



**LOWER MURRAY
WATER**

Corporate Plan

2024 / 2025



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1. ACKNOWLEDGEMENT OF COUNTRY

'Lower Murray Water acknowledges the Traditional Owners of the land on which we work and reside. We recognise their continuing connection to land, waterways, and community.

We pay our respects to Elders past, present and future. The Traditional Owner groups within Lower Murray Water's service region lie within the traditional lands of First Nations Peoples, from upstream at Koondrook moving downstream along the Murray River (Mil) through to the western edge of our region at the South Australian border.

They are the Barapa Barapa Peoples, Wamba Wemba Peoples, Wadi Wadi

Peoples, Tatti Tatti Peoples, Latji Latji Peoples, Nyeri Nyeri Peoples, Ngintait Peoples and the Wergaia Peoples.

The First Nation Peoples' connection to land and water is the living cultural knowledge that is passed down from generation to generation. The stories that connected the ancestors to their culture still live through the First Nations Peoples of today.'

Acknowledgement of Country written by Stephanie Sloane. She is a proud Ngiyampaa woman and has a strong connection to her culture, history, and the land. Stephanie has brought not only her experience and passion for people to this role but also a commitment to inspire and mentor others wishing to pursue a career at LMW.



Image 1: This artwork has been created by local artist, Bella Sloane from the Ngiyampaa tribe. Her painting represents family, titled: 'The Connection to Family'.

2. CHAIR AND MANAGING DIRECTOR'S INTRODUCTION

We are pleased to deliver the 2024-25 Lower Murray Water (LMW) Corporate Plan on behalf of the LMW Board.

As an essential services provider, we are committed to our purpose to support our region to prosper by successfully delivering vital water services.

Our Corporate Plan is reflective of the strategic priorities and foundations, key initiatives and financial forecasts which demonstrate our commitment to achieving this purpose and addressing the eight key priorities areas identified in the Minister for Water's Letters of Expectations (LoE).

In the 2024-25 year there are many major projects that will be underway. We will be finalising the works associated with the \$37M Sunraysia Water Efficiency Project (SWEP). This project is undertaking the lining of channels, pipelining some key areas, removing old irrigation outlet structures, and undertaking further metering works across the Red Cliffs, Mildura and Merbein irrigation districts. SWEP also delivers water savings, contributing to Victoria's commitment to the Murray Basin Plan. This project is progressing on schedule, and we are expecting it to be completed in the 2024-25 year.

We have received advice that the next phase of the Victorian Murray Floodplain Restoration Project (VMFRP) has been agreed upon by the Commonwealth government. We have now started to reestablish the project team which will deliver the next element of planning works required for the projects to move forward.

Undertaking planning and capital works associated with the improvement of our water and wastewater treatment will be a priority. We have been encountering many challenges over the past decade associated with water and wastewater quality brought on by climate change. We are seeing this as a major priority for the improvement of these services to invest in assets for the future which will prevent or mitigate water quality concerns.

The retention and attraction of new staff will continue to remain a priority throughout the coming plan. With a strong labour market, attraction of key staff to the region will be essential. This will be especially important throughout the 2024-25 year with on-going major projects and our existing business-as-usual workload requiring us to provide more human resources to deliver these works.

We will be implementing a new appointment process for our customer committees. This will mean that we will be having a hybrid model for our customer services advisory committee for our four irrigation districts as well as individual customer committees for private diversion and Millewa customers. Our Strategic Advisory Committee will remain the same providing customer representation from across our rural customer base. We value the feedback and advice received from all our customers and we see the new committees as being key in maintaining a high level of service to our community.

With increased effects of climate change driving many of our challenges, we remain committed to reducing our Co₂ emissions, with LMW working closely with

the Department of Energy, Environment and Climate Adaption (DEECA) and other Victorian Water Corporations to meet the state's 2035 reduction pledge.

The health, safety and wellbeing of our employees remains a high priority for us as an organisation, and as an active member of the Victorian water sector. In 2023 we created our first People Strategy, which identified a clear commitment to creating a Safe-Work Done-Well culture at LMW. In April 2024, we launched our new Health, Safety and Wellbeing Strategy which will bring this commitment to life over the 2024-25 year and beyond, through a range of initiatives designed to embed strong leadership, positive behaviours, and solid processes deep within our organisation.

This year will be the second of our Water Plan 5 and pricing has been set for the 2024-25 year in accordance with the final pricing determination undertaken by the Essential Services Commission (ESC) in 2023. We continue to seek to provide low prices to customers and to absorb costs that have been increasing in the areas of power, chemicals, borrowing costs and our efficiency contribution to government.

The current Bureau of Meteorology forecast suggests that we will be having an average year of temperature and rainfall which will mean we should be delivering an 'average' amount of water to our urban and rural customers. We note that issues including the Commonwealth's buyback of water entitlements may have consequences on rural demand as some customers may choose to sell their entitlements and seek to retire their properties. We will continue to review our rural demand forecasting as the customer base in the Sunraysia region has been dealing with commodity pricing issues which has meant customers evaluating which crop is best to grow into the future.

Our Technology Uplift Program is in full swing which will enable new ways of working through a raft of initiatives that will support the future direction of the organisation. This year will see many internal information technology changes come online to provide a more efficient service to our customer base. We will continue to invest in strategies and control systems to strengthen our cybersecurity and to meet required standards for the future.

The implementation of the action plan associated with our Reconciliation Action Plan (RAP) is a major priority for the organisation throughout this year. The plan sets out how we continue to develop our relationships and connections with local First Nations peoples and organisations across our region in meaningful way. We will be looking to progress our RAP from its 'Reflect' stage through to the 'Innovate' stage in the 2024-25 year.



SHARYON PEART
CHAIR



PAUL NORTHEY
MANAGING DIRECTOR

3. CURRENT BUSINESS OVERVIEW

3.1 GOVERNANCE

LMW is a Victorian Government water corporation created under the provisions of the *Water Act 1989* (Act) via Order in Council, effective 1st of July 2004. We are governed by a skills-based Board of nine Directors, comprising a non-executive Chair, seven non-executive Directors and a Managing Director. In accordance with the provisions set in the Act, Directors and the Chair are appointed by the Minister for Water. Directors have a broad range of relevant skills, experience, and expertise to assist meeting organisational objectives.

LMW's current Board comprises:

- Sharyon Peart, Chair
- Warren Lloyd, Deputy Chair
- Kate Hughes
- Domenic Isola
- Michelle Oates
- Dr Anne-Maree Boland
- Paul Thompson
- Adam Christou
- Paul Northey, Managing Director

We utilise a Finance and Audit Committee; Risk and Sustainability Committee, and Governance, People, Safety, and Culture Committee to assist the Board to carry out its corporate governance functions. Each Committee is chaired by a Board Director and operates under approved terms of reference. Committee members are chosen for the skills, experience, and other capabilities that they bring to the committees.

LMW is led by the Executive Leadership Team that supports and advises the Board. The current team comprises:

- Paul Northey, Managing Director
- Deb Fankhauser, General Manager People and Customer
- Stuart Mensch, General Manager Infrastructure Services
- Darren Raeck, General Manager Service Delivery and Operations
- Nardia Sheriff, General Manager Strategy and Partnerships
- Hannah Yu, General Manager Business Services

3.2 OUR REGION

LMW operates in a remote and arid area of Victoria, Australia extending along the Murray River from Kerang (Baraba Baraba land) to the South Australian (Latji Latji land) border. Our region makes up a large part of Victoria's food supply and agricultural industry, with our key industries of irrigated horticulture and dryland farming relying on the delivery of a clean and reliable supply of water. Other industries include food and beverage manufacturing, transport and logistics, retail, health, and community services as well as tourism which relies heavily on the Murray River landscapes.

We provide this extensive region with urban water and sewerage treatment, supply, and disposal; river quality water for stock and irrigation; and collection and disposal of subsurface irrigation drainage. LMW operates the collection, treatment, storage, and delivery of water to approximately 35,000 households along the Murray River, from Koondrook (Baraba Baraba land) to Merbein (Latji Latji Land), servicing 14 townships including Mildura and Robinvale (Latji Latji land), Swan Hill (Wemba Wemba land) and Kerang (Baraba Baraba land). LMW provides wastewater collection, treatment and effluent re-use and disposal services to more than 74,000 customers.

We also provide 2,666 irrigation and 2,240 stock and domestic customers with river quality water in pumped irrigation districts of Merbein, Red Cliffs, Robinvale as well as the Millewa rural district and some areas of the waterworks district of Yelta (Latji Latji land). Our region is serviced by our nine water treatment plants and ten wastewater treatment facilities. In early 2024, LMW extended our services to the residents of Ultima (which sits outside of our region) through a pipeline from our Swan Hill Water Treatment Plant to provide fully treated drinking water to this community.

Our head office is in Mildura (Latje Latje land), and we also have offices in Swan Hill (Wemba Wemba land) and Kerang (Baraba Baraba land). LMW currently employs approximately 220 staff.

3.3 OUR ASSETS



Map 1: LMW service area and asset map

3.4 OUR SERVICES

LMW provides services to rural and urban customers including:

- Urban water services to 14 townships via nine treatment plants to 34,784 households and businesses (approx. 74,000 customers) along the Murray River from Koondrook to Merbein.
- Wastewater collection, treatment and effluent re-use and disposal services to 11 towns via 10 treatment plants.
- Raw (river quality water) services to 2,666 irrigation and 2,240 stock and domestic customers in the pumped irrigation districts of Mildura, Merbein, Red Cliffs and Robinvale, and to 297 Millewa waterworks district customers and 12 Yelta waterworks district customers.
- Management of the region’s urban and rural bulk water entitlements.
- Collection and disposal of subsurface drainage water from the pumped irrigation districts, as well as from private diverters in Nangiloc Colignan, Robinvale and Boundary Bend.
- Oversight of irrigation and drainage design in new agricultural developments ensuring conformity with salinity management plan development guidelines.
- Management of the private diversion licences of 1,313 water users along the Murray River in Victoria between Nyah and the South Australian border.
- Assessment and approval of licensing, water share and allocation trade applications.
- Reclaimed water for third party use.
- Water supply delivery to important environmental and recreational sites.
- Lead agency in a partnership model for the Victorian Murray Floodplain Restoration Project (VMFRP).

3.5 OUR RECENT PERFORMANCE

LMW has an obligation to report monthly and provide annual data to the Essential Service Commission (ESC) against a suite of performance indicators that benchmark us against the 15 non-metro water corporations (metro water corporations are benchmarked separately). An annual Water Performance Report providing the compiled data is produced which identifies opportunities for improvements that can be made across the business. Many of the initiatives identified for the 2024-25 period have been done so utilising this data.

A summary of our performance in the 2022-2023 ESC Urban Water Performance Report is as follows:

LMW result	Indicator description
Lowest	Average duration of planned and unplanned interruptions (54.6 and 58.8 minutes)
Second lowest	Complaints made to water businesses per 100 customers
Third lowest	Tenants – average household bills (\$ nominal) - \$215.00
Fourth lowest	Average response time to burses and leaks (priority 1 – minutes) - 24.0 mins
Fifth lowest	Owner occupiers – average household bills (\$ nominal) - \$939.00

3.6 WHAT OUR CUSTOMERS ARE SAYING

Our services and priorities are outlined in each water plan and include the outcomes that LMW seek to achieve which has been driven by our customers. In our new Water Plan 5, we have committed to delivering a set of proposed outcomes for our urban and rural customers, which are similar but refined to reflect the different nature of services, and the customer base:

Urban

- Outcome 1: Services provide customers value for money
- Outcome 2: Provide customers reliable and safe drinking water
- Outcome 3: Provide customers reliable sewerage services
- Outcome 4: Provide customer service avenues that are responsive to resolve requests and enquiries
- Outcome 5: Service our communities in a socially responsible and environmentally sustainable manner.

Rural

- Outcome 1: Services provide customers value for money
- Outcome 2: Provide customers water when they need it
- Outcome 3: Provide customer service avenues that are responsive to resolve requests and enquiries
- Outcome 4: Service our communities in a socially responsible and environmentally sustainable manner.

4. OUR STRATEGIC FRAMEWORK

Our purpose is to support our region to prosper by successfully delivering vital water services. This purpose is embodied in our strategic framework and has been developed into our vision to create a healthy, sustainable water future underpinned by a culture of performance excellence, and built in partnership with our staff, customers, and communities.

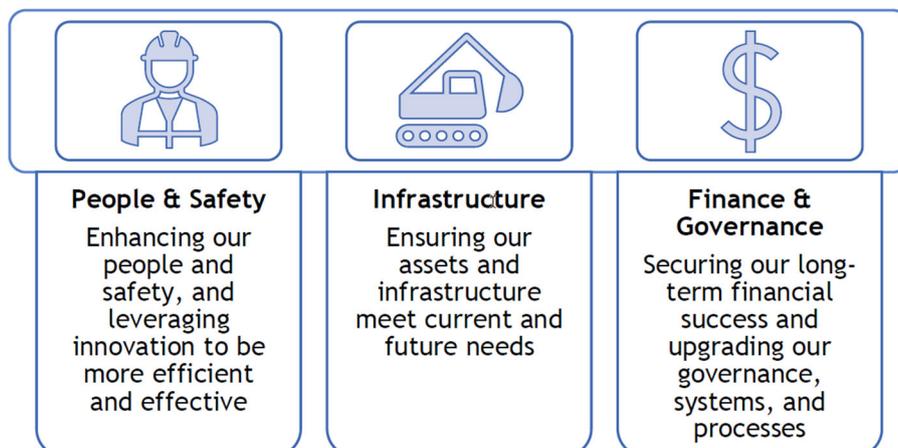
We absolutely agree with, and actively support, the Water for Victoria vision that states: *“Water is fundamental to our communities. We will manage water to support a healthy environment, a prosperous economy and thriving communities, now and into the future.”*

The LMW 2021-2025 Strategic Plan has identified six strategic pillars which drive its activities. These pillars are made up of three Strategic Priority areas and three Strategic Foundation areas. Sustainable progress has been made against the aspirations identified for both the Foundational and Strategic priorities. Aligning with our Strategic Plan, the activities undertaken also seek to address the Ministerial Letter of Expectations (LoE), Statement of Obligations and the Water Act 1989.

LMW's strategy targets the building of a healthy and sustainable future through our *strategic priorities*:



To do this, LMW must build a dynamic culture of performance excellence through our *strategic foundations*:



5. MEETING EXPECTATIONS

The 2024-25 Corporate Plan aims to address the expectations set out by the Minister for Water as an entity that delivers government objectives within the context of the Water Act.

We acknowledge and continue to address these expectations as expressly defined in this year's Letter of Expectations (LoE) from the Minister:

- LoE 1 Climate Change and Energy
- LoE 2 Customer, Community and Engagement
- LoE 3 Recognise Aboriginal Values
- LoE 4 Recognise Recreational Values
- LoE 5 Resilient and Liveable Cities and Towns
- LoE 6 Leadership, Diversity and Culture
- LoE 7 Performance and Financial Management
- LoE 8 Compliance and Enforcement

We also acknowledge the additional areas of focus which include:

- Cyber security
- The Housing Statement
- Customer protection, including prevention of harm from family violence

We have responded to each LoE by aligning it with the relevant area of LMW's strategic focus to ensure both strategic and operational alignment and the fulfilment of customer outcomes for the upcoming reporting period.

5.1 LOE 1: CLIMATE CHANGE AND ENERGY

LoE 1: Water corporations are required to undertake activities and provide services that reduce exposure to climate risks, reduce greenhouse gas emissions, increase renewable energy use, adapt to climate change, and demonstrate reasonable progress in integrating climate change adaptation into planning and decision making across the business.

Indicators:

- *Emissions Reduction*
- *Increasing Renewable Energy*
- *Adapting to Climate Change*

Agreed Water Plan 5 Outcomes:

- *Service our communities in a socially responsible and environmentally sustainable manner.*
-

Climate change will continue to have an increasing impact on water availability from the Murray River and remains a significant theme for environmental and water management in our region. The LMW Strategic Plan 2021-2025 identified the following strategic priority which seeks to address the key focus areas identified in this LoE:

1. Strategic Priority: Environment – *better the environment in our region.*

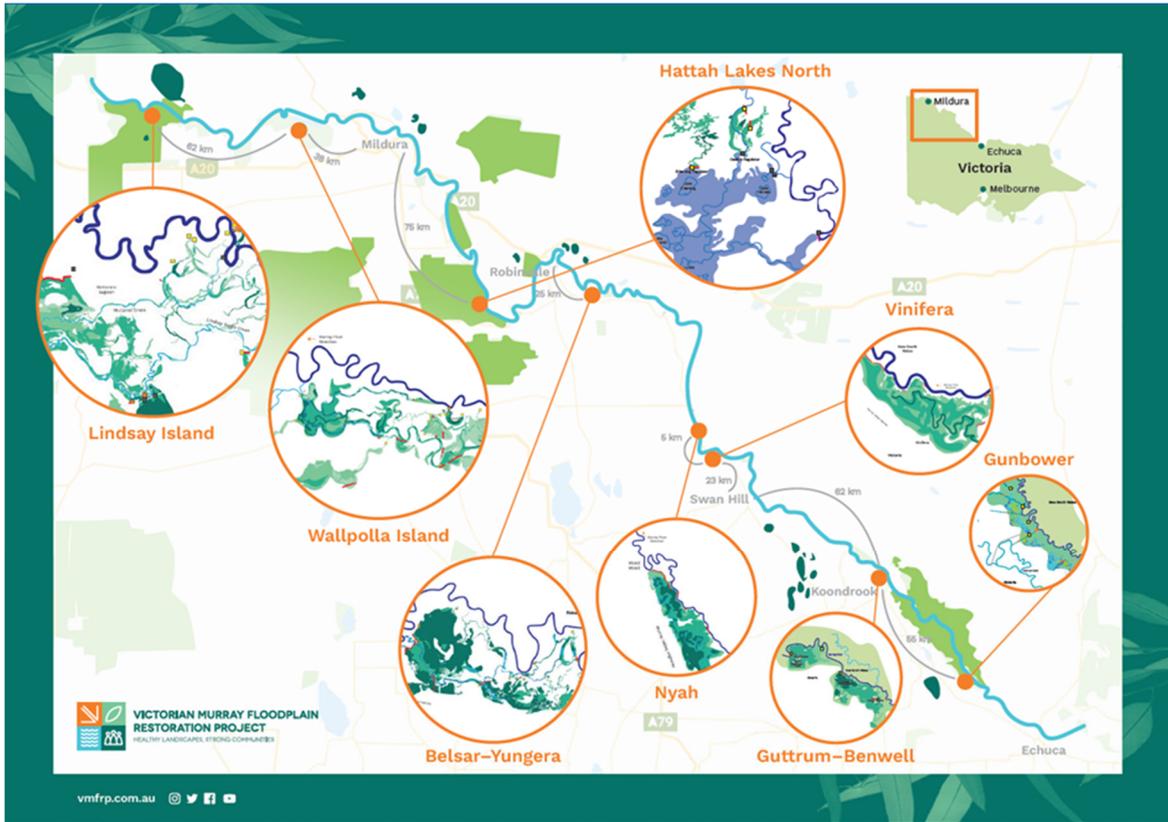
- a) Deliver the Victorian Murray Floodplain Restoration Project (VMFRP) to agreed objectives.
 - b) Achieve our CO2 emissions reduction targets.
 - c) Explore enhanced integrated water management that best works for our region.
-

1. Strategic Priority: Environment – better the environment in our region.

a) *Deliver the Victorian Murray Floodplain Restoration Project (VMFRP) to agreed objectives.*

LMW is the project lead for the VMFRP working with its project partners Mallee Catchment Management Authority, North Central Catchment Management Authority, Parks Victoria, Goulburn-Murray Water and DEECA. VMFRP comprises eight discrete environmental works projects that aim to return a more natural inundation regime across approximately 13,500ha of high-ecological-value Murray River floodplain in Victoria through the construction of new infrastructure and the modification of existing infrastructure.

As our towns, cities, agriculture, and industries have grown and evolved over time, so too has the way the river flows, manipulated to suit our purposes by using weirs and dams. While this has benefited regional communities and economies, water no longer flows naturally as it once did, and the Murray River can no longer water the floodplains often enough to keep them healthy. The map below identifies the locations of the VMFRP sites along the Murray River.



Map 2: VMFRP program of works map

In 2024-25, we will continue to deliver our Sunraysia Water Efficiency Project, which is a modernisation project that will enhance and remove outdated water infrastructure in the Mildura, Red Cliffs, and Merbein irrigation districts.

Funded by the Australian Government, these works aim to improve the condition of LMW’s irrigation channels and increase the efficiency of water delivery providing numerous benefits to the Sunraysia region, including:

- Further modernisation and rationalisation of assets in the Mildura, Red Cliffs, and Merbein irrigation districts, benefiting local growers.
- Helping the Sunraysia district maintain its competitive advantage in the agri-food sector with more efficiency in its water delivery systems.
- Bringing forward essential maintenance and upgrade works to maintain water supply and reduce interruptions, offsetting works that otherwise would have been funded through LMW rural customer charges.
- Supporting more than 100 construction and delivery jobs for the region.
- Generating an estimated regional GDP increase of more than \$20 million.
- Reducing the amount of salinity in the River Murray and surrounding topsoil caused by leaking channels.

This project will also generate water savings by minimising channel leakage and seepage and ensuring that the water being used is measured more accurately. Any additional savings will be shared equally between delivering water for Traditional Owners and improving urban water security in the region.

b) Achieve our CO₂ emissions reduction targets.

In late 2023, we undertook a review of the initiatives and efforts undertaken over the past few years as we strive to meet our obligations under the Water Industry Act 1994, Statement of Obligations (Emission Reduction). In FY2022-23, we achieved a 36% reduction from our baseline emissions figure of 44,188tCO₂-e however have identified that there is still has some work to be done in order to reduce this further to the 24,074tCO₂-e target required for the reportable period FY2024-25 (a 45.5% reduction from the baseline).

LMW's emissions footprint is predominately made up of Scope 2 emissions which represents 78% of total emissions derived from electricity. The majority of this electricity is used to deliver our irrigation services (46%) followed by water and sewage treatment, and the operations of our corporate offices. LMW's Scope 1 emissions represents 22% of all emissions with the treatment of sewage and wastewater accounting for 19% of total emissions (the remaining 3% is fuel used in LMW's fleet).

We currently have a range of initiatives designed to reduce our Scope 2 emissions including electricity generation 'Behind-the-Meter' (BtM) with solar panels installed across 16 sites and an aggregated capacity of 1.194MW. Optimisation projects in Robinvale have also been undertaken to determine the most appropriate operating profile to minimise energy consumption and related emissions.

At the commencement of 2024, a new division focused on strategy and partnerships was established, reflecting our commitment to advancing key priorities whilst ensuring compliance with regulatory obligations, including those outlined in the Statement of Obligations (Emissions Reduction).

In acknowledging our growing maturity in this space, we have realigned our focus to continue to work towards reducing our emissions to meet the 2025 target for 100% renewable energy and net zero emissions by 2035. During 2024-25, the following initiatives will be undertaken to ensure that a systematic approach to planning for climate change adaptation is coordinated and embedded across our business:

- Development of an emissions and climate change adaptation strategy
- Validate data sources and develop data governance framework
- Development of a LMW Roadmap to Net Zero
- Development of a planning and performance framework and related tools that identify and articulate key processes to integrate climate change adaptation and risk into planning, decision making and monitoring throughout the business.
- Realignment of LMW's Risk Committee into a Risk and Sustainability Committee including revised Terms of Reference to capture key obligations and risks.
- Establishment of an operational Emissions and Climate Change Adaptation Working Group to ensure cross-functional collaboration and coordination for optimisation initiatives and data governance.

