



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

**2015-16 FINANCIAL AND PERFORMANCE OUTCOMES
GENERAL QUESTIONNAIRE**

COLIBAN REGIONAL WATER CORPORATION

SECTION A: Output variances and program outcomes

Question 1 (all departments) Completed initiatives from past budgets

This question does not apply to your agency.

Question 2 (departments only) Treasurer's advances and other budget supplementation

This question does not apply to your agency.

Question 3 (Department of Treasury and Finance only) Revenue certification

This question does not apply to your agency.

SECTION B: Asset investment (departments only)

Question 4 Details of actual investment and variance against budget – current projects

This question does not apply to your agency.

Question 5 Details of actual investment and variance against budget – projects completed (or expected to be completed)

This question does not apply to your agency.

Question 6 Major Projects Victoria and high-value high-risk projects

This question does not apply to your agency.

Question 7 PPP expenditure and line items

This question does not apply to your agency.

Question 8 Net cash flows from investments in financial assets for policy purposes – GGS

This question does not apply to your agency.

Question 9 Net cash flows from investments in financial assets for policy purposes – SoV

This question does not apply to your agency.

Question 10 (Department of Treasury and Finance only) Purchases of non-financial assets – government purpose classification

This question does not apply to your agency.

SECTION B: Asset investment (non-departments only)**Question 11 Details of actual investment and variance against budget for projects**

Please provide the following details for any asset investment project where actual expenditure in 2015-16 varied by \$±10 million or more from the initial budget estimate at the start of the relevant year (**not** the revised estimate).

If there were no asset investment projects for your agency where the actual expenditure varied by \$±10 million or more from the budget estimate, you do not need to answer this question. If this is the case, please indicate 'no relevant projects' in the table(s) below.

Project	Estimated expenditure in 2015-16 (2015-16 budget papers) (\$ million)	Actual expenditure in 2015-16 (\$ million)	Explanation for variance	Estimated financial completion date in 2015-16 budget papers	Estimated financial completion date in 2016-17 budget papers	Explanation for any changes to the estimated financial completion date
No relevant projects						

Question 12 Details of actual investment and variance against budget for entities

Please detail the initial budget estimates (**not** the revised estimate) for 'purchases of non-financial assets' for 2015-16 (or equivalent line items in the cash flow statements) for your entity, the actual amounts of those line item in your annual reports and an explanation for any variances greater than ±10 per cent or \$100 million. Initial budget estimates for departments are listed in Department of Treasury and Finance, *Budget Paper No.5: 2015-16 Statement of Finances* (2015), p.40

Initial budget estimate for 2015-16 (\$ million)	Actual for 2015-16 (\$ million)	Explanation for any variance greater than ±10 per cent or \$100 million
0	0	Not applicable.

SECTION C: Revenue and appropriations

Question 13 (all departments and entities) Changes from previous year by revenue/income category

Please explain any changes greater than ± 10 per cent or \$100 million between the actual result for 2014-15 and the actual result for 2015-16 for each revenue/income category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery.

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

If there were no revenue/income categories for your department/agency for which the 2015-16 expenditure changed from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2014-15 actual (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	How the additional revenue was used/the impact of reduced revenue
Government grants	0	4.6	Variance due to DELWP funding for the Bendigo Groundwater Project being received for the first time in 2015-16.	The additional revenue could only to be utilised for expenditure relating to this project. Funds were received in advance of expenses being incurred to ensure no impact on Coliban Water's operational cash flow. All funding will be matched with increased expenditure as the project progresses.
Other income	1.6	3.9	Variance the result of a reduction in non-core business income relating to the sale of pine trees harvested (\$0.6 million), recognition of native vegetation offsets gifted (\$0.9 million) and retention funds withheld from a contractor who defaulted on their contractual obligations (\$0.8 million).	The increase in non-core income was offset by increased expenditure.
Contributions and gifted assets	14.6	11.8	Variance reflective of a reduction in developer installed works reaching practical completion in 2015-16.	Non-cash item. Additional revenue improved overall result.
Other comprehensive income	0.0	193.8	Variance the result of Coliban Water's asset revaluation, which occurs every 5 years - 2015-16 therefore cannot be compared to 2014-15.	Net increase to asset values and an increase to future depreciation charges.

Question 14 (all departments and entities) Variances from budget/target by revenue/income category

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised estimate) and the actual result for 2015-16 for each revenue/income category detailed in your operating statement. Please also identify any actions taken in response to the variations, either to mitigate or take advantage of the impact.

