



**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

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

**BARWON REGION WATER CORPORATION**

## **SECTION A: Output variances and program outcomes**

### ***Question 1 (all departments) Completed initiatives from past budgets***

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

## **SECTION B: Asset investment (departments only)**

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

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

**Question 7 PPP expenditure and line items**

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

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

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

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

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

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

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

Initial budget estimate for 2015-16 (\$ million)	Actual for 2015-16 (\$ million)	Explanation for variances greater than ±10 per cent or \$100 million
80.82	81.34	Variance not greater than ±10 per cent or \$100 million.

## SECTION C: Revenue and appropriations

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

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

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

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

<b>Revenue category</b>	<b>2014-15 actual (\$ million)</b>	<b>2015-16 actual (\$ million)</b>	<b>Explanations for variances greater than <math>\pm 10</math> per cent or \$100 million</b>	<b>How the additional revenue was used/the impact of reduced revenue</b>
Government contributions	0.13	0.17	Variance was the result of a grant received for the refurbishment of observation bores.	Refurbishment of observation bores was undertaken.
Non-Government contributions	29.22	32.89	Variance was due to increased developer activity throughout the region which has resulted in more new customer contributions and gifted assets.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Other	5.33	7.83	Variance was the result of sale of IP addresses, Class C recycled water, GST refunds, portable fire hydrants and consulting and contracting revenue.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Interest	0.30	0.51	Variance was due to additional cash being invested throughout the year, as a result of a larger cash holding.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Net gain (loss) on disposal of non-financial assets	(1.26)	(0.64)	Variance was due to the of timing of asset disposals.	Minimal dollar impact.

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

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

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

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

<b>Revenue category</b>	<b>2015-16 budget estimate</b> <b>(\$ million)</b>	<b>2015-16 actual</b> <b>(\$ million)</b>	<b>Explanations for variances greater than <math>\pm 10</math> per cent or \$100 million</b>	<b>Actions taken in response</b>
Usage charges	73.35	81.44	Variance was due to dry and hot weather conditions resulting in increased water demand.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Government contributions	0.09	0.17	Variance was the result of a grant received for the refurbishment of observation bores.	Refurbishment of observation bores was undertaken.
Non-Government contributions	27.24	32.89	Variance was due to increased developer activity throughout the region.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Other	7.90	7.83	Variance was the result of sale of IP addresses, Class C recycled water, GST refunds, portable fire hydrants and consulting and contracting revenue.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Interest	0.10	0.51	Additional cash has been invested throughout the year as a result of a larger cash holding.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.
Other revenue	0.67	0.74	Variance represents increased rental revenue.	Fewer new borrowings were required as additional revenue resulted in a higher cash holding.

**Question 15 (departments only)**

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

**SECTION D: Expenses****Question 18 Expenses changed from previous year**

Please explain any changes greater than  $\pm 10$  per cent or \$100 million between the prior year's actual result and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community<sup>1</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 categories of expenses for your department/agency for which the 2015-16 expenditure differed from the prior year's expenditure by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

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

Expenses category	2014-15 actual (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than $\pm 10$ per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Administration	10.22	8.24	Variance was due to external resource costs from maternity leave and secondment positions being backfilled with employees on fixed-term contracts (a direct operating expense) and combined with increased capital recovery (a result of improved timesheet processes).	Reduction was offset by increases in expenditure in other categories.

### Question 19 Expenses varying from budget

Please explain any variances greater than  $\pm 10$  per cent or \$100 million between the initial budget estimate (**not** the revised budget) and the actual result for 2015-16 for each category of expenses detailed in your operating statement. Please also detail the outcomes in the community<sup>2</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 categories of expenses for your department/agency for which the 2015-16 expenditure varied from the initial budget estimate by more than  $\pm 10$  per cent or \$100 million, you do not need to answer this question. If this is the case, please indicate 'no relevant line items' in the table(s) below.

Expenses category	2015-16 budget estimate (\$ million)	2015-16 actual (\$ million)	Explanations for variances greater than $\pm 10$ per cent or \$100 million	Outcomes achieved by additional expenses/impact of reduced expenses
Administration	6.23	8.24	Variance was a result of contractor and consultant costs being above budget.	Additional expenses were offset by savings in direct operating expenses.
Bad and doubtful debts	0.15	0.27	Unanticipated prior year (2014-15) 'disconnected tenant debt' identified for write-off in 2015-16 combined with a conservatively low 2015-16 budget being set.	Additional expenses were offset by savings in direct operating expenses.

