

Docs #3302895



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

**2009-10 AND 2010-11 FINANCIAL AND PERFORMANCE
OUTCOMES QUESTIONNAIRE — PART ONE**

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

GOULBURN MURRAY WATER

SECTION A: Output variations (departments only)

SECTION B: Asset investment (departments only)

SECTION C: Revenue and revenue foregone

Question 21

For 2009-10 and 2010-11, please explain and detail the impact of any variances greater than ± 10 per cent in any revenue/income category detailed in your agency's operating statement in its annual report **and** the total revenue/income for the year compared to:

- (a) the initial budget for the year; and
- (b) the actual for the prior year.

Explanations of variations are contained in annual reports

Question 22

For each of the income from transactions categories listed by your agency in its comprehensive operating statement in its annual report (e.g. output appropriations, grants, sales of goods and services), please break the income for 2010-11 down into the first six months and second six months of the financial year and explain any variations greater than ± 10 per cent between the two six-month amounts:

Income from transactions	Income 1/7/2010-31/12/2010	Income 1/1/2011-30/6/2011	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Rates – water and drainage			Any variation between the two six month periods reflects when funding flows. As Departments and agencies budget for the full financial year, no meaningful comparison can be made between the first half of the financial year and the second half.
Consumptive Charges			
Bulk Water			
Victorian Government Grants			
Other External Clients			
Interest From Customers			
Other Revenue			
Interest on Investments			
Other Income			
Total Income			

Question 23

Please provide an itemised schedule of any concessions and subsidies (revenue foregone) (see the Explanatory Memorandum for a definition of concessions and subsidies) provided by your organisation in 2009-10 and 2010-11. For each item, please:

- (a) describe the purpose of the concession/subsidy;
- (b) explain any variations greater than ± 10 per cent between the actual expenditure and the initial budget for the year;
- (c) explain any variations greater than ± 10 per cent between the actual expenditure and the actual for the prior year;
- (d) indicate the number of concessions/subsidies granted in each category; and
- (e) explain whether the outcomes expected to be achieved by granting these concessions or providing these subsidies have been achieved.

The Department does not provide any concessions or subsidies as defined by the explanatory memorandum.

- (f) Please also detail all new concessions/subsidies provided in 2010-11 by your agency that were announced after the change of government in 2010, their impact on your agency and the social outcomes achieved to date:

The Department does not provide any concessions or subsidies as defined by the explanatory memorandum.

Question 24 (Department of Treasury and Finance only)

SECTION D: Expenditure**Question 25**

For 2009-10 and 2010-11, please explain and detail the impact of any variances greater than ± 10 per cent in any expense category detailed in the agency's operating statement in its annual report **and** the total expenditure for the year compared to:

- (a) the initial budget for the year; and
- (b) the actual for the prior year.

Expenditure in 2009-10:

Expenditure category	2008-09 actual	2009-10 Budget	2009-10 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
	(\$ million)	(\$ million)	(\$ million)		
Operations	64.000	67.300	76.600	Variations occur for a number of reasons, including Machinery of Government changes, changes in asset values due to decisions made by the Valuer-General and other external factors. As Departments and agencies budget for the full financial year, no meaningful comparison can be made between the first half of the financial year and the second half.	
Maintenance	33.400	33.600	49.200		
Management & Administration	20.800	26.000	25.900		
Finance Charges	1.500	3.000	2.800		

Expenditure category	2008-09 actual	2009-10 Budget	2009-10 actual	Explanations for variances greater than ±10 per cent	Impact of variances
	(\$ million)	(\$ million)	(\$ million)		
Loss On Sale of Fixed Assets	0.100	0.600	0.200	Variations occur for a number of reasons, including Machinery of Government changes, changes in asset values due to decisions made by the Valuer-General and other external factors. As Departments and agencies budget for the full financial year, no meaningful comparison can be made between the first half of the financial year and the second half.	
Written down value of assets abandoned	4.200	1.500	8.800		
Depreciation of non-current assets	34.000	41.100	35.200		
Amortisation	0.000	0.000	2.000		
Environmental contribution	1.500	1.500	1.500		
Total	159.600	174.600	202.300		

