



# PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee

# 2024–25 Financial and Performance Outcomes Questionnaire

Barwon Region 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 community<sup>1</sup> 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).

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<sup>1</sup> '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 programs<sup>2</sup> 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.

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<sup>2</sup> 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.<sup>3</sup> 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.

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<sup>3</sup> 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 community<sup>4</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no revenue/income categories for the department/agency for which the 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)
Service, usage and trade waste charges	230.6	247.2	Not applicable	Not applicable	Not applicable
Government grants and contributions	1.6	1.9	Not a material movement. Additional funding provided in 2024-25 for projects.	Level of works undertaken were in line with the funding granted.	Not applicable
Developer contributions	50.7	78.1	Higher amount of Gifted Assets recognised in 2024-25, primarily as a result of updating the Unit Cost Matrix.	Item is non-cash and therefore the impact is restricted to an increase in surplus.	Not applicable

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

Other income	8.5	16.3	Increase generally attributable to increase in external sales from subsidiary, and sale of renewable energy certificates.	Additional revenue was used to fund other general activities. Funding was not directed towards a specific project.	Not applicable
Interest income	0.5	0.4	Not a material movement	No material impact	Not applicable
Rental income	0.9	0.8	Not a material movement	No material impact	Not applicable

### 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)
Service, usage and trade waste charges	240.5	247.2	Not applicable	Not applicable	Not applicable
Government grants and contributions	1.3	1.9	Not a material movement. Additional funding provided in 2024-25 for projects.	Level of works undertaken were in line with the funding granted.	Not applicable
Developer contributions	33.0	78.1	Higher amount of Gifted Assets recognised in 2024-25, primarily as a result of updating the Unit Cost Matrix.	Item is non-cash and therefore the impact is restricted to an increase in surplus.	Not applicable
Other income	13.6	16.3	Increase generally attributable to additional sale of renewable energy certificates.	Additional revenue was used to fund other general activities. Funding was not directed towards a specific project.	Not applicable
Interest income	0.2	0.4	Not a material movement	No material impact	Not applicable
Rental income	0.7	0.8	Not a material movement	No material impact	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 community<sup>5</sup> achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

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
Services and supplies	82.6	102.0	The increase in 2024-25 was mainly driven by external resource costs, including agency spend for backfilling roles and unplanned contractor and consulting expenses. Additional increases came from the accounting treatment of software as a service (SaaS) costs, which are now treated as operating costs.	The additional expenditure enabled the organisation to maintain service delivery, achieve strategic projects, enhance operational efficiency, and mitigate risks associated with staffing and compliance.
Interest expense	35.3	39.8	The increase in interest expense is primarily attributable to higher borrowings undertaken to support the Group's capital expenditure program.	Impacts managed through careful fiscal and treasury management during 2024-25.
Depreciation, amortisation and impairments	82.9	89.6	Not applicable	Not applicable

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

Employee benefits	58.2	57.3	Not applicable	Not applicable
Environmental contribution	9.6	10.2	Not applicable	Not applicable
Other expenses	0.6	3.2	Not a material movement	No material impact

<b>Expenses category</b>	<b>2024–25 budget \$ million</b>	<b>2024–25 actual \$ million</b>	<b>Explanations for variances ±10% or \$100 million</b>	<b>Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how this was achieved</b>
Services and supplies	83.0	102.0	The increase in actual expenses was mainly driven by external resource costs, including agency spend for backfilling roles and unplanned contractor and consulting expenses. An additional increase came from the accounting treatment of SaaS costs, which are now treated as operating costs.	The additional expenditure enabled the organisation to maintain service delivery, achieve strategic projects, enhance operational efficiency, and mitigate risks associated with staffing and compliance.
Interest expense	44.0	39.8	Interest expense was below budget as a result of a lower debt levels during the period. Debt levels were under budget due to timing of capital expenditure, which reduced the need for long-term debt.	Lower interest expense resulted in lower overall borrowings and improved profit position.
Depreciation, amortisation and impairments	86.1	89.6	Not applicable	Not applicable
Employee benefits	61.7	57.3	Not applicable	Not applicable
Environmental contribution	10.2	10.2	Not applicable	Not applicable

Other expenses	0.5	3.2	Not a material movement	No material impact

**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	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.

<b>Savings initiative in the Budget</b>	<b>Number of roles reduced in 2024–25 (actual FTE)</b>	<b>Actual savings achieved in 2024–25 due to roles reduced \$ million</b>	<b>Number of roles reduced by VPS/Executive classification (actual FTE)</b>	<b>Functions or roles impacted by the reduction</b>	<b>Impact of role reductions on service delivery If no impact, how this was achieved</b>
Not applicable					
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),<sup>6</sup> 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.

