

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2020-21

**Financial and Performance Outcomes
General Questionnaire**

Yarra Valley Water

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Introduction – Financial and Performance Outcomes Questionnaire

The Committee's inquiry into the 2020-21 Financial and Performance Outcomes examines:

- the Government's actual expenditure and revenue compared to the budgeted expenditure and revenue
- the actual performance outcomes against the targeted performance outcomes at a departmental/agency level
- other expenditure unforeseen at the time of preparing the 2020-21 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 2020-21 financial year, what was achieved during those years and how that compares to expectations.

Consistency with the budget papers

Whenever referring to an initiative/program/project that is referred to 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.

Basis of consolidation

For departments, please use the same basis of consolidation as was used in the budget papers and in the budget portfolio outcomes statement in the department's annual report.

Section A: Output variances and program outcomes

Question 1 (all departments) Completed output initiatives from past budgets

- a) For all initiatives that were completed in 2020-21, please provide details of the outcomes achieved in the community and the outcomes actually 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).

Not applicable.

Question 2 (all departments) Program outcomes

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section all relate to the outcomes that the department contributed to in 2020-21.

Not applicable

Question 3 (all departments) Treasurer's advances and other budget supplementation

Please identify all output(s) and portfolio(s) (and relate them to departmental programs) for which the department received additional funding after the initial Budget in 2020-21.

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 s32 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, section 4, pg. 58) and explain why additional funding was required after funding was allocated in the Budget.

Not applicable

Question 4 (Department of Health/Department of Health and Human Services only) 2020-21 Budget funding allocation and performance

Not applicable.

Question 5 (Department of Families, Fairness and Housing/Department of Health and Human Services and Department of Education and Training only) Victorian Contribution to National Disability Insurance Scheme

Not applicable.

Section B: Asset investment

Question 6 (all departments) Capital expenditure variances, completion date and scope changes – existing projects

Please provide details of all capital asset programs where:

- a) there was a variance between TEI at announcement compared to the revised TEI as at 30 June 2021 of equal to or greater than $\pm 5\%$ or \$50 million and an explanation for the variance
- b) the estimated completion date at announcement is different to the completion date as at 30 June 2021 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 2021.

Not applicable

Question 7 (all departments) Details of actual capital expenditure – completed projects (or expected to be completed)

Please provide the following details about asset investment projects that were completed in the 2020-21 financial year:

- 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) Actual cost of project
- d) Estimated completion date at announcement
- e) Actual completion date
- f) Explanations for any variance in capital expenditure and/or completion date.

Not applicable.

Question 8 (all departments) High-value high-risk projects, gateway reviews and business cases

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 the 2020-21 financial year that were allocated to the department and were classified as HVHR and project objectives. Please also specify which gateway reviews, if any, were completed during 2020-21 and business case details for each project.

Not applicable.

Question 9 (all departments) Public Private Partnership (PPP) expenditure – existing and completed

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 2021, or the actual cost spent to 30 June 2021 (actual cost spent in the respective financial year) and the benefits of using the PPP financing model when delivering/funding a project over other financing methods.
- b) Where the estimated completion date at announcement is different to the completion date in the 2019-20 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 2019-20 Budget.

Not applicable.

Question 10 (Department of Transport only) Alliance contracting expenditure – existing and completed

Not applicable.

Section C: Revenue and appropriations

Question 11 (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 2019-20 and 2020-21 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery and then link it to the relevant output and portfolio.

Please also detail the outcomes in the community¹ achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

If there were no revenue/income categories for the department/agency for which the 2020-21 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	2019-20 actual (\$ million)	2020-21 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 and usage	951.1	968.7	Not applicable.	Not applicable.	Not applicable.
New customer contributions by developers	36.5	35.1	Not applicable.	Not applicable.	Not applicable.
Developer contributed assets	85.6	69.8	Despite developer activity remaining at high levels there was a lower number of developments closing out their performance obligations in the reporting period and	Not applicable.	Not applicable.

