12,720
Blackwell Pastoral	12,599
Bunjil's Rest Equine Inc	12,582
The Trustee for Gccom Trust	12,274
Otvin Pty Ltd	12,006
Kia Ora Merino	12,000
Mt Alexander Animal Welfare	11,800
Shepparton Brewery	11,670
Molly Rose Brewing Company Pty Ltd	11,479
The Trustee for the D.G Paterson Family Trust	11,380
Anther Experimental Distillation Pty Ltd	11,111
Sale & District Agricultural Society Inc	11,000
Falls Creek Distillery	10,909
Cobram Agricultural Society Inc	10,900
Noorat & District Agricultural & Pastoral Society Inc	10,900
Chally Rescue Inc.	10,500
Malabar Farm	10,425
Volstead Pty Ltd	10,233
Deakin University	10,000
Euroa Agricultural Society Inc	10,000
Gipps Dairy Board	10,000

Grant Recipient	\$
Gippsland Agricultural Group	10,000
Horsham Agricultural Society Inc	10,000
Marnoo Stud Breeders Association Inc	10,000
Radial Timber Australia	10,000
Royal Geelong Agricultural & Pastoral Society Inc	10,000
Kyabram Agricultural Horticultural & Pastoral Society	9,978
9 Lives Project Rescue Ltd	9,900
Kingston Agricultural Society Inc	9,889
Rutherglen Agricultural Society Inc	9,833
Hillcrest Cherry Farm and Nursery Pty Ltd	9,750
Mrs Baker's Still House	9,702
Gee-Vee Kiwi Pty. Ltd.	9,699
Warrnambool Agricultural Society Inc	9,642
Alexandra Pastoral & Agricultural Association Inc	9,613
Berwick & District Agricultural & Horticultural Society Inc	9,590
Bathtub Gin Co	9,574
Elle Moyle Victoria	9,545
Goroke Agricultural & Pastoral Society	9,437
City of Greater Bendigo	9,370
Banemore	9,360
Pipe Grange Pastoral	9,318
Nhill Agricultural & Pastoral Society Incorporated	9,303
Epping Management Pty Ltd	9,252
Family Van Co Pty Ltd	9,209
Yarra Ranges Council	9,091
Camperdown Pastoral & Agricultural Society Inc	9,000
Colac & District Pastoral & Agricultural Society	9,000
Foster Kittens of Melbourne	9,000
Red Hill Agricultural & Horticultural Society	9,000
Speed Lions Club	9,000
Swan Hill District Agricultural & Pastoral Society Inc	9,000
Project Hope Horse Welfare Victoria Inc	8,800
Mulcahy Orchard	8,752
Balnarring Pony Club	8,749
Mustering Resilience	8,745
Yarram Agricultural Society Inc	8,743
Nutrien Ag Solutions	8,727
Ollie's Legacy Incorporated	8,600

Grant Recipient	\$
Wood and Wedge	8,502
Purrumbete Brewing Pty Ltd	8,388
Port Fairy Agricultural Pastoral & Horticultural Society Inc	8,369
Envy Distilling	8,304
Pawsome Friends Inc	8,200
Badger Creek Blueberry Winery	8,182
Kilderkin Distillery	8,175
Maffra & District Agricultural, Pastoral & Horticultural Society Inc	8,169
Dandy Cat Rescue	7,800
GV Pet Adoption Inc	7,800
Paynes Orchards	7,630
Foster & District Agricultural & Pastoral Society Inc	7,606
Adoptable Pet Rescue Inc.	7,500
Asaraka Pty Ltd Atf E & M Notarianni Family Trust	7,500
Snowy Creek Apples	7,380
Nicole Maandonks	7,223
Brent Baker	7,185
Yea Agricultural Pastoral & Horticultural Society	7,176
Green Gully Brewing	6,857
Mildura Show Society Inc	6,811
Clunes & District Agricultural Society Inc	6,714
CB Livestock & Property	6,668
Warragul & West Gippsland Agricultural Society Inc	6,665
Big Dollans Fur-Rescue	6,400
Bairnsdale and District Agricultural Society Inc	6,332
Boatrocker Brewing Co Pty Ltd	6,207
Catnap Kitten Rescue	6,000
LCT Auto	6,000
Bendigo Agricultural Show Society Inc	5,915
Tallangatta Agricultural & Pastoral Society Inc	5,605
JA & SE Aumann	5,056
Korumburra Agricultural & Pastoral Society	5,049
Active Farmers	5,000
Buller Wines Pty Ltd	5,000
Meow & Friends Community Vet Pty Ltd	5,000
Mitchell Shire Council	5,000
Natalie Eckert	5,000

Grant Recipient	\$
South Gippsland Shire Council	5,000
Aggregate of individual grant recipients ¹	164,978
Other < \$5000	170,168
Return of funds	-2,682,445
Total	431,225,467

Table 3 – Climate Action

Grant Recipient	\$
Sustainability Victoria	2,900,000
NSW Department of Climate Change, Energy, the Environment & Water	600,000
Environment Protection Authority	549,999
Victorian Council of Social Service	422,549
Great Ocean Road Coast and Parks Authority	326,300
Eastern Maar Aboriginal Corporation	150,000
Carbon Market Institute Limited	60,000
Barwon South West Climate Alliance	32,848
The Australian National University, National Computational Infrastructure	6,705
Other < \$5000	2,500
Total	5,050,901

Table 4 – Effective Water Management and Supply

Grant Recipient	\$
South East Water Corporation	14,022,480
North Central Catchment Management Authority	13,315,800
Goulburn Broken Catchment Management Authority	12,391,850
Goulburn-Murray Rural Water Corporation	11,662,990
West Gippsland Catchment Management Authority	10,288,805
Mallee Catchment Management Authority	9,593,392
Victorian Environmental Water Holder	8,422,745
Lower Murray Water	8,309,000
Corangamite Catchment Management Authority	8,203,639
East Gippsland Catchment Management Authority	7,679,500
Glenelg-Hopkins Catchment Management Authority	6,717,500
North East Catchment Management Authority	5,141,594

¹ The names of individual grant recipients are undisclosed in accordance with the DEECA privacy policy.

Grant Recipient	\$
Wimmera Catchment Management Authority	4,683,630
Coliban Water	2,902,000
Yarra Valley Water	1,757,720
VicWater	1,733,976
East Gippsland Water	1,624,000
CSIRO	1,545,000
Gippsland Water	1,536,000
Barwon Region Water Authority	1,256,503
Greater Western Water	1,230,500
Wadawurrung Traditional Owners Aboriginal Corporation	982,244
Melbourne Water	947,696
Goulburn Valley Water Authority	890,000
Taungurung Land and Waters Council	821,521
Department of Transport & Planning	752,750
Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corp	718,500
Southern Rural Water	705,000
Bendigo Heritage Attractions	698,180
Yorta Yorta Nation Aboriginal Corporation	564,000
Bureau of Meteorology	560,600
Bunurong Land Council Aboriginal Corporation	530,744
Gunaikurnai Land & Waters Aboriginal Corporation	487,750
Eastern Maar Aboriginal Corporation	458,744
First People of the Millewa-Mallee Aboriginal Corporation	452,000
Wannon Water	441,000
North East Water	425,000
Gunditj Mirring Traditional Owners Aboriginal Corporation	417,680
Dja Dja Wurrung Clans Aboriginal Corporation	414,430
City of Casey	400,000
Tati Tati Kaiejin Ltd	380,488
Monash University	369,298
Victorian Planning Authority	360,000
Central Highlands Region Water Authority	340,000
Victorian State Emergency Service	321,532
Duduroa Dhargal Aboriginal Corporation	311,000
Barengi Gadjin Land Council	277,744
GWM Water	255,000
City of Melbourne	206,213

Grant Recipient	\$
Jaithmathang Traditional Ancestral Bloodline Original Owners	197,308
Bunanyung Landscape Alliance	175,396
Barapa Land & Water	173,308
Bangerang Aboriginal Corporation	164,810
Parks Victoria	157,355
Hume City Council	150,000
Central Goldfields Shire Council	144,000
Frankston City Council	143,000
Latrobe City Council	143,000
Wadi Wadi Land & Water Indigenous Corporation	141,000
Brimbank City Council	132,815
Dhudhuroa Waywurru Nations Aboriginal Corporation	126,000
Konermar Buller Jaithmatang	126,000
Wamba Wemba Aboriginal Corporation	126,000
In Place Inc	125,000
Trust for Nature Victoria	125,000
Department of Climate Change, Energy, the Environment and Water	124,082
The University of Melbourne	120,000
Merri Creek Management Committee Inc	115,933
The University of Queensland	110,000
South Gippsland Water Authority	108,000
Kooyongkoot Alliance Inc	103,543
Nindi Ngujarn Ngarigo Monero Aboriginal Corporation	102,160
Darebin Creek Management Committee	100,000
Wyndham City Council	98,136
Moorabool Landcare Network	84,904
Wiran Aboriginal Corporation	79,808
Friends of Edwardes Lake Inc	79,193
Maribyrrong River & Waterways Association Inc.	75,134
Stormwater Industry Association of Victoria Inc	75,000
Westernport Water	75,000
Friends of Steele Creek Inc	66,667
Wathaurong Aboriginal Co-Operative Ltd	66,667
Stonnington City Council	65,621
City of Maribyrrong	62,667
Macedon Ranges Shire Council	60,000
Barapa Ltd	55,000
Wangaratta Rural City Council	55,000
Whitehorse Community Indigenous Plant Project Inc	53,655

