

Victorian Environmental Water Holder

# Corporate Plan

2016-17 to 2019-20



[www.vewh.vic.gov.au](http://www.vewh.vic.gov.au)

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## Overview

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The Victorian Environmental Water Holder (VEWH) Corporate Plan 2016-17 to 2019-20 outlines the framework for the VEWH's future performance and provides clear direction for the VEWH's sixth year through to its ninth year of operation.

This plan includes the mission, vision, values and behaviours that define what the organisation stands for and what it is striving to achieve.

The VEWH has a niche role – it is the only State-wide organisation working solely in Victoria's environmental watering program. The VEWH make decisions on why, where, when and how its finite volume of available environmental water is used to get maximum benefit for the State's rivers and wetlands and the wildlife that depends on them.

In implementing this program, it is important to recognise the dynamic nature of the VEWH's work. Seasonal conditions can vary considerably between years; this affects both the environmental water requirements of particular sites (demand) and the availability of environmental water (supply). This results in differing amounts of water being delivered from year to year and variable associated costs. Trade-offs may need to be made about watering actions undertaken in one year which are provided at the expense of watering actions in the next.

Collaborating with environmental watering program partners is an important focus of the VEWH, and the importance of partnership is embedded throughout this plan. Pivotal to the partnership are Victoria's waterway managers - catchment management authorities (CMAs) and Melbourne Water. Potential watering actions are proposed to the VEWH annually, by the waterway managers, based on scientific studies, community knowledge and environmental watering experience. The VEWH draws from these proposals to develop an annual seasonal watering plan which sets the scope for environmental watering actions that could occur under a range of climatic scenarios (from drought through to wet conditions). By continuing to foster robust and mutually beneficial partnerships, the VEWH can ensure it continues to effectively and efficiently manage Victoria's environmental Water Holdings.

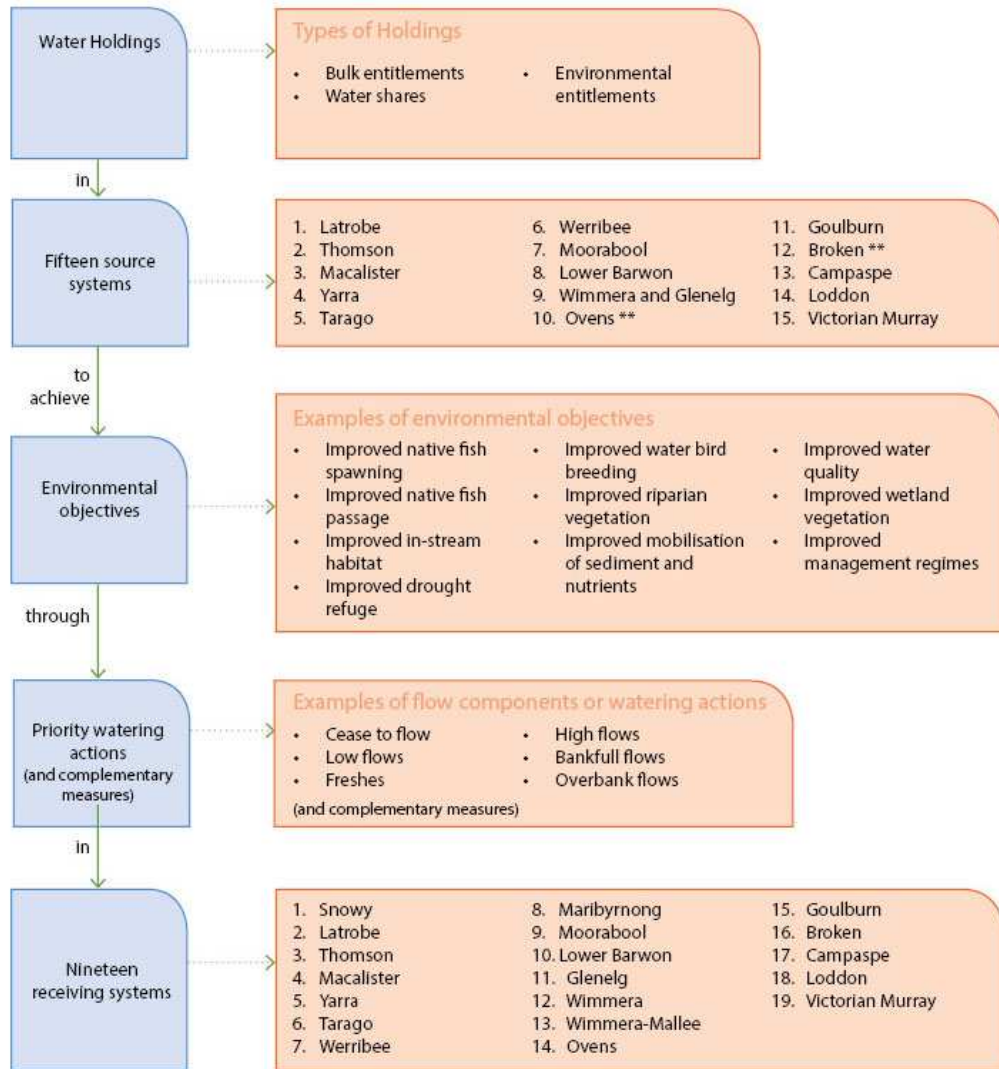
The VEWH continues to foster and build relationships with stakeholders interested in Victoria's environmental watering program. The VEWH recognises the CMAs and Melbourne Water as the 'local faces' of environmental watering, and seeks innovative and effective ways to support and strengthen this local engagement.

This corporate plan sets out the VEWH's roles as defined through its statutory objectives, functions, powers and obligations under the Water Act 1989 (the Water Act) and the requirements defined in the Ministerial rules, and other relevant legislation. The plan also sets out where the VEWH fits within broader environmental water management. By implementing the corporate plan, the VEWH will seize opportunities to ensure it maximises environmental benefits for Victoria's rivers, wetlands and floodplains as the 2016-17 and future seasons unfold.

Figure 1 provides an overview of the VEWH's key concepts, while Figure 2 provides an overview of the VEWH's strategic direction.