As a part of our commitment to meeting emissions targets, a full audit of data and validation processes is underway re-establish the pathway forward.

LMW will continue to utilise and strengthen collaborative initiatives and partnerships within the sector, such as with the Zero Emissions Water (ZEW) program, and the VicWater Carbon Offsets Program as tactical elements in reaching these goals in addition to purchasing accredited Greenpower through the Victorian state purchasing contract. We will also explore new opportunities and partnerships through local stakeholders such as the Mallee Regional Innovation Centre, universities, and commercial operators to help achieve our targets and support new climate change adaptation initiatives.

A focus on reducing electricity consumption through operational efficiencies and optimisation of assets will continue in 2024-25 to demonstrate our commitment to the *Whole of Victorian Government emissions reduction pledge*.

c) Explore enhanced integrated water management that best works for our region.

During this planning period, we are taking proactive steps to identify and support initiatives for integrated water management (IWM) that best suits the northern Mallee region. IWM aims to bring government, the water sector and community together to better plan, manage and deliver water in Victoria's towns and cities.

We will continue to work with the Northern Mallee IWM forum stakeholders to identify and support initiatives and opportunities in alignment with the Integrated Water Management Framework for Victoria.

We have also initiated a comprehensive, long-range irrigation masterplan to review and explore opportunities to enhance and/or reconfigure the irrigation and drainage systems within the four key irrigation districts of Mildura, Merbein, Red Cliffs and Robinvale. This project aims to drive efficiencies and sustainability into the future and will seek to review alternative water supplies to peri-urban areas including water recycling, dual water systems, trade waste service enhancements and demand management program initiatives.

5.2 LOE 2: CUSTOMER, COMMUNITY AND ENGAGEMENT

LoE 2: All aspects of service delivery will be customer and community-centred and will continue to build extensive and effective community engagement and partnerships in planning and implementation of service delivery.

Indicators:

- *Customer Satisfaction (Urban and Rural)*
- *Bills and Support*
- *Customer and Community Engagement*
- *Customer Responsiveness*

Water Plan 5 Outcomes:

- *Services provide customers value for money*
- *Provide customers reliable and safe drinking water*
- *Provide customers reliable sewerage services*
- *Provide customer service avenues that are responsive to resolve requests and enquiries*
- *Service our communities in a socially responsible and environmentally sustainable manner*

LMW is focused on delivering services that meet the needs and expectations of our customers and communities. The following areas have been identified as strategic aspirations within our Strategic Plan 2021-2025 to achieve outcomes relating to the key focus areas as outlined in the LoE:

1. Strategic Priority: Engagement – *Effective engagement with our stakeholders.*

- a) Embed authentic customer engagement across the whole business.
- b) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.

2. Strategic Foundation: Infrastructure – *Ensure our assets and infrastructure meet current and future needs.*

- a) Optimise our infrastructure through improved life cycle management.

3. Strategic Priority: Service Delivery – *Achieve high quality outcomes for our customers.*

- a) Identify, define, and deliver agreed customer service levels.
- b) Improve our responsiveness to customer issues by obtaining better service delivery insights.

1. Strategic Priority: Engagement – Effective engagement with our stakeholders.

a) Embed authentic customer engagement across the whole business.

LMW is strongly committed to engaging with stakeholders, communities, customers, and partners to guide the planning, development, and delivery of vital water services.

Our Communication and Stakeholder Engagement Strategy sets out an approach for delivering key and relevant messaging for audiences across our region utilising the International Association for Public Participation Spectrum (IAP2) techniques and guidance from the Essential Services Commission (ESC).

Engagement initiatives are implemented across the year with external initiatives seeking provide transparency and a better understanding about how decisions that affect LMW customers are made, and how challenges are managed. Internal initiatives are also incorporated to build capability of our staff in understanding our customers and using these insights to support them better.

Engaging with our community helps to drive greater alignment to ensure we put our customers at the centre of everything we do, embedding a more consistent and systemic approach, supported by appropriate tools and knowledge.

Our communications and engagement framework, and strategy will be reviewed during 2024-25, and include key performance indicators regarding levels of engagement and customer outcomes from engagement. Our current Strategy is published and available to view at <https://www.lmw.vic.gov.au/about-us/publications/communication-and-engagement-strategy/>

We are committed to creating a culture of genuine engagement with our urban and rural customers in a manner that is authentic and relevant. Our annual Customer Satisfaction Surveys are utilised to engage with customers to obtain planning and decision-making insights. Although the surveys are not mandatory requirements of the ESC, they were identified as a key measure in our Water Plan 4. During development of Water Plan 5, we tested our engagement methods with our customers to better understand their motivations and preferred methods of providing feedback. During 2024-25, LMW will seek to incorporate new methods of feedback that enable customers to provide more regular, real-time, and incremental feedback that can be collated and analysed throughout each year of Water Plan 5. Our target for 2024-25 and as outlined in our water plan, is to obtain year-on-year improvement as a metric to measure customers who express an overall satisfaction rating of their experiences with LMW.

We continue to transform our business through the uplift of its core technology platforms and improve our ability to use a range of feedback mechanisms to engage with customers. The technology uplift will also increase our ability to extract performance data regarding resolution of customer enquiries, including time-to-resolve customer enquiries.

As the timeframes for delivery of LMW's Technology Uplift Program have now been rescheduled for 2026, we will develop interim measures to combine in-person, on-line and ad hoc engagement methods to collect customer sentiments throughout 2024-25. In addition, we will also utilise data gathered from across the business to analyse and report against our agreed customer outcomes within Water Plan 5.

During 2023-2024, we worked with our Strategic Advisory Committee (SAC) and Customer Service Advisory Committees (CSAC) to review the effectiveness of the

committee structure and redesign the structure of the CSACs. The 2024-25 period will see us embed a new committee structure for our CSACs which will consolidate all in-district irrigation committees into one committee to gain resourcing efficiencies and to maximise the time commitment and participation requirements for our rural customers. We will retain a CSAC for private diverters and the Millewa given the services for these two groups are significantly different to our in-district irrigation services.

We recognise the change to our CSAC structure represents a significant change for existing committee members. We are committed to active engagement and support with all existing committee members and customers across the irrigation districts during this transition and will continue to monitor the effectiveness of these committees. Efficiency targets and performance measures will be agreed with the CSACs to objectively monitor the value, performance, and impact these committees have in their role to support the LMW Board to understand the service expectations of our customers and progress the opportunities for future development.

In 2024-25, we will also continue to deliver a tailored education program that reaches beyond schools to raise awareness of water efficiency principles and practices. Supporting our vulnerable and/or impacted communities and customers through encouraging efficient water use practices, this program will reach a broad and diverse audience throughout our communities.

Our work to engage both customer and our community will ensure authentic engagement is at the forefront of all that we do to provide a better customer experience whilst balancing and appreciating cost pressures for our customers.

b) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.

LMW engages with many stakeholders across its urban and rural businesses and is focusing on key initiatives that will enhance stakeholder relationships further and create future opportunities for our region.

Irrigation Masterplan 2050 (IM2050)

In 2024-25, key stakeholders including rural customers (irrigators, and domestic and stock users), SAC and CSAC members, industry representatives and partnering agencies such as Mallee Catchment Management Authority and Mildura Rural City Council will be engaged in the development of a long-range irrigation masterplan known as IM2050.

Engagement through this initiative seeks to respond to the challenges of climate change on the hydrological cycle and agricultural outputs whilst addressing the challenging issues of water scarcity and quality. IM2050 represents an opportunity to modernise rural infrastructure systems to effectively fulfil agricultural demands which will increase capacity and enhance water quality.

The IM2050 will consider the needs of the environment and our First Nations communities. As we commence the development of our Innovate Reconciliation Action Plan, acknowledgment and integration of First Nations' water rights will be

incorporated into the development of IM2050 where practicable to ensure active participation and consideration.

While addressing many of the challenges facing our rural services and rural communities, IM2050 seeks to engage with customers to explore opportunities to enhance water services in rural areas, including expanding potable water access, dual water systems, wastewater recycling, and trade waste service improvements.

Place of Take

In 2023-24, new 'Place of Take' legislation was enacted with LMW playing a proactive role in supporting the Victorian Government in its implementation. Supporting DEECA and our customers to prepare for this new legislation has been a key focus for our rural customer team, and this will continue during 2024-25 as we actively engage with our SAC and CSAC members, and other rural customers to understand the impacts of the legislation will have on our region. This represents an opportunity to engage with our customers, gather feedback and identify areas for further clarification as we move from theory to practice in applying the laws.

Two members of our SAC/CSACs have represented LMW customers on DEECA's Place of Take Customer Consultative Committee during the preparation phase, and LMW will support these members to remain actively involved in future discussions. In addition, ongoing monitoring, and regular meetings between DEECA, rural water corporations and LMW's senior management will ensure the success of this complex piece of work and act as a conduit between LMW, our customers and the government.

Groundwater Management Strategy 2030

We continue to work in partnership with DEECA, other rural water corporations, the community, and Traditional Owners as the implementation of the Victorian Groundwater Management Strategy 2030 (GM2030) progresses. This document sets out a statement of priorities for the management of this highly valued resource over the next six years. We will continue to work closely with all key stakeholders in the delivery of GM2030 to deliver strong groundwater management that is flexible to meet opportunities and challenges as water use and the industry transforms in the future.

Sector engagement

The water sector is highly collaborative and across LMW there is a strong culture of liaising and collaborating with water sector staff from across the state to achieve both local and state-based initiatives. The opportunity to proactively build relationships via various Communities of Practice and Special Interest Groups is encouraged to take advantage of new learnings, peer support and innovation.

2. Strategic Foundation: Infrastructure – Ensure our assets and infrastructure meet current and future needs.

a) Optimise our infrastructure through improved life cycle management.

We are committed to customer engagement and have demonstrated our commitment to the community as well as our urban and rural customers through our recent pricing submission, resulting in Water Plan 5 2023-2028. Water Plan 5

adopts a prudent, efficient, and customer-centric approach to enhancing customer value and satisfaction and prioritises initiatives that support this goal.

The planning and preparation of the pricing submission was constructed through a new communication and stakeholder engagement framework which proved to be an effective approach to testing and validating customer assumptions and responses, backed by a comprehensive review of past performance. This engagement was undertaken in multiple phases to ensure that our customer and community needs were identified, prioritised, fed back, agreed upon, and aligned with our strategic priorities. This process underpinned the development of our pricing submission to ensure that our assets and infrastructure can meet current commitments under Water Plan 5 as well as future requirements.

A key aspect of the planning was balancing the risks across the five years for both the Capital Works (capex) Program (approx. \$107M) and Operating Expenditure (opex) Program (approx. \$149M). It is intended that the capex programs work to improve regulatory compliance, renew assets, manage service delivery risks, and meet growth objectives. It is expected that the baseline opex costs will remain unchanged, however, the key drivers of opex programs will aim to improve operational efficiency and controllable costs.

The delivery of the investment programs and the implementation of service delivery will be monitored and measured against performance metrics, and the agreed urban and rural customer outcomes.

3. Strategic Priority: Service Delivery – Achieve high quality outcomes for our customers.

a) Identify, define, and deliver agreed customer service levels.

Maintaining the highest quality of service while balancing cost pressures and service delivery risks is essential to creating liveability and building resilience within our region. It requires clear understanding of our customers' needs, and the ability to identify and define agreed service levels to achieve this balance.

The wellbeing and livelihoods of our customers and our communities has a direct link to the agricultural, tourism and support industries which form the region's economic backbone. The relationship between water resources and the region's social and economic success is critical – and as a part of this relationship, we must deliver its services prudently and efficiently. Our customers' needs change as our communities evolve, and we must remain connected and agile to be able to adapt and understand these changing needs as they emerge.

Throughout 2023-24 we have focused on our recovery from the 2022-23 floods and have considered how we can build stronger resilience for future floods and other emergency incidents. We welcomed the funding announcement in December 2023 where the reimbursement of just over \$3M was provided to support the repair of damaged infrastructure and enhancements to improve the resilience of water infrastructure against future flood events. These works will be delivered during the 2024-25 financial year.

The feedback provided by our customers throughout the flood event and during the recovery phase, in conjunction with the predictions that our region will enter a drier period in the coming years, supports the need for us to focus on drought preparedness in 2024-25. Utilising key documents such as the Regional Drought Consultation Summary Report, we will seek to engage with our customer and partner agencies to best prepare our customers and community.

There will continue to be many factors in 2024-25 that pose challenges to our services and the efficient management of these, however we are committed to demonstrating to our customers our awareness of these challenges as we seek to identify opportunities to respond proactively. Critical risks for LMW that affect the liveability and resilience of our community include:

- Flood, blackwater and Blue Green Algae events causing highly variable water quality over sustained periods.
- Water security and maintaining community amenity and liveability, especially under drought conditions.
- Maintaining affordability of water services to the community under the economic impacts of fluctuating food commodity prices and volatile electricity and gas prices.

LMW has strong relationships with many agencies and industries both locally and across the state, and our continued participation and support in forums and initiatives including the Northern Mallee Integrated Management Forum and the Intelligent Water Network (IWN) will enable projects and initiatives to be delivered in collaboration which will contribute the ongoing resilience and success of our region.

b) Improve our responsiveness to customer issues by obtaining better service delivery insights.

A key focus for LMW as identified in Water Plan 5 is to increase our ability to respond to customer issues quickly and resolve complaints, requests, and enquiries first time. To demonstrate our improvement in these areas, the introduction of key customer outcomes relating specifically to our responsiveness and accuracy of resolutions will be implemented from 2024-25. These identified customer outcomes will enable us to drive initiatives that will improve service delivery and thus enhance the liveability of our region.

Direct feedback coupled with data derived from engagement through customer feedback mechanisms, stakeholder forums and best practice across the industry, enables us to make continuous improvements to meet relevant water quality regulatory standards and service delivery standards.

In addition to this, initiatives that have been developed previously continue to be adapted and strengthened to improve responsiveness to customers and the community such as the in-house testing for Blue-Green Algae (BGA). Our ability to test BGA in-house not only enables us to respond more effectively and in a timely manner, but it also builds the capacity and capability of our staff which creates resilience across our organisation and our region.

In alignment with Recycling Victoria's commitment to increase the use of recycled materials across the state, focus on the innovative use and disposal of biosolids as

a circular economy outcome continues, and biosolids from our Koorlong Wastewater Treatment Plant are sold and used at local agriculture facilities. We continue to monitor the benefits biosolids have on various crops as measured through yield and protein content, including ongoing monitoring of LMW's Environment Protection Authority obligations and requirements.

Despite the lingering effects of the 2023-2024 Victorian floods, there was little to no impact upon service delivery disruptions experienced by our customers which is a credit once again to the commitment and resilience of our staff. Our service delivery performance remained at a high standard throughout the year, and any challenges the organisation faced did not disrupt urban and rural customers who received water at a quality that was consistent and of an appropriate standard.

Water Plan 5 is well underway, and through reviewing our agreed customer service standards, it is expected that these will continue to be embedded within LMW. LMW prides itself on its ability to continue to manage ever increasing compliance and legislative obligations whilst maintaining agreed customer service levels.

5.3 LOE 3: RECOGNISE ABORIGINAL VALUES

LoE 3: Promote self-determination of Traditional Owners, including by supporting the Treaty process as required. Support the implementation of Water is Life: Traditional Owner Access to Water Roadmap by enabling increased access to water entitlements under current frameworks and increased cultural benefits from the way we store, deliver, and use water.

Indicators:

- *Partnerships with Traditional Owners*
- *Aboriginal Self-Determination*

Water Plan 5 Outcomes:

- *Service our communities in a socially responsible and environmentally sustainable manner.*
-

LMW acknowledges the Traditional Owners of the land on which we work and reside, recognising their continuing connection to land, waterways, and community. Our commitment to genuine engagement with and respect to Elders past, present and future has been identified in our Strategic Plan 2021-2025 via the following strategic aspirations which will enable us to achieve outcomes identified under the focus areas within LoE 3:

1. Strategic Priority: Engagement – *Effective engagement with our stakeholders.*

- Embed authentic customer engagement across the whole business.*
- Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.*

2. Strategic Foundation: Finance & Governance – *Secure our long-term financial success and upgrade our governance, systems, and processes.*

- Optimise business efficiencies through sustainable pricing, resourcing, and procurement.*
-

1. Strategic Priority: Engagement – Effective engagement with our stakeholders.

a) Embed authentic customer engagement across the whole business.

In 2022, we completed our inaugural 'Reflect' Reconciliation Action Plan (RAP) which was developed in partnership with Reconciliation Australia and Traditional Owners within our service region.

Due to the impacts of COVID-19, we decided to develop a second 'Reflect' RAP which is currently being delivered. In 2024-25, this 'Reflect' RAP will be completed and an evaluation of achievements will be undertaken before we engage with Reconciliation Australia to commence the development of our next RAP, which we anticipate will be an 'Innovate' RAP. Through guidance from Reconciliation Australia, we look forward to deepening our work in authentic Traditional Owner engagement across our region.

During 2023-2024, an internal resource was dedicated (in the form of a Diversity and Inclusion Officer) to work closely with our communications and engagement team to support our organisation's engagement in initiatives that promote and achieve inclusion and equity in all aspects of our service delivery. During this period, the focus was on developing the capability of our Diversity and Inclusion Officer to broaden their whole-of-business understanding, and it is anticipated that in 2024-25, this position will be embedded further in the finalisation of Equality Impact Assessments of all LMW policies, procedures, projects, and services to ensure equal access to all members of our communities. This role also seeks to coordinate opportunities and training for all staff to engage with cross-cultural experiences and in 2023-24, we partnered with genU Training to deliver *Connecting with First Nations People*. This training was online and self-paced with a short assessment component and was compulsory for all staff with 214 staff (95%) completing the training to date.

With the newly established Strategy and Partnerships division taking on responsibilities for Traditional Owner engagement and developing the new 'Innovate' Reconciliation Action Plan, there will be a renewed focus and planning undertaken to engage meaningfully and formalise agreements with Traditional Owners in this reporting period. We are currently engaging with other water corporations to understand and determine how best to establish an Aboriginal Delegate program on our Board and intend to develop processes that enable Traditional Owners to review and/or endorse documents such as the annual report.

b) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.

In April 2024, we announced a new operating model which sees the creation of a new division designed to focus our efforts on strategic initiatives and partnerships. Strengthening our relationships with Traditional Owners across our region is an opportunity that enables us support Aboriginal self-determination and enhance the connection between water and community.

Through the delivery of our second 'Reflect' RAP, we have connected and established relationships with local Aboriginal and Torres Strait Islander stakeholders and organisations which has included direct engagement with Traditional Owners regarding the assessment of an application to issue a groundwater licence within our service region. We remain committed to ensuring that our engagement with Traditional Owners is genuine, authentic, and collaborative and that we identify further opportunities to enable Traditional Owners to engage with LMW on matters as outlined in the Victorian government's Water is Life Roadmap.

Throughout the delivery of our RAP, we will look to identify avenues for us to work closely with Traditional Owners on mutually beneficial projects, strengthening the relationships and providing opportunities to increase pride in Aboriginal cultures within our service region. Through this engagement we hope to increase awareness within the Aboriginal communities of employment opportunities

within the water sector and increased participation by Aboriginal and Torres Strait Islander people in our workforce and on our Board.

Engagement regarding cultural heritage matters for all project and operational service delivery activity has been embedded into business-as-usual, recognising the specialist skills and knowledge Traditional Owners contribute to these areas. We acknowledge that Aboriginal values are inherent in the major projects that we are involved with and continually seek opportunities to embed these values into all levels of the organisation. Our continued work as the lead agency for the Victorian Murray Floodplain Restoration Project (VMFRP) is an example of this with authentic engagement of Traditional Owners being a crucial aspect of the VMFRP. Our ongoing commitment to fostering stronger partnerships enables Traditional Owners to recognise and support self-determination of Aboriginal cultural values and economic inclusion in the water sector.

2. Strategic Foundation: Finance & Governance – Secure our long-term financial success and upgrade our governance, systems, and processes.

a) *Optimise business efficiencies through sustainable pricing, resourcing, and procurement.*

LMW continues to deliver procurement functions in accordance with our Social Procurement Strategy. A review of this strategy will occur over the next 12 months focussing on the following priority areas:

- Sustainable Victoria regions
- Safe, inclusive, and fair workplaces
- Opportunities for Victorian Aboriginal people
- Environmentally sustainable business practices

We are committed to embedding these social and sustainable objectives into the procurement process to achieve meaningful contributions to the economic, social, and cultural development of our community and acting as a leader in embedding these focus areas in our own workforce strategies. This ensures we are practicing that which we ask our contractors and service providers to demonstrate in their business operations.

We continue to work closely with the First People Millewa Mallee Aboriginal Corporation (FPMMAC) to procure services such as Smoking Ceremonies for NAIDOC week, cultural training opportunities for staff and Board and remedial culture heritage work on scar trees, on country, at locations across Wallpolla Island as a part of the VMFRP.

We have continued to engage with our communities to increase the number of Aboriginal employees working at LMW throughout 2023-2024 with 2% of our staff identifying as Aboriginal, which sees us lead the water sector with its average of 1.6%. Through the delivery of our People Strategy, RAP and Gender Equality Action Plan (GEAP) alongside the internal investment into the development of our Aboriginal employees, we are confident that participation from the Aboriginal communities within our service area will continue to increase in 2024-25.

5.4 LOE 4: RECOGNISE RECREATIONAL VALUES

LoE 4: Support the wellbeing of communities by considering recreational values in water management.

Indicators:

- Consideration of recreational values in business operations.
- Engagement processes with community or stakeholders.
- Improvements to information sources.
- Collaboration with stakeholders.

Water Plan 5 Outcomes:

- Service our communities in a socially responsible and environmentally sustainable manner.
-

Water is a vital feature of our region's landscape and the communities that reside within the Murray-Darling Basin, and the opportunity to participate in recreational activities whether in the river, tributaries or floodplains is immense. As such, the following Strategic Aspirations support efforts in this area:

1. Strategic Priority: Environment - Better the environment in our region.

a) Deliver the Victorian Murray Floodplain Restoration Project (VMFRP) to agreed objectives.

2. Strategic Priority: Engagement - Effective engagement with our stakeholders.

a) Enhance stakeholder relationships to build confidence and generate future opportunities.

1. Strategic Priority: Environment - Better the environment in our region.

a) Deliver the Victorian Murray Floodplain Restoration Project (VMFRP) to agreed objectives.

Providing a range of operational assistance to the Mallee Catchment Management Authority for the delivery of the Victorian environmental watering programs, we continue to contribute to and support the community's water based recreational and environmental values. Healthy floodplains and waterways are beautiful places to visit and are ideal for recreation activities such as boating, fishing, and camping.

During 2023 and 2024, we worked proactively with the Federal and State governments in the review and replanning of the VMFRP to ensure the delivery of the key objectives of the Murray-Darling Basin Plan. With the continuation of the project announced in April 2024, we aim to continue this work, alongside government and all partnering agencies to ensure the successful delivery of the next phase of projects throughout 2024-25. This will see much needed water returned to high-ecological-value floodplains along the Murray River, enabling our community to enjoy these surrounds as they participate in recreational activities.

2. Strategic Priority: Engagement – Effective engagement with our stakeholders.

a) Enhance *stakeholder relationships to build confidence and generate future opportunities.*

Although it's challenging to quantify the number of specific site-based projects that we plan to initiate or continue to improve the recreational enjoyment of waterways, we do contribute to recreational values across our region in a number of ways.

We play a lead role in ensuring the community can pursue their recreational activities within the Murray River and its waterways safely. We monitor water for Blue Green Algae (BGA) and provide timely and accurate communication to our communities where there are potential health impacts.