Grant Recipient	\$
Werribee River Association Inc	50,932
Bass Coast Shire Council	50,000
Borough of Queenscliffe	50,000
National Gallery of Victoria	50,000
Whittlesea Community Connections Inc	47,307
Nillumbik Shire Council	40,000
Merri-Bek City Council	38,651
Eco Warriors Australia Inc	34,083
Landcare Victoria Inc	31,994
Golden Plains Shire Council	28,950
Friends of Moonee Ponds Creek Inc	25,473
Birrarung Valley Walk Inc.	25,000
Ararat Rural City Council	20,000
Environment Protection Authority	20,000
Hindmarsh Shire Council	20,000
Horsham Rural City Council	20,000
Yarriambiack Shire Council	20,000
Djandak	8,648
First Nations Staffing Pty Ltd	7,864
Colac Otway Shire Council	7,392
Antony Renn	5,000
Aggregate of individual grant recipients ¹	140,154
Other < \$5000	27,638
Return of funds	-753,567
Total	152,809,419

Table 5 – Energy

Grant Recipient	\$
\$250 Power Saving Bonus Program – Payments to Eligible Victorian Households	73,463,109
Australian Energy Market Operator Limited – AEMO	24,185,774
The Department of Families Fairness & Housing	11,156,160
Star of the South	9,673,101
Recipients of the Zero Emissions Vehicle Subsidy Program	6,690,000
Pavilion Biogas Pty Ltd	6,550,000
Ausnet Electricity Services Pty Ltd	6,500,000
Mondo Power Pty Ltd	5,300,000
Ausnet Asset Services Pty Ltd	4,479,530
Citic Nominees Pty Ltd	4,320,000
Marubeni Aluminium Australia Pty Ltd	3,814,387
Beon Energy Solutions	3,389,932

Grant Recipient	\$
Department of Economic Development Jobs Transport and Resources	2,920,000
Sustainability Victoria	2,138,000
Energy Safe Victoria	1,887,000
Housingfirst Ltd	1,824,750
Department of Transport & Planning	1,685,231
SEC Victoria Pty Ltd	1,500,000
Director of Housing (GG)	1,485,935
Evie Networks	1,424,403
Department of Jobs, Skills, Industry and Regions	1,277,500
Flotation Energy Pty Ltd	1,183,592
Spinifex Offshore Wind Farm Pty Ltd	1,100,000
Gunaikurnai Land & Waters Aboriginal Corporation	1,015,000
Eastern Maar Aboriginal Corporation	966,306
Housing Choices Australia	780,034
Unison Housing Ltd	761,150
Barengi Gadjin Land Council	532,000
State Trustees Ltd	528,000
Volgren Australia Pty Ltd	450,000
Viva Energy Australia Ltd	400,000
City of Melbourne	342,000
Newstead 2021	330,000
Yarra Energy Foundation Ltd	330,000
Melbourne Water	320,875
Gippsland Lakes Complete Health Ltd	279,661
Common Equity Housing Limited	243,070
Gunditj Mirring Traditional Owners Aboriginal Corporation	241,610
Alpine Resorts Victoria	230,000
Melbourne Airport	228,940
Surf Coast Shire	181,250
Indigo Power Foundation Ltd	177,189
Gippsland Climate Change Network Inc	175,000
Village Power Inc	175,000
Victorian Council of Social Service	165,000
Jemena Electricity Networks (Vic) Ltd	159,882
Salvation Army Housing (Vic)	138,960
Jet Charge Pty Ltd	120,600
Boompower Pty Ltd	120,000
Central Victorian Greenhouse Alliance	120,000
Bendigo Sustainability Group	119,000
Yarra Trams	113,000

¹ The names of individual grant recipients are undisclosed in accordance with the DEECA privacy policy.

Grant Recipient	\$
Treasury (Office of Energy and Climate Change)	105,882
Indigo Power Ltd	102,592
Waldron Smith Management	100,000
Telstra Limited	98,000
Yarra Ranges Council	87,500
Federation University Australia	83,575
Wellington Shire Council	81,025
South Gippsland Shire Council	78,000
Dja Dja Wurrung Clans Aboriginal Corporation	75,000
City of Boroondara	70,500
Citywide Service Solutions Pty Ltd	69,700
YWCA Housing	69,600
Borough of Queenscliffe	65,688
Merri-Bek City Council	65,000
Moonee Valley City Council	62,500
Consumer Action Law Centre	57,500
Warrnambool City Council	54,000
Rectifier Technologies Pacific Pty Ltd	53,820
Decon Technologies Pty Ltd	53,257
Mycelia Renewables	53,125
Yarra City Council	52,381
Buzzbay	50,000
L.O.L. Consultants Pty Ltd	50,000
City of Kingston	49,300
Mitchell Shire Council	44,319
Geelong Sustainability Group Inc	42,530
Clean Energy Council	39,970
Wyndham Common Equity Rental Housing Co-Operative	33,940
Melton City Council	32,660
Each Housing Ltd	32,200
Eon Charge Pty Ltd	30,427
GWM Water	30,000
Heyfield Community Resource Centre Inc	30,000
Tarago River Cheese Company	30,000
Eastcoast Housing Association	28,900
South Port Community Housing Group Inc	28,700
Earthworker Energy Manufacturing Co-Operative	25,770
Goulburn-Murray Rural Water Corporation	25,500
Energy Umpire Pty Ltd	25,000
Re0 Pty Ltd	25,000
Scalare Operations Pty Ltd	25,000

Grant Recipient	\$
Breaze - Ballarat Renewable Energy & Zero Emissions	24,585
Indigo Shire Council	24,099
Energy Efficiency Council Inc	21,667
Glen Eira City Council	20,871
Flare Electrical Solutions Pty Ltd	20,588
Mangroves Common Equity Rental Housing Cooperative	20,041
City of Greater Geelong	18,000
Boundary Power Pty Ltd	17,615
Wimmera Southern Mallee Development Limited	17,000
Holmesglen Institute	16,273
Intellihub Australia Pty Ltd	14,688
Stonnington City Council	14,250
Wyndham City Council	14,250
Austeng	13,932
Mitchell Harris Wines	13,291
Your Community Health	13,126
Beyond Housing	10,700
Karinya Support Services Ballarat Homelessness	9,600
Treasury Corporation of Victoria	8,025
Tee Pee Common Equity Rental Housing Co-Operative Ltd	7,900
A2Z Electrical Contractors Pty Ltd	7,625
CSIRO	7,500
Golden Plains Shire Council	6,623
City of Greater Bendigo	6,500
Moorabool Shire Council	6,474
Friends of the Earth (Melbourne) Inc	6,000
Warratraf Common Equity Rental Housing Co-Operative Ltd	5,864
Southern Grampians Shire Council	5,465
Other < \$5000	31,403
Return of funds	-21,000
Total	190,292,744

Table 6 – Environment and Biodiversity

Grant Recipient	\$
Parks Victoria	14,839,289
Zoos Victoria	4,003,600
Melbourne Water	3,733,619
Cassinia Restoration	3,088,500
Commissioner for Environmental Sustainability	2,404,600
Environment Protection Authority	1,945,055

Grant Recipient	\$
Nacro National Association of Charitable Recycling Organisations Inc	1,634,000
Trust for Nature Victoria	1,520,000
Mallee Catchment Management Authority	1,058,501
Wyndham City Council	1,033,023
Barengi Gadjin Land Council	1,010,609
Djandak	978,000
Glenelg-Hopkins Catchment Management Authority	806,251
Yorta Yorta Nation Aboriginal Corporation	795,000
Northeast Catchment Management Authority	765,489
Peter Jewell Henry Song Kimli P/L	744,000
Taungurung Land and Waters Council	683,099
Thorpewood Pty Ltd	644,852
Glen Goulburn	638,791
North Central Catchment Management Authority	635,043
Goulburn Broken Catchment Management Authority	632,251
Wimmera Catchment Management Authority	603,451
West Gippsland Catchment Management Authority	585,635
Corangamite Catchment Management Authority	555,001
Landcare Australia Ltd	550,000
East Gippsland Catchment Management Authority	525,001
Gunditj Mirring Traditional Owners Aboriginal Corporation	523,000
Nature Glenelg Trust	520,569
Wildlife Victoria	500,000
Bunurong Land Council Aboriginal Corporation	495,000
Royal Botanic Gardens Victoria	494,595
The University of Melbourne	482,677
Department of Jobs, Skills, Industry and Regions	433,105
Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corp	425,170
Wadawurrung Traditional Owners Aboriginal Corporation	372,000
Tanah Holdings Pty Ltd	362,335
Deep Lead Property Pty Ltd	355,117
Gunaikurnai Land & Waters Aboriginal Corporation	333,000