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



**Question 20 (departments only) Expenditure reduction targets**

This question does not apply to your agency.

**Question 21 Changes to service delivery from expenditure reduction initiatives**

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

No changes to service delivery as a result of expenditure reduction initiatives.

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

No changes to service delivery as a result of expenditure reduction initiatives.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

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

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

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

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

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

Grade	30 June 2014 (Actual FTE number)	30 June 2015 (Actual FTE number)	30 June 2016 (Actual FTE number)
Secretary	-	-	-
EO-1	-	-	-
EO-2	-	-	-
EO-3	-	-	-
VPS Grade 7 (STS)	-	-	-
VPS Grade 6	-	-	-

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VPS Grade 5	-	-	-
VPS Grade 4	-	-	-
VPS Grade 3	-	-	-
VPS Grade 2	-	-	-
VPS Grade 1	-	-	-
Government Teaching Service	-	-	-
Health services	-	-	-
Police	-	-	-
Allied health professionals	-	-	-
Child protection	-	-	-
Disability development and support	-	-	-
Custodial officers	-	-	-
Other	302.99	299.84	319.54
<b>Total</b>	<b>302.99</b>	<b>299.84</b>	<b>319.54</b>

**Question 26 FTE staff numbers by employment type**

In the table below, please detail the salary costs for 2012-13, 2013-14 and 2014-15, broken down by ongoing, fixed-term and casual, and explain any variances greater than  $\pm 10$  per cent or \$100 million between the years for each category.

<b>Employment category</b>	<b>Gross salary 2013-14 (\$ million)</b>	<b>Gross salary 2014-15 (\$ million)</b>	<b>Gross salary 2015-16 (\$ million)</b>	<b>Explanation for any year-on-year variances greater than <math>\pm 10</math> per cent or \$100 million</b>
Ongoing	35.218	30.164	32.19	2014-15: Variance primarily related to a reduction in staff costs associated with natural attrition, voluntary departure packages and the outsourcing of Barwon Water's maintenance contract to Programmed Facilities Maintenance (PFM) in March 2014, which involved the transfer of almost all of Barwon Water's maintenance employees. 2015-16: Variance not greater than $\pm 10$ per cent or \$100 million.
Fixed-term	1.127	0.906	1.47	2014-15: Variance due to the reduced requirements of the new billing system and the conclusion of project phases, as the associated fixed-term contracts also concluded accordingly. 2015-16: Variance due to the backfill of maternity leave and secondment positions with employees on fixed-term contracts rather than agency or casual staff.
Casual	0.163	0.122	0.07	2014-15: Variance reflects the FTE impact of outsourcing the maintenance contract and of the reduced requirements of the new billing system, as well as the transfer of some casual positions into full-time roles. 2015-16: Variance the result of fewer summer vacation students and more fixed-term contracts.
<b>Total</b>	<b>36.507</b>	<b>31.192</b>	<b>33.73</b>	

**Question 27 Executive salary increases**

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

Increase in base remuneration	Number of executives receiving increases in their base rate of remuneration of this amount in 2015-16	Reasons for these increases
0-3 per cent	9	Result of annual remuneration reviews as per executive contracts of employment. Increases comply with the State Government Public Sector's executive remuneration policy and guideline directives.
3-5 per cent	3	Result of annual remuneration reviews as per executive contracts of employment and remuneration package adjustments applied to redress remuneration parity issues within the senior executive team.
5-10 per cent	5	Result of annual remuneration reviews as per executive contracts of employment and remuneration package adjustments applied to redress remuneration parity issues within the senior executive team.
10-15 per cent	0	Not applicable.
greater than 15 per cent	0	Not applicable.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

**SECTION G: Government decisions impacting on the finances****Question 30 Machinery-of-government changes**

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

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

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

Not applicable.

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

Not applicable.

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

Not applicable.

**Question 31 Commonwealth Government decisions**

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

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

**Question 32 COAG decisions**

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

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

## **SECTION H: Fiscal and financial management strategies (Department of Treasury and Finance only)**

### ***Question 33 Financial measures***

This question does not apply to your agency.

### ***Question 34 Long-term financial management objectives***

This question does not apply to your agency.

## **SECTION I: Economic environment**

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

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.

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

This question does not apply to your agency.



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

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

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

Expected economic result in 2015-16	Actual result in 2015-16	Impact of the variance on budget outcomes	Impact of the variance on service delivery
Not applicable	-	-	-