Expenditure in 2010-11:

Expenditure category	2009-10 actual	2010-11 Budget	2010-11 actual	Explanations for variances greater than ±10 per cent	Impact of variances
	(\$ million)	(\$ million)	(\$ million)		
Operations	76.600	91.400	68.200	Variations occur for a number of reasons, including Machinery of Government changes, changes in asset values due to decisions made by the Valuer-General and other external factors. As Departments and agencies budget for the full financial year, no meaningful comparison can be made between the first half of the financial year and the second half.	
Maintenance	49.200	29.600	32.300		
Management & Administration	25.900	29.300	31.200		
Finance Charges	2.800	4.100	6.700		
Loss On Sale of Fixed Assets	0.200	0.800	0.000		
Written down value of assets abandoned	8.800	1.300	5.900		
Depreciation of non-current assets	35.200	51.500	37.300		
Amortisation	2.000	0.000	4.000		

Expenditure category	2009-10 actual	2010-11 Budget	2010-11 actual	Explanations for variances greater than ±10 per cent	Impact of variances
	(\$ million)	(\$ million)	(\$ million)		
Environmental contribution	1.500	1.500	1.500	Variations occur for a number of reasons, including Machinery of Government changes, changes in asset values due to decisions made by the Valuer-General and other external factors. As Departments and agencies budget for the full financial year, no meaningful comparison can be made between the first half of the financial year and the second half.	
Total	202.300	209.400	187.000		

Question 26

For each of the expenses from transactions categories listed by your agency in its comprehensive operating statement in its annual report (e.g. employee expenses, grants, depreciation and amortisation), please break the expense for 2010-11 down into the first six months and second six months of the financial year and explain any variations greater than ± 10 per cent between the two six-month amounts:

As expenditure occurs unevenly owing to time of payment and demand for payment, the provision of shorter period data would provide misleading and partial information to the committee.

Question 27

Please provide details of any evaluations of grants programs that were conducted by your agency in 2009-10 or 2010-11, including any findings about:

- (a) the outcomes achieved by the programs; or
- (b) the effectiveness of grants at achieving planned outcomes compared to other modes of service delivery.

The evaluation of grants programs by successive Governments is used to inform future Government policy and decision making.

Question 28 (departments only)

Question 29 (departments only)

Question 30 (departments only)

SECTION E: Public sector workforce

Question 31

Please detail the total full-time equivalent number of staff as at 30 June 2009, 30 June 2010, 31 December 2010 and 30 June 2011, and explain any significant variations (greater than ± 10 per cent) from one date to the next in the following tables:

Numbers in 2009, 2010 and 2011:

Staffing numbers are reported in Goulburn Murray Water's annual reports.

Question 32

In the tables below, please detail the salary costs for 2008-09, 2009-10 and 2010-11, broken down by ongoing, fixed-term and casual and explain any variations greater than 10 per cent between the years for each category.

Costs in 2009-10:

Employment category	Gross salary 2008-09	Gross salary 2009-10	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Ongoing	39.792	49.932	
Fixed-term	24.284	17.784	
Casual	0.581	0.684	
Total	64.657	68.401	

Costs in 2010-11:

Employment category	Gross salary 2009-10	Gross salary 2010-11	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Ongoing	49.932	53.058	
Fixed-term	17.784	18.897	
Casual	0.684	0.727	
Total	68.401	72.682	

For each of the employment categories, please break the expense for 2010-11 down into the first six months and second six months of the financial year and explain any variations greater than ± 10 per cent between the two six-month amounts:

For 2010-11 figures, please refer to the table above.

Question 33

- (a) For what roles within your organisation were contractors or contract staff used in 2009-10 and 2010-11 (refer to Explanatory Memorandum for definition of contractors)?

