

Annual Report 2022–23



Acknowledgements

The Mallee Catchment Management Authority (CMA) acknowledges and respects Traditional Owners, Aboriginal communities and organisations. We recognise the diversity of their cultures and the deep connections they have with Victoria's lands and waters.

We value partnerships with them for the health of people and country.

The Mallee CMA Board, management and staff pay their respects to Elders past and present, and recognise the primacy of Traditional Owners' obligations, rights and responsibilities to use and care for their traditional lands and waters.



Cover Image

Floodwaters at Merbein.

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Mallee Catchment Management Authority
Annual Report 2022–23
ISSN: 1833-0924

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Sensitivity Warning

Aboriginal and Torres Strait Islander people should be aware that this publication may contain images and names of deceased persons.

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Declaration in Report of Operations

Responsible Body's declaration

In accordance with the *Financial Management Act 1994* (Vic), I am pleased to present the Mallee Catchment Management Authority's Annual Report for the year ending 30 June 2023.



Allison McTaggart

Board Chair

Mallee Catchment Management Authority

27 September 2023

Part 1

Year in Review

Chair's Report

The work delivered by the Mallee Catchment Management Authority (CMA) during 2022–23 demonstrates the organisation's enduring commitment to protecting and enhancing our region's natural, cultural, and productive landscapes by working in close partnership with our communities and key regional stakeholders.

The Mallee CMA's Annual Report 2022–23 documents our progress toward delivering Victorian Government objectives and priorities, within the context of the *Catchment and Land Protection Act 1994* (CaLP Act), the *Water Act 1989*, Ministerial expectations, and policy directions set out in *Water for Victoria*.

I am pleased to report that in delivering our work, we have continued to ensure our community has remained central to the planning, delivery, and evaluation of Natural Resource Management (NRM) outcomes in the Victorian Mallee. We have worked in partnership with Traditional Owners, community members, partner agencies, and key stakeholders such as Landcare and Friends of groups, with a focus on protecting and enhancing the region's land, water, and biodiversity.

Highlights of our work are noted below and categorised according to the 2022–23 Ministerial Expectations for the organisation.

Improved performance and demonstrating outcomes

Our commitment to a high level of corporate governance continues to be demonstrated by the ongoing effort invested in retaining ISO 9001:2015 certification of our Quality Management System, with recertification for the 2022–25 period achieved in November 2022.

Release of the 2022–28 Mallee Regional Catchment Strategy (RCS) in January 2023, developed in partnership with regional stakeholders, establishes the next six-year (2022–28) framework for strategic action to support, focus, and evaluate the ongoing coordinated effort of the region's land managers, government agencies, community groups, and Traditional Owners.

Climate change

Mallee CMA has continued to plan for and respond to a changing climate by ensuring the ongoing delivery of regional programs incorporates priority landscapes and associated interventions established by the Mallee Natural Resource Management Plan for Climate Change (2016).

This regional framework is enhanced through ongoing participation in the Victorian CMA's state-wide climate change forum to facilitate knowledge transfer and support coordinated approaches to associated planning processes. Key initiatives progressed by the forum in 2022–23 included improving stakeholder understanding of opportunities and challenges of co-benefits and co-investments related to carbon offsets in the water sector



Accessible canoe launch.

and identifying key knowledge gaps and associated opportunities to progress teal carbon outcomes.

Waterway and Catchment Health

Delivery of over 60,000 hectares of environmental works by Mallee CMA in 2022–23 represents significant progress against targets set by the Mallee Waterway Strategy for the region's priority waterways. Management of the four sites identified by Water for Victoria (2016) as a priority for the Mallee (i.e. Merbein Common wetlands, Lindsay-Wallpolla Islands, Belsar-Yungera Floodplain complex, Kings Billabong, and Woorlong complex) has continued to be a priority under state-funded Waterway Health programs; supporting the delivery of environmental, economic, social, and cultural outcomes at each site.

Widespread flooding experienced across the region required that associated flood response and recovery actions be a priority throughout much of 2022–23. This included supporting community forums to disseminate flood information; undertaking flood damage and water quality assessments; and restoring impacted waterways (e.g. debris removal), damaged infrastructure (e.g. fencing), and recreational assets (e.g. canoe launches).

Water for Agriculture

Mallee CMA has continued to support a productive and profitable irrigation sector by delivering irrigation and salinity management actions identified as a priority for the Mallee in the Water for Victoria plan. Delivery against two regional frameworks (the Victorian Mallee Irrigation Region Land and Water Management Plan, and the Mallee Salinity Investment Plan), informs the implementation of these actions in partnership with regional stakeholders and builds on previous achievements and supports continuous improvement in irrigation and salinity management.

In 2022–23 this included the completion of works to improve the operational efficiency of the Mildura-Merbein Salt Interception Scheme, ongoing implementation of the Mallee Irrigation Incentive Program (MIIP) to support

improved planning and management of irrigation and drainage systems, and completion of four BSM2030 Accountable Action Reviews (i.e. Psyche Bend Lagoon, Sunraysia Drying of Drains, and Reduced Irrigation Salinity Impact Stage 1 and Stage 2 reviews).

Community engagement and partnerships

Providing for extensive and effective engagement of our communities and delivery partners continued to be integral to the delivery of Mallee CMA programs in 2022–23. This included targeted events to build stakeholder capacity and enhance the region's cooperative delivery approaches; with activities such as field days, workshops, training events and meetings collectively engaging 8,632 participants and facilitating 97 formal partnerships over the year.

Communication materials produced in 2022–23 also provided effective engagement mechanisms by promoting our region, the NRM programs being delivered, and involvement opportunities to a large and diverse audience. Key examples of the approaches employed to disseminate information included segments on the local ABC radio station, media articles in each of the region's six local newspapers, regular social media (i.e. Facebook, Instagram, Twitter, YouTube) content, and regionally specific educational resources.

Recognise and support Aboriginal cultural values and economic inclusion in the water sector

Direct engagement of Traditional Owners to plan for and deliver Cultural Heritage assessments, Aboriginal Waterway Assessments, on-ground environmental works, and associated monitoring activities throughout 2022–23 has provided for formal recognition of Aboriginal cultural values and the important role Aboriginal people play in caring for Country; while also supporting self-determined participation and economic inclusion in NRM across the region.



Fish Translocation,
Lake Walla Walla.

Key examples of project activities that were co-designed and implemented in partnership with the region's Traditional Owners over the reporting period include First People of the Millewa-Mallee Aboriginal Corporation (FPMMAC) undertaking on-ground works (e.g. exclusion fencing, pest plant and animal control, revegetation) to rehabilitate culturally significant sites as part of the Waterway Health and Our Catchments, Our Communities programs.

Recognise recreational values

Mallee CMA recognises that enhancing the recreational values of priority waterways is integral to our waterway management role and that effective stakeholder engagement is essential in ensuring alignment with local objectives and facilitating collaborative outcomes. In 2022–23 this included the establishment of visitor facilities (e.g. walking trail, signage, picnic tables) identified by Community-led Action Plans for our two flagship waterways (Merbein Common and Kings Billabong) and the 'Our Catchments, Our Communities' priority landscape (Lake Cullulleraine); with local stakeholders directly engaged in the identification of recreational objectives and priorities relating to these sites.

Support resilient and liveable cities and towns

Initiatives that enhance public spaces and urban waterway values through integrated waterway management (IWM) collaborations have also continued to be supported. Key measures progressed in partnership with regional stakeholders over the 2022–23 reporting period included application of the Lake Ranfurly and Lake Hawthorn Integrated Management Plan; implementation of the Wetland Management Strategy for Kings Billabong, Psyche Bend Lagoon, and Woolong Wetland; and engagement with First People of the Millewa-Mallee Aboriginal Corporation to ensure Aboriginal values are recognised and supported by associated waterway management activities.

Leadership, diversity and culture

Through the implementation of Mallee CMA's Gender Equality Action Plan (GEAP), our organisation has continued to demonstrate a commitment to building a diverse workforce, while encouraging leadership and culture. Key actions undertaken have included sponsoring 'women in leadership' L&D opportunities, providing unconscious bias training, updating committee terms of reference to include gender equality membership, ensuring appropriate gender balance in recruitment panels, and making organisational health and wellbeing initiatives available to all employees.

A review of our Indigenous Participation Plan (IPP) and Reconciliation Action Plan (RAP) was also undertaken through consultation with Aboriginal Reference Group (ARG) members in 2022–23 to ensure alignment with the needs and aspirations of the Aboriginal community regarding land and water management.

Conclusion

It is with pleasure, I present to you the Mallee CMA's Annual Report 2022–23.

Allison McTaggart
Board Chair
Mallee Catchment Management Authority

27 September 2023

Mission, Vision, Values

Our Mission

To ensure natural resources in the region are managed in an integrated and ecologically sustainable way and in accordance with our community's expectations.

Our Vision

Healthy and resilient landscapes being cared for by connected communities.

Our Values and Behaviours

The Mallee CMA Board, management, and staff agree to work by the Victorian Public Service Values and Codes of Conduct. We aim to be a workplace of first choice through the development of a positive can-do culture that strives for excellence. The Mallee CMA Board, management, and staff will demonstrate the following values and behaviours in all aspects of their work:

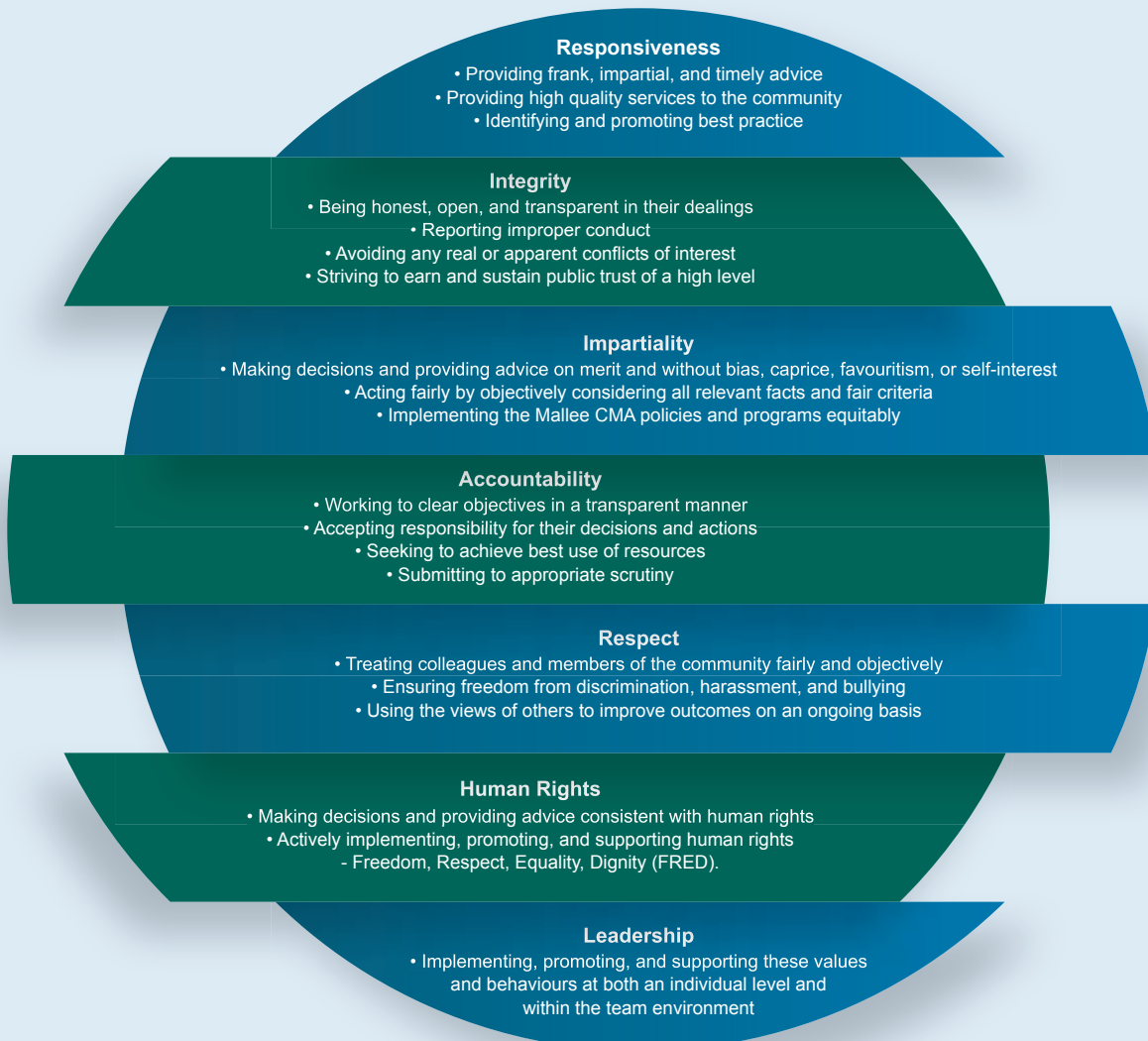


Figure 1 | Values and Behaviours

Manner of establishment and responsible Ministers

The Mallee Catchment Management Authority (CMA) is established under the *Catchment and Land Protection Act 1994* (Vic) (CaLP Act). The responsible Ministers for the period from 1 July 2022 to 4 December 2022 were the Hon Harriet Shing MP, Minister for Water and the Hon Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change. The responsible Ministers for the period from 5 December 2022 to 30 June 2023 were the Hon Harriet Shing MP, Minister for Water and the Hon Ingrid Stitt MP, Minister for Environment.

Nature and range of services provided

The Mallee CMA region covers 39,939 km², around one-fifth of Victoria. The largest catchment management area in the state, it runs along the Murray River from Nyah to the South Australian border and south through vast dryland cropping areas and public reserves.

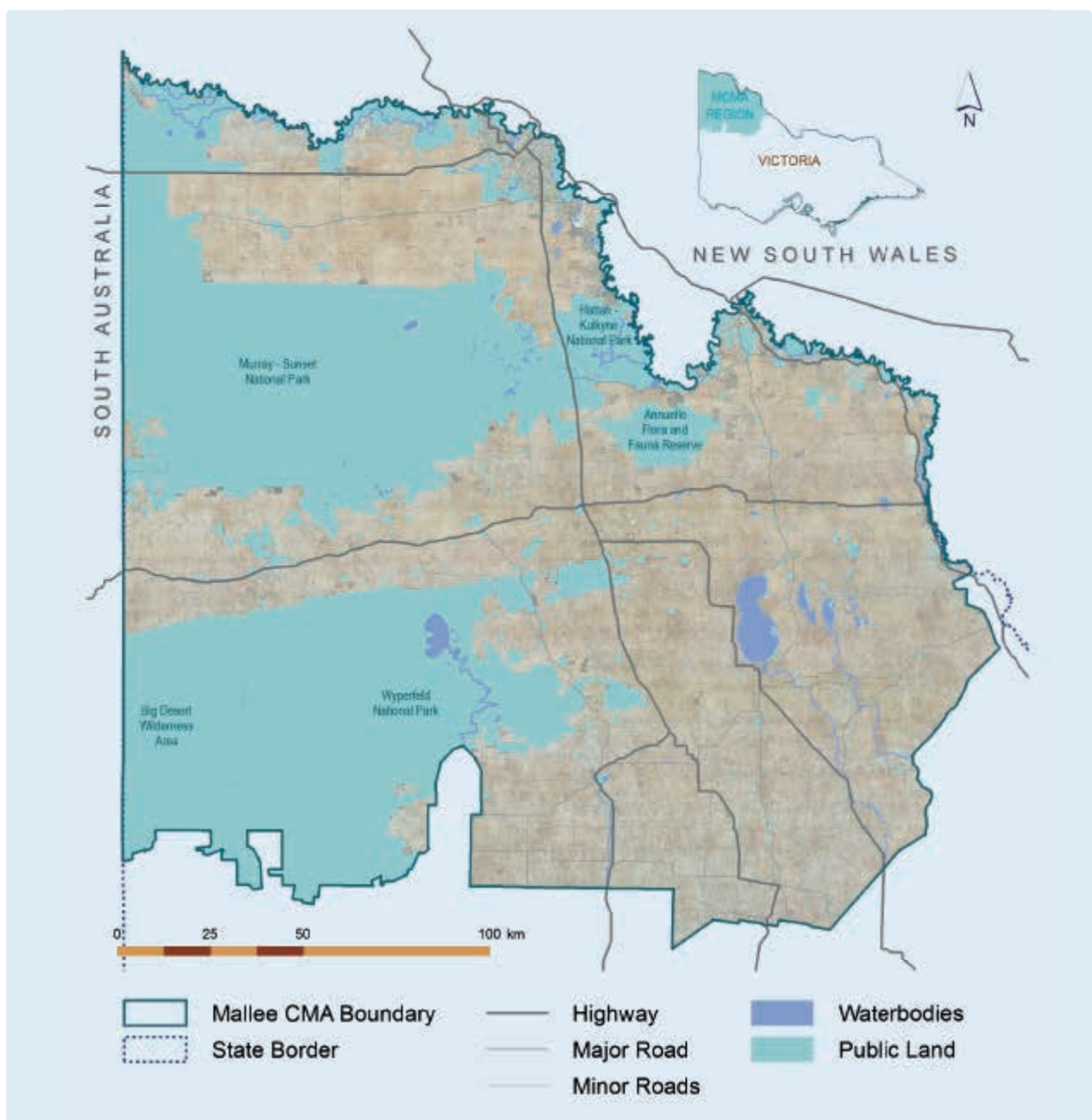


Figure 2 | Map of Mallee CMA region



Uttiwilllock Wetland.

The primary role of Mallee CMA is to facilitate integrated and ecologically sustainable management of natural, cultural, and productive landscapes occurring within the region. Programs and projects are developed to deliver against the region's priorities for these landscapes, as detailed in the Mallee Regional Catchment Strategy (RCS) and its associated sub-strategies and plans. The Mallee RCS is prepared under provision of the CaLP Act, in partnership with regional stakeholders, as a framework for strategic action to support and focus the ongoing coordinated efforts of the region's land managers, government agencies and community groups.

Within this context, Mallee CMA investment planning and delivery are informed by the long-term (20 year) and medium-term (6-year) outcome targets established by the RCS for each of the following regional asset themes:

- Biodiversity
- Waterways
- Agricultural Land
- Culture and Heritage
- Community Capacity for NRM.

A suite of RCS sub-strategies and plans (e.g. Mallee Waterway Strategy, Mallee Indigenous Participation Plan, Mallee Irrigation Region Land and Water Management Plan, Mallee Floodplain Management Strategy) provides additional detail on the activities required to protect and enhance regional assets, and the roles and responsibilities of regional stakeholders in the delivery of these activities.

These are further complemented by site-based plans (e.g. Environmental Watering Management Plans, Hattah-Kulkyne Lakes Ramsar Site Management Plan) which establish annual priorities and delivery mechanisms.

Key regional stakeholders engaged in the development, delivery, and review of the Mallee RCS and its associated sub-strategies include government agencies; local government; water corporations; community and industry-based groups; private land managers; and Traditional Owners (TOs). Participation by the broader Mallee community in Natural Resource Management (NRM) activities is also supported to facilitate awareness and skills-based outcomes.



Sulphur-crested cockatoo.

Objectives, functions, powers, and duties

As a statutory authority, Mallee CMA has clear duties and accountabilities set out in legislation. The Statement of Obligations for the CaLP Act and the *Water Act 1989* set out the key business undertakings of the Mallee CMA as being to:

- Facilitate and coordinate the management of catchments in an integrated and sustainable manner as it relates to land, biodiversity, and water resources
- Plan and make decisions within an Integrated Catchment Management (ICM) context that balance social, economic, and environmental outcomes
- Target investment to address priorities and maximise improvement in resource condition of catchments, land, biodiversity, and water resources
- Provide opportunities for community engagement in the integrated management of catchments and natural assets including land, biodiversity, and water resources
- Develop strategic partnerships with relevant stakeholders including public authorities and government agencies

- Promote and apply a risk management approach which seeks to protect, enhance, and restore natural assets and reduce the impact of climate change
- Promote and adopt an adaptive approach to ICM, including continuous review, innovation, and improvement
- Manage business operations in a prudent, efficient, and responsible manner
- Act as the caretaker of river health and provide regional leadership on issues relating to river health
- Undertake the operational management of the Environmental Water Reserve as a key component of an integrated program of river, wetland, floodplain, and aquifer restoration.

The *Public Administration Act 2004* (Vic) and the *Financial Management Act 1994* (Vic) together with the Mallee CMA's Board Charter of Corporate Governance, also provide guidance for the Mallee CMA in relation to its governance requirements.

Part 1

Performance Reporting - Non-financial

Achievements, Operational Performance and Key Initiatives

The Mallee CMA Corporate Plan 2022–27 establishes three objectives to inform organisational priorities in delivering our vision over the next five years. Thematic areas and strategic outcomes the Mallee CMA seek to achieve under each objective have been developed to reflect existing delivery and reporting frameworks (both regional and state), and the Mallee CMA's legislative obligations (see Table 1).

Table 1 | Mallee CMA 2022–27 business objectives strategic outcomes

Business Objectives	Theme	Strategic Outcomes
Ensure that community is central to the planning, implementation, and evaluation of Natural Resource Management (NRM)	Community Capacity for NRM	Connected and resilient communities leading positive change across our natural, cultural, and productive landscapes
Protect and enhance the region's natural, cultural and productive values	Waterways	Waterways are healthy, resilient, and being managed for shared benefits
	Biodiversity	Biodiversity is healthy, resilient, and valued
	Land	Agricultural land is managed to optimise productive capacity while avoiding or minimising environmental impacts
	Culture & Heritage	Aboriginal culture and heritage are protected and Traditional Owner led practices are embedded in the management and healing of Country
Strengthen our capacity to operate as a corporately and socially responsible organisation	Governance and Compliance	Internal governance processes are ensuring compliance with all legislative requirements and statutory functions
	Integrated Catchment Management	Regional planning, delivery and evaluation processes are supporting integrated and targeted NRM outcomes

Delivery against these strategic outcomes is guided by priority initiatives and activities identified within the Mallee CMA Corporate Plan 2022–2027. These priorities are reviewed annually to ensure alignment with the organisation’s core responsibilities (e.g. CaLP Act Statement of Obligations and *Water Act 1989* Statement of Obligations) and strategic framework (e.g. Regional Catchment Strategy). Identified activities also reflect Ministerial expectations and performance priorities for nine government policy areas, specifically:

- 1. Improved performance and demonstrating outcomes
- 2. Climate change
- 3. Waterway and catchment health
- 4. Water for agriculture
- 5. Community engagement and partnerships
- 6. Recognise and support Aboriginal cultural values and economic inclusion in the water sector
- 7. Recognise recreational values
- 8. Resilient and liveable cities and towns
- 9. Leadership, diversity, and culture

Organisational performance against outcome indicators and activity measures established for each business objective and stated strategic outcomes for each theme (i.e. as detailed by the 2022–27 Corporate Plan) is provided in the following sections.

Figure 3 illustrates the ‘Key to Results’ system applied within the report to indicate the extent of under or over-achievement of activity indicator targets when reporting on their performance.

✓	Performance target achieved or exceeded or expected to be achieved.
■	Performance target not achieved - exceeds 5% variance.
○	Performance target not achieved - within 5% variance.

Figure 3 | Activity performance key to results



Mallee CMA Corporate Plan 2022–27.