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

			therefore reducing the level of revenue generated from Developer Contributed Assets.		
Other revenue	64.5	51.7	New meter connection revenue was down \$1.4 million. Water trading revenue was down \$7.3 million as a result of a fall in sales volumes and market prices due to wetter than average weather conditions.	Not applicable.	Not applicable.
Other income	5.9	6.1	Not applicable.	Not applicable.	Not applicable.

Question 12 (all departments and entities) Revenue – variances from budget to actual

Please explain any variances equal to or greater than $\pm 10\%$ or \$100 million between the initial budget estimate (not the revised estimate) and the actual result for 2020-21 for each revenue category detailed in your operating statement. Please also indicate what any additional revenue was used for or how any reduced amounts of revenue affected service delivery 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	2020-21 Budget estimate (\$ million)	2020-21 actual (\$ million)	Explanations for changes $\pm 10\%$ 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 and usage	977.3	968.7	Not applicable.	Not applicable.	Not applicable.
New customer contributions by developers	24.2	35.1	Higher development activity levels than budgeted.	Increase to revenue and profit in comparison to budget.	Not applicable.
Developer contributed assets	68.4	69.8	Not applicable.	Not applicable.	Not applicable.
Other revenue	31.3	51.7	<ul style="list-style-type: none"> Higher plumbing services revenue from additional sales of metering products; and Higher net recoverable works and land development application fees associated with higher than budgeted developer activity levels. This was partially offset by: 	Increase to revenue and profit in comparison to budget.	Not applicable.

			<ul style="list-style-type: none"> ○ lower water trading revenue as a result of lower sale volumes and market prices due to the wetter than average weather conditions; and ○ lower waste to energy revenue due to lower electricity prices and reduced gate fees from lower load volumes impacted by COVID-19. 		
Other income	0.0	6.1	<ul style="list-style-type: none"> ● Impairment writeback due to land and building revaluation increase (\$4 million) ● Lease and licence income (\$2 million) 	Increase to revenue and profit in comparison to budget.	Not applicable.

Section D: Expenses

Question 13 (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 2019-20 and 2020-21 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 the actual result for 2020-21 and the 2020-21 budget estimate. Please also detail the outcomes in the community² achieved by any additional expenses or the impact on the community of reduced expenses (if there was no impact, please explain how that was achieved).

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

Expenses category	2019-20 actual \$ million	2020-21 actual \$ million	Explanations for variances $\pm 10\%$ or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Bulk water and sewage expenses	541.4	528.3	Not applicable.	Not applicable.
Contract expenses	56.1	61.2	Not applicable.	Not applicable.
Salary and employee benefits expenses	52.7	55.1	Not applicable.	Not applicable.
Environmental contribution	42.9	47.4	Reflective of the increase in the Environmental Contribution Levy required to be paid by water corporations under the <i>Water Industry Act 1994</i> .	No additional outcomes from higher environmental contribution expenditure. However, payments to Government are used for water related environmental initiatives. Additional cost recovered through customer pricing.
Depreciation	94.2	97.2	Not applicable.	Not applicable.
Amortisation	20.3	19.1	Not applicable.	Not applicable.
Finance costs	132.9	130.3	Not applicable.	Not applicable.
Other expenses	54.5	57.0	Not applicable.	Not applicable.

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

Expenses category	2020-21 budget \$ million	2020-21 actual \$ million	Explanations for variances ±10% or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses. If no impact, how was this achieved
Bulk water and sewage expenses	530.9	528.3	Not applicable.	Not applicable.
Contract expenses	57.3	61.2	Not applicable.	Not applicable.
Salary and employee benefits expenses	54.7	55.1	Not applicable.	Not applicable.
Environmental contribution	42.9	47.4	Reflective of the increase in the Environmental Contribution Levy required to be paid by water corporations under the <i>Water Industry Act 1994</i> .	No additional outcomes from higher environmental contribution expenditure. However, payments to Government are used for water related environmental initiatives. Additional cost recovered through customer pricing.
Depreciation	100.3	97.2	Not applicable.	Not applicable.
Amortisation	21.4	19.1	Capitalisation of IT projects lower than budget due to Future Technology Program initiatives undergoing prolonged Request for Tender (RFT) / negotiation phases which delayed commencement of design and delivery activities.	Not applicable.
Finance cost	139.8	130.3	Not applicable.	Not applicable.
Other expenses	74.9	57.0	<ul style="list-style-type: none"> Reduction in cloud-based expenditure associated with new / upgraded IT applications and infrastructure following a review of our IT strategic roadmap. Savings in payment collection fees and debt collection charges as our debt collection strategies changed due to COVID-19. 	