Grant Recipient	\$
Kinrara Pty Ltd	324,156
Landcare Victoria Inc	321,005
Banksia Rise Pty Ltd	316,254
Department of Justice & Community Safety	309,630
Damselfly Investments Pty Ltd	304,057
Ceres Earth Limited	300,000
Dart Mining NI	297,610
Bretton Estate Pty Ltd	288,737
Tiverton Rothwell Partners Pty Ltd	278,591
Cassinia Property Pty Ltd	274,790
Strathbogie Shire Council	271,800
Buloke Shire Council	256,869
Mornington Peninsula & West Port Biosphere Reserve Foundation Ltd	250,000
Hepburn Shire Council	247,129
Odonata Foundation	240,000
Mansfield Shire Council	236,645
Barapa Ltd	225,145
Tenax Environments Pty Ltd Atf Chapple Vale No1 Unit Trust	222,636
Tati Tati Kaiejin Ltd	221,250
Towong Shire Council	211,600
Jennyross Pty Ltd	190,590
No 3 Junction Village Pty Ltd	190,030
Sustainability Victoria	190,000
Bleak House Pty Ltd	189,980
C M & S P Preston	189,191
S & L Jolly	166,907
Mornington Peninsula Shire Council	160,634
First People of the Millewa-Mallee Aboriginal Corporation	155,533
A & L Ezard	146,073
Alpine Resorts Victoria	140,625
Kylie Louise Buttigieg	137,367
Nillumbik Shire Council	135,634
Yarra Ranges Council	135,634
Monash University	132,069
Implexa Property Pty Ltd	131,696
Gerrpart Holdings Pty Ltd	130,149
Mt Rothwell Biodiversity Solutions Pty Ltd	121,797
Timothy Jenz	120,458
T Lange & G Sneddon	115,865
LM Buckley & PR Buckley	111,823
Duduroa Dhargal Aboriginal Corporation	108,300
The Eastern Golf Club	103,090

Grant Recipient	\$
City of Greater Geelong	100,000
City of Kingston	100,000
Mange Management Inc	100,000
West Wimmera Shire Council	96,236
IVG Investments Pty Ltd	92,834
Sugarloaf Produce	91,034
Native Pine Holdings Pty Ltd	89,586
Wetland Revival Pty Ltd	89,000
Clive & Michelle McCarthy Pty Ltd	85,384
City of Greater Dandenong	85,000
Hobsons Bay City Council	85,000
Moogji Aboriginal Council	84,587
Powelltown Sawmills Pty Ltd	84,433
Paul Dettmann	81,598
Kiewa Catchment Landcare Group Inc	81,254
Connecting Country (Mt Alexander Region) Inc	80,269
Southern Otway Landcare Network Inc	79,869
Jenet Pty Ltd	77,769
BW Fisher & Cl Gaetano	77,727
Cardinia Shire Council	76,500
Brimbank City Council	75,000
Deakin University	75,000
M Gooch & L Nicholas	73,002
Parklands Albury Wodonga	72,000
TDA Golden Field Agriculture No.1 Pty Ltd	71,865
Warrnambool Coastcare Landcare Network	71,416
Element Fox Pty Ltd	67,778
AD Colbert & JD Colbert	66,984
Schmidts Provenance Pty Ltd as Trustee for The Schmidt Family Trust	65,661
Mosswood Wildlife Inc	60,000
Envite Environment	59,738
Goulburn Murray Landcare Network Inc	59,738
Latrobe City Council	59,738
Ovens Landcare Network Inc	59,738
South Gippsland Landcare Network	59,738
Upper Goulburn Landcare Network	59,738
Richard Sealock	59,234
Willera Merinos	57,800
Hopetoun & District Neighbourhood House	55,017
Alpine Shire Council	55,000
Museums Victoria	55,000
Jeroen And Margaret Van Veen	53,760

Grant Recipient	\$
Bass Coast Landcare Network Inc	51,874
Maffra & Districts Landcare Network	51,874
Tiree Discretionary Trust	50,313
Eastern Maar Aboriginal Corporation	50,000
Orana Agriculture Pty Ltd	48,913
The Trustee for Habitat Ranger Trust	48,652
Moorabool Landcare Network	47,791
Threatened Species Conservancy	47,500
The Trustee for Thurlgona Superannuation Fund	46,496
Rosemary McKenzie & John Brumby	45,541
Osey Pty Ltd	43,598
City of Casey	40,955
Harold Fox	39,526
DWS & JB Craig	39,149
Stephen Watson - Luke Elliott	39,135
D J & M A Trigg	38,598
Rocswell Trust	38,279
Macedon Ranges Shire Council	35,794
Cesar Consultants Pty Ltd	35,000
Tarran Valley	34,446
DJ Baker-Gabb & JC Fitzherbert	33,375
Central Victorian Biolinks Alliance Inc	33,000
Hughes Creek Catchment Collaborative	31,069
Wodonga Urban Landcare Network	30,329
Swan Hill Rural City Council	29,957
Bellarine Landcare Group Inc	29,869
Blampied-Kooroocheang Landcare Group	29,869
Buloke & Northern Grampians Landcare Network	29,869
Central Otway Landcare Network	29,869
Far East Victoria Landcare Inc	29,869
Gecko Clan Landcare Network Inc	29,869
Geelong Landcare Network	29,869
Heytesbury District Landcare Network	29,869
Horsham Rural City Council	29,869
Lismore Land Protection Group	29,869
Loddon Plains Landcare Network	29,869
Mid Loddon Sub-Catchment Management Group	29,869
Mid Ovens Landcare Consortium	29,869
Millewa Carwarp Landcare Group Inc	29,869
Mitta to Murray Landcare Inc	29,869
NatureWest	29,869
Nullawil Landcare Group	29,869

Grant Recipient	\$
Panyyabyr Landcare Group	29,869
Project Platypus Inc	29,869
South West Environment Alliance	29,869
Southwest Goulburn Landcare Inc	29,869
Surf Coast & Inland Plains Network	29,869
Sustainable Living in The Mallee	29,869
Up2us Landcare Alliance	29,869
Upper Barwon Landcare Network Inc	29,869
Upper Campaspe Landcare Network Inc	29,869
Upper Deep Creek Landcare Network	29,869
Upper Loddon & Avoca Landcare Network	29,869
Upper Mt Emu Creek Landcare Network	29,869
Upper Murray Landcare Network	29,869
Wando River Landcare Group Inc	29,869
Western Port Catchment Landcare Network	29,869
Whittlesea City Council	29,869
Yarrowee Leigh Catchment Group Inc	29,869
Goulburn-Murray Rural Water Corporation	28,731
H11 – H12 Community Action Group	28,292
Upper Hopkins Land Management Group	28,292
Wesley College Melbourne	27,809
RL Matthews	26,182
Grand Ridge Plantations Pty Ltd	26,126
Willera Ag Pty Ltd	25,816
Hamilton To Coleraine Railway Line Landcare Group	25,148
Swifts Creek Ensay Landcare Group	25,148
Cardinia Environment Coalition Inc	23,577
Euroa Arboretum	23,577
Snowy River Interstate Landcare Committee	22,005
Murrayville Landcare Group	22,005
Roro Enterprises Pty Ltd	20,659
Northern Yarra Landcare Network	20,433
Hancock Victorian Plantations Pty Ltd	20,253
Michael P Slater Pty Ltd	19,418
Recircuit Australia	17,100
Julie Caddy	16,888
Christiane Jaeger	16,312
Middle Yarra Landcare Network	15,721
Basalt to Bay Landcare Network	15,037
Primary Industries and Regions SA	13,250

Grant Recipient	\$
Tamsyn Hogarth	13,000
Merri Creek Management Committee Inc	12,574
D K and A K Merrett	11,827
One Cut Services	11,300
Terence H Fogarty	10,408
Faraday Valley Pty Ltd	10,401
Michelle Eustice	10,380
Latrobe University	10,281
Australian Land Conservation Alliance	10,000
Bush Heritage Australia	10,000
Encore Tissue (Aust) Pty Ltd	10,000
Phillip Island Nature Park Board of Management	10,000
Resource	10,000
Menenia Pty Ltd	8,650
Dunkeld Pastoral Co Pty Ltd	8,307
Angelise Nominees Pty Ltd	8,075
J Field & K Darling	6,577
Greater Shepparton City Council	6,393
Gray Barnaby & Carrington Michal	6,300
JA Michelson & RJ Michelson	5,960
Bidwell First Nations Clans Aboriginal Corporation	5,900
Pete's Automotive Tayylgaroopna	5,822
Barapa Land & Water	5,300
Leila Merritt	5,000
Aggregate of individual grant recipients ¹	1,205,558
Other < \$5000	246,987
Return of funds	-313,187
Total	67,347,903

Table 7 – Fire and Emergency Management

Grant Recipient	\$
Parks Victoria	30,085,491
Department of Justice & Community Safety	16,942,804
Department of Transport & Planning	7,209,072
Goulburn-Murray Rural Water Corporation	6,949,294
Country Fire Authority	5,719,145
Melbourne Water	5,586,500
Lower Murray Water	3,038,820
Environment Protection Authority	2,960,397
VicForests	1,665,027

¹ The names of individual grant recipients are undisclosed in accordance with the DEECA privacy policy.