Reporting progress towards Mallee CMA performance objectives, indicators and/or outputs (non-financial)

Business Objective 1

Ensure the community is central to the planning, delivery, and evaluation of Natural Resource Management

Theme: Community Capacity for Natural Resource Management

Communities of the Mallee are at the centre of the current and future management of our natural, cultural, and productive landscapes. NRM is a co-operative endeavour between the community, industry, and government, with effective action requiring effective partnerships founded on a well-informed community with the skills and confidence to identify, direct, and implement change.

Victoria's Catchment Management Framework is built on strong partnerships and community involvement. The Mallee CMA takes great pride in the relationship it has with the regional community and its ability to engage with key agencies, individuals, groups, and businesses, including the Aboriginal community, to deliver priority NRM outcomes.

A range of factors can however directly impact the ability of NRM stakeholders to deliver change within our natural, cultural, and productive landscapes. External drivers such as population dynamics, extreme weather events, and a changing climate present key challenges that the Mallee CMA is assisting the community to identify and respond to.

In recognising that the region's capacity to effectively deliver NRM outcomes is dependent not only on the financial and physical resources available but also on the human and social resources it contains, and by working with our community and delivery partners, Mallee CMA is seeking to deliver against the following capacity related outcome:

Connected and resilient communities leading positive change across our natural, cultural, and productive landscapes

Delivery against this outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Ministerial Expectations for 'community engagement and partnerships', 'recognise and support Aboriginal cultural values and economic inclusion in the water sector, and 'recognise recreational values' policy areas (2022–23)
- Mallee CMA Annual Engagement Strategy (2022–23)
- Mallee CMA Indigenous Participation Plan (2023–28)
- Mallee CMA Reconciliation Action Plan (2018)
- Mallee Regional Catchment Strategy (2022–28)
- Aboriginal Participation Guidelines for Victorian Catchment Management Authorities (2016)
- Community Engagement and Partnerships Framework for Victoria's Catchment Management Authorities (2017)
- Our Catchments Our Communities: Building on the Legacy for Better Stewardship (2021)
- Pupangari Marmarnepu 'Owning Our Future' Aboriginal Self-Determination Reform Strategy (2020–25)
- Victorians Volunteering for Nature: Environmental Volunteering Plan (2018)
- Water for Victoria (2016).

Outcome Indicators and Performance Measures

Progress toward this strategic outcome is measured through organisational performance against four key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 2).

Over the five-year reporting period, Mallee CMA programs have continued to apply a strong community focus as the cornerstone of NRM delivery. This approach is informed by and aligns with the principles and best practice standards established by the Community Engagement and Partnerships Framework for Victoria's Catchment Management Authorities (2017); and delivers against annual priorities identified in the Mallee CMA Stakeholder Engagement and Communication Plan.

Delivery against this framework has included targeted events to build stakeholder capacity and enhance the region's cooperative delivery approach; with activities such as field days, workshops, and training events collectively engaging 35,506 participants over the 2018–23 period. These activities are well received, with participant evaluations reporting that on average over the five-year period, 65 percent of respondents have provided an 'excellent' rating and 32 percent 'good'; with only two percent rating them as 'fair' and one percent as 'poor'. The effectiveness of the engagement approaches being employed over the reporting period to build capacity is also demonstrated by ongoing evaluations; with an annual average 48 percent increase in 'awareness of NRM issues' being reported by participants, and 15 percent increase in skills to 'address threat processes'.

With COVID-19 restrictions throughout 2020–22 and a significant flood event in 2022–23 impacting the number and type of activities undertaken over the five-year (2018–23) reporting period, employing adaptive management approaches (i.e. planning for in-person and virtual delivery scenarios) has ensured our stakeholders continued to be effectively engaged. Hybrid approaches to engagement have continued to be built on and supported post-COVID, providing an effective means to address factors identified as being barriers to participation (e.g. distance).

An important component of these engagement activities has been the coordination of partnership forums with representation from key stakeholders (e.g. land managers, Traditional Owners, government agencies, industry, community) to facilitate cooperative action in the planning and delivery of natural resource management (NRM) actions across the region. Over the 2018–23 reporting period, this has supported the establishment and maintenance of 634 (cumulative) partnerships formalised by associated documentation (e.g. MOU, ToR) and 412 management agreements with private and public land managers to deliver targeted NRM activities.

Aboriginal cultural values and economic inclusion in the development and delivery of Mallee CMA programs also continue to be supported through these forums, with the Mallee Aboriginal Reference Group (ARG) providing a central point for direct connections with Aboriginal community groups across the region. The ARG oversee implementation of the Mallee CMA Indigenous Participation Plan (IPP), facilitating member participation in regional planning processes and the identification of opportunities for Traditional Owner involvement in the delivery of associated activities.

Ongoing Traditional Owner participation in workshops, On-Country visits, and cultural assessments continues to enhance this partnership approach by providing for the identification and incorporation of cultural knowledge, practice, and objectives into NRM activity across the region. Key examples of projects being co-designed and implemented in partnership with the region's Traditional Owners include First People of the Millewa-Mallee Aboriginal Corporation (FPMMAC) undertaking on-ground works (e.g. exclusion fencing, pest plant and animal control, revegetation) to rehabilitate culturally significant sites as part of the 2020–24 Waterway Health and Our Catchments, Our Communities programs.

Mallee CMA recognises that enhancing the recreational values of priority waterways is integral to our waterway management role, and that effective stakeholder engagement is essential in ensuring alignment with local objectives and facilitating collaborative outcomes. This is demonstrated by the development of Community-led Action Plans (CLAPs) in 2021–22 for our two flagship waterways (Merbein Common and Kings Billabong), with local stakeholders directly engaged in the identification of recreational objectives and priorities relating to these sites; with ongoing consultation enabling progress against these priorities to be reviewed and adaptive management approaches identified where required. Other examples of programs that are directly engaging with stakeholders to identify recreational priorities for local waterways include Our Catchments, Our Communities (to inform identification and prioritisation of visitor facilities being established at Lake Cullulleraine), and Waterway Health (to inform the allocation of 'Angler Partnership' grants).

Aligning with State Government media guidelines to ensure a focus on COVIDSafe settings throughout 2020–22 and flood response messaging in 2022 also reduced the total number of communication activities delivered. It is evident however that the information and materials that were produced continued to build on previous achievements by promoting our region, the NRM programs being delivered, and involvement opportunities to a large and diverse audience. Key examples of the mechanisms employed to disseminate information include media articles in each of the region's six local newspapers, production of a monthly 'Mallee Connections E-newsletter' and biannual 'Mallee Farmer' magazine, development of regionally specific educational resources (e.g. virtual field days, information packs, activity books), and regular social media content across a range of platforms (i.e. Facebook, Instagram, Twitter, YouTube). These mechanisms have collectively delivered 1,926 publications and some 2,319 Facebook posts (2 million views) over the 2018–23 reporting period.

Table 2 | Progress against performance measures for 'Community Capacity for NRM' strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Community engagement & partnerships A strong community engagement focus that is a cornerstone of all Mallee CMA functions (Ministerial Expectation CE1)	Delivery against Community Engagement and Partnering Framework for Victorian CMAs (2017) key indicators (i.e. meeting best practice standards)	percent	100	100	100	100	100
	Community/stakeholder participation in engagement and capacity building events/ activities	number of participants	7,695	6,004	6,275	6,900	8,632
		number of events	670	588	501	562	477
	Participants rating engagement activities as 'good' or 'excellent'	percent of respondents	97	99	98	98	96
	Cooperative action in planning and delivering priority NRM activities	number of formal partnerships	175	168	99	95	97
		number of management agreements	157	106	47	53	49
	Awareness of NRM issues reported by capacity building focused activity participants	percent increase (average)	71	61	36	55	17
	Skills in identifying and delivering priority NRM activities reported by capacity building focused activity participants	percent increase (average)	15	8	19	11	22
	Landcare Group Health	annual self-assessment score (average)	3.4	3.3	3.6	3.2	3.6
	Information sharing in promoting NRM and associated evidence base	number of communication materials published	568	439	327	311	281
		number of social media posts	554	408	348	468	541
		number of social media views	495,546	487,415	307,091	394,407	333,287

Continued...

Table 2 | Progress against performance measures for 'Community Capacity for NRM' strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Recognise and support Aboriginal cultural values and economic inclusion in the water sector							
Effective partnerships with Traditional Owners <i>(Ministerial Expectation AC1)</i>	Delivery against 'Aboriginal Participation Guidelines for Victorian CMAs: Implementation Plan – Pathways to Participation' key outcomes	percent	100	100	100	100	100
	TO groups participating in forums (formal & informal) to inform project planning and delivery processes	percent of Registered Aboriginal Parties	100	100	100	100	100
	TO groups participating in the delivery of NRM focused activities	percent of Registered Aboriginal Parties	100	100	100	100	100
Recognise recreational values							
Effective engagement with the community to identify and prioritise opportunities to deliver recreational objectives relating to the management of water and waterways <i>(Ministerial Expectation RV2)</i>	Community/stakeholder participation in the identification/prioritisation of recreational objectives	number of events/surveys	-	19	18	21	6
Effective collaboration with other organisations and government agencies to explore and progress opportunities to support recreational values <i>(Ministerial Expectation RV3)</i>	Waterway projects supporting recreational outcomes identified and progressed through collaboration with local stakeholders	number	-	3	3	5	8
Accessible and user-friendly information for recreational users about waterway conditions to help community members plan their recreational activities <i>(Ministerial Expectation RV4)</i>	Waterway information sources utilised to provide information promoting recreational opportunities provided by Mallee waterways	number	-	3	5	7	6

Activity Indicators and Performance Measures

Performance against the organisation's 2022–23 priority activities for progressing community capacity outcomes, including actual delivery against budgeted targets, is provided in Table 3.

Overall, 89 percent of performance targets were achieved or exceeded over the reporting period; with two of the 19 measures unable to be progressed as originally scheduled (i.e. exceeded 5% variance), specifically:

- *Management Agreements*: Rescheduling of riparian works at sites impacted by significant flood event to 2023–24 required that management agreements with the associated land manager were also deferred, representing an eight percent (49/53) variance from the annual target.
- *Incentives/grants*: All 2022–23 incentive funding allocated to private land managers under National Landcare Program, Our Catchment, Our Communities, and Victorian Landcare Program initiatives was fully expended over the reporting period, with the 37 percent (\$74k) under achievement relating to the Mallee Irrigation Incentive Program (MIIP). Relaunch of a revised MIIP in April 2021 (following a state-wide review of irrigation incentive programs in 2020–21) saw limited uptake in 2021–22 due to low landholder awareness of the program and the impact of COVID-19 restrictions on engagement approaches/outcomes. Landholder interest in 2022–23 has now been increased by targeted promotional campaigns, with all available funding allocated to expressions of interest (EOI). Timelines associated with the submission and assessment of some EOIs has however meant that associated works were unable to be completed in 2022–23 and that associated payments (pending compliance assessments) have been deferred to 2023–24.

Table 3 | Performance against 2022–23 Community Capacity for NRM activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Continue to build extensive, effective, and consistent approaches to community engagement and partnerships in regional planning and implementation (<i>Ministerial Expectation CE1.1</i>)	Communication and Engagement Plans developed, implemented, and reported to meet internal and/or government requirements	number	8	8	0	✓
	Formal community and regional delivery partner forums facilitated/coordinated to meet government and/or internal requirements	number	18	18	0	✓
	Participants attending engagement events	number	8,632	3,962	118	✓
	Participants rating engagement activities as 'good' or 'excellent'	percent of respondents	96	>90	0	✓
	Communication materials produced and disseminated	number	281	268	5	✓

Continued...

Table 3 | Performance against 2021–22 Community Capacity for NRM activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Community engagement & partnerships						
Work collaboratively with organisations and communities to strengthen engagement approaches and capacity (Ministerial Expectation CE1.2)	Formal partnerships established/maintained to strengthen engagement approaches/capacity	number	97	91	7	✓
	Management agreements established/maintained with land managers (public and private) to deliver targeted NRM activities	number	49	53	-8	■
	Grants funding allocated to Community Grants expended (i.e. provided to community groups)	percent	102	100	2	✓
	Funding allocated to land manager incentives/grants expended (i.e. provided to private land managers)	percent	63	100	-37	■
	Citizen Science programs supported to engage community	number	8	8	0	✓
	Assessments undertaken to inform regional evidence base	number	889	904	-2	○
Recognise and support Aboriginal cultural values and economic inclusion in the water sector						
Recognise and support Aboriginal cultural values and economic inclusion in the water sector Partner with Traditional Owners in water planning and management to support improved outcomes for Aboriginal communities (Ministerial Expectation AC1.1)	Engagements with Traditional Owners in water planning and management	number	37	-	0	✓
	Opportunities for Traditional Owners/First Nations Peoples to reconnect to Country	number	18	-	0	✓
	Formal partnership agreements established/maintained with Traditional Owners	number	8	7	14	✓
	Programs/projects co-designed and implemented in partnership with Traditional Owners	number	6	6	0	✓
Recognise recreational values						
Engage with community and stakeholders to identify recreational values of waterways (Ministerial Expectation RV2) Provide accessible and user-friendly information for recreational users about waterway conditions to assist community members plan recreational activities (Ministerial Expectation RV3) Collaborate with other organisations and government agencies to explore and progress opportunities to support recreational values (Ministerial Expectation RV4)	Community consultation activities undertaken to identify recreational values/priorities for local waterways	number	6	6	0	✓
	Online information systems promoting recreational opportunities provided by Mallee waterways	number	6	6	0	✓
	Formal community/delivery partner forums facilitated to support identification/prioritisation of recreational outcomes	number	6	6	0	✓
	Programs/projects with co-investment from other organisations to deliver recreational outcomes	number	2	-	0	✓

Key Initiatives and Projects

Initiatives that supported our delivery against stated priority activities and associated performance targets in 2022–23 included both State and Commonwealth funded programs. An overview of their contributions in relation to building Community Capacity for NRM is provided in Table 4.

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Community Capacity for NRM' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Community Action for Biodiversity - Icon Species	<p>The Murray Hardyhead Status project is supported by the Mallee CMA, through funding from the Victorian Government's 'Unique Biodiversity Protection through Community Driven Action' initiative.</p> <ul style="list-style-type: none">• 2 Murray Hardyhead assessments conducted (Koorlong Lake and Brickworks Billabong), including eDNA sampling.• 1 report published in partnership with Aquasave-Nature Glenelg Trust, providing an update on the status of the Koorlong Lake population and monitoring results from four sites.• 1 information video to share knowledge of local small-bodied threatened fish.• 3 social media posts to increase awareness of Murray Hardyhead, explain the use of eDNA to detect threatened fish species, and to provide updates on the search for Murray Hardyhead following the 2022 flood event.  <p>Fish nets at Brickworks</p>
Environment Restoration Fund	<p>The Threatened Mallee Bird project is supported by Mallee CMA, through funding provided by the Australian Government's Environment Restoration Fund.</p> <ul style="list-style-type: none">• 1 assessment encompassing surveys for 10 threatened bird species over 16,600 ha (664 sites across Big Desert/Wyperfeld, Billiatt, and Ngarkat reserve complexes) conducted to determine species' population sizes, important locations, and post-fire preferences.• 9 engagement events (41 participants) to facilitate stakeholder involvement in project MER processes, including coordination of a Project Steering Committee.• 2 management agreements with government agencies to facilitate data sharing between organisations.• 1 final report published detailing project background, methodology, and findings.  <p>Discussing standardised survey plan for each site.</p>

Continued...

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Community Capacity for NRM' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Environmental Water Program	<p>Projects including Environmental Watering Reserve Officers, Refine Ecological Objectives, and Connecting Communities to Waterways are supported by the Mallee CMA, through funding from the Victorian Government's Environmental Water Program.</p> <ul style="list-style-type: none">• 30 publications disseminated to promote the region's waterway values and the shared benefits of environmental watering. These included targeted materials (e.g. flyers, newsletter articles, videos, social media posts, and reports) to promote Seasonal Watering Proposals, opportunities for the community to be involved, and delivery outcomes.• 8 Environmental Watering Management Plans (i.e. Kings Billabong, Psyche Woorlong, Sandilong Creek, Cardross and Koorlong Lakes, Lake Hawthorn, Johnston and Chaffey Bend, Merbein Common, Wimmera Mallee Pipeline) to update associated ecological, social, recreational, and cultural objectives.• 9 Environmental Water Delivery Plans developed for sites receiving water in 2022–23• 218 assessments (e.g. cultural, fauna, flora, surface water) undertaken to monitor inundation extent and ecological responses to watering.• 2 Seasonal Watering Proposals developed for 2023–24 in consultation with key stakeholders, encompassing priority waterways within the Lower Murray Wetlands and Wimmera Mallee Pipeline Wetlands.• 40 engagement activities delivered (446 participants) with a focus on developing water literacy for key stakeholders, facilitating local participation in 'community-led action planning', and connecting community to local waterways through Citizen Science based programs (e.g. bird, bat and frog monitoring). <div></div> <p>School group at Kings Billabong.</p> <p>Lesser long-eared bat at Cronomby Tanke Bat Citizen Science Event.</p>
Floodplain Management Program	<p>The Implement Mallee Floodplain Management Strategy project is supported by the Mallee CMA, through funding from the Victorian Government's Floodplain Management Program.</p> <p>Delivery against priority actions established by the Mallee Floodplain Management Strategy (FMS) Regional Works Plan, included:</p> <ul style="list-style-type: none">• Progressing the River Murray Flood Study and completing Culgoa and Beulah Flood Studies to provide regional stakeholders with more accurate data and mapping for improved management of future flood events.• Updating Tyrrell and Lalbert Creek flood mapping for incorporation within associated LGA (Buloke) planning scheme.• 5 planning meetings (31 participants) to progress the mid-term review of the Mallee Floodplain Management Strategy (MFMS), including engagement of Mallee FMS Implementation Committee. <div></div> <p>Mallee Floodplain Management Strategy.</p>



Continued...

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Community Capacity for NRM' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Future Drought Fund	<p>The Building Transformative Resilience of the Mallee to Drought and Building Drought Resilience of Vulnerable Soils projects are supported by the Mallee CMA, through funding provided by the Australian Government's Future Drought Fund.</p> <ul style="list-style-type: none">• 41 assessments (agronomic and social) undertaken to evaluate innovative management practices, and determine change in stakeholder awareness and knowledge of soil erosion risks, appropriate interventions to stabilise and reclaim soils in impacted areas, and management practices that provide appropriate levels of protection to high risk soils in a variable climate.• 11 engagement events (120 participants) encompassing workshops, field days, and crop walks.• 15 farm specific soil erosion rehabilitation and risk mitigation action plans, supporting dryland farmers to address the immediate impacts of recent drought conditions, and to adjust their systems to mitigate the risks posed by future dry seasons.• 26 publications, including reports, articles, factsheets, and a video to promote project outcomes and disseminate information on best practice management of vulnerable soils.  <p>Forage shrubs field walk and demonstration, Murrayville 2023.</p>
Mallee Salinity Investment Plan	<p>Salinity Offsetting Charges are collected specifically to offset salinity impact of irrigation development from Nyah to the South Australian border.</p> <ul style="list-style-type: none">• 13 engagement events delivered/supported (215 participants), including a site at the Mildura Field Days to provide salinity focused information and activities, and 5 'shed' meetings to engage local irrigators.• 8 assessments conducted as part of the regional groundwater (436 bores monitored for water levels and salinity) and surface water (28 drainage outflow sites monitored for flow and salinity levels) programs to inform associated modelling and reporting requirements.• 10 reports produced to document annual monitoring programs and associated analyses.• 2 formal partnerships maintained to facilitate stakeholder input into the development, delivery, and evaluation of program activities. This encompassed ongoing operation of the Salinity Accountability Advisory Committee (SAAC) and participation in the Regional Water Monitoring Partnership (RWMPP) forum.• 1 plan detailing specifications for implementation of a regional Airborne Electromagnetic (AEM) survey of the Mallee irrigation region to efficiently map subsurface salinity and increase certainty in the assessment of risk associated with salinity impacts to the river and landscape as a result of Victorian Mallee irrigation.• 1 on-farm decision support tool for irrigation areas being piloted to support landscape salinity management and restoration consistent with legislation and investment guidelines.  <p>Mildura Field Days 2023.</p>  <p>Groundwater bore, North Hattah.</p>

Continued...

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Community Capacity for NRM' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Murray-Darling Basin Plan	<p>The Living Murray (TLM) is a joint initiative funded by the New South Wales, Victorian, South Australian, Australian Capital Territory, and Commonwealth governments, coordinated by the Murray Darling Basin Authority.</p> <ul style="list-style-type: none">• 37 assessments undertaken to support ongoing monitoring of the impacts of TLM investment over time on both threat mitigation (short-term) and resource condition (long-term). Key activities included fish, water bird, and vegetation health surveys within the two Icon Sites (Hattah and Lindsay, Mulcras, Wallpolla). Findings from these assessments were reported through 15 written publications.• 39 events engaged 589 participants in activities such as meetings (e.g. Talk Water events), field days (e.g. vegetation and fish monitoring training), and workshops (e.g. TLM IPP Forums). Target audiences included Traditional Owners/First Peoples, land managers, and the Operational Advisory Group (OAG).• 2 Seasonal Watering Proposals developed for 2023–24 in consultation with key stakeholders, encompassing priority waterways within the Hattah Lakes and Lindsay, Mulcras, and Wallpolla areas.• 8 partnerships maintained with Aboriginal Victorians groups, such as First People of the Millewa-Mallee Aboriginal Corporation (FPMMAC), and land manager agencies, including DEECA and the Murray Darling Basin Authority, for ensuring alignment of priorities, coordination of monitoring and management activities, and maintaining relationships with key stakeholders.  <p>Vegetation monitoring training with FPMMAC.</p>
National Landcare Program	<p>Regional Land Partnership (RLP) Projects including Core Services, Threatened Species Services, Threatened Ecological Community Services, Soil Services and Ramsar Services are supported by the Mallee CMA through funding provided by the Australian Government's National Landcare Program.</p> <ul style="list-style-type: none">• 102 engagement events delivered/supported (2,130 participants) to build stakeholder awareness of and capacity for regional delivery against program priorities including nationally significant threatened species (Malleefowl and Plains-wandere) and communities (Buloke Woodlands), sustainable agriculture management practices, and Ramsar management activities. Activities included field days, workshops, meetings, and training events. Citizen Science approaches were also employed to engage the local community in monitoring priority species/communities and the impact/incidence of associated threat processes.• 11 stewardship management agreements maintained with private landowners covering 172 ha of priority vegetation (i.e. Buloke Woodlands, Malleefowl habitat).• 13 community groups (Landcare, NRM community-based groups, and farmer groups) engaged to undertake the delivery of targeted on-ground works and/or community engagement events that support progress against RLP outcomes.• Continued, effective function of the Mallee CMA-Aboriginal Reference Group in fostering communications with Aboriginal stakeholders and providing input into regional initiatives and plans.• 102 assessments undertaken to support ongoing monitoring of the impacts of investment over time on both threat mitigation (short-term) and resource condition (long-term). Key activities included an annual survey being undertaken by the Birchip Landcare Group to verify the persistence of Plains-wandere in the southern Mallee, and delivery of the Adaptive Management Predator Experiment (AMPE) in partnership with the National Malleefowl Recovery Group to determine the efficacy and impact of fox baiting programs.• 77 publications disseminated to engage stakeholders and promote delivery against National Landcare priorities. These included social media posts, written publications (factsheets, media releases, poster displays, project reports), virtual tours of local research trials, and 2 editions of the 'Mallee Farmer' newsletter.  <p>Viewing a Malleefowl nest with the Mildura 4WD Club, 2023.</p>

Continued...

