



PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee

2024–25 Financial and Performance Outcomes Questionnaire

South East Water

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Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2024–25 Financial and Performance Outcomes examines:

- the Government's actual versus budgeted expenditure and revenue
- the actual versus target performance outcomes at a departmental/agency level
- other expenditure unforeseen at the time of preparing the 2024–25 Budget, and outcomes achieved.

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

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

This questionnaire seeks information on the departmental/agency financials for the 2024–25 financial year, what was achieved during the year and how that compares to expectations.

Consistency with the budget papers

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

Section A: Output variances and program outcomes

Question 1 (all departments) Completed output initiatives from past budgets - **Not applicable**

For all initiatives that were completed in 2024–25 please provide details of the expected outcomes for the community and the actual outcomes achieved to date. Please use initiatives names as specified in *Budget Paper No. 3: Service Delivery* and link the initiative to the responsible output(s) and portfolio(s).

Question 2 (all departments) Program outcomes - **Not applicable**

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section relate to the outcomes that the department contributed to in 2024–25.

- a) Using the table below, please outline the five programs that delivered the most important outcomes in the community¹ achieved by the department in 2024–25, including:
- i. The name of the program
 - ii. The output(s) and portfolio(s) responsible for delivery of the program
 - iii. The program objectives
 - iv. The actual outcome achieved
 - v. The actions taken to deliver the actual outcome (i.e. the most important elements/essential parts that led the department to deliver the outcome).

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

- b) Using the table below, please outline the five least performing programs² that did not deliver their planned outcomes in the community by the department in 2024–25, including:
- i. The name of the program
 - ii. The output(s) and portfolio(s) responsible for delivery of the program
 - iii. The program objectives
 - iv. The actual outcome achieved
 - v. Explanation for not achieving the planned outcome (including a description of what actions were taken to try and achieve the planned outcome).

Question 3 (all departments) Treasurer’s Advances and other budget supplementation - Not applicable

- a) Please identify all output(s) and portfolio(s) (and relate them to departmental programs) for which the department received additional funding after the 2024–25 Budget.

For each output, please quantify the additional funding, indicate the source of the additional funding (e.g. Treasurer’s Advance, unused prior years appropriations under section 32 of the *Financial Management Act 1994* (Vic), supplementation through a Temporary Advance under section 35 of the FMA, or any possible sources of funding as listed in the Resource Management Framework (2024), (section 4)) and explain why additional funding was required after funding was allocated in the Budget. If the additional funding is a Treasurer’s Advance, please also explain either how and why it was ‘urgent and unforeseen’ as per the RMF (section 4.4), or whether it was a contingency release.

- b) Please provide the details of the outcomes achieved from each of these programs.

² Note programs in this question relate to programs delivering services, and do not signify the department’s five least performing performance measures.

Question 4 (all departments) Central contingencies - **Not applicable**

The Resource Management Framework (2024, Section 4.5, p. 90) provides guidance on how departments access funding from central contingencies.

Please provide information regarding funding received from central contingency in 2024–25, including: the output and portfolio or Government decision related to the funding, the amount of funding received, the amount of funding utilised, funding received through previous budgets for the same purpose and why funding from contingency was required.

Question 5 (all departments) Victoria's Housing Statement - **Not applicable**

For output and asset initiatives delivered in 2024–25 that contributed to the *Victorian Housing Statement: The decade ahead 2024–2034* please list:

- The name of the initiative
- The timeframe of the initiative
- The funding allocated to the initiative in 2024–25 (\$ million)
- The actual funding utilised in 2024–25 (\$ million)
- What impact the initiative had in 2024–25 on:
 - i. Housing affordability
 - ii. Victoria's planning system
 - iii. Housing supply
 - iv. The regulation of rental properties
 - v. Public housing supply
 - vi. Community housing supply
 - vii. Affordable housing supply

Please quantify these impacts where possible, for example the actual impact on housing supply and public, community and affordable housing supply.

Question 6 (Department of Health only) 2024–25 Budget funding allocation by output and performance - Not applicable

- a) Please provide a detailed breakdown of the actual amount spent in 2024–25 by output, for DH’s four largest outputs by budget. Please list what line items contribute to the output and an explanation for any variances of $\pm 5\%$ based on budgeted vs actuals by output.

- b) To gain an understanding of Victoria’s health care system and performance, please provide the data (both public and non-public) for the following variables, including an explanation for the increase or decrease compared to the previous year’s data.

Question 7 (Department of Families, Fairness and Housing only) Victorian Contribution to National Disability Insurance Scheme - Not applicable

- a) The 2024–25 Budget allocated \$3 billion in payments on behalf of the state to the National Disability Insurance Agency.³ In relation to outcomes achieved in 2024–25, please provide the following information on disability services and support in Victoria:

- b) Please outline the five most significant disability services/programs provided by the Victorian Government in 2024–25, including amount expended, funding source and outcomes achieved for people with disability.

³ Department of Treasury and Finance, *Budget Paper No. 5: 2024–25 Statement of Finances*, Melbourne, 2024, p. 95.

Section B: Asset investment

Question 8 (all departments) Capital expenditure variances, completion date and scope changes – existing projects - **Not applicable**

Please provide details of all capital asset programs where:

- a) there was a variance between TEI at announcement compared to the TEI as at 30 June 2025 of equal to or greater than $\pm 5\%$ and an explanation for the variance
- b) the estimated completion date at announcement is different to the completion date as at 30 June 2025 and an explanation for the change
- c) the scope of the project at announcement is different to the scope of the project as at 30 June 2025.

Question 9 (all departments) Details of actual capital expenditure – completed projects (or expected to be completed) - **Not applicable**

Please provide the following details about asset investment projects that were completed in 2024–25:

- a) Project name, project objectives and Department(s), Output(s) and Portfolio(s) and/or Agency/Agencies responsible for delivery of the project
- b) Total Estimated Investment (TEI) at announcement
- c) Details of TEI changes between announcement and completion date, including when TEI was changed and what it was changed to
- d) Actual cost of project
- e) Estimated completion date at announcement
- f) Actual completion date
- g) Explanations for any variance in capital expenditure and/or completion date.

Question 10 (all departments) High-value high-risk projects, gateway reviews and business cases - Not applicable

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

Please list all projects included in 2024–25 that were allocated to the department and were classified as HVHR and the project objectives. Please also specify which Gateway reviews, if any, were completed during 2024–25 and business case details for each project.