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<sup>6</sup> 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
Not applicable	0	0	-	-	2.65

Economic funding ratio / accounting funding ratio as at 30 June 2025	Details of the methodology
2.65	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)
338.1	364.9	534.4	Not applicable	<p>In reviewing the FTE figures reported for FY23 and FY24, it was identified that the numbers only included staff numbers from Barwon Water, excluding those employed by Barwon Asset Solutions (BAS)—a wholly owned subsidiary.</p> <p>In contrast, the FTE reported for FY25 reflects a significant increase, which is not due to a sudden expansion in workforce but rather the inclusion of both Barwon Water and Barwon Asset Solutions staff—representing the entire Group.</p> <p>FTE for the group for prior years was 486.8 (FY24) and 435.0 (FY23). The increase in FTE across the group over the years is to increase staff FTE in the short term to help move us more rapidly towards our strategic goals, particularly in the digital and capital delivery space.</p>

- 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.

Barwon Water has not experienced any significant staffing challenges, experiencing reasonable turnover and being able to recruit to fill the majority of vacant roles. There have been some challenges in sourcing suitably qualified candidates in some areas of Technology and Finance.

**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.

<b>Employment category</b>	<b>Gross salary 2022–23 (\$ million)</b>	<b>Gross salary 2023–24 (\$ million)</b>	<b>Gross salary 2024–25 (\$ million)</b>	<b>Explanation for any year-on-year variances ±10% or \$100 million</b>
Ongoing	41.2	41.1	48.4	Increase attributable to 0.5% increase in superannuation contributions from 11.5% to 12% and Enterprise Agreement increases, partly offset by a decrease in fixed-term salaries
Fixed-term	6.0	5.8	1.0	
Casual	0.1	0.1	0.0	
<b>Total</b>	<b>47.3</b>	<b>47.0</b>	<b>49.4</b>	

**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%	2	0	0	The Victorian Independent Remuneration Tribunal approved increase in July 2024
3-5%	3	5	0	The Victorian Independent Remuneration Tribunal approved increase in July 2024
5-10%	2	4	0	The Victorian Independent Remuneration Tribunal approved increase in July 2024
10-15%	0	0	0	
greater than 15%	2	0	0	The Victorian Independent Remuneration Tribunal approved increase in July 2024 and role changes.

**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
Barwon Region Water Corporation Enterprise Agreement 2024	364	68.1%	3.8	6.6%

## 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 internal<sup>7</sup> 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.
Internal Audit Program	Requirement under Standing Directions.	Program for 2024-25 included Fleet Management, Climate Resilience Plan, Digital Strategy Implementation Review,	Completed	Improved internal controls	285	291	No - internal audit document

<sup>7</sup> 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.

		Payroll Processes and Standing Directions					
St Georges River FLOWS study	To inform long term water resource planning for Lorne	Standard FLOWS study scope to understand flow regimes that would meet ecological health needs in the river.	Completed	Improved understanding of flow needed to support the ecological health of lower reaches of St Georges River.	87	87	Yes - communicated as part of 'your say' portal: <a href="https://www.yoursay.barwonwater.vic.gov.au/lorne-hub">https://www.yoursay.barwonwater.vic.gov.au/lorne-hub</a>  St Georges FLOWS Summary.pdf
Large Scale Alternative Water Grid Feasibility Study	Improve understanding of opportunity and as per action in Government's Central and Gippsland Sustainable Water Strategy	Feasibility investigation	Not complete	Improved understanding of feasibility to guide future investment decisions	65	-	No - in progress
Review (Nous Review) of Barwon Water's family violence practices and development of an enterprise-wide program of work to improve our response.	To design an enterprise-wide program to drive better practice in how we support staff and customers experiencing family violence.	Review current state practices and governance. Develop a stakeholder-informed whole of organisation program of work focused on staff and customer safety.	Completed	Identify and mitigate safety risks across the organisation. Customer and staff trust and confidence in our response.	200	200	No
Review of Barwon Water's Family Violence Customer and Staff Policies (and delivery of	Expert review (Uniting Vic/Tas) of policies aligned to our review cycle. Ensure both policies go beyond ESC compliance to best practice standard.	Review in line with ESC Water Industry Standard requirements. Assess against best practice examples. Delivery of family	October 2024	Customer and employee trust and confidence. Staff are aware of their role in policy	50	50	Yes (customer policy only)  <a href="#">Barwon-Water-Family-Violence-Customer-</a>