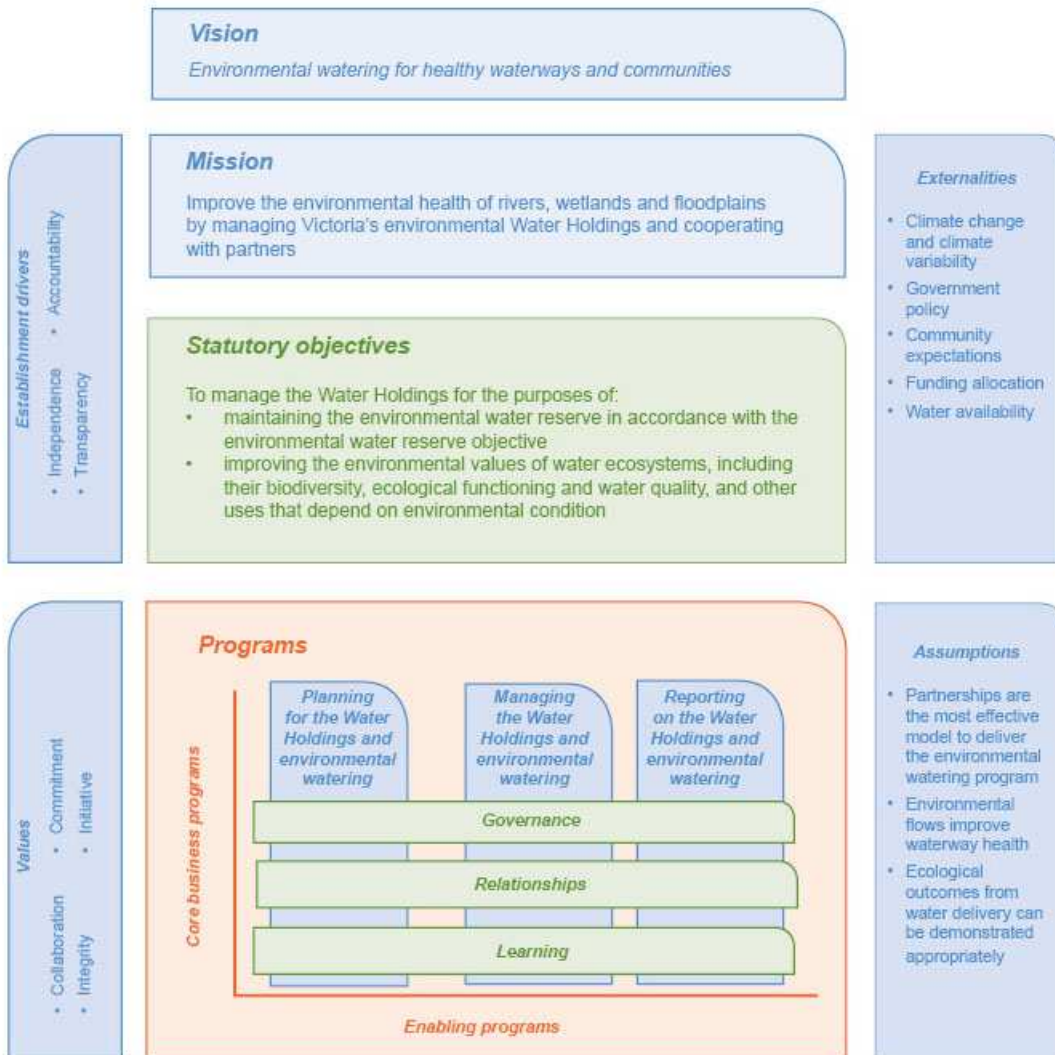
Figure 1 VEWH key concepts

The Victorian Environmental Water Holder (VEWH) manages:



\*\*The Commonwealth Environmental Water Holder has Water Holdings in these systems, though the VEWH does not. These Holdings are applied via arrangements with the VEWH.

Figure 2 Strategic overview



## 1 Introduction

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The VEWB was established on 1 July 2011 as an independent statutory body responsible for holding and managing Victoria's environmental water entitlements - the Water Holdings (see Table 1). The VEWB is responsible for making decisions on the most effective use of Victoria's Water Holdings. If resources are scarce, this can mean looking across systems to identify the highest priority watering actions in Victoria. The use of the Water Holdings for environmental watering is critical in ensuring that Victoria's rivers, wetlands and floodplains can continue to provide the environmental benefits the community values most.

This plan complements the Seasonal Watering Plan 2016-17 in communicating the services delivered by the VEWB in collaboration with its program partners. Where the seasonal watering plan focuses on the scoping of and rationale behind priority environmental watering actions, the Corporate Plan 2016-17 to 2019-20 outlines the VEWB's organisational objectives, programs, planned outputs, performance measures, strategic intent and financial forecasts.

Table 1 The Water Holdings (as at 1 April 2016)

System	Entitlement	Volume (ML)	Class of entitlement
Latrobe	Latrobe River Environmental Entitlement 2011	n/a <sup>1</sup>	Unregulated
	Blue Rock Environmental Entitlement 2013	18,737 <sup>2</sup>	Share of inflow
Thomson	Bulk Entitlement (Thomson River – Environment) Order 2005 <sup>3</sup>	10,000	High
Macalister	Macalister River Environmental Entitlement 2010	12,461	High
		6,230	Low
Yarra	Yarra Environmental Entitlement 2006 <sup>3</sup>	17,000	High
		55	Unregulated
Tarago	Tarago and Bunyip Rivers Environmental Entitlement 2009	3,000 <sup>2</sup>	Share of inflow
Werribee	Werribee River Environmental Entitlement 2011	n/a <sup>2</sup>	Share of inflow
Moorabool	Moorabool River Environmental Entitlement 2010 <sup>3</sup>	7,086 <sup>2</sup>	Share of inflow
Barwon	Barwon River Environmental Entitlement 2011	n/a <sup>1</sup>	Unregulated
Wimmera and Glenelg	Wimmera and Glenelg Rivers Environmental Entitlement 2010 <sup>3,4</sup>	40,560	Pipeline product
		1,000	Wetland product
Goulburn	Goulburn River Environmental Entitlement 2010	8,851	High
		3,140	Low
	Environmental Entitlement (Goulburn System – Living Murray) 2007	39,625	High
	156,980	Low	
	Environmental Entitlement (Goulburn System - NVIRP Stage 1 ) 2012	31,217.0 <sup>5</sup>	High
	Bulk Entitlement (Goulburn System – Snowy Environmental Reserve) Order 2004	30,252	High
		8,156	Low
Water Shares – Snowy River Environmental Reserve	8,321	High	
17,852	Low		
Silver and Wallaby Creeks Environmental Entitlement 2006 <sup>3</sup>	0	Passing flow only	
Campaspe	Environmental Entitlement (Campaspe River – Living Murray Initiative) 2007	126	High
		5,048	Low
	Campaspe River Environmental Entitlement 2013	20,652	High
2,966	Low		
Loddon	Bulk Entitlement (Loddon River – Environmental Reserve) Order 2005 <sup>4</sup>	8,270	High
		2,024	Low
	Environmental Entitlement (Birch Creek – Bullarook System) 2009 <sup>3,4</sup>	100	n/a <sup>6</sup>
Water Shares – Snowy River Environmental Reserve	470	High	
Murray	Bulk Entitlement (River Murray – Flora and Fauna) Conversion Order 1999	29,782	High
		3,894	Low
		40,000	Unregulated
	Bulk Entitlement (River Murray – Flora and Fauna) Conversion Order 1999 – Barmah-Millewa Forest Environmental Water Allocation	50,000	High
		25,000	Low
	Bulk Entitlement (River Murray – Flora and Fauna) Conversion Order 1999 – Living Murray	9,589	High
	101,850	Low	
34,300	Unregulated		
Environmental Entitlement (River Murray – NVIRP Stage 1) 2012	22,376.4 <sup>5</sup>	High	
Bulk Entitlement (River Murray – Snowy Environmental Reserve) Conversion Order 2004	29,794	High	
Water shares – Snowy Environmental Reserve	14,671	High	
	6,423	Low	

Further detail about the Water Holdings can be obtained from the Victorian Water Register ([www.waterregister.vic.gov.au](http://www.waterregister.vic.gov.au)).

<sup>1</sup> Use of these entitlements is dependent upon suitable river heights, as specified in both the Latrobe and Barwon environmental entitlements.

<sup>2</sup> Water is accumulated continuously according to a share of inflows (Blue Rock 9%, Tarago system 10.3%, Werribee system 10%, Moorabool system 11.9%) and this volume represents the maximum that can be stored at any time. The actual volume available in any year varies according to inflows.

<sup>3</sup> In addition to volumetric entitlement, the entitlement also includes passing flows.

<sup>4</sup> In addition to volumetric entitlement, the entitlement also includes unregulated water.