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Community Capacity for NRM' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Our Catchments, Our Communities	<p>Projects to improve catchment stewardship and partnerships are supported by the Mallee CMA, through funding from the Victorian Government's Our Catchment, Our Communities Program.</p> <ul style="list-style-type: none">17 formal partnerships established/maintained, including ongoing coordination/facilitation of Catchment Partnership Agreement (CPA) forums (i.e. the Biodiversity/Water and Sustainable Dryland Agriculture Catchment Partnership Committees) to support coordination and collaboration between key regional delivery partners, and with Traditional Owner organisations to facilitate review and renewal of the Mallee CMA Reconciliation Action Plan (RAP).15 assessments (cultural, social, ecological) undertaken to inform on-ground works delivery and evaluation processes, and to identify changes in stakeholder capacity for natural resource management (NRM) achieved through participation in project activities (e.g. stewardship program).10 management agreements established, including six with private landholders to undertake stewardship focused actions on riparian habitat and one with First People of the Millewa-Mallee Aboriginal Corporation for the delivery of works to protect a culturally significant site.35 engagement events (514 participants) including workshops with delivery partners and broader community stakeholders, participation in statewide forums, and on-Country events to support project planning and delivery.5 publications disseminated to promote project delivery and achievements.Coordination of 'regional leadership' grants program, with two key activities (environmental responses to the 2022 flood event workshop, and Annuello '100' event) supported.
Sustainable Irrigation Program	<p>Mallee Irrigation Frameworks, Wise Water Use and Best Practice, Irrigation Drainage Management, and BSM2030 projects are supported by the Mallee CMA, through funding from the Victorian Government to progress implementation of the Victorian Mallee Irrigation Region Land and Water Management Plan.</p> <ul style="list-style-type: none">38 engagement events delivered/supported (554 participants), including industry workshops, irrigation management training, presentations at partnership forums/project steering committees, and a site at the Mildura Field Days.12 publications disseminated to promote and/or report key 2022–23 activities including updated irrigation incentive guidelines and associated promotional material.20 formal partnerships established/maintained, including ongoing facilitation of the Land and Water Management Plan Implementation Committee.Participation in other key policy and partnership forums, including the Victorian Salt Disposal Working Group, statewide Sustainable Irrigation Program forum, and Seasonal Annual Use Limit (AUL) Adjustment Review Panel.10 management agreements established with private landholders to implement irrigation incentive works (i.e. scheduling equipment, system checks, system upgrades).11 assessments (groundwater, surface water, weather) to support seasonal annual use limits (AUL) adjustment assessments for the 2022–23 irrigation season.



Community representatives scoping waterbirds at Hattah Lakes after the 2022 flood event.



Shed meeting, Nangiloc 2023.



Shed meeting, Koorlong 2023.



Continued...

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority ‘Community Capacity for NRM’ activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Victorian Landcare Program	<p>The Regional Landcare Coordinator and Victorian Landcare Grant projects are supported by the Mallee CMA, through funding from the Victorian Government.</p> <ul style="list-style-type: none">• 24 engagement activities (373 participants), including Regional Landcare Facilitator and consortium meetings, and Victorian Landcare Team meetings.• 8 publications including a regular ‘Mallee Landcare’ e-newsletter, social media posts, a ‘Mallee Trees and Shrubs’ booklet, and contributions to the Victorian Landcare magazine to promote achievements and opportunities.• 24 partnerships established/maintained with regional Landcare and community groups to provide ongoing coordination and support for delivery of the 2022–23 round of Victorian Landcare Grants, with funded activities (e.g. pest plant and animal control, revegetation works) described under the Biodiversity and Waterways Theme.• 51 assessments (cultural, ecological, invasive species) conducted to support the planning and evaluation of on-ground works delivered through the Victorian Landcare Grants.  <p>Tree planting at World Landcare Day, July 2022.</p>
Victorian Murray Floodplain Restoration Project	<p>The Supporting Aboriginal Values project is supported by the Mallee CMA, through funding from the Victorian Government.</p> <ul style="list-style-type: none">• 10 engagement events including meetings on-Country to discuss Aboriginal Waterway Assessments and aspirations that Traditional Owners have regarding the management and healing of Country and priority waterways.• 1 report produced documenting gap analysis of the Victorian Murray Floodplain Restoration Project construction/delivery model and Traditional Owner aspirations to inform project planning and delivery.• 7 Environmental Water Management Plans (EWMPs) reviews/updates supported to incorporate cultural values as determined through stakeholder engagement.  <p>On-Country engagement at Aboriginal Waterway Assessment site.</p>
Water, Country, and Community Program	<p>The Aboriginal Water Officer project is supported by the Mallee CMA, through funding from the Victorian Government.</p> <ul style="list-style-type: none">• Providing advice into and supporting development of key planning documentation (i.e. 8 Environmental Water Management Plan (EWMP) updates) to promote Aboriginal values and interests.• Participating in the state-wide Aboriginal Water Officer Network, a key partnership forum, facilitated by the Aboriginal Water Unit of DEECA, that supports collaboration and connection between Aboriginal corporations, community, and government; shares knowledge and practices on Country; and strengthens capacity to self-determine partnership with and participation in the water industry.• 20 meetings to build working relationships with local Aboriginal Elders, Traditional Owner groups, and other community groups (e.g. Mallee District Aboriginal Services), discuss and provide input into water regimes and planning, and provide project updates.• 3 on-Country events with Traditional Owners and Aboriginal communities to promote Aboriginal water values and aspirations (i.e. Talk Water, and fish translocation actions).• 2 publications (flyer and social media post) to build awareness of Traditional Owner/Aboriginal partnerships and engagement in waterway projects.  <p>Talk Water event, Hattah 2023.</p>

Continued...

Table 4 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Community Capacity for NRM' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Waterway Environmental Works	<p>The Catfish Environmental Regulator project is supported by the Mallee CMA, through funding from the Victorian Government's Building Works stimulus package – Waterway Environmental Works component.</p> <ul style="list-style-type: none"> • 1 operations and maintenance manual, and one design report released for the newly constructed flow regulator at Catfish Billabong. • 4 engagement events delivered (14 participants) to communicate the importance and benefits of the regulator and provide project updates to stakeholders, including Friends of Merbein Common.  <p>Regulator actuator training for Mallee CMA employees.</p>
Waterway Health Program	<p>Projects including the Flagship Waterways (Merbein Common, Kings Billabong), Water Statutory Functions, and Improving Ramsar Management are supported by the Mallee CMA, through funding from the Victorian Government's Waterway Health Program.</p> <ul style="list-style-type: none"> • 106 engagement events (1,671 participants) to promote the region's riparian values and engage stakeholders in their management. This included working with Traditional Owners, land managers and community members to plan and deliver works at Merbein Common and Kings Billabong, the region's 2020–24 Flagship Waterway sites. • 14 formal partnerships established/maintained to facilitate coordinated approaches to the development, implementation, and review of regional waterway health-related activities. This included ongoing coordination/facilitation of the Hattah Ramsar Coordinating Committee, which was established to manage implementation of the Ramsar site management plan, and operation of project steering committees for each of the Flagship Waterway sites. • 6 plans developed or reviewed, encompassing MERI plans for the two Flagship sites, Hattah Ramsar site annual action plan and MER plan, a draft Cultural Heritage Management Plan for Merbein Common, and a final review of the Mallee Regional Waterway Strategy 2014–2022. These plans directly informed 104 assessments (e.g. cultural, social, fauna, flora, invasive species) undertaken to evaluate the impact/effectiveness of on-ground works and associated capacity building activities. Citizen Science approaches to MER activities were also employed, with local community members engaged in water quality, waterbug, bird, and turtle surveys. • 8 management agreements established, including with 3 Landcare/community groups to deliver riparian restoration works through the Angler Partnership Grants program. • 28 publications (social media posts, newsletter/paper articles, reports, booklets, and a radio interview) disseminated to promote project delivery and engage local stakeholders in associated planning processes.  <p>Hattah Activity Day March 2023.</p>
Waterways Recovery	<p>Flood recovery actions are supported by the Mallee CMA, through funding from the Victorian Government's 'Recovery from Natural Disasters' contribution.</p> <ul style="list-style-type: none"> • 29 community meetings supported (1,795 participants) to disseminate flood information. • 69 assessments, including water quality monitoring and property inspections for flood damage to inform recovery works. • 12 management agreements with private landholders and 2 partnerships with public land managers and Traditional Owner groups (Parks Victoria and FPMMAC) to conduct flood recovery works, including repairing damage to infrastructure and debris clean-up.  <p>Community drop-in session.</p>

Theme: Waterways

Extensive waterways are a key feature of the region. The Murray River, which forms the northern boundary of the Mallee CMA's area, supports extensive creek and wetland systems, together with associated riparian habitat. North flowing intermittent streams, including Yariambiack and Tyrrell Creeks, and the ephemeral wetland complexes in which they terminate (e.g. Wirrengren Plain, Lake Corrong, and Lake Tyrrell), are defining features of the southern part of the Mallee catchment.

There are more than 900 wetlands in the Victorian Mallee, 14 of which are listed as 'nationally significant'. The Hattah Lakes system is internationally recognised (under the Ramsar Convention) for its value to waterfowl and its importance in maintaining regional biodiversity. The wetland and floodplain ecosystems of the Hattah Lakes and the Lindsay-Mulcra-Wallpolla Islands have also been recognised as Icon Sites under The Living Murray Program.

The environmental condition of our waterways impacts directly on their capacity to provide the environmental, social, and economic services the community values. Mallee waterways continue to be threatened by a range of pressures that can directly impact one or more of their environmental attributes (e.g. connectivity, water quality). This can include altered water regimes, land, and water salinisation, invasive plants and animals, land-use change, and recreational pressures. External factors such as climatic conditions (both variability and change) and water availability are also key determinants of both the effectiveness of our management actions and the long-term health of our waterways that will require ongoing attention and adaptive management responses.

Mallee CMA is the regional caretaker for waterway health and relies on the development and implementation of robust and effective management plans at a national, state, regional, and local level to address key threatening processes in an integrated and targeted way. By continuing to work with regional partners and local stakeholders to deliver against priorities identified under this framework, Mallee CMA is seeking to deliver against the following Waterway-related outcome:

Waterways are healthy, resilient, and being managed for shared benefits.

Delivery against this outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Ministerial Expectations for 'waterway health' and 'recognise recreational values' policy areas (2022–23)
- Hattah-Kulkyne Lakes Ramsar Site Ecological Character Description (2011) and Annual Work Plan (2022–23)
- Environmental Watering Management Plans
- Mallee Waterway Strategy (2014–22)
- Mallee Floodplain Management Strategy (2018)
- Mallee Regional Catchment Strategy (2022–28)
- Our Catchments, Our Communities: Building on the Legacy for Better Stewardship (2021)
- Water for Victoria (2016).

Outcome Indicators and Performance Measures

Progress against these strategic outcomes is measured through organisational performance against three key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 5).

Delivery of over 168,000 hectares of environmental works over the 2018–23 reporting period represents significant progress against both the short-term (activity/output) and medium-term (outcome) targets set by the Mallee Waterway Strategy 2014–22 (MWS) for priority waterways within each of the region's 23 Waterway Management Units.

Management of the four sites identified by Water for Victoria (2016) as a priority for the Mallee (i.e. Merbein Common wetlands, Lindsay-Wallpolla Islands, Belsar-Yungera Floodplain complex, Kings Billabong and Woolong complex) has continued to be a priority under state-funded Waterway Health programs; supporting the delivery of environmental, economic, social, and cultural outcomes at each site. Of particular note is the suite of works implemented at the Merbein Common wetlands site, Mallee CMA's 2016–24 Flagship Waterway project titled 'There's nothing common about Merbein Common'. This initiative is delivering significant improvements in habitat condition by rationalising non-arterial user made tracks and repairing key access roads, controlling priority pest plants, and establishing native vegetation. Application of this approach is also being built on through the new (2020–24) flagship site at Kings Billabong, with track rationalisation and exclusion works to protect priority habitat that commenced in 2021–22.

Application of Seasonal Watering Plans for the region has resulted in 192 watering regimes being implemented over the past five years, inundating over 22,000 hectares to deliver against associated ecological, social, and cultural objectives set out by site based Environmental Water Management Plans. The number and area of watering regimes delivered in 2022–23 was reduced in response to high river flows and significant flooding across the basin, with most of the planned Murray River wetland sites receiving water via natural inundation.

Delivery of targeted works programs through the Regional Land Partnership Ramsar Services project has facilitated an increase in the area of pest animal control undertaken over the 2020–23 period. The four-year (2019–23) Commonwealth-funded project aims to maintain key invasive species (e.g. foxes, rabbits, goats, pigs) below critical thresholds within the Hattah Ramsar site, and ensure the benefits of environmental watering events can be fully realised. The increased area of pest animal control reported for 2021–23 also reflects changes in the way in which the area treated is calculated (i.e. 5 km buffers applied to feral pig trapping locations).

Mallee CMA places high importance on enhancing the recreational values of our priority waterways to support the well-being of rural and regional communities; with 90 individual visitor facilities installed over the past five years. This has included picnic and camping facilities, fishing platforms, canoe launches, walking tracks, and interpretation/appreciation signage.

Table 5 | Progress against performance measures for Waterway strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Waterway Health							
Improved waterway health and resilience (Ministerial Expectation CH2)	Waterways treated for priority pest animal species	hectares	8,624	5,714	16,986	57,958	57,177
	Waterways treated for priority weed species	hectares	3,310	2,178	3,139	2,524	1,909
	Native vegetation established	hectares	100	6	11	49	15
	Road rationalisation and repair works	kilometres	37	18	0	3	19
	Exclusion fencing installed	kilometres	39	27	49	8	9
	Flagship Waterways managed to deliver against Rivers 2040 targets	number	1	1	2	2	2
	Watering regimes delivering against environmental, social, and cultural objectives (i.e. as per Environmental Watering Management Plan)	number	48	34	48	34	28
Improved management of Mallee flood risks	Mallee Floodplain Management Strategy objectives progressed	hectares	559	2,557	9,915	5,633	3,542
Recognise recreational values							
Increased amenity and recreational values provided by regional waterways (Ministerial Expectation RV1)	Watering regimes delivering against recreational objectives	percent	100	100	100	100	100
	Visitor facilities installed	number	25	25	3	26	11

Activity Indicators and Performance Measures

Performance against our organisation's 2022–23 priority activities for progressing Waterway outcomes, including actual delivery against budgeted targets are provided in Table 6. Overall, 80 percent of performance targets were achieved or exceeded over the reporting period; with three of the 15 measures unable to be progressed as originally scheduled (i.e. exceeded 5% variance), specifically:

- *Native vegetation:* Planned revegetation works (7 ha) to enhance degraded areas and provide new habitat for native species around Lake Cullulleraine foreshore as part of the Our Catchments, Our Communities - *Island in the Sand - Ancient Connections* project were delayed by wet weather restricting site access for extended periods throughout the year. All works will be completed in 2023–24.
- *Road rationalisation and repair works:* Site inaccessibility at Lake Cullulleraine throughout 2022–23 also delayed delivery of planned track rationalisation works (10 km) and the completion of upgrades (4 km) to a walking track around the lake. All works will be completed in 2023–24.

- **Mallee Floodplain Management Strategy (FMS):** The 2018–28 Strategy identifies Mallee CMA as being responsible for the delivery of 13 priority management actions, with 9 (69%) scheduled to be progressed in 2022–23. While delivery targets for five (38%) of these actions were achieved (e.g. Murray River, Culgoa, and Beulah Flood Studies), the significant Murray River flood event that occurred throughout spring and summer of the reporting period required that staff priorities be re-directed to supporting associated emergency response activities. This meant that the remaining four (31%) actions were unable to be progressed as planned, encompassing development of an interactive community flood portal, investigating the impact of infrastructure (i.e. road, rail, decommissioned channels) of flood risks/impacts, acquiring updated LiDAR data for the region, and updating the Robinvale Flood Study to incorporate reconstructed levee. A mid-term review of all management actions set out by the Mallee FMS is currently being undertaken in consultation with regional stakeholders to confirm priorities for the 2023–28 implementation phase.

The significant performance variation for priority pest animal species control (i.e. 375%) reflects a change in the way targets for the 2020–24 Waterway Health Program were established and how the actual area treated is now required to be calculated and reported. Targets were developed by determining the area of riparian habitat within which works would be delivered, while actuals are calculated by applying species specific buffers to the point of treatment to better reflect their range of impact (i.e. 5 km buffers applied to feral pig trapping locations).

Table 6 | Performance against 2022–23 Waterway activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Waterway Health	Waterways treated for priority pest animal species	hectare	57,177	12,036	375	✓
	Waterways treated for priority weed species	hectare	1,909	1,912	0	✓
	Native vegetation established/maintained	hectare	15	22	-32	■
	Exclusion fencing installed/maintained	kilometre	9	7	38	✓
	Road rationalisation and repair works	kilometre	19	33	-43	■
	Waterway structures installed	number	3	3	0	✓
Deliver waterway management in line with Water for Victoria (2016) and Victorian Waterway Management Strategy (Ministerial Expectation CH2.2)	Water for Victoria identified priority sites managed to support delivery against identified environmental, economic, social, and cultural outcomes	number	4	4	0	✓
Implement the Murray-Darling Basin Authority's The Living Murray Program (TLM) at Lindsay, Mulcra and Wallpolla Islands: and Hattah Lakes	TLM sites managed, monitored, and reported as per contractual/government requirements	number	2	2	0	✓
Develop and implement Seasonal Watering Proposals to align with and deliver against site based Environmental Watering Management Plans (EWMPs)	Seasonal Watering Proposals submitted annually in line with stated requirements and accepted by associated partners/stakeholders	number	4	4	0	✓
	Environmental water management plans reviewed	percent	48	48	0	✓
	Watering regimes delivered annually	number	28	28	0	✓

Continued...


Table 6 | Performance against 2022–23 Waterway activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Recognise recreational values						
Implement priority actions established by the Mallee Floodplain Management Strategy (2018)	Mallee Floodplain Management Strategy priority management actions progressed by annual works programs	percent	38	69	-44	■
Plan for and provide water services that explicitly consider recreational values as part of existing frameworks (<i>Ministerial Expectation RV1</i>)	Environmental Water Management Plans incorporating recreational values and objectives	percent	48	48	0	✓
	Environmental water delivery events providing recreational benefits	percent	100	100	0	✓
	Visitor facilities established	number	11	5	120	✓

Key Initiatives and Projects

Initiatives that supported our delivery against the stated priority activities and associated performance targets in 2022–23 included both State and Commonwealth funded programs. An overview of their contribution in relation to waterway management is provided in Table 7.

Table 7 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Waterway' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Environmental Water Program	<p>Projects including Environmental Watering Reserve Officers are supported by the Mallee CMA, through funding from the Victorian Government's Environmental Water Program. Works are focused on the delivery of appropriate water regimes to enhance the environmental and social values of priority waterways.</p> <ul style="list-style-type: none">• Application of 2022–23 Seasonal Watering Plans for Hattah, Lindsay-Mulcra-Wallpolla, Murray Wetlands, and Wimmera Mallee Pipeline Wetlands resulted in 28 environmental water deliveries inundating 3,542 ha of priority floodplain habitat. Alignment with site based Environmental Water Management Plans is supporting progress against the associated ecological, social, and cultural objectives of the watering regimes  <p>Environmental Water delivery to Hattah Lakes.</p>

Continued...

Table 7 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Waterway' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
National Landcare Program	<p>Regional Land Partnership Mallee Ramsar Services are supported by the Mallee CMA through funding provided by the Australian Government's National Landcare Program.</p> <ul style="list-style-type: none">• 1,840 ha managed for Weeds of National Significance (e.g. African boxthorn, bridal creeper, prickly pear) to reduce competition within priority Black Box floodplain habitat and fringing woody vegetation.• Rabbit and feral goat control to reduce grazing impacts within priority River Red Gum (4,367 ha) and Black Box (800 ha) floodplain habitat.• Targeted fox control to reduce predation within 319 ha of waterbird breeding habitat.• Targeted feral pig control to reduce soil disruption and weed incursion impacts within 319 ha of Lake Bed Herbland.  <p>Controlling weeds at Hattah Lakes.</p>
Our Catchments, Our Communities	<p>The Islands in the Sand – Ancient Connections project is supported by the Mallee CMA, through funding from the Victorian Government's Our Catchments, Our Communities Program.</p> <p>Ongoing implementation of site-based plans delivered:</p> <ul style="list-style-type: none">• 2 km of walking track and 5 visitor facilities (i.e. picnic table and interpretive signage) to enhance the recreational opportunities provided by Lake Cullulleraine, an important community hub for local residents, Traditional Owners and tourists.• 10 ha of Black Box and River Red Gum revegetation was under a stewardship program to protect priority riparian habitat on private land.  <p>New picnic table installation at Lake Cullulleraine.</p>
Waterway Environmental Works	<p>The Catfish Environmental Regulator project is supported by the Mallee CMA, through funding from the Victorian Government's Building Works stimulus package – Waterway Environmental Works component.</p> <ul style="list-style-type: none">• Construction of an environmental flow regulator to enable the replication of appropriate water regimes (i.e. wetting and drying) and support improvements in the environmental, cultural, and social values that Catfish Billabong provides.  <p>Catfish Billabong Environmental Regulator construction.</p>

Continued...

Table 7 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Waterway' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Waterway Health Program	<p>Projects including the Flagship Waterways (Merbein Common, Kings Billabong), Water Statutory Functions, and Improving Ramsar Management are supported by the Mallee CMA, through funding from the Victorian Government's Waterway Health Program.</p> <p>Ongoing delivery against Mallee Waterway Strategy (2014–22) priorities in 2022–23 focused on the region's two Flagship Waterways (Merbein Common and Kings Billabong) and the Hattah Lakes Ramsar site. Implementation of associated Action Plans for each site delivered:</p> <ul style="list-style-type: none">• 17 km of track maintenance/upgrades, 6 km of exclusion fencing/bollards installed/ repaired, and 2 visitor facilities (i.e. interpretive signage) across the Flagship sites, with the Catfish Billabong crossing also being completed.• 46,000 ha of feral goat and pig control to protect key ecological values of the Ramsar listed lakes. <p>The Angler Partnership Program provides annual grants that support community groups to deliver riparian or instream works at waterways of local priority. In 2022–23 two groups (Mallee and Culgoa Landcare groups) protected riparian areas at Ouyen Lake and Tyrrell Creek through the delivery of:</p> <ul style="list-style-type: none">• 0.7 ha revegetation within priority of riparian habitat• 38 ha of targeted pest plant and animal control works (rabbits and weeds). <div><p>Revegetation at Tyrrell Creek by Culgoa Landcare Group through the Angler Partnership Program.</p><p>Completed Catfish Billabong crossing.</p><p>Interpretive sign installed at Merbein Common.</p></div>
Waterways Recovery	<p>Flood recovery actions are supported by the Mallee CMA, through funding from the Victorian Government's 'Recovery from Natural Disasters' contribution.</p> <p>Flood recovery actions were crucial in repairing and restoring impacted waterways, damaged infrastructure and recreational assets that are highly valued by local communities. Actions included:</p> <ul style="list-style-type: none">• Repairs of 4 damaged visitor facilities (canoe launches) at Kings Billabong.• Maintenance of Psyche Crossing to reopen the track and allow safe visitor access.• Repairs on 3 km of damaged fencing along Sandilong Creek.• Removal of flooding debris across 1,000 ha of flood affected areas. Rubbish removal was undertaken in partnership with First People of the Millewa-Mallee Aboriginal Corporation (FPMMAC). <div><p>Repairs at Psyche Crossing.</p><p>Flood clean-up at Merbein Common with FPMMAC.</p></div>

Theme: Biodiversity

The Mallee supports a diverse and unique range of flora and fauna. Several species occur here which are found nowhere else in Victoria, and many others are genetically distinct from their northern or southern relatives. This includes 40 species and six communities listed as threatened nationally (*Environment Protection and Biodiversity Conservation Act 1999*); and 393 species and seven communities listed at the state level (*Flora Fauna Guarantee Act 1988*).