organisation wide training)		violence awareness training to whole organisation.		implementation via training.			<a href="#">Policy October-2024.pdf</a>
Boundary Creek and Upper Barwon River Macroinvertebrate Sampling 2024–25	Required as part of the Boundary Creek, Big Swamp and Surrounding Environment Remediation and Environmental Protection Plan.	Boundary Creek, Big Swamp and Surrounding Environment Remediation and Environmental Protection Plan	Completed	Improved understanding of the health of Boundary Creek and the Upper Barwon River.	25	50	Yes <a href="https://hdp-au-prod-app-barwonwater-yoursay-files.s3.ap-southeast-2.amazonaws.com/3117/5737/6560/Boundary_Creek_and_Upper_Barwon_River_Autumn_2025_Macroinvertebrate_Sampling_Report_Austral_2Sep2025_Final.pdf">https://hdp-au-prod-app-barwonwater-yoursay-files.s3.ap-southeast-2.amazonaws.com/3117/5737/6560/Boundary_Creek_and_Upper_Barwon_River_Autumn_2025_Macroinvertebrate_Sampling_Report_Austral_2Sep2025_Final.pdf</a>
Surrounding Environment Investigation	Determine whether Barwon Water’s historical management of groundwater pumping activities within the Barwon Downs graben resulted in any other unintended environmentally significant adverse impacts, in addition to those already confirmed within the lower reaches of Boundary Creek.	Boundary Creek, Big Swamp and Surrounding Environment Remediation and Environmental Protection Plan	Completed	Determine the confirmed areas of impact	70	70	Yes <a href="https://hdp-au-prod-app-barwonwater-yoursay-files.s3.ap-southeast-2.amazonaws.com/4517/5098/5660/Surrounding_Environment_Investigation_Report_-_July_2023_-">https://hdp-au-prod-app-barwonwater-yoursay-files.s3.ap-southeast-2.amazonaws.com/4517/5098/5660/Surrounding_Environment_Investigation_Report_-_July_2023_-</a>

							<a href="#">amended 27 June 2025.pdf</a>
Lower Stony Creek Flow Options	Determine feasibility of improving flow delivery from Lower Stony Creek Reservoir to Stony Creek as per action 8-3 of the Central and Gippsland Region Sustainable Water Strategy	Feasibility investigation into action 8-3 of the Central and Gippsland Region Sustainable Water Strategy	Completed	Feasibility of action 8-3 and list of future management options for improving flow delivery	30	30	No  Lower Stony Creek Flow Options Report
Climate resilience modelling of waterways influenced by former groundwater pumping activities at the Barwon Downs borefield	Determine the current and future performance of the Gellibrand and Boundary Creek catchments under various climate change and groundwater recovery scenarios	Boundary Creek, Big Swamp and Surrounding Environment Remediation and Environmental Protection Plan	Completed	Better understand how these waterways are likely to respond to a changing climate.	45	45	Yes <a href="https://hdp-au-prod-app-barwonwater-yoursay-files.s3.amazonaws.com/3517/2905/0815/BoundaryCreekBigSwampandSurroundingEnvironmentRemediationandEnvironmentalProtectionPlan-Accepted8Oct2024_1.pdf">https://hdp-au-prod-app-barwonwater-yoursay-files.s3.amazonaws.com/3517/2905/0815/BoundaryCreekBigSwampandSurroundingEnvironmentRemediationandEnvironmentalProtectionPlan-Accepted8Oct2024_1.pdf</a>
Anglesea Groundwater Model Update	Required to inform the Bulk Entitlement (BE) review process outlined in the BE.	Bulk Entitlement (Anglesea Groundwater) Order 2009.	Completed	Ensure the groundwater model is adequate to inform the BE review process.	25	25	Yes, as per link below to BE review