Contractors and contract staff are engaged by Goulburn Murray Water for: short term roles to backfill for fixed term or ongoing roles during recruitment to hire a fixed term or ongoing replacement; providers of generalist services to Goulburn Murray Water; and specialist professional services or roles, e.g., general consultancy, engineers, legal, audit or organisational development provision.

- (b) Please itemise the services delivered by contractors or contract staff in 2009-10 and 2010-11:

Contractors/contract staff in 2009-10:

Service category	Number of contractors/contract staff	Value of services includes labour and materials (\$)
Operations	74	2,532,616
Maintenance	109	4,132,905
Management & Administration	28	2,935,053
Construction	113	10,428,273
Recoverable Works	122	9,333,435
Total	446	29,362,282

Contractors/contract staff in 2010-11

Service category	Number of contractors/contract staff	Value of services includes labour and materials (\$)
Operations	102	1,844,553
Maintenance	187	4,325,780
Management & Administration	48	3,294,553
Construction	191	11,477,791
Recoverable Works	159	12,961,044
Total	678	30,903,721

- (c) For each specific contractor or contract staff paid in excess of \$100,000 per annum that has been engaged by your organisation during 2009-10 or 2010-11, please supply the following details:

Contractors/contract staff in 2009-10 and 2010-11:

In accordance with the requirements of Government, summary details of all contracts with a commitment value greater than \$100,000 are disclosed on the Victorian Government Purchasing Board (VGPB) website at www.contracts.vic.gov.au.

Question 34

- (a) For what roles within your organisation were consultants used in 2009-10 and 2010-11 (refer to Explanatory Memorandum for definition of consultants)?

Consultants are engaged to support Goulburn Murray Water with specialist research, analysis and/or advice that supported strategy decision and for which skills were not available within Goulburn Murray Water.

- (b) Please itemise the services delivered by consultants in 2009-10 and 2010-11:

In accordance with Financial Reporting Directions, consultancies over \$100,000 are disclosed in the Goulburn Murray Water's annual report.

- (c) For each specific consultant paid in excess of \$100,000 per annum that has been engaged by your organisation during 2009-10 or 2010-11, please supply the following details:

In accordance with Financial Reporting Directions, consultancies over \$100,000 are disclosed in Goulburn Murray Water's annual report

Question 35

- (a) Please break down the staff turnover ratio (total left employment during the year expressed as a percentage of total headcount) for your organisation during 2008-09, 2009-10 and 2010-11 according to the following age brackets:

	2008-09	2009-10	2010-11
Less than 30 years old	17%	17%	15%
30-54 years old	10%	9%	12%
55 years or older	6%	18%	22%
Total	10.5%	12%	14.5%

- (b) Please describe the factors contributing to any variations greater than ± 10 per cent from one year to the next.

The contributing factor to the variance indicated has been the increase in the number of employees reaching retirement age. This has resulted in higher departures from the organisation upon retirement of service.

- (c) Please describe any strategies that are planned to be introduced to retain staff, reduce the level of voluntary staff turnover and reduce the likelihood that critical roles will become vacant in future?

Agencies within the VPS are constantly dealing with the challenges of demographic change in the public sector in Victoria, and nationally, and with retaining specific skill sets.

Question 36

The State Services Authority (*The State of the Public Sector in Victoria 2008-09*, Chapter 4) has identified collaboration, agility and innovation as important to the future of the Victorian public sector. Please detail any initiatives undertaken by your organisation in 2009-10 or in 2010-11 prior to the change of government that have been designed to enhance these three qualities and what outcomes have been achieved by these initiatives:

	Initiative	Outcomes
Collaboration	<p>G-MW implemented a range of drought response measures covering communications, liaison, contingency planning, qualification of rights, works and action plans developed in partnership with Catchment Management Authorities, other Water Corporations and the Department of Sustainability and Environment.</p> <p>G-MW worked with Northern Victoria Irrigation Renewals Project (NVIRP) and other key agencies to assist in the planning, policy development technical standards and delivery of works as part of the modernisation program across the Goulburn Murray Irrigation District (GMID).</p> <p>G-MW assisted the Department of Sustainability and Environment to develop the Northern Region Sustainable Water Strategy which is a 30 year blue print for water management in northern Victoria.</p> <p>G-MW implemented a range of programs in partnership with Local Government, the Country Fire Authority (CFA) and the Department of Sustainability and Environment (DSE) to identify and address potential fire risks on and around G-MW storages and along G-MW's channel delivery network.</p> <p>In partnership with the Department of Primary Industry (DPI) and local communities, G-MW undertook a Locust control spaying program on G-MW lands.</p> <p>Construction of the \$14 million East Loddon Pipeline Project as a joint initiative between Northern Victoria Irrigation Renewal Project (NVIRP), Coliban Water, Regional Development Victoria and G-MW.</p>	<p>Co-ordinated response to critical low levels of water availability.</p> <p>Facilitation of the modernisation program across the Goulburn Murray Irrigation District (GMID) channel network.</p> <p>Strategy document adopted by the Victorian Government.</p> <p>Effective fire control measures in place and no major fire incidents emanating from G-MW lands.</p> <p>Targeted locus control spraying program with over 500 hectares of land treated.</p> <p>Replacement of an annual open channel and farm dam supply system with an efficient year round water supply scheme to over a 120 customers in the Serpentine and Jarklin areas.</p>
Agility	<p>In conjunction with the Murray River Algal Control Committee, G-MW co-ordinated the Victorian response to a major Blue Green algal bloom that developed rapidly along the Murray River in February 2010. Increased monitoring, communications and situation updates were provided to</p>	<p>Rapid co-ordinated response to major Murray River algal bloom incident.</p>

	Initiative	Outcomes
	the media, regional partners, other agencies and affected customers.	
Innovation	G-MW and its FutureFlow Alliance established to deliver a package of modernisation works won an Engineering Australia award for engineering solutions, project management and overall benefits to the community, an Australian Water Association award for infrastructure innovation and an International Water Association award for project innovation.	Major program of modernisation works delivered across the Goulburn Murray Irrigation District (GMID) channel network on budget and on time.

Please also supply details of initiatives designed to enhance these three qualities undertaken since the change of government in November 2010:

	Initiative	Outcomes
Collaboration	G-MW worked with the State Emergency Service (SES), Bureau of Meteorology (BOM), Catchment Management Authorities, Local Government, customers and communities to assist in the flood response and recovery following record flows on the Campaspe and Loddon Rivers in January 2011 and the wide spread flooding that had major impacts on communities, agriculture and the natural environment.	G-MW provided more than 6,000 staff hours and over 40 items of significant construction plant and equipment to the SES and the CMAs in support of emergency response activities.
Agility	Non identified	
Innovation	Non identified	

Question 37

Please complete the following tables showing number of executive staff and total value of bonuses paid in the 2009-10 and 2010-11 performance periods:

Bonuses in 2009-10:

Executive category	Number of staff (FTE)			Total value of bonuses paid (\$)
	Eligible for a performance bonus	Not awarded bonus payment	Awarded bonus payment	
Secretary or CEO, EO1 – Deputy ^(a)				
EO2 ^(a)				
EO3				
Other Executives	9	1	8	\$91,719

Note (a): Combine categories to preserve confidentiality where necessary

Bonuses in 2010-11:

Executive category	Number of staff (FTE)			Total value of bonuses paid (\$)
	Eligible for a performance bonus	Not awarded bonus payment	Awarded bonus payment	
Secretary or CEO, EO1 – Deputy ^(a)				
EO2 ^(a)				
EO3				
Other Executives	6	1	5	\$62,871

Note (a): Combine categories to preserve confidentiality where necessary

Question 38

In the following table, please show for your organisation the actual range of bonuses paid (expressed as a percentage of total remuneration).