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

If there were no revenue/income categories for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Revenue category	2015-16 budget estimate (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Actions taken in response
Usage charges	41.0	46.5	Variance the result of increased usage charges. Usage for the financial year reaching 210kl per connection against the budget of 188kl.	No action taken as the budget is still reflective of average household water consumption based on past usage trends.
Government grants	0.0	4.6	Variance due to unbudgeted funding for the Bendigo Groundwater Project being received for the first time in 2015-16.	Budget will reflect the planned works of the Bendigo Groundwater project moving forward.
Other income	1.8	3.9	Variance largely the result of increased non-core business income relating to the sale of pine trees harvested (\$0.6 million), recognition of native vegetation offsets gifted utilised for various capital projects (\$0.9 million) and retention funds withheld from a contractor who defaulted on contractual obligations (\$0.8 million).	Items are non-core and unplanned. No adjustment to future budgets required.
Contributions and gifted assets	13.4	11.8	Variance is reflective of a reduction in developer installed works reaching practical completion.	2016-17 budget operating costs, including depreciation, have been set taking into account the reduction of gifted assets.

Other comprehensive income	138.6	193.8	Overall condition assessments and replacement value of assets exceeded Coliban Waters' revaluation estimates.	Net increase to asset values and an increase to future depreciation charges.
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Question 15 (departments only)

This question does not apply to your agency.

Question 16 Revenue from trust accounts passed to other bodies (departments only)

This question does not apply to your agency.

Question 17 (Department of Treasury and Finance only) Revenue initiatives

This question does not apply to your agency.

SECTION D: Expenses

Question 18 Expenses changed from previous year

Please explain any changes greater than ± 10 per cent or \$100 million between the prior year's actual result and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community¹ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no categories of expenses for your department/agency for which the 2015-16 expenditure differed from the prior year's expenditure by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2014-15 actual (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Operating and administration expenses	38.6	43.2	Variance is due to an increase in major partnership contract expenses relating to operating and treatment costs as a result of increased water consumption and increased volume of reactive works delivered. Electricity costs are also higher due to increased water consumption requiring more pumping.	Revenue increased with the delivery of additional compliant water required with the increased water consumption. Performance expectations were therefore met.
Net gain/(loss) on disposal of assets	-0.4	-2.2	Variance is the result of net disposal of land, plant and equipment, vehicles and infrastructure assets, disposed in line with Coliban Water's asset management policy.	Reduced future depreciation charges.
Other comprehensive income	0.0	193.8	Variance is the result of Coliban Water's asset revaluation that occurs every 5 years.	Net increase to asset values and an increase to future depreciation charges.

¹ That is, the impact of service delivery on the community rather than a description of the services delivered.

Question 19 Expenses varying from budget

Please explain any variances greater than ± 10 per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community² achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no categories of expenses for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than ± 10 per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2015-16 budget estimate (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than ± 10 per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Operating and administration expenses	38.7	43.2	Variance due to an increase in major partnership contract expenses relating to operating and treatment costs as a result of increased water consumption and increased volume of reactive works delivered. Electricity costs are also higher due to increased water consumption requiring more pumping.	Revenue increased with the delivery of additional compliant water required with the increased water consumption. Performance expectations were therefore met.
Grant expenditure	0	1.3	Variance due to increased expenditure of grant funding received for the Bendigo Groundwater Project to undertake an options assessment.	The options assessment was completed. As additional funding was received, there was no cash impact to Coliban Water.

Question 20 (departments only) Expenditure reduction targets

This question does not apply to your agency.

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

Question 21 Changes to service delivery from expenditure reduction initiatives

- (a) Please detail any changes to your department's/agency's service delivery as a result of expenditure reduction initiatives, e.g. changes to the timing and scope of specific programs or discontinued programs in 2015-16:

Service delivery standards have not been impacted by expenditure reductions.

- (b) As a result of the expenditure reduction initiative 'Reduce the use of labour hire firms' for 2015-16 (BP3 p.105), please detail any changes to your department's/agency's service delivery

Not applicable.

Question 22 (departments only) Achievement of reprioritisation of existing resources

This question does not apply to your agency.

Question 23 (Department of Treasury and Finance only) Expenses by government purpose classifications

This question does not apply to your agency.

Question 24 (PNFC and PFC entities only) Dividends paid to the general government sector

Please detail the value of dividends paid by your agency to the general government sector over the last three years, explaining the reasons for any significant changes over that period and the impact of any changes on the agency.

Total dividends paid in 2012-13 (\$ million)	Total dividends paid in 2013-14 (\$ million)	Total dividends paid in 2014-15 (\$ million)	Explanation for variances greater than ± 10 per cent or \$100 million	Impact of changes to dividends on the agency
0	0	0	Not applicable.	Not applicable.

SECTION E: Public sector workforce**Question 25 Full-time equivalent staff by level**

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2014, at 30 June 2015 and 30 June 2016 (broken down by the categories listed below) for the Department. Please provide figures consolidated on the same basis as the expenditure for the Department in the budget papers.