LMW is the lead member of the Sunraysia Regional Algae Coordinating Committee, and our involvement includes coordination of the local action committee, frequent sampling of local waterways, laboratory assessment for BGA and issuing warnings when BGA levels are harmful to human health. One of the more popular local waterways in our region is Lake Cullulleraine; a 184-hectare lake, which was once an ephemeral wetland, but is now kept at constant level via water pumped from the Murray River above Lock 9. The Lake's primary purpose is to supply water for the Millewa community, supplying stock and domestic and irrigation water for large horticulture properties in the area. The Lake is also a favoured location for locals and visitors to holiday, with two caravan parks on the foreshore, which enable recreational activities such as swimming, fishing, skiing, paddle sports, camping, or bushwalking.

To support the recreational use of the Lake in 2024-25, we will continue to monitor for BGA and issue timely notices on our website, social media and in the local paper when levels become elevated above acceptable thresholds. We will also continue to work closely with relevant stakeholders to manage the Cumbungi weed at Lake Cullulleraine including Mildura Rural City Council, Millewa Landcare and DEECA. This collaborative and coordinated approach to manage Cumbungi weed supports recreational use and the natural ecosystem and this will continue in 2024-25.

In addition to Lake Cullulleraine, we also generate wastewater from the Mildura West Water Treatment and Wastewater Treatment Plant, with this wastewater processed and reused for irrigation of the Aerodrome ovals, a local sporting complex with fields for soccer, cricket, and school-based sports, as well as the Mildura golf course.

We have clearly defined service levels for many services which are outlined in our Urban and Rural Customer Charters and through the delivery of our Water Plan 5, we will engage with customers to monitor the delivery of our commitments and discuss other service standards of importance to customers.

In addition to the engagement undertaken to build partnerships and strengthen awareness regarding BGA across our region, our community and school engagement program supports education and awareness initiatives regarding

water conservation and the impact that good water management has on ensuring our recreational assets thrive in the face of climate change.

During 2023-2024, LMW applied to the National Water Grid Authority for funding to support the development of a long-range irrigation masterplan (IM2050). We will consider impacts and value adding opportunities to local recreational assets as future plans regarding service delivery across our irrigation network are developed.

Initial engagement with a range of stakeholders to identify opportunities to inform the funding application has already occurred, and in 2024-25, a more formalised engagement program will be developed to explore system enhancements and the potential for the expansion of services which may enhance recreational access and values, which is critical for our desert community. Whilst IM2050 seeks to address challenges across our district irrigation systems, there are likely impacts to aspects such as drainage into basins, salinity improvements and recycled watering opportunities which may support recreational values.

5.5 LOE 5: RESILIENT AND LIVEABLE CITIES AND TOWNS

LoE 5: Contribute to healthy communities by supporting safe, affordable, high-quality services and resilient, liveable environments, and recovery from emergency events that builds back with improved resilience against future risks and manage water resources in a sustainable manner that enhances environmental outcomes and amenity in urban and rural landscapes.

Indicators:

- *Urban Water Efficiency / Recycling*
- *Integrated Water Management*
- *Circular Economy*
- *Environmental Statutory Obligations*
- *Sustainable Water Use*

Water Plan 5 Outcomes:

- *Services provide customers value for money.*
- *Provide customers with water when they need it.*
- *Provide customers reliable and safe drinking water.*
- *Provide customers reliable sewerage services.*
- *Provide customers service avenues that are responsive to resolve requests and enquiries.*
- *Service our communities in a socially responsible and environmentally sustainable manner.*

Creating healthy and resilient communities and supporting liveable environments is integral to LMW's purpose of supporting our region to prosper through successful delivery of vital water services. This commitment is delivered through active community engagement and providing safe, affordable, and reliable essential services during both favourable and adverse conditions.

As identified within the LMW Strategic Plan 2021-2025, the following strategic aspirations support the Minister's expectation of enabling healthy communities:

1. Strategic Priority: Service Delivery - *Achieve high quality outcomes for our customers.*

- Identify, define, and deliver agreed customer levels.*
- Improve our responsiveness to customer issues by obtaining better service delivery insights.*

2. Strategic Priority: Engagement - *Effective engagement with our stakeholders.*

- Embed authentic customer engagement across the whole business.*
- Enhance stakeholder relationships to build confidence and generate future opportunities.*

3. Strategic Priority: Environment - *Better the environment in our region.*

- Explore enhanced integrated management that best works for our region.*

4. Strategic Foundation – Finance & Governance - *Secure our long-term financial success and upgrade our governance, systems, and processes.*

a) Optimise business efficiencies through sustainable pricing, resourcing, and procurement.

1. Strategic Priority: Service Delivery - Achieve high quality outcomes for our customers.

a) Identify, define, and deliver agreed customer levels.

Maintaining a high quality of service delivery across the urban and rural businesses is essential to creating liveability and building resilience within our dry, desert environment. The wellbeing and livelihood of our customers and community has a direct link to agricultural, tourism and support industries prosperity which forms the economic backbone of our region. This is why the development of a long-range irrigation masterplan (IM2050) has been prioritised during this reporting period. IM2050 will seek to address known challenges across the irrigation network, and look at opportunities to consolidate, reconfigure and/or expand the system to create enhanced service delivery for our rural customers.

With lingering challenges relating to the 2022-23 floods, further opportunities to engage with our communities and work side-by-side with other agencies to contribute to the community and its ongoing success have since emerged. In particular, the 2022-23 floods saw a regional approach taken to emergency management and response, which was instigated by LMW to collaborate more effectively on flood management in partnership with Mildura Rural City Council, Wentworth Shire Council, Mallee Catchment Management Authority and Parks Victoria. As our region still recovers from these floods, remediation of damaged meters and impacted assets will occur, and the lessons learned will also contribute to the strengthening of our delivery network to ensure that impacts to customers can be reduced further for events.

b) Improve our responsiveness to customer issues by obtaining better service delivery insights.

Our ability to respond to customer issues is strengthened by a renewed focus on authentic engagement which enhances our ability to better understand and gain insights into challenges that our customers experience. Recent customer engagement throughout the development of Water Plan 5 provides us with a strong baseline to continue discussion with customers and gather new insights to support better service delivery in the new regulatory period. In fact, it was customer feedback that has escalated the requirement for IM2050 and ensured that it is a priority for the 2024-25 financial year.

The establishment of a new strategy and partnerships division is a key initiative identified to drive better embed customer insights into our strategic planning and monitoring processes to enable us to respond and deliver upon our customers' expectations and outcomes.

Insights will continue to be sourced through Customer Satisfaction Surveys as well as new customer and stakeholder initiatives including forums both in-person and online throughout the year. This ongoing feedback enables us to identify where expectations have shifted or changed and identify new and emerging issues that

will enable us to plan and improve upon the service that our customers currently receive.

Continuous improvement remains a priority across the organisation with opportunities to strengthen our Blue-Green Algae and blackwater challenges not only through process enhancements, but also through better communication with customers.

2. Strategic Priority: Engagement – Effective engagement with our stakeholders.

a) Embed authentic customer engagement across the whole business.

We undertake many activities to ensure that the level of engagement is appropriate and relevant to the stakeholders being targeted. Our Engagement Framework, Strategy and Toolkit utilising the International Association of Public Participation (IAP2) principles drives our engagement approach and this framework will be reviewed in 2024-25. A cornerstone of our engagement program previously has been customer satisfaction surveys and post-interaction surveys where customers can articulate their perceptions and views. We also engage via our Customer Service Advisory Committees (CSAC) which enables us to gain insight into issues and gather feedback that supports strategic and operational decision making. Through our Technology Uplift Program, we will expand feedback mechanisms to gain a broader and more reflect customer view.

The remote location of our region and the increase in extreme weather events as a result of climate change means resilience within our sector will be integral to delivering high quality service levels and contributing to liveability into the future. The opportunity to engage customers in understanding this better is not to be wasted and we continue to explore opportunities in conjunction with the Northern Mallee Integrated Water Management forum stakeholders to deepen this engagement to understand and investigate projects that are tailored and relevant to our desert region.

Authentic engagement is fostered through transparent communication regarding impacts to operations and service delivery, and informing our customers proactively when these issues arise. We will continue to support our community through education programs and make opportunities for our customers to engage proactively with us.

b) Enhance stakeholder relationships to build confidence and generate future opportunities.

Engagement with our communities during the development of Water Plan 5 and Urban Water Strategy was a key focus in 2023-24 and the implementation of these key strategic initiatives will see strong customer and community engagement continue throughout 2024-25 and beyond. It is anticipated that 2024-25 will also see engagement increase across our region in conjunction with DEECA as the approach to federal buybacks is defined. Buybacks may have a significant and potentially adverse to our region, and it's essential that we invest and commit to strong stakeholder relationships to guide our community through these potential changes.

We acknowledge that stakeholder relationships are the responsibility of all staff at LMW and not just a specific team or unit and in 2023-24, our new strategy and partnerships division will support an integrated approach to communications, change management, stakeholder engagement and partnerships across the business to align better with strategic objectives.

We will continue to improve engagement with rural customers to better understand our customers' needs and work together in partnership to achieve success by increasing on-farm engagement between our customers, staff, and other agencies. Recent changes to the approach and structure of our CSAC aims to maximise the participation and input of our rural customers, whilst ensuring an appropriate and efficient level of resourcing is managed.

Other specific initiatives that have been identified for implementation throughout 2024-25 are designed to enhance our relationships with our customers and community and enable them to access safe, affordable, and reliable services. Initiatives include:

- Development of a long-range irrigation masterplan and rural strategy (IM2050)
- Ongoing access to water efficiency programs such as the Community Rebate and the Housing Retrofit Programs which enable customers to maximise their water usage and efficiency and minimise their costs.
- Ongoing access and guidance to government support and concession programs for vulnerable customers and a dedicated resource to support customers in hardship.
- Implementation of our education and school-based programs across the community.

3. Strategic Priority: Environment - Better the environment in our region.

a) Explore enhanced integrated management that best works for our region.

In 2022, under a joint IWM initiative (funded by DEECA), and in partnership with Mildura Rural City Council, we assessed the feasibility of supplying sustainable fit-for-purpose recycled water from the Mildura Wastewater Treatment Plant (WWTP) to the centre median strip along Deakin Avenue and other public open spaces in Mildura. In 2023-24, the final report indicated that whilst stakeholders were open and willing to access an alternative source of recycled water for irrigation as a circular economy initiative, the option to do so is currently cost prohibitive using current spray irrigation methods.

IM2050 will also provide an opportunity to review and explore initiatives that drive efficiencies and sustainability into the future including options to provide alternative water supplies to peri-urban areas including water recycling, dual water systems, trade waste service enhancements and demand management program initiatives.

Long-standing initiatives will also continue including partnerships with Greening Mildura to continue vegetation programs at the Bob Corbould wetlands which is a local wetland reliant on stormwater to maintain aquatic habitat values utilising native plants which are sourced from a nursery, owned, and managed by local Traditional Owners of the First People of Millewa Mallee. In addition, we continue

our strong working partnerships with Sunraysia Ozfish, Victorian Fisheries and North Central and Goulburn Broken CMA working on projects that save native fish and other aquatic life stranded in our irrigation channels.

Our support to deliver upon actions identified within the Northern Region Sustainable Water Strategy alongside northern Victorian regional partners continues, including actions to improve water entitlement frameworks and sharing arrangements, the review of licencing guideline and materials to facilitate improved resource management and implementation of annual use limits for salinity management.

4. Strategic Foundation: Finance & Governance - Secure our long-term financial success and upgrade our governance, systems, and processes.

a) Optimise business efficiencies through sustainable pricing, resourcing, and procurement.

Through the optimisation of business efficiencies relating to sustainable pricing, resourcing, and procurement, we are committed to continuous improvement and setting a best practice standard when it comes to supporting safe, affordable, and high-quality services. This is more important than ever in an economic climate that has seen an increase in hardship and real impacts on the liveability of our region. In 2024-25 the prioritisation of programs that optimise our systems and create business efficiencies will be a focus, including:

- Sustainable pricing: ensuring that our revenue matches our expenses and meets our customers' expectations through the identification of services sufficient to require standalone pricing.
- Resourcing: ensuring that the right resources match our obligations and the customers' expectations improves the quality of the services that are provided.
- Procurement: the development and implementation of a robust procurement process which encompasses cost versus benefit tests within procurement planning stages and procedures that enable regular market testing and supplier performance evaluation processes to ensure best commercial terms are sought.
- Debtor Management: through the automation of quarterly bills and electronic reminders as well as increasing early intervention for customers experiencing hardship.

We use the Infrastructure Leakage Index (ILI) software to identify and provide insights into leakage and pressure management opportunities across the network. Historically LMW has recorded an ILI in the target range of 1.0 to 3.0 which is the lower end of the range. We look for savings in non-revenue water through pressure monitoring, improve metering programs and undertaking assessments at urban water assets to identify major losses and implementing controls or improvements to reduce the losses. This also includes the Urban Water Mains renewal program which proactively prioritises pipelines replacements based on condition and consequence of failure. LMW seeks to improve our index result year-on-year.

5.6 LOE 6: LEADERSHIP, DIVERSITY AND CULTURE

LoE 6: Water Corporations reflect the needs of our diverse communities and develop strategies and goals that will increase cultural diversity in the workforce and gender equity in both executive leadership and throughout the organisation.

Indicators:

- *Diversity and Inclusion*

Water Plan 5 Outcomes:

- *Services provide customers value for money.*
 - *Provide customer service avenues that are responsive to resolve requests and enquiries.*
 - *Service our communities in a socially responsible and environmentally sustainable manner.*
-

The leadership bench-strength and culture of an organisation can shape its ability to achieve maximum growth and potential of its human resources. Our strategic direction in this area is driven by the understanding that the key strategic foundation of People and Safety will enable the future success and achievement of our strategic priorities. The following Strategic Aspirations have been identified to fulfil this expectation:

1. Strategic Foundation: People & Safety – *Enhance our people and safety, and leverage innovation to be more efficient and effective.*

- a) Put 'safety first' through communication, consistency, clarity, and commitment.
- b) Embed #1LMW by fostering a high-performing culture by attracting, retaining, and developing our people.
- c) Achieve greater equality, diversity, and inclusion.
- d) Adopt improved ways of working through our Business Transformation Program.

2. Strategic Foundation: Finance & Governance - *Secure our long-term financial success and upgrade our governance, systems, and processes.*

- a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations.
-

1. Strategic Foundation: People & Safety – Enhance our people and safety, and leverage innovation to be more efficient and effective.

a) Put 'safety first' through communication, consistency, clarity, and commitment.

Throughout 2023, we consulted with our staff in the development of our first People Strategy which included the development of an Employee Value Proposition (EVP) and a refresh of our organisational values.

The People Strategy identified four pillars of to be prioritised, with the fourth pillar – *Creating a safe-work done-well and wellbeing focused culture* - focusing on the health, safety, and wellbeing of our staff. The delivery of initiatives under this pillar

aims to increase the capability of leaders to best manage psychosocial safety and to create purpose and clarity regarding the importance of physical and psychological safety for all employees.

To fulfil the objective of this pillar and achieve the outcomes of the People Strategy, we acknowledge the requirement to continue to implement identified foundational initiatives including:

- The implementation of a new Safety Management System which is user friendly and enables data-led decision making
- Safety Leadership training of all Leaders
- Revised Safety Manual aligned to ISO standards 45001 and 45003

During 2024-25, we will also embed a new Safety Strategy which integrates with our approved People Strategy and brings to life our EVP - 'Our People, Our Purpose'. The Safety Strategy will see leaders build safety capability at all levels within their teams and empower decision making at the right levels to embed a 24/7 safety mindset.

We will engage with key stakeholders and contractors locally and across the water sector to ensure our safety practices are contemporary and representative of best practice. Through effective engagement with the VicWater Executive Safety Group and OHS Network, we will achieve alignment between LMW's Safety Strategy and the VicWater Safety Pledge.

LMW's new Safety Strategy will see formalised lead and lag KPIs for our Executive and Senior Leadership Teams, people leaders and all staff. These indicators will support us to effectively monitor safety performance, identify emerging risks and achieve continuous improvement of our people, systems and processes resulting in a physically and psychologically safe workplace. We will continue to conduct short internal surveys every six months to test the safety culture of the organisation and will work across the water sector in the development of an annual safety performance report to promote the water sector as a great place to work.

b) Embed #1LMW by fostering a high-performing culture by attracting, retaining, and developing our people.

Our first People Strategy and EVP was launched in July 2023 and includes ten key initiatives spread across four pillars:

- Pillar one: Developing our people and building a future focused workforce
- Pillar two: Making LMW a rewarding place to work
- Pillar three: Building leadership excellence and capability
- Pillar four: Creating a Safe-Work Done-Well culture

Our People Strategy outlines our approach to creating and maintaining the right workplace conditions to enable us to achieve our strategic objective to create a high performing, engaged and diverse workforce. Each initiative within the strategy is designed to improve the employee experience and support the attraction and retention of talent at LMW. Each initiative includes a three phase approach to ensure authentic implementation across the business. The approach to develop, embed, and evaluate each initiative seeks to embody the change we are seeking to make within our teams.

During 2024-25 we will:

- Evaluate and review the new onboarding program (released in early 2024).
- Continue to embed LMW's Leadership and Talent Management Framework and PDP online system including establishing formal succession planning.
- Embed a leadership charter to formalise leadership capability expectations and leadership principles.
- Create purpose and clarity to the importance of psychological safety through the identification of psychological hazards in the workplace and developing risk management plans to proactively monitor and manage.
- Embed, evaluate, and review the implementation of a Reward and Recognition framework.
- Embed and enhance LMW's mentoring program to enable engagement across the broader water sector and partnering organisations such as WaterAble and Intelligent Water Networks.
- Embed and evaluate the implementation on Equity Impact Assessments to ensure equity of service delivery and workforce opportunities.

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Our participation in the Victorian Public Sector *People Matter Survey* remains strong with 89% of employees completing the survey in 2023. We will continue to utilise the survey to measure the effectiveness of the initiatives delivered through the People Strategy and to identify positive shifts in organisational culture and new opportunities for improvement. The 2023 survey results were analysed to ensure alignment between the opportunities for improvement and the initiatives developed within the People Strategy and an action plan has been endorsed by the Executive Leadership Team to ensure whole of business engagement in our People Strategy and EVP.

c) *Achieve greater equality, diversity, and inclusion.*

During 2023, LMW's General Manager People and Customers led the VicWater Diversity and Inclusion Steering Committee through the review and redesign of the Water Sector's Diversity, Equality, and Inclusion Strategy. From January 2024, we adopted this strategy as the 'LMW approach' to achieving greater equality, diversity, and inclusion. This collaborative approach contributes to the water sector becoming a leader in the utilities sector and in developing inclusive workplaces that are committed to equality and ultimately, diversity. This strategy can be found on our website - [Water Industry Equity, Diversity and Inclusion Strategy - Lower Murray Water \(lmw.vic.gov.au\)](https://www.lmw.vic.gov.au/water-industry-equity-diversity-and-inclusion-strategy-lower-murray-water).

In February 2024, we submitted our first progress report to the Gender Equality Commission and during 2024-25 we will complete delivery of our first Gender Equality Action Plan (GEAP 2022-2025) in accordance with our obligations under the Gender Equality Act. Our Gender Equality Framework and Action Plan can be found on our website - [Gender Equality Framework and Action Plan \(GEFAP\) - Lower Murray Water \(lmw.vic.gov.au\)](https://www.lmw.vic.gov.au/gender-equality-framework-and-action-plan-gefap-lower-murray-water)

Through the appointment of a new Executive Leadership Team in December 2023, we achieved gender equality at the executive level, with three of six members identifying as female. This achievement puts LMW in a strong position to achieve progress towards gender equality at all levels of the organisation.

Having collated and evaluated demographic data for LMW's service region in early 2024, we will formalise a set of diversity targets for inclusion in our revised Gender Equality Action plan for 2025-2028. These targets will aim to achieve a workforce which reflects the communities in which we serve. To be successful in attracting and retaining a diverse workforce representative of our communities, we recognise further education and leadership development is required to ensure the achievement of an inclusive workplace environment where people feel safe to bring their whole self to work.

We will establish a quarterly executive report that enables the Executive Leadership Team to monitor key workforce and safety performance metrics across our strategic objectives within LMW's strategic plan. Results will also be reported through to the Board periodically in accordance with strategic plan reporting timeframes.

During the last reporting period, we developed a second 'Reflect' Reconciliation Action Plan (RAP) in response to the challenges of implementing our first 'Reflect' RAP during COVID-19. Once we have completed a final review of our achievements of this 'Reflect' RAP, we will work with Reconciliation Australia in the development of our next RAP which we hope will be an 'Innovate' RAP. We will be guided by Reconciliation Australia on the most appropriate approach.

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d) Adopt improved ways of working through our Business Transformation Program.

Significant progress has been made in the previous 12 months on resetting our business transformation program, with it being rebranded as the Technology Uplift Program. This reset will focus on ensuring the foundational technology is implemented across the business and this year will see some of the benefits of the project realised. We have now validated the core financial and customer platforms that will host the improvements to our business processes and most importantly, our customers' experience. Over the next 12 months, the Technology Uplift Program will commence the design, build and configuration of these capabilities supported by robust organisation change management activities for both staff and customers.

Cybersecurity remains a high priority for LMW across our information technology and operational technology systems. In 2024-25 we will continue to focus on prevention and response with the cybersecurity function relocating to the newly formed Risk and Resilience Team which will be created within the new Strategy and Partnerships division. This will enable a risk-based approach and perspective to be utilised in improving our cyber-risk profile and prioritising key continuous improvement initiatives.

5.7 LOE 7: PERFORMANCE AND FINANCIAL MANAGEMENT

LoE 7: Improve efficiency and consistency in the reporting of performance while delivering safe and cost-effective water and wastewater services in a financially sustainable manner.

Key Performance Indicators:

- *Audited statement of performance*
- *Additional financial performance*

Water Plan 5 Outcomes:

- *Services provide our customers value for money.*
- *Service our communities in a socially responsible and environmentally sustainable manner.*

Financial sustainability is a crucial objective for LMW, and we will continue to provide all current services whilst striving for greater cost efficiencies to improve the value provided to customers. The following Strategic Aspirations have been identified to support meeting expectations in this area:

1. Strategic Foundation: Finance & Governance - *Secure our long-term financial success and upgrade our governance, systems, and processes.*

- Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations.*
- Deliver on our Water Plans' revenue and operational expenditure targets.*
- Optimise business efficiencies through sustainable pricing, resourcing, and procurement.*

2. Strategic Foundation: Infrastructure – *Ensure our assets and infrastructure meet current and future needs.*

- Optimise our infrastructure through improved life cycle management.*
- Deliver our Water Plan capital expenditure on time, on quality and within budget.*

3. Strategic Priority: Environment – *Better the environment for our region.*

- Explore enhanced integrated water management that best works for our region*

1. Strategic Foundation: Finance & Governance - Secure our long-term financial success and upgrade our governance, systems, and processes.

a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations.

Financial sustainability is a key focus of LMW in delivering the Water Plan 5 program of work and into the future and it is expected that Victorian water corporations will continue to operate in an environment of steady or declining prices.

Through the development of Water Plan 5, we have identified a number of business challenges that include:

- Historical under-investment in people, processes, and technology.
- Significant catch-up and investment to build efficiencies in ways of working and data intelligent solutions.
- Small and dispersed water/wastewater systems over a large regional customer base.
- Different regulatory tariff structures due to the merger of irrigation districts with different cost and operational structures.
- A rural Regulatory Asset Base (RAB) that does not include assets transferred to LMW upon its merger resulting in no ability to recover funding for replacements of transferred assets.