Question 14 Expenses/interventions related to COVID-19 pandemic response

For the year 2020-21, please outline the programs and/or initiatives that were announced as part of the Victorian Government's response to the COVID-19 pandemic in the order of the highest amount allocated.

Please indicate if the department made use of emergency advances and retroactive funding approvals.

Please note whether there are identified performance measures in the budget papers related to the announced programs and please provide details of the reported outcomes.

Not applicable.

Question 15 (all departments and entities) Changes to service delivery from savings initiatives

For each of the savings initiatives detailed in the 2017-18 Budget, 2018-19 Budget, 2019-20 Budget and 2020-21 Budget³ please provide the following details of the impact on service delivery:

- a) Savings target in the 2017-18, 2018-19, 2019-20 Budget and 2020-21 Budgets and the amount of the savings target allocated to the department/entity
- b) Actual savings achieved in 2017-18, 2018-19, 2019-20 and 2020-21 and the actions taken to achieve the savings target allocated and their impact, including the link to the relevant output and portfolio impacted.

Not applicable.

³ If there were any savings and efficiencies initiatives introduced post 2020-21 Budget.

Question 16 (all departments) Achievement of reprioritisation of existing resources

The 2020-21 Budget includes targets for 'reprioritisation and revenue offsets' to fund new initiatives (2020-21 Budget Paper No.2, p.75). This is in addition to any savings or efficiencies resulting from expenditure reduction measures. For the department (including all controlled entities),⁴ 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 were the funds actually 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.

Not applicable.

⁴ That is, please provide this information for the department on the same basis of consolidation as is used in the budget papers.

Question 17 (all departments) Contractors, Consultants and Labour Hire Arrangements

Please indicate how much the department spent on contractors, consultants and labour hire arrangements during 2018-19, 2019-20 and 2020-21. 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.

Not applicable.

Question 18 (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 2020-21, 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 2021. Please provide details of the methodology used for the ratio calculation.

Type of dividend paid	2020-21 Budget (\$ million) <i>BP 4, pg. 20</i>	2020-21 Actual (\$ million)	Explanations for variances $\pm 10\%$ or \$100 million	Impact on the agency. If no impact, how was this achieved	Funding ratio at 30 June 2021
Dividends paid	26.0	36.1	Actual payments higher than budgeted due to higher profit before tax.	Impact on borrowing levels and finance charges.	Total Assets / Total Liabilities = 143%

Economic funding ratio / accounting funding ratio as at 30 June 2021	Details of the methodology
143%	Totals assets / Total liabilities

Section E: Overall financial performance

Question 19 (all departments) Impact of COVID-19 on financial performance – 2020-21

Please outline and quantify, where possible, the impacts of the COVID-19 pandemic on the department/agency's financial performance.

Not applicable.

Section F: Public sector workforce

Question 20 (all departments and entities) Full Time Equivalent (FTE) staff by level and category

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2019, at 30 June 2020 and 30 June 2021 (broken down by the categories listed below) for the department. Please include specific categories as relevant to the department/entity and where relevant, provide a description of what categories constitute 'other'. Please provide figures consolidated on the same basis as the expenditure for the department in the budget papers and detail which, if any, entities are included in the FTE numbers provided.