Question 11 (all departments) Public Private Partnership (PPP) expenditure – existing and completed - Not applicable

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

- a) The total estimated PPP investment value, the total actual expenditure from announcement to 30 June 2025, or the actual expenditure to 30 June 2025 and the benefits of using the PPP financing model when delivering/funding a project over other financing methods. Please provide specific benefits for each individual project.
- b) Where the estimated completion date at announcement is different to the completion date in the 2024–25 Budget, and an explanation for any variance.
- c) Where the scope of the PPP at announcement is different to the scope of the project as it is presented in the 2024–25 Budget.

Question 12 (DTP only) Alliance contracting expenditure – existing and completed - Not applicable

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

- a) The total estimated investment value, the total actual expenditure from announcement to 30 June 2025, or the actual expenditure to 30 June 2025 and the benefits of using the alliance contracting model when delivering/funding a project over other financing methods. Please provide specific benefits for each individual project.
- b) Where the estimated completion date at announcement is different to the completion date in the 2024–25 Budget and an explanation for any variance.
- c) Where the scope of the alliance contract at announcement is different to the scope of the project as it is presented in the 2024–25 Budget.

Section C: Revenue and appropriations

Question 13 (all departments and entities) Revenue – variances from previous year

Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million between the actual result for 2023–24 and the actual result for 2024–25 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any revenue reductions affected service delivery and then link it to the relevant output and portfolio.

Please also detail the outcomes in the community⁴ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no revenue/income categories for the department/agency for which the 2024–25 expenditure changed from the prior year’s expenditure by more than $\pm 10\%$ or \$100 million, you do not need to answer this question. If this is the case, please indicate ‘no relevant line items’ in the table(s) below.

Revenue category	2023–24 actual (\$ million)	2024–25 actual (\$ million)	Explanations for changes $\pm 10\%$ or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, how was this achieved	Relevant output(s) and portfolio(s)
Revenue from contracts with customers	1,140.5	1,218.6	Not applicable.	Not applicable.	Not applicable.
Other income	2.9	2.4	The decrease in interest revenue was primarily due to lower cash balance held in 2024-25 compared to the start of 2023-24. In 2023-24, excess cash was held to fund the capital repatriation payment.	Lower interest revenue was able to be offset against finance charges on borrowings.	Not applicable.

⁴That is, the impact of service delivery on the community rather than a description of the services delivered.

Question 14 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than ±10% or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2024–25 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any revenue reductions affected service delivery and then link it to the relevant output and portfolio.

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

Revenue category	2024–25 Budget estimate (\$ million)	2024–25 actual (\$ million)	Explanations for changes ±10% or \$100 million	How the additional revenue was used/the impact of reduced revenue. If no impact, explain why	Relevant output(s) and portfolio(s)
Revenue from contracts with customers	1,179.8	1,218.6	Not applicable.	Not applicable.	Not applicable.
Other income	2.4	2.4	Not applicable.	Not applicable.	Not applicable.

Section D: Expenses

Question 15 (all departments and entities) Expenses changed from previous year

Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million with regards to the actual result for 2023–24 and the actual result for 2024–25 for each category of expenses detailed in your operating statement. Please explain any changes equal to or greater than $\pm 10\%$ or \$100 million with regards to the actual result for 2024–25 and the 2024–25 budget estimate. Please also detail the outcomes in the community⁵ 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.

Expenses category	2023–24 actual \$ million	2024–25 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how this was achieved
Operating expenses	679.1	709.4	Not applicable.	Not applicable.
Employee benefits	80.1	83.0	Not applicable.	Not applicable.
Depreciation and amortisation	127.3	139.8	Not applicable.	Not applicable.
Finance costs	107.1	132.0	An increase in the weighted average coupon rate over South East Water's debt portfolio.	Higher finance charges reduced the net profit before tax.
Environmental contribution	43.5	44.3	Not applicable.	Not applicable.

⁵That is, the impact of service delivery on the community rather than a description of the services delivered.

Expenses category	2024–25 budget \$ million	2024–25 actual \$ million	Explanations for variances ±10% or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how this was achieved
Operating expenses	688.5	709.4	Not applicable.	Not applicable.
Employee benefits	79.4	83.0	Not applicable.	Not applicable.
Depreciation and amortisation	145.4	139.8	Not applicable.	Not applicable.
Finance costs	133.9	132.0	Not applicable.	Not applicable.
Environmental contribution	43.5	44.3	Not applicable.	Not applicable.

Question 16 (all departments, PFC, PNFC and entities) Changes to service delivery from savings initiatives

- a) For each of the savings initiatives detailed in the 2023–24 and 2024–25 Budgets please provide the following details of the impact on service delivery:
- Savings target in the 2023–24 and 2024–25 Budget and the amount of the savings target allocated to the department/entity.
 - Actual savings achieved in 2023–24 and 2024–25, the specific actions taken to achieve the savings target allocated, areas where savings were found and the impact of the measures taken to achieve the savings targets. Please include the link to the relevant output and portfolio impacted. Please be as specific as possible to your department or agency when providing your responses.

Savings initiative in the Budget	Savings target allocated to the department/entity in 2024–25 \$ million	Actual savings achieved in 2024–25 \$ million	Specific actions taken to achieve the allocated savings target	Areas where savings were found	What was the impact as a result of the measures taken to achieve the savings target? <i>(e.g. frontline and/or other areas of business that saw the impact)</i> If no impact, how was this achieved	Which output(s) and portfolio(s) were impacted (if relevant)
2024–25 Whole of Government savings and efficiencies	Not applicable.					
2023–24 Labor’s Financial Statement savings	Not applicable.					
2023–24 Whole of Government savings and efficiencies	Not applicable.					
COVID Debt Repayment Plan – savings and efficiencies	3.78	3.78	Reprioritisation of non-urgent capital projects.	Non-urgent capital projects	No major disruption to core business activities with projects reprioritised into a future period.	Not applicable.

- b) If any savings initiatives listed above were met in part by reducing Victorian Public Service (VPS) roles in 2024–25 please list:
- The applicable savings initiative and budget
 - The number of roles reduced in 2024–25 by actual FTE number
 - The actual savings achieved by reducing roles in 2024–25 (\$ million)
 - The number of roles reduced by each VPS/Executive classification by actual FTE number
 - The functions or roles impacted by the reduction

- The impact of role reductions on service delivery. If there was no impact, how this was achieved.