Native vegetation across the Mallee once covered some 3,919,887 hectares, of which 52 percent is estimated to have been cleared, particularly those vegetation communities growing on more fertile alluvial soils (i.e. suitable for agriculture).

Much of the region's remaining vegetation has been reserved in large parks such as Murray-Sunset, Big Desert, Wyperfeld and Hattah-Kulkyne National Parks, extensive tracts of riverine and dryland state forests, and over 500 small reserves scattered throughout the agricultural area. These areas of public land are particularly significant given the largely cleared and fragmented agricultural landscape in which they occur.

Remnants on private land, and the roadsides and rail reserves dissecting this land, also represent significant areas of our native vegetation. These are of particular importance for the threatened flora they contain and for the connectivity opportunities they provide to our region's fauna.

Ongoing pressure from a range of long-term threats (e.g. climate variability, habitat loss, fragmentation, grazing pressure, competition from invasive weeds, introduced predators, inappropriate fire regimes, agricultural practices, recreational pressures, constrained regenerative capacity) and emerging threat processes (e.g. changing climate) are directly influencing the condition and resilience of Mallee biodiversity. Collaborative and sustained efforts to effectively manage these processes is vital to securing the long-term health of critical ecosystem processes and the services they provide to the region.

By working with our community and delivery partners to address these key threats, Mallee CMA is seeking to deliver against the following Biodiversity-related outcome:

Biodiversity is healthy, resilient, and valued

Delivery against this outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Mallee Regional Catchment Strategy (2022–28)
- Protecting Victoria's Environment – Biodiversity 2037 (2017)
- Australian Government's Threatened Species Strategy (2022–32)
- Commonwealth and Victorian Recovery Plans/Action Statements for target threatened species and communities.

Outcome Indicators and Performance Measures

Progress against this strategic long-term outcome is measured through organisational performance against two key indicators (see Table 8), one in relation to terrestrial habitat, and one for threatened species and communities.

Delivery of over 1.4 million hectares of environmental works across the 2018–23 reporting period represents significant progress against federal, state, and regional targets for Mallee biodiversity. This includes the re-establishment or enhancement of priority habitat through tube stock planting and direct seeding; targeted pest plant and animal (i.e. rabbit, feral goat, fox, feral cat) control to reduce competition, grazing and predation impacts; exclusion fencing to protect priority remnants from overgrazing; and the release of threatened fish species to reintroduce or enhance local populations.

The reduced areas of pest animal, weed and exclusion fencing works delivered over the 2021–23 period reflects finalisation of several projects funded under the State Government's Threatened Species Initiative. These projects delivered against actions identified by the Victorian Biodiversity Strategy (Protecting Victoria's Environment – Biodiversity 2037) as being a priority for the Mallee to support the protection and enhancement of terrestrial habitat supporting 16 threatened species and four threatened ecological communities.

Implementation of the 2018–23 National Landcare Program (NLP) is delivering against national priorities for threatened species and threatened ecological communities, with a focus on actions that are improving the connectivity of critical Malleefowl habitat, supporting the recovery of Buloke Woodlands, and validating the persistence of Plains-wanderers to support improvements in suitable habitat.

Broader terrestrial habitat improvement outcomes are also being progressed through the delivery of both targeted works and landscape-scale programs (e.g. works delivered under Victorian Landcare Grants).

Table 8 | Progress against performance measures for Biodiversity strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Enhancing the extent, condition, and ecological connectivity of high value terrestrial habitat	Habitat treated for priority pest animal species	hectares	327,306	280,967	269,772	117,026	62,211
	Habitat treated for priority weed species	hectares	123,756	108,297	120,199	14,742	15,245
	Native vegetation established	hectares	463	434	523	593	534
	Exclusion fencing installed/maintained	kilometres	25	5	71	0	2
Protecting the present diversity of Mallee threatened species and communities ¹	Threatened species targeted by on-ground works programs (i.e. species x location specific interventions)	number	-	-	-	-	3
	Threatened ecological communities targeted by on-ground works programs (i.e. community x location specific interventions)	number	-	-	-	-	3

¹ Reporting against this indicator and associated performance measures commenced in 2022–23 to align with renewed Mallee Regional Catchment Strategy (2022–2028) outcome targets.

Activity Indicators and Performance Measures

Performance against the organisation's 2022–23 priority activities for progressing Biodiversity outcomes, including actual delivery against budgeted targets are provided in Table 9. Overall, 80 percent of performance targets were achieved or exceeded over the reporting period; with two of the 10 measures unable to be progressed as originally scheduled (i.e. exceeded 5% variance), specifically:

- *Australian Government identified priority threatened species and places*: The Australian Government's Threatened Species Strategy (2022–32) identifies seven species and one place as a priority for the Victorian Mallee; with works programs specifically targeting three species scheduled to be delivered in 2022–23. While all actions relating to two species (Malleefowl and Plains-wanderer) were completed, translocation of Murray Hardyhead was not able to be undertaken as planned due to potential sites becoming unviable over the medium-term as a result of the 2022 Murray River flood event.
- *Threatened fauna species targeted by works programs*: Works programs targeting four listed (EPBC or FFG) species were scheduled to be delivered in 2022–23, with all actions for three of these (Malleefowl, Plains-wanderer and Southern Pygmy Perch) completed. As detailed above, the planned translocation of Murray Hardyhead was not feasible due to flooding.

Table 9 | Performance against 2022–23 Biodiversity activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Support implementation of Victoria's strategic plan for valuing and managing biodiversity into the future, Protecting Victoria's Environment – Biodiversity 2037 (2017); by delivering against actions identified as a priority for the Mallee	Habitat treated for priority pest animal species	hectare	62,211	57,195	9	✓
	Habitat treated for priority weed species	hectare	15,245	14,753	3	✓
	Native vegetation established/maintained	hectare	534	534	0	✓
	Exclusion fencing installed/maintained	kilometre	2	2	0	✓
Support implementation of Australian Government's Threatened Species Strategy (2022–32); by delivering against species and places with actions identified as a priority for the Mallee	Australian Government identified priority threatened species and places which occur in the Mallee targeted by works programs	number	2	3	-33	■
	Priority habitat managed to support recovery of threatened species identified by the Australian Government as a priority for the Victorian Mallee	hectare	28,379	27,965	1	✓
Align the delivery of threatened species and communities' programs with associated Action Statements and Recovery Plans; and stakeholder priorities (i.e. cultural importance and/or local significance)	Threatened flora species targeted by works programs to deliver against associated Action Statement/Recovery Plan	number	0	0	0	✓
	Threatened fauna species targeted by works programs to deliver against associated Action Statement/Recovery Plan	number	3	4	-25	■
	Threatened ecological communities targeted by works programs to deliver against associated Action Statement/Recovery Plan	number	3	3	0	✓
	Threatened species and ecological communities identified by stakeholders as culturally important and/or locally significant targeted by works programs	percent	10	>10%	-1	○

Key Initiatives and Projects

Initiatives that supported our delivery against the priority activities and associated performance targets in 2022–23 included both state and Commonwealth-funded programs. An overview of their contribution in relation to Biodiversity is provided in Table 10.

Table 10 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority Biodiversity activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
<p>Mid Murray Floodplain Recovery Reach Program</p>	<p>The Tri-state Alliance Fish project is supported by the Mallee CMA, through funding from the Murray Darling Basin Authority.</p> <ul style="list-style-type: none"> 1,400 Southern Pygmy Perch (<i>Nannoperca australis</i>) released at seven sites along Sandilong Creek, one of the surrogate sites in the Tri-State Program area providing backup populations and facilitating dispersal in the landscape.  <p>Southern Pygmy Perch release into Sandilong Creek August 2022.</p>  
<p>National Landscape Program</p>	<p>Regional Land Partnership Threatened Species Services and Threatened Ecological Community Services are supported by the Mallee CMA through funding provided by the Australian Government's National Landscape Program to progress delivery against Threatened Species Strategy (2022–2032) priorities and associated Recovery Plans.</p> <p>Targeted works implemented in partnership with land managers and community groups to support the recovery of two priority threatened species (Malleefowl, Plains-wanderer) included:</p> <ul style="list-style-type: none"> 27.4 ha of vegetation corridors established/enhanced (tubestock and direct seeding) to reconnect isolated Malleefowl populations with core habitat and 368 ha of 2018–22 planting maintained through supplementary planting and follow-up watering/invasive species management. 22,640 ha of critical Malleefowl and Plains-wanderer habitat managed for rabbits and feral goats to reduce grazing impacts and support regeneration outcomes. 13,122 ha of critical Malleefowl habitat managed for Weeds of National Significance (e.g. African boxthorn, bridal creeper). 14,597 ha of targeted fox control delivered in partnership with Malleefowl Recovery Group as part of the national Adaptive Management Predator Experiment. 2 km of exclusion fencing installed at a privately managed stewardship site for protection of critical Malleefowl habitat.  <p>Targeted pest plant and animal control and revegetation works are protecting Malleefowl across the Mallee region.</p>  <p>Boxthorn control in Buloke Woodland remnants.</p>  <p>Buloke Woodlands revegetation.</p>

Continued...

Table 10 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority Biodiversity activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Victorian Landcare Program	<p>Victorian Landcare Grant projects are supported by the Mallee CMA, through funding from the Victorian Government.</p> <p>In 2022–23, Victorian Landcare Grants supported Landcare and other environmental volunteer groups to undertake priority on-ground works, including:</p> <ul style="list-style-type: none">• 33 ha of revegetation - Yelta, Birchip and Mallee Landcare groups, and Greening Mildura.• 31 ha of targeted weed control - Hopetoun and Woomelang-Lascelles Landcare Group• 19,000 ha of targeted rabbit control - Nullawil, Murrayville, Sea Lake, Culgoa Curyo-Watchupga, Lalbert, Milleva-Canwarp, Hopetoun, Beulah, Woomelang-Lascelles, Kooloonong Natya, Waitchie, Ultima, Berniwillook, and Nyah West Landcare groups.



Yelta Landcare installing revegetation irrigation (Credit: Yelta Landcare).



Landcare workshop tour.

Theme: Land

Despite the semi-arid nature of the region, the predominance of winter rainfall and access to reliable water from the Murray River has allowed the Mallee to develop into an agriculturally diverse region, with important irrigation areas in the north along the Murray River, and extensive dryland cropping and grazing areas in the south, east and west. In total, some 62 percent of the region's area is utilised for agricultural production.

The productive capacity of our agricultural lands rose steadily over the last half of the twentieth century in response to increased mechanisation, improved management techniques, and genetic crop improvements. Today, agriculture remains our major land use and most economically important industry.

Dryland farming in the region covers some 2.4 million hectares and includes the cropping of a wide variety of cereals, pulse, and oilseed crops such as wheat, barley, vetch, lupins, lentils, and canola. Irrigation in the Mallee extends adjacent to the Murray River corridor from Nyah to the South Australian Border, encompassing Private Diverters and the Pumped Irrigation Districts of Mildura, Merbein, Red Cliffs, Robinvale, and Nyah. A groundwater irrigation district centred on the town of Murrayville also exists. The major irrigated sectors are almonds, wine grapes, table grapes, citrus, olives, dried fruit, and vegetables.

It is evident that despite the positive changes in land management being applied in the Mallee, the productivity of our dryland and irrigated agricultural lands continue to be vulnerable to a range of processes such as wind erosion, salinity, pests, and diseases, which, if not managed appropriately, have the potential to degrade the soils and water resources they rely on; and to potentially reduce the area available for production into the future.

Land management practices not only have the potential to impact on the productivity of agricultural land, but also on adjacent natural and cultural values. Off-site impacts such as sand drift, salinity, waterlogging, nutrient enrichment, and spray drift can have significant impacts on the health of our native species, waterways, and culturally significant sites.

External factors such as climatic conditions (both variability and change), water availability and deliverability, and global markets are also key determinants of both overall productivity and the incidence of off-site impacts that require ongoing attention and adaptive management by our agricultural industries.

By continuing to work with regional delivery partners, the Mallee CMA is seeking to support irrigators and dryland farmers to deliver against the following Land-related outcome:

Agricultural land is managed to optimise productive capacity, while avoiding or minimising environmental impacts.

Delivery against this outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Ministerial Expectations for 'water for agriculture' policy area (2022–23)
- Mallee Salinity Investment Plan
- Victorian Mallee Irrigation Region Land and Water Management Plan (2020–29)
- Mallee Dryland Sustainable Agriculture Strategy (2017–23)
- Mallee Regional Catchment Strategy (2022–28)
- Basin Salinity Management 2030 Strategy
- Water for Victoria (2016).

Outcome Indicators and Performance Measures

Progress against strategic outcomes is measured through organisational performance against two key indicators (see Table 11): one in relation to irrigated land, and one for dryland agriculture.

Irrigated land

Between 1997 and 2021 (for which comprehensive irrigation crop data is available) irrigation development reliant on water from the Murray River has increased from 39,470 hectares to 81,140 hectares, representing a more than doubling of the irrigable area. There is a further 6,785 hectares of irrigable land in the Murrayville groundwater irrigation area, a 5,580 hectare increase since 1997.

Annual calculations of salinity credit consumption through irrigation development is a key regional reporting requirement under both Basin Salinity Management (BSM) 2030 and the *Catchment and Land Protection Act 1994*. The BSM2030 salinity accountability framework commits partner governments (including Victoria) to maintain agreed salinity levels and ensure their actions that increase river salinity are offset by investing in actions to reduce salinity.

Over the 2017–21 reporting period, significant changes were made to the Nyah to SA Border Salinity Management Plan Accountable Action, with its Register A entry revised down from 18.6 EC to 13.4 EC, and a shift from medium to high confidence. These changes represented a major achievement that concludes four years of investment in model development and salinity impact investigations.

The progressive total of salinity debits is now estimated at 14.34 EC; representing a 0.4 EC increase from June 2022 for the Nyah to SA border irrigation and no change to the 0.4 EC impact from Nyah to Colignan. With a total salinity credit allocation of 23.22 EC the region is currently 8.88 EC in credit overall and remains compliant at a regional scale.

The Mallee Irrigation Incentive Program (MIIP), delivered in partnership with Agriculture Victoria, represents an integrated package of measures to encourage improved planning and management of irrigation and drainage systems. It provides financial assistance for improved irrigation management, for system upgrades, for skills development and planning at the farm level. All financial incentives are based on cost-sharing arrangements between the MIIP and irrigators, and are supported by two separate initiatives:

- Incentives funded under the Victorian Sustainable Irrigation Program focus on supporting on-farm works and measures to improve irrigation management and water efficiency.
- Salinity impact offset charges collected by water authorities are managed under the Mallee Salinity Investment Plan and support the implementation of works which will secure future salinity benefits by reducing salt loads to the Murray River.

Over the 2018–23 reporting period, the water use efficiency gains achieved by these works is estimated to be 2,286 ML, with salinity benefits estimated to be a reduction of 7,985 tonnes/year in salt to the Murray River.

The contribution of these activities to regional outcome measures has however reduced since 2020. Delivery of the MIIP was delayed in 2020–21 to align with completion of a state-wide review of irrigation incentive programs and enable associated recommendations to be incorporated into regional delivery processes; with a revised program launched in April 2021. Promotion of this new program was significantly impacted by ongoing COVID-19 restrictions, with many traditional engagement mechanisms (e.g. shed meetings) unable to be conducted and landholder interest limited throughout much of the 2021–22 reporting period. The delivery of targeted promotional campaigns has facilitated the submission expressions of interest (EOIs) from landholders throughout 2022–23, with a large proportion of works approved for incentives due to be completed in 2023–24.

Dryland agriculture

Mallee CMA's delivery against dryland agriculture outcomes is primarily funded under the Commonwealth's National Landcare Program (NLP) and Future Drought Fund (FDF) initiatives which identify increased groundcover (and reduced wind erosion), soil organic carbon, and drought resilience as priorities for the Victorian Mallee.

Over the 2018–23 reporting period, these programs have focused on building the awareness, knowledge, and skills of land managers in relation to implementing improved management practices (as reported under Objective 1 - Community Capacity for NRM of this performance report) and the delivery of on-ground research and development programs to identify, validate and promote best practice for soil health, productivity, and climate resilience outcomes.

The Mallee Dryland Sustainable Agriculture Strategy (2017–23) establishes a groundcover target of >50 percent to minimise the risk of wind erosion across the region's cropping areas. Performance against this target is reported annually in March, which represents a period of high erosion risk. Between 70 percent and 98 percent of the region achieved this target over the reporting period. The low (70-71%) figures reported for the 2018–20 period is largely a response to the well below average rainfall levels experienced across the region (especially the northern Mallee) over the two years, rather than any indication of widespread returns to inappropriate land management practices. Groundcover (75% of region achieving target) in March 2022 reflects relatively low rainfall over summer, with levels rising to 89 percent in April 2022 following the autumn break and to 98% in March 2023 in response to the 'very much above' average rainfall to 'highest on record' falls experienced in the preceding months.

Table 11 | Progress against performance measures for Land strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Irrigated Land							
Improved productivity and resilience of the Victorian Mallee irrigation sector (Ministerial Expenditure WAT)	Irrigable area	hectares	81,150	81,245	81,245	88,125	88,125
	Estimated water use efficiency (WUE) gains achieved by irrigation infrastructure works	ML	1,036	1,066	137	0	47
	Estimated salinity benefits (i.e. reduced irrigation recharge) achieved by irrigation infrastructure works	tonnes/year reduction in salt to Murray River	3,312	4,171	483	0	19
	Salinity credit uptake	EC at Morgan	18	18.46	13.8 ²	13.94	14.34
Dryland Agriculture							
Improved productive capacity and resilience of dryland agricultural soils within the Victorian Mallee	Targeted research, demonstration, and extension programs delivered to identify, validate, and promote 'best practice' for soil health, productivity, and climate resilience improvements	Number	2	2	2	3	4
	Proportion of the Mallee with more than 50 percent groundcover in March	percent	71	70	82	75	98

² Reported as 15.25 EC in 2020–21 Annual Report but revised following completion of accountable action review in 2021.

Activity Indicators and Performance Measures

Performance against the organisation's 2022–23 priority activities for progressing Land outcomes, including actual delivery against budgeted targets are provided in Table 12, with 100 percent of performance targets achieved or exceeded over the reporting period.



Table 12 | Performance against 2022–23 Land activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Irrigated land						
Support irrigation communities by implementing the Victorian Mallee Irrigation Region Land and Water Management Plan (2020–29) via collaborative partnerships with community and industry	Land and Water Management Plan priority management actions progressed	percent	38	38	0	✓
Promote sustainable irrigation management practices to support the growth and viability of regional communities (Ministerial Expectation WA1.1 & WA1.3)	Irrigation infrastructure upgrades/conversions for improved WUE	hectares	104	32	325	✓
Support implementation and reporting of Victoria's salinity impact obligations under the Basin Salinity Management 2030 Strategy (BSM2030) (Ministerial Expectation WA1.2)	Compliance with DEECA guidelines for Annual BSM2030 Implementation Report	percent	100	100	0	✓
	Accountable action reviews progressed as per BSM2030 Register	percent	100	100	0	✓
Implement priorities established by the Mallee's Salinity Investment Plan to offset the salinity impact of new irrigation development between Nyah and the South Australian border (Ministerial Expectation WA1.1)	Irrigation infrastructure upgrades/conversions for salinity benefits	hectares	2	0	0	✓
	Annual Mallee Salinity Investment Plan priority activities progressed	percent	100	100	0	✓
Dryland Agriculture						
Implement priority actions established by the Mallee Dryland Sustainable Agriculture Strategy (2017–23)	On-ground research and demonstration sites to identify, validate, and promote improved management practices	number	14	14	0	✓
	Targeted extension programs delivered to promote sustainable agricultural production systems and improved management practices	number	3	3	0	✓
	Monitoring programs delivered for improved understanding of spatial/temporal variability in land management practices and associated soil health impacts	number	3	3	0	✓

Key Initiatives and Projects

Initiatives that supported our delivery against the priority activities and associated performance targets in 2022–23 included State, Commonwealth, and regionally funded programs. An overview of their contribution in relation to Land management is provided in Table 13.

Table 13 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Land' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Future Drought Fund	<p>The Building Transformative Resilience of the Mallee to Drought and Building Drought Resilience of Vulnerable Soils projects are supported by the Mallee CMA, through funding provided by the Australian Government's Future Drought Fund.</p> <ul style="list-style-type: none">• 10 trial sites established across the region in areas vulnerable to wind erosion, demonstrating the effective integration of best practice strategies that improve groundcover, which in turn stabilise vulnerable soils and improve resilience to drought.• 3 trial sites maintained in the northern and central Mallee to demonstrate how alternative/novel fodder species/systems can be successfully integrated into farming systems to protect groundcover, increase feed reserves, and improve on-farm drought resilience.• 15 soil erosion rehabilitation and risk mitigation plans for dryland farmers in the northern Mallee, including electromagnetic (EM38) surveys to map soil properties (e.g. moisture, texture, salinity) and support the identification of tailored management actions.  <p>Fodder shrub demonstration site.</p>
Mallee Salinity Investment Plan	<p>Activities delivered by projects funded from Salinity Offsetting Charges (collected specifically to offset salinity impact of irrigation development from Nyah to the South Australian border).</p> <p>Priority activities established by the 2022–23 Mallee Salinity Investment Plan progressed, including:</p> <ul style="list-style-type: none">• Completion of works to improve the operational efficiency of the Mildura-Merbein Salt Interception Scheme, preventing a loss of 0.7EC credit for Victoria.• Implementation of a 'Run of River' salinity survey from Boundary Bend to Red Cliffs to improve numerical models estimating salt loads from groundwater to the river.  <p>Mildura Merbein Salt Interception Scheme works upgrade, 2023.</p>

Continued...