Bulk Entitlement Review	Required to inform the Bulk Entitlement (BE) review process outlined in the BE.	Bulk Entitlement (Anglesea Groundwater) Order 2009.	Completed	Identify any changes and/or improvements that could improve the long-term management of the resource.	135	135	Yes <a href="https://hdp-au-prod-app-barwonwater-yoursay-files.s3.amazonaws.com/9517/4890/9594/Anglesea_Borefield_-_Bulk_Entitlement_Review_Report_31October2024_-_with_links_to_appendices.pdf">https://hdp-au-prod-app-barwonwater-yoursay-files.s3.amazonaws.com/9517/4890/9594/Anglesea_Borefield_-_Bulk_Entitlement_Review_Report_31October2024_-_with_links_to_appendices.pdf</a>
Anglesea Ecological Monitoring	Required as part of the endorsed Monitoring and Assessment Program under the Bulk Entitlement.	Bulk Entitlement (Anglesea Groundwater) Order 2009.	Not complete	Monitor the environmental values and health of groundwater dependent ecosystems	55	-	No - in progress
Biochar Research (Uni Newcastle, SoilsCRC)	R&D supporting the Barwon Water Regional Renewable Organics Network (RRON) project, and Circular Economy initiatives.	Trials include open field (Southern Farming Systems, Inverleigh) and greenhouse trials.	Not complete	Biochar optimisation for soils, empirical validation, better understanding of market potential.	15	-	No - in progress
Biochar Research (WaterRA & AET)	R&D supporting the Barwon Water RRON project, and Circular Economy initiatives.	To produce and characterise biosolids derived biochar that will improve our understanding of market opportunity,	Not complete	Industry report summarising the production and characterisation of biosolids derived biochar.	77	-	No - in progress

		and create sufficient biochar volume for subsequent research projects.					
Hydrogen Research (RMIT)	R&D supporting the Barwon Water 'GreenO2' project, and Circular Economy initiatives.	To understand scalability of oxygen in water reclamation plants from hydrogen production. (Post-doctoral study with RMIT)	Not complete	Industry report on the scalability potential of oxygen demand in wastewater treatment from hydrogen production.	34	-	No - in progress
Emerging Contaminant Research (Federation Uni)	R&D supporting the Barwon Water Emerging Contaminant Strategy.	2 x PhD research projects with focus on Emerging Contaminants (Pharmaceutical and Personal Care Products) at Lake Colac.	Not complete	Thorough understanding of Emerging Contaminants in Lake Colac and their uptake in flora and fauna. PhD reports, and journal publications.	40	-	No - in progress (PhD available on completion)
Emerging Contaminant Research (RMIT)	R&D supporting the Barwon Water Emerging Contaminant Strategy.	PhD research with focus on 3 plants at Black Rock, Colac, and NWP.	Not complete	Thorough understanding of fate of microplastics through selected Barwon Water wastewater treatment plants (WWTPs). PhD report and journal publications.	10	-	No - in progress (PhD available on completion)
Smart Networks (Sewer blockage alert and early warning system)	R&D in support of the Barwon Water Smart Networks program.	PhD research with Deakin University. Dr. James Gong supervisor.	Not complete	Identify key locations for deploying sensors in sewer networks to prevent overflows.	35	-	No - in progress (PhD available on completion)