Savings initiative in the Budget	Number of roles reduced in 2024–25 (actual FTE)	Actual savings achieved in 2024–25 due to roles reduced \$ million	Number of roles reduced by VPS/Executive classification (actual FTE)	Functions or roles impacted by the reduction	Impact of role reductions on service delivery If no impact, how this was achieved
Not applicable.					

Question 17 (all departments) Achievement of reprioritisation of existing resources - Not applicable

The 2024–25 Budget included targets for ‘reprioritisations and revenue offsets’ to fund new initiatives (2024–25 Budget Paper No. 2, p. 60). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For the department (including all controlled entities),⁶ please indicate:

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

Question 18 (all departments) Contractors, Consultants and Labour Hire Arrangements - Not applicable

- a) Please indicate how much the department spent on contractors (including labour hire) and consultant arrangements during 2022–23, 2023–24 and 2024–25. Labour hire arrangements include the cost of engaging the labour recruiting firm, plus additional costs paid to the labour recruiting firm for the provision of the services of the contractor. Please also explain variances equal to or greater than $\pm 10\%$ between years and list the business areas impacted and how.

⁶ That is, please provide this information for the department on the same basis of consolidation as is used in the budget papers.

Question 19 (PNFC and PFC entities only) Dividends and other amounts paid to the general government sector

Please detail the type and value of dividends, amounts equivalent to dividends, non-dividend grants, and capital repatriations paid by your agency to the general government sector in 2024–25, explaining the reasons for any significant changes over that period and the impact of any changes on the entity.

Please provide the economic funding ratio or accounting funding ratio as applicable at 30 June 2025. Please provide details of the methodology used for the ratio calculation.

Type of dividend paid	2024–25 Budget (\$ million)	2024–25 Actual (\$ million)	Explanations for variances ±10% or \$100 million	Impact on the agency (including on financial position, investment, impacts on service delivery or infrastructure projects). If no impact, how this was achieved.	Funding ratio at 30 June 2025
Dividends	20.0	39.4	Due to higher than budget profit result for 2023-24 and 2024-25.	Level of borrowings and finance charges were impacted to pay dividend.	1.5

Economic funding ratio / accounting funding ratio as at 30 June 2025	Details of the methodology
1.5	Funding ratio = Total assets / Total liabilities

Section E: Overall financial performance

Question 20 (all departments) Impact of unforeseen events on financial performance – 2024–25 - **Not applicable**

Please outline and quantify, where possible, the impacts of unforeseen events over 2024–25 on the department/agency's financial performance.

Section F: Public sector workforce

Question 21 (all departments and entities) Full Time Equivalent (FTE) staff by level

- a) Please provide total FTE as of 30 June 2023, 30 June 2024, 30 June 2025 and provide explanation for more than $\pm 10\%$ change in FTE between years. In the explanations of variance please list what categories and role types/functions variances predominantly applied to.

30 June 2023 Actual FTE	30 June 2024 Actual FTE	30 June 2025 Actual FTE	Explanations of variance $\pm 10\%$ between 30 June 2023 and 30 June 2024 (including categories and role types/functions)	Explanations of variance $\pm 10\%$ between 30 June 2024 and 30 June 2025 (including categories and role types/functions)
791.0	837.4	953.3	Not applicable.	The increase in FTE this year reflects strategic growth across key areas of the business, including the establishment of new roles within Cybersecurity, the creation of an enterprise-wide Transformation Management Office, and the expansion of the Call Centre team to enhance customer service delivery.

- b) For 2024–25, please provide information regarding any staffing challenges faced by the department, including but not limited to: staff shortages by category or position name, positions that were hard to staff, positions that were vacant for 6+ months, positions that have not equalled or surpassed attrition.

South East Water (SEW) continues to navigate a competitive talent landscape, particularly in the technology and digital domains. Cybersecurity and other specialist technology roles remain among the most difficult to fill, with market conditions favouring candidates through high-paying contract opportunities and permanent roles offering significantly higher remuneration.

Salary expectations for IT and digital professionals are frequently 25–35 per cent above SEW’s current salary bands, presenting ongoing challenges in attracting and securing talent within budget constraints. Despite these pressures, SEW maintains a strong Employee Value Proposition, which plays a critical

role in attracting preferred candidates. Flexible and hybrid work arrangements are consistently cited by candidates as a key factor in their decision to join SEW. These offerings continue to differentiate SEW in the market and support successful recruitment outcomes across multiple disciplines.

The increase in FTE this year reflects strategic growth across key areas of the business, including the establishment of new roles within Cybersecurity, the creation of an enterprise-wide Transformation Management Office, and the expansion of the Call Centre team to enhance customer service delivery.

Question 22 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2022–23, 2023–24 and 2024–25, broken down by ongoing, fixed-term and casual, and explain any variances equal to or greater than ±10% or \$100 million between the years for each category.

Employment category	Gross salary 2022–23 (\$ million)	Gross salary 2023–24 (\$ million)	Gross salary 2024–25 (\$ million)	Explanation for any year-on-year variances ±10% or \$100 million
Ongoing	86.0	99.1	107.8	Enterprise Agreement 3% increase to 07/09/2023, EA Lump Sum payments (Top of Band, Patience in Bargaining, One-off Lump sum payment) – Total for ongoing and Fixed-Term \$4.4 million
Fixed-term	4.1	5.5	5.7	Enterprise Agreement 3% increase to 07/09/2023, EA Lump Sum payments (Top of Band, Patience in Bargaining, One-off Lump sum payment) – Total for ongoing and Fixed-Term \$4.4 million
Casual	0.0	0.0	0.0	
Total	90.1	104.6	113.5	

Question 23 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2024–25, 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 2024–25, apart from increases outlined in employment agreements			Reasons for these increases
	Female	Male	Self-described	
0-3%	1	3		Board approved increase in line with VPSC tier.
3-5%	1	1		Board approved increase in line with VPSC tier.
5-10%	2			Board approved increase in line with VPSC tier.
10-15%				
greater than 15%	1			Board approved increase in line with VPSC tier.

Question 24 (all departments and entities) Enterprise Bargaining Agreement (EBAs)

Please list the Enterprise Bargaining Agreements (EBAs) concluded in 2024–25 that had an impact for the department/agency. For each EBA, please show the number of employees affected and the change in employee expenses attributable to the EBA.

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Change in employee expenses attributable to the EBA (\$ million)	Change in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
Not applicable.				