Table 13 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Land' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
National Landcare Program	<p>Regional Land Partnership Soils Services are supported by the Mallee CMA through funding provided by the Australian Government's National Landcare Program.</p> <p>Delivery against Regional Land Partnership priorities for wind erosion and soil organic carbon in partnership with Agriculture Victoria, Birchip Cropping Group, and Mallee Sustainable Farming included:</p> <ul style="list-style-type: none">• Targeted communication/engagement activities to improve awareness (and ultimately adoption) of alternative farming systems which have the potential to significantly enhance groundcover levels in the northern Mallee• Utilising existing research trial sites, delivery-focused sharing results/interpretations; identifying new/emerging risks and appropriate responses, and validation of key barriers/drivers of change.• Ongoing implementation of the revised Mallee Soil Erosion and Land Use Monitoring Framework to deliver against federal, state, and regional MER requirements. This includes conducting roadside transect surveys twice annually (autumn and spring) to determine land management practices, and the application of remote sensing to identify groundcover interactions.• Supporting the maintenance and data collection/collation requirements of two DustWatch nodes located within the region (Walpeup and Werimull). The data generated is utilised by the national monitoring framework which produces monthly reports on wind erosion indicators such as dust activity/groundcover at a range of scales.• Annual soil testing of 150 paddocks to further inform assessable soil carbon x land management data sources collating both historical and additional soil test data across the Mallee region, providing local context for existing scientific knowledge and a key stakeholder engagement mechanism.• Ongoing management, monitoring, and promotion of research/demonstration site established in 2020 to support increased awareness of practices influencing soil carbon in the southern Mallee.  <p>DustWatch node, Werimull.</p>
Sustainable Irrigation Program	<p>Mallee Irrigation Frameworks, Irrigation Drainage Management, Wise Water Use & Best Practice, and BSM2030 projects are supported by the Mallee CMA, through funding from the Victorian Government to progress implementation of the Victorian Mallee Irrigation Region Land and Water Management Plan.</p> <ul style="list-style-type: none">• Preparation and submission of the 2021–22 BSM2030 Annual Implementation Report, providing an assessment of the salinity impact of irrigation development under the Nyah to South Australian Border Salinity Management Plan as per government requirements.• Completion of the combined Reduced Irrigation Salinity Impact (RISI) Stage 1 and Stage 2 Accountable Action Reviews with Basin Salinity Management Advisory Panel endorsement of the Sunraysia Model Upgrade project report and application of associated model (EM2.6) outputs.• Completion of the Psyche Bend Lagoon and Sunraysia Drying of Drains Accountable Action Reviews, with no changes to the salinity impacts of both accountable actions being required.• Ongoing coordination and communication of the Seasonal Annual Use Limit (SAUL) adjustment process.• 74 ha of infrastructure upgrades and 30 ha of scheduling equipment installed across irrigated agricultural areas of the region for estimated water savings of 47 ML.  <p>Infrastructure upgrades inspection, March 2023.</p>  <p>Lower Murray Water Merbein Pump Station, December 2022.</p>

Theme: Culture and Heritage

The region's rich and diverse Aboriginal culture and heritage has been formed through the historical and spiritual significance of sites associated with human occupation spanning thousands of years, together with the enduring connection Traditional Owners/First Peoples have with Mallee landscapes. The oldest dated Aboriginal heritage site in the Mallee region is located at Direl (Lake Tyrrell), with human activity recorded as far back as between 26,600 and 32,000 years ago, although use of the site was possibly as early as 45,000 years ago.

The first inhabitants of our region were numerous Aboriginal tribes of different language groups, including: Ngintait, Ngarkat, Latji, Nyeri, Wergaia, Wadi, Wemba Wemba, Jari, and Tati. Given the semi-arid climate of the region, ready access to more permanent water has been a major determinant of human habitation, and as such the highest density of identified Aboriginal cultural heritage sites are located around, or close to areas of freshwater sources.

The high number of cultural sites throughout the Murray floodplain is unique in Victoria, both for their concentration and diversity; including large numbers of burials, middens, and hearth sites. There are also numerous meeting and ceremonial places, scarred trees, and artefact sites located across this landscape. In the south of the region, freshwater lakes, streams, and wetlands were focal points for Traditional Owners. Many lakes were the sites of large gatherings of several family groups that afforded trade and cultural exchanges.

Aboriginal cultural heritage is inextricably connected to our natural landscapes and as such is vulnerable to the same suite of threatening processes (e.g. altered hydrological regimes, soil erosion). Efforts to protect our natural values from these threats can also pose significant risks to cultural sites, particularly where soil disturbance is required (e.g. built infrastructure, invasive species management, and revegetation).

The *Aboriginal Heritage Act 2006* provides for the protection of cultural heritage in Victoria, covering both tangible and intangible heritage. The Aboriginal Heritage Regulations 2018 give effect to the Act, defining 'areas of cultural heritage sensitivity' and 'high impact activities'; and setting out the circumstances in which a Cultural Heritage Management Plan (CHMP) should be prepared.

Traditional Owners, as Registered Aboriginal Parties (RAPs), have cultural heritage responsibilities under the *Aboriginal Heritage Act 2006*. These include the evaluation of CHMPs and decisions about cultural heritage permit applications. There are currently two RAPs who represent the interests of Traditional Owners in their respective Country areas across the Mallee: Barengi Gadjin Land Council Aboriginal Corporation (BGLC) and First People of the Millewa-Mallee Aboriginal Corporation (FPMMAC). Provisions are also made for Traditional Owners in non-RAP areas to be engaged in cultural heritage protection and management processes.

In delivering against its cultural heritage management responsibilities, Mallee CMA continues to work with Traditional Owners, regional partners, and local stakeholders to deliver against the following outcome:

Aboriginal culture and heritage is protected and Traditional Owner led practices are embedded in the management and healing of Country

Delivery against this outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Mallee CMA Cultural Heritage Assessment Policy and Procedure (2020)
- Mallee CMA Indigenous Participation Plan (2023–28)
- Mallee CMA Reconciliation Action Plan (2018)
- Mallee Regional Catchment Strategy (2022–28)
- Aboriginal Participation Guidelines for Victorian Catchment Management Authorities (2016)
- Pupangarli Marmarnepu 'Owning Our Future' Aboriginal Self-Determination Reform Strategy 2020–25.

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against two key indicators (see Table 14).

Achieving full compliance with Aboriginal Heritage Regulations over the reporting period has been facilitated by ongoing implementation of the Mallee CMA Cultural Heritage Assessment Policy and Procedure (2023). This has included 568 Cultural Heritage assessments being undertaken at proposed works sites, encompassing all areas of our organisation's on-ground works programs (i.e. land, water, and biodiversity). Ten Cultural Heritage Management Plans (CHMPs) covering some 1,000 ha have also been developed, approved, and lodged by Mallee CMA with First Peoples – State Relations to identify the potential impacts of proposed activities and establish the measures to be taken to manage and protect Aboriginal cultural heritage.

It is assumed that a site listed on a relevant heritage register is afforded some level of protection, and similarly that sites captured within a CHMP are protected through associated threat/risk mitigation activities. This assumption is applied in determining progress against the organisation's stated outcome for Culture and Heritage. Mallee CMA Cultural Heritage Assessment and CHMP processes require that the location of any new (i.e. unregistered) sites identified as part of on-site inspections are provided to First Peoples – State Relations for inclusion on the Aboriginal Cultural Heritage Register and Information System (ACHRIS) database. While records are not kept regarding the number of sites specifically provided by Mallee CMA, performance at a regional scale is demonstrated by the total number of additional Aboriginal places and individual components registered in ACHRIS; which since 2018 has been 112 and 271 respectively.

Three programs are supporting the application of Traditional Owner expertise in caring for and healing Country; with the aim of rejuvenating, protecting, and implementing traditional ecological knowledge to meet cultural objectives that include social, ecological, and economic co-benefits, specially:

- First People of the Millewa-Mallee Aboriginal Corporation (FPMMAC) implementing actions (e.g. revegetation, pest plant and animal control) to rehabilitate a site with significant culture and heritage values as part of the Our Catchments, Our Communities program
- Barengi Gadjin Land Council Aboriginal Corporation (BGLC) restoring degraded Buloke Woodland habitat through targeted revegetation actions as part of the National Landcare Program (RLP)
- Traditional Owners undertaking Aboriginal Waterway Assessments to document the cultural health and use of waterways within the proposed Victorian Murray Floodplain Restoration Project site's Murray River floodplain waterways, identifying associated aspirations for these sites, support implementation of short-medium term priorities, and developing pathways to deliver against long-term goals.



Middens.

Table 14 | Progress against performance measures for Culture and Heritage strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Cultural landscapes are protected and improved as an integral component of land, water, and biodiversity management processes	Compliance with <i>Aboriginal Heritage Amendment Act 2016</i> (i.e. no non-compliance reports registered)	percent	100	100	100	100	100
	Registered Aboriginal Places (ACHRIS)	number	4,345	4,405	4,463	4,455 ³	4,457
	Components Recorded (ACHRIS)	number	6,031	6,128	6,214	6,281	6,302
	CHMPs approved and lodged by Mallee CMA with Aboriginal Victoria.	number	7	2	1	0	0
Traditional Owner led practices are rejuvenated and knowledge protected and applied to meet cultural objectives that include social, ecological, and economic co-benefits		hectare	300	812	2	0	0
	Programs applying TO led practices/knowledge to manage and heal Country ⁴	number	-	-	-	-	3



Fallen Scar tree.

³ The 2021–22 decrease in registered Places is likely due to the reclassification of the status of a site, or the merging of existing registered Places following further investigation.

⁴ Reporting against this performance measure and associated indicator commenced in 2022–23 to align with renewed Mallee Regional Catchment Strategy (2022–28) outcome targets.

Activity Indicators and Performance Measures

Performance against our organisation's 2022–23 priority activities for progressing Culture and Heritage outcomes, including actual delivery against budgeted targets are provided in Table 15. Overall, 80 percent of performance targets were achieved or exceeded over the reporting period; with one of the five measures unable to be progressed as originally scheduled (i.e. exceeded 5% variance), specifically:

- *Cultural Heritage Management Plan*: Completion of the CHMP being developed for planned works at the Merbein Common Flagship site was delayed by a combination of Traditional Owner availability throughout COVID-19 restrictions, significant rainfall events limiting site access throughout winter-spring 2022, and the site being impacted by the Murray River flood event over the 2022–23 summer. CHMP approval and lodgement processes will now be completed in the 2023–24 reporting period.

Table 15 | Performance against 2022–23 Culture and Heritage activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Implement all activities in line with the Mallee CMA Cultural Heritage Assessment Policy and Procedure (2018) to ensure that all obligations set out by the <i>Aboriginal Heritage Act 2016</i> are met; and that the location of any new (i.e. unregistered) sites are provided to First Peoples – State Relations for inclusion on the Aboriginal Cultural Heritage Register and Information System (ACHRIS) database	Proposed works sites with completed cultural heritage assessments/approvals	percent	100	100	0	✓
	Cultural Heritage Management Plans approved and lodged by Mallee CMA with First Peoples – State Relations	number	0	1	-100	■
Provide opportunities for First Peoples to be involved in cultural heritage assessments to build practical archaeological skills, facilitate connections with Country, and promote Indigenous ecological knowledge	Cultural heritage field assessments engaging and/or employing First Peoples	percent	100	100	0	✓
Traditional Owners speaking for Country through their own self-determined processes, including the incorporation of traditional ecological knowledge in NRM planning and delivery	Projects incorporating and delivering on cultural objectives and priorities	number	9	9	0	✓
	Traditional Owner led practices/knowledge applied to manage and heal Country	number	3	3	0	✓

Key Initiatives and Projects

Initiatives that supported our delivery against the priority activities and associated performance targets in 2022–23 included both State and Commonwealth funded programs. An overview of their contribution in relation to Culture and Heritage management is provided in Table 16.

Table 16 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority ‘Culture and Heritage’ activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Across all Programs	<ul style="list-style-type: none">• All 2022–23 funding initiatives delivering on-ground works programs have contributed to the delivery of 89 Cultural Heritage assessments undertaken at proposed works sites, encompassing >200,000 ha. Through these programs, Mallee CMA demonstrated 100% compliance with obligations as set out by the <i>Aboriginal Heritage Amendment Act 2016</i>.• Several programs applying Traditional Owner led practices and knowledge to manage and heal Country including:<ul style="list-style-type: none">- Victorian Mallee Floodplain Restoration Project – Supporting Aboriginal Values: 5 Aboriginal Waterway Assessments (AWA) conducted with local Traditional Owner groups (Wadi Wadi, Latje Latje, Tati Tati, and Weki Weki) to assess waterway values and identify associated cultural priorities for project areas.- Our Catchments Our Communities – Islands in the Sand - Ancient Connections: B16 is a privately managed site at Wallipolla that contains significant culture and heritage values. Actions undertaken by the associated Registered Aboriginal Party (First People of the Millewa-Mallee Aboriginal Corporation) included 4 ha of revegetation and 33 ha of rabbit and weed control.- National Landcare Program – Threatened Ecological Communities: 60 ha of revegetation to re-establish threatened Buloke Woodlands and enhance ecological functionality was undertaken in partnership with Barengi Gadjin Land Council Aboriginal Corporation (BGLC). Tubestock and seeds were procured from BGLC’s Dalki Garringa Native Nursery.
	<div><div><p>Undertaking Aboriginal Waterways Assessment, April 2023.</p></div><div><p>Black box revegetation at B16.</p></div></div> <div><p>Midden site at Ned's Corner.</p></div>

Business Objective

3

Strengthen our capacity to operate as a corporately and socially responsible organisation

Theme: Governance and Compliance

As a statutory authority, Mallee CMA has clear duties and accountabilities set out in legislation. The Statement of Obligations for the *Catchment and Land Protection Act 1994* (CaLP Act) and the *Water Act 1989*, the *Public Administration Act 2004*, the *Financial Management Act 1994*, and Mallee CMA's Board Charter of Corporate Governance all provide guidance for the Authority in relation to its governance requirements.

In delivering against these requirements, Mallee CMA is committed to a high level of corporate governance and to fostering a culture that values ethical behaviour, integrity, and respect. The Mallee CMA Board believes adopting and operating in accordance with high standards of corporate governance is essential for sustainable long-term performance and achievement of priority NRM outcomes.

Mallee CMA is also committed to building a diverse workforce and a culture of inclusion in all areas of our business by giving our staff a real voice and a sense of being valued for their difference of opinion, style, and approach in order to achieve improvements in the way we do business. We do this through leveraging strengths from differences in gender, culture, generational groups, ethnicity, personal preferences, physical and mental abilities, and by respecting people as individuals.

By continuing to focus on strong governance and sustainable business practices for improved transparency, accountability, and inclusiveness; Mallee CMA is seeking to deliver against the following Governance and Compliance related outcome:

Internal governance processes are ensuring compliance with all legislative requirements and statutory functions.

Delivery against this outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Ministerial Expectations for 'leadership, diversity and culture', and 'improved performance and demonstrating outcomes' policy areas (2022–23)
- Mallee CMA Quality Objectives (2022)
- Mallee CMA Risk Management Framework (2023)
- Mallee CMA Cultural Competency Framework (2022)
- Mallee CMA Gender Equality Action Plan (2021–25)
- Mallee CMA Integrity, Fraud and Compliance Framework (2023)
- Mallee CMA Strategic Internal Audit Plan (2022–23)
- Mallee CMA Asset Management Strategy (2021)
- Mallee CMA Fraud and Corruption Prevention Plan (2020–22)
- Mallee CMA Social Procurement Strategy (2022–25)
- Mallee CMA Workforce Strategy (2021–24).

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against two key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 17).

Mallee CMA's commitment to a high level of corporate governance continues to be demonstrated by the ongoing effort invested in retaining ISO 9001:2015 certification for our Quality Management System (QMS). Since achieving certification in 2016, annual surveillance audits have not identified any major non-conformities. Three yearly Accreditation Audits conducted in 2019 and 2022 did not identify any major or minor non-conformities, with recertification for the 2022–25 period achieved in November 2022. Furthermore, 100 percent of areas identified for improvement by these audits and annual management reviews continue to be addressed on an ongoing basis.

Our organisation also continues to demonstrate compliance with legislative requirements and statutory functions as set out by the CaLP and Water Acts. This has included incorporation of the 'outcome' based framework, introduced as a whole-of-government requirement in 2018–19, into annual planning and reporting processes (i.e. Corporate Plan and Annual Report).

Several regional strategies and plans have been progressed in line with legislated requirements and government guidelines over the 2018–23 reporting period. This has included completion of the Mallee Floodplain Management Strategy (2018), the Victorian Mallee Irrigation Region Land and Water Management Plan (2020), the Mallee CMA Social Procurement Strategy (2022), the Mallee Regional Catchment Strategy (2022–28), and the Mallee CMA Indigenous Participation Plan (2023).

The Mallee CMA Gender Equality Action Plan (GEAP) was accepted by the Commission for Gender Equality in the Public Sector in June 2022; demonstrating our commitment to gender equality throughout the organisation and ensuring it is embedded in all workplace behaviour and decision-making processes. Reporting against the strategies and measures set out by the GEAP commenced in 2022–23.

Implementation of the Mallee CMA Diversity and Inclusion Plan over the reporting period has also promoted leadership and culture across the organisation by providing cultural awareness training, promoting cultural and linguistic diversity, ensuring appropriate gender balance in recruitment panels, promoting LGBTQIA+ awareness and inclusion, and making organisational health and wellbeing initiatives available to all employees.



NAIDOC celebration at Kings Billabong.

Table 17 | Progress against performance measures for Governance and Compliance strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Improved performance and demonstrating outcomes							
Improved performance and demonstrated results against outcomes (Ministerial Expectation PE1)	Ongoing maintenance of ISO 9001:2015 Certification achieved in 2016 (major non-conformities findings by annual surveillance audits and three yearly accreditation audits)	number	0	0	0	0	0
	Quality Management System (QMS) initiatives implemented to support ongoing improvements/efficiencies	number	4	6	3	8	7
	Government approval/acceptance of Mallee CMA Annual Reports, Corporate Plans, Board/Audit and Risk Committee performance assessment reports, and legislated regional strategies/action plans	percent	100	100	100	100	100
	Statutory requirements (permits, referrals, advice, and licenses) responded to within the prescribed period (<20 working days)	percent	100	100	100	100	100
	Registered stakeholder feedback which is 'positive'	percent	89	100	89	87	83
	Participants rating the delivery of information at engagement activities as good/excellent	percent	97	98	98	98	98
Leadership, diversity, and culture							
Increased diversity and inclusion in the workplace (Ministerial expectation G1)	Mallee CMA Diversity and Inclusion Plan workforce initiatives implemented	percent	97	100	100	100	100
	Mallee CMA Gender Equality workforce initiatives implemented ⁵	percent	-	-	-	-	100

⁵ Reporting against this performance measure and associated indicator commenced in 2022–23 following acceptance of the Mallee CMA Gender Equality Action Plan (GEAP) in June 2022.

Activity Indicators and Performance Measures

Performance against the organisation's 2022–23 priority activities for progressing Governance and Compliance outcomes, including actual delivery against budgeted targets is provided in Table 18. Overall, 93 percent of performance targets were achieved or exceeded over the reporting period; with two of the 14 measures unable to be progressed as originally scheduled (i.e. exceeded 5% variance), specifically:

- *Strategic Frameworks:* Fourteen strategic planning, evaluation and reporting frameworks were scheduled to be developed or reviewed as per government guidelines in 2022–23, with 13 (93%) progressed and/or completed as per requirements, including renewal of the Mallee Regional Catchment Strategy and Mallee Indigenous Participation Plan, undertaking a mid-term review of the Mallee Waterway Strategy, and development of a MER Plan for the Victorian Mallee Irrigation Region Land and Water Management Plan). Completion of the 2018–28 Mallee Floodplain Strategy mid-term review was deferred to 2023–24 however, with internal staff and regional stakeholders needing to prioritise emergency response requirements associated with the significant Murray River flood event that occurred throughout spring and summer of the reporting period. This delay will also enable the learnings from the 2022 flood event to be considered in the review of management actions and the identification of priorities for the 2023–28 implementation phase of the Strategy.

Table 18 | Performance against 2022–23 Governance and Compliance activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Improved performance and demonstrating outcomes						
Collaborate with DEECA and other funding bodies to improve reporting systems and processes (Ministerial Expectation PE1.1)	Reporting-focused forums coordinated and/or supported to meet government and internal requirements	number	7	7	0	✓
	Compliance with DELWP 2021–22 Annual Report guidelines	percent	100	100	0	✓
Demonstrate outcomes of government investment into waterways and catchment health (Ministerial Expectation PE1.2)	Compliance with DEECA 2023–28 Corporate Plan guidelines	percent	100	100	0	✓
	Compliance with DEECA Guidelines for Board and Audit Committee performance assessment report	percent	100	100	0	✓
	Strategic planning, evaluation and reporting frameworks developed/reviewed in line with government/internal requirements	number	13	14	-7	■
Deliver efficiency through shared services, smarter procurement, and lower-cost technology (Ministerial Expectation PE1.3)	Management actions implemented to improve Mallee CMA Quality Management System including initiatives which support efficiencies	percent	100	100	0	✓
	Mallee CMA employees, Board, and committee members completing Fraud and Corruption prevention awareness training	percent	100	100	0	✓
Embed integrity within decision making processes	Alignment with Department Premier and Cabinet Cyber Security Strategy objectives	percent	100	100	0	✓

Continued...

Table 18 | Performance against 2022–23 Governance and Compliance activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Leadership, diversity, and culture						
Implement strategies that will increase cultural diversity in the workforce and gender equality in executive leadership and throughout the organisation (Ministerial Expectation G1.6)	Mallee CMA Diversity and Inclusion Plan key activities/initiatives progressed	percent	100	100	0	✓
	Priority actions established by the Mallee CMA Gender Equality Action Plan progressed	percent	100	100	0	✓
Encourage staff participation in the Victorian Public Sector Commission 'People Matter' Survey (Ministerial Expectation G1.7)	Staff participating in 'People Matter' survey	percent	77	>75	0	✓
Satisfy Customers	Works on Waterway statutory referrals responded to within required timeframes (< 20 days)	percent	100	100	0	✓
	Registered stakeholder feedback which is positive	percent	84	>85	-2	○
	Participants rating the delivery of information at Mallee CMA events/activities as good/excellent (not fair/poor)	percent	98	>90	0	✓



Mallee CMA employee recognition event.

Key Initiatives and Projects

An overview of key initiatives that supported delivery against the stated Governance and Compliance priority activities and associated performance targets in 2022–23 is provided in Table 19.

Table 19 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Governance and Compliance' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Catchment Governance Program	<p>The Mallee CMA delivers against corporate and statutory functions set out under <i>Catchment and Land Protection Act 1994</i> through funding support provided by the Victorian Government.</p> <ul style="list-style-type: none"> 9 Ordinary Board Meetings conducted and ongoing operation of associated sub-committees including the Audit and Risk Committee (10 meetings) and Remuneration Committee (1 meeting). Ongoing operation of the Land and Water Advisory Committee, maintaining a two-way communication channel between Board and members of the Victorian Mallee community (3 meetings). Development, implementation and reporting of business plans to support compliance with legislative obligations including the 2021–22 Annual Report, 2023–28 Corporate Plan, Diversity and Inclusion Plan 2017–22, Learning and Development Framework 2021–23, Gender Equality Action Plan 2021–25, and Social Procurement Strategy 2022–24. 8 information management systems maintained, including social media platforms and Mallee CMA website, Technology One financial and document management systems, and Employee and Supplier Induction and Incident Reporting system (Rapid). Delivery against the organisation's overarching Mallee CMA Information, Communication and Technology (ICT) strategy is ensuring that these individual components are part of a coordinated framework which continues to identify efficiency opportunities. 60 publications (e.g. social media posts, E-newsletter) disseminated for general promotion of the region's natural, cultural, and productive landscapes, and Mallee CMA operations.
Waterway Health Program	<p>Water Statutory Functions as required under Part 10 and 11 of the <i>Water Act 1989</i> are delivered by the Mallee CMA, through funding from the Victorian Government.</p> <ul style="list-style-type: none"> Delivery against the Mallee CMA statutory responsibilities with regard to floodplain management and works on waterways included processing 33 planning referrals, providing 32 formal responses to enquiries, and issuing 6 waterway permits. Ongoing application of the Floodzoom program, including Planning System module for processing and responding to integration floodplain referrals, advice, and works on waterways permits. Participation in 6 associated forums including the state-wide Floodplain Managers Forum, and the Floodzoom planning, spatial and emergency groups.