Grant Recipient	\$
Coliban Water	1,643,000
Dja Dja Wurrung Clans Aboriginal Corporation	1,480,750
Central Highlands Region Water Authority	1,445,000
Goulburn Broken Catchment Management Authority	1,199,000
Natural Hazards Research Australia	1,187,000
Mallee Catchment Management Authority	1,020,000
The University of Melbourne	873,688
North Central Catchment Management Authority	818,701
Gunditj Mirring Traditional Owners Aboriginal Corporation	803,350
Victorian Fisheries Authority	800,000
Yorta Yorta Nation Aboriginal Corporation	728,000
Goulburn Valley Water Authority	635,889
Borough of Queenscliffe	600,000
Greater Western Water	595,936
North East Catchment Management Authority	592,000
Gentle Annie Reserve Incorporated	482,000
Department of Jobs, Skills, Industry & Regions	453,712
Taungurung Land and Waters Council	427,300
Eastern Maar Aboriginal Corporation	423,000
Barengi Gadjin Land Council	418,000
Mooroopna Mechancis Hall Incorporated	322,166
Wamba Wemba Aboriginal Corporation	314,835
Trust for Nature Victoria	300,000
Tati Tati Kaiejn Ltd	282,000
Gunaikurnai Land & Waters Aboriginal Corporation	275,070
Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corp	258,000
Raywood Recreation Reserve Committee of Management	257,903
Winton Wetlands Committee of Management Inc	249,647
Bunurong Land Council Aboriginal Corporation	228,000
First People of the Millewa-Mallee Aboriginal Corporation	228,000
Corangamite Catchment Management Authority	222,000
Wadawurrung Traditional Owners Aboriginal Corporation	213,950
North East Water	210,061

Grant Recipient	\$
Djandak	200,000
Treasuring our Trees Inc	200,000
Bureau of Meteorology	187,880
Myrtleford Recreation Reserve	183,631
Molesworth Community Incorporated	162,006
Cardinia Shire Council	150,000
City of Greater Bendigo	150,000
Mitchell Shire Council	150,000
Murrindindi Shire Council	150,000
Pyrenees Shire Council	150,000
Strathbogie Shire Council	150,000
Wellington Shire Council	150,000
Federation University Australia	133,410
Wangaratta Rural City Council	130,395
Rochester Recreation Reserve	122,579
Gundowring Hall & Reserve Incorporated	117,000
Dhudhuroa Waywurru Nations Aboriginal Corporation	100,000
Winda-Mara Aboriginal Corporation	100,000
Barapa Country Aboriginal Corporation	88,150
Jaithmathang Traditional Ancestral Bloodline Original Owners	86,850
Barapa Land & Water	86,400
Woodvale Recreation Reserve Committee of Management	83,048
Milawa Recreation Reserve	82,330
Campaspe Shire Council	80,000
GWM Water	76,000
Konermar Buller Jaithmatang	70,000
Painters Island Caravan Park	60,460
Central Goldfields Shire Council	58,000
Zoos Victoria	56,000
Macquarie University	50,028
Songlines Music Aboriginal Corporation	50,000
Dargalong Racecourse & Recreation Reserve	49,920
Mysia Recreation Reserve Committee of Management	49,500
Bangerang Aboriginal Corporation	49,250
Daylesford Museum Reserve Committee of Management	39,816
Terang Racecourse & Recreation Committee of Management Incorporated	39,367
Wahgunyah Racecourse & Recreation Reserve	30,448
Tallangatta Agricultural & Pastoral Society Inc	30,258

Grant Recipient	\$
Glenelg Shire Council	30,000
La Larr Ba Gauwa Park Committee	23,870
Eskdale Caravan & Water Reserve Committee of Management	23,000
Golden Plains Shire Council	22,264
Nangiloc Public Hall	21,943
Bridgewater Recreation Reserve Committee of Management	20,477
Lancefield Park Recreation Reserves Incorporated	15,950
ANU – National Computational Infrastructure	15,000
Ardonachie Holdings Pty Ltd	15,000
Australian National University	15,000
Oxley Recreation Reserve	14,443
Butson Park Reserve Inc Committee of Management	13,316
Federation of Victorian Traditional Owner Corporations	12,000
Peechelba Public Purposes & Bushland Reserves Inc.	10,120
Camperdown Racecourse & Recreation Reserve	8,745
Emu Plains Racecourse & Recreation Reserve Incorporated	8,635
Taradale Historical Group Inc	8,635
Marlu Pastoral Pty Ltd	8,480
Benalla Showgrounds & Recreation Reserve Committee of Management Incorporated	6,506
CS & JM Grant	5,600
Axedale Recreation Reserve Committee	5,557
Aggregate of individual grant recipients ¹	124,283
Other < \$5000	72,218
Total	104,548,275

Table 8 – Management of Public Lands and Forests

Grant Recipient	\$
Parks Victoria	29,367,935
Zoos Victoria	13,121,283
Alpine Resorts Victoria	9,177,304
Dja Dja Wurrung Clans Aboriginal Corporation	3,659,000
Royal Botanic Gardens Victoria	3,267,448
Gunaikurnai Land & Waters Aboriginal Corporation	2,981,500

Grant Recipient	\$
Great Ocean Road Coast and Parks Authority	2,917,740
The University of Melbourne	2,404,240
Caulfield Racecourse Reserve Trust	2,000,000
Frankston City Council	1,909,276
City of Port Phillip	1,869,165
Wyndham City Council	1,756,379
Taungurung Land and Waters Council	1,592,000
City of Melbourne	1,457,833
Whittlesea City Council	1,142,000
Luna Park Melbourne	1,074,000
Yarra City Council	1,070,950
Gunaikurnai Traditional Owner Land Management Board	1,050,000
Hobsons Bay City Council	967,504
Gippsland Ports	840,523
City of Maribyrnong	730,664
Stonnington City Council	725,000
Yorta Yorta Nation Aboriginal Corporation	703,194
Winton Wetlands Committee of Management Inc	697,000
Darebin City Council	688,750
City of Casey	520,000
Banyule City Council	425,000
Brimbank City Council	410,478
Department of Transport & Planning	405,595
Cardinia Shire Council	395,030
Wadawurrung Traditional Owners Aboriginal Corporation	382,000
Bass Coast Shire Council	381,599
Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corp	381,100
Moonee Valley City Council	377,500
Mornington Peninsula Shire Council	371,297
Deakin University	350,000
South Gippsland Shire Council	350,000
Barwon Coast Committee of Management	336,918
Bellarine Bayside Foreshore Com Inc	315,059
Melton City Council	306,108
Point Leo Foreshore Committee of Management	286,047
Surf Coast Shire	275,375
Manningham City Council	270,060

¹ The names of individual grant recipients are undisclosed in accordance with the DEECA privacy policy.

Grant Recipient	\$
Collingwood Children's Farm Inc	270,000
Melbourne Water	261,280
Nillumbik Shire Council	251,940
Latrobe City Council	250,000
Merri-Bek City Council	250,000
City of Greater Geelong	242,596
National Trust of Australia (Vic)	242,000
City of Kingston	231,049
Eastern Maar Aboriginal Corporation	221,500
Knox City Council	214,470
Federation of Victorian Traditional Owner Corporations	212,500
Bayside City Council	204,517
Natural Hazards Research Australia	200,000
Phillip Island Nature Park Board of Management	199,050
Molesworth Community Incorporated	177,457
Bunurong Land Council Aboriginal Corporation	171,500
Gunditj Mirring Traditional Owners Aboriginal Corporation	171,500
Australian Deer Association Inc	158,500
Barengi Gadjin Land Council	150,000
Camperdown Timboon Rail Trail Committee of Management	150,000
Glenelg-Hopkins Catchment Management Authority	150,000
Capel Sound Foreshore Committee of Management Inc	139,676
Dromana Foreshore Committee of Management Inc	125,011
Monash City Council	125,000
Victorian Plantations Corporation	120,000
Duduroa Dhargal Aboriginal Corporation	114,615
First People of the Millewa-Mallee Aboriginal Corporation	100,000
Moorabool Shire Council	87,484
Yarra Ranges Council	86,820
Hume City Council	84,750
Walhalla Board of Management Inc	84,500
Stony Creek Racecourse & Recreation Reserve	83,710
Merri Creek Management Committee Inc	80,000
Ferny Creek Recreation Reserve	77,000
Glen Eira City Council	75,000
Whitehorse City Council	75,000
Borough of Queenscliffe	74,421
Warrambol City	60,113

Grant Recipient	\$
Full Flight Birds of Prey PI Atf the Coles Family Trust No2	60,000
Parklands Albury Wodonga	56,160
City of Greater Dandenong	55,000
Department of Education	50,721
Australian Walnut Industry Association Inc.	50,000
Greater Western Water	37,500
Odonata Foundation	33,000
Loch Sport Foreshore Committee of Management	30,000
Numurkah Showgrounds Reserve Community Asset Committee	30,000
Victoria University	30,000
Werribee River Association Inc	30,000
Ballarat High School	25,000
Invasive Species Council	25,000
Wunghnu Primary School	22,500
Warrnambool City Council	20,909
Tati Tati Kaiejin Ltd	20,000
Environment Education Victoria	17,130
Bangerang Aboriginal Corporation	14,615
Dalka Warra Mittung Aboriginal Corporation	14,615
Dhudhuroa Waywurru Nations Aboriginal Corporation	14,615
Jaithmathang Traditional Ancestral Bloodline Original Owners	14,615
Konermar Buller Jaithmatang	14,615
Friends of Beware Reef Inc	10,000
Friends of Flinders Coastline Inc	10,000
Harmers Haven Residents & Ratepayers Group	10,000
Shoreham Foreshore Reserve Committee of Management	10,000
Southern Otway Landcare Network Inc	10,000
Victorian National Parks Association	10,000
Yarram Yarram Landcare Network	10,000
Western Port Catchment Landcare Network	9,997
Earthcare St Kilda Inc	9,996
Total Environment Centre Inc.	9,950
Birdlife Australia	9,888
Lake Tyers Coast Action Inc	9,860
Mornington Peninsula & West Port Biosphere Reserve Foundation Ltd	9,800
South West Environmental Education Inc	9,796
Sandy Point Community Group Inc.	9,781