Section G: Government decisions impacting on finances

Question 25 (all departments and entities) Commonwealth Government and National Cabinet decisions

Please identify any Commonwealth Government and National Cabinet decisions during 2024–25 which had not been anticipated/not been concluded before the finalisation of the State Budget in 2024–25 and their impact(s) on the department’s/entity’s finances or activities during those years (including new funding agreements, discontinued agreements and changes to funding levels). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact(s) in 2024–25	
	on income (\$ million)	on expenses (\$ million)
Not applicable.		
National Cabinet decision	Impact(s) in 2024–25	
	on income (\$ million)	on expenses (\$ million)
Not applicable.		

Section H: General

Question 26 (all departments and entities) Reviews/studies/evaluations undertaken

- a) Please list all internal⁷ and external reviews/studies/evaluations, established, commenced or completed by or on behalf of the department/agency in 2024–25 and provide the following information:
- i. Name of the review/study/evaluation and which portfolio and output/agency is responsible
 - ii. Reasons for the review/study/evaluation
 - iii. Terms of reference/scope of the review/study/evaluation
 - iv. Anticipated/actual duration of review/study/evaluation and completion date
 - v. Anticipated findings and outcomes of the review/study/evaluation
 - vi. Estimated cost of the review/study/evaluation and final cost (if completed)
 - vii. Where completed, whether the review/study/evaluation is publicly available and where. If no, please provide an executive summary and please explain why the full document is not publicly available.

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/evaluation	Terms of reference/scope	Anticipated/actual duration and completion date	Anticipated findings and outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL If no, provide executive summary and explain why not available.
Regulatory audit <i>(conducted by independent auditor)</i>	Annual audit by the Essential Services Commission (ESC).	Verification of key performance information and compliance with the Water Industry Standard.	Audit completed over two weeks, final report dated 20 September 2024.	<ul style="list-style-type: none"> • Assessment on the accuracy and reliability of performance data. • Assessment of compliance with specific regulatory obligations. 	\$29,005	\$29,005	No. Audit conducted under tripartite deed with the ESC. Report provided by auditor to ESC. The executive summary is provided as Addendum A.

⁷ Internal reviews do not include internal costings. Internal reviews/evaluations include any reviews or evaluations undertaken by your department and not given to external consultants. Internal reviews/evaluations do not include inquiries carried out by Parliamentary Committees or reviews undertaken by integrity agencies.

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/evaluation	Terms of reference/scope	Anticipated/actual duration and completion date	Anticipated findings and outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL If no, provide executive summary and explain why not available.
Enforceable Undertaking <i>(conducted by Moore Australia)</i>	Commitment to appoint a suitably qualified third party to review compliance with the action plan.	Prepare a report which identifies whether South East Water has implemented the Action Plan, and the adequacy of that implementation.	Audit completed over six weeks, final report dated 30 August 2024.	Assessment of whether South East Water have implemented the Action Plan. Recommendations to strengthen Implementation.	\$14,960	\$14,960	No. Report provided to the Essential Services Commission (ESC), as required in our Enforceable Undertaking to the ESC. The executive summary is provided as Addendum B.
Suburban Rail Loop (SRL) Alternative Water Supply Options for SRL East Precincts <i>(Conducted by GHD)</i>	Develop Water Balance and Integrated Water Management (IWM) opportunities for the SRL east precincts.	<ul style="list-style-type: none"> • Develop alternative water supply servicing options (demand and supply). • Define and document the base case water supply servicing option for each precinct. • Consideration of each precinct's 	Audit completed across 12-month timeframe. Completed on 6 June 2025.	High level analysis of water balance, the purpose of which is to identify opportunities to utilise Integrated Water Management to enhance liveability and resilience of SRL East precincts.	SEW contribution: \$44,015 Total (YVW, DEECA, MW and SEW) = \$176,059	SEW contribution: \$44,015 Total (YVW, DEECA, MW and SEW) = \$176,059	No. The Introduction to the report is provided as Addendum C.

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/evaluation	Terms of reference/scope	Anticipated/actual duration and completion date	Anticipated findings and outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL If no, provide executive summary and explain why not available.
<p>Management systems audit</p> <p><i>(conducted by Assured Health & Safety, Isle Utilities, Water Futures, Intertek SAI Global, BSI Group)</i></p>	<p>Provide independent advice and assessment of our management systems (safety, environment, asset management and product and service quality) and assurance over how we achieve our organisational objectives.</p>	<p>logical surrounds.</p> <p>Internal audit guidance strategy</p> <p>Auditing procedure</p> <p>Management Systems Standards requirement</p> <p>Audit scopes</p>	<p>Internal audits completed in February and May 2025; external certification audits completed in June 2025 with final reports dated July 2025.</p>	<p>Provide a framework for the establishment, maintenance and continuous improvement of internal quality processes</p> <p>Obtain or maintain certifications for relevant management systems.</p>	<p>\$133,000</p>	<p>\$133,840</p>	<p>N</p> <p>Multiple internal and external audits reports were completed of management systems for Safety, Environment, Asset Management, and Product and Service Quality. All reports found the systems were compliant. Further information can be provided upon request.</p>

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

Large pieces of work, such as the ESC Price Review require the creation of a dedicated team of multiple staff drawn from across the organisation, working over a period of months, to complete them. Smaller reports can be carried out in-house through the responsible team, with assistance from the communications team. Outside consultants are engaged on an as needs basis and are often used for in-house reviews.

Question 27 (all departments and water corporations [question 27(c) only]) Climate change

- a) Under FRD 24 Reporting of environmental data by government entities, Victorian Government organisations must report their greenhouse gas emissions and other environmental impacts. Please list the department/entity’s internal targets for reducing greenhouse gas emissions in 2024–25 and the department/entity’s performance against these internal targets.
Not applicable

- b) Please outline and quantify where possible the department’s actions in 2024–25 that have contributed to the Whole of Victorian Government emissions reduction pledge.
Not applicable

- c) **[Water corporations only]** Victoria’s water corporations have targets related to greenhouse gas emissions and renewable electricity under the *Statement of obligations (Emissions reduction)*.⁸ For each individual water corporation please list applicable targets from the statement of obligations and progress toward or performance against the target as at 30 June 2025.

Applicable target	Progress toward or performance against target as at 30 June 2025
23,016 tonnes CO ₂ -e for 2024-25 (45% reduction from baseline)	13,454.49 tonnes CO ₂ -e (9,561.51 tonnes CO ₂ -e ahead of target)

⁸ https://www.water.vic.gov.au/__data/assets/pdf_file/0029/668306/statement-of-obligations-emission-reduction-2022.pdf

Question 30 (all departments and entities) Challenges experienced by department/agency

Please list a minimum of three main challenges/risks faced by the department/agency in 2024–25.