Our Technology Uplift Program seeks to address some of the issues associated with processes and technology and is designed to enhance our ways of working. Strong progress continues to be made in the uplift of LMW's governance practices with a new Governance Operating Model and Governance Documentation Management Framework being implemented across the organisation during 2023-2024.

We will continue to assess opportunities to create value and improve performance through effective governance, extending upon the work undertaken to uplift our culture and update out-of-date policies and procedures. In 2024-25, we will focus on supporting teams across the organisation to strengthen governance practices in areas where we have compliance requirements or obligations such as under the EPA Act. Initiatives include developing Risk Management and Monitoring Plans for our wastewater treatment plants to be compliant with the General Environmental Duty, establishing an audit program to better assess and manage waste produced from our operations to ensure we eliminate discharge to our environment and enhancing systems to better monitor water quality in our irrigation drainage system in partnership with DEECA.

b) Deliver on our Water Plans' revenue and operational expenditure targets.

Our revenue streams continue to factor in customer growth and demands through both urban residential development and rural growth. This can be seen through the recent Sunraysia Water Efficiency Project which will increase the efficiency of water delivery to our customers, remove redundant assets, extend the lifespan of irrigation infrastructure, and support the agricultural productivity of the region. The expenditure drivers to deliver these services is continually under review.

Our commitment to following price paths and expectations that have been set within Water Plan 5 continue to be agile where expenditure budgets may not specifically align with the ESC-approved operating expenditures. Efficiencies, where possible, have been included in the budgets which have been reviewed as a part of the corporate planning process.

c) Optimise business efficiencies through sustainable pricing, resourcing, and procurement.

We continue to embed the Victorian government's procurement directives in our processes across the organisation which outlines the requirement for identifying,

planning, acquiring, and sustaining the goods, services and works necessary to enable the organisation to achieve its goals in identifying efficiencies and improvements for customer value. To this end, we have adopted the Victorian government's purchase contracts and will be transitioning expiring contracts to further LMW's purchasing value.

As a regulated business, the ESC reviews pricing submissions of water corporations to determine that prudent and efficient spending is occurring and that assets are optimised where possible, ensuring that we are delivering the right asset at the right time in the life cycle.

The development of frameworks and the optimisation of efficiencies requires an appropriate allocation of resources to match our obligations and our customers' expectations. Investment has already occurred, and we are currently in the midst of our Technology Uplift Program designed to optimise systems that will provide better oversight and bring efficiencies to the organisation.

2. Strategic Foundation: Infrastructure – Ensure our assets and infrastructure meet current and future needs.

a) Optimise our infrastructure through improved life cycle management.

We have developed, documented, and followed a consistent approach in Water Plan 5 for forecasting our capex, opex projects, and cost estimations. Strategies, masterplans, and specific improvement investigations were developed for the major and key water, sewer, and irrigation systems projects. Capital expenditures were based on regulatory compliance, growth, network and system performance, demand, utilisation, and assets' age, failure history, condition, and criticality attributes.

Our customers continue to prioritise cost efficiency and minimising cost impacts, sacrificing non-essential investments to lower their bills. However, there is an agreed understanding that underinvestment in our systems may cause greater costs in the future and from this perspective, our customers support targeted and informed investment decisions that sustain assets ahead of time.

We also continue to explore partnership opportunities with the Commonwealth and Victorian governments to optimise our assets and hope to hear the outcome of the IM2050 (our irrigation masterplan) project funding application in May 2024. This funding is being sourced through the National Water Grid Authority.

Historical underinvestment in our core technology has challenged our business in collating and analysing the appropriate information to best manage our assets. The key areas of focus for 2024-25 include:

- Improve technology and systems to monitor asset performance and control unplanned outages.
- Improve and change the high degree of manual interventions and systems workarounds and use data effectively for enabling whole of lifecycle decision making.
- Replace or upgrade ICT systems to be more fit-for-purpose, efficient, and staff and customer centric.

Proposed initiatives identified in Water Plan 5 include the Customer Relationship Management Portal upgrade and the asset information management system module within Infor Public Sector. The successful implementation of these initiatives will enable an uplift in core technology capabilities and provide a greater ability to manage controllable costs, deliver improved customer outcomes and operational efficiencies.

b) Deliver our Water Plan capital expenditure on time, on quality and within budget.

LMW has a track record of successfully delivering a wide range of capital programs. The fifth and current Water Plan, which contains a total of \$107 million in capital programs for urban and rural businesses, is slightly higher in value than the previous water plans. We are confident that our capital program will be effectively delivered during the next 5-year regulatory period.

We have adopted the suite of Water Industry Standard contracts and Department of Treasury and Finance mandated State Purchasing Board procurement policies and procedures approved by Department of Treasury and Finance to suitably allocate risk effectively to the contracted party. This suite of standard contracts, policies, and procedures provides us with a consistent approach to contract management including the management of costs and project delays, driving efficiency through consistency for all parties.

We also have an established suite of planning, project and contract management procedures and documents, and a dedicated team of staff (supported by consultants where required), to ensure efficiency and successful delivery of the capital program. The capital program is reviewed for deliverability and cross-functional input, which includes decisions about procurement options. We have embedded a continual improvement approach whereby learnings from key projects are used to refine or improve project and contract management procedures.

Construction is typically undertaken by contractors under competitive tendering conditions with contractual performance requirements. Some low-risk capital projects are undertaken by LMW staff where appropriate, including water main or irrigation pipeline construction or replacement.

Collectively, all efforts have been made to ensure that we operate as an efficient business and this has been confirmed by operational benchmarking efforts comparing LMW to its peers, demonstrating that LMW is one of, if not the, lowest cost urban water service providers in Victoria.

The delivery of the investment programs and the implementation of service delivery shall be monitored and measured against performance metrics, and the agreed urban and rural customer outcomes.

3. Strategic Priority: Environment – Better the environment for our region.

a) Explore enhanced integrated water management that best works for our region.

At Mildura and Koorlong Wastewater Treatment Plants (WWTPs), we generate approximately 600 tonnes of biosolids a year which represents approximately 50% of all biosolids produced. Biosolids are the end-product from sewage treatment at wastewater treatment plants. Rather than seeing this as a waste product and disposing of it, we are working with local farmers to realise the valuable nutritional potential of biosolids. We will continue to process and monitor biosolids to Victorian EPA standards, ensuring we deliver a safe product for our farmers. By reusing biosolids rather than disposing of them, we are committing to ensuring we provide financially sustainable wastewater services to our community, applying circular economy principles and integrated water management approaches.

We generate a variety of wastewater by-products which undergo varying levels of processing to remove contaminants and/or pathogens. At the Koorlong and Mildura Wastewater Treatment Plants, the wastewater is processed to Environment Protection Authority -approved 'class C' standards and is used for local food production. The recycled water from Koorlong is used by a third-party partner for irrigation of almonds and wheat. Recycled wastewater from Mildura is used on LMW's own farm for growing fodder for sheep consumption.

We also generate supernatant from the Mildura Water Treatment Plant which is reused for irrigation of the Aerodrome ovals and Mildura golf course. Another wastewater product generated from our farming customers is irrigation drainage water. We currently have over 20 irrigation drainage reuse agreements with local farms and households to use the water for irrigating turf, or for use on horticulture produce. We aim to continue to maximise the beneficial use of recycled water for the upkeep of recreational areas and providing support to local food production, ensuring an integrated water management process that is safe and delivers cost effective water services.

5.8 LOE 8: COMPLIANCE AND ENFORCEMENT

LoE 8: Apply a consistent, transparent, and risk-based approach to manage compliance and enforcement of the Water Act 1989

Key Performance Indicators:

- *Apply an effective zero-tolerance approach to unauthorised take.*
- *Demonstration of continuous improvement towards implementation of compliance and enforcement strategies, frameworks, and reporting.*

Water Plan 5 Outcomes:

- *Services provide customers value for money.*
- *Provide customers with water when they need it.*
- *Service our communities in a socially responsible and environmentally sustainable manner.*

In 2020, the Minister for Water made her intentions clear following an independent review into water compliance measures with a directive that they would be adopting a Zero Tolerance approach to water theft. The Minister's message was reinforced at the 2020 Growers' Conference, and it was made clear that LMW is responsible for investigating non-compliance with the Act, and to take action to address any unauthorised take of water.

As we evolved our systems and processes to address this directive, we are confident that we lead the state in managing unauthorised take in accordance with the Minister's Zero-tolerance approach. As such, we now redirect our focus to other areas of non-compliance of the Water Act 1989, and the following *Strategic Aspirations* have been identified in the LMW Strategic Plan that support initiatives to address this LoE:

1. Strategic Foundation: Finance & Governance - *Secure our long-term financial success and upgrade our governance, systems, and processes.*

- Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations.*
- Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.*

1. Strategic Foundation: Finance & Governance - Secure our long-term financial success and upgrade our governance, systems, and processes.

a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations.

We have come a long way over the past few years and after a significant investment in our systems and processes, now lead the way in effectively managing the non-compliance of unauthorised take by our rural customers across the state. Our continued collaboration with DEECA and other water corporations, ensures that our ability to effectively manage non-compliance, and in particular unauthorised take, is best practice and remains well within the thresholds of 1%

volume taken and 3% number of customers in negative balance. Due to the strengthening of compliance and enforcement strategies and the demonstration of clear and intended actions when customers are non-compliant, we finished the year well within these thresholds with 0.17% volume taken and 1.58% number of customers in negative balance as of 30 June 2023.

We continue to follow a clearly identified process which involves assessing non-compliance utilising a defined risk-based approach. Once non-compliance is identified, we communicate with our customers in accordance with our processes before resorting to enforcement activities such as issuing of Penalty Infringement Notices and, where necessary, prosecuting rural customers through the Magistrates Court in accordance with our powers under the Water Act 1989. Our rural customers are to be commended for the changes in behaviour and in the management of their businesses to ensure ongoing compliance.

In 2024-2025, we shift our focus to strengthen our systems and processes to ensure a consistent level of practice across all compliance and enforcement areas of the Water Act 1989 that relate to our region including urban water compliance and supporting the processes to recoup revenue on overdue accounts whilst ensuring appropriate support is provided to customers experiencing or at risk of experiencing hardship. Main areas of focus to achieve this include:

- Uplifting of monitoring and enforcement programs for all water use (urban and rural) to ensure water is used efficiently and in line with objectives, ensuring protection of the environment and maximising water entitlements and availability for all users.
- Continuous improvement of frameworks, policies and practices relating to water theft to ensure a fair and transparent water market.
- Working with DEECA, development of clear policies and practices related to Place of Take and Shortfall compliance to ensure water can be shared fair and equitable during a rationing event.

We will also continue to work with DEECA to support the finalisation of the Victorian Non-Urban Metering Policy. Once this policy is finalised and approved, and the guidance frameworks have been distributed, we will review the current LMW Metering Action Plan 2020 and align this with the new policy.

2. Strategic Priority: Engagement – Effective engagement with our stakeholders.

a) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.

Our engagement with stakeholders regarding compliance is essential to affect positive behavioural change and to be seen as a leader in this space across the state.

In 2024-25, our focus remains on building robust systems and processes that addresses all areas of compliance, applying the learnings and growth experienced in this area over the past few years. This enable us to ensure consistent and effective management of non-compliance as environmental conditions become

less favourable, new legislation is introduced and customers are challenged by increasing water prices.

Over the past few years, our focus has been on addressing non-compliance of our rural customers, and we will continue to monitor and enforce the Water Act 1989 where required to sustain the behaviour required by these customers. To support this action, we will continue to engage these customers, particularly as the conditions become drier, through tailored communication in water bills and ordering system notifications, and education campaigns via written and face-to-face engagement initiatives. We will continue to utilise our Customer Service Advisory Committees and our Annual Growers Conference to ensure that the obligation to remain compliant remains front-of-mind.

Focus will also remain on educating professional services providers such as brokers, accountants, and real estate agents to ensure that the advice being provided to LMW customers is consistent with legislation requirements. We will continue to use strong and resolute compliance and enforcement action to reinforce the Minister's clear zero-tolerance approach to unauthorised water take and other offences under the Water Act 1989.

As we move into the new reporting period, we are also now able to focus on new areas of non-compliance which will require us to engage with our customers to set expectations and build awareness moving forward. This will involve a range of tailored initiatives utilising mainstream media, social media, local events, and education programs to raise awareness with our customer base.

Our focus for 2024-25 is on our urban customers to ensure awareness and an understanding of their obligations relating to Permanent Water Saving Rules and the impacts unpaid accounts have on our broader customer base. We intend to reinstate our full debt recovery processes which were ceased in line with government direction in 2020 due to the impacts of COVID-19 with only minor debt recovery processes reinstated since late 2022. We will engage with customers both broadly and with individual customers with outstanding debts to ensure they are aware that approaches including restriction and suspension of services that will be made to recover outstanding debt and, if required, where appropriate payment arrangement cannot be negotiated.

All actions taken will be in line with our Customer Support Policy and Billing, Refund and Recovery Policy, our Customer Charters, and the ESC Service Codes. During a review of our operating model in the first quarter of 2024 we have considered resourcing requirements to support this focus, and in 2024-25 we will be introducing a dedicated Customer Support Advisor who will support strengthened process to identify customers in need of financial assistance, connecting them with appropriate services and supporting them to access Utility Relief Grant funds where eligible.

5.9 ADDITIONAL AREAS OF FOCUS

In 2024, the Minister for Water has included additional areas of interest to ensure that water corporations are considering and incorporating key priorities of government. Three new areas of interest have been included in this year's Letter of Expectations:

- Customer data protection and protection from harm of family violence
- Cybersecurity
- The Housing Statement

We acknowledge the need to ensure that activities and initiatives developed each year are aligned with emerging challenges or priorities experienced across the state. As such, we have identified a number of existing activities and opportunities to support and address these challenges and note the various areas where we will work with DEECA further to develop indicators for future reporting.

Customer data protection and protection from harm of family violence

Key focus areas:

- *Activities and actions identified within the Victorian Data Security Framework, including plans to improve the information security and maturity of the business, and protect customer information from loss or exploitation by employees, contractors or malicious third parties. Also, plans in place for response to a data breach that has, or had potential to compromise customer information.*

LMW is bound to comply with the Victorian Information Privacy Principles as set out in the *Privacy and Data Protection Act 2014*. This means that we must be proactive in the way we handle personal information about our customers, employees, and other individuals. Although we have always had a strong commitment to ensuring that personal information is protected and used appropriately, this new area of interest ensures that we are considering the impacts and consequences of sharing information, particularly when it comes to family violence.

Our employees are supported in complying with privacy legislation through a privacy procedure that sets out requirements when handling personal information. Over the past twelve months, LMW has introduced multiple security enhancements to reduce the risk of information loss and privacy breaches including tighter access controls of sensitive information, upgrades of core systems to allow stronger encryption of data at rest, multifactor authentication, and single sign on for all new applications and several older legacy systems. In addition, further initiatives to increase awareness across the organisation and ensure customer-facing staff are appropriately trained will be implemented over the 2024-25 period.

- *Work collaboratively with DEECA on family violence governance guidelines and consider development of Key Performance Indicators.*

We work collaboratively with the Essential Services Commission (ESC) and water sector more broadly on the development and implementation of family violence guidelines and services that best support our customers. Our strong relationship with DEECA will extend to the development of these new requirements regarding governance guidelines and key performance indicators for future reporting.

Cybersecurity

Key Focus areas:

- *The State Emergency Management Plan – Cyber Security Sub-Plan states that entities should adopt one or, or a combination of two, internationally recognised approaches to reduce their cyber security risk:*
 - *Essential Eight Maturity Model provided by the Australian Cyber Security Centre (ACSC);*
 - *Cyber Security Framework by the National Institute of Standards and Technology, USA.*

The alignment and integration of our cybersecurity governance with best practice is an identified priority as our organisation begins to implement a new operating model that sees the cybersecurity function join with enterprise risk, emergency management and business continuity in a newly formed Risk and Resilience team. This change seeks to ensure that our ability to react and respond to cybersecurity incidences continues to mature and is integrated with these functions to provide a more holistic risk-based approach rather than a technology focused one.

- *Demonstrate progress and an ongoing commitment to integrating cyber risk management capacity, capability, process and system improvements into planning and decision making across the business. This includes activities and actions that will reduce the business exposure to cyber-attack, minimise the impacts of service disruption to customers, and restore services promptly following an attack.*

In addition to ensuring that cybersecurity is integrated into our risk and emergency management planning, the new operating model also enables cybersecurity to be monitored more closely through a risk lens to ensure that the ability to develop our maturity and invest in the appropriate systems remains a priority. This includes the completion of our Business Continuity Plan which was partially updated last year to strengthen its response plan in the event of a cyber incident, and which will be tested during 2024-25.

In 2024-25, we will also be working towards becoming compliant with Essential Eight Maturity Level 1 standards and supported our Cybersecurity Officer to complete their accreditation in the Essential Eight assessment approach to enable compliance with the standards.

Housing Statement

Key focus areas:

- *Engage with developers and local councils regularly throughout the permit process with clear timelines for completing applications.*

We have strong relationships in place with local councils and developers with this new focus area in mind and shall continue to regularly engage with these stakeholders throughout the permit process with the view to responding to planning referrals within statutory timeframes. Where additional time is required to assess an application, timely discussions with developers, consultant and council will continue to be held.

- *Work with DEECA to develop indicators by June 2024 to measure performance, noting that the total number of connections is currently reported under LOE5.*

As we do with other priority areas, we will work with DEECA to develop indicators by June 2024 to measure performance.

6. RISK MANAGEMENT

The LMW Board views effective risk management as key to achieving and maintaining its operational and strategic objectives. The Board's expectation is that these risks are managed to optimise opportunities and limit exposure to the organisation, its stakeholders and staff from adverse events, key decisions, or actions.

Following the implementation of a new operating model which will see the risk function move to the new Strategy and Partnerships division, a review of all risk management artefacts, in addition to the Risk Appetite Statement that was formally approved by the Board in 2023, will be undertaken to strengthen our maturity and embed a strong risk management culture across our organisation.

Known and unknown factors and influences, both internal and external, will continue to challenge our organisation and the sector in which we operate, and we acknowledge that managing our risks appropriately is essential. In 2024-25, with the establishment of an operating model and a newly formed Risk and Response team, we plan to do this by:

- Anticipating our risks and the challenges we face and documenting them appropriately.
- Understanding what we are currently doing to mitigate these risks and whether there are alternative options to do it better.
- Developing strong risk management tools and practices to enable risks to be managed in a systematic way.
- Embedding risk management to inform better decision making across the organisation.

We are materially compliant with the Standing Directions as outlined by the Minister for Finance (Ministerial Standing Direction) 3.7.1 – *Risk management framework and processes*. This direction mandates that agencies like ours demonstrate (through an attestation of the risk management process) that they are managing risk effectively. This risk management attestation is conducted annually and findings from the 2023-24 attestation will inform our workplan as we continuously improve our maturity.

7. OUR FINANCIAL PERFORMANCE

Delivering safe and cost-effective water and waste-water services in a financially sustainable manner is crucial and our financial performance is key to achieving this. The following section provides an overview of our future intentions in alignment with the Minister’s LoE and associated guidelines.

7.1 PRICING

The structures for urban and rural pricing are forecast to remain unchanged for the Corporate Plan period 2024-25 to 2028-29 (subject to changes that may be proposed under Water Plan 6) with LMW using the postage stamp pricing method for urban pricing (where all urban townships have common pricing), and the location pricing method for rural pricing.

7.1.1 Urban

Urban pricing is regulated by the ESC who completed its review of our Urban Pricing Submission for the 2023-24 to 2027-28 period and released a final determination in June 2023. The Corporate Plan 2024-25 urban pricing continues to follow this path.

The 2024-25 prices comprise regulated price elements (Table 2) to minimise the risk of inflating forecast revenue.

Urban pricing for WP5 includes a 0.60% real price path, adjusted annually for the March quarter average cost of debt and CPI for the year. After applying an estimated 0.09% cost of debt reduction and an estimated CPI of 3.00%, urban services will see an increase of 3.51% in 2024-25 for urban reference and non-residential customers. The annual bill impact of this change for urban reference customer is presented in the table below:

Urban Service	Actual 2023-24	Budget 2024-25	\$ Change	% Change
Water Service Charge	\$232.04	\$240.16	\$8.12	
Water Usage (477kL)	\$313.47	\$324.48	\$11.01	
Sewerage Service Charge	\$547.84	\$567.08	\$19.24	
Total Reference Customer Owner Occupier Bill	\$1,093.35	\$1,131.72	\$38.37	3.51%
Tenant Occupier				
Total Reference Customer Tenant Occupier Bill	\$313.47	\$324.48	\$11.01	3.51%
Non-Residential				
Water Service Charge	\$232.04	\$240.16	\$8.12	
Water Usage (3ML)	\$2,751.30	\$2,847.90	\$96.60	
Sewerage Service Charge	\$547.84	\$567.08	\$19.24	
Total Non-Residential Bill	\$3,531.18	\$3,655.14	\$123.96	3.51%

Table 1: Annual bill impact of this change for urban reference and non-residential customers

7.1.2 Rural

The tariff structures of all rural districts remain unchanged for the Corporate Plan period 2024-25 to 2028-29. We utilise the location pricing method to set prices for rural services and each district has its own tariffs. Prices are calculated for each district based on forecast demand of volumetric water deliveries, growth, planned operations and maintenance expenditure, and capital investment. In determining the tariff price requirements, costs that are incurred by an individual district are directly attributed to that service area.

The revenue raised by the rural business for regulated services is capped, with LMW's Pricing Submission for 2023-24 to 2027-28, approved by the ESC in its' June 2023 final determination. The Corporate Plan 2024-25 rural pricing, for each district, continues to follow this path. Rural pricing has been adjusted from the rural component of Water Plan 5 to allow for an estimated 0.09% cost of debt adjustment and CPI of 3.00%. The annual bill impact of the changes for rural reference customers is presented in the table below:

Rural District	2023-24	2024-25	\$ Change	% Change
Mildura (100ML)	\$16,149.94	\$16,490.34	\$340.40	2.11%
Mildura HP (100ML)	\$24,001.46	\$23,387.91	-\$613.55	-2.56%
Merbein (100ML)	\$12,680.30	\$13,252.01	\$571.71	4.51%
Red Cliffs (100ML)	\$13,166.46	\$13,471.50	\$305.04	2.32%
Robinvale (100ML)	\$23,325.74	\$22,699.76	-\$625.98	-2.68%
Private Diverters (1,000ML)	\$13,014.18	\$13,111.61	\$97.43	0.75%
Millewa Waterworks - Rural (4,300kL)	\$8,496.96	\$8,487.14	-\$9.82	-0.12%
Millewa - Urban (400kL)	\$993.38	\$1,025.83	\$32.45	3.27%
Yelta Water Works (3ML)	\$1,821.93	\$1,905.73	\$83.80	4.60%

Table 2: Annual bill impact of this change for rural reference customers

7.2 OPERATING, MAINTENANCE AND ADMINISTRATION EXPENDITURE

7.2.1 Urban

The 2024-25 financial year is year two of Water Plan 5 and we are committed to the delivery of the plan and its objectives. Our planned urban operating expenditure for 2024-25 deviates from the Water Plan 5 allowance for the year, primarily due to:

- A difference in the statutory and regulatory treatment of business transformation costs, which are capitalised for regulatory purposes.
- Higher electricity costs attributable to significant increases in energy prices.

The 2024-25 urban operating expenditure budget, including depreciation and interest expenses, is an increase of 5.2% against the 2023-24 urban forecast. Further detail is provided in section 7.3 Operating, Maintenance and Administration Expenses.

Table 3 below sets out the 2023-24 urban forecast and proposed urban total operating expenditure for each year of the Corporate Plan period, across each water and wastewater service category. The table separates out the costs that are not controllable by LMW (GMW bulk water charges and the environmental levy contribution). The total forecast operating expenditure for the Corporate Plan period is also provided.