Grant Recipient	\$
Whitecliffs to Camerons Bight Foreshore Reserves Committee of Management	9,040
Milawa Recreation Reserve	9,007
Merrigum Parks Committee of Management	8,980
Merricks Beach Foreshore Committee of Management	8,310
Merton Recreation & Memorial Hall Reserves Inc.	8,016
Nariel Creek Reserve Inc	8,000
Torquay Coast Action Inc.	7,822
Buxton Progress Association Inc	7,241
Jan Juc Coast Action Group	6,860
Hindmarsh Shire Council	6,000
Stanley Recreation Reserve Committee of Management	5,934
Yanakie Hall and Recreation Reserve Committee Incorporated	5,225
Corinella Foreshore Reserve Inc	5,000
Other < \$5000	60,092
Return of funds	-13,373
Total	100,640,028

Table 9 – Parks Victoria

Grant Recipient	\$
Parks Victoria	161,685,546
Zoos Victoria	25,377,000
Royal Botanic Gardens Victoria	22,894,000
Phillip Island Nature Park Board of Management	8,000,000
City of Port Phillip	2,341,335
Department of Transport & Planning	1,196,000
Shrine of Remembrance	1,098,000
Total	222,591,881

Table 10 – Resources

Grant Recipient	\$
Department of Transport & Planning	1,317,641
Stavelly Minerals Ltd	133,553
Gippsland Prospecting Pty Ltd	90,909
Wim Resource Pty Ltd	68,985
Total	1,611,088

Table 11 – Solar Victoria

Grant Recipient	\$
Aggregate of individual grant recipients (each < \$5000) via State Trustees Ltd	91,239,569
Recipients of the Zero Emissions Vehicle Subsidy Program	18,904,294
The Department of Families Fairness & Housing	11,184,000
Service Victoria	1,156,770
AGA Apprenticeships Plus	309,347
National Electrical & Communications Association Victorian Chapter	213,182
Haven Home Safe	212,800
Housing Choices Australia	190,550
Solar Training Centre	186,710
Community Housing (Vic) Limited	185,454
Ai Group Apprentice & Trainee Centre	170,053
Department for Energy & Mining	80,000
Australian Women in Solar Energy Ltd	60,000
The Master Plumbers & Mechanical Services Association of Australia	58,108
Master Builders Association of Victoria	38,225
Department of Premier and Cabinet	37,544
Housing Industry Assoc Limited	37,338
Exhibitions & Events Australia Pty Ltd	32,171
NECA Education & Careers Ltd	16,380
Common Equity Housing Limited	14,000
Women's Housing	9,800
Lighthouse Foundation	8,400
Shine Hub Pty Ltd	7,273
The Institute of Electrotechnology	5,500
Other < \$5000	17,986
Total	124,375,453

Table 12 – Statutory Activities and Environment Protection

Grant Recipient	\$
Environment Protection Authority	83,262,333
Sustainability Victoria	65,995,976
Total	149,258,309

Table 13 – Waste and Recycling

Grant Recipient	\$
Sustainability Victoria	19,172,357
Environment Protection Authority	7,126,350
Merri-Bek City Council	1,261,026
City of Greater Bendigo	804,129
Mildura Rural City Council	695,528
Baw Baw Shire Council	579,370
Hume City Council	578,803
Greater Shepparton City Council	560,538
Yarra City Council	538,006
Whittlesea City Council	508,771
Frankston City Council	402,754
City of Port Phillip	386,858
Ade Consulting Group (Vic) Pty Ltd	261,514
Warrnambool City Council	224,444
City of Wodonga	219,734
City of Greater Dandenong	212,462
City of Maribyrnong	212,462
Moira Shire Council	176,592
Fire Rescue Victoria	149,000
Alpine Shire Council	132,195
Horsham Rural City Council	99,826
Golden Plains Shire Council	95,854
Yarra Ranges Council	89,750
Glen Eira City Council	81,941
Knox City Council	78,890
Campaspe Shire Council	61,817
Maroondah City Council	61,447
South Gippsland Shire Council	58,700
Moonee Valley City Council	58,165
Moorabool Shire Council	57,404
Department of Transport & Planning	40,000
Southern Grampians Shire Council	38,803
Hepburn Shire Council	36,402
Borough of Queenscliffe	33,511
GT Recycling Pty Ltd	29,200
Corangamite Shire Council	29,072
Bass Coast Shire Council	28,948

Grant Recipient	\$
Loddon Shire Council	19,538
Hindmarsh Shire Council	17,500
Mansfield Shire Council	16,800
Pyrenees Shire Council	12,725
West Wimmera Shire Council	12,258
Other < \$5000	9,527
Return of funds	-460,459
Total	34,810,511

Appendix 7: Environmental Contributions

Legislation was passed in 2004 requiring water corporations to make an environmental contribution to fund initiatives that promote the sustainable management of water or address adverse water-related environmental impacts, equivalent to 5% of urban authorities' revenues and 2% of rural water authorities' revenues. Section 195 of the *Water Industry Act 1994* requires DEECA to report on the details of expenditure funded by environmental contributions in its annual report.

Environmental Contribution Tranche 5

In 2020, the Victorian Government committed to a fifth tranche of the environmental contribution (EC5). The fifth tranche, which commenced on 1 July 2020, raised \$693.92 million over 4 years to fund the delivery of the government's long-term water plan, [Water for Victoria](#).

The table below displays all project expenditure funded by the fifth tranche of the environmental contribution in 2023–24. As at 30 June 2024, total EC5 expenditure since commencement is \$680.328 million, leaving \$13.592 million to spend in the forward years, of which \$8.0 million has been approved and allocated to programs and the remaining \$5.592 million still to be allocated. The annual expenditure of these projects will be reported until their completion.

Program title (EC5)	2023–24 expenditure \$'m
Output	
Enhancing urban water security, iconic urban waterways and recreational water	14.34
Strong foundations for Victoria's water: compliance, markets, water entitlements and oversight of the water grid	7.45
Sustaining a resilient and secure water register for Victoria	16.09
The evidence base for Victorian water: availability and knowledge	14.07
Making Victorians water wise: investing in communities for a secure water future	1.82
Water wise rural communities: rural-infrastructure and sustainable irrigation streams	11.90
Improving recognition and management of water by Traditional Owners and Aboriginal Victorians	5.65
Building a sustainable water sector	5.17
Building flood resilience in Victoria	6.53
Improving the health of Victoria's waterways and catchments in the face of escalating impacts of climate change	57.62
Compliance and interceptions: protect reliability of water entitlements and maximise water resources for regional business and communities	0.93
Resilient water markets, regional communities and infrastructure	2.15
Supporting regional communities and economic recovery through healthy waterways	7.00
Water access and ownership for Traditional Owners	1.92
Phase One implementation of the Central and Gippsland Region Sustainable Water Strategy	26.79
Delivering community benefits through implementation of the Central and Gippsland Region Sustainable Water Strategy	1.18
Protecting waterways so our wildlife can thrive	2.00
Total output funding	182.62
Asset	
The evidence base for Victorian water: availability and knowledge	0.34
Total asset funding	0.34
Total Environmental Contribution (EC5)	182.96

Appendix 8: Ministerial Statement of Expectations for Regulators

Ministerial Statements of Expectations for Regulators articulate the Victorian Government's priorities for regulators and aim to improve regulatory governance and performance.

DEECA has 3 Statement of Expectations (SOE) for Regulators covering:

- [Agriculture Victoria](#)
- [Conservation Regulator](#)
- [Native vegetation removal, beekeeping on public land, tour operator licensing and pipelines regulation.](#)

Under the **SOE Framework for Regulators**, regulators are required to report on their progress in meeting their Minister's expectations through the annual reporting process. The progress of each regulator in fulfilling their SOE over 2023–24 is detailed in this appendix.

Agriculture Victoria

Agriculture Victoria continued to strengthen its capability as a risk-based regulator by clearly articulating its regulatory approach. In May 2024, Agriculture Victoria published its [Regulatory Framework](#) on its website. This Framework outlines how Agriculture Victoria will fulfill the commitments and principles detailed in the [Agriculture Victoria Regulatory Approach 2022–2027](#). The Framework is integrated into the Risk Based Regulation course for Authorised Officers, forming core components of their induction.

During 2023–24, new or revised compliance strategies were developed for all regulatory programs. These strategies were customised to effectively mitigate risks and were integrated into annual operational plans, thereby improving the overall oversight of Agriculture Victoria's regulatory activities, ensuring more effective monitoring and improved management of risks. Each program had an annual operational plan, ensuring a structured approach to achieving regulatory objectives.

A priority for Agriculture Victoria is delivering the Whole of Government Emergency Animal Disease Preparedness Program, which responds to the heightened risk of emergency animal diseases, such as Foot-and-Mouth Disease and Lumpy Skin Disease. As part of the program, Agriculture Victoria reviewed its [Victorian Government State Emergency Animal Disease Response Plan](#) in early 2024 and launched a revised plan in May 2024.

The Emergency Animal Disease Preparedness Program included legislative improvements to better manage biosecurity incidents, including preparing for, responding to, and recovering from the detection or outbreak of an emergency animal disease, plant pest or plant disease. The *Biosecurity Legislation Amendment (Incident Response) Act 2024* (BLAIR Act) received Royal Assent on 13 February 2024 and amended the *Livestock Disease Control Act 1994*, *Livestock Management Act 2010* and *Plant Biosecurity Act 2010* to improve traceability, movement and area control compliance and enforcement. The Emergency Animal Disease Preparedness Program and BLAIR amendments were enacted during the 2024 avian influenza outbreak.