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

	Challenge experienced	Internal/ External	Causes of the challenge	Action taken to manage the challenge/risk
1.	Population growth and increasing urbanisation	External	As our population grows, we'll build more water and sewer pipes to connect new homes and upgrade our network assets to support growth in established areas. There will also be increased demand for drinking water and wastewater treatment services, as well as emerging opportunities to increase recycled water supplies.	<ul style="list-style-type: none"> • Capital expenditure of \$329.3 million to support growing population and for renewal to water and sewerage infrastructure network. • Investing \$2.1 billion between 2023 and 2028 in capital projects that will support population growth. These include: <ul style="list-style-type: none"> ○ Longwarry and Lang Lang water recycling plants – upgrading main treatment processes and increasing Class A recycling water capacity. ○ Expanding sewerage infrastructure at South Melbourne and Fishermans Bend (water recycling plant). ○ Turning wastewater into Class A recycled water for non-drinking purposes at Aquarevo Water Recycling Plant. ○ Building Blind Bight 'Class C' recycled water pipeline and water recycling plant. ○ Construction of Dingley Recycled Water Scheme to deliver 1.8 gigalitres of recycled water annually to 46 sites across Bayside, Kingston, Greater Dandenong and Monash. ○ Securing reliable Class A recycled water supply and wastewater treatment for the Mornington Peninsula with a major project at Mount Martha Water Recycling Plant to increase capacity.
2.	Climate change	External	Unpredictable and unreliable weather, including changing rainfall patterns and extreme weather events, pose significant challenges around water availability and quality.	<ul style="list-style-type: none"> • Climate change risk is managed and monitored through the Climate Adaption Action Plan, outlining our climate risks and governance framework for managing these risks, as well as outlining key stakeholders, goals and metrics across South East Water Corporation and its controlled entity (the Group). • The Climate Adaption Action Plan embeds climate resilience in the way we design and operate assets, deliver our services, and continue adapting and mitigating to climate change by implementing controls to manage key risks. • Reducing greenhouse gas emissions through our Emissions Reduction Pledge.

				<ul style="list-style-type: none"> • Reducing scope 1 emissions from our operations including direct emissions monitoring program. • Reducing scope 2 emissions, securing additional investment in renewable energy and power purchase agreements, enabling use of 100% renewable electricity from 1 July 2025. • Embedding climate change considerations into business-as-usual practices to ensure that climate risk management is fundamental to our asset planning and management processes. • Investment in capital projects to address issues around water availability including: <ul style="list-style-type: none"> ○ Upgrading Boneo Water Recycling Plant’s existing wastewater lagoon to an emergency storage lagoon to boost capacity and manage increased flows during extreme weather events. ○ Progressed key integrated water management projects in Aquarevo Water Recycling Plant and Dingley, Monterey and Western Port Recycled Water Schemes which will deliver climate resilient water across parts of the community.
3.	Cost pressures	External	The rising cost of living is putting pressure on households. We’re observing an increasing number of customers who are falling behind on paying their bills on time, and we’re actively engaging with them to offer support.	<ul style="list-style-type: none"> • Increasing support and finding new ways to identify, reach and support customers who needed our help including: <ul style="list-style-type: none"> ○ Providing financial support to almost 22,500 customers with flexible payment plans, payment extensions, debt waivers, utility relief grant applications, high usage negotiations, plumbing support. ○ Attending seven community ‘Bring Your Bill’ days and other events focussed on customers experiencing hardship with English as a second language. ○ Launching local area marketing and community engagement campaign targeting Cranbourne residents, a district with the highest levels of debt across our service area.
4.	Cyber security and data privacy	Internal / External	Customers and stakeholders increasingly need stronger protection from privacy breaches and cyber-attacks. Rapid advancements in	<ul style="list-style-type: none"> • Investing in improved detection, tighter controls, and employee training and education to better protect customer and organisational data around cyber security. • Aligning to the National Institute of Standards and Technology (NIST) Cyber Security Framework.

			technologies and artificial intelligence offer both opportunities and risks that we'll need to assess.	
5.	Changing customer expectations	External	Customer expectations are constantly evolving. Customers increasingly expect to be able to view their usage data in near-real time. They also expect organisations to be active in the community and to be actively involved in big-picture issues, like climate action	<ul style="list-style-type: none"> • Digital meter rollout with 155,000 exchanges of mechanical meters to digital metres by June 2025. • Granting almost \$130,000 to 20 community groups across Melbourne's south east through the 2025 Community Grants program. Now in its sixth year, the program has granted over \$600,000 to 94 community groups. Community Groups included food relief charities, Aboriginal-led social enterprise, sports clubs, lifesaving clubs and schools. • Engaging with customers, community and stakeholders and shape services to reflect their voices in South East Water's planning and decision making. • Gathering insights through surveys, forums, focus groups, interviews, social media, and the Customer and Community Advisory Council and community strategy. • Attending local events in Melbourne's south-east and Mornington Peninsula to listen, connect and support customers and community including 48 community events with Hydration Station program. • Supporting WaterAid through Walk for Water to raise funds for water projects abroad. • Sponsorship of One Voice shower truck, providing showers to community members experiencing vulnerability. • Supporting Aboriginal self-determination through two partnerships with Aboriginal Gathering places, working alongside Aboriginal organisations in service area to support Aboriginal community wellbeing and improving social outcomes. • Streamlining the procurement approach for Aboriginal businesses to make it easier and faster for them to do business with South East Water.

Question 31 (all departments) Lapsed or abolished bodies - Not applicable

Please list all existing bodies (authorities, offices, commissions, boards and/or councils) within the department that either lapsed or were abolished in 2024–25 and provide the following information:

- Date body lapsed/abolished
- Reason for closure of the body
- How much money is expected to be saved (if any) by the organisation's abolition
- How many staff (FTE) are expected to impacted by the organisation's closure

Question 32 (all departments) Newly created bodies - Not applicable

Please list all newly created bodies (authorities, offices, commissions, boards and/or councils) created within the department in 2024–25 and provide the following information:

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

Section I: Implementation of previous recommendations

Question 33 (relevant departments only) - **Not applicable**

- a) Please provide an update on the status of the implementation of each of the recommendations that were made by the Committee in its *Report on the 2023–24 Financial and Performance Outcomes* and supported and supported-in-principle by the Government.