Urban Cost Category (\$m)	Current	Corporate Plan 5 Year Period					
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	TOTAL
	Forecast \$	Budget \$	Planned \$	Planned \$	Planned \$	Planned \$	\$
Water	33.20	35.00	36.24	38.10	39.40	40.87	189.61
Wastewater	22.56	23.80	24.10	24.69	25.39	26.02	124.00
External bulk water charges and water allocation purchases	0.72	0.69	0.71	0.73	0.75	0.77	3.65
Environmental contribution	1.78	1.78	1.78	1.78	1.78	1.78	8.90
Total Expenditure	58.26	61.27	62.83	65.30	67.32	69.44	326.16

Table 3: Urban Forecast, Budget, and Planned Operating Expenditure 2023-24 to 2028-29

7.2.2 Rural

The 2024-25 financial year is year two of our Water Plan 5 and we are committed to the delivery of the plan and its objectives. LMW's planned rural operating expenditure for 2024-25 deviates from the Water Plan 5 allowance for the year, primarily due to:

- Higher electricity costs attributable to significant increases in energy prices.
- The difference in statutory and regulatory treatment of business transformation costs (as explained in 7.2.1).
- SWEP operational costs. SWEP was an unknown project at the time of preparing the pricing submission and was omitted, however these costs are offset from additional funding received.

The 2024-25 rural operating expenditure budget, including depreciation and interest expenses, is an increase of 1.5% against the 2023-24 rural forecast. Further

detail is provided in section 7.3 Operating, Maintenance and Administration Expenses.

The table below sets out the 2023-24 rural forecast and proposed total operating expenditure for each year of the Corporate Plan period, across each major service category. The total operating expenditure for the period is also provided.

District (\$m)	Current Period	Corporate Plan 5 Year Period					
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	TOTAL
	Forecast \$	Budget \$	Planned \$	Planned \$	Planned \$	Planned \$	\$
Irrigation and drainage	37.98	38.11	38.43	40.94	42.24	44.25	203.97
Domestic and stock districts	2.93	3.15	3.20	3.46	3.50	3.69	17.00
Surface water diversions	2.74	2.97	3.03	3.13	3.23	3.32	15.68
External bulk water charges and water allocation purchases	3.19	3.30	3.39	3.50	3.58	3.67	17.44
Environmental contribution	0.47	0.47	0.47	0.47	0.47	0.47	2.35
Total Expenditure	47.31	48.00	48.52	51.50	53.02	55.40	256.44

Table 4: Rural Forecast, Budget and Planned Operating Expenditure 2023-24 to 2028-29

LMW continues to strive to deliver on the efficiency of expenditure planned in LMW's Water Plan 5. The total LMW Corporate Plan 2024-25 operating expenditure budget has increased on the 2023-24 forecast by \$3.7m (3.5%), mainly due to higher:

- electricity costs of \$1.5m, attributable to significant increases in energy prices and additional electricity usage at water pumping stations to meet customer demand.
- administration costs of \$1.3m, partly due to additional resourcing required for a new Strategy and Partnerships division.
- business transformation project expenditure of \$1.2m, which reflects a significant uplift in the program of work scheduled to be undertaken during the 2024-25 financial year.
- depreciation of \$0.7m, associated with new capital additions; and
- finance expenses of \$0.5m, due to additional net borrowings of \$12.9M required to fund a portion of the capital works program.

Offset by:

- lower SWEP operational costs of \$2.5m, associated with the completion of the decommissioning of small meter outlet program of work in 2024-25.

7.3 CAPITAL EXPENDITURE

The development of our Water Plan 5 capital expenditure program followed a planned process to build a prudent and efficient program to meet the agreed customer outcomes and associated performance targets, current and new government obligations, and commitments, and/or to manage risk to the business. These underlying principles have been used to establish the 2024-25 budget and forward capital expenditure year plans.

We have also embedded the Ministerial Directions for Public Construction Procurement which has been coupled with an organisation-wide review of procurement which has seen the implementation of the LMW Procurement Framework. This process has been used for identifying, planning, acquiring, and sustaining the goods, services and works necessary to enable the organisation to achieve its goals and to identifying efficiencies for customer value. LMW continues to mature within the Asset Management Accountability Framework, working towards best practices in asset management ensuring LMW realise the full value of assets in service delivery objectives.

7.3.1 Urban

The urban capital works budget for 2024-25 is centred on delivering the agreed service level outcomes as outlined in Water Plan 5. Total proposed urban capital expenditure for the Corporate Plan period across each service category is set out in Table 5 below.

Service Category (\$m)	Current Period	Corporate Plan 5 Year Period					TOTAL \$ '000
	Forecast 2023-24	Budget 2024-25	Planned 2025-26	Planned 2026-27	Planned 2027-28	Planned 2028-29	
Water	10.49	14.97	14.71	7.68	8.10	13.32	58.78
Sewerage	2.30	4.66	6.16	12.42	5.14	7.08	35.46
Corporate	4.11	2.81	2.75	2.08	2.30	2.30	12.24
Recycled water	-	-	-	-	-	-	-
Gifted assets	4.38	2.70	2.70	2.70	2.70	2.70	13.50
Total Capital Urban	21.28	25.14	26.32	24.88	18.24	25.40	119.98

Table 5: Forecast, Budget, and Planned Urban Capital Expenditure 2023-24 to 2028-29

Major urban capex works to be delivered in 2024-25 are outlined in Table 7 below.

Water Projects – Top 10	Budget 2024-25 (\$m)
Red Cliffs Improve Reticulation Pressure for Township	4.861
Purchase of Water	1.108
Water Main Replacements	1.080
Mildura Water Treatment Plant Storage Tank	1.000
Mildura 10th Street Tower Refurbishment	0.890
Mildura West Water Treatment Plant Ground Level Storage	0.830
Merbein TWPS VSD, PLC and Switchboard Upgrade	0.680
Mildura West WTP Sludge Management	0.600
Swan Hill WTP Sludge Management	0.600
Mildura Radio Telemetry Water Outstations Renewal	0.558

Sewer Projects – Top 10	Budget 2024-25 (\$m)
Robinvale Sewer Pump Station No 6 Renewal	1.070
Sewer Rehabilitation Program	0.700
House Service Line Replacement Program	0.480
Kerang WWTP Power Upgrade	0.400
Land Development Growth	0.277
Nichols Point Pressure Sewer Rising Main	0.205
Manhole Rehabilitation Program	0.150
Mildura WWTP Control Systems Upgrade	0.107
SCADA Upgrades	0.100
Sewer Pump Replacement Program	0.082

Table 6: Major urban 2024-25 capex program

7.3.2 Rural

The capital works budget for the 2024-25 is centred on delivering the agreed service level outcomes as supported by the pricing submission. Major rural capex works to be delivered in 2024-25 are outlined in the table below:

Irrigation – Top 10	Budget 2024-25 (\$m)
SWEP	10.541
Mildura New Pipelines to Supplement Tight Lines	0.554
Private Divertors Metering Program	0.467
Red Cliffs Radio Telemetry Network Base Station Renewal	0.417
Mildura 17th Street HP PS Control System Renewal	0.350
Merbein Radio Telemetry Renewal	0.309
Mildura Irrigation Meter Replacement	0.305
Red Cliffs Main PS VSD	0.300
Merbein Pipelines to Supplement Tight Lines	0.279
Red Cliffs Irrigation Meter Replacement	0.234

Table 7: Major rural 2024-25 capex program

Total proposed rural capital expenditure for the Corporate Plan period across each service category is set out in the table below.

District (\$m)	Current Period	Corporate Plan 5 Year Period					TOTAL
	Forecast 2023-24	Budget 2024-25	Planned 2025-26	Planned 2026-27	Planned 2027-28	Planned 2028-29	
Irrigation and Drainage	20.12	16.12	8.46	9.54	8.79	5.84	64.33
Domestic and stock	0.43	0.12	0.49	0.61	0.91	0.51	1.88
Surface water diversions	0.59	0.55	0.57	0.58	0.60	0.58	2.82
Corporate	1.71	1.10	1.05	0.87	0.98	0.98	6.96
Total Capital Expenditure	22.85	17.89	10.57	11.60	11.28	7.91	75.99

Table 8: Forecast, Budget, and Planned Rural Capital Expenditure 2023-24 to 2028-29

8. WATER AVAILABILITY AND DEMAND ASSUMPTION

8.1 WATER AVAILABILITY

Water reserves in the Murray-Darling Basin are well positioned and LMW has adopted a forecast of 100% seasonal determination to Murray High Reliability Water Shares (HRWS) in the 2024-25 Corporate Plan. This has been based on the February 2024 NVRM outlook where inflow conditions from wet to average provide 100% allocation. The Bureau of Meteorology's April 2024 seasonal rainfall outlook predicts average rainfall for our regions. This is presented in the table below:

INFLOW CONDITIONS	1 July 2024	15 August 2024	15 October 2024	17 February 2025
Wet	99%	100%	100%	100%
Average	83%	97%	100%	100%
Dry	67%	71%	91%	100%
Extreme Dry	61%	61%	61%	62%

Table 9: Murray System Outlook for Seasonal Determination of HRWS

8.2 WATER DEMAND

8.2.1 Urban

Above average rainfall has seen a reduction in 2023-24 water demand from previous demand levels. The 2024-25 forecast has been set on historical water demand trends overlaid with the Vic Climate Projections data made available by the published CSIRO and DELWP 2019 regional report for the Mallee.

For 2024-25, water demand is based on a 100% seasonal determination to Murray HRWS, with 100% adopted for the remaining plan 2025-26 through to 2028-29. Our water demand requirements will be met with Permanent Water Saving Rules (PWSR) remaining in place with no forecast staged water restrictions.

Even though the 2023-24 seasonal determination to Murray HRWS is 100%, LMW is forecast not to carryover any water allocation into the 2024-25 season. The forecast 2024-25 seasonal determination to Murray HRWS is assumed to be 100%, delivering total water availability to LMW of over 32,000ML. This figure is well above the five-year historical urban usage of just over 21,000ML. With no water use restrictions in place, LMW will likely have surplus allocation available to it of approximately 11,000ML.

Residential customer growth equates to approximately 350 new connections per year over the CP period, consistent with the Water Plan 5 forecasts, with the average customers' water usage to slightly decrease to 476kL from previous 479kL per annum. Urban water demand is outlined in the Table 10 below:

Service	Corporate Plan 5 Year Period				
	2024-25 Budget	2025-26 Planned	2026-27 Planned	2027-28 Planned	2028-29 Planned
Residential Demand	15,610,226	15,753,065	15,897,518	16,043,602	16,204,038
Non-residential demand	4,612,216	4,662,950	4,714,243	4,766,099	4,813,760
Total water demand	20,222,442	20,416,015	20,611,761	20,809,701	21,017,798

Table 10: Urban water demand (kL)

8.2.2 Rural

A wetter winter and spring period has reduced the 2023-24 water demand from previous demand levels where rainfall and low water allocation determinations are not a factor. The 2024-25 forecast has been set on previous historical usage trends which includes some drier weather conditions.

Water usage is based on a Murray HRWS seasonal determination of 100%, with 100% adopted for the remaining plan 2024-25 through to 2027-28.

The demand forecast for 2023-24 follows the historical usage trends with additional water usage from SMP2 customers in the Merbein and Red Cliffs districts. The additional SMP2 water usage has been established in consultation with the individual developers planned crop requirements.

Private Diverters do not get billed on water usage and their water usage is controlled by the Annual Use Limit (AUL) as a condition of their Water Use Licence. The current level of AUL held combined with the projected growth aligned to current plantings and future plantings has been used to forecast water usage for the Private Diverters required for their maturing crops.

Rural water demand for pumped irrigation districts and Private Diverters AUL is outlined in the tables below:

Seasonal Determination	100%	100%	100%	100%	100%
Service/District	2024-25 Budget	2025-26 Planned	2026-27 Planned	2027-28 Planned	2028-29 Planned
Pumped Irrigation - Metered Usage					
Mildura	31,425	31,425	31,425	31,425	31,425
Mildura HPS	3,509	3,509	3,509	3,509	3,509
Merbein	20,211	20,781	21,039	21,039	21,039
Red Cliffs	35,990	38,620	39,655	39,655	39,655
Robinvale	19,934	19,934	19,934	19,934	19,934
Total Irrigation	111,069	114,269	115,562	115,562	115,562
Diverters - Annual Use Limit					
Diverters	702,065	708,412	712,876	713,911	713,911

Table 11: Rural water demand (ML) – Private Diverters

Seasonal Determination	100%	100%	100%	100%	100%
Service/District	2024-25 Budget	2025-26 Planned	2026-27 Planned	2027-28 Planned	2028-29 Planned
Stock & Domestic - Metered Usage					
Millewa Urban	68	68	68	68	68
Millewa Rural	796	796	796	796	796
Yelta WWD	3	3	3	3	3

Table 12: Rural water demand (ML) – Millewa

8.3 WATER TRADING PLAN

We currently hold an urban bulk entitlement of 30.9GL plus water shares totalling another 3.0GL mostly Murray HRWS, with only 21GL on average used annually. Historically, the surplus allocation is either carried over or traded on the annual allocation market. Income varies each year depending on the market price and water availability which has ranged from \$300K to \$1.2m.

We have undertaken trades of surplus allocation throughout 2023-24, forecasting trading revenue of \$415k. We consider strategies to ensure security of supply for customers as the priority before trading any excess allocation, however as the seasonal determination forecast for 2024-25 is 100% for Murray HRWS, we have planned to have excess allocation water available to trade.

We are budgeting for \$825k in revenue from trading surplus allocation in 2024-25. This amount will be dependent on market and climactic conditions which will drive water user demand.

9. FINANCIAL STATEMENTS

The financial statements in Appendix A have been prepared in accordance with the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards, and other mandatory professional reporting requirements. The financial statements reflect the combination of the previous sections, demand, pricing, operating expenditure, and capital expenditure.

LMW continues to show forecast statutory deficits due to the revaluation of assets and associated depreciation calculations versus the ESC PREMO pricing model used to set service prices. The impact of the revaluation increase in statutory depreciation and the associated deficits are offset on the balance sheet with an increase to Equity through the Asset Revaluation Reserve which is forecast to remain at \$362m in 2024-25. The net result for 2024-25 is a deficit of \$17.1m after tax which is \$3.8m unfavourable to the 2023-24 forecast net deficit of \$13.3m. The forward Corporate Plan years, show higher net losses from 2026-27, resulting from additional depreciation arising from an asset revaluation required to be completed at the end of 2025-26.

Although LMW's financials show an ongoing deficit, LMW maintains a strong cash flow from operations with the financial indicators, particularly the debt servicing and long-term viability indicators, demonstrating ability to meet interest expenses and service debt while maintaining a strong ability to finance capital works from cash flow and borrowings.

Negative financial indicators will persist in the Return on Assets and Return on Equity with the statutory deficits forecast. See Appendix B for the Performance Report outlining all financial indicator forecast targets.

9.1 DIVIDEND

Our financial statements show deficits after tax over the planning period, therefore no dividend payment has been forecast.

The Corporate Plan does however include efficiency savings payments, to be paid as a Contributed Capital repatriation, as summarised in the table below:

	Corporate Plan 5 Year Period				
\$'000	2024-25	2025-26	2026-27	2027-28	2028-29
Efficiency Savings Payment	1,200	1,880	1,890	1,860	1,900

Table 13: Efficiency Savings

9.2 BORROWINGS

For us to achieve our Capital Works program over the 2024-25 period, we have forecast the requirement to borrow externally, from Treasury Corporation Victoria, an additional \$18.0m whilst retiring debt of \$5.1m as loan principal falls due or the debt matures.

LMW's Capital Works program in year 2024-25 is \$43.0m which is driving the requirement for the \$18.0m of external funding, including the refinancing of \$4.0m of matured debt, within the budget year. Loans increase from \$70.8m to \$83.7m in

2024-25 and are forecast to increase with the large capital works program planned for the 2025-26 to 2028-29 period. Total loans are forecast to be \$141.8m by the end of the planning period. Net borrowings are presented in the table below:

	Corporate Plan 5 Year Period				
\$'000	2024-25	2025-26	2026-27	2027-28	2028-29
Proceeds from borrowings	18,000	24,800	21,500	14,750	16,750
Repayment of borrowings	(5,110)	(4,676)	(4,746)	(5,070)	(5,149)
Net Borrowings	12,890	20,124	16,754	9,680	11,601

Table 14: Net Borrowings

We monitor our debt in line with its approved Treasury Management Policy. The Department Treasury and Finance (DTF) performs an annual desktop review of the financial position of Government business enterprises. This review is performed based on financial statements presented in the prior year's annual report and financial projections as submitted for the next year's budget.

Based on this review, LMW has been assigned a proxy credit rating of 'A' for the 2024-25 year which has been used for the Corporate Plan. The rating is used to calculate the Financial Accommodation Levy for new financial accommodation to be charged to the organisation however currently the desk top rating has not been undertaken by DTF for 2024-25.

9.3 SENSITIVITY ANALYSIS

We have assessed extreme weather events associated with climate change as the biggest risks to its financial performance. Water storages within the Murray catchment area are severely impacted by either too much (floods) local rainfall or too little (drought) rainfall and therefore water storages within the Murray catchments pose the biggest risks.

Due to the current level of water storages and the recent flooding event in 2022-23, we have undertaken the high rainfall sensitivity analysis. The analysis assumes lower volumetric water usage due to a wet year with high local rainfall in the 2023-24 irrigation season and what impact this would have if the events occurred in consecutive years.

9.4 SCENARIO

Although our urban retail and the rural irrigators would have enough water in their Allocation Bank Accounts (ABA) for their water requirements, the need to use the water on outside house gardens or horticulture crops would reduce.

Using the learnings from previous rainfall events and the effect on water usage, demand forecasting decreased Corporate Plan levels for the irrigation seasons for 2023-24. LMW's urban customers have a quarterly quantity limit billed via 3 price tiers to which reductions have been the greatest in the top price bracket being 20%. The rural irrigators reduce their water usage ranging from a reduction of 52% to 23% across the districts.

Water demand forecasts for the sensitivity analysis are outlined in the tables below as follows:

Service	Corporate Plan 5 Year Period				
	2024-25 Budget	2025-26 Planned	2026-27 Planned	2027-28 Planned	2028-29 Planned
Residential Demand	15,610,226	15,753,065	15,897,518	16,043,602	16,204,038
Non-residential demand	4,612,216	4,662,950	4,714,243	4,766,099	4,813,760
Total water demand	20,222,442	20,416,015	20,611,761	20,809,701	21,017,798
<i>Change in Demand</i>		<i>High Rainfall</i>			
Residential Demand	12,931,698	15,753,065	15,897,518	16,043,602	16,204,038
Non-residential demand	4,048,035	4,662,950	4,714,243	4,766,099	4,813,760
Total water demand	16,979,733	20,416,015	20,611,761	20,809,701	21,017,798

Table 15: Urban Demand Forecasting of High Rainfall in 2024-25

Seasonal Determination	100%	100%	100%	100%	100%
Service/District	2024-25 Budget	2025-26 Planned	2026-27 Planned	2027-28 Planned	2028-29 Planned
Pumped Irrigation - Metered Usage					
Mildura	31,425	31,425	31,425	31,425	31,425
Mildura HPS	3,509	3,509	3,509	3,509	3,509
Merbein	20,211	20,781	21,039	21,039	21,039
Red Cliffs	35,990	38,620	39,655	39,655	39,655
Robinvale	19,934	19,934	19,934	19,934	19,934
Total Irrigation	111,069	114,269	115,562	115,562	115,562
<i>Change in Demand</i>		<i>High Rainfall</i>			
Pumped Irrigation - Metered Usage					
Mildura	24,091	31,425	31,425	31,425	31,425
Mildura HPS	1,690	3,509	3,509	3,509	3,509
Merbein	13,921	20,781	21,039	21,039	21,039
Red Cliffs	24,801	38,620	39,655	39,655	39,655
Robinvale	15,194	19,934	19,934	19,934	19,934
Total Irrigation	79,697	114,269	115,562	115,562	115,562

Table 16: Rural Demand Forecasting of High Rainfall in 2024-25

The financial impact from the high rainfall event is mostly borne due to a \$4.73m decrease in revenue through reduced water deliveries. An additional \$0.45m reduction in revenue expected to occur via reduced urban water allocation trades due to decrease in demand and trading price. We have a high level of fixed costs however electricity has been reduced in-line with the reduction in the water

demand being \$0.81m. Additional interest expense of \$0.13m has been made for the 2024-25 and \$0.26m has been included each year after due to an increase in borrowings. The combined effect on the financial results of the reduced water usage is shown in the table below:

\$'000	2024-25	2025-26	2026-27	2027-28	2028-29
Total Revenue	79,169	86,893	89,802	92,415	95,086
Total Expenditure	108,143	111,152	116,584	120,109	124,603
Sensitivity Net Results (before tax)	(28,974)	(24,259)	(26,782)	(27,694)	(29,517)
Corporate Plan Results (before tax)	(24,474)	(23,999)	(26,522)	(27,434)	(29,257)
Result variance (loss) (before tax)	(4,500)	(260)	(260)	(260)	(260)

Table 17: Sensitivity analysis financial results impact of high rainfall event in 2024-25 irrigation season

The financial sensitivity analysis indicates that we would increase our loss by \$4.50m in the 2024-25 financial year and have additional ongoing interest expense of \$0.26m. The reduced water deliveries generate lower volumetric charges by \$4.73m, urban \$2.74m and rural \$1.99m.

We have a large capital works program over the Corporate Plan period. The combination of this program and high rainfall scenario depletes our cash reserves and as such, we would need to borrow an additional \$4.5m in 2024-25, which would further increase borrowings from \$83.7m to \$88.2m. It has been assumed that the \$4.5m would be borrowed at 5.00% plus the Financial Accommodation Levy of 95 basis points.

We would need to absorb the urban revenue reduction due to the price cap form of price control. The loss is mitigated through the tariff structure assuming approximately 65% fixed charge to 35% variable charge for the urban reference customer service.

The rural form of price control is a revenue cap. Under revenue cap pricing, if the rural business under recovers the revenue requirement as approved by the ESC, it has the option to recoup the revenue losses through increased prices to irrigators for services over the remaining regulated pricing period. The price increases would be significant.