				PhD report and journal publications.			
Digestate Opportunity Review	R&D supporting the Barwon Water RRON project, and Circular Economy initiatives.	6 – month post-doctoral study by Deakin University.	Completed	Identify key opportunities to beneficially re-use digestate. Industry Report.	20	20	Yes (upon request)
West Barwon dam safety review and risk assessment	To comply with ANCOLD guidelines / DEECA SoO.	Detailed Risk Assessment and Safety Review for Civil Assets; peer review	Not complete	Compliance with ANCOLD guidelines / DEECA SoO; improved understanding of dam safety risk	135	-	No - in progress
Bungal dam safety review	Joint project with Central Highlands Water.	Design safety review.	Not complete	Compliance with ANCOLD guidelines / DEECA SoO; improved understanding of dam safety risk.	48	-	No - in progress
2025 Water Reclamation Plants soil sampling and analysis	Environmental Compliance Management.	Assessment of soil condition to inform future irrigation management.	Not complete	Soil irrigation management recommendations.	23.5	-	No - in progress
Development of Groundwater Management Plans	Environmental Compliance Management	Development of groundwater management plans for Water Reclamation Plants.	Not complete	Maintain environmental compliance at Water Reclamation Plants.	79.9	-	No - in progress
Update of Human Health and Environmental Risk Assessment Review	Environmental Compliance Management	Update of risk assessment for Coastal Water Reclamation Plants with ocean outfall discharge.	Not complete	Updated understanding of risk to beneficial uses.	20.1	-	No - in progress

Study of lagoon integrity at Colac Water Reclamation Plant	Environmental Risk Management	Assessment of risk level	Not complete	Determine confidence levels in lagoon integrity	47.0	-	No - in progress
Trade Waste Management Review	Water reclamation quality risk management	Assess trade waste risk management system and processes against best practice.	Not complete	Recommendations for improvement	22.0	-	No - in progress
Hazard Analysis and Critical Control Points (HACCP) external audit	Recertification audit against HACCP standard	Assess systems and processes for drinking water quality risk management for compliance with HACCP standard.	Not complete	Maintain HACCP certification of Drinking water Quality Risk Management Plan	12.9	-	No - in progress

- 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.

Barwon Water has developed a robust internal capability to conduct thorough reviews, studies, and evaluations of its programmes and services, leveraging specialist teams across finance, operations, digital transformation, environmental management, and capital delivery, all of whom possess expertise in data analysis, risk management, project evaluation, and regulatory compliance.

**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.
  
- 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.
  
- 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)*.<sup>8</sup> 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
FY25 net operational emissions (scope 1 and 2) ≤15,926 tCO <sub>2</sub> -e	Achieved FY25.
100% renewable electricity use by 2025	Achieved FY25.
Net zero operational emissions (scope 1 and 2) FY30 onwards	On track. Zero scope 2 emissions ongoing since FY25. Focus is now on implementing program of scope 1 emissions reduction initiatives. Wastewater process emissions contribute majority of our scope 1 – these are largely unavoidable and will need to be offset. Delivery of portfolio of carbon sequestration and offsetting projects well underway.

<sup>8</sup> [https://www.water.vic.gov.au/\\_data/assets/pdf\\_file/0029/668306/statement-of-obligations-emission-reduction-2022.pdf](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.	Climate-Driven Cost Pressures and Water Security	External	Prolonged dry weather reduced water storage levels, requiring the use of more expensive water sources to maintain supply. This increased operational costs and highlighted the vulnerability of water security to climate variability.	To address climate-driven cost pressures and water security risks, Barwon Water activated alternative and more climate-resilient water sources, invested in expanding major pipelines, and implemented drought preparedness plans including targeted water restrictions and community water-saving campaigns.
2.	Rising Operational and Capital Costs	External	Accelerated capital spending to support regional growth (Victorian Housing Statement), supply chain constraints, unexpected project complexities, and higher costs for materials and skilled labour all contributed to financial pressure.	In response to rising operational and capital costs, the organisation prioritised its most critical capital projects, strengthened long-term financial planning, and managed supply chain and labour challenges through proactive engagement and resource allocation.
3.	Balancing Growth and Financial Resilience	External	Population growth and increased demand for services required significant investment in infrastructure, funded by both operational revenue and increased borrowings. Maintaining financial resilience while supporting growth is a key challenge.	To balance growth with financial resilience, Barwon Water delivered a substantial capital works program funded by a mix of operational revenue and increased borrowings, while engaging closely with community groups to ensure infrastructure met the needs of a growing population.
4.	Digital Transformation and Efficiency	Internal	Investments in digital transformation and capability uplift were necessary to enhance financial resilience, sustain service levels, and build customer trust amid ongoing challenges.	Digital transformation was accelerated through investments in smart network monitoring, digital meters, and process automation, all aimed at improving efficiency, leak detection, and customer experience.

**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 be 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  $\pm 0.5$  percentage points, please provide an explanation for the variance. Please fill all blank spaces.