- b) Please provide an update on the status of the implementation of each of the recommendations that were made by the Committee in its *Report on the 2021–22 and 2022–23 Financial and Performance Outcomes* supported and supported-in-principle by the Government.

Section J: Department of Treasury and Finance only

Question 34 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS) - **Not applicable**

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

Regarding the 'net cash flows from investments in financial assets for policy purposes' in the GGS cash flow statement for 2024–25, please provide:

- a) the top five projects that contributed to the variance recorded in each year
- b) the initial budget estimate (not the revised estimate) for net cash flow in 2024–25 (source: 2024–25 BP5 p. 9) and the actual net cash flow in 2024–25
- c) an explanation for variances between budget estimate and actual net cash flow.

Question 35 (DTF only) Purchases of non-financial assets – General Government Sector (GGS) - **Not applicable**

Regarding the 'purchases of non-financial assets' by the GGS in 2024–25 (source: 2024–25 BP 5, pg. 30), please compare the initial budget estimate for each department to the actual value of 'purchases of non-financial assets' for each department, explaining any variances equal to or greater than $\pm 10\%$ or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio. For variance greater than $\pm 10\%$ or \$100 million, please provide a breakdown of the non-financial asset purchased.

Question 36 (DTF only) Revenue initiatives - **Not applicable**

Regarding the revenue initiatives announced in the 2024–25 Budget, please provide an explanation for the variances equal to or greater than $\pm 10\%$ or \$100 million between budget estimates and the actual results.

Question 37 (DTF only) Expenses by departments – General Government Sector (GGS) - Not applicable

Regarding expenses of the GGS in 2024–25 (source: 2024–25 BP5, p. 28), please compare the initial budget estimates (not the revised estimate) for each department to the actual expenses for each department, explaining any variances equal to or greater than $\pm 10\%$ or \$100 million (please fill all blank spaces) and then link it to the relevant output and portfolio.

Question 38 (DTF only) Economic variables - Not applicable

Please indicate the estimated and actual result for the following economic variables. For the estimate, please use the initial estimate used in preparing the 2024–25 budget papers. For any variance equal to or greater than ± 0.5 percentage points, please provide an explanation for the variance. Please fill all blank spaces.

ADDENDUM

Question 26 (all departments and entities) Reviews/studies/evaluations undertaken

Addendum A. Regulatory audit

Executive summary

The Essential Services Commission's (ESC) audit scope for 2025 includes the audit of the 2024–25 performance indicator data and the audit of a number of obligations established in the Water Industry Standards.

Part A: Performance information

On the basis of our audit work, we are generally satisfied that the 2024–25 regulatory return submitted by South East Water (SEW) to the ESC is compliant with the information requirements.

Throughout our report, we have highlighted any instances where SEW has not fully met the ESC's information requirements. We have also identified cases where the ESC's definitions required interpretation or assumptions by SEW in order to complete the return. These instances have been documented, along with any reconciliation steps taken during the audit.

Confidence grades have been assigned to each line of data submitted to the ESC. These grades reflect the reliability of the systems and processes used to generate the data, the extent of estimation or extrapolation, and the results of our audit testing. Our assessments were informed by walkthroughs with SEW staff, reviews of source data and reporting logic, and evaluations of the systems and controls supporting the reported information.

SEW staff demonstrated a strong understanding of the policies, procedures, and systems underpinning the performance information. Staff were cooperative and transparent throughout the audit process and were able to clearly explain the methodologies used for each indicator. SEW's reporting is supported by a suite of established systems, including Hi-Affinity (billing), GWater (GIS), Montage (work management), Salesforce (CRM), and the Insight reporting platform (reporting).

However, during the audit we observed that the K004 Insight Report – used for indicator reporting to the ESC – contains two distinct outputs: Reported Value and Current Value. For most indicator groups, the Current Value figures extracted on 12 August 2025 were taken as the source of truth and generally aligned with the figures reported to the ESC. Current Value figures reflect the most up-to-date data available at the time of audit, incorporating any subsequent corrections, system changes, or methodology updates. In some cases, this resulted in discrepancies between the audited figures and those originally reported. While SEW was able to explain these differences, it is important that the Current Value output is used for audit purposes and that all staff are aware of the difference.

We also note that for some indicators, such as REW 9, it was not possible to fully drill down and validate the source data due to reporting system limitations. In these cases, confidence grades were adjusted to reflect the reduced auditability.

Finally, while most indicators are now reported directly from core systems, some still rely on manual spreadsheets for final calculations or reconciliation. These spreadsheets are generally well-structured and documented, but they introduce a higher risk of transcription errors and reduce audit transparency. This was particularly evident for volumetric

indicators such as BED 10 and CRR 1. We recommend that SEW continue to reduce its reliance on manual spreadsheets and prioritise direct reporting from core systems wherever possible.

Part B: Water Industry Standard obligations

As per the ESC's Water Industry Regulatory Audits – 2025 Audit Scope, we have audited the obligations established in the Water Industry Standard – Urban Customer Service relating to:

- Schedule of charges (clause 2.2)
- Family violence assistance (clause 11.1)
- Family violence policy (clause 11.2)
- Communication assistance (clause 13.6)
- Unplanned interruptions (clause 18.3)
- Planned interruptions (clause 18.4)
- Provision of charter or summary (clause 24.3)
- Obligation to report non-compliance to the Essential Services Commission (clause 25).

Our audit has assessed the compliance of SEW with these obligations by reviewing the policies, practices, systems and procedures that SEW had in place at the time of our audit in August 2025.

We have carried out our audit of the Water Industry Standards obligations with regard to the generic and specific compliance issues that were defined by the ESC in its Water Industry Regulatory Audits – 2025 Audit Scope.

We have assessed SEW's compliance with the Water Industry Standards obligations by using the standard compliance grades as outlined in Section 5 of the ESC's 2005 Guidelines for Approving, Conducting and Reporting Audits for Victorian Water Businesses.

Addendum B. Enforceable Undertaking

EXECUTIVE SUMMARY

Background

Following an investigation that commenced in 2022, and the acceptance by the Essential Services Commission of an Enforceable Undertaking in June 2023, South East Water (SEW) has developed and is implementing an Action Plan to address concerns identified with its compliance with obligations regarding:

- the adequacy of information available to customers experiencing family violence in its policy and on its website.
- the handling of information relating to customers experiencing family violence.
- South East Water’s ability to detect non-compliance with its domestic and family violence policy.