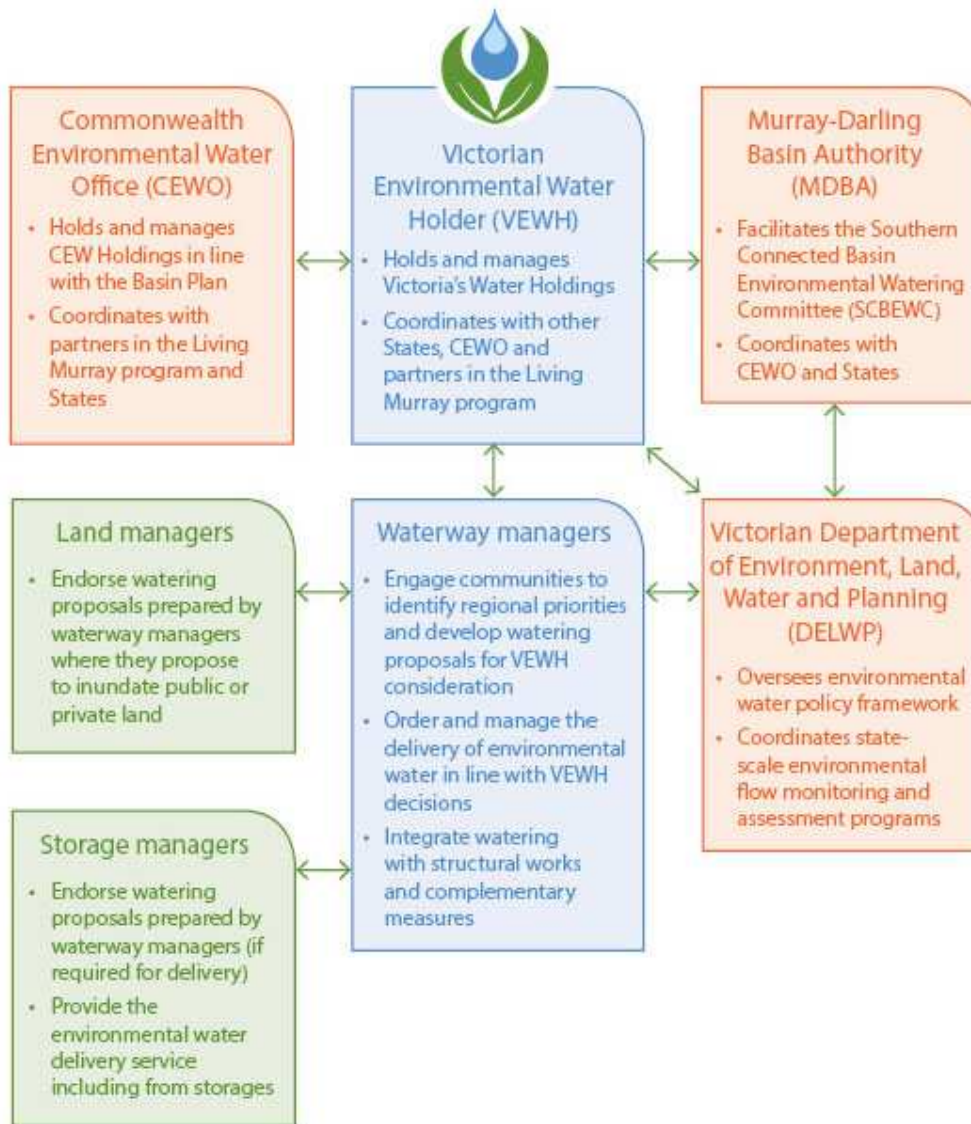
<sup>5</sup> This entitlement volume is equal to one-third of the total water savings from GMW Connections Project Stage 1, as verified in the latest audit (including mitigation water).

<sup>6</sup> Allocation against this entitlement is made subject to specific triggers, as specified in the entitlement.

## 1.1 Key partnerships

The Victorian environmental watering program is undertaken through partnerships between various organisations (see Figure 3).

Figure 3 Key partnerships and relationships of the VEWH



Catchment management authorities and Melbourne Water (waterway managers) are the pivotal partners of the VEWH, undertaking the local planning and management of environmental water delivery. They liaise with storage managers, who are responsible for supplying environmental water, and land managers, who take care of the land aspects of the sites to which environmental water is applied. Waterway managers are also responsible for undertaking important complementary catchment management activities, critical to ensuring the success of the environmental watering program.

The VEWH works closely with other water holders to ensure coordinated and effective use of the available environmental water resources, including the Commonwealth Environmental



Water Holder (CEWH), the Murray-Darling Basin Authority (MDBA) through the Living Murray Program, and other states. System-scale coordination between all water holders is facilitated through the Southern Connected Basin Environmental Watering Committee (SCBEWC), convened by the MDBA, which was established to coordinate the delivery of environmental watering through the connected Murray system and oversee the use of environmental entitlements held under the Living Murray Program.

The VEWB also work closely with the Department of Environment, Land, Water and Planning (DELWP) who oversee the environmental water policy framework and coordinate state-scale environmental flow monitoring and assessment programs.

### 1.1.1 Community and stakeholder engagement

Waterway managers are the Victorian environmental watering program's primary link with local communities and regional stakeholders. A review of engagement practices in 2015 demonstrated that waterway managers engage local communities and a broad range of key stakeholders throughout all stages of the environmental water management cycle; when planning watering activities (and prioritising them at a regional level), delivering environmental water and then reporting on its benefits.

In the planning stage, waterway managers ensure environmental watering protects the environmental values of most importance to the community, as well as considering additional social benefits – such as helping to meet recreational needs and considering Aboriginal environmental benefits of environmental watering.

At a program-wide level, the VEWB frequently engages with a range of key state-level stakeholders, informing, consulting and collaborating in matters relating to environmental watering. The VEWB does this through mechanisms such as the *Victorian Environmental Water Matters Forum*, in addition to ongoing and regular interactions.

This engagement is strongly supported and complemented by other partners including water storage managers, land managers, such as Parks Victoria, and federal agencies, such as the CEWH and MDBA, whose engagement is often targeted at a larger geographic scale.

## 1.2 Statutory objectives, functions, powers and obligations

The VEWB's statutory powers and obligations are described in section 33DC of the Water Act. The overarching objectives of the VEWB are to manage the Water Holdings for the purposes of:

- a) maintaining the environmental water reserve in accordance with the environmental water reserve objective
- b) improving the environmental values of water ecosystems, including their biodiversity, ecological functioning and water quality, and other uses that depend on environmental condition.

The functions of the VEWB described in section 33DD of the Water Act are to:

- a) apply and use water in the Water Holdings and otherwise exercise rights in the Water Holdings in accordance with the Water Act
- b) acquire and purchase rights and entitlements for the Water Holdings and dispose of and otherwise deal in rights and entitlements in the Water Holdings in accordance with the Water Act
- c) plan for the purposes of paragraphs (a) and (b)
- d) enter into any agreements for the purposes of paragraphs (a) and (b)

- e) enter into any agreements for the purposes of the co-ordination of the exercise of rights under any water right or entitlement held by another person, including the CEWH
- f) enter into any agreements with any person for the provision of works by that person to enable the efficient application or use of water in the Water Holdings.

Furthermore, section 33DE of the Water Act states “the Water Holder has the power to do all things necessary or convenient to be done for, or in connection with, or incidental to, the performance of its functions, powers and duties.”

The Water Act also describes the planning framework and reporting requirements that the VEWH is required to operate within. This includes the requirement to develop:

- a four-year corporate plan
- an annual seasonal watering plan
- seasonal watering statements as required
- an annual report (required under the Financial Management Act 1994).

Waterway managers also have responsibilities in this planning framework, which are summarised in Figure 4. It is these aspects of the VEWH's business that are dealt with in considerable detail in the Seasonal Watering Plan 2016-17. Regional waterway strategies and environmental water management plans developed by waterway managers are integral parts of the planning framework. While these documents are not directly used by the VEWH in its decision making, they form the building blocks or critical inputs for the seasonal watering proposals developed annually by waterway managers. As such, they are the foundation documents for the seasonal watering plan, and will also be important reference material for the VEWH.

Other key pieces of legislation under which the VEWH has obligations include:

- the Financial Management Act 1994: which sets out the requirement to ensure appropriate financial management practice is implemented and maintained, and a consistent standard of accountability and financial reporting is achieved
- the Public Administration Act 2004: which sets out the requirement to ensure good governance in the Victorian public sector and to foster effective, efficient, integrated and accountable service delivery.



setting strategic direction, establishing goals, objectives and programs for executive management, and monitoring the business.