Mallee Connections E-newsletter, June 2023.

Theme: Integrated Catchment Management

Mallee CMA programs and projects are developed to deliver against regional priorities detailed in the Mallee Regional Catchment Strategy (RCS) and its associated sub-strategies and plans. The Mallee RCS is prepared under the provisions of the CaLP Act to establish a framework for the integrated and coordinated management of the region's natural, productive, and cultural landscapes. Developed in partnership with regional stakeholders, it provides a six-year framework for strategic action to support and focus the ongoing coordinated effort of the region's land managers, government agencies, and community groups.

Application of the RCS's integrated and targeted delivery framework to project planning further ensures available resources are applied effectively and efficiently. Under this framework key threatening processes are addressed across priority landscapes to deliver environmental, social, and economic outcomes for multiple asset types (e.g. waterways, biodiversity, and community capacity) and their associated natural, cultural, and/or productive values.

The RCS monitoring, evaluation, reporting, and improvement (MERI) framework is also applied to Mallee CMA programs, projects, and associated activities to support continuous improvement and adaptive management processes.

By continuing to apply this approach to the identification and implementation of regional NRM priorities, Mallee CMA is seeking to deliver against the following Integrated Catchment Management-related outcome:

Regional planning, delivery and evaluation processes are supporting integrated and targeted NRM outcomes.

Delivery against this stated outcome also contributes to achieving priorities established by key policy and strategic frameworks, including:

- Ministerial Expectations for 'catchment health', 'climate change', and 'resilient and liveable cities and towns' policy areas (2022–23)
- Mallee Natural Resource Management for Climate Change Plan (2016)
- Vic Catchments Strategic Plan – Looking Forward 2020–23
- Our Catchments Our Communities - Building on the Legacy for Better Stewardship (2020)
- Integrated Water Management Framework for Victoria (2017)
- Victoria's Climate Change Strategy (2021).

Outcome Indicators and Performance Measures

Progress against the strategic outcomes is measured through organisational performance against three key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 20).

Mallee CMA programs and projects are collectively achieving ICM outcomes across the region through their alignment with regional priorities detailed within the Mallee RCS. Developed in partnership with regional stakeholders, review and renewal of this primary strategic planning document commenced in 2020–21 to establish the next six-year (2021–27) framework for strategic action that supports and focuses the ongoing coordinated effort of the region's land managers, government agencies, community groups, and Traditional Owners. With release of the revised 2022–28 document in January 2023, the new framework set out by the Strategy has been applied in assessing performance against 2022–23 outcome indicators; with the previous four years measured against the previous (2013–19) RCS.

The RCS prioritises key threatening processes and associated interventions within high value landscapes (Local Areas) to deliver environmental, social, and economic outcomes for multiple asset types (e.g. waterways, biodiversity, and community capacity) and their associated natural, cultural, and/or productive values. Alignment with these priorities over the 2018–23 period is demonstrated by the extent to which Mallee CMA NRM activities are delivering against medium-term targets each year (92 percent average), and the high proportion of associated works that are being delivered annually within priority landscapes (96 percent average).

Completion of the 2016–20-funded 'Tyrrell Project – Ancient Landscapes, New Connections' represented significant progress in applying the RCS ICM framework, delivering landscape-scale stewardship outcomes for multiple assets occurring within the Avoca Basin Terminal Lakes System and Creeklines target area. Application of this approach is also being built on by implementation of another ICM-focused initiative, the 2021–24 'Islands in the Sand' project. This project is delivering against community and Traditional Owner priorities for two Mallee RCS priority landscapes: the 'Murray River and Floodplain – Merbein to SA Border' and 'Northwest Savannah Woodlands'.

Opportunities for integrated outcomes across the broader region are identified and progressed through stakeholder participation in the Mallee's two Catchment Partnership Committees (CPCs). These Sustainable Agriculture and Biodiversity/Water focused forums are delivering against the objectives of the Mallee Catchment Partnership Agreement by enhancing knowledge sharing between members and further strengthening collaborative approaches to NRM.

As an addendum to the Mallee RCS, the Mallee NRM for Climate Change Plan identifies 17 priority management actions (interventions) to support regional adaptation and resilience outcomes. Mallee CMA has continued to plan for and respond to a changing climate by incorporating priority landscapes and associated interventions established by this Plan into the ongoing delivery of regional programs. This has included participation on the Victorian CMA's state-wide climate change forum to facilitate knowledge transfer and support coordinated approaches to associated planning processes. Key carbon sequestration/offset initiatives progressed by the forum over the 2018–23 period has included the 'State-wide Carbon Sequestration Analysis Project' undertaken in partnership with Water Corporations to establish regional carbon yields/implementation costs associated with environmental planting offsets, improving stakeholder understanding of opportunities and challenges of co-benefits and co-investments related to carbon offsets in the water sector, and identifying key knowledge gaps and associated opportunities to progress Teal carbon outcomes. Mallee CMA is also working with Birchip Cropping Group to deliver soil carbon-focused activities which facilitate the identification, validation, and communication of practices for improved sequestration outcomes in the southern Mallee.

Initiatives that enhance public spaces and urban waterway values through Integrated Waterway Management (IWM) collaborations also continued to be supported. Key measures progressed in partnership with regional stakeholders over the reporting period have included: application of the Lake Ranfurly and Lake Hawthorn Integrated Management Plan; implementation of the Wetland Management Strategy for Kings Billabong, Psyche Bend Lagoon and Woorlong Wetland; and engagement with First People of the Millewa-Mallee Aboriginal Corporation to ensure Aboriginal values are recognised and supported by associated waterway management activities.



Water bugs and families, Swan Hill Market Day.

Table 20 | Progress against performance measures for Integrated Catchment Management strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2018–19	2019–20	2020–21	2021–22	2022–23
Catchment health							
Improved catchment health and resilience (Ministerial Expectation CH2)	Compliance with the Catchment Condition and Management Report guidelines	percent	-	-	-	100	100
	Mallee RCS medium-term (6-year) outcome targets delivered against	percent	95	95	93	95	80
	On-ground works delivered within Mallee RCS priority landscapes (Local Areas) to support integrated catchment management outcomes	percent	99	96	96	92	97
	Our Catchments, Our Communities - Building on the legacy for better stewardship priority ICM actions progressed (i.e. CMA responsible)	percent	80	80	100	100	100
Climate change							
Active and collaborative investigation into new opportunities to sequester carbon (Ministerial Expectation E1)	Carbon sequestration/offset initiatives supported – including through projects which deliver economic, environmental, and/or social co-benefits for Mallee communities	number	2	3	3	3	2
	Mallee NRM Plan for Climate Change adaptation outcome targets (6 year) delivered against	percent	94	94	88	94	100
Resilient and liveable cities and towns							
Enhanced public spaces and urban waterway values (Ministerial Expectation LC1)	Initiatives implemented through integrated waterway management (IWM) collaborations	number	4	4	4	4	4



Canoe Launch, Merbein.

Activity Indicators and Performance Measures

Performance against our organisation's 2022–23 priority activities for progressing Integrated Catchment Management outcomes, including actual delivery against budgeted targets is provided in Table 21; with 100 percent of performance targets achieved or exceeded over the reporting period.

Table 21 | Performance against 2022–23 Integrated Catchment Management activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Catchment health						
Coordinate implementation and reporting of RCS in line with legislative changes (Ministerial Expectation CH2.1)	Mallee RCS priority management actions progressed	percent	85	>75%	0	✓
	Compliance with guidelines for development and dissemination of RCS Annual Report (Catchment Condition and Management Report)	percent	100	100	0	✓
Deliver integrated catchment management (ICM) in line with Our Catchments Our Communities (OCOC) – Building on the legacy for better stewardship (Ministerial Expectation CH2.2)	OCOC priority ICM objectives progressed	percent	100	100	0	✓
	Place-based on-ground catchment stewardship projects delivered in partnership with local stakeholders and Traditional Owners	number	17	17	0	✓
Work collectively via Vic Catchments membership to strengthen collaboration/performance in the Catchment management sector in Victoria (Ministerial Expectation PE1.4)	Priority actions/projects identified within Vic Catchments Strategic Framework actively supported	percent	100	100	0	✓
Lead the implementation, monitoring and reporting of the Mallee Catchment Partnership Agreement (CPA) (Ministerial Expectation CH2.3)	Partnership forums delivering against Mallee CPA objectives	number	3	3	0	✓
	CPA signatories participating in the Mallee CPA forums	percent	100	100	0	✓
	Priority actions identified by the CPA Annual Plan progressed	number	6	6	0	✓
Climate change						
Explore opportunities to sequester carbon and generate carbon offsets (Ministerial Expectation E1.1)	Carbon sequestration/offsets opportunities progressed in partnership with land managers and other regional stakeholders	number	2	2	0	✓
Progress on climate change adaption initiatives outlined in Mallee climate change and catchment strategies (Ministerial Expectation E1.2)	Mallee NRM Plan for Climate Change/Mallee RCS priority adaptation actions progressed	percent	100	>75	0	✓

Continued...

Table 21 | Performance against 2022–23 Integrated Catchment Management activity measures

Activity Indicators	Performance measures	Unit of measure	2022–23 actual	2022–23 target	Performance variation (%)	Result
Resilient and liveable cities and towns						
Collaborate with water corporations and local government, including the participation in Integrated Water Management (IWM) Forums, to help facilitate integrated water management, with a focus on enhancing public open spaces (Ministerial Expectation LC1.1)	IWM forums participated in	number	1	1	0	✓
Participate in the development and implementation of IWM plans, particularly through prioritising measures to enhance urban waterway values (Ministerial Expectation LC1.2)	IWM priority measures supported	number	4	4	0	✓



Track upgrade, Kings Biliabong.

Key Initiatives and Projects

An overview of key initiatives that supported our delivery against the Integrated Catchment Management priority activities and associated performance targets in 2022–23 is provided in Table 22.

Table 22 | Key outputs delivered under government programs/initiatives contributing to the achievement of 2022–23 priority 'Integrated Catchment Management' activities and associated performance targets

Program/Initiative	Key 2022–23 outputs and achievements
Catchment Governance Program	<p>The Mallee CMA delivers against corporate and statutory functions set out under <i>Catchment and Land Protection Act 1994</i> through funding support provided by the Victorian Government.</p> <p>Ongoing participation in regional, state-wide, and national planning, evaluation, and reporting forums, including:</p> <ul style="list-style-type: none"> • Vic Catchments forum, with support provided for delivery against Strategic Framework priorities (i.e. Effective community engagement in catchment management; better connections between state, regional, and local planning; strengthened implementation of Regional Catchment Strategies; clearer roles, strengthened accountability and coordination; and improved monitoring, evaluation, and reporting). • Northern Mallee Integrated Water Management forum to facilitate collaboration with water corporations and local government. • Tri-State Murray NRM Regional Alliance, which consists of the Victorian North East, Goulburn Broken, North Central and Mallee Catchment Management Authorities; the New South Wales Murray Local Land Services; and the South Australian Murray-Darling Basin Natural Resources Management Board. The Alliance was formalised by the signing of the Tri-State Murray NRM Regional Alliance MOU in 2015. • NRM Regions Australia, which has representation from chairs of each of the 54 regional NRM bodies across Australia. The primary objectives of the group are to build networks, share information, and receive briefings on strategic direction for NRM policies and programs. • Application and maintenance of regional evidence base to support the collection, collation and communication of information required by RCS and Corporate Plan reporting frameworks.  <p>Tri-State Murray NRM Regional Alliance.</p>
Our Catchments Our Communities	<p>Projects supporting integrated catchment management (ICM) outcomes are supported by the Mallee CMA, through funding from the Victorian Government.</p> <ul style="list-style-type: none"> • Release of the 2022–28 Mallee Regional Catchment Strategy, establishing a 6-year framework for strategic action that supports and focuses the ongoing coordinated effort of the region's land managers, government agencies, community groups, and Traditional Owners.  <p>Alison McTaggart (Mallee CMA Board Chair) with Mallee Regional Catchment Strategy 2022–28.</p> <ul style="list-style-type: none"> • 6 formal partnerships established/maintained to facilitate coordinated approaches to the identification, development, implementation, and review of integrated catchment management. This included operation of the Mallee RCS Steering Committee, and participation in state-wide forums with representation from all Victorian CMAs. • Ongoing coordination of the region's two Catchment Partnership Committees (Sustainable Agriculture and Biodiversity/Water) to deliver against objectives of the Mallee Catchment Partnership Agreement by enhancing knowledge sharing between members and further strengthening collaborative approaches to NRM in the region. • Implementation of the 2021–24 Mallee ICM project: 'Islands in the Sand – Ancient Connections' project to deliver against community and Traditional Owner priorities that provide multiple (environmental economic and social) outcomes for two Mallee RCS priority local areas: the 'Murray River Floodplain' and 'Murray Scroll Belt'.

Part 1

Performance Reporting - Financial

Five year financial summary

The Mallee CMA's financial results for this reporting year and the previous four years are detailed in Table 23.

Table 23 | Five year financial summary

Five year financial summary	2022-23 \$'000	2021-22 \$'000	2020-21 \$'000	2019-20 \$'000	2018-19 \$'000
Revenue					
Commonwealth Government contributions	5,110	6,061	4,881	4,538	4,650
State Government contributions	9,792	11,150	9,946	7,500	7,181
Other revenue	8,244	9,109	7,057	6,275	3,962
Total Revenue	23,146	26,320	21,884	18,313	15,793
Expenditure					
Employee benefits expenses	6,440	6,365	5,817	4,957	5,000
Grants and Incentives	1,902	724	1,083	1,365	1,518
Other operating expenses	12,973	15,248	9,966	10,470	9,161
Total Expenditure	21,315	22,337	18,866	16,793	15,679
Assets					
Current assets	52,395	50,270	46,406	42,768	41,544
Non-current assets	464	333	460	664	738
Total Assets	52,859	50,603	46,866	43,432	42,282
Liabilities					
Current liabilities	833	666	978	1,460	1,565
Non-current liabilities	836	1,205	1,139	161	122
Total Liabilities	1,669	1,871	2,117	1,621	1,687

Current year financial review

Mallee CMA is financially sound, with adequate provisions in place to fulfil its obligations to employees, and replacement of plant and equipment. Sufficient resources are allocated to deliver the Corporate Plan business objectives, forming the organisation's strategic direction for 2022-23.

State Government contributions were impacted by the 2022-23 flood event, with a significant reduction in Environmental Watering requirements across the region. Other Operating Expenses were impacted by the limited, to no access to sites that experienced flooding, resulting in significant delays in contractor and Cultural Heritage assessment work.

The decrease in State contribution was also attributable to the completion of the Threatened Species Protection Initiative program.

Mallee CMA reported a surplus of \$2,457,818 (2022: surplus \$3,982,466) for the financial year. Assets exceed liabilities by \$51,189,969 (2022: \$48,732,150).

Significant changes in financial position

There were no significant matters which changed our financial position during the reporting period.

Significant changes or factors affecting performance

There were no significant changes or factors which affected our performance during the reporting period.

Disclosure of grants and transfer payments

Mallee CMA has provided financial assistance as part of the grants and incentives programs it is responsible for administering. Grants were provided in 2022–23 to deliver targeted on-ground works (i.e. fencing, revegetation, pest plant, and animal control, track rationalisation and maintenance, access improvement, and signage), and capacity building activities (i.e. demonstration sites, workshops, field days, citizen science).

Table 24 | Disclosure of grants and transfer payments

Organisation	Payments \$
Victorian Landcare Grants (Victorian Landcare Program)	
On-ground works that protect and restore the Victorian landscape	
Berrillock Landcare Group	16,326
Beulah Landcare Group	16,326
Culgoa Landcare Group	15,000
Curyo-Watchupga Landcare Group	16,326
Friends of Mallee Conservation	7,120
Red Cliffs and District Community Landcare Group	3,340
Hopetoun Landcare Group	16,326
Kooloonong-Natya Landcare Group	16,326
Lalbert Landcare Group	16,326
Mallee Landcare Group	16,326
Manangatang Landcare Group	500
Millewa Carwarp Landcare	32,653
Murrayville Landcare Group	16,326
Nullawil Landcare Group	16,326
Nyah West Landcare Group	16,326
Sea Lake Landcare Group	4,747
Ultima Landcare Group	16,326
Waitchie & District Landcare Group	16,326
Woomelang Lascelles Landcare Group	16,326
Yelta Landcare Group	10,824
Mallee Wise Water Use and Best Practice (Sustainable Irrigation Program)	
Irrigation infrastructure upgrades/conversions for improved water-use efficiency (WUE)	
3 Landholders	25,106
Salinity Capital	
Irrigation infrastructure upgrades/conversions for improved WUE	
1 Landholder	2,740
Islands in the Sand (Our Catchments Our Communities)	
Pest plant and animal control, fencing, revegetation works and track maintenance	
First People of the Millewa Mallee Aboriginal Corporation	86,365
6 Landholders	26,582
The Catfish Connection (Waterway Health Program)	
Angler Partnership Grants (Pest plant and animal, track rationalisation, access improvement, signage, information sessions, presentations)	
Culgoa Landcare Group	2,530
Mallee Landcare Group	9,391
OzFish Unlimited	13,309
Ramsar Services (National Landcare Program)	
Pest plant and animal control	
Parks Victoria	235,000

Continued...

Table 24 | Disclosure of grants and transfer payments *Continued...*

Organisation	Payments \$
Threatened Species Services (National Landcare Program)	
Revegetation, pest plant and animal control, and citizen science programs	
Mallee Landcare Group	5,000
National Malleefowl Recovery Group	13,182
Mildura Rural City Council	47,243
Yarriambiack Shire Council	17,168
Birchip Landcare Group	20,000
Department of Energy, Environment and Climate Action	137,459
4 Landholders	41,331
Threatened Ecological Communities Services (National Landcare Program)	
Revegetation, pest plant and animal control, and stewardship program	
Barengi Gadjin Land Council Aboriginal Corporation	116,966
Swan Hill Rural City Council	10,000
Yarriambiack Shire Council	10,000
Hopetoun Landcare Group	20,319
Nullawil Landcare Group	54,046
Nyah West Landcare Group	10,000
Waitchie & District Landcare Group	5,632
5 Landholders	62,683
Soils Services (National Landcare Program)	
Demonstration site, field days, workshops, and targeted extension materials	
Mallee Sustainable Farming	110,000
Birchip Cropping Group	110,000
Building Drought Resilience of Vulnerable Soils (Future Drought Fund)	
Demonstration sites, field days, workshops, and targeted extension materials	
Mallee Sustainable Farming	35,854
Birchip Cropping Group	106,088
Building Transformative Resilience of the Mallee to Drought (Future Drought Fund)	
Demonstration sites, field days, workshops, and targeted extension materials	
Mallee Sustainable Farming	282,059
TOTAL	1,902,475

Subsequent events

There were no events occurring after the balance date which may significantly affect Mallee CMA's operations in subsequent reporting periods.

Part 2

Governance and Organisational Structure

Organisational structure and corporate governance

The organisational and governance structure of the Mallee CMA (Figure 4) provides a framework for the integrated and effective management of the region's key assets. This structure allows for efficient program planning across all areas of operation and the sharing of resources, where possible, with partner agencies and the community.

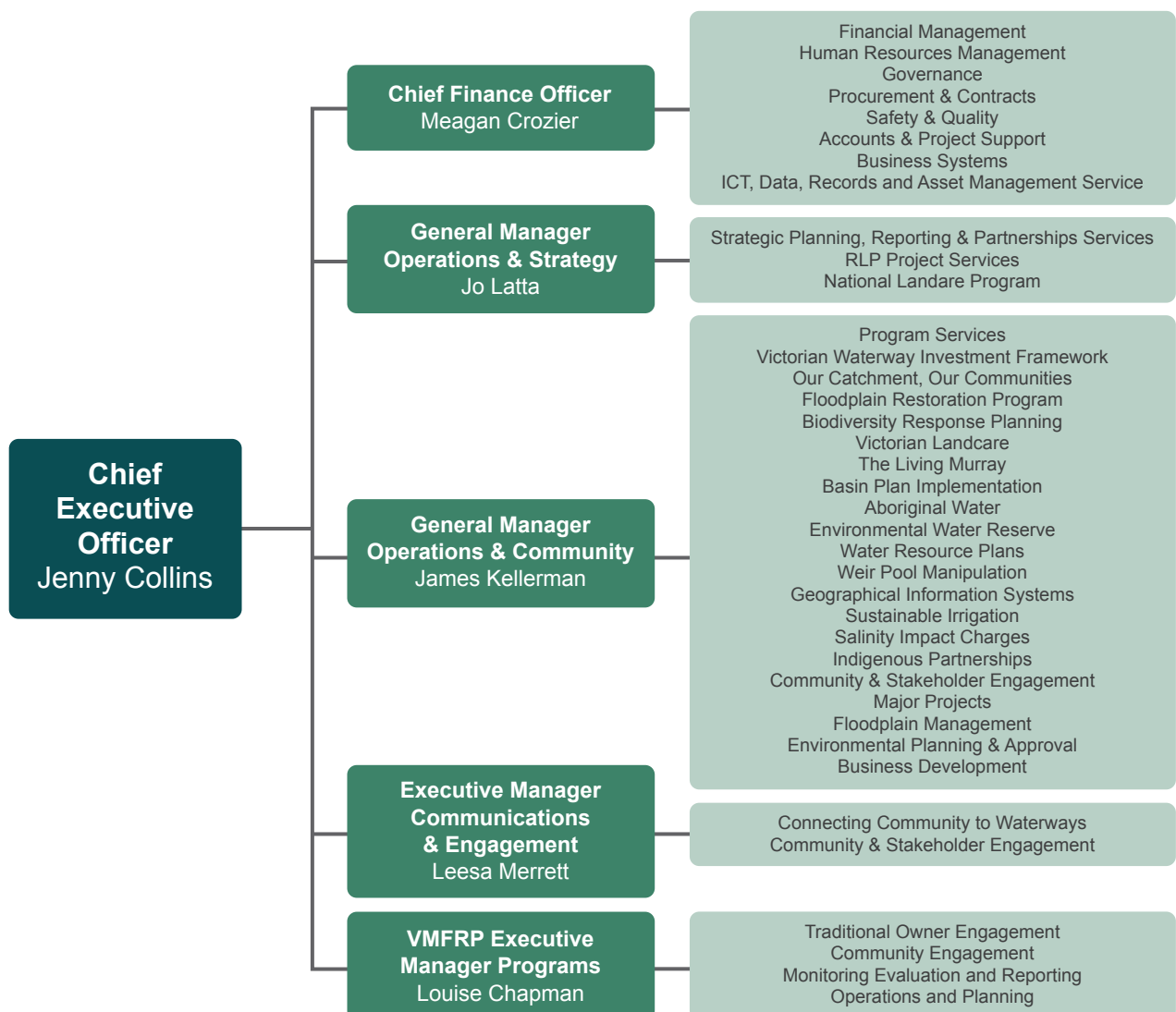


Figure 4 | Mallee CMA organisational structure 2022-23

Opportunities for stakeholder involvement in priority setting and funding allocations for Natural Resource Management in the region are enhanced through various advisory committees, comprising of Board, agency, and community members (see Figure 5).

The Mallee CMA Board sets governance level policies and establishes the organisation's vision, strategic directions, and business objectives. The Board is responsible for all functions undertaken by Mallee CMA and consists of up to nine members appointed by the Minister.