Objective of this Internal Audit

SEW has requested Moore Australia to provide an independent review of action implementation status per the documented Enforceable Undertaking Improvement Action Plan. The objective is as follows:

- Provide a review of SEW’s implementation of the Action Plan as outlined in Section 2.
- Provide a report that identifies whether SEW has implemented the Action Plan and the adequacy of that implementation.

Summary of Implementation Status

A checklist was utilised and completed for each requirement under the Enforceable Undertaking Action Plan to consider SEW’s level of implementation. Details of the checklist and our comments are included in Section 2 (Enforceable Undertaking Action Plan).

Status of Implementation	No.	%
Implemented	20	100%
Partially Implemented	0	0%
Not Implemented	0	0%
Total	20	100%

Definition of Compliance Status

In completing the checklist, the evidence provided to consider whether the requirements under the Enforceable Undertaking Action Plan were 'Implemented', 'Partially Implemented' and 'Not Implemented' as described below:

- **Implemented:** SEW has met all the elements of the specific requirements.
- **Partially Implemented:** An attribute, condition, action or omission had been identified that was not fully implemented as required in the Action Plan.
- **Not Implemented:** An attribute, condition, action or omission had been identified that was not implemented as required in the Action Plan.

Limitation of scope

Our work is limited by the following:

- We will be working to your direction and assessment based on documentation provided.
- SEW retains accountability for direction, oversight, review and acceptance of all deliverables produced.

We will report our factual findings on the scope to you by way of report. Our report is for your purposes only and not for publication, quoting or reliance by any other party. Our work is limited in scope and is not an audit or other assurance engagement in accordance with Auditing Standard. At this stage we are not aware of any other limitations of scope.

The provision of services is an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standard Board, and consequently no opinions or conclusions are intended to convey assurance either expressed or implied. We will provide the quality of services to be at a standard expected of internal auditors providing similar professional services.

Our Professional Services cannot be relied upon to discover/disclose irregularities, including fraud and other illegal acts, errors or misstatements that may exist.



Addendum C. Suburban Rail Loop (SRL) Alternative Water Supply Options for SRL East Precincts

1. Introduction

1.1 Suburban Rail Loop

Victoria's Suburban Rail Loop (SRL) is a major transport and urban planning project. Based on existing information available the project will link all major train services from the Frankston Line to the Werribee Line via Melbourne Airport (Figure 2). This will reduce travel times and provide cross city connections through a dedicated rail loop. SRL East consists of six suburban station precincts with underground stations located in Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill. Construction of SRL East commenced in 2022 with detailed precinct planning underway for the station precincts¹.

Delivery of SRL as an integrated transport and planning project that will help guide the development of Melbourne into the 2056 with the establishment of station precincts and larger planning areas for each precinct. The concentrated commercial areas immediately adjacent to the new stations, will include taller apartment and office buildings with more townhouses and mid-rise apartments alongside existing homes within walking distance of the stations. The intent is to provide more housing close to transport, jobs, and services that provides more affordable housing choices and reduce outer suburban sprawl for greater Melbourne.

The suburban rail loop project is part of the Victorian Government's Big Build investment in state owned infrastructure. The ambitious project will construct a suburban rail loop that stretches from the southern suburbs at Cheltenham joining with the existing network at Werribee. The Suburban Rail Loop Authority (SRLA) is responsible for planning and delivering the SRL. This project is focusing on the SRL East which is the redevelopment of six suburban stations, stabling facilities and rail loop. The extensive redevelopment of the SRLA precincts includes densification of the area and increased population projections that will place increased demand on potable water supply, open space, traffic and movement corridors.

As part of the planning process, an Environmental Effects Statement has been completed along with strategic planning for the precincts, stabling facilities and rail loop. Strategic planning has included the development of visions for each of the SRLA. Structure Plans for SRL East Precincts will set out a shared vision and provide a framework for how areas around the new stations will grow and change over time while protecting and preserving the features people love about them now. The plans will guide change in each precinct over decades by defining the preferred outcomes important to the local area. These might include future land use, buildings, and additional infrastructure, open space, car parking and the future street network, among others. After consultation with local councils, the structure planning boundaries for the areas around the six new SRL East stations are now confirmed. Planning Scheme Amendments (PSAs) will be required to implement structure plans into the planning schemes of the cities of Bayside, Kingston, Monash and Whitehorse.

1.2 This project

GHD has been engaged by Yarra Valley Water (YVW) on behalf of South East Water (SEW), Melbourne Water (MW) and the Department of Energy, Environment and Climate Action (DEECA) as representatives for the Eastern Alternative Water Scheme (EAWs) which is investigating alternative water supply to SRL East precincts. YVW precincts include Box Hill, Burwood, Glen Waverley and Monash, SEW precincts include Clayton and Cheltenham. EAWs partners have been actively engaged and collaborated in reviewing the objectives, assumptions, urban form and development of options over the 12-month delivery timeframe.

The creation of the SRL project and the redevelopment of the precincts surrounding the suburban rail stations offers a rare opportunity to demonstrate the value of Integrated Water Management (IWM) in positioning redevelopment areas as more liveable and resilient. This can be achieved by identifying opportunities that can contribute to the strategic outcomes that the Metro IWM Forums aim to deliver through IWM (Figure 1) for the strategic outcomes.

¹ Victoria's Big Build SRL East precincts <https://bigbuild.vic.gov.au/projects/suburban-rail-loop/srl-east>

Implementation of IWM forum outcomes is critical to reducing the impacts of climate change on existing urban areas, reducing the reliance on potable water supply for non-potable uses and achieving social, environmental and infrastructure outcomes for the suburban area. Two of the stations, Cheltenham and Clayton are located less than 5 km from South East Waters Dingley Recycled Water Scheme which is being developed to supply recycled water from the Eastern Treatment Plant for large scale supply of recycled water for irrigation.



Figure 1 The seven strategic outcomes that the Metro Melbourne IWM Forum partners aim to achieve through IWM

Over the coming decades, urban communities will need to adapt to the changing climate through better planning to support resilient communities and buildings. Use of green infrastructure plays an important role in mitigation of urban heat island impacts, improves aesthetics and mental health and well-being. Use of alternative water for maintenance of green infrastructure will be critical to meet the desired visions and outcomes for SRLA precincts. This has been acknowledged by the SRLA by embracing IWM as an objective of 'empowering sustainability' theme which is one of the five themes that underpin SRL East structure planning. Specifically, this objective aims at embedding IWM in the Structure Plan Area of each SRL East precinct.