Grade	30 June 2014 (Actual FTE number)	30 June 2015 (Actual FTE number)	30 June 2016 (Actual FTE number)
Secretary	-	-	-
EO-1	-	-	-
EO-2	-	-	-
EO-3	-	-	-
VPS Grade 7 (STS)	-	-	-
VPS Grade 6	-	-	-
VPS Grade 5	-	-	-
VPS Grade 4	-	-	-
VPS Grade 3	-	-	-
VPS Grade 2	-	-	-
VPS Grade 1	-	-	-
Government Teaching Service	-	-	-
Health services	-	-	-

Police	-	-	-
Allied health professionals	-	-	-
Child protection	-	-	-
Disability development and support	-	-	-
Custodial officers	-	-	-
Other	182.00	190.43	187.17
Total	182.00	190.43	187.17

Question 26 FTE staff numbers by employment type

In the table below, please detail the salary costs for 2013-14, 2014-15 and 2015-16, broken down by ongoing, fixed-term and casual, and explain any variances greater than ± 10 per cent or \$100 million between the years for each category.

Employment category	Gross salary 2013-14 (\$ million)	Gross salary 2014-15 (\$ million)	Gross salary 2015-16 (\$ million)	Explanation for any year-on-year variances greater than ± 10 per cent or \$100 million
Ongoing	12.3	13.4	14.7	Variance due to transition from fixed-term positions to ongoing along with enterprise agreement salary increases.
Fixed-term	1.7	2.1	1.3	Variance due to end on fixed term periods along with transition from fixed-term positions to ongoing.
Casual	0.2	0.1	0.2	Variance is immaterial.
Total	14.2	15.6	16.2	

Question 27 Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2015-16, breaking that information down according to what proportion of their salary the increase was, and explaining the reasons for executives' salaries increasing in each bracket.

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2015-16	Reasons for these increases
0-3 per cent	6	In line with the Victorian Public Sector Commission. Increases are reviewed/approved by the remuneration committee annually.
3-5 per cent	0	Not applicable.
5-10 per cent	0	Not applicable.
10-15 per cent	0	Not applicable.
greater than 15 per cent	0	Not applicable.

Question 28 Enterprise bargain agreements (EBA)(Department of Treasury and Finance only)

This question does not apply to your agency.

SECTION F: Inter-sector flows**Question 29 (Department of Treasury and Finance only) Inter-sector flows**

This question does not apply to your agency.

SECTION G: Government decisions impacting on the finances

Question 30 Machinery-of-government changes

- (a) Please detail the final costs incurred in the following categories as a result of machinery-of-government changes. Also provide a description of any relevant machinery-of-government changes during 2015-16.

	Final costs as a result of machinery-of-government-changes (\$ million)
Consultants and contractors (including legal advice)	0
Relocation	0
Telephony	0
IT and records management	0
Rebranding	0
Furniture and fit-out	0
Other	0

- (b) If these costs were met out of existing budgets, please indicate what projects, programs or areas the money was originally budgeted for.

Not applicable.

- (c) Please identify any benefits achieved during 2015-16 as a result of machinery-of-government changes, quantifying the benefits where possible.

Not applicable.

- (d) Please provide a description of any relevant machinery-of-government changes during 2015-16

Not applicable.

Question 31 Commonwealth Government decisions

Please identify any Commonwealth Government decisions during 2015-16 which had not been anticipated in the State budget but which impacted on your entity's finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2015-16	
	on income (\$ million)	on expenses (\$ million)
Not applicable	-	-

Question 32 COAG decisions

Please identify any COAG decisions during 2015-16 which had not been anticipated in the State budget but which impacted on your entity's finances or activities during those years (including new funding agreements, discontinued agreements and changes to agreements). Please quantify the impact on income and expenses where possible.

COAG decision	Impact in 2015-16	
	on income (\$ million)	on expenses (\$ million)
Not applicable	-	-

SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)**Question 33 Financial measures**

This question does not apply to your agency.

Question 34 Long-term financial management objectives

This question does not apply to your agency.

SECTION I: Economic environment

Question 35 (Department of Treasury and Finance only) Economic variables

This question does not apply to your agency.

Question 36 (Department of Treasury and Finance only) Actual impact on GGS of variances in economic variables

This question does not apply to your agency.

Question 37 (Department of Treasury and Finance only) Impact on PFC net result of variances in economic variables

This question does not apply to your agency.

Question 38 (Department of Treasury and Finance only) Impact on PNFC net result of variances in economic variables

This question does not apply to your agency.

Question 39 (all entities) Effects of variances in economic variables

Please identify any key economic variables for which there were variances in 2015-16 between what was estimated in the initial budget for each year (**not** the revised estimate) and what actually occurred which had a significant impact on your department's/agency's finances, service delivery or asset investment. For each variance, please indicate:

- (a) what had been expected at budget time
- (b) what actually occurred
- (c) how the variance impacted on the budget outcomes (quantifying the impact where possible)
- (d) what decisions were made in response (including changes to service delivery, asset investment, borrowings etc.).

Expected economic result in 2015-16	Actual result in 2015-16	Impact of the variance on budget outcomes	Impact of the variance on service delivery
2.5%	1.3%	Variance was not due to a specific economic variable. DTF recommends the use of a CPI indexation value of 2.5%, based on an average over a number of years. As the actual CPI value was much lower than this, a decrease in core revenue expected resulted, along with a decrease in expenditure. The net result was therefore a decrease to the financial result for the year.	No decisions or changes made in response to this change in rate, as the net financial impact was minimal.