Several sub-committees, including an Audit and Risk Committee, Remuneration Committee, Salinity Accountability Advisory Committee, Salinity Impact Charges Major Projects Project Control Group (PCG), Land and Water Advisory Committee, and Aboriginal Reference Group have been established by the Board to advise on specific areas of responsibility. Additional sub-committees are convened as necessary to ensure continued effective governance and performance.

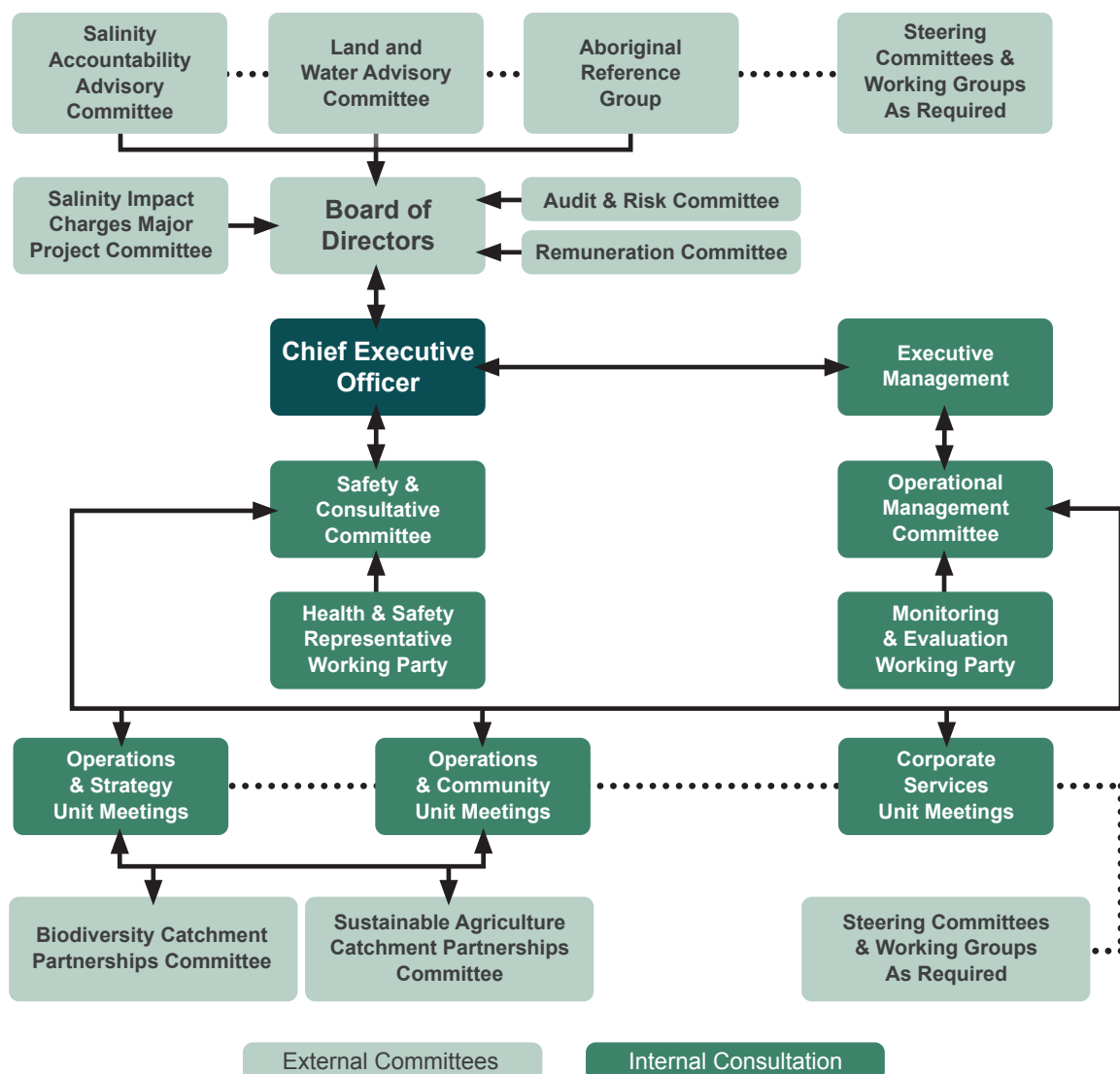


Figure 5 | Mallee CMA organisational and governance structure 2022–23

Governing Board

Mallee CMA's current Board represents a wide range of interests across the Mallee region, including community engagement; agriculture; economics; horticulture; financial auditing; risk management; governance; workplace health and safety; human resource management; and the environment. As part of their responsibilities, each Director has a specific leadership role that reflects their area of expertise. Through these leadership roles, a strong governance culture is realised that enables a measured and strategic approach to all business undertaken by Mallee CMA.

Governing Board Members

Allison McTaggart - Chair

Allison is the principal consultant at Allison McTaggart and Associates, a human resources and business consultancy business. Allison's consultancy work includes strategic planning, governance, recruitment, training, corporate communications, and workplace health and safety.

Allison is a Director of Western Murray Irrigation. Allison previously: chaired the Murray Primary Health Network North West Community Consultative Committee until July 2022; was Deputy Chair of Mallee District Aboriginal Service Finance Audit and Risk Committee, held employment with the Australian Table Grape Association as Manager for Communications and Industry Analysis, Murray Primary Health Network as a Workforce Development Officer, and Tandou Limited as Human Resource Manager.

Allison's diverse background includes agribusiness, earthmoving and small mines extraction, public relations, marketing, and workforce development.

Allison is a fellow of the Australian Institute of Company Directors and a member of the Australian Human Resource Institute; Governance Institute of Australia; Institute of Community Directors Australia.

Allison holds a Bachelor of Arts (Management Communication) and an Associate Diploma (Animal Production).

Allison currently represents the Mallee CMA Board as:

- Chair - Mallee CMA Board
- Chair - Remuneration Committee
- Chair - Regional Catchment Strategy Steering Committee
- Member - Salinity Impact Charges Major Projects, Project Control Group

Allison was a Board member during the reporting year with her current term of appointment being from 01 October 2021 to 30 September 2025.

Kellie Nulty - Deputy Chair

In addition to being a partner in a dryland farming operation at Carwarp, Kellie has a strong background in accounting and auditing. Kellie has worked as a practising accountant for more than 20 years.

Kellie has extensive internal and external auditing experience across a variety of industries. Her fields of expertise include management and financial accounting; information technology; risk management; corporate governance; project management; and business consultancy.

Kellie is a Chartered Accountant, Registered Company Auditor, Registered Superannuation Fund Auditor, and holds degrees in both Business and Computer Science.

Kellie has recently moved into the position of CEO at Jacaranda Village.

Kellie currently represents the Mallee CMA Board as:

- Deputy Chair - Mallee CMA Board
- Member - Audit and Risk Committee
- Member - Remuneration Committee

Kellie was a Board member during the reporting year with her current term of appointment being from 01 October 2019 to 30 September 2023.

Sharyon Peart

Sharyon relocated to the Mallee from Melbourne in 2003 with her family where she lived on a large citrus, dried fruit, and wine grape growing property at Nangiloc.

Her background in corporate business, sales, marketing, and team management inspired the small local business Sharyon owns and operates. Sharyon has been the sole director since she created the company in 2005, specialising in retail consultation, post-surgical care, and maintaining women's health and wellbeing.

Sharyon served on the Mildura Rural City Council as a Councillor for nine years and gained much experience as a portfolio councillor for art and education, community services and wellbeing, and governance and finance. Sharyon is committed to strengthening partnerships between the community and government in the sustainable management of resources across our region.

Sharyon had the privilege of being the Mallee CMA Chair for ten years, stepping aside in 2021 and maintaining a position as a Board Member. Sharyon now serves as Chair of Lower Murray Water.

During 2022–23 positions and memberships include Lower Murray Water, Chair (Deputy Chair to October 2021); Mallee CMA, Chair (to October 2021); La Trobe University Mildura Regional Advisory Board, member; Commissioner for Sustainability and Environment Reference Group, member; Resilient Cities and Towns Reference Group, Victorian CMA representative.

Sharyon currently represents the Mallee CMA Board as:

- Deputy Chair - Regional Catchment Strategy Steering Committee
- Member - Aboriginal Reference Group
- Member - Salinity Accountability Advisory Committee

Sharyon was a Board member during the reporting year with her current term of appointment being from 01 October 2019 to 30 September 2023.

Robert Matthews

Having grown up on the family farm at Meringur, Robert has been involved in dryland wheat and sheep farming his whole life. After 13 years in the Commonwealth public service working in employment counselling, Robert returned to full-time farming in 1998.

With a keen focus on all areas of Natural Resource Management; combatting soil erosion, resource efficiency and the further development of biological farming methods are major priorities for Robert.

Robert is currently serving as Secretary of the Koorlong Hall Committee and is the sole director of Kurnwill Quarries.

Robert currently represents the Mallee CMA Board as:

- Member - Land and Water Advisory Committee
- Member - Salinity Accountability Advisory Committee

Robert was a Board member during the reporting year with his current term of appointment being from 01 October 2021 to 30 September 2025.

Janice Kelly

Janice Kelly has over 25 years of experience as a primary producer and 35 years of experience as a Chartered Accountant. Janice is an experienced Finance and Corporate Services Manager and has completed the Australian Institute of Company Directors course.

Janice has provided significant input into organisational strategic plans both as a board member and senior manager.

Janice currently represents the Mallee CMA Board as:

- Chair - Audit and Risk Committee
- Member - Remuneration Committee

Janice was a Board member during the reporting year with her current term of appointment being from 01 October 2019 to 30 September 2023.

Antonio (Tony) Alessi

Tony is a registered, self-employed chiropractor who grew up on a vineyard specialising in fresh and dried fruit. From 2016–2022 Tony was a member of Mallee Regional Partnerships where he assisted in assessing and advocating for projects that improved the liveability of communities, access to services, and economic development.

Tony was an inaugural director on the Mildura Base Public Hospital Board, where he was also a member of the Quality, Safety, and Risk Committee. His previous positions include Deputy Chair, Arts Mildura (2018–2020) and member of the Regional Advisory Council; Victorian Multicultural Commission (2015–2020). Tony has attained

a Bachelor of Applied Science (Chiropractic) and is a graduate of the Australian Institute of Company Directors. Tony brings skills, knowledge, and experience in corporate governance, risk, audit, primary industry, and community engagement.

Tony currently represents the Mallee CMA Board as:

- Member - Audit and Risk Committee
- Member - Land and Water Advisory Committee

Tony was a Board member during the reporting year with his current term of appointment being from 01 October 2021 to 30 September 2025.

Ann Hodge

Ann Hodge is a primary producer with customer representative committee experience including three years in executive positions. Ann has an ongoing interest in water policy and the environment, exemplified by DEECA committee appointments:

- Irrigators' Share Committee, formed to recommend the distribution of water savings from Stage I of the Connections Program
- Consultative Committee for Stage 1A of the Victorian Constraints Measures Program for efficient environmental water delivery.

Ann has over 25 years of experience in dairy management and development. Ann is Chair of the Victorian Murray Floodplain Restoration Project Gunbower Stakeholder Advisory Group, and previous Chair of the Torrumbarry Water Services Committee at the Goulburn-Murray Water Corporation (2018–2020).

With a Bachelor of Arts in Physical Education and Certificate IV in Training and Assessment, Ann brings skills, knowledge, and experience in committee leadership, primary production, water policy, and community engagement.

Ann currently represents the Mallee CMA Board as:

- Deputy Chair - Regional Catchment Strategy Steering Committee
- Member - Salinity Accountability Advisory Committee

Ann was a Board member during the reporting year with her current term of appointment being from 01 October 2021 to 30 September 2025.

Board meetings attended

Nine Ordinary Board Meetings were held during the 2022–23 financial year. The Board Chair approved all Board member absences during the reporting period.

Table 25 | Board membership, terms and meeting attendance 2022–23

Board Member	Appointed	Appointment review	Eligible meetings	Attended meetings
Allison McTaggart	01 October 2021	30 September 2025	9	9
Sharyon Peart	01 October 2019	30 September 2023	9	8
Robert Matthews	01 October 2021	30 September 2025	9	8
Janice Kelly	01 October 2019	30 September 2023	9	7
Kellie Nulty	01 October 2019	30 September 2023	9	7
Tony Alessi	01 October 2021	30 September 2025	9	9
Ann Hodge	01 October 2021	30 September 2025	9	9

Audit and Risk Committee membership

The members of the Audit and Risk Committee (ARC) in 2022–23 are detailed in Table 26 below.

The ARC's responsibilities are set out in Standing Direction 3.2.1.1. Key responsibilities are to:

- Independently review and assess the effectiveness of Mallee CMA's systems and controls for financial management, performance, and sustainability, including risk management
- Oversee the internal audit function under Direction 3.2.2
- Review annual financial statements and make a recommendation to the Board as to whether to authorise the statements before they are released to Parliament
- Review information in the report of operations on financial management, performance, and sustainability before it is released to Parliament
- Review and monitor compliance with the FMA, Standing Directions, and Instructions, and advise the Board on the level of compliance attained

- Review and monitor remedial actions taken to address Compliance Deficiencies
- Maintain effective communication with external auditors (including the Auditor General and the auditor general's duly appointed agents and representatives)
- Consider recommendations made by internal and external auditors relating to or impacting financial management, performance, and sustainability and the actions to be taken by the Mallee CMA to resolve issues raised
- Regularly review the implementation of actions in response to internal or external audits, including remedial actions to mitigate future instances of non-compliance.

Members are appointed by the board annually and are subject to the committee's terms of reference.

Meetings are typically scheduled monthly and at any other time at the request of a committee member or the internal or external auditor. In 2022–23, the committee met ten times. The attendance of committee members is detailed in Table 26 below.

Table 26 | Audit and Risk Committee membership, terms and attendance 2022–23

Member	Independent	Appointed	Appointment review	Eligible meetings	Attended meetings
Janice Kelly (Chair), Board member	Yes	26 October 2022	30 September 2023	10	10
Kellie Nulty, Board member	Yes	26 October 2022	30 September 2023	10	8
Tony Alessi, Board member	Yes	26 October 2022	30 September 2023	10	10
Inga Dalla Santa (external)	Yes	15 April 2020	Term expired 30 April 2023	8	7
Grant Martinella (external)	Yes	15 April 2020	Term expired 31 October 2022	3	2

Board committees

The committees act on the Board’s behalf, as deemed necessary. Appropriate advisory committees ensure projects are properly guided and funds are spent wisely.

Remuneration Committee

The primary purpose of the Remuneration Committee is to assist the Board to discharge its responsibilities as a central point for developing action plans and initiatives in relation to the Chief Executive Officer employment cycle, board inductions, learning and development, and assessments in accordance with the Department of Energy, Environment and Climate Action (DEECA) guidelines. The Remuneration Committee:

- Aims to improve the performance of the CEO and Board, strengthening the efficiency, effectiveness, and capability of the public sector to meet existing and emerging needs and deliver high-quality services and maintain and advocate for public sector professionalism and integrity

- Takes a risk mitigation approach and establishes formal processes to address succession risk management (specifically vacancy, readiness, and transition risk).

The Remuneration Committee manages the employment cycle of the CEO by:

- Encompassing the full employment cycle from advertising to contract negotiation, employee performance management, and end of tenure
- Succession planning for the role in accordance with GPOL 010 - CEO Succession, Recruitment and Appointment Policy.

The Remuneration Committee achieves this by providing the following services on behalf of the Board:

- Ensuring reporting disclosures related to remuneration meet the Board’s disclosure objectives and all relevant legal requirements
- Coordinating the Annual Board Assessment in accordance with DEECA Guidelines
- Ensuring procedures for agendas, decision items, and reporting to the Board are adhered to.

Table 27 | Remuneration Committee membership and attendance 2022–23

Member	Appointed	Appointment review	Eligible meetings	Attended meetings
Allison McTaggart: (Chair), Board Chair	26 October 2022	30 September 2023	1	1
Kellie Nulty, Board Member	26 October 2022	30 September 2023	1	1
Janice Kelly, Board Member	26 October 2022	30 September 2023	1	1



Psyche floodplain November 2022.

Salinity Accountability Advisory Committee

The Salinity Accountability Advisory Committee (SAAC) is pursuant to Mallee CMA's obligations under the *Catchment and Land Protection Act 1994* and delegated responsibilities under the *Water Act 1989*.

The prime responsibility of the SAAC is to provide advice to the Mallee CMA Board on:

- Annual reporting associated with Basin Salinity Management 2030 and salinity impact of irrigation
- Outputs, activities, and reporting that relate to Mallee Accountable Actions under Schedule B of the Murray-Darling Basin Agreement; and Salinity Impact Charges and its uses which are collected to mitigate and offset the salinity impact of irrigation between Nyah and the South Australian Border
- Business as usual projects and low-risk or low-complexity projects valued under \$800,000.

The SAAC is not a decision-making body. In broad terms, it allows detailed attention to be given to matters and then makes recommendations to the Board for consideration.

Table 28 | Salinity Accountability Advisory Committee membership 2022–23

Member	Appointment review
James Kellerman (Chair)	30 September 2023
Robert Matthews, Board member	30 September 2023
Ann Hodge, Board member	30 September 2023
Sharyon Peart, Board member	30 September 2023
Lewis Lo, DEECA	N/A
Kaleb Sexton, Lower Murray Water	N/A
Mark Potter, Goulburn-Murray Water	N/A
Peter Jones, Community member	30 June 2024
Owen Lloyd, Community member	30 June 2024
Terri Wilson, Community member	30 June 2023
Troy Richman, Community member	30 June 2024

The SAAC met three times during the 2022–23 reporting period.

Salinity Impact Charges Major Projects Project Control Group

Salinity Impact Charges (SIC) Major Projects are defined as any SIC project with a value exceeding \$800,000.00 or deemed a Major Project due to the project's complexity and or risk level (e.g., complex delivery, high community interest).

The SIC Major Projects Project Control Group (PCG) is a skills-based group responsible for the oversight and delivery of approvals, and the design and delivery of the SIC Major Projects. The SIC Major Projects PCG

achieves this by providing the following services on behalf of the Board:

- Reviewing all SIC projects and confirming the proposed project governance structure, either:
 1. Business as usual with Salinity Accountability Advisory Committee oversight for established low-risk and low-complexity projects less than \$800,000 in value; or
 2. Major Projects with PCG oversight for projects with a value exceeding \$800,000 or that are deemed high-risk and or high complexity by the PCG.
- Efficiently and effectively delivering SIC Major Projects in accordance with delegated authority from Mallee CMA Board, Mallee CMA policies and procedures, and in alignment with funding guidelines and governance of SIC prepared by DEECA.
- Closely monitoring major project delivery, approving all variations to time, scope, and budget as required.
- Quarterly reporting to the Mallee CMA Board on SIC Major Projects' progress.
- Immediately reporting material variations or risks to the Board.
- Ensuring effective relationships between SIC Major Project partners.
- Providing recommendations to the Board on matters relating to the approval of all Major Projects, in accordance with Mallee CMA procurement policy and procedures.

Table 29 | SIC Major Projects PCG membership 2022–23

Member
Jenny Collins, Chief Executive Officer
Allison McTaggart, Board member
James Kellerman, General Manager Operations and Community (Chair)
John Cooke, Independent member
Campbell Fitzpatrick, Independent member
Andrew Fennessy, DEECA, (non-voting member, strategic advice only)

The SIC Major Projects PCG met once during the 2022–23 reporting period.

Land and Water Advisory Committee

The core function of the Land and Water Advisory Committee (LWAC) is to:

- Provide general advice to the Board on the development and delivery of projects and programs from a community perspective
- Advise management and the Board on the process and appropriate levels of community ownership, consultation, and engagement.

The LWAC may also be requested by the Board to provide feedback on issues identified as necessitating a community perspective.

Table 30 | LWAC membership 2022–23

Member	Appointment review
Robert Biggs (Chair)	30 June 2024
Christiane Jaegar	30 June 2024
Andrew Hudson	30 June 2024
Owen Lloyd	30 June 2024
Brian Ebery	30 June 2024

The LWAC met three times during the 2022–23 reporting period.

The appointed Board representatives on the LWAC for the reporting period were:

- Robert Matthews
- Tony Alessi

Aboriginal Reference Group

The core function of the Aboriginal Reference Group (ARG) is to provide advice and guidance to the Board and Mallee CMA on:

- How to engage Aboriginal stakeholders in relevant natural resource management (NRM) project planning
- Aboriginal stakeholder needs and environmental values, including how these may be addressed through the organisation’s work
- Emerging Aboriginal stakeholder issues and perspectives relevant to NRM.

The ARG may also be requested by the Board to provide feedback on specific issues identified as requiring a community perspective.

The Committee represents the interests of all Aboriginal communities, not the interests of a specific group that a member may belong to.

Table 31 | ARG membership 2022–23

Member	Appointment review
Charlene Davis (Chair)	30 June 2024
Veronica Harradine	30 June 2024
Rose Kirby	30 June 2024
Margaret Hannah	30 June 2024
Leigh Fuller	30 June 2024
Norman Wilson, First People of the Millewa-Mallee Aboriginal Corporation representative	30 June 2024
Colin Gorton, Barengi Gadjin Land Council representative	30 June 2024

The ARG met three times during the 2022–23 reporting period. At least one Board member attends ARG meetings.

The appointed Board representatives on the ARG for the reporting period was:

- Sharyon Peart



ARG and LWAC Field trip, Hattah.

Part 3

Workforce Data

Public Sector Values and Employment Principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

Mallee CMA is committed to applying merit and equity principles when appointing employees. Selection processes ensure applicants are assessed and evaluated fairly and equitably based on core capabilities against the Mallee CMA Workforce Capability Framework Policy and without discrimination.

To ensure public sector values (Figure 1) are embedded within the workplace, Mallee CMA's policies and practices are consistent with the VPSC's employment and conduct principles and provide for fair treatment, career opportunities and the early resolution of workplace issues. Mallee CMA advises its employees on how to manage conflicts of interest, how to respond to offers of gifts and/or benefits and how the organisation deals with misconduct.

Occupational Health, Safety and Wellbeing

Mallee CMA is committed to the effective management of occupational health, safety and wellbeing (OHS&W) which includes the promotion of mental health and wellbeing of all staff within the organisation. It is the aim of Mallee CMA to minimise the risk of injury and disease to its employees and other persons by adopting a planned and systematic approach to the management of OHS&W, ensuring the resources for its successful implementation and continuous improvement are provided.

During the reporting period Mallee CMA has focused on responding to the COVID-19 Pandemic, and Leading the Way initiatives and training.

Training

Throughout 2022–23 Mallee CMA provided training to enhance employee OHSW skills and competency in the following areas:

- First Aid and CPR
- Mental Health First Aid
- Psychosocial training
- Hazard identification and risk control
- 4WD Driver training
- Warden training
- Kayak training
- Occupational Violence and Aggression Prevention training

Internal OHSW training is completed within the Rapid system. Reminders for refresher training are automatically generated by the system, ensuring training is kept up to date and easily monitored.

Incident Management

Safety related occurrences across the Mallee CMA are reported by Hazard and Incident. Incidents of all types are grouped to give an overall total, while injuries are noted for reporting purposes only.

Reporting hazards provides a way to monitor potential problems and identify root causes as they occur. The documentation of potential problems and root causes increases the likelihood that issues will be corrected before they cause *actual* incidents or injuries.

The Rapid system provides for hazard, incident and injury reporting and audit outcomes. Various reports can be exported from this system and then reported to the relevant Mallee CMA committee.