Agriculture Victoria successfully implemented initiatives to ensure the efficient delivery of its regulatory functions. A 3-year delivery program for the newly formed intelligence team within the Biosecurity Victoria division of Agriculture Victoria commenced in July 2023, with key priorities to enhance intelligence products and data capabilities being actively delivered. A technology strategy and digital modernisation program is also underway, including the development of the Agriculture Victoria self-service portal, [Agriculture Victoria Connect](#). The first stage of application support for chemical use authorities went live in April 2024, allowing users to apply for and renew chemical use permits and licences. This has reduced business costs of complying with agricultural chemical use authorities by more than 85% and reduced Agriculture Victoria's administrative costs for chemical use authorities by more than 90%. The development of further Agriculture Victoria Connect functionalities is in progress, including application and renewal of other licences and permits.

The delivery of Agriculture Victoria's regulatory functions was also improved through its generic and program-specific training for Authorised Officers (AOs). The AO Induction Program was reviewed and updated with assistance from subject matter experts across Agriculture Victoria and completed by 36 newly recruited AOs in 2023–24. The nationally accredited Certificate IV in Government Investigations AO training program was completed by 36 new and existing AOs in April 2024. Additionally, Agriculture Victoria continued to create and develop eLearning for AOs to support authorisation aspects of operational tasks. In 2023–34, Agriculture Victoria developed and implemented 11 eLearning modules, including the new eLearning 'Statute Law for Authorised Officers', which was completed by 83 AOs. There are 19 eLearning modules still under development.

Agriculture Victoria actively engaged with external stakeholders to effectively manage risk and support compliance. In 2023–24, Agriculture Victoria continued to deliver communications and industry engagement activities to raise awareness and build biosecurity capability in the community. This included:

- 269 community and industry awareness-raising webinars and events, engaging 15,249 producers and stakeholders
- 143 farm biosecurity planning workshops, with more than 1,345 farm biosecurity plans developed with farmers, encouraging greater ownership and action by producers to manage their biosecurity risks
- targeted emergency animal diseases awareness campaigns (e.g. 'Backyard Biosecurity'), including new videos and a landing page for small-scale landholders, which averages 40 visitors per day, with a total of over 7,300 visitors since June 2023
- four eLearning modules with over 2,500 enrolments by external stakeholders and industry participants.

Agriculture Victoria successfully delivered Round 2 of the Partnerships Against Pests grant in May 2024, facilitating community led stakeholder engagement activities to improve voluntary compliance. Planning for Round 3 is underway, with delivery expected in the second quarter of 2024–25, further enhancing collaboration and compliance efforts.

Agriculture Victoria continues to collaborate with other agencies and relevant regulatory bodies. This includes sustaining its longstanding collaboration with the Conservation Regulator and Crime Stoppers Victoria (CSV) to disrupt the illegal trade of exotic pest animals in Victoria. CSV's support includes specialised crime intelligence generation activities through public engagement, notably the 'Your Pet, Our Pest' campaign, as well as crime intelligence management and dissemination. Agriculture Victoria has also been maintaining its commitment to collaboration by organising and attending quarterly meetings with RSPCA Victoria as part of its Memorandum of Understanding agreement.

Conservation Regulator

In 2023–24, the Conservation Regulator continued its commitment to regulating activities using a risk based and intelligence-led approach, supported by engagement with partner agencies and the community to improve compliance with the law.

The Conservation Regulator's key planning instruments (Strategic Plan, Regulatory Strategies, Statements of Regulatory Intent and Annual Regulatory Priorities) were used to inform the Conservation Regulator's internal 2023–24 Business Plan. The 2023–24 Business Plan outlined the Conservation Regulator's annual regulatory priority assessment process, whereby the 2023–24 regulatory

priorities were determined based on a comprehensive statewide information gathering, analysis and risk assessment process, and supported by consultation with the Conservation Regulator's external Independent Regulatory Advisory Panel and Stakeholder Reference Group.

During 2023–24, the Conservation Regulator led a number of strategic operations across its priorities addressing illegal campfires, off-road vehicle use, wildlife cruelty and trade, native timber harvesting and illegal take of timber for firewood, with some ongoing in 2024–25. Taskforce Ironbark, in partnership with Parks Victoria, was stood up in late 2023, and is delivering operational strategies and actions to detect and disrupt illegal taking of firewood. The Taskforce is collecting and enhancing intelligence to inform operational activities, and to implement a new, focused communication and engagement plan to increase community awareness. The Conservation Regulator and Agriculture Victoria are working cooperatively to dismantle a network involved in the illegal trade and possession of exotic animals and native wildlife through Operation Django. This Operation is ongoing and has involved other jurisdictions including Western Australia, Queensland, New South Wales and South Australia, as well as the Commonwealth Department of Agriculture, Forestry and Fisheries.

The Conservation Regulator has contributed to the implementation of key policy and regulatory initiatives within the scope of its functions, including regulating forestry activities up until the end of commercial timber harvesting on 1 January 2024.

The Conservation Regulator recognises the integration of Aboriginal self-determination as a priority across all its regulatory work. In 2023–24, a working group dedicated to supporting Aboriginal self-determination was established. Its work program is based on *Pupangarli Marnmarnepu*, DEECA's 5-year roadmap to honour the rights and dignity of Traditional Owners and Aboriginal Victorians. The working group progressed the development of guidance for the use of cultural impact statements in prosecutions, giving Traditional Owners and Country a voice where harm has occurred on Country. The group further recognises the importance of published Country Plans and is developing guidance on how the Conservation Regulator uses these to inform its ongoing regulatory work.

As a best practice regulator, the Conservation Regulator continues to improve its operations and systems to enhance efficiency in its operations and public interface, including introducing online applications for permissions and licences, and the implementation of a new Case Management System.

A comprehensive analysis of the Conservation Regulator's performance including qualitative information will be published on the Conservation Regulator website as part of its annual 'Year in Review' document.

The Conservation Regulator continues to maintain relationships with key policy partners, actively contributing to the development and implementation of reforms, including the *Victorian Prevention of Cruelty to Animals Act 1986*, review of the *Wildlife Act 1975* and regulations and the renewal of Victorian public land legislation, which is proposing to replace the 3 existing *Crown land Acts (the Crown Land (Reserves) Act 1978, Forests Act 1958 and Land Act 1958)*.

The Conservation Regulator continues to incorporate insights and implement recommendations from relevant audits and inquiries. Recommendations from the Victorian Auditor-General's Office (VAGO) audit on Regulating Victoria's Native Forests have been implemented, noting the end of commercial timber harvesting renders some recommendations no longer relevant. Notwithstanding this, the Conservation Regulator progressed the development of its Monitoring, Evaluation, Review and Implementation Framework, excluding timber harvesting performance indicators, as recommended by VAGO.

Native vegetation removal

The Native Vegetation Regulations are delivered through the Guidelines for removal, destruction and lopping of native vegetation (2017), which are incorporated into the Victoria Planning Provisions under the *Planning and Environment Act 1987*. Councils are primarily responsible for implementing the regulations, while DEECA is responsible for setting policy and regulations, and providing guidance and systems to support their application.

In 2023–24, DEECA improved the operation of the regulations by completing or progressing landowner payment and mapping system improvements, which directly assist planning permit applicants and offset site landowners. This included upgrades to the Native Vegetation Credit Register system used to track the allocation and sales of offset credits and the landowner offset system used to record and track the in-perpetuity agreements and their implementation.

The Native Vegetation Regulation Map was released in 2 stages, the first in October 2023 and the second in July 2024. This application underpins legislated native vegetation approvals in Victoria and allows users to view a range of spatial datasets relating to the Native Vegetation Regulations and generate Native Vegetation Removal or Offset Reports. The system is easier to use and more efficient than its predecessors, as clearing proposals, in almost all cases, can be completed online.

A service provider day was held in April 2024 and attended by about 30 Native Vegetation Credit Register broker and site assessors. The main purpose of the day was to provide a summary of recent changes to the operation and regulation of the guidelines and, address topics needing clarification and discuss market integrity.

The Victorian Auditor-General's Office (VAGO) report on *Offsetting Native Vegetation Loss on Private Land* (released May 2022) determined that the Guidelines for removal, destruction and lopping of native vegetation objective of no net biodiversity loss was not being achieved, and made 7 recommendations to DEECA and local governments to address this shortcoming. DEECA has delivered all 18 actions to implement the recommendations of the audit on time.

The actions delivered include:

- improved operation of the Native Vegetation Credit Register, which is used to record and track allocation of native vegetation offsets
- updated guidance and council training materials to clarify the application of the avoid, minimise and offset hierarchy, to better focus and support applicants to avoid or minimise impact to biodiversity values
- released a guidance note in December 2023 to clearly outline the system to monitor the implementation of maintenance works for offset sites under agreement beyond 10 years
- identified causes of non-compliance and developed tailored compliance approaches
- identified the resources required and potential legislative amendments to support local government in addressing native vegetation issues
- completed an options paper in May 2024 on using remote sensing to improve the monitoring of the extent of native vegetation removal.

The cross-departmental Illegal Clearing Working Group led by DEECA supports the administration of the native vegetation regulations and reduces the impacts of unauthorised native vegetation removal. The working group has established, with the Municipal Association of Victoria, the Native Vegetation Compliance Community of Practice, which held a series of workshops and events over 2023–24 to improve councils' capabilities to administer the native vegetation regulations and monitor and take action on unauthorised native vegetation removal within their council area.

Beekeeping on public land

Regulation and support for a productive apiary industry is delivered through the [Apiculture \(beekeeping\) on Public Land Policy and Standard Operating Procedures 2013](#).

The policy identifies the need for good communication and engagement with beekeepers, to optimise public land beekeeping productivity and coexistence with other public land uses and users.