10. APPENDIX A – 2024-25 CONSOLIDATED FINANCIAL STATEMENT

Financial Statements

Year Ending 30 June	Prior Year Budget	Current Forecast	Budget	Forecast	Forecast	Forecast	Forecast
	2024 (PY)	2024 (F)	2025 (B)	2026 (F)	2027 (F)	2028 (F)	2029 (F)
Revenues and Expenses (Detailed) (\$'000)							
Revenue From Core Business (As Applicable)							
Bulk Water Fixed Charges to Other Corporations	-	-	-	-	-	-	-
Bulk Water Charges	-	-	-	-	-	-	-
Urban Water Supply:							
Service / Fixed							
Residential	7,538.00	7,463.00	7,848.00	8,221.00	8,612.00	8,979.00	9,304.00
Non-residential	1,697.00	1,667.00	1,767.00	1,851.00	1,939.00	2,021.00	2,095.00
Total Service / Fixed	9,235	9,130	9,615	10,072	10,551	11,000	11,399
Usage/Volumetric							
Residential	11,936.00	11,654.00	12,394.00	12,949.00	13,528.00	14,065.00	14,561.00
Non-residential	4,205.00	4,194.00	4,378.00	4,586.00	4,804.00	5,008.00	5,185.00
Total Usage/Volumetric	16,141	15,848	16,772	17,535	18,332	19,073	19,746
Urban Sewerage							
Service / Fixed							
Residential	15,649.00	15,423.00	16,319.00	17,120.00	17,960.00	18,750.00	19,458.00
Non-residential	2,623.00	2,612.00	2,721.00	2,840.00	2,964.00	3,077.00	3,176.00
Total Service / Fixed	18,272	18,035	19,040	19,960	20,924	21,827	22,634
Usage/volumetric							
Residential	-	-	-	-	-	-	-
Non-residential	-	-	-	-	-	-	-
Total Usage/volumetric	-	-	-	-	-	-	-
Trade Waste Revenue by Agreement	412.00	460.00	424.00	437.00	450.00	461.00	473.00
Trade Waste Usage Revenue	-	-	-	-	-	-	-
Recycled Water							
Service/Fixed Charges	-	-	-	-	-	-	-
Usage / Volumetric Charges	320.00	320.00	320.00	329.00	339.00	348.00	356.00
Total Recycled Water	320	320	320	329	339	348	356
Rural Water							
Rural Water Fixed Revenue							
Irrigation	14,768.00	14,815.00	15,145.00	15,668.00	16,197.00	16,694.00	17,072.00
Stock and Domestic	707.00	695.00	689.00	686.00	684.00	683.00	699.00
Diversions	6,026.00	5,943.00	5,807.00	5,753.00	5,710.00	5,664.00	5,742.00
Groundwater	28.00	22.00	28.00	29.00	30.00	31.00	32.00
Total Rural Water Fixed Revenue	21,529	21,475	21,669	22,136	22,621	23,072	23,545
Rural Water Usage Revenue							
Irrigation	7,169.00	6,378.00	7,110.00	7,212.00	7,217.00	7,124.00	7,302.00
Stock and Domestic	165.00	165.00	193.00	218.00	245.00	281.00	288.00
Diversions	-	-	-	-	-	-	-
Groundwater	-	-	-	-	-	-	-
Total Rural Water Usage Revenue	7,334	6,543	7,303	7,430	7,462	7,405	7,590
Total Revenue From Fees & Charges	73,243	71,811	75,143	77,899	80,679	83,186	85,743
Operating, Maintenance & Administration (OMA) Expenses							
Operating and Maintenance Expense	44,608	44,474	45,691	45,704	44,082	45,184	45,164
Administration Expense	13,029.00	12,725.00	14,724.00	15,166.00	15,621.00	16,011.00	16,412.00
Total OMA Expenses	57,637	57,199	60,415	60,870	59,703	61,195	61,576
OMA Expenses Breakdown (Total OMA)							
Bulk water Supply	4,001.00	3,909.00	3,986.00	4,106.00	4,229.00	4,335.00	4,443.00
Headworks	-	-	-	-	-	-	-
Urban water - Treatment	3,684.00	3,924.00	3,832.00	3,947.00	4,066.00	4,167.00	4,271.00
Urban water - Reticulation	4,242.00	4,222.00	4,575.00	4,712.00	4,853.00	4,974.00	5,099.00
Sewerage - Reticulation	1,600.00	2,065.00	1,726.00	1,777.00	1,831.00	1,877.00	1,923.00
Sewerage - Treatment	1,972.00	1,863.00	2,096.00	2,159.00	2,223.00	2,279.00	2,336.00
Recycled Water	-	-	-	-	-	-	-
Surface Water Diversions	151.00	151.00	156.00	161.00	166.00	170.00	174.00
Gravity Irrigation	6,875.00	6,784.00	7,721.00	7,952.00	8,191.00	8,396.00	8,605.00
Pumped Irrigation	-	-	-	-	-	-	-
Stock and Domestic	383.00	383.00	432.00	445.00	458.00	469.00	481.00
Groundwater	7.00	3.00	6.00	6.00	6.00	7.00	7.00
Drainage Diversions	555.00	482.00	580.00	598.00	616.00	631.00	647.00
Other	34,167.00	33,413.00	35,305.00	35,007.00	33,064.00	33,890.00	33,590.00
Total OMA Expenses (Repeat)	57,637	57,199	60,415	60,870	59,703	61,195	61,576

Financial Statements

Year Ending 30 June	Prior Year	Current	Budget	Forecast	Forecast	Forecast	Forecast
	Budget	Forecast					
	2024 (PY)	2024 (F)	2025 (B)	2026 (F)	2027 (F)	2028 (F)	2029 (F)
Operating Statement (FS1) (\$'000)							
Revenue							
Service Charges	49,448	49,100	50,748	52,605	54,546	56,360	58,051
Usage Charges	23,795	22,711	24,395	25,294	26,133	26,826	27,692
Developer Contribution	1,931.00	2,165.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00
Developer Contributions - Gifted Assets	2,332.00	4,380.00	2,700.00	2,700.00	2,700.00	2,700.00	2,700.00
Government Contributions / Grants	2,762.00	341.00	307.00				
Investment Interest	225.00	145.00	225.00	225.00	225.00	225.00	225.00
Profit (loss) from Sale of Assets	(54.00)	20.00	(87.00)	(90.00)	(93.00)	(95.00)	(98.00)
Other Revenue	4,216.00	6,686.00	4,261.00	4,359.00	4,491.00	4,599.00	4,716.00
Total Revenue	84,655	85,548	84,349	86,893	89,802	92,415	95,086
Expense							
Operating, Maintenance and Administration Expense (OS)	57,637	57,199	60,415	60,870	59,703	61,195	61,576
Environmental Contributions	2,250.00	2,251.00	2,251.00	2,251.00	2,251.00	2,251.00	2,251.00
Interest Expense	3,335.00	3,173.00	3,584.00	4,620.00	5,606.00	6,282.00	6,803.00
FAL	554.00	548.00	616.00	806.00	994.00	1,135.00	1,250.00
IT	-	-	-	-	-	-	-
Labour	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-
Depreciation and Amortisation	40,820.00	41,320.00	41,957.00	42,345.00	47,770.00	48,986.00	52,463.00
Other Expense	-	-	-	-	-	-	-
Total Expense	104,596	104,491	108,823	110,892	116,324	119,849	124,343
Earnings Before Tax	(19,941)	(18,943)	(24,474)	(23,999)	(26,522)	(27,434)	(29,257)
Income Tax Expense	(5,982.00)	(5,683.00)	(7,342.00)	(7,200.00)	(7,957.00)	(8,230.00)	(8,777.00)
Net Operating Result	(13,959)	(13,260)	(17,132)	(16,799)	(18,565)	(19,204)	(20,480)
Dividends Expense	-	-	-	-	-	-	-
Transfers (to)/from Reserves	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-
Net Profit (Loss)	(13,959)	(13,260)	(17,132)	(16,799)	(18,565)	(19,204)	(20,480)
Retained Profit (Loss) Carried Forward	(132,621)	(137,880)	(151,140)	(168,272)	(185,071)	(203,636)	(222,840)
Closing Retained Profit (Loss)	(146,580)	(151,140)	(168,272)	(185,071)	(203,636)	(222,840)	(243,320)

Financial Statements

Year Ending 30 June	Prior Year Budget	Current					Forecast	Forecast
		Forecast	Budget	Forecast	Forecast	Forecast		
	2024 (PY)	2024 (F)	2025 (B)	2026 (F)	2027 (F)	2028 (F)	2029 (F)	
Balance Sheet (FS2) (\$'000)								
Current Assets								
Cash on Hand	15,809.00	8,302.00	2,782.00	2,809.00	2,772.00	2,979.00	2,936.00	
Receivables	10,222.00	13,497.00	13,629.00	13,765.00	13,900.00	14,034.00	14,169.00	
Less Provision for Impaired Receivables	(656.00)	(1,277.00)	(1,277.00)	(1,277.00)	(1,277.00)	(1,277.00)	(1,277.00)	
Investments	-	-	-	-	-	-	-	
Inventories	5,048.00	4,987.00	4,987.00	4,987.00	4,987.00	4,987.00	4,987.00	
Prepayments	891.00	891.00	891.00	891.00	891.00	891.00	891.00	
Other Current Assets	-	-	-	-	-	-	-	
Total Current Assets	31,314	26,400	21,012	21,175	21,273	21,614	21,706	
Non-Current Assets								
Infrastructure	1,050,055.00	1,059,134.00	1,097,146.00	1,129,096.00	1,161,454.00	1,184,763.00	1,213,197.00	
less Accumulated Depreciation	(40,457.00)	(39,428.00)	(78,969.00)	(17,939.00)	(63,216.00)	(55,987.00)	(105,916.00)	
Infrastructure WDV	1,009,598	1,019,706	1,018,177	1,111,157	1,098,238	1,128,776	1,107,281	
Land and Buildings	27,302.00	28,763.00	29,422.00	30,177.00	30,608.00	31,008.00	31,408.00	
less Accumulated Depreciation	(478.00)	(420.00)	(916.00)	(296.00)	(841.00)	(785.00)	(1,358.00)	
Land and Buildings WDV	26,824	28,343	28,506	29,881	29,767	30,223	30,050	
Plant, Equipment and Motor Vehicles	25,325.00	25,227.00	27,054.00	28,676.00	29,742.00	31,091.00	32,428.00	
less Accumulated Depreciation	(18,039.00)	(17,568.00)	(19,219.00)	(20,869.00)	(22,520.00)	(24,171.00)	(25,821.00)	
Plant, Equipment and Motor Vehicles WDV	7,286	7,659	7,835	7,807	7,222	6,920	6,607	
Capital Works In Progress	29,176.00	20,109.00	20,109.00	20,109.00	20,109.00	20,109.00	20,109.00	
Total Property, Plant & Equipment	1,072,884	1,075,817	1,074,627	1,168,954	1,155,336	1,186,028	1,164,047	
Non-current Receivables	137.00	102.00	102.00	102.00	102.00	102.00	102.00	
Deferred Tax Assets	18,356.00	19,137.00	19,137.00	19,137.00	19,137.00	19,137.00	19,137.00	
Non-current Investments	-	-	-	-	-	-	-	
Intangible Assets	13,364.00	14,805.00	16,656.00	18,487.00	20,349.00	24,024.00	26,357.00	
Other Non-current Assets	4.00	5.00	5.00	5.00	5.00	5.00	5.00	
Total Non-Current Assets	1,104,745	1,109,866	1,110,527	1,206,685	1,194,929	1,229,296	1,209,648	
Total Assets	1,136,059	1,136,266	1,131,539	1,227,860	1,216,202	1,250,910	1,231,354	
Current Liabilities								
Bank Overdraft	-	-	-	-	-	-	-	
Current Payables	7,895.00	5,357.00	5,915.00	5,915.00	5,915.00	5,915.00	5,915.00	
Short Term Borrowings	5,110.00	5,000.00	9,390.00	9,215.00	9,169.00	9,148.00	9,149.00	
Finance Lease Liabilities (PPP) - current liabilities	-	-	-	-	-	-	-	
Other Lease Liabilities - current liabilities	-	-	-	-	-	-	-	
Employee Benefit Provision	2,980.00	2,980.00	2,980.00	2,980.00	2,980.00	2,980.00	2,980.00	
Provision for Dividend	-	-	-	-	-	-	-	
Other Current Provisions	-	-	-	-	-	-	-	
Other Current Liabilities	-	-	-	-	-	-	-	
Total Current Liabilities	15,985	13,337	18,285	18,110	18,064	18,043	18,044	
Non-Current Liabilities								
Long Term Borrowings	69,674.00	65,784.00	74,284.00	94,584.00	111,384.00	121,084.00	132,684.00	
Long Term Payables	-	-	-	-	-	-	-	
Finance Lease Liabilities (PPP) - non current liabilities	-	-	-	-	-	-	-	
Other Lease Liabilities - non current liabilities	-	-	-	-	-	-	-	
Long Term Employee Benefit Provision	3,836.00	3,836.00	3,836.00	3,836.00	3,836.00	3,836.00	3,836.00	
Deferred Tax Liabilities	174,171.00	179,420.00	172,077.00	164,878.00	156,921.00	148,691.00	139,914.00	
Other Non-current Liabilities	147.00	260.00	260.00	260.00	260.00	260.00	260.00	
Total Non-Current Liabilities	247,828	249,300	250,457	263,558	272,401	273,871	276,694	
Total Liabilities	263,813	262,637	268,742	281,668	290,465	291,914	294,738	
Net Assets	872,246	873,629	862,797	946,192	925,737	958,996	936,616	
Equity								
Government Equity Contributions	668,848.00	662,625.00	668,925.00	667,045.00	665,155.00	663,295.00	661,395.00	
Asset Revaluation Reserve	349,978.00	362,144.00	362,144.00	464,218.00	464,218.00	518,541.00	518,541.00	
Other Reserves	-	-	-	-	-	-	-	
Accumulated Funds (Losses)	(146,580.00)	(151,140.00)	(168,272.00)	(185,071.00)	(203,636.00)	(222,840.00)	(243,320.00)	
Total Equity	872,246	873,629	862,797	946,192	925,737	958,996	936,616	

Financial Statements

Year Ending 30 June	Prior Year Budget	Current Forecast	Budget	Forecast	Forecast	Forecast	Forecast
	2024 (PY)	2024 (F)	2025 (B)	2026 (F)	2027 (F)	2028 (F)	2029 (F)
Cash Flow Statement (FS3) (\$'000)							
Cash Flows From Operations							
Cash Receipts							
Service and Usage Charges Income	73,030.00	71,302.00	74,721.00	77,460.00	80,216.00	82,743.00	85,417.00
Other Customer Revenue	4,651.00	4,485.00	4,596.00	4,663.00	4,819.00	4,908.00	4,907.00
Receipts from Government	2,762.00	9,103.00	263.00	-	-	-	-
Developer Contributions	4,263.00	2,165.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00
GST Refunds from ATO	-	-	-	-	-	-	-
Investment (Interest) Income	225.00	305.00	225.00	225.00	225.00	225.00	225.00
Other Cash Receipts	-	-	-	-	-	-	-
Total Cash Receipts from Operations	84,931	87,360	81,605	84,148	87,060	89,676	92,349
Cash Payments							
Payments to Suppliers and Employees	(57,637.00)	(59,265.00)	(59,895.00)	(60,871.00)	(59,704.00)	(61,196.00)	(61,576.00)
Interest and Other Costs of Finance Paid	(3,889.00)	(3,721.00)	(4,200.00)	(5,426.00)	(6,600.00)	(7,417.00)	(8,053.00)
GST paid to the ATO	-	-	-	-	-	-	-
Income Tax Payments	-	-	-	-	-	-	-
Environmental Contributions	(2,250.00)	(2,251.00)	(2,251.00)	(2,251.00)	(2,251.00)	(2,251.00)	(2,251.00)
Other Payments (inc. capital repatriation)	-	(900.00)	(1,200.00)	(1,880.00)	(1,890.00)	(1,860.00)	(1,900.00)
Total Cash Payments from Operations	(63,776)	(66,137)	(67,546)	(70,428)	(70,445)	(72,724)	(73,780)
Net Cash Inflow (Outflow) from Operations	21,155	21,223	14,059	13,720	16,615	16,952	18,569
Cash Flows From Investing Activities							
Proceeds/(Payment) from Investments	-	-	-	-	-	-	-
Payments for Infrastructure Assets	(49,566.00)	(39,750.00)	(40,329.00)	(34,188.00)	(33,788.00)	(26,816.00)	(30,614.00)
Payments for Property, Plant & Equipment	-	-	-	-	-	-	-
Payments for Intangible Assets	-	-	-	-	-	-	-
Proceeds from Sale of Assets	3,132.00	1,102.00	360.00	371.00	382.00	391.00	401.00
Net Cash Inflow (Outflow) from Investing Activities	(46,434)	(38,648)	(39,969)	(33,817)	(33,406)	(26,425)	(30,213)
Cash Flows From Financing Activities							
Proceeds from Borrowings	11,000.00	4,000.00	18,000.00	24,800.00	21,500.00	14,750.00	16,750.00
Proceeds from Government Equity Contributions	21,324.00	16,000.00	7,500.00	-	-	-	-
Repayment of Borrowings / Overdraft	(3,047.00)	(1,047.00)	(5,110.00)	(4,676.00)	(4,746.00)	(5,070.00)	(5,149.00)
Payment of Dividends	-	-	-	-	-	-	-
Net Cash Inflow (Outflow) from Financing Activities	29,277	18,953	20,390	20,124	16,754	9,680	11,601
Net Increase (Decrease) in Cash	3,998	1,528	(5,520)	27	(37)	207	(43)
Cash Held at the Beginning of the Year	11,811	6,774	8,302	2,782	2,809	2,772	2,979
Cash Held at the End of the Year	15,809	8,302	2,782	2,809	2,772	2,979	2,936
Cash on Hand per Balance Sheet	15,809	8,302	2,782	2,809	2,772	2,979	2,936

Financial Statements

Year Ending 30 June	Prior Year	Current					
	Budget	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
	2024 (PY)	2024 (F)	2025 (B)	2026 (F)	2027 (F)	2028 (F)	2029 (F)
Key Performance Indicators							
Financial Performance Indicators							
Short Term Liquidity Indicators							
Current Assets	31,314	26,400	21,012	21,175	21,273	21,614	21,706
Current Liabilities	15,985	13,337	18,285	18,110	18,064	18,043	18,044
Net Working Capital (\$'000)	15,329	13,063	2,727	3,065	3,209	3,571	3,662
Working Capital Ratio (%)	196%	198%	115%	117%	118%	120%	120%
Profitability Indicators							
Earnings Before Net Interest and Tax	(16,831)	(15,915)	(21,115)	(19,604)	(21,141)	(21,377)	(22,679)
EBITDA	24,214	25,550	21,067	22,966	26,854	27,834	30,009
Total Revenue from Fees & Charges	73,243	71,811	75,143	77,899	80,679	83,186	85,743
Total OMA (incl. Env Contribution) Expenses	59,887	59,450	62,666	63,121	61,954	63,446	63,827
Total Income	84,655	85,548	84,349	86,893	89,802	92,415	95,086
Total Assets at Start of Reporting Period	1,126,724	1,126,724	1,136,266	1,131,539	1,227,860	1,216,202	1,250,910
Total Assets at End of Reporting Period	1,136,059	1,136,266	1,131,539	1,227,860	1,216,202	1,250,910	1,231,354
Average Total Assets	1,131,392	1,131,495	1,133,903	1,179,700	1,222,031	1,233,556	1,241,132
Return on Assets (%)	-1%	-1%	-2%	-2%	-2%	-2%	-2%
Gross Operating Margin (%)	18%	17%	17%	19%	23%	24%	26%
Net Profit Margin (%)	-20%	-19%	-25%	-23%	-24%	-23%	-24%
Underlying Result (%)	-24%	-22%	-29%	-28%	-30%	-30%	-31%
Debt Servicing Indicators							
Net Interest Expense (income)	3,110	3,028	3,359	4,395	5,381	6,057	6,578
Net Operating Cash Before Net Interest and Tax	24,819	24,639	18,034	18,921	22,990	24,144	26,397
Net Interest Payments (Receipts)	3,664	3,416	3,975	5,201	6,375	7,192	7,828
Cash Interest Coverage (Times)	6.8x	7.2x	4.5x	3.6x	3.6x	3.4x	3.4x
Long term Interest Coverage (Times)	(5.4x)	(5.3x)	(6.3x)	(4.5x)	(3.9x)	(3.5x)	(3.4x)
Long Term Viability Indicators							
Total Debt	74,784	70,784	83,674	103,799	120,553	130,232	141,833
Total Equity	872,246	873,629	862,797	946,192	925,737	958,996	936,616
Asset Gearing ratio (%)	7%	6%	7%	8%	10%	10%	12%
Internal Financing Ratio (%)	43%	53%	35%	40%	49%	63%	61%
Debt to Equity (%)	9%	8%	10%	11%	13%	14%	15%
Owners Return Indicator							
Net Operating Result	(13,959)	(13,260)	(17,132)	(16,799)	(18,565)	(19,204)	(20,480)
Total Equity at Start of Reporting Period	864,882	864,882	873,629	862,797	946,192	925,737	958,996
Average Total Equity	868,564	869,256	868,213	904,495	935,965	942,367	947,806
Return on Equity (%)	-2%						
Efficiency Indicators							
Total Credit Sales Revenue	75,174	73,976	76,943	79,699	82,479	84,986	87,543
Accounts Receivable at Start of Period	9,925	9,925	12,322	12,454	12,590	12,725	12,859
Accounts Receivable at End of Period	9,703	12,322	12,454	12,590	12,725	12,859	12,994
Average Accounts Receivable	9,814	11,124	12,388	12,522	12,658	12,792	12,927
Net Cash from Operations	21,155	21,223	14,059	13,720	16,615	16,952	18,569
Total Operating Cash Receipts	84,931	87,360	81,605	84,148	87,060	89,676	92,349
Accounts Receivable Turnover (Days)	56.0	64.0	69.0	67.0	65.0	64.0	63.0
Operating Cash Flow Efficiency (%)	25%	24%	17%	16%	19%	19%	20%

11. APPENDIX B – 2024-25 BUDGET QUARTERLY FINANCIAL STATEMENT

Financial Statements

	Budget 2025	Budget Qtr 1	Budget Qtr 2	Budget Qtr 3	Budget Qtr 4
Revenues and Expenses (Detailed) (\$'000)					
Revenue From Core Business (As Applicable)					
Bulk Water Fixed Charges to Other Corporations	-	-	-	-	-
Bulk Water Charges	-	-	-	-	-
Urban Water Supply:					
Service / Fixed					
Residential	7,848.00	1,962.00	1,962.00	1,962.00	1,962.00
Non-residential	1,767.00	441.75	441.75	441.75	441.75
Total Service / Fixed	9,615	2,404	2,404	2,404	2,404
Usage/Volumetric					
Residential	12,394.00	1,673.00	2,677.00	5,082.00	2,962.00
Non-residential	4,378.00	731.00	1,029.00	1,550.00	1,068.00
Total Usage/Volumetric	16,772	2,404	3,706	6,632	4,030
Urban Sewerage					
Service / Fixed					
Residential	16,319.00	4,079.75	4,079.75	4,079.75	4,079.75
Non-residential	2,721.00	680.25	680.25	680.25	680.25
Total Service / Fixed	19,040	4,760	4,760	4,760	4,760
Usage/volumetric					
Residential	-	-	-	-	-
Non-residential	-	-	-	-	-
Total Usage/volumetric	-	-	-	-	-
Trade Waste Revenue by Agreement	424.00	-	106.00	106.00	212.00
Trade Waste Usage Revenue	-	-	-	-	-
Recycled Water					
Service/Fixed Charges	-	-	-	-	-
Usage / Volumetric Charges	320.00	80.00	80.00	80.00	80.00
Total Recycled Water	320	80	80	80	80
Rural Water					
Rural Water Fixed Revenue					
Irrigation	15,145.00	6,242.72	2,973.76	2,973.76	2,954.76
Stock and Domestic	689.00	-	689.00	-	-
Diversions	5,807.00	1,451.75	1,451.75	1,451.75	1,451.75
Groundwater	28.00	7.00	7.00	7.00	7.00
Total Rural Water Fixed Revenue	21,669	7,701	5,122	4,433	4,414
Rural Water Usage Revenue					
Irrigation	7,110.00	-	788.72	3,286.34	3,034.94
Stock and Domestic	193.00	-	-	-	193.00
Diversions	-	-	-	-	-
Groundwater	-	-	-	-	-
Total Rural Water Usage Revenue	7,303	-	789	3,286	3,228
Total Revenue From Fees & Charges	75,143	17,349	16,966	21,701	19,127
Operating, Maintenance & Administration (OMA) Expenses					
Operating and Maintenance Expense	45,691	10,809	14,856	10,187	9,839
Administration Expense	14,724.00	4,019.47	3,695.96	3,394.42	3,614.15
Total OMA Expenses	60,415	14,829	18,552	13,582	13,453
OMA Expenses Breakdown (Total OMA)					
Bulk water Supply	3,986.00	-	3,986.00	-	-
Headworks	-	-	-	-	-
Urban water - Treatment	3,832.00	821.84	1,119.49	1,010.77	879.90
Urban water - Reticulation	4,575.00	1,086.64	1,155.79	1,148.14	1,184.43
Sewerage - Reticulation	1,726.00	499.24	386.75	367.33	472.68
Sewerage - Treatment	2,096.00	468.16	587.43	550.47	489.94
Recycled Water	-	-	-	-	-
Surface Water Diversions	156.00	37.17	40.97	37.17	40.69
Gravity Irrigation	7,721.00	1,504.57	2,269.95	2,288.35	1,658.13
Pumped Irrigation	-	-	-	-	-
Stock and Domestic	432.00	110.53	116.41	118.74	86.32
Groundwater	6.00	1.50	1.50	1.50	1.50
Drainage Diversions	580.00	123.15	269.44	91.29	96.12
Other	35,305.00	10,175.76	8,618.02	7,967.75	8,543.47
Total OMA Expenses (Repeat)	60,415	14,829	18,552	13,582	13,453