Mallee CMA recognises the importance of incident reporting and supports continuous improvement through its commitment to retaining ISO 9001:2015 certification for the Quality Management System.

Mallee CMA had zero notifiable incidents during the reporting period. Notifiable incidents are those which must be reported to WorkSafe in accordance with s37 of the OHS Act.

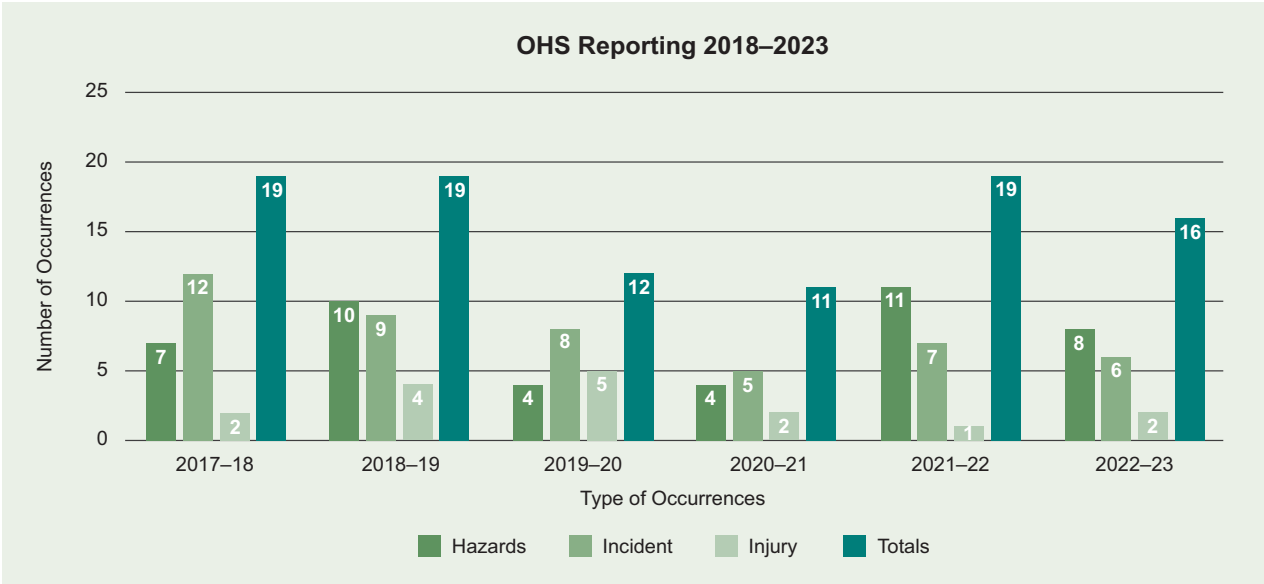


Figure 6 | Mallee CMA OHS reported occurrences 2017 to 2022



Mallee CMA employee onsite training.

Table 32 | Performance against OHS management measures

Measures	Key Performance Indicators	2021–22	2020–21	2019–20
Incidents	Number of incidents (rate per 100 FTE)	10.9	12.6	9
Claims	Number of claims (rate per 100 FTE)	1	0	2
	Number of lost time claims (rate per 100 FTE)	1	0	2
	Number of claims exceeding 13 weeks (rate per 100 FTE)	1	0	2
Fatalities	Fatality claims	Nil	Nil	Nil
Claim costs	Average cost per standard claim	\$16,767	0	\$15,973
Return to work	Percentage of claims with return to work plans <30 days	Nil	Nil	Nil
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management of OH&S, and OHS plans (signed by CEO or equivalent)	Completed	Completed	Completed
	Evidence of OHS criteria(s) in purchasing guidelines (including goods, services and personnel).	Completed	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs).	Completed	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs, and IRPs	Completed	Completed	Completed
Risk management	Percentage of internal audits/inspections conducted as planned.	100%	100%	100%
	No. of Improvement Notices issued across the Department by WorkSafe Inspector	Nil	Nil	Nil
	Percentage of issues identified actioned arising from:			
	Internal audits	100%	100%	100%
	HSR provisional improvement notices (PINs)	Nil	Nil	Nil
	Worksafe notices	Nil	Nil	Nil
	Percentage of managers and employees that have received OH&S training:			
	Induction	100%	100%	100%
	Management training	100%	100%	100%
	Contractors, temporary workers, and visitors	100%	100%	100%
	Percentage of HSRs trained:			
	Acceptance of role	100%	100%	100%
	Re-training or refresher training	100%	100%	100%
	Reporting of incidents and injuries	100%	100%	100%

Workforce Data

Table 33 discloses the headcount and full-time employee equivalent (FTE) of all active public service employees of Mallee CMA, employed in the last full pay period in June of the current reporting period (2023), and in the last full pay period in June of the previous reporting period (2022).

All employees have been correctly classified in workforce data collection.

Table 33 | Details of employment levels in the last full pay period in June 2023 and 2022 ⁽ⁱ⁾

	June 2023						June 2022					
	All Employees		Ongoing ⁽ⁱⁱ⁾		Fixed term & Casual		All Employees		Ongoing ⁽ⁱⁱ⁾		Fixed term & Casual	
	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE
Gender												
Men	21	20.8	10	10	11	10.8	26	25.04	12	12	14	13.04
Women	35	32.39	18	16.8	17	15.59	34	30.65	16	15	18	15.65
Self-described	0	0	0	0	0	0	n	n	n	n	n	n
Prefer not to respond	1	1	0	0	1	1	n	n	n	n	n	n
Age												
15-24	2	1.8	0	0	2	1.8	3	3	0	0	3	3
25-34	14	13.61	6	6	8	7.61	15	13.8	6	5.6	9	8.2
35-44	14	12.38	6	5	8	7.38	15	13.05	6	5.4	9	7.65
45-54	15	14.6	8	7.8	7	6.8	13	12.8	7	7	6	5.8
55-64	6	6	5	5	1	1	10	9.8	7	7	3	2.8
65+	6	5.8	3	3	3	2.8	4	3.24	2	2	2	1.24
Classification												
CEO	1	1	0	0	1	1	1	1	0	0	1	1
General Managers	3	3	3	3	0	0	3	3	3	3	0	0
Managers	9	8.4	8	7.4	1	1	8	7.4	7	6.4	1	1
Project/Support Staff	44	41.79	17	16.4	27	25.39	48	44.29	18	17.6	30	26.69
Total	57	54.19	28	26.8	29	27.39	60	55.69	28	27	32	28.69

'n' denotes that no data has been collected

⁽ⁱ⁾ Excluded are external contractors/consultants, and temporary employees employed by employment agencies.

⁽ⁱⁱ⁾ Ongoing employees include people (full-time and part-time) engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.

Workforce Inclusion Policy

Mallee CMA is continually working towards improving workplace inclusion and ensuring it is embedded in all workplace behaviour, processes and decision making. The Diversity and Inclusion Policy details key initiatives focusing on diversity, inclusion and gender equality principles. These initiatives are delivered against the relevant strategies and plans, including Gender Equality Action Plan, Social Procurement Strategy, Innovate Reconciliation Action Plan, Community Engagement Strategy, and the People Matter Survey Action Plan. To achieve workforce inclusion initiatives, each strategy and plan details specific targets and evaluation measures which are regularly monitored and reviewed by the Executive Management Team.

Consistent with our Diversity and Inclusion Policy, Mallee CMA values an inclusive working environment where equal opportunity and diversity is acknowledged and celebrated. Mallee CMA has a target to increase awareness and promote a strong understanding of different cultures by providing opportunities for Board members and employees to undertake training through the Centre for Cultural Competency Australia, and online Mallee CMA Cultural Heritage induction training through the Rapid system.

Table 34 | Progress against Diversity and Inclusion policy initiative

Diversity and Inclusion policy initiative	Target	Actual progress in 2021–22	Actual progress in 2022–23
Provide regular training and support to Board members and employees to promote a strong understanding of, and support for, diversity and inclusion in the workplace	100% completion of accredited cultural and diversity training opportunities for Board members and employees	100%	100%
	100% completion of diversity e-learning training at induction within 12 months	100%	100%

Executive Officer Data

A member of the Senior Executive Service (SES) is defined as an executive under Part 3 of the *Public Administration Act 2004* (Vic) or a person to whom the Victorian Government's *Public Entity Executive Remuneration (PEER) Policy* applies.

During the reporting period, Mallee CMA had one employee on a PEER contract who is female.

Mallee CMA does not have any SES employment that meets the definition of FRD 15 and 21 disclosures of responsible persons and executive officers, other than ministers and the accountable officer, during the reporting period.

The Accountable Officer's remuneration has been disclosed in the financial statements note 8.3 Related Parties.

Part 4

Other Disclosures

Expenditure of funds within the Mallee Salinity Investment Plan 2022–23

The Ministerial Determination of Salinity Impact Zones and Salinity Impact Charges fixes the salinity impact charges for the purposes of section 232B of the *Water Act 1989*. Salinity Impact Charges are generated when a new water-use licence (WUL) is created or an existing WUL is varied to allow an increase in megalitres of annual use limit (AUL). The purpose of the charge is for the WUL holder to contribute towards the cost of works or measures to mitigate or offset the salinity impact of irrigation.

The charge is collected from WUL holders by the Minister's delegate, Lower Murray Water (LMW). The charge is transferred annually to Mallee CMA, less the portion required to meet LMW's costs and expenses. Mallee CMA must hold and apply the funds consistent with the direction, function and powers delegated to it by the Minister. Salinity Levies received by Mallee CMA in 2022–23 totalled \$2,571,319.

Total expenditure in 2022–23 within the Mallee Salinity Investment Plan was \$2,042,830. Projects delivered include:

- Managing statutory responsibilities through the implementation of a governance framework to deliver regional monitoring and reporting obligations under the *Water Act 2007* (Cth) and *Catchment and Land Protection Act (1994)* as delegated to the Mallee CMA, and to support the functions of the Salinity Accountability Advisory Committee. Implementing actions in accordance with the Victorian Mallee Irrigation Region Land and Water Management Plan 2020–29 (\$315,436)
- Active participation in on-ground works and investigations to generate additional salinity credits for Victoria including the Mildura-Merbein Salt Interception Scheme (MMSIS) and drainage diversion schemes as per the Salinity Investment Plan. One project was accepted in the 2021–22 financial year and continued through to completion in the 2022–23 reporting period (\$122,393)
- The Mallee On-farm Irrigation Incentives Program, which focused on assisting irrigators in the upgrade and management of on-farm infrastructure to generate water-use efficiency outcomes resulting in salinity benefits. The Incentives Program recommenced in April 2021 after an extensive review to ensure the efficacy of the program. For the 2022–23 financial year, 10 applications were received and are currently being processed. Full expenditure of these applications will be realised in the 2023–24 reporting period (\$25,764)
- Five major projects listed on the Annual Salinity Major Projects Work Program that are critical to the offsetting and mitigation of salinity impacts from irrigation in waterways and landscapes. A program of works has been developed to deliver these projects. The first two of these projects underway are the Airborne Electromagnetic (AEM) Survey and the Irrigation Futures and Restoration Management (iFARM) project. Each project moves through a series of defined gateways: concept, preliminary investigation, detailed design, delivery and ongoing monitoring. Major projects are overseen by an independent governance panel known as the Salinity Impact Charges Major Projects Project Control Group which makes recommendations to the Mallee CMA Board. Both projects progressed through various levels of planning and procurement (\$83,413)
- Procurement of the Principal Contractor to deliver the data acquisition, data validation and final products was commenced. The stakeholder community group was established along with the development of associated engagement materials. By providing more detailed data on the subsurface geology, AEM provides Mallee CMA with the capability to reduce uncertainty and enable the delivery of targeted efficient works to help manage salinity (\$226,873)
- Irrigation Futures and Restoration Management (iFARM): project development has taken place and procurement completed for research and development into a landscape assessment and salinity remediation tool. Procurement has been made ready for research into the development of an offset policy specific to landscape salinity impacts (\$108,959)

- Project management to help drive the development and implementation of capital projects, specialist project management consultancy, Irrigation Rootzone Drainage, commencement of a Run of River survey, and BSM2030 annual reporting (\$261,080)
- The operation of the Salinity Accountability Advisory Committee to provide advice to the Mallee CMA Board on salinity and irrigation management matters, including Accountable Actions under Schedule B of the Murray Darling Basin Agreement, management and maintenance of the Mallee Regional Salinity Register and administration of the Salinity Impact Charges annual program (\$25,538)
- Annual data collection from Mallee groundwater observation bores and irrigation drainage monitoring stations helped to support and refine salinity impact assessments that generated salinity credits and debits for the region. This project involved the collection and management of groundwater level and salinity data at 433 monitoring bores visited on a quarterly, biannual or annual basis, along with the collection and management of salinity and flow data from 23 irrigation drainage outfall sites and three river sites. The data informs salinity impact models and reviews of specific accountable actions within the region (\$363,427)
- Initial work to rationalise the Mallee groundwater observation bore network to ensure it is fit for purpose was conducted. The program will require a number of bores to be drilled, or removed where gaps or duplications in the network are identified. Some existing bores (not currently in the network) will be assessed for rehabilitation/inclusion in the network (\$13,755)
- A program of work to progress the achievement of Action 4.8 of the Victorian Government's Water for Victoria Water Plan. This action aims to improve salinity management in the Mallee and commits to investing revenue from salinity offset charges to: update contemporary knowledge of salinity impacts; review salinity impact charges; and ensure policies under the Victorian Mallee salinity management framework are up-to-date (\$115,004)
- A program of consolidating research and recommended actions across multiple organisations over a 20-year period was undertaken. The findings of this project will inform potential future projects and ensure a consistent approach to regional salinity management. A project to map the impact of salinity on the floodplains as a result of irrigation has commenced (\$142,870)
- Targeted communication efforts to address policies and frameworks that are current and emerging. This includes communication regarding, major projects, groundwater bore rationalisation, root zone drainage and irrigation impacts of groundwater systems. The activity also addresses the perception within the Victorian Mallee irrigation community that the salinity issue has been addressed and that salinity controls are no longer required (\$238,318).

The balance of funds at 30 June 2023 is \$36,146,795. These funds are segregated for operational and capital expenditure for the purpose of mitigating or offsetting the

salinity impact of irrigation in the Victorian Mallee and to maintain the region's compliance with state and federal requirements.

Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Mallee CMA is required to apply the Local Jobs First policy to all projects valued at \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more. MPSG and VIPP guidelines will continue to apply to applicable projects where contracts have been entered prior to 15 August 2018.

Projects Commenced – Local Jobs First Standard

No Local Jobs First Standard projects were commenced during 2022–23.

Projects Completed – Local Jobs First Standard

No Local Jobs First Standard projects were completed during 2022–23.

Reporting requirements – all projects

Mallee CMA has no contracts prior to 15 August 2018 for which a VIPP Plan or Local Industry Development Plan was required.

Reporting requirements – grants

No grants were provided during 2022–23.

Social Procurement Framework

In accordance with Victoria's Social Procurement Framework (SPF), the Mallee CMA Social Procurement Strategy was reviewed and updated in May 2022 for a further three years. The Strategy remains fully committed to supporting the Government's direction in advancing social and sustainable outcomes not just for our region but for the State of Victoria.

Procurement has been outlined as a core business and strategic function by the Victorian Purchasing Government Board (VGPB) and Mallee CMA is committed to pursuing social and ethical objectives through procurement activities in accordance with the Victorian SPF.

The Mallee CMA Strategy has prioritised four key SPF objectives and associated reporting metrics which have been detailed in Tables 38 and 39. As managers of the largest catchment area in the State of Victoria, these objectives were selected in line with the Mallee CMA's strategic direction, values, and project responsibilities.

Table 35 | Prioritised SPF objectives 2022–23

Objective prioritised	Outcome sought	SPF Reporting metric
Opportunities for Victorian Aboriginal People	Increased proportion of use of suppliers both directly and indirectly such as contractors incorporating the employment of Victorian Aboriginal people and/or engaging Aboriginal businesses.	Number as a proportion of the suppliers used by Mallee CMA and the monetary value Number of suppliers that employ Victorian Aboriginal people on contracts awarded by Mallee CMA and the monetary value
Opportunities for Victorians with disability	Increased proportion of engagement	Number as a proportion of the suppliers used by Mallee CMA and the monetary value
Women's Equality and Safety	Increase proportion of engagement with these suppliers	Number as a proportion of the suppliers used by Mallee CMA and the monetary value
Sustainable Victorian social enterprise and Aboriginal business sectors	Increase the proportion of suppliers employing sustainable Victorian social enterprise and Aboriginal business sectors	Number as a proportion of the suppliers used by Mallee CMA and the monetary value

Achievements

Mallee CMA's Social Procurement Strategy provides a framework for the continuous professional development and implementation of social and sustainable outcomes in its procurement activities. During the 2022–23 reporting year, Mallee CMA developed and implemented a Procurement Hub to provide a central point for all procurement processes, forms and communication. Mallee CMA will continue to develop its processes and systems to ensure ongoing efficiency.

In addressing Opportunities for Victorian Aboriginal People and Sustainable Victorian social enterprise and Aboriginal business sectors, Mallee CMA has:

- Continued support and use of Victorian Aboriginal Businesses and those that employ Victorian Aboriginal Peoples

- Tracked expenditure and employment of Victorian Aboriginal people through its supplier contracts
- Engaged regionally Recognised Aboriginal Parties and Aboriginal Peoples in the development of Cultural Heritage Management Plan assessments.

In addressing Opportunities for Victorians with disability, Mallee CMA has:

- Continued its support and use of the services provided by Around Again's confidential document destruction service.

Table 36 | Achievements against SPF objectives and metrics

Objective prioritised	Outcome sought	SPF Reporting metric	2022–23 \$'000 excl. GST)
Opportunities for Victorian Aboriginal People	Purchasing from Victorian Aboriginal businesses	Number of Victorian Aboriginal businesses engaged	5
		Total expenditure with Victorian Aboriginal businesses	\$1,822
Opportunities for Victorians with disability	Purchasing from Victorian social enterprises and Australian Disability Enterprises	Number of Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged	5
		Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises	\$87
Women's Equality and Safety	Adoption of family violence leave by Victorian Government suppliers	Number of Victorian Government suppliers that have implemented family violence leave policy	7
	Gender equality within Victorian government suppliers	Number of Victorian Government suppliers that have a gender equality policy	14
Sustainable Victorian social enterprise and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian social enterprises engaged	3
		Total expenditure with Victorian social enterprises	\$183

The Mallee CMA SPF 2022–23 case study focuses on the Aboriginal business Dalki Garringa Nursery, run by the Barengi Gadjin Land Council Aboriginal Corporation.

This collaboration meets the following SPF objectives:

- Sustainable Victorian social enterprise and Aboriginal business sectors
- Opportunities for Victorian Aboriginal People.

It also achieved the following social or sustainable values:

- Increased employment opportunities for Victorian Aboriginal people
- Engage suppliers who will provide employment for disadvantaged Victorians
- Increase employment opportunities for sustainable Victorian social enterprise and Aboriginal business sectors.

Case Study

Working with Traditional Owners to restore precious remnants of Buloke Woodland



Buloke Woodlands Restoration project direct seeding

Working with Traditional Owners to restore precious remnants of Buloke Woodland is directly supporting one of the region's key Aboriginal businesses, Barengi Gadjin Land Council Aboriginal Corporation (BGLC), to participate in the natural resource management (NRM) sector.

The five-year (2018–23) revegetation program is reinstating key canopy and understorey species within degraded Buloke remnants across the southern Mallee, with BGLC contracted to deliver associated seed collection, tube stock propagation, and planting activities each year.

This work is undertaken by BGLC's Dalki Garringa Nursery ('Good Growing' in the Wergaia language) which specialises in the growth and propagation of native flora and aims to combine a modern approach with First Nations' traditions and knowledge to provide economic and employment development opportunities for Traditional Owners and the broader community.

Overall, project delivery has targeted 300 hectares of Buloke remnants, with 52,000 tube stock and 150 kilograms of seed planted. In 2022–23 this encompassed BGLC collecting 45 kilograms of seed, propagating 7,000 tube stock, and revegetating 60 hectares. Flow on benefits from this project has included employment and upskilling opportunities for BGLC employees and Traditional Owners through the delivery of on Country and nursery works.

BGLC is the trustee for the Native Title rights and interests of the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia, and Jupagulk peoples, as recognised in a 2005 Native Title Consent Determination: the first in south-eastern Australia. BGLC was appointed Registered Aboriginal Party status in 2007, with the area of responsibility encompassing much of the southern Mallee and extending into the Wimmera, North Central, and Glenelg Hopkins regions of Victoria.

In working collaboratively with BGLC to develop and implement programs such as the Buloke Woodlands Restoration project, Mallee CMA seeks to support delivery against Traditional Owner aspirations and priorities for the management and healing of Country; while providing for increased self-determined participation, leadership, and employment opportunities.

This includes recognition of BGLC's vision of: **Wotjobaluk Nations working together as custodians of Culture, Country, Heritage, Lore, and Language, sharing our values, and representing the rights and interests of our People** (Growing what is good, Country Plan, voices of the Wotjobaluk Nations); through partnerships that facilitate progress against its stated goals for strong and healthy Culture, healthy Country, an engaged and connected community, recognition and respect, economic sustainability, and a strong voice.

Table 37 | ICT Expenditure 2022–23

All operational ICT expenditure	ICT expenditure relating to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non-BAU ICT expenditure (OPEX + CAPEX)	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
\$498,017.70	\$179,725.12	\$179,725.12	0

Government advertising expenditure

Mallee CMA expenditure in the 2022–23 reporting period on government campaign expenditure was nil.

Consultancy expenditure

Details of consultancies (valued at \$10,000 or greater)

In 2022–23, there were 59 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2022–23 in relation to these consultancies was \$4,717,876.55 (excl. GST).

Details of individual consultancies are outlined on the Mallee CMA's website, at www.malleecma.com.au (under the Resources tab).

Details of consultancies (valued at less than \$10,000)

In 2022–23, there were 21 consultancies engaged during the year where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2022–23 in relation to these consultancies was \$119,623.20 (excl. GST).

For this reporting requirement the following definitions are applied:

- Contractor - A contractor is an individual or organisation that is formally engaged to provide works or services for or on behalf of an entity; and
- Consultant - A consultant is a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through the provision of expert analysis and advice; and/or development of a written report or other intellectual output.

Information and Communication Technology (ICT) expenditure

For the 2022–23 reporting period, Mallee CMA had a total ICT expenditure of \$677,742.82, as detailed in Table 35 above.

ICT expenditure refers to Mallee CMA's costs in providing business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and non-BAU as Usual ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing Mallee CMA's current ICT capabilities.

BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Major contracts

The Mallee CMA did not enter into any major contracts during 2022–23.

A 'major contract' is a contract entered into during the reporting period valued at \$10 million or more.

Freedom of information

The *Freedom of Information Act 1982* (Cth) (FOI Act) allows the public a right of access to documents held by Mallee CMA. The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers, and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by Mallee CMA. This comprises documents both created by, or supplied to Mallee CMA by an external organisation or individual, and may also include maps, films, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the Mallee CMA is available on its website at MalleeCMA.com.au/corporate-policies/ under its Part II Information Statement.

The FOI Act allows Mallee CMA to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to the Mallee CMA in confidence.

The FOI Act was amended on 1 September 2017 to reduce the FOI processing time for requests received from 45 to 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. The processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement, this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by Mallee CMA, under section 