Rating	Proportion of total remuneration package actually paid (expressed as a range from x% to y%)	
	2009-10	2010-11
Exceptional	+6%	+6%
Superior	3%-5%	3%-5%
Competent	1%-2%	1%-2%
Improvement required	0%	0%

The above format is based on the Executive Employment Handbook. If your organisation adopted another approach for awarding bonuses, please provide details.

SECTION F: Program outcomes

Question 39 (departments only)

Question 40

- (a) Using the format of the table below, please outline the five most important outcomes achieved by your organisation's programs/activities between 27 November 2010 and 30 June 2011 (where your organisation has been the key player) including:
- (i) what was planned;
 - (ii) what was achieved;
 - (iii) quantitative or qualitative data to demonstrate this achievement;
 - (iv) any other Victorian public sector organisations or agencies from other jurisdictions that have worked across organisational boundaries to contribute to this outcome; and
 - (v) the relationship of these outcomes to any government strategies or goals.

The planned priorities and outcomes achieved are reported to Parliament each year in the relevant annual reports.

- (b) Please also identify any significant program outcomes that were planned but not achieved between 27 November 2010 and 30 June 2011 and the underlying reasons. –

N/A

Question 41

For the following initiatives that were due to be completed in 2009-10 and 2010-11, please provide details of the outcomes expected to be achieved and the outcomes actually achieved to date. Please quantify outcomes where possible.

The expected outcomes, targets and actual outcomes are reported each year in the Budget Papers and the annual report.

SECTION G: Adapting to the change of government

Question 42

- (a) Were any planned organisational priorities changed during 2010-11 as a result of the change of government in 2010? If so, please specify.

Organisational priorities changed during 2010-11 to reflect the incoming Government's policies, priorities and relevant Machinery of Government changes

- (b) Were any corporate plans or similar documents modified in 2010-11 as a result of the change of government in 2010? If so, please specify.

Departmental Business Plans are routinely updated throughout the financial year, as circumstances dictate.

Question 43

Please detail the impact on your agency of any machinery-of-government changes following the change of government in 2010, including:

- (a) how your agency adapted;
- (b) any disruptions to program or project delivery; and
- (c) any improvements to program or project delivery that have been enabled as a result of the change.

Machinery-of-government change	Adaptations in response	Disruptions to program/project delivery	Improvements to program/project delivery

Question 44

Please detail any new processes that were introduced into your agency following the change of government in 2010 for monitoring or managing expenditure on output or asset projects/programs:

No change as a result of the change of government.

In December 2010, G-MW identified an understatement of its borrowings in its 2010-11 Corporate Plan. The understatement triggered an internal review of the organisation's governance and financial management procedures, including an external independent review. In May 2011, G-MW resolved the borrowings issue with Department of Sustainability and Environment and the Department of Treasury and Finance and implemented improved financial management and governance processes.

Question 45

For each program and project (delivering either outputs or assets) which was curtailed, deferred or discontinued in 2010-11 following the change of government in 2010, please provide the following details:

- (a) the name of the program/project;
- (b) whether it delivered outputs (i.e. goods and services) or assets;
- (c) the budgeted and actual expenditure in 2010-11; and
- (d) the reasons for which the program/project was curtailed, deferred or discontinued.

A number of programs and projects ceased in 2010-11 due to work being completed, the previous Government not allocating funding in the forward estimates, or due to the incoming Government having different priorities for funding (guided either by project evaluation or on the basis of policy priorities).

Question 46

For each program and project (delivering either outputs or assets) which was introduced in 2010-11 following the change of government in 2010 which had not been planned prior to the change of government, please provide the following details:

- (a) the name of the program/project;
- (b) whether it delivered outputs (i.e. goods and services) or assets;
- (c) the budgeted and actual expenditure in 2010-11; and
- (d) the reasons for which the program/project was introduced.

The new initiatives funded by the Government are outlined in Budget Paper No.3, Chapter 2.

CONTACT DETAILS

Organisation:.....

Contact Officer:.....

Position:.....

Contact numbers: Telephone:.....

Fax:.....

E-mail:.....