Through ongoing coordination of the DEECA Apiculture on Public Land Engagement Group (APLEG), roles, responsibilities and accountabilities within the regulatory system are clear and well communicated across the sector.

A priority list for resolution of issues is actively maintained by APLEG. During 2023–24, this involved DEECA consulting with beekeepers through 2 formal APLEG meetings as part of the Forestry Transition process and engaging with beekeepers as required to ensure their needs were considered throughout the planned burning program.

Planning is underway for a regional tour for land managers and beekeepers later in 2024 to share and improve understanding of agency and industry needs.

Work continues through APLEG to better connect industry representatives with forest managers, contribute to the higher goal of securing healthy and resilient forests, and continue access to floral resources.

Tour Operator licensing

Work on reviewing the licensing policy and fees for tour operators continued over 2023–24. Targeted engagement took place with land managers and key stakeholders between June and August 2023.

Feedback from the Directions engagement phase of the review was published in a [‘What we heard’](#) document in September 2023 and has been used in drafting the proposed policy and Regulatory Impact Statement.

Supporting workshops were held for licensed tour operators with Parks Victoria and the Great Ocean Road Coasts and Parks Authority during May and June 2024.

The [Tour Operators](#) webpage was reviewed and updated in May 2024, including the provision of revised licensing templates.

Pipelines regulation

The *Pipelines Act 2005* regulates the construction and operation of pipelines carrying liquid and gaseous fuels and other industrial products at high pressure in Victoria.

Over 2023–24, DEECA continued to administer the Act in accordance with the prescribed requirements, and to ensure that the regulation of the construction and operation of pipelines was effective and efficient.

Maintaining time-efficient statutory decision making is critical in supporting ongoing reliability and security of energy supply and an orderly transition to a net zero economy for domestic and industrial customers. This included statutory decisions to allow the construction and operation of the Western Outer Ring Main (completed in February 2024) and Enterprise pipeline projects in advance of winter 2024. These projects will also assist with security and reliability of supply over the coming winters.

The responsibilities of pipeline licensees and government entities continued to be promoted and reinforced through direct liaison, especially given the accountabilities that affect native title, Traditional Owner engagement, the use of Crown land and the interface with other utilities and infrastructure, such as Victoria’s Big Build projects. This ensured that the ongoing policies, standards and regulatory practices for pipelines continued to be fit for purpose and consistent with evolving standards and community expectations for energy infrastructure.

Appendix 9: Municipal and Industrial Waste Levy Trust Account

Through the Municipal and Industrial Waste Levy (MIWL), Victoria applies a levy on each tonne of municipal and industrial waste disposed to Victorian landfills. Section 448 of the *Environment Protection Act 2017* (the Act) governs the collection and distribution of the MIWL trust and determines how MIWL revenue is to be managed and spent.

Under the Act, the Environment Protection Authority (EPA) is responsible for collecting municipal and industrial waste levies and transferring them to the MIWL Trust Account on a quarterly basis. The MIWL Trust Account is held and managed by DEECA.

The Act specifies which government agencies may receive payments from the MIWL Trust Account and requires that payments be made in accordance with a determination made by the Minister for Environment.

To provide transparency of the collection and distribution of the levy, DEECA includes the following breakdown of MIWL cash flows in its annual report. In 2023–24, \$482 million was received from EPA and \$150 million was paid to portfolio agencies. The remaining cash balance of \$332 million was transferred to the Sustainability Fund Account in accordance with section 449(2) of the Act.

Table 1 below shows operating funding provided to portfolio agencies in 2023–24.

Table 1 – Municipal and Industrial Waste Levy cash flows

	(\$ million)	(\$ million)
Opening cash balance		0.00
<i>Plus:</i> Municipal and Industrial Waste Levy funds transfer from EPA		482.17
Total Receipts		482.17
Less		
Environment Protection Authority	96.40	
Parks Victoria	22.25	
Sustainability Victoria	18.86	
Recycling Victoria	8.71	
Commissioner for Environmental Sustainability	2.10	
Victorian Environmental Assessment Council	1.20	
Trust for Nature	0.32	
Total Agency Payments	149.84	149.84
Sub-total		332.33
Less		
Balance transferred to the Sustainability Fund Account		332.33
Closing cash balance		0.00

In 2023–24, \$474 million was recognised as MIWL revenue by the department in the period in which it was earned (refer to Note 2.3.2 of the Financial Statements). As EPA transfers cash from waste levies to the department 6 months after accrual recognition, in accordance with the Act, the timing difference creates a variance between the accrual and cash figures during any given financial year. Table 2 below provides a reconciliation of this difference.

Table 2 – Reconciliation of Municipal and Industrial Waste Levy accrual revenue to cash receipts

	(\$ million)
Municipal and Industrial Landfill Levy (accrual basis)	474.40
Add: Opening balance of receivable from EPA at 1 July 2023	258.33
Less: Closing balance of receivable from EPA at 30 June 2024	(250.56)
Municipal and Industrial Landfill Levy (cash receipts)	482.17

Appendix 10: Sustainability Fund Account and Sustainability Fund Grants

The Sustainability Fund operates under section 449 of the *Environment Protection Act 2017* and receives money collected from the Municipal and Industrial Waste Levy (MIWL). After funds are distributed to key environmental agencies including the Environment Protection Authority (EPA), Parks Victoria, Sustainability Victoria and Recycling Victoria and others (see Appendix 9), remaining revenue is transferred and held in the Sustainability Fund.

The purpose of the fund is to:

- Foster environmentally sustainable uses of resources and best practices in waste management to advance the social and economic development of Victoria
- Foster community action or innovation in relation to the reduction of greenhouse gas substance emissions or adaptation or adjustment to climate change in Victoria.

Funding allocations are made by the Premier and the Minister for Environment in accordance with the published Sustainability Fund Priority Statement and government policy.

An independent Sustainability Fund Committee is in place to support the strategic and accountable management of the Sustainability Fund so that it best uses the MIWL revenue in accordance with the legislated objectives above.

The table below provides details of the cashflow totals in to and out of the Sustainability Fund Account, including a detailed breakdown of payments to programs (Table 1).

Table 1 – Sustainability Fund Trust Account Cashflows

	(\$ million)
Opening cash balance	201.06
Receipts	
Transfer from Municipal and Industrial Waste Levy Trust Account	332.33
Unexpended program funds returned to the Sustainability Fund ¹	7.50
Investment Revenue	9.54
Total receipts	349.37
Payments to programs	
Recycling Victoria – A New Economy: Market Acceleration Program	10.46
Recycling Victoria – A New Economy: Waste Crime Prevention	9.69
Recycling Victoria – A New Economy: Circular Economy Business Support	7.93
Recycling Victoria – A New Economy: Education and Behaviour Change	4.87
Recycling Victoria – A New Economy: Circular Economy Councils Fund	2.72
Recycling Victoria – A New Economy: Recycling Victoria Household Chemical Collection	2.25
Recycling Victoria – A New Economy: EPA High Risk Sites	2.04
Recycling Victoria – A New Economy: Supporting Charities	1.74
Recycling Victoria – A New Economy: Circular Economy Communities Fund	1.70
Recycling Victoria – A New Economy: Circular Economy Oversight	1.66
Recycling Victoria – A New Economy: Expanding Victoria's Waste Data Systems	1.22
Recycling Victoria – A New Economy: Planning for Waste and Recycling Infrastructure	1.16
Recycling Victoria – A New Economy: High Risk Sites	1.04
Recycling Victoria – A New Economy: New Regulation to Improve Recycling	0.88
Recycling Victoria – A New Economy: Recycling Markets Acceleration Package	0.58
Recycling Victoria – A New Economy: Victorian Container Deposit Scheme	0.56
Recycling Victoria – A New Economy: Reducing Regulatory Barriers EPA	0.44
Recycling Victoria – A New Economy: Single-Use Plastic Ban and Government Phase Out	0.37
Recycling Victoria – A New Economy: Asbestos Disposal Management Plan	0.30
Recycling Victoria – A New Economy: Hazardous Waste and Waste to Energy Policy	0.26
Recycling Victoria – A New Economy: Statewide Education and Behaviour Change	0.10

	(\$ million)
Recycling Victoria – A New Economy Subtotal	51.97
Plantation Investment Strategy: Gippsland Plantations Investment Program	22.50
Protecting Victoria’s Environment – Biodiversity 2037: Protecting Biodiversity 2021–25	19.71
Recycling Industry Response Interim Measures: Industry and Infrastructure Development Package	19.14
Recycling Industry Response Interim Measures: Education for Waste Minimisation	0.04
Recycling Industry Response Interim Measures Subtotal	19.18
Maintaining Essential Energy Functions: Energy Safety and Security	5.38
Maintaining Essential Energy Functions: Supporting Victorians Through the Energy Transition	2.49
Maintaining Essential Energy Functions: Energy Sector Reform Driving Growth in Renewables, Reducing Emissions and Improving Reliability	2.24
Maintaining Essential Energy Functions: Energy Strategy Division Driving Growth in Renewables	1.95
Maintaining Essential Energy Functions: Ensuring the Rights of Energy Consumers	1.83
Maintaining Essential Energy Functions Subtotal	13.89
Creating a Ring of New Parkland in Our Growing Suburbs: Suburban Parks Program	6.00
Delivering Climate Action	5.00
Renewable Energy Action Plan, Securing Our Energy Future – Solar Trams: Renewable Certificate Purchasing Initiative	4.69
ResourceSmart Schools 2023–24	2.90
Maximising the Benefits and Reducing Risk from Zero Emission Vehicles and Distributed Energy Resources	2.30
Core Environmental and Traditional Owner Programs: Wotjobaluk, Dja Dja Wurrung and Eastern Maar Recognition & Settlement Agreements	1.59
Environment Protection and Air Quality: Air Quality Improvement Precincts	1.21
Environment Protection and Air Quality: Expansion of the Financial Assurance Framework	0.25
Environment Protection and Air Quality Subtotal	1.46
Renewable Energy Action Plan: Pathway to First People’s Renewable Energy Transition	1.34
Securing Environmental Protection: Maintaining Core Environmental Protection Policy Services	1.00
South-East Metropolitan Advanced Waste Processing	1.00
100% Renewable Electricity for Government	0.60
VicGrid’s First People’s Partnership Framework Program	0.25
Sustainability Fund Operations	1.38
Total payments	156.76
Closing Cash Balance	393.67

(i) Any program expenditure that is unexpended by the date of program completion is required to be returned to the Sustainability Fund by program recipients. In 2023–24 a total of \$7,502,562.47 was repaid to the Sustainability Fund. Further detail of the 2023–24 Sustainability Fund Grants is available in the 2023–24 Sustainability Fund Activities Report.