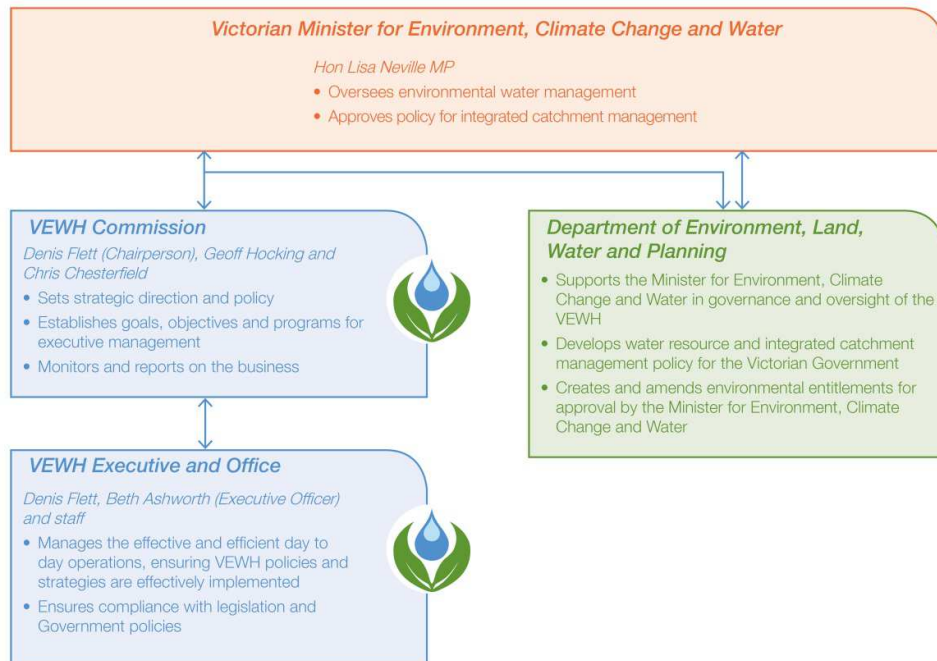
The Chairperson also has an executive role, and together with the Executive Officer, acts as the VEWB Executive. The Executive is responsible for managing the effective and efficient day-to-day operations of the VEWB, ensuring its policies and strategies are effectively implemented, and that legislation and Government policies are complied with.

The VEWB has an instrument of delegation in place which sets the approval levels required for all business activities. The Commissioners are supported by a small office comprised of:

- one Executive Officer
- management and supporting officers including technical, communications, engagement and administrative roles.

The VEWB reports directly to the Minister for Environment, Climate Change and Water. DELWP has a role in governance oversight of the VEWB, advising the Minister for Environment, Climate Change and Water on its performance. DELWP also has a role supporting the Minister in creating and amending water entitlements (see Figure 5).

Figure 5 Governance structure



## 1.4 Government policy context

The VEWB operates within Victorian Government policy. Key policy documents influencing the VEWB from a Victorian context include the Victorian Waterway Management Strategy (VWMS), sustainable water strategies, and the recently released *Water for Victoria Discussion Paper*, which outline important water resource policy within which the VEWB must operate.

The VEWB operates under Ministerial rules developed under section 33DZA of the Water Act to guide specific elements of VEWB operations. These rules came into effect on the 23 June 2014, and are available on the VEWB website.

The Murray-Darling Basin Plan is another key reform influencing the operation of the VEWB, particularly in relation to its planning and reporting framework in northern and western Victorian systems which form part of the Murray-Darling Basin. The VEWB continue to work closely with the Victorian Government and other agencies to implement the Basin Plan.

The *Water for Victoria Discussion Paper*, released by the Victorian Government in March 2016, presents the water management opportunities and challenges facing Victoria over the coming decades. It is anticipated that a final water plan will be released in 2016 to set the strategic direction for water management in Victoria for decades to come. This policy document will inform future operations of the water and catchments industry, including for the VEWB.

## 1.5 Operational context

There are a number of factors that influence the success of the Victorian environmental watering program, including:

- seasonal or climatic conditions, which affect both the environmental water requirements of particular sites (demand) and the availability of environmental water (supply) in a given year
- decisions by other water holders on the use of their environmental water
- State and Commonwealth Government decisions on water resource policy
- resources, knowledge and capability within the VEWB and its program partners
- operating rules associated with the water delivery network, including the trialling of potential changes to historic practice and delivery patterns
- funding availability
- charges associated with management of the Water Holdings and delivery of environmental water.

Since the beginning of Victoria's environmental watering program in the early 2000s, Victoria's waterways have experienced a range of climatic extremes. At the time of the VEWB's establishment in 2011, following an extended period of extreme drought, Victoria's catchments had received much needed rainfall, with significant flooding occurring in many parts of the State. These wetter conditions generally continued throughout 2011-12 and to a lesser extent 2012-13, and enabled many priority watering actions to be provided naturally through unregulated flows. As such, use of the Water Holdings was relatively low, with its delivery focussed on building on the benefits of natural flow events.

However, the wetter conditions supported increased water availability across the State for subsequent years, and enabled the delivery of a significant number of environmental watering events which were aimed at consolidating the recovery of some of Victoria's most important waterways from extreme drought, and in some instances, flood. Since 2013-14, this has included large, managed watering events at key floodplain forests on the River Murray at Barmah Forest, Gunbower Forest, Hattah Lakes, and Mulcra Island, watering of over 100 wetlands and 25 creeks and rivers across the State.

Since spring 2014 (and in some regions, even earlier), seasonal conditions have been dry, and the impact of this has been felt by people and the environment in many regions in 2015-16. Environmental watering in many systems, particularly north and west of the State,

has been scaled back in line with seasonal conditions and generally lower water availability. Tools such as carryover and trade will be critical to help VEWB and its partners manage the impacts of dry conditions on Victoria's waterways, should dry conditions continue in 2016-17.

The VEWB and its partners plan for a range of potential seasonal conditions by planning for water use and availability under a range of scenarios (see the Seasonal Watering Plan 2016-17), and planning for, mitigating and managing risks as the season unfolds. Watering actions identified as priorities in the drought and dry scenarios aim to protect the most critical values if dry conditions prevail in south-east Australia. The VEWB continues to refine the application of consistent prioritisation criteria to commit water from the Water Holdings on a State-wide basis.

## 2 Statement of corporate intent

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### 2.1 Vision, mission, values and behaviours

The vision provides insight and guidance to drive the VEWH's operations in the long term. The VEWH vision is:

***Water for healthy waterways and communities***

*Water held and managed specifically to promote healthy and resilient rivers, wetlands, floodplains and communities. Partners and communities working together to manage environmental water to protect the plants and animals that rely on healthy waterways, and to contribute to the optimisation of multiple benefits from all water.*

The achievement of the VEWH vision is supported by a mission statement to:

*Improve the environmental health of rivers, wetlands and floodplains by managing Victoria's environmental Water Holdings and cooperating with partners and communities.*

In undertaking its mission, the VEWH:

- makes decisions on the most effective use of the Water Holdings, including use, carryover and trade
- liaises with other water holders to ensure coordinated use of all sources of environmental water
- authorises waterway managers to implement watering decisions
- works with storage managers to maximise environmental outcomes and to contribute to the optimisation of multiple benefits from the delivery of all water
- commissions targeted projects to demonstrate ecological outcomes of environmental watering at key sites and to improve environmental water management
- publicly communicates environmental watering decisions and outcomes
- supports and adds value to communication and engagement activities undertaken by our program partners.

The VEWH's core values, attitudes and behaviours are described in Table 2.