This study will provide a non-potable water balance analysis for the six eastern SRL stations precincts for the purpose of identifying alternative water supply options to contribute to the visions set out in each of the station Precinct Plans, particularly the objective that aims to embed IWM. Options could include variations on 'connected/centralised' or 'decentralised' recycled water supply. For example, the connection of the stations to ETP via a Dingley extension, or new sewer mining plant at one (or more) of the stations. Supply of stormwater is also an option to explore, again, likely a 'centralised' or 'decentralised' approach.

The water balance analysis will include a water supply and demand balance for the precincts to inform this centralised/external connection versus decentralised/independent approach. It will inform whether the precincts have sufficient alternative water that can be mined/harvested and reused to create a self-sufficient precinct, or if external water sources are required to meet the demands, and/or to meet the required reliability of supply. This will also relate to the space available at the precincts for alternative water supply infrastructure. The water balance analysis will also help inform alternative approaches to servicing the precincts through the existing potable and wastewater networks. Although not a focus of this work, it should provide information to stakeholders to investigate further if not already completed.

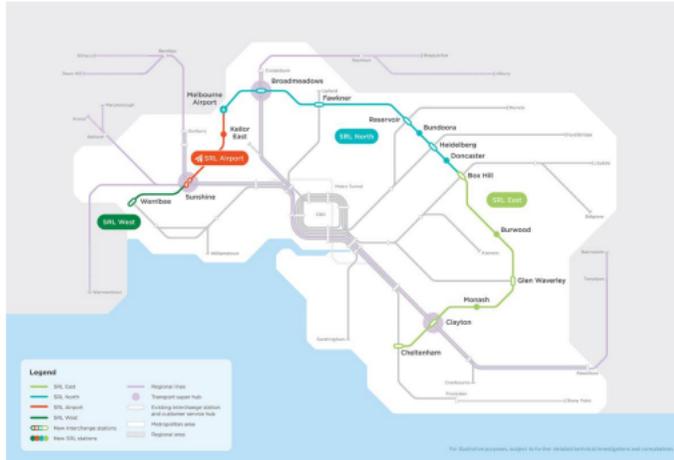


Figure 2 Suburban Rail Loop Map (source <https://bigbuild.vic.gov.au/projects/suburban-rail-loop>)

Purpose of this report

The purpose of this report is to define and assess the alternatives to conventional potable water supply servicing options for the six SRL East precincts. The project will review alternative water servicing options, their economic feasibility in support of station precinct visions and the desired outcomes and targets defined by the IWM forums.

The project will:

- Define an urban form for each of the six SRL precincts to support the assessment of potable and non-potable water use

Develop alternative water supply servicing options (demand and supply) for the six precincts to meet the vision of the SRLA, particularly ‘empowering sustainability’ theme of the vision and options that reduce impacts on local waterways through volumetric stormwater reductions

- Define and document the base case water supply servicing option using a high-level water balance assessment of the base case and options for each precinct. Conduct a high-level economic assessment to inform the preferred alternative water servicing options
- Consideration of each precincts logical surrounds to more completely define demand and supply opportunities for the alternative water servicing options. This will include the Dingley Recycled Water Scheme, areas outside of the precinct planning boundaries which provide a demand opportunity for alternative water use or supply such as through stormwater harvesting schemes

1.3 Scope and limitations

This report has been prepared by GHD for Clients - Yarra Valley Water, South East Water, Melbourne Water, Department of Energy, Environment and Climate Action and may only be used and relied on by Clients - Yarra Valley Water, South East Water, Melbourne Water, Department of Energy, Environment and Climate Action for the purpose agreed between GHD and

Clients - Yarra Valley Water, South East Water, Melbourne Water, Department of Energy, Environment and Climate Action as set out in section 1 of this report.

GHD otherwise disclaims responsibility to any person other than Clients - Yarra Valley Water, South East Water, Melbourne Water, Department of Energy, Environment and Climate Action arising in connection with this report. GHD also excludes implied warranties and conditions, to the extent legally permissible.

The services undertaken by GHD in connection with preparing this report were limited to those specifically detailed in the report and are subject to the scope limitations set out in the report.

The opinions, conclusions and any recommendations in this report are based on conditions encountered and information reviewed at the date of preparation of the report. GHD has no responsibility or obligation to update this report to account for events or changes occurring subsequent to the date that the report was prepared.

The opinions, conclusions and any recommendations in this report are based on assumptions made by GHD described in this report GHD disclaims liability arising from any of the assumptions being incorrect.

Implementation of this project draws on the publicly available information published by SRLA available on Victoria’s Big Build website² and the now closed SRL East website. Spatial data used to support the analysis has been developed by GHD through digitizing of publicly available source documentation.

GHD has prepared the preliminary relative cost estimates set out in section 5.4, 6, 7 of this report (“Cost Estimate”) using information reasonably available to the GHD employee(s) who prepared this report; and based on assumptions and judgments made by GHD.

The Cost Estimate has been prepared for the purpose of initial water balance and cost assessment for strategic planning purposes and must not be used for any other purpose.

The Cost Estimate is a preliminary estimate only. Actual prices, costs and other variables may be different to those used to prepare the Cost Estimate and may change. Unless as otherwise specified in this report, no detailed quotation has been obtained for actions identified in this report. GHD does not represent, warrant or guarantee that the [works/project] can or will be undertaken at a cost which is the same or less than the Cost Estimate.

Where estimates of potential costs are provided with an indicated level of confidence, notwithstanding the conservatism of the level of confidence selected as the planning level, there remains a chance that the cost will be greater than the planning estimate, and any funding would not be adequate. The confidence level considered to be most appropriate for planning purposes will vary depending on the conservatism of the user and the nature of the project. The user should therefore select appropriate confidence levels to suit their particular risk profile.

1.4 Assumptions

Background information including precinct structure, mapping, visions has been sourced through and is reliant on the publicly available information on SRL East precincts via Victoria’s Big Build website. All spatial assessments conducted in this project have been based on GHD digitising the publicly available information. Over the course of the investigation information has been progressively released by SRLA and has been incorporated where possible into project material.

Travel zone 2041 population data within the precinct boundary was provided to partners by SRLA. All other population and land use information was accessed prior to the release of the structure plans and other documentation on 3 March 2025.

SRLA provided 2056 population data has for the purposes of this investigation referred to 2056.

Note that the scope has not considered the draft PSA and SP released in March 2025 due to project timing constraints.

Assumptions and exclusions are provided throughout the text where relevant.