Appendix 11: Feed-in tariff data

Annual feed-in tariff reporting data provided by Victorian distribution businesses

Section 40FJ(1) of the *Electricity Industry Act 2000* requires Victorian electricity distribution businesses to provide an annual report on the Premium Feed-in Tariff (PFiT) scheme as a condition of their licence to distribute electricity.

Distribution businesses must report on:

- the number of qualifying solar energy generation facilities connected, on the reporting day, to a distribution system operated by that licensee; and
- the aggregate installed or name-plate generation capacity of qualifying solar energy generation facilities connected, on the reporting day, to a distribution system operated by that licensee; and
- the total amount of qualifying solar energy generation electricity conveyed, in the 12 months prior to the reporting day, along a distribution system operated by that licensee.

Notes:

- a) Reporting for the PFiT scheme is on an annual basis. The reporting day is 31 December of each year.
- b) Aggregate energy exports have been converted to kilowatt hours (kWh) where reported in megawatt hours (MWh) and all installed capacity and aggregate energy export data has been rounded up to the nearest whole number.

	AusNet	CitiPower	Jemena	Powercor	United Energy
Number of PFiT Customers	28,560	3,243	8,010	27,331	17,076
Installed Capacity (kW)	59,063	5,793	14,621	57,812	29,806
Total Export (kWh)	42,777,936	3,178,000	10,030,705	39,723,000	20,404,000

Quarterly feed-in tariff reporting data provided by relevant Victorian retailers

Section 40NC of the *Electricity Industry Act 2000* requires Victorian electricity retailers with more than 5,000 customers (relevant retailers) to provide a quarterly report on the general feed-in tariff scheme as a condition of their licence to sell electricity.

Relevant retailers must report on:

- the number of small renewable energy generation facilities from which electricity was generated and sold to the licensee in the three months prior to the reporting day; and
- the total amount of electricity generated by means of small renewable energy generation facilities and purchased by the licensee in the three months prior to the reporting day.

Notes:

- a) The general feed-in tariff scheme has been available for new customers since 1 January 2013.
- b) Aggregate energy exports have been converted to kilowatt hours (kWh) where reported in megawatt hours (MWh) and all installed capacity and aggregate energy export data has been rounded up to the nearest whole number.

Number of systems where exports generated and sold to retailer

Quarter ending	Sep-23	Dec-23	Mar-24	Jun-24
1st Energy	7,788	8,422	8,430	8,068
AGL	108,695	112,674	115,554	119,104
Alinta Energy	33,173	30,644	29,169	29,518
Amber Electric	3,079	3,494	3,947	4,322
Blue NRG	734	944	965	1,211
CovaU	1,511	2,467	3,668	4,886
Diamond Energy	3,083	3,113	2,994	3,067
Dodo Power & Gas (M2 Energy)	7,394	9,508	9,500	9,799
ENGIE -formerly Simply Energy (IPower and IPower 2)	39,200	42,798	45,109	44,591
EnergyAustralia	92,640	94,238	96,022	99,060
Energy Locals	6,306	6,233	6,767	8,089
GloBird Energy	14,721	14,773	15,613	16,819
Lumo Energy	35,810	31,601	32,021	32,116
Momentum Energy	22,545	22,102	22,004	20,151
Nectr (Hanwha Energy) ¹	1,045	1,377	1,884	2,100
Next Business Energy	1,369	1,711	1,843	1,246
Origin Energy	89,381	88,904	90,243	92,426
OVO Energy	12,500	15,996	17,840	20,402
Powershop Australia	18,099	16,683	16,606	16,731
Red Energy	44,549	44,224	46,484	47,967
Sumo	22,702	18,795	18,577	18,161
Tango Energy (Pacific Blue)	38,204	30,792	28,873	28,800
Total	604,528	601,493	614,113	628,634

¹ The obligation to report commenced in the September 2023 quarter.

Total amount generated and purchased from these systems (kWh)

Quarter ending	Sep-23	Dec-23	Mar-24	Jun-24
1st Energy	4,602,093	11,081,133	11,914,828	6,934,508
AGL	70,889,109	155,727,064	187,904,309	113,618,144
Alinta Energy	17,885,800	37,706,621	42,477,803	28,910,060
Amber Electric	1,619,762	2,921,031	4,316,873	1,842,639
Blue NRG	1,001,603	1,937,567	1,755,364	1,390,423
CovaU	811,692	2,898,591	4,410,092	2,438,422
Diamond Energy	5,578,281	4,329,964	2,572,533	2,589,916
Dodo Power & Gas (M2 Energy)	4,662,917	10,676,474	8,517,752	5,695,394
ENGIE – formerly Simply Energy (IPower and IPower 2)	25,516,238	54,501,533	65,692,744	30,779,189
EnergyAustralia	69,102,315	128,514,829	139,734,639	60,865,664
Energy Locals	2,720,766	6,965,751	7,350,703	3,763,490
GloBird Energy	19,053,928	16,836,809	20,404,886	10,861,931
Lumo Energy	18,534,051	37,407,635	44,882,903	26,660,563
Momentum Energy	17,334,385	33,303,568	37,362,787	12,774,180
Nectr (Hanwa Energy) ¹	335,875	1,623,600	2,677,629	1,709,031
Next Business Energy	938,215	3,039,579	3,562,336	548,666
Origin Energy	81,044,422	103,489,566	126,104,057	95,015,911
OVO Energy	5,977,553	23,547,375	31,038,062	17,969,483
Powershop Australia	9,572,211	20,160,013	22,689,058	11,063,805
Red Energy	24,076,432	51,618,491	66,183,061	49,567,353
Sumo	13,394,634	27,852,882	25,402,807	11,078,866
Tango Energy (Pacific Blue)	23,666,097	45,528,629	47,702,827	27,529,213
Total	418,318,379	781,668,705	904,658,053	523,606,851

¹ The obligation to report commenced in the September 2023 quarter.

Appendix 12: Acronyms and abbreviations

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ATNAB	Addition to Net Assets Base
CEO	Chief Executive Officer
CFA	Country Fire Authority
CMA	Catchment Management Authority
DEECA	Department of Energy, Environment and Climate Action
DELWP	Department of Environment, Land, Water and Planning
DJCS	Department of Justice and Community Safety
DJPR	Department of Jobs, Precincts and Regions
DJSIR	Department of Jobs, Skills, Industry and Regions
DPC	Department of Premier and Cabinet
DTF	Department of Treasury and Finance
EPA	Environment Protection Authority
EWR	Environmental Water Reserve
FFMVic	Forest Fire Management Victoria
FMA	<i>Financial Management Act 1994</i>
FOI	Freedom of Information
FRD	Financial Reporting Direction
FTE	Full-Time Equivalent
GST	Goods and Services Tax
HSR	Health and Safety Representative
IBAC	The Independent Broad Based Anti-Corruption Commission
ICT	Information and Communication Technology
IGEM	Inspector-General for Emergency Management
IPAA	Institute of Public Administration Australia
KMP	Key Management Personnel
LGBTIQA+	Lesbian, Gay, Bisexual, Transgender, Intersex, Queer and Asexual +
LGC	Large-scale generation certificates
LJFP	Local Jobs First Policy
MIWL	Municipal and Industrial Waste Levy
MoG	Machinery of Government
N/A	Not applicable
NAIDOC	National Aboriginal and Islanders Observance Committee Week
NEM	National Electricity Market

OHS	Occupational Health and Safety
POBOS	Payments made on behalf of the state
REZ	Renewable Energy Zone
SDG	Sustainable Development Goal
SEC	State Electricity Commission
SES	Senior Executive Service
SOE	Ministerial Statement of Expectations
Solar PV	Solar photovoltaic system
SSP	Shared Service Provider
TOC	Traditional Owner Corporation
VAGO	Victorian Auditor General's Office
VEU	Victorian Energy Upgrades
VEWH	Victorian Environmental Water Holder
VPS	Victorian Public Service
VRET	Victorian Renewable Energy Target
VWA	Victorian Water Accounts

Units of measure

CO ₂ -e	Carbon dioxide equivalent
L	Litre
GL	Gigalitre
MJ	Megajoules
ML	Megalitre
Ha	Hectare
NLA	Net Lettable Area
Ws1	Total waste
Ws2	Waste efficiency



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