**Table 2 VEWH values, attitudes and behaviours**

Values	Attitudes and behaviours
Collaboration	<p>We place an emphasis on partner and stakeholder engagement.</p> <p>We understand that by working together we achieve more.</p> <p>We seek opportunities to engage to collaborate and improve understanding.</p> <p>We regularly seek, listen to and respect external perspectives.</p> <p>We consider how our decisions affect others especially our partners.</p> <p>We appreciate that we are a small part of a big endeavour.</p> <p>We are clear on our role and understand and respect the role of our partners.</p> <p>We are cooperative, approachable and we keep people informed.</p> <p>We create and maintain effective networks.</p> <p>We share and celebrate success.</p>
Integrity	<p>We are accountable for our actions.</p> <p>We are trustworthy and reliable.</p> <p>We explain the rationale for our decisions.</p> <p>We communicate honestly and openly.</p> <p>We do what we say we will do and follow through on our promises.</p> <p>We regularly review our operations to learn from our successes and mistakes.</p>
Commitment	<p>We value healthy rivers, wetlands and floodplains.</p> <p>We maintain a strong focus on the VEWH's objectives and mission.</p> <p>We proactively respect and support government policies and initiatives relevant to our work.</p> <p>We are passionate about our work.</p> <p>We focus on strategic outcomes, as well as operational and opportunistic ones.</p> <p>We focus on agreed priorities and how we can add value.</p> <p>We are responsive and have a 'can do' attitude.</p> <p>We work hard and have fun along the way.</p> <p>We are dedicated and we persevere.</p> <p>We regularly review and evaluate to self-improve and demonstrate our commitment to getting better.</p> <p>We are committed to the wellbeing and safety of employees and the partners and communities we work with.</p>
Initiative	<p>We are innovative and open to new ideas.</p> <p>We are proactive and learn by doing.</p> <p>We seek new efficiencies in the way we do our work.</p> <p>We aspire to be leaders in what we do.</p> <p>We are knowledgeable and share our learnings.</p> <p>We make time to think strategically and creatively.</p> <p>We try new things in order to learn.</p> <p>We consider the bigger picture (landscape, social, economic and multi-year perspectives) for the best environmental protection of Victoria's rivers, wetlands, plants and animals.</p> <p>We invest in new knowledge and capability.</p>



## 3 Business plan

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### 3.1 Strategic priorities and initiatives

In 2015 the VEWH instigated three reviews to assess performance of its first five years of operation and to identify opportunities for continued improvement. Based on the review findings, the VEWH has identified a number of strategic priorities to address over the next four years.

The reviews, informed by environmental watering program partners and stakeholders, highlighted that the VEWH performs its functions thoroughly and well. The relationships formed between partners were consistently identified as a strength of the program. Effective frameworks and processes for planning, delivery and reporting on environmental watering have been established, and strong evidence was found that the VEWH and its partners are making continuous improvements to all aspects of the environmental watering program. While this is a significant achievement for an organisation in its formative years, many challenges remain.

The complexity of making decisions to optimise the outcomes from environmental watering is one of these challenges. This complexity reflects the dynamic nature of ecological systems and processes, the variability of climatic conditions and water availability, the rapid evolution of knowledge and experience in the program, and the consequential adaptive and responsive nature of decisions. Considerable experience has been gained in managing the environmental water holdings to maximise outcomes through the use, carryover and trade of environmental water. Whilst formal processes have been established to inform decision making, a strategic priority for the VEWH is to:

- Further document, refine and effectively communicate the decision making processes for the use, carryover and trade of water to optimise environmental outcomes.

A continued focus for the VEWH has been on refining how best to support and add value to the communication and engagement activities of our program partners. Communication challenges for the environmental watering program are to continue to provide clear, transparent information to communities, to gain a better appreciation for what Victorians wish to know about environmental water management and to provide information in a way which can be easily understood. To continue to strengthen communication and engagement the VEWH will:

- Undertake statewide research to improve understanding of community expectations and knowledge of environmental water management to better define communication needs.

There are many agencies involved in delivering the Victorian environmental watering program, with waterway managers, storage managers, land managers, environmental water holders and DELWP playing key roles. While policies and processes have been developed and the roles and responsibilities between the VEWH and its partner organisations refined, there is still some refinement required, as was highlighted by partners through the recent reviews. There are many areas where the roles and responsibilities of our partners intersect, which poses a challenge in ensuring program operations are as efficient and effective as possible. To continue to improve program effectiveness, the VEWH will:

- Continue to clarify and refine the roles and responsibilities of VEWH and partner organisations.
- Further refine administrative arrangements to maximise regional decision making, as appropriate.

Demonstrating the large-scale ecological outcomes of environmental watering is inherently difficult due to the long-term nature of improvements in ecological health, the relatively short existence of the environmental watering program, and the interdependencies of environmental watering with other complementary waterway works and measures. Effective and ongoing monitoring of outcomes is critical to support continued learning and adaptive management and to demonstrate program outcomes. The recent reviews identified VEWH's investment in monitoring, investigations and works was well targeted at knowledge gaps and program needs, and was effectively complementing activities undertaken by other agencies. To ensure the best return from investment in program monitoring and improvement, the VEWH will:

- Further develop the VEWH's program of investment in monitoring and technical projects to maximise alignment and complementarity with other environmental flow and wetland monitoring and assessment programs, and investigation and works investment in Victoria.

A clear challenge identified in the *Water for Victoria Discussion Paper* is the ongoing quest to balance and optimise the multiple benefits from all water, particularly in the face of climate change. Environmental water holders and managers work closely with storage managers and river operators to optimise benefits, including from both planned and held environmental water. Environmental watering service needs are evolving significantly as experience grows and there is sometimes a fine line between the service required by environmental water holders and the obligations of the storage manager to help protect environmental values, including water quality. As environmental watering evolves and adapts it may be appropriate to change the mix of the components of the environmental water reserve by placing a greater emphasis on planned environmental water, especially in light of the susceptibility of unregulated 'Above cap' water to climate change. There are implications for the charges to be paid by environmental water holders when the service level required is evolving and sometimes is clearly different in character to that required by consumptive entitlement holders. Given the substantial changes to river operations needed to optimise the management of held environmental water, bringing clarity to charging arrangements for environmental water holders, which all stakeholders can understand, is a significant policy challenge that may take some time to resolve. To help optimise environmental watering and associated multiple benefit, the VEWH will:

- Continue to work closely with policy developers, other environmental water holders, waterway and storage managers, to clarify environmental watering service needs and the associated charging arrangements.

The focus for 2016-17 will be to scope and prioritise the strategic priorities with the aim of developing specific initiatives with well-planned and staged deliverables. Strategic initiatives aimed at optimising organisational and watering program performance will be implemented when ready, and will be incorporated into the VEWH Corporate Plan in 2017-18. As such, there are no specific deliverables or performance measures outlined for strategic initiatives in 2016-17.

## 3.2 Planned outputs

The VEWH's planned outputs under each of its core business programs for 2016-17 are outlined in Table 3. These programs are central to meeting our statutory requirements and include Planning, Managing, Reporting, Governance, Relationships and Learning.

**Table 3 VEWH program goals and planned outputs for 2016-17**

<p><b><i>Program 1: Planning for the Water Holdings and environmental watering (“Planning”)</i></b></p> <p>It is through this program that the VEWH fully scopes out the potential watering actions for the coming year and inputs to the foundation documents which underpin them.</p> <p><b><i>Goal:</i></b> Clear and rational planning that facilitates sound and timely decision making.</p> <p><b><i>Planned outputs for 2016-17:</i></b></p> <ol style="list-style-type: none"><li>1.1 Input made to the development and refinement of environmental flow studies and environmental water management plans, as required.</li><li>1.2 Seasonal Watering Plan 2016-17 issued by 30 June 2017.</li><li>1.3 Victorian contributions made to Murray-Darling Basin environmental water planning through the Southern Connected Basin Environmental Watering Committee and Commonwealth planning documents, as required.</li><li>1.4 Planning requirements under the Murray-Darling Basin Plan implemented as required, including annual submission of State annual environmental watering priorities by 31 May 2017, and input made to the development of the annual Basin environmental watering priorities.</li></ol>
<p><b><i>Program 2: Managing the Water Holdings and environmental watering (“Managing”)</i></b></p> <p>It is through this program that the VEWH makes decisions on the most effective use of Water Holdings, including use, carryover and trade, and authorises waterway managers to undertake priority watering actions.</p> <p><b><i>Goal:</i></b> Sound and timely decisions made and activities undertaken that enable environmental watering in priority river reaches, wetlands and floodplains.</p> <p><b><i>Planned outputs for 2016-17:</i></b></p> <ol style="list-style-type: none"><li>2.1 Input made to the development of new and amendment of existing environmental water entitlements, as required.</li><li>2.2 Ongoing demand-supply analyses undertaken to inform option assessment and timely decisions about use, carryover and trade.</li><li>2.3 Carryover and trade strategies developed and implemented, as required.</li><li>2.4 Environmental watering actions negotiated with other water holders and implemented via Victorian processes, as required.</li><li>2.5 Seasonal watering statements issued and publically communicated with the associated rationale as required.</li><li>2.6 All metering programs and four northern operating arrangements developed by 31 June 2017.</li></ol>

**Program 3: Reporting on the Water Holdings and environmental watering (“Reporting”)**

It is through this program that the VEWH will communicate the environmental watering undertaken and the carryover and trade decisions made, and demonstrate and communicate the ecological outcomes achieved at key sites.