Financial Statements

	Budget 2025	Budget Qtr 1	Budget Qtr 2	Budget Qtr 3	Budget Qtr 4
Operating Statement (FS1) (\$'000)					
Revenue					
Service Charges	50,748	14,865	12,391	11,702	11,789
Usage Charges	24,395	2,484	4,575	9,998	7,338
Developer Contribution	1,800.00	450.00	450.00	450.00	450.00
Developer Contributions - Gifted Assets	2,700.00	675.00	675.00	675.00	675.00
Government Contributions / Grants	307.00	58.90	96.89	74.90	76.31
Investment Interest	225.00	56.25	56.25	56.25	56.25
Profit (loss) from Sale of Assets	(87.00)	(21.75)	(21.75)	(21.75)	(21.75)
Other Revenue	4,261.00	896.73	978.29	1,051.09	1,334.89
Total Revenue	84,349	19,464	19,201	23,986	21,698
Expense					
Operating, Maintenance and Administration Expense (OS)	60,415	14,829	18,552	13,582	13,453
Environmental Contributions	2,251.00	562.75	562.75	562.75	562.75
Interest Expense	3,584.00	188.34	834.85	876.10	1,684.71
FAL	616.00	142.42	144.08	158.33	171.17
IT	-	-	-	-	-
Labour	-	-	-	-	-
Consultants	-	-	-	-	-
Depreciation and Amortisation	41,957.00	10,575.46	10,575.46	10,345.56	10,460.52
Other Expense	-	-	-	-	-
Total Expense	108,823	26,298	30,669	25,524	26,332
Earnings Before Tax	(24,474)	(6,833)	(11,468)	(1,538)	(4,634)
Income Tax Expense	(7,342.00)	-	-	-	(7,342.00)
Net Operating Result	(17,132)	(6,833)	(11,468)	(1,538)	2,708
Dividends Expense	-	-	-	-	-
Transfers (to)/from Reserves	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Net Profit (Loss)	(17,132)	(6,833)	(11,468)	(1,538)	2,708
Retained Profit (Loss) Carried Forward	(151,140)	(151,140)	(157,973)	(169,441)	(170,980)
Closing Retained Profit (Loss)	(168,272)	(157,973)	(169,441)	(170,980)	(168,272)

Financial Statements

	Budget 2025	Budget Qtr 1	Budget Qtr 2	Budget Qtr 3	Budget Qtr 4
Balance Sheet (FS2) (\$'000)					
Current Assets					
Cash on Hand	2,782.00	7,632.17	4,193.82	3,755.03	2,782.00
Receivables	13,629.00	11,492.30	12,793.98	15,719.53	13,629.00
Less Provision for Impaired Receivables	(1,277.00)	(1,277.00)	(1,277.00)	(1,277.00)	(1,277.00)
Investments	-	-	-	-	-
Inventories	4,987.00	4,987.00	4,987.00	4,987.00	4,987.00
Prepayments	891.00	891.00	891.00	891.00	891.00
Other Current Assets	-	-	-	-	-
Total Current Assets	21,012	23,725	21,589	24,076	21,012
Non-Current Assets					
Infrastructure	1,097,146.00	1,072,964.83	1,080,517.76	1,086,751.77	1,097,146.00
less Accumulated Depreciation	(78,969.00)	(49,394.52)	(59,361.13)	(69,111.08)	(78,969.00)
Infrastructure WDV	1,018,177	1,023,570	1,021,157	1,017,641	1,018,177
Land and Buildings	29,422.00	28,927.62	29,092.35	29,257.08	29,422.00
less Accumulated Depreciation	(916.00)	(544.88)	(669.83)	(792.06)	(916.00)
Land and Buildings WDV	28,506	28,383	28,423	28,465	28,506
Plant, Equipment and Motor Vehicles	27,054.00	25,674.50	26,121.93	26,569.36	27,054.00
less Accumulated Depreciation	(19,219.00)	(17,984.22)	(18,400.26)	(18,807.26)	(19,219.00)
Plant, Equipment and Motor Vehicles WDV	7,835	7,690	7,722	7,762	7,835
Capital Works In Progress	20,109.00	20,109.00	20,109.00	20,109.00	20,109.00
Total Property, Plant & Equipment	1,074,627	1,079,752	1,077,410	1,073,977	1,074,627
Non-current Receivables	102.00	102.00	102.00	102.00	102.00
Deferred Tax Assets	19,137.00	19,137.00	19,137.00	19,137.00	19,137.00
Non-current Investments	-	-	-	-	-
Intangible Assets	16,656.00	14,990.08	15,175.49	16,470.03	16,656.00
Other Non-current Assets	5.00	5.00	5.00	5.00	5.00
Total Non-Current Assets	1,110,527	1,113,986	1,111,829	1,109,691	1,110,527
Total Assets	1,131,539	1,137,712	1,133,418	1,133,766	1,131,539
Current Liabilities					
Bank Overdraft	-	-	-	-	-
Current Payables	5,915.00	6,407.49	6,857.49	7,307.49	5,915.00
Short Term Borrowings	9,390.00	4,728.59	2,453.23	3,890.38	9,390.00
Finance Lease Liabilities (PPP) - current liabilities	-	-	-	-	-
Other Lease Liabilities - current liabilities	-	-	-	-	-
Employee Benefit Provision	2,980.00	2,980.00	2,980.00	2,980.00	2,980.00
Provision for Dividend	-	-	-	-	-
Other Current Provisions	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-
Total Current Liabilities	18,285	14,116	12,291	14,178	18,285
Non-Current Liabilities					
Long Term Borrowings	74,284.00	65,783.68	74,783.68	74,783.68	74,284.00
Long Term Payables	-	-	-	-	-
Finance Lease Liabilities (PPP) - non current liabilities	-	-	-	-	-
Other Lease Liabilities - non current liabilities	-	-	-	-	-
Long Term Employee Benefit Provision	3,836.00	3,836.00	3,836.00	3,836.00	3,836.00
Deferred Tax Liabilities	172,077.00	179,420.00	179,420.00	179,420.00	172,077.00
Other Non-current Liabilities	260.00	260.00	260.00	260.00	260.00
Total Non-Current Liabilities	250,457	249,300	258,300	258,300	250,457
Total Liabilities	268,742	263,416	270,590	272,478	268,742
Net Assets	862,797	874,296	862,828	861,289	862,797
Equity					
Government Equity Contributions	668,925.00	670,125.00	670,125.00	670,125.00	668,925.00
Asset Revaluation Reserve	362,144.00	362,144.00	362,144.00	362,144.00	362,144.00
Other Reserves	-	-	-	-	-
Accumulated Funds (Losses)	(168,272.00)	(157,973.18)	(169,441.41)	(170,979.57)	(168,272.00)
Total Equity	862,797	874,296	862,828	861,289	862,797

Financial Statements

	Budget 2025	Budget Qtr 1	Budget Qtr 2	Budget Qtr 3	Budget Qtr 4
Cash Flow Statement (FS3) (\$'000)					
Cash Flows From Operations					
Cash Receipts					
Service and Usage Charges Income	74,721.00	19,330.61	15,677.50	18,765.74	20,947.15
Other Customer Revenue	4,596.00	980.41	1,062.06	1,134.87	1,418.66
Receipts from Government	263.00	-	-	-	263.00
Developer Contributions	1,800.00	450.00	450.00	450.00	450.00
GST Refunds from ATO	-	-	-	-	-
Investment (Interest) Income	225.00	56.25	56.25	56.25	56.25
Other Cash Receipts	-	-	-	-	-
Total Cash Receipts from Operations	81,605	20,817	17,246	20,407	23,135
Cash Payments					
Payments to Suppliers and Employees	(59,895.00)	(13,778.56)	(18,101.74)	(13,131.51)	(14,883.19)
Interest and Other Costs of Finance Paid	(4,200.00)	(330.76)	(978.93)	(1,034.43)	(1,855.88)
GST paid to the ATO	-	-	-	-	-
Income Tax Payments	-	-	-	-	-
Environmental Contributions	(2,251.00)	(562.75)	(562.75)	(562.75)	(562.75)
Other Payments (inc. capital repatriation)	(1,200.00)	-	-	-	(1,200.00)
Total Cash Payments from Operations	(67,546)	(14,672)	(19,643)	(14,729)	(18,502)
Net Cash Inflow (Outflow) from Operations	14,059	6,145	(2,398)	5,678	4,633
Cash Flows From Investing Activities					
Proceeds/(Payment) from Investments	-	-	-	-	-
Payments for Infrastructure Assets	(40,329.00)	(14,133.33)	(7,855.32)	(7,644.01)	(10,696.34)
Payments for Property, Plant & Equipment	-	-	-	-	-
Payments for Intangible Assets	-	-	-	-	-
Proceeds from Sale of Assets	360.00	90.00	90.00	90.00	90.00
Net Cash Inflow (Outflow) from Investing Activities	(39,969)	(14,043)	(7,765)	(7,554)	(10,606)
Cash Flows From Financing Activities					
Proceeds from Borrowings	18,000.00	-	9,000.00	1,716.54	7,283.46
Proceeds from Government Equity Contributions	7,500.00	7,500.00	-	-	-
Repayment of Borrowings / Overdraft	(5,110.00)	(271.79)	(2,275.37)	(279.38)	(2,283.46)
Payment of Dividends	-	-	-	-	-
Net Cash Inflow (Outflow) from Financing Activities	20,390	7,228	6,725	1,437	5,000
Net Increase (Decrease) in Cash	(5,520)	(670)	(3,438)	(439)	(973)
Cash Held at the Beginning of the Year	8,302	8,302	7,632	4,194	3,755
Cash Held at the End of the Year	2,782	7,632	4,194	3,755	2,782
Cash on Hand per Balance Sheet	2,782	7,632	4,194	3,755	2,782

Financial Statements

	Budget 2025	Budget Qtr 1	Budget Qtr 2	Budget Qtr 3	Budget Qtr 4
Key Performance Indicators					
Financial Performance Indicators					
Short Term Liquidity Indicators					
Current Assets	21,012	23,725	21,589	24,076	21,012
Current Liabilities	18,285	14,116	12,291	14,178	18,285
Net Working Capital (\$'000)	2,727	9,609	9,298	9,898	2,727
Working Capital Ratio (%)	115%	168%	176%	170%	115%
Profitability Indicators					
Earnings Before Net Interest and Tax	(21,115)	(6,701)	(10,690)	(718)	(3,006)
EBITDA	21,067	3,931	(58)	9,684	7,511
Total Revenue from Fees & Charges	75,143	17,349	16,966	21,701	19,127
Total OMA (incl. Env Contribution) Expenses	62,666	15,391	19,115	14,144	14,016
Total Income	84,349	19,464	19,201	23,986	21,698
Total Assets at Start of Reporting Period	1,136,266	1,131,539	1,137,712	1,133,418	1,133,766
Total Assets at End of Reporting Period	1,131,539	1,137,712	1,133,418	1,133,766	1,131,539
Average Total Assets	1,133,903	1,134,625	1,135,565	1,133,592	1,132,653
Return on Assets (%)	-2%	-1%	-1%	0%	0%
Gross Operating Margin (%)	17%	11%	-13%	35%	27%
Net Profit Margin (%)	-25%	-34%	-56%	-3%	-14%
Underlying Result (%)	-29%	-35%	-60%	-6%	-21%
Debt Servicing Indicators					
Net Interest Expense (income)	3,359	132	779	820	1,628
Net Operating Cash Before Net Interest and Tax	18,034	6,420	(1,475)	6,656	6,433
Net Interest Payments (Receipts)	3,975	275	923	978	1,800
Cash Interest Coverage (Times)	4.5x	23.4x	(1.6x)	6.8x	3.6x
Long term Interest Coverage (Times)	(6.3x)	(50.7x)	(13.7x)	(0.9x)	(1.8x)
Long Term Viability Indicators					
Total Debt	83,674	70,512	77,237	78,674	83,674
Total Equity	862,797	874,296	862,828	861,289	862,797
Asset Gearing ratio (%)	7%	6%	7%	7%	7%
Internal Financing Ratio (%)	35%	43%	-31%	74%	43%
Debt to Equity (%)	10%	8%	9%	9%	10%
Owners Return Indicator					
Net Operating Result	(17,132)	(6,833)	(11,468)	(1,538)	2,708
Total Equity at Start of Reporting Period	873,629	873,629	874,296	862,828	861,289
Average Total Equity	868,213	873,962	868,562	862,059	862,043
Return on Equity (%)	-2%	-1%	-1%	0%	0%

12. APPENDIX C – 2024-25 PERFORMANCE REPORT

Performance Report

	Indicator Name	Description	ESC reference (if applicable)	UOM	Applies to	2023-24 Target	2024-25 Target
Financial Performance	Cash Interest Cover	Net operating cash flows before net interest and tax/net interest payments	n.a	times	all	6.8	4.5
	Gearing Ratio	Total Debt (including finance leases)/total assets * 100	n.a	%	all	6.6	7.4
	Internal Financing Ratio	Net operating cash flow less dividends/net capital expenditure * 100	n.a	%	all	42.7	34.9
	Current Ratio	Current assets/current liabilities (excluding long-term employee provisions and revenue in advance)	n.a	%	all	195.9	114.9
	Return on Assets	Earnings before net interest and tax/average assets * 100	n.a	%	all	-	1.4
	Return on Equity	Net profit after tax/average total equity * 100	n.a	%	all	-	1.6
	EBITDA Margin	Earnings Before Interest, Tax, Depreciation and Amortisation/total revenue * 100	n.a	%	all	29.0	25.0
Operational Performance: Water and Sewerage Network Reliability	Water Service – minutes off supply (planned and unplanned)	How many minutes on average a customer was without water supply during a year	REW 8	minutes	retail urban entities	10.00	10.00
	Unplanned water supply interruptions	Percentage of customers receiving (x) unplanned interruptions in the year	REW 5	%	retail urban entities	-	-
	Sewerage Service – sewer blockages	Number of sewer blockages reported per 100 kilometres of sewer main	RES 1	number	retail urban entities	17.40	17.40
	Sewerage Service – sewer spills	Number of sewer spills reported per 100 kilometres of sewer main	RES 6	number	retail urban entities	3.20	3.50
	Sewerage Service - containment of sewer spills	Sewer spills from reticulation and branch sewers contained within 5 hours	RES 7	%	retail urban entities	97.00	97.00
Operational Performance: Water Service	Rural water supply deliveries	Number of orders delivered / total number of orders	n.a	%	rural entities	98.00	98.00
	Transfer of Water Shares - applications completed within agreed timeframes	Number of applications completed / total number of applications	n.a	%	rural entities	85.00	85.00
	Unavailability of Domestic and Stock supply	Duration that domestic and stock service is unavailable in excess of on-property storage requirement / length of water season	n.a	%	rural entities	NA	NA
	Groundwater supply	Number of transfers processed within target period / total number of transfers processed	n.a	%	rural entities	NA	NA
Operational Performance: Customer Responsiveness	Water bills – customers on flexible payment plans	No. of customers with instalment plans	UPP 1	n.a	retail urban and rural entities	NA	NA
	Water bills – customers awarded hardship grants	No. of customers awarded hardship grants	UPP 6	n.a	retail urban and rural entities	NA	NA
	Customer Responsiveness - water quality complaints	No. of complaints per 100 customers	CRS 4	number	retail urban entities	0.10	0.15
	Customer Responsiveness – number of payment issue complaints	No. of complaints per 100 customers	CRS 7	number	retail urban and rural entities	-	0.02
	Customer Responsiveness - total complaints	No. of complaints per 100 customers	CRS 3	number	retail urban and rural entities	0.30	0.37
Operational Performance: Water Reuse	Recycled water – effluent treatment and reuse	Proportion of water recycled as a percentage of the volume of effluent produced	CRR 1	%	retail urban entities	60.00	60.0

13. APPENDIX D – 2024-25 TARIFF SCHEDULE

Tariff and Price Component Summary (Nominal \$)	Unit	Annual 2023/24 Price (1 July 2023)	Budget 2024/25 Price (1 July 2024)	Planned 2025/26	Planned 2026/27	Planned 2027/28	Planned 2028/29
URBAN PRICES							
Water - Availability - Domestic & Non-domestic							
20mm	pa	232.04	240.16	248.84	257.84	265.87	272.51
Usage - Domestic							
First Tier	kl	0.5038	0.5215	0.5403	0.5598	0.5772	0.5916
Second Tier	kl	0.9171	0.9493	0.9836	1.0191	1.0508	1.0770
Third Tier	kl	1.1790	1.2204	1.2645	1.3102	1.3510	1.3847
Usage - Non Domestic							
Volumetric	kl	0.9171	0.9493	0.9836	1.0191	1.0508	1.0770
SEWERAGE							
Sewerage - Domestic & Non-domestic							
Availability	pa	547.84	567.08	587.59	608.84	627.80	643.49
RURAL PRICES							
Irrigation							
Mildura Irrigation							
Delivery Share	DS	656.60	670.27	684.91	699.87	711.68	729.47
Delivery Fee	ML	63.97	65.12	66.35	67.60	68.54	70.25
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Drainage Div 1	DS	63.88	66.11	68.47	70.92	73.10	74.92
Mildura High Pressure Irrigation							
Delivery Share	DS	1,058.56	1,043.81	1,030.28	1,016.93	998.88	1,023.85
Delivery Fee	ML	94.25	89.27	84.63	80.23	75.69	77.58
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Drainage Div 1	DS	63.88	66.11	68.47	70.92	73.10	74.92
Merbein Irrigation							
Delivery Share	DS	434.84	472.76	514.50	559.92	606.40	621.56
Delivery Fee	ML	51.80	52.64	53.55	54.48	55.16	56.53
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Drainage Div 1	DS	97.92	97.74	97.65	97.56	96.99	99.41
Red Cliffs Irrigation							
Delivery Share	DS	448.48	477.54	508.99	542.51	575.43	589.81
Delivery Fee	ML	55.02	54.20	53.45	52.71	51.72	53.01
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Drainage Div 1	DS	97.96	98.22	98.57	98.92	98.79	101.25
Robinvale Irrigation							
Delivery Share	DS	994.44	975.56	957.98	940.72	919.29	942.27
Delivery Fee	ML	91.52	87.08	82.93	78.98	74.85	76.72
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Drainage Div 1	DS	94.44	95.26	96.18	97.11	97.57	100.00
Domestic & Stock							
Millewa Rural (Irrigation)							
Delivery	kL	0.15	0.18	0.21	0.25	0.30	0.30
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Rural Access - House	Connection	585.38	639.98	700.38	766.47	834.73	855.59
Rural Access - Scrubland	ha	0.60	0.59	0.57	0.56	0.54	0.55
Rural Access - Stock	ha	2.46	2.39	2.32	2.25	2.17	2.22
Millewa Urban (Irrigation)							
Delivery	kL	0.77	0.71	0.66	0.61	0.56	0.57
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Urban Access - No Offtake	Connection	292.69	319.99	350.19	383.23	417.36	427.79
Urban Access - Offtake	Connection	585.38	639.98	700.38	766.47	834.73	855.59
Other Stock & Domestic (Irrigation)							
Connection Charge (Pipeline)	Connection	365.54	444.34	540.66	657.86	796.59	816.50
Delivery (Pipeline)	ML	452.13	453.80	455.92	458.05	457.96	469.40
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Licensing							
Diversions (Irrigation)							
Operational Fee	ML/AUL	2.97	2.72	2.42	2.21	2.01	2.06
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00
Non Water Users							
Entitlement Storage Fee Murray Basin HR	ML/Ent	9.93	10.28	10.61	10.93	11.28	11.28
Service Charge	Ass	100.00	100.00	100.00	100.00	100.00	100.00

14.APPENDIX E – 2024-25 INDICATOR MATRIX

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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1. CLIMATE CHANGE & ENERGY Emissions Reduction Total Scope 1 & 2

1.1.3.025	Projected total emissions for each year subsequent to the current reporting year until, and including, the upcoming target year (eg. 2029/30 financial year)	Mandatory	CP Target and subsequent 4 Fys Forecast	t CO2-e	Governance, Operational and Performance Oversight	Pg 15	LoE 1 Climate Change and Energy 1 Strategic Priority: Environment b) Achieve our Co ₂ emissions reduction targets Table 1 Due to an identified data integrity issue, we have not provided full projections until we validate data.
1.1.3.027	Qualitative explanation of projects or initiatives to reduce Scope 1 and/or 2 emissions (including emissions reductions achieved per project in t CO2-e where feasible)	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 14-15	LoE 1 Climate Change and Energy 1 Strategic Priority: Environment b) Achieve our Co ₂ emissions reduction targets

Scope 3

1.1.4.009	Qualitative explanation of projects or initiatives to better understand, calculate, influence or directly reduce Scope 3 emissions (including emissions reductions achieved per project in t CO2-e where feasible)	Optional	CP Target and subsequent 4 Fys Forecast	Text	Compliance Obligations	N/A	LMW is still developing its maturity regarding reporting for Scope 3 emissions
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Increasing Renewable Energy Total Renewable Electricity

1.2.2.029	Qualitative explanation of projects or initiatives to increase renewable electricity consumption and/or generation (including renewable generation capacity increased per project where feasible)	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 14-15	LoE 1 Climate Change and Energy 1 Strategic Priority: Environment b) Achieve our Co ₂ emissions reduction targets
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Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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**Adapting to Climate Change
Adaptation**

1.3.1.001	Demonstration of reasonable progress in integrating climate change adaptation and risk into planning and decision-making across all aspects of the business	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 12-13	LoE 1 Climate Change and Energy 1 Strategic Priority: Environment a) Deliver the VMFRP to agreed objectives and c) Explore enhanced IWM that best works for our region.
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2. CUSTOMER, COMMUNITY & ENGAGEMENT

Customer Satisfaction

Customer Satisfaction

2.1.1.001	Provide annual target for customer ratings of 'Overall Satisfaction' against customer perception/ reputation surveys that will be undertaken over the planning period	Mandatory	CP Target and subsequent 4 Fys Forecast	Number	Governance, Operational and Performance Oversight	Pg 17	LoE 2 Customer, Community & Engagement a) Embed authentic customer engagement across the whole business - not a number. Our target metric is 'year-on-year improvement'
2.1.1.002	Narrative describing how water corporation's target for customers' rating of 'Overall Satisfaction' will be met over the planning period	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 16-18	LoE 2 Customer, Community & Engagement a) Embed authentic customer engagement across the whole business