Category	30 June 2019 Actual FTE number	30 June 2020 Actual FTE number	30 June 2021 Actual FTE number
Secretary			
EO-1			
EO-2			
EO-3			
VPS Grade 7 (STS)			
VPS Grade 6			
VPS Grade 5			
VPS Grade 4			
VPS Grade 3			
VPS Grade 2			
VPS Grade 1			
Government Teaching Service			
Health services			
Police			
Nurses/Midwives			
Allied health professionals			
Child protection			
Disability development and support			
*Youth custodial officers			
*Custodial officers			
**Other	653.1	720.7	755.9
Total	653.1	720.7	755.9

***Please provide a breakdown for Youth custodial and Custodial officers by level (for example, YW1, YW2, YW3, YW4, YW5 and YW6).**

****Other includes:**

Numbers include FTE for the following entities:

Yarra Valley Water

Question 21 (all departments and entities) Salary by employment category

In the table below, please detail the salary costs for 2018-19, 2019-20 and 2020-21, broken down by ongoing, fixed-term and casual, and explain any variances equal to or greater than $\pm 10\%$ or \$100 million between the years for each category.

Employment category	Gross salary 2018-19 (\$ million)	Gross salary 2019-20 (\$ million)	Gross salary 2020-21 (\$ million)	Explanation for any year-on-year variances $\pm 10\%$ or \$100 million
Ongoing	42.5	45.7	50.7	Increase in employees which is mainly attributed to increased capital expenditure.
Fixed-term	37.8	41.3	45.1	Increase in employees which is mainly attributed to increased capital expenditure.
Casual	2.0	2.3	1.5	Less casuals overall and some casuals transitioned to ongoing.
Total	82.4	89.3	97.3	

All salaries above include both capex and opex costs.

Question 22 (all departments and entities) Executive salary increases

Please detail the number of executives who received increases in their base remuneration in 2020-21, 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 2020-21, apart from increases outlined in employment agreements			Reasons for these increases
	Female	Male	Self-described	
0-3%	4	3		0% increase.
3-5%				
5-10%				
10-15%				
greater than 15%				

Section G: Government decisions impacting on finances

Question 23 (all departments and entities) Commonwealth Government decisions

Please identify any Commonwealth Government decisions during 2020-21 which had not been anticipated/not been concluded before the finalisation of the State budget in 2020-21 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 2020-21	
	on income (\$ million)	on expenses (\$ million)
Not applicable		

Question 24 (all departments and entities) Commonwealth and National Cabinet decisions

Please identify any Commonwealth and National Cabinet decisions during 2020-21 which had not been anticipated/not been concluded before the finalisation of the State Budget in 2020-21 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 agreements). Please quantify the impact on income and expenses where possible.

Commonwealth Government decision	Impact in 2020-21	
	on income (\$ million)	on expenses (\$ million)
Not applicable		

National Cabinet decision	Impact in 2020-21	
	on income (\$ million)	on expenses (\$ million)
Not applicable		

Section H: General

Question 25 (all departments and entities) Reviews/studies undertaken

- a) Please list all internal⁵ and external reviews/studies, established, commenced or completed by or on behalf of the department/agency in 2020-21 and provide the following information:
- i. Name of the review/study and which portfolio and output/agency is responsible
 - ii. Reasons for the review/study
 - iii. Terms of reference/scope of the review/study
 - iv. Timeline for the review/study
 - v. Anticipated outcomes of the review/study
 - vi. Estimated cost of the review/study and final cost (if completed)
 - vii. Final cost if completed
 - viii. Where completed, whether the review/study is publicly available and where.

Name of the review (portfolio(s) and output(s)/agency responsible)	Reasons for the review/study	Terms of reference/scope	Timeline	Anticipated outcomes	Estimated cost (\$)	Final cost if completed (\$)	Publicly available (Y/N) and URL
A Strategy For A Net Zero GHG Emissions Water Cycle – Draft Report. Phase 1: Monash Sustainable Development Institute.	Determine the drivers for energy reduction in the use of water in residential households – Opportunities.	Under the Pilot Water Sector Climate Change Adaptation Action Plan the water sector has a medium adaptation objective (2025) to integrate climate change	April 2020 to February 2021	The Net Zero Water Cycle Program has three distinct phases. Phase 1 – Opportunities Phase 2 – Options Phase 3 – Impact	Phase 1 - \$184,400	Phase 1 - \$184,400	Not currently. Researchers are in the process of publishing the results.