*Goal:* Effective management of the Water Holdings and improved environmental health demonstrated.

*Planned outputs for 2016-17:*

- 3.1 Quarterly seasonal updates issued outlining deliveries to date, current conditions, environmental watering outlooks and water management considerations.
- 3.2 An environmental watering booklet, reporting on watering actions and outcomes, and celebrating the ‘monitored achievements’ of five years of the VEWH issued by 31 October 2016.
- 3.3 Regular plain-English updates, news stories, issues and achievements published on the website.
- 3.4 Reporting arrangements with waterway managers reviewed and updated by 30 December 2016.
- 3.5 Reporting requirements under the Murray-Darling Basin Plan implemented as required, including input to the statement of assurance by 31 August 2016 and the monitoring and evaluation report by 31 October 2016.

**Program 4: Governance**

It is through this program that the VEWH will ensure its corporate responsibilities are met, and sound decision making is supported, including minimising risks to safety and well-being.

*Goal:* Provide good governance to ensure independence, transparency and accountability, and to manage risks.

*Planned outputs for 2016-17:*

- 4.1 Governance charter reviewed by 31 December 2016 and updated as required.
- 4.2 Corporate risk management processes and strategy implemented and reviewed by 30 June 2017 and risk register updated as required.
- 4.3 Safety and well-being incidents tracked via incident register and reported by 30 June 2017.
- 4.4 Annual Report 2015-16 developed and tabled in Parliament in accordance with timelines provided by DELWP.
- 4.5 Corporate Plan 2017-18 submitted to the Minister for Environment and Climate Change by 30 April 2017 and summary made publicly available by 30 June 2017, and regular reviews of implementation undertaken.
- 4.6 Commission performance assessed, improvement planned and report submitted to the Minister for Environment and Climate Change by 31 July 2016.

**Program 5: Relationships**

It is through this program that the VEWH will engage its key program partners and stakeholders and inform the general community.

*Goal:* Effective working relationships and informed communities that facilitate and support effective environmental watering.

*Planned outputs for 2016-17:*

- 5.1 Activities undertaken to build and maintain effective, collaborative relationships with and between waterway managers, storage managers, CEWO, MDBA, DELWP and Minister.
- 5.2 Local community engagement by waterway managers promoted and supported as required, including through attendance at Environmental Water Advisory Group or similar meetings.
- 5.3 Communication and engagement strategy and annual work plan developed by 30 July 2016 and implemented as required.
- 5.4 Regular engagement undertaken with State-wide authorities, stakeholders and peak interest groups.

***Program 6: Learning***

It is through this program that the VEWH will adapt its management, and influence others' management, on the basis of new knowledge and experience.

*Goal:* A leading role taken in improving environmental water management.

*Planned outputs for 2016-17:*

- 6.1 Learning from monitoring and technical work funded by VEWH documented and shared with program partners and stakeholders by 30 September 2016.
- 6.2 Contributions made to broader monitoring programs, learnings considered and adaptations made (for example VEFMAP, WETMAP, CEWO long-term intervention monitoring) as required.
- 6.3 Capacity built amongst Commissioners, staff and program partners.

### 3.3 Corporate policies and strategies

The following sections describe the overarching corporate policies and strategies that the VEWH will implement in undertaking its functions. These include:

- financial management
- human resource management
- information systems management
- risk management.

#### 3.3.1 Financial management

Financial resources will be sought and effectively managed to ensure that statutory functions can be effectively undertaken, and appropriate practice will be implemented and maintained to ensure efficient and accountable financial management.

To ensure appropriate practice, the VEWH will comply with requirements under the Financial Management Act 1994, the Standing Directions of the Minister for Finance under the Financial Management Act 1994, and the Department of Treasury and Finance's Financial Management Compliance Framework. Relevant requirements include those relating to:

- the Trust Fund and Accounts
- financial statements and budget updates
- budget management
- financial transactions
- accounting procedures
- asset registers
- risk management strategies
- financial reporting, including annual reports
- audit
- supply management and procurement.

For administrative efficiency, the VEWH will use DELWP's systems and processes for financial transactions, and in doing so, agrees to abide by DELWP's relevant regulations and policies. This arrangement is formalised through a service level agreement, which will be updated as required.

The VEWH will ensure any cash investments are undertaken in line with Government policy and the VEWH's approved investment business rule.

#### 3.3.2 Human resource management

Human resources will be secured and effectively managed to ensure that statutory functions can be effectively undertaken, and appropriate human resource practice will be implemented and maintained to ensure fair and reasonable employment processes and treatment of staff.

To ensure appropriate practice, the VEWH will comply with requirements under the *Public Administration Act 2004*, the Victorian Public Sector Employment Standards, the *Equal Opportunity Act 1995*, and the *Protected Disclosures Act 2012*. Relevant requirements include those relating to:

- workforce planning
- recruitment
- remuneration
- termination
- occupational health, wellbeing and safety

- protected disclosures.

The VEWH will use staff seconded from DELWP or any other public agency or authority and in doing so, agrees to abide by the relevant regulations and policies, unless varied by agreement. These arrangements are formalised through written agreements with the relevant agencies and authorities, which will be updated as required.

### 3.3.3 Information systems management

Information systems and practice will be implemented and maintained to ensure that information held or generated by the VEWH is soundly managed, and is accessible as required, usable and trusted.

To ensure appropriate practice, the VEWH will comply with requirements under the Financial Management Act 1994, the Information Privacy Act 2000 and the Freedom of Information Act 1982. Relevant requirements include those relating to:

- publication of documents
- access to unpublished documents
- record keeping.

The VEWH will maintain records of its decision making, and will make all documents required to be developed under the Water Act publicly available.

For administrative efficiency, the VEWH will use DELWP's information technology systems and processes, and in doing so, agrees to abide by DELWP's relevant regulations and policies. This arrangement is formalised through a service level agreement, which will be updated as required.

### 3.3.4 Risk management

Risk management strategy and practice will be implemented and maintained to ensure that strategic and operational risks are identified, assessed and mitigated as required.

To ensure appropriate practice, the VEWH will also comply with requirements under the Financial Management Act 1994, relating to risk management strategies.

Risk assessment and treatment are an integral part of the planning, management and reporting activities undertaken by the VEWH and its watering partners. Active risk management at the strategic and operational levels provides confidence that the VEWH will be able to meet strategic objectives and associated operational targets and goals. The VEWH regularly promotes risk awareness, including considering risk in seasonal watering decisions. The VEWH maintains insurance policies to cover certain risks which cannot be further minimised and periodically reviews the appropriateness of these policies.

Risk management principles of the VEWH are aligned with the eleven principles underpinning the Australia/New Zealand Risk Management Standard (AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines) and the Victorian Government Risk Management Framework. The Chairperson (Accountable Officer) will attest on an annual basis via the annual report to the appropriate management of risk, to meet the requirements of the Financial Management Act 1994.

Independent oversight of strategic management, corporate planning and the associated controls occurs through the VEWH's Risk and Audit Committee (RAC), the risk-based

internal audit program and externally by the Victorian Auditor-General's Office. The RAC assists the VEWB Commission by ensuring:

- risks to the organisation are identified and monitored effectively, and systems are in place to manage those risks
- a reliable system of internal control is maintained, to ensure effective governance including compliance with laws and regulations
- annual accounts provide an accurate representation of the organisation's financial position.