Bills & Support

2.2.1.001	Urban Bills - Residential bill – owner occupier - annual expected bill for an owner-occupier with typical (average) water use in real dollars (ie. excluding inflation effects in forward years)	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	Real dollars	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban - Table 2 Also supplied in Proforma
2.2.1.002	Urban Bills - Residential bill – owner occupier - percentage change from prior year	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	Percentage	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing7.1.1 Urban - Table 2Also supplied in Proforma
2.2.1.003	Urban Bills - Residential bill – tenant - annual expected bill for a tenant with typical (average) water use in real dollars (ie. excluding inflation effects in forward years)	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	Real dollars	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban - Table 2 Also supplied in Proforma

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
2.2.1.004	Urban Bills - Residential bill – tenant - percentage change from prior year	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	Percentage	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban - Table 2 Also supplied in Proforma
2.2.1.005	Urban Bills - Residential bill – Typical (average) water use (kL) assumed in owner-occupier and tenant bill calculations	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	kL	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban - Table 2 Also supplied in Proforma
2.2.1.006	Urban Bills - Non-residential bill – business - annual expected bill for a business using 3 ML per annum in real dollars (ie. excluding inflation effects in forward years)	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	Real dollars	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban - Table 2 Also supplied in Proforma
2.2.1.007	Urban Bills - Non-residential bill – business - percentage change from prior year	Mandatory CCE_CP_BIL3	Previous CP Year, CP Target and subsequent 4 Fys Forecast	Percentage	Governance, Operational and Performance Oversight	Pg 50	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban - Table 2 Also supplied in Proforma
2.2.1.008	Rural Bills - Total rural bill gravity irrigation	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Real dollars	Governance, Operational and Performance Oversight	Pg 74	Appendix C - 2024-25 Tariff Schedule Also supplied in Proforma
2.2.1.009	Rural Bills - Total rural bill gravity irrigation - % change from prior year	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Percentage	Governance, Operational and Performance Oversight	Pg 74	Appendix C - 2024-25 Tariff Schedule Also supplied in Proforma
2.2.1.010	Rural Bills - Total rural bill pumped irrigation	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Real dollars	Governance, Operational and Performance Oversight	Pg 50-51	7 Our Financial Performance section 7.1 Pricing 7.1.2 Rural - Table 3 Also supplied in Proforma
2.2.1.011	Rural Bills - Total rural bill pumped irrigation - % change from prior year	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Percentage	Governance, Operational and Performance Oversight	Pg 74	Appendix D - 2024-25 Tariff Schedule Also supplied in Proforma
2.2.1.012	Rural Bills - Total rural bill for rural water supply (pipeline or channel) and/ or domestic and stock supply	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Real dollars	Governance, Operational and Performance Oversight	Pg 74	Appendix D - 2024-25 Tariff Schedule Also supplied in Proforma

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
2.2.1.013	Rural Bills - Total rural bill for rural water supply (pipeline or channel) and/ or domestic and stocksupply - % change from prior year	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Percentage	Governance, Operational and Performance Oversight	Pg 74	Appendix D - 2024-25 Tariff Schedule Also supplied in Proforma
2.2.1.014	Rural Bills - Total rural bill groundwater supply	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Real dollars	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.2.1.015	Rural Bills - Total rural bill groundwater supply - % change from prior year	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Percentage	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.2.1.016	Rural Bills - Total rural bill regulated diversions	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Real dollars	Governance, Operational and Performance Oversight	Pg 74	Appendix D - 2024-25 Tariff Schedule Also supplied in Proforma
2.2.1.017	Rural Bills - Total rural bill regulated diversions - % change from prior year	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Percentage	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.2.1.018	Rural Bills - Total rural bill unregulated diversions	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Real dollars	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.2.1.019	Rural Bills - Total rural bill unregulated diversions - % change from prior year	Mandatory CCE_CP_BIL2	Previous CP Year, CP Target	Percentage	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.2.1.020	Efforts to manage pricing impacts for urban water services	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 50-51	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban
2.2.1.021	Any significant variations to the most recent Pricing Decision projections	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 50-51	7 Our Financial Performance section 7.1 Pricing 7.1.1 Urban and 7.1.2 Rural
2.2.1.022	Published tariff schedules for urban water services	Mandatory	CP Target and subsequent 4 Fys Forecast	Number	Governance, Operational and Performance Oversight	Pg 74	Appendix D - 2024-25 Tariff Schedule
2.2.1.023	Efforts to manage pricing impacts for rural water services	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 50-51	7 Our Financial Performance section 7.1 Pricing 7.1.2 Rural

Code	Indicator Name	Mandatory/Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
2.2.1.024	Billing impacts for rural water services (major customers)	Mandatory	CP Target and subsequent 4 Fys Forecast	Percentage	Governance, Operational and Performance Oversight	Pg 50-51	7 Our Financial Performance section 7.1 Pricing 7.1.2 Rural
2.2.1.025	Published tariff schedules for rural water services	Mandatory CCE_CP_BIL1	CP Target and subsequent 4 Fys Forecast	Number	Governance/Operational and Performance Oversight	Pg 74	Appendix D - 2024-25 Tariff Schedule

Customer & Community Engagement

Customer Responsiveness

2.4.1.001	Customer responsiveness - water quality complaints	Mandatory CCE_CP_CCE1	CP Target	Number	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.4.1.006	Customer responsiveness - number of payment issue complaints	Mandatory CCE_CP_CCE1	CP Target	Number	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma
2.4.1.011	Customer responsiveness - total complaints	Mandatory CCE_CP_CCE1	CP Target	Number	Governance, Operational and Performance Oversight	Not provided in Corporate Plan	Supplied in Proforma

Customer & Community Engagement

2.4.2.001	Development and delivery of a Customer Engagement Strategy/Plan/Policy that is also published on the corporation's website (Yes/No)	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 17	LoE 2 Customer, Community & Engagement 1. Strategic Priority: Engagement a) Embed authentic customer engagement across the whole business
2.4.2.002	If the Customer Engagement Strategy/Plan/Policy is under development and yet to be published, what is the corporation's timing to complete it and to publish on its website?	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	N/A	See 2.4.2.001
2.4.2.003	How will the water corporation measure success against outcomes of its Customer Engagement Strategy/Plan/Policy?	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 17	LoE 2 Customer, Community & Engagement 1. Strategic Priority: Engagement a) Embed authentic customer engagement across the whole business

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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3. RECOGNISE ABORIGINAL VALUES

Partnerships with Traditional Owners

3.1.1.001	Provide the number of formal partnership agreements with Traditional Owners/ Traditional Owner Groups for water planning and management.	Mandatory	CP Target and subsequent 4 Fys Forecast	Number	Governance, Operational and Performance Oversight	N/A	LMW currently has no formal partnership agreements with Tos
3.1.1.002	Describe the nature of the formal partnership agreements entered into with Traditional Owner Groups for water planning and management.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	N/A	LMW currently has no formal partnership agreements with Traditional Owners
3.1.1.003	Demonstrate that Traditional Owners had the opportunity to review and/or endorse, all sections of the most recent annual report that included specific reference to Traditional Ecological Knowledge, values and well-being.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 24	LoE 3 Recognise Aboriginal Values 2. Strategic Priority: Engagement a) Embed authentic customer engagement across the whole business
3.1.1.004	Demonstrate how water corporations have informed relevant Traditional Owners of opportunities to access water entitlements or allocation within their Country	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 24	LoE 3 Recognise Aboriginal Values 2. Strategic Priority: Engagement b) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region

Supporting Aboriginal self-determination

3.2.1.001	Provide the number of formal partnership agreements with Aboriginal Community Controlled Organisations for water planning and management.	Mandatory	CP Target and subsequent 4 Fys Forecast	Number	Governance, Operational and Performance Oversight	N/A	LMW currently has no formal partnership agreements with Traditional Owners
3.2.1.002	Describe the nature of the partnership agreements with Aboriginal Community Controlled Organisations for water planning and management.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	N/A	LMW currently has no formal partnership agreements with Traditional Owners
3.2.1.003	Provide commentary on strategies implemented to provide procurement opportunities to Aboriginal Enterprises to supply goods and services to water corporations, including addressing any procurement barriers.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Legislative Obligations	Pg 25	LoE 3 Recognise Aboriginal Values 2. Strategic Foundation: Finance & Governance a) Optimise business efficiencies through sustainable pricing, resourcing, and procurement

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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4. RECOGNISE RECREATIONAL VALUES

Consideration of recreational values in business operations

Recreational Values

4.1.1.001	Provide the number of site-based projects planned/delivered to improve recreational enjoyment of water storages.	Mandatory	CP Target	Number	Governance/Operational and Performance Oversight	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority - Service Delivery a) Identify, define and deliver agreed customer levels - unable to quantify but provided narrative
4.1.1.002	Provide a brief description on how site-based projects will improve/have improved recreational enjoyment of water storages.	Mandatory	CP Target	Text	Governance/Operational and Performance Oversight	Pg 26-28	LoE 4 Recognise Recreational Values 2. Strategic Priority - Service Delivery a) Identify, define and deliver agreed customer levels
4.1.1.003	Provide the number of water storage recreational areas with Recreational Area Management Plans in place.	Mandatory	CP Target	Number	Governance/Operational and Performance Oversight	N/A	LMW currently has no water story recreational areas that it requires a RAMP to be in place for.

Engagement processes with community or stakeholders

Recreational Values

4.2.1.001	Provide evidence of community engagement processes that identified and considered recreational objectives relating to: - waterway health and environmental land - water planning and management.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance/Operational and Performance Oversight	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities
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Improvement to Information sources

Recreational Values

4.3.1.001	Provide evidence of actions taken to improve information sources to help recreational users plan their activities.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance/Operational and Performance Oversight	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities - specifically BGA monitoring and engagement
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Collaboration with Stakeholders

Recreational Values

4.4.1.001	Provide evidence of actions taken to collaborate with other organisations and government agencies to explore and progress opportunities to support recreational objectives.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance/Operational and Performance Oversight	Pg 26-27	LoE 4 Recognise Recreational Values 1. Strategic Priority: Environment a) Deliver the VMFRP to agreed objectives 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities
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Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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5. RESILIENT & LIVEABLE CITIES & TOWNS

Water Efficiency & Water Recycling

Urban Water Efficiency/Recycling

5.2.1.001	Projects or initiatives to deliver urban water efficiency, including residential and non-residential, and any projects delivering on water efficiency outcomes in Water for Victoria and relevant urban and sustainable water strategies.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities
5.2.1.002	Projects to deliver water recycling, reporting should have regard to the statutory obligations of water corporations and water efficiency initiatives to promote the integrated and sustainable use of water resources in their region	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities
5.2.1.003	Other projects to deliver water conservation, reporting should have regard to the statutory obligations of water corporations and water efficiency initiatives to promote the integrated and sustainable use of water resources in their region	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities
5.2.1.004	Projects to deliver sustainable and resilient water services systems, reporting should have regard to the statutory obligations of water corporations and water efficiency initiatives to promote the integrated and sustainable use of water resources in their region	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 27	LoE 4 Recognise Recreational Values 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence and generate future opportunities

Urban Water Consumption

5.2.3.044	Please provide commentary on non-revenue water attributed to leakages.	Mandatory	CP Target	Text	Governance, Operational and Performance Oversight	Pg 33	LoE 5 Resilient and Liveable Cities and Towns 4. Strategic Foundation: Finance and Governance a) Optimise business efficiencies through sustainable pricing, resourcing, and procurement.
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Integrated Water Management

5.1.1.001	Progress towards contributing to the development or review, and implementation of Strategic Direction Statement(s) applicable to its region	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 15 and 32	LoE 1 Climate Change and Energy 1. Strategic Priority: Environment c) Explore enhanced integrated water management that best works for our region LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region
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Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
5.1.1.002	Progress towards the implementation of priority IWM projects and plans as applicable	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 15 and 32	LoE 1 Climate Change and Energy 1. Strategic Priority: Environment c) Explore enhanced integrated water management that bet works for our region LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region
5.1.1.003	Progress towards delivering IWM outcomes for the region (regional IWM forums) and/or IWM targets set out in the relevant catchment scale IWM plans (metro IWM forums)	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 15 and 32	LoE 1 Climate Change and Energy 1. Strategic Priority: Environment c) Explore enhanced integrated water management that bet works for our region LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region
5.1.1.004	Progress towards contributing to relevant IWM actions included in urban water, sustainable water, waterways, and catchment management strategies and plans.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 15 and 32	LoE 1 Climate Change and Energy 1. Strategic Priority: Environment c) Explore enhanced integrated water management that bet works for our region LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region
5.1.1.006	Actively participate and promote stakeholder collaboration with other organisations through IWM Forums, to help facilitate IWM.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 15 and 32	LoE 1 Climate Change and Energy 1. Strategic Priority: Environment c) Explore enhanced integrated water management that best works for our region LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region

Circular Economy outcomes

5.3.1.001	Provide commentary on projects or initiatives that adopt circular economy principles and/or contribute towards identified targets in "Recycling Victoria: A New Economy".	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 15, 32-33, 42	LoE 1 Climate Change and Energy 1. Strategic Priority: Environment c) Explore enhanced integrated water management that best works for our region LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region LoE 7 Performance and Financial Management 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region
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Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
5.3.1.002	Provide the percentage of biosolids mass reused.	Mandatory	CP Target and subsequent 4 Fys Forecast	Percentage	Governance, Operational and Performance Oversight	Pg 42	LoE 7 Performance and Financial Management 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region

Environmental Statutory Obligations

Environmental Obligations

5.4.1.001	Water corporations should manage impacts to water quality in their operations including managing risks posed to water quality in special water supply catchment areas or catchments and provide commentary on specific actions that deliver targeted outcomes to satisfy these environmental obligations.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 39	LoE 7 Performance and Financial Management 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations
5.4.1.002	Water Corporations should demonstrate compliance with the Obligations for Managers of Land or Infrastructure (Water) (OMLI) under the Environmental Protection Act 2017 relating to managing impacts to water quality in their operations and provide commentary on specific actions that deliver targeted outcomes to satisfy this environmental obligations.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Legislative Obligations	Pg 39	LoE 7 Performance and Financial Management 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations
5.4.1.003	Water Corporations to undertake specific actions that deliver targeted outcomes to satisfy water corporations' environmental obligations consistent with the actions and intended outcomes contained in the: a) Regional Catchment Strategy b) Victorian Waterway Management Strategy and Regional Waterway Strategy c) Port Phillip Bay Environmental Management Plan (MW Only); and d) Other environmental activities or general projects that help implement catchment/ waterway health objectives	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	N/A	This is not applicable to LMW

Sustainable Water Use

5.5.1.001	Progress on actions taken in the development and implementation of Sustainable Water Strategies applicable to the region.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Legislative Obligations	Pg 33	LoE 5 Resilient and Liveable Cities and Towns 3. Strategic Priority: Environment c) Explore Integrated Water Management that best works for the region
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Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
5.5.1.002	Provide commentary on projects or initiatives undertaken to deliver improved efficiency of irrigation systems	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 18-19, 28, 30, 42	<p>LoE 2 Customer, Community & Engagement</p> <p>1. Strategic Priority: Engagement b) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region</p> <p>LoE 4 Recognising Recreational Values</p> <p>2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region</p> <p>LoE 5 Resilient and Liveable Cities and Towns</p> <p>1. Strategic Priority: Service Delivery a) Identify, define and deliver agreed customer levels</p> <p>LoE 7 Performance and Financial Management</p> <p>3. Strategic Priority: Environment a) Explore enhanced integrated water management that best works for our region</p>

6. LEADERSHIP, DIVERSITY & CULTURE

Diversity & Inclusion

6.1.1.001	Is a Diversity Inclusion Plan/s published on entity website (Y/N)	Mandatory	CP Target	Text	Governance, Operational and Performance Oversight	Pg 36	<p>LoE 6 Leadership, Diversity and Culture</p> <p>1. Strategic Foundation: People & Safety c) Achieve greater equality, diversity and inclusion</p>
6.1.1.002	Is a Gender Equality Action Plan published on entity website (Y/N)	Mandatory	CP Target	Text	Legislative Obligations	Pg 36	<p>LoE 6 Leadership, Diversity and Culture</p> <p>1. Strategic Foundation: People & Safety c) Achieve greater equality, diversity and inclusion</p>
6.1.1.003	Provide the number of executive officers who identify as female.	Mandatory	CP Target	Number	Governance, Operational and Performance Oversight	Pg 36	<p>LoE 6 Leadership, Diversity and Culture</p> <p>1. Strategic Foundation: People & Safety c) Achieve greater equality, diversity and inclusion</p>
6.1.1.004	Actions taken to improve participation by Traditional Owners and Aboriginal Victorians in Board committees and other organisational committees	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 24	<p>LoE 3 Recognising Aboriginal Values</p> <p>1. Strategic Priority: Engagement a) Embed authentic customer engagement across the whole business</p>
6.1.1.005	Percentage of all the staff who complete the VPSC people matter survey	Mandatory	CP Target	Number	Compliance Obligations	Pg 36	<p>LoE 6 Leadership, Diversity and Culture</p> <p>1 Strategic Foundation: People & Safety b) Embed #1LMW by fostering a high-performing culture by attracting, retaining, and developing our people</p>
6.1.1.006	Number of staff within the water entity who have undertaken a cross-cultural training course facilitated by accredited personal.	Mandatory	CP Target	Number	Governance, Operational and Performance Oversight	Pg 24	<p>LoE 3 Recognise Aboriginal Values</p> <p>1. Strategic Priority - Engagement a) Embed authentic customer engagement across the whole business</p>

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
6.1.1.007	Number of Aboriginal staff employed	Mandatory	CP Target	Number	Governance, Operational and Performance Oversight	Pg 25	LoE 3 Recognise Aboriginal Values 2. Strategic Foundation : Finance & Governance a) Optimise business efficiencies through sustainability, resourcing and procurement
6.1.1.008	Summary of progress against LOE Priority Area Leadership, diversity and culture	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 24-27	LoE 6 Leadership, Diversity and Culture

7. PERFORMANCE & FINANCIAL MANAGEMENT

Audited Statement of Performance

Financial Performance

7.1.2.001	Financial Performance - Cash Interest Cover	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Times	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.2.006	Financial Performance - Gearing Ratio	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.2.011	Financial Performance - Internal Financing Ratio	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.2.016	Financial Performance - Current Ratio	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.2.021	Financial Performance - Return on Assets	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.2.026	Financial Performance - Return on Equity	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.2.031	Financial Performance - EBITDA Margin	Mandatory PFM_CP_ASP1	CP Target and subsequent 4 Fys Forecast	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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Operational Performance

7.1.3.001	Water and Sewerage Network Reliability - Water Service – minutes off supply (planned and unplanned)	Mandatory PFM_CP_ASP2	CP Target	Minutes	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.006	Water and Sewerage Network Reliability - Unplanned water supply interruptions	Mandatory PFM_CP_ASP2	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.011	Water and Sewerage Network Reliability - Sewerage Service – sewer blockages	Mandatory PFM_CP_ASP2	CP Target	Number	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.016	Water and Sewerage Network Reliability - Sewerage Service – sewer spills	Mandatory PFM_CP_ASP2	CP Target	Number	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.021	Water and Sewerage Network Reliability - Sewerage Service - containment of sewer spills	Mandatory PFM_CP_ASP2	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.026	Water Service - Rural water supply deliveries	Mandatory PFM_CP_ASP3	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.031	Water Service - Transfer of Water Shares - applications completed within agreed timeframes	Mandatory PFM_CP_ASP3	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.036	Water Service - Unavailability of Domestic and Stock supply	Mandatory PFM_CP_ASP3	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.041	Water Service - Groundwater supply	Mandatory PFM_CP_ASP3	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma
7.1.3.046	Water Reuse - Recycled water – effluent treatment and reuse	Mandatory PFM_CP_ASP2	CP Target	Percentage	Legislative Obligations	Pg 73	Appendix C - 2024-25 Performance Report Also supplied in Proforma

Additional Financial Performance

Financial Performance

7.4.2.001	Financial business targets and projections, including projections for dividend and tax equivalent payments	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 63-67	Appendix A - 2024-25 Consolidated Financial Statement
7.4.2.002	Quarterly financial projections for the first year of the planning period	Mandatory	CP Target	Text	Governance, Operational and Performance Oversight	Pg 68-72	Appendix B – 2024-25 Budget Quarterly Financial Statement
7.4.2.003	Debt management strategies in line with DTF management guidelines and requirements	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 59	9 Financial Statements 9.2 Borrowings
7.4.2.004	Any unregulated business activity/ies including forecasts of revenue and expenditure and the benefits realised/reasons for undertaking the activity/ies	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	N/A	LMW does not have any unregulated business activities

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
7.4.2.005	Operational risk assessment, encompassing analysis of factors likely to affect achievement of efficiency targets, and/or create significant financial risk for the corporation	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 38-39, 49	LoE 7 Performance and Financial Management 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies and performance to meet our risk management and compliance obligations 6 Risk Management
7.4.2.006	Impact on financial performance of high and low scenarios for key planning variables (such as supply availability, water consumption, interest rates)	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 60	9 Financial Statements 9.4 Scenario
7.4.2.007	The entity's credit rating received from Treasury Corporation Victoria (TCV) for Financial Accommodation Levy or an independent credit rating	Mandatory	CP Target	Text	Governance, Operational and Performance Oversight	Pg 59	9 Financial Statements 9.2 Borrowings

8. COMPLIANCE & ENFORCEMENT

Apply an effective zero-tolerance approach to unauthorised take

Unauthorised take

8.1.1.001	Provide commentary on actions taken to demonstrate effective zero-tolerance strategies towards unauthorised water take by ensuring no more than 1% of volume of total water take is taken without authorisation at any time.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 43-45	LoE 8 Compliance and Enforcement 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence in, and generate future opportunities for LMW and our region
8.1.1.006	Provide commentary on actions taken to demonstrate effective zero-tolerance strategies towards unauthorised water take by ensuring no more than 3% ABAs are in negative at any time.	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Accountability to Minister/ Department	Pg 43-45	LoE 8 Compliance and Enforcement 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence in, and generate future opportunities for LMW and our region

Code	Indicator Name	Mandatory/ Optional & Proforma Code	Reporting Period	Unit of M'ment	Reason for Collection	LMW CP Page Number	Note LoE Area LMW Strategic Alignment Section Heading
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Demonstration of continuous improvement toward implementation of compliance and enforcement strategies, frameworks and reporting

Compliance & Enforcement (C & E) Strategies

8.2.1.001	Develop and implement a strategic compliance and enforcement strategy and annual compliance and enforcement work program	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 43-45	LoE 8 Compliance and Enforcement 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence in, and generate future opportunities for LMW and our region
8.2.1.002	Implement a structured approach to monitoring and reporting on C&E functions against a strategic and annual work plans be adopted, as appropriate to the significance of and level of risk	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 43-45	LoE 8 Compliance and Enforcement 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence in, and generate future opportunities for LMW and our region
8.2.1.003	Implement metering action plans in line with the Victorian Non-urban Water Metering Policy and the Murray-Darling Basin Compliance Compact metering requirements	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 44	LoE 8 - Compliance and Enforcement 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations
8.2.1.004	Maintain an up-to-date compliance and enforcement communications plan and deliver this to ensure customers are adequately informed about: x compliance requirements how Victoria applies a zero-tolerance approach to unauthorised take	Mandatory	CP Target and subsequent 4 Fys Forecast	Text	Governance, Operational and Performance Oversight	Pg 43-45	LoE 8 - Compliance and Enforcement 1. Strategic Foundation: Finance & Governance a) Achieve year-on-year improvement in our frameworks, policies, and performance to meet our risk management and compliance obligations 2. Strategic Priority: Engagement a) Enhance stakeholder relationships to build confidence in and generate future opportunities for LMW and our region.