⁵ Internal reviews do not include internal costings. Internal reviews/studies include any reviews or studies undertaken by your department and not given to external consultants. Internal reviews/studies do not include inquiries carried out by Parliamentary Committees or reviews undertaken by integrity agencies.

		<p>adaptation considerations into all relevant business decisions. The Long-term objective (2030) is to enable the sector to provide reliable services that meet customer expectations under a changing climate, while balancing the associated impacts on customer bills, on water business finances, and on the environment. The Net Zero Water Cycle Program provides a way for the water sector to incorporate climate change into every day decision making, as well as addressing costs to customers.</p>		<p>Focus is intended as a series of large-scale interventions to reap the water, energy, greenhouse gas and other benefits</p>			
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- b) Please outline the Department's/Agencies in house skills/capabilities/expertise to conduct reviews/studies/evaluations/data analysis of the programs and services for which the Department /Agency is responsible.

Yarra Valley Water has an appropriate level of research personnel. External support is engaged as required.

Question 26 (all departments) Annual reports – performance measure targets and objective indicators

- a) Please provide the following information on performance measures that did not meet their 2020-21 targets.

Not applicable.

- b) Please provide the following information for objective indicators where data was not available at publication of the annual report

Not applicable.

Question 27 (all departments and entities) Challenges experienced by department/agency

Please list a minimum of five main challenges/risks faced by the department/agency in 2020-21.

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.	Safety and wellbeing of our employees and contractors during COVID-19.	Internal	COVID-19	<p>Supported our workforce to safely work from home (where possible).</p> <p>Supported our people and contractors on the frontline were protected as essential workers.</p> <p>Ongoing engagement including surveys and updates to ensure our people's wellbeing is supported.</p> <p>Conducted workshops, webinars and programs to support the wellbeing of our people.</p>
2.	Customer and community hardship	External	COVID-19	<p>Supporting those who are vulnerable and experiencing financial difficulties through arrangements such as our hardship program, more time to pay arrangements and new payment plans.</p> <p>Created a new team to help customers through our tailored support options.</p> <p>Accelerated payment terms to support small businesses through faster processing of invoices to ensure quicker payments to our suppliers.</p> <p>Introduced new support options for commercial customers impacted by coronavirus.</p>