In response to a risk management audit undertaken in late 2014-15, the management, RAC and the Commission worked together to refresh the organisational risk profile and review risk management processes. Other significant reviews and internal audits that contributed to the VEWB's internal audit program in 2015-16 include a strategic review of VEWB organisational performance and audits of contract management and records management. Management continues to address the recommendations of each audit, with progress tracked by the RAC.

In 2015-16 the VEWB reviewed and streamlined the Victorian Environment Watering Program Risk Management Framework. As part of the review process and in response to program partner feedback the following approach to risk management is being proposed:

- to focus on collective risk assessment
- to use existing groups where they exist
- to clarify roles and responsibilities in the operating arrangements for the management of the environmental water holdings.

The risk management framework continues to focus on shared risks – those risks that are at the interface between the different partners. The approach supports partners to manage inter-agency risks as required by the Victorian Government Risk Management Framework.

From February to April 2016 the VEWB worked with partners at six regionally based risk management workshops to consistently and collaboratively assess environmental water risks, identify mitigation measures and assign a lead responsibility for the measures. This joint risk assessment informs the development of the seasonal watering proposals and forms a basis for risk management in the coming water year. To continuously improve risk management the partners also reflected on risk management approaches from 2015-16 and shared learnings. The VEWB will continue to include risk management roles and responsibilities in the operating arrangements as they are progressively finalised or updated.

The VEWB has developed a risk appetite statement that communicates the amount and type of risk the VEWB is willing to accept to achieve environmental outcomes for waterways. It includes strategic risks which may significantly impact on the achievement of the VEWB's outcomes and objectives, are long term in nature and are not limited to a site or system scale. The appetite is determined for risks with a high or medium risk rating and is aligned with the strategic programs and is reviewed annually.

Information on the assessment, controls (ie. those actions that are already in place) and treatments (i.e. those actions still to be put in place) for both strategic and operational risks is recorded in the VEWB risk register.



### 3.4 Performance indicators

The VEWH will assess our performance against the program and financial indicators and targets identified in Table 4 to be reported in the VEWH annual report.

**Table 4 Program and financial performance indicators**

<b>Performance indicator</b>	<b>Target</b>
Water Act 1989, other legislative, Ministerial rules, and Water Holdings obligations fulfilled on time	100%
Planned outputs effectively delivered within committed timeframes	100%
Programs evaluated for effectiveness in achieving goals, opportunities for improvement identified and previously identified opportunities for improvement acted on	100%
Variance of actual expenditure to budgeted expenditure is within the target range, and actions taken to mitigate significant variances	<10%
Internal cash investment strategy reviewed, and actions taken to address significant variances in interest received	Quarterly
Final financial accounts are completed within statutory timeframes	100%
Office operations <sup>1</sup> expenditure as a percentage of total expenditure is within the target range	<25%

<sup>1</sup> Office operations includes staff and other operating costs such as audit and insurance costs.

## 4 Financial projections

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### 4.1 Assumptions

#### 4.1.1 Water Holdings

The charges paid for the storage and delivery of environmental water are determined by Government policy and water corporation planning and tariff strategy processes. The financial projections for these charges over the period of the corporate plan assume a continuation of the arrangements in place in 2015-16 plus CPI. The VEWH's ability to fund these charges for 2016-17 onwards will depend on the success of Environmental Contribution funding bids.

#### 4.1.2 Inter-annual seasonal variability

Seasonal conditions, such as temperature, rainfall and inflows, influence environmental water supply and demand. The supply of environmental water includes the amount of water allocated to environmental water entitlements, but also takes into account the amount and timing of unregulated flows that occur naturally in rivers and wetlands and other flows in the system. The demand for environmental water is determined by the environmental objectives, which vary under different seasonal conditions; for example, less water is likely to be required under drought conditions as the objective in drought years is to protect refuges for plant and animal populations, while in average and wet years, it is to maximise recruitment, migration and connectivity.

These financial statements assume 'average' seasonal conditions over the four-year period. Seasonal variability will then be addressed through carry forward of unexpended revenue and water trade.

#### 4.1.3 Revenue

In previous years, the VEWH has largely been funded through the 2012-13 Budget Initiative Management of the Environmental Entitlements and Onground Delivery. Funding arrangements spanned from 2012-13 to 2015-16. Funding for 2016-17 to 2019-20 will need to be secured through an Environmental Contribution Tranche 4 funding commitment. It is assumed that uncommitted surplus funds available at the end of 2015-16 will be used to partly offset the total amount of funding sought.

The VEWH has also been committed some of the funding provided to the Victorian Government by the Commonwealth Government for implementation of the Murray-Darling Basin Plan. This funding provides for the appointment of staff who will implement the VEWH's Basin Plan obligations.

The VEWH also receives interest revenue from its cash investment strategies, and from the sale of water allocation in years of surplus supply (see 'Water trade' below). This revenue can be used to invest in future environmental watering priorities, including water purchase to meet shortfalls in any Victorian system, or investment in measures to improve the performance of Victoria's environmental watering program.

#### 4.1.4 Carry forward

The VEWH has a Trust Account, which provides the ability to carry forward unexpended revenue. This is critical in order for the VEWH to manage inter-annual seasonal variability, and the associated volatility and unpredictability in Water Holdings management. As described in the previous section, the VEWH budget has been developed on the assumption of 'average' seasonal conditions and water availability. It is important that the VEWH can carry forward to ensure sufficient funding to provide for conditions which are above or below average. For example, in a year of above average water availability, carryover and delivery (irrigation channel access and pumping) charges may be above average. However, there is a threshold where severe and extended flooding will significantly reduce the need for active environmental water delivery, so channel access and pumping charges may be non-existent. In a year of below average water availability, a reduced volume of environmental water will be in storage and delivered, so costs may be reduced. However, a greater proportion of water may be required to be pumped due to low river levels, so pumping costs may be higher. Therefore, it is assumed that VEWH operations costs will be managed across the next four years to ensure financial resources are available according to seasonal conditions.

#### 4.1.5 Water trade

The VEWH has the ability to trade its water entitlements and allocations. Water allocation trade is becoming a standard component of VEWH operations, however the VEWH is still in a learning phase. The VEWH's experience to date demonstrates that trade revenue is not a reliable revenue source. At this stage, it is also assumed that water trade will be used to address inter-annual seasonal variability (ie. water sales in one year will result in revenue which will be required to purchase water in a future year). Thus the financial statements assume that net trade revenue will be spent on water purchases in 2016-17 and forward years, in the event that there is insufficient water to meet critical or priority environmental needs. If this does not eventuate, the funds may be used to invest in monitoring, technical or small structural works, or other priorities to improve our waterways.

#### 4.1.6 Delivery of water for other water holders

The VEWH holds some water entitlements in trust for the Living Murray program, an interstate initiative aimed at improving the health of the River Murray. This initiative is coordinated by the MDBA, who also pays the costs associated with the entitlement management and delivery of this water. As the water is held in the VEWH's allocation bank accounts, these charges are paid by the VEWH and the costs are recouped in full from the MDBA. It is difficult to predict what these charges will amount to, as they depend largely on the prioritisation of watering actions by partners in the Living Murray program. As such, these financial statements assume no net revenue (or cost) associated with the Living Murray program. There is some uncertainty over future funding availability for the Living Murray program. In addition, the governance arrangements for the Living Murray are being reviewed in light of the Murray-Darling Basin Plan and the need for coordination with a number of water holders with Water Holdings beyond those for Living Murray sites.

CEWO also transfers water to the VEWH's allocation bank accounts for delivery. Some of the costs associated with this water, such as headworks charges, are paid directly by CEWO to Goulburn-Murray Water. However, generally, costs associated with spillable water accounts and irrigation channel access charges, are paid by the VEWH and recouped in full from CEWO. Again, it is difficult to predict what these charges will amount to, as they

depend largely on the prioritisation of watering actions by CEWO. As such, these financial statements assume no net revenue (or cost) associated with Commonwealth environmental water.