3.	Providing continuity of core operations in the event of a major disruption.	External	<p>We faced two severe storm events in 2020-21 that significantly impacted our services.</p> <p>August 2020 Storm event</p> <p>The first occurred in August 2020, when a damaging storm caused a power outage at Melbourne Water’s Silvan Reservoir, resulting in their treatment plant losing power. Treatment processes were offline for about six hours and undisinfected water entered Melbourne Water’s transfer mains, and therefore flowed into both Yarra Valley Water and South East Water’s network.</p> <p>June 2021 Storm event</p> <p>The destructive storms and floods of June 2021 also affected our services, leading to sewer spills and other network impacts due to power outages and falling trees.</p>	<p>August 2020 Storm event</p> <p>In consultation with the then Department of Health and Human Services (DHHS), a precautionary Boil Water Advisory Notice was issued to customers in 98 suburbs across both service areas. In consultation with the department, we worked 24/7 across the weekend to manage risks to public health and keep our customers informed.</p> <p>We used an all-channels approach to alert customers, including calling critical health providers and dialysis customers, and delivered emergency drinking water where needed. We sent over 1.7 million SMSs across three days, to about 75 per cent of account holders in impacted suburbs. In a joint statement with Melbourne Water and South East Water, we apologised to affected customers and offered a refund to those who had to buy bottled water, including people who could not boil water at home due to extended power outages in their suburbs. We followed this up with a letter to all residential and business customers in our area, detailing the cause of the incident and our response.</p> <p>We undertook an extensive review process following this incident to examine our response and focus on strengthening our contingency plans, emergency response protocols, network design and communication approaches.</p> <p>June 2021 Storm event</p> <p>We directly notified customers in parts of The Patch, Kallista and Sherbrooke of a Do Not Drink notice, which was in place across three days following storm damage to a water tank.</p> <p>In challenging circumstances, teams worked around-the-clock to make repairs, keep customers informed, distribute drinking supplies in the affected towns and carry out extensive water sampling to ensure the water supply was safe to enable the notice to be lifted as quickly as possible.</p>
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4.	Water Security/availability	External	<p>Climate change, population growth and weather variability continue to put pressure on our network and the availability of water. Relying on rainfall and dams is no longer enough to secure long-term supplies. Desalinated water now makes a critical contribution to the state's water security. In 2020-21 the Victorian Desalination Project delivered 125 billion litres of water into storages.</p>	<p>Working collaboratively with the other metropolitan water corporations to produce a single joint urban water and system strategy for Melbourne. Known as Water for Life, this strategy will outline plans for securing water supplies over the next 50 years, including specific actions for the next five years.</p> <p>Working with DELWP to integrate Water for Life with their Central and Gippsland Region Sustainable Water Strategy (CGRSWS), which is due to be finalised in March 2022. The CGRSWS takes a 50 year planning view for the wider region's water security and looks at how water is shared among multiple users.</p> <p>Developing recycled water infrastructure is crucial to long-term water security. Our recycled water network now services 37,000 homes and businesses, mostly in Melbourne's northern growth corridor, and continues to expand. We have started planning and design work to increase capacity at our Aurora recycled water treatment plant at Wollert. This will provide a significant increase in recycled water production capacity for this important growth area.</p>
5.	Asset management	Internal	<p>Yarra Valley Water has a large network of infrastructure assets which requires regular maintenance, renewal, or replacement to ensure customer service delivery is not significantly impacted by an outage.</p>	<p>Yarra Valley Water has implemented an Asset Management Framework, which includes asset operating strategies, plans and performance monitoring systems which reduce or prevent service disruptions due to inadequate functioning of assets.</p> <p>To support the security of our critical assets we have implemented an industry leading Operational Technology Security Operations Centre which provides around-the-clock security monitoring and visibility of our critical operational assets.</p>

Question 28 (all departments) Newly created bodies

Please list all newly created bodies (authorities, offices, commissions, boards and/or councils) created within the department in 2020-21 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

Not applicable.

Section I: Implementation of previous recommendations

Question 29 (relevant departments only)

- a) Please provide an update on the status of the implementation of each of the below recommendations that were made by the Committee in its *Report on the 2019-20 Financial and Performance Outcomes* and supported by the Government.

Not applicable.

Section J: Department of Treasury and Finance only

Question 30 (DTF only) Revenue certification

Not applicable.

Question 31 (DTF only) Net cash flows from investments in financial assets for policy purposes – General Government Sector (GGS)

Not applicable.

Question 32 (DTF only) Purchases of non-financial assets – General Government Sector (GGS)

Not applicable.

Question 33 (DTF only) Revenue initiatives

Not applicable.

Question 34 (DTF only) Expenses by departments – General Government Sector (GGS)

Not applicable.

Question 35 (DTF only) Economic variables

Not applicable.

Question 36 (DTF only) COVID-19 pandemic response

Not applicable.

Question 37 (all departments and entities) Enterprise Bargaining Agreement (EBAs)

Please list the Enterprise Bargaining Agreement (EBAs) concluded in 2020-21 that had an impact for the department/agency. For each EBA, please show the number of employees affected and the growth in employee expenses attributable to the EBA.

Enterprise Bargaining Agreement	Number of employees affected	Number of employees as a % of department/entity	Growth in employee expenses attributable to the EBA (\$ million)	Growth in employee expenses attributable to the EBA (\$ million) as a % of total employee expenses
Yarra Valley Water Enterprise Agreement	560*	69%	\$0.9 million (in 2020-21)	1.6%

* headcount

Section K: Treasury Corporation of Victoria only

Question 38 Dividends

Not applicable.

Question 39 Commodity risk management

Not applicable.

Question 40 Foreign exchange risk management

Not applicable.

Question 41 Public Private Partnership (PPP)/alliance contracting projects

Not applicable.