#### **4.1.7 Assets and liabilities**

The VEWB does not own any non-financial assets, such as water delivery infrastructure, or office equipment (which is sourced from DELWP).

## 4.2 Statement of financial performance

Table 5 Statement of financial performance

	Budgeted (\$'000) <sup>1</sup>	Forecast (\$'000) <sup>2</sup>	Budgeted (\$'000)			
	2015-16	2015-16	2016-17	2017-18	2018-19	2019-20
Revenues						
Government contributions / grants <sup>3</sup>	9,393	8,791	6,942	9,711	10,038	10,036
Interest <sup>4</sup>	160	160	135	102	103	100
Sale of goods <sup>5</sup>	0	75	0	0	0	0
Other income <sup>6</sup>	0	3,428	0	0	0	0
<b>TOTAL</b>	<b>9,553</b>	<b>12,454</b>	<b>7,077</b>	<b>9,813</b>	<b>10,140</b>	<b>10,136</b>
Expenditures						
Employee benefits	1,312	1,353	1,920	1,964	2,086	2,079
Grants (water delivery and management) <sup>7</sup>	1,704	3,601	3,202	2,005	2,052	2,100
Environmental water holdings and transactions <sup>8</sup>	5,951	5,436	3,614	3,734	3,844	3,955
Other operating expenses <sup>9</sup>	7,385	3,144	4,229	2,110	2,158	2,203
Water purchases <sup>10</sup>		250	275	277	276	
<b>TOTAL</b>	<b>16,351</b>	<b>13,784</b>	<b>13,240</b>	<b>10,090</b>	<b>10,416</b>	<b>10,336</b>
Net result from transactions	-6,798	-1,330	-6,163	-277	-275	-200
<b>CARRY FORWARD<sup>11</sup></b>	<b>0</b>	<b>6,965</b>	<b>802</b>	<b>525</b>	<b>250</b>	<b>50</b>

<sup>1</sup> 2015-16 Budget did not include revenue from sales of water allocation, or revenue and expenditure from the Living Murray program and Commonwealth Environmental Water for entitlement charges and water delivery costs associated with delivery of their Water Holdings. These cannot be estimated at the start of the year, as they depend on seasonal conditions. It also did not include costs associated with implementation of Victorian Waterway Management Strategy Policy 8.8, which were not confirmed until after finalisation of the Corporate Plan.

<sup>2</sup> Projected year end position, as estimated at end February 2016.

<sup>3</sup> The 2015-16 forecast figure is lower than budgeted as less funding was required and provided for 2015-16 for the additional charges resulting from implementation of the Victorian Waterway Management Strategy than originally estimated at the time of the Corporate Plan 2015-16. VEWH was allocated four years of funding (2012-13 to 2015-16) as part of the 2012-13 State Government Budget. The VEWH is currently seeking funds for 2016-17 to 2019-20 through the Environmental Contribution Tranche 4 (EC4) funding bid. Current estimates for Government contributions for these years are based on estimated costs in the bid plus CPI. 2016-17 also assumes a reduction in revenue received as part of this funding through use of \$2.5m in surplus funds carried forward from previous years to partially offset the bid.

<sup>4</sup> Interest for 2015-16 has been calculated based on 2015-16 estimated total for part of the year (8 months), extrapolated out for a full year. Estimated interest in out-years is based on estimated revenue and the average percentage of interest earned in previous years.

<sup>5</sup> Revenue received to date (29 February 2016). Estimated revenue for the forward years is not provided as the quantum of water allocation sold in any year is difficult to estimate.

<sup>6</sup> Revenue from the Living Murray program or Commonwealth Environmental Water, for entitlement charges and water delivery costs associated with delivery of their Water Holdings, is not included in forward estimates from 2016-17 to 2019-20 as these are difficult to predict and are balanced by the associated unbudgeted expenditure (see notes 7 and 8).

<sup>7</sup> Includes grants to catchment management authorities and water corporations for water delivery and management costs. The amount for 2015-16 includes delivery and management costs of the Living Murray and Commonwealth Environmental Water entitlements. These costs are not included in the out-years (see note 6). 2016-17 includes an additional \$1.25m in delivery costs associated with a water purchase expected to be made in 2015-16 but delivered in 2016-17.

<sup>8</sup> Forecast amount in 2015-16 includes VEWH entitlement charges, as well as entitlement charges associated with delivery of Living Murray and Commonwealth Environmental Water entitlements. These latter costs are not included in the out-years (see note 6).

<sup>9</sup> Includes monitoring, investigations and office operations. Expenditure on technical work and investigations was expected to peak in 2015-16 to address critical knowledge gaps and then stabilise over the out-years. Some of this expenditure has now been carried forward into 2016-17.

<sup>10</sup> Amount in 2015-16 relates to water expected to be purchased in 2015-16 (also see note 7). It is also assumed that water trade will be used to address inter-annual seasonal variability (ie. water sales in one year will result in revenue which will be required to purchase water in a future year). Thus the financial statements assume that net trade revenue will be spent on water purchases in 2016-17 and forward years.

<sup>11</sup> The total forecast carry forward for 2015-16 of \$6.965m is the sum of cumulative carry forward to end 2014-15 of \$8.295m less forecast net result of \$-1.330m for 2015-16. It is assumed the 2015-16 carry forward will be used in 2016-17 for project commitments relating to monitoring and technical work continuing into 2016-17 and to offset of total funds sought through EC4 funding. Estimates of carry forward retained from 2017-18 onwards relate to retention of net funds from trade revenue (sale of water less any purchases) – see note 10.

### 4.3 Summary of planned programs

Table 6 Summary of planned programs

Program	Proposed expenditure (\$'000)				
	2015-16	2016-17 <sup>1</sup>	2017-18	2018-19	2019-20
Planning, reporting, governance, engagement, and office operations (Programs 1, 3, 4 and 5) <sup>2</sup>	2,202	2,290	2,351	2,488	2,545
Entitlement charges, water delivery costs and investigations (Programs 2 and 6)	11,582	10,951	7,739	7,929	7,791
<b>TOTAL</b>	<b>13,784</b>	<b>13,240</b>	<b>10,090</b>	<b>10,416</b>	<b>10,336</b>

### 4.4 Balance sheet

Table 7 Balance sheet<sup>3</sup>

	Estimated (\$'000) <sup>4</sup>	Budgeted (\$'000)			
	2015-16	2016-17	2017-18	2018-19	2019-20
<i>Financial assets</i>					
Cash	6,965	802	525	250	50
Receivables	496	546	600	661	727
<b>TOTAL</b>	<b>7,461</b>	<b>1,348</b>	<b>1,125</b>	<b>910</b>	<b>726</b>
<i>Current liabilities</i>					
Payables	0	0	0	0	0
Leave provisions	265	292	321	353	389
<i>Non-current liabilities</i>					
Long service leave	231	254	279	307	338
<b>TOTAL</b>	<b>496</b>	<b>546</b>	<b>600</b>	<b>661</b>	<b>727</b>
<b>NET ASSETS</b>	<b>6,965</b>	<b>802</b>	<b>525</b>	<b>250</b>	<b>50</b>
<b>TOTAL EQUITY</b>	<b>6,965</b>	<b>802</b>	<b>525</b>	<b>250</b>	<b>50</b>

<sup>1</sup> VEWH was allocated four years of funding (2012-13 to 2015-16) as part of the 2012-13 State Government Budget. The VEWH is currently seeking funds for 2016-17 to 2019-20 through the Environmental Contribution Tranche 4 (EC4) funding bid. Current estimates for Government contributions for these years are based on estimated costs in the bid plus CPI.

<sup>2</sup> Including staff, Commission remuneration, insurance, audit etc.

<sup>3</sup> All assets and liabilities are estimates only. The extent of assets and liabilities will be limited to the cash and employee entitlements. There may be trade debtors and creditors at the end of the financial year due to the timing of payments, however these cannot be reliably estimated.

<sup>4</sup> Projected year end position, as estimated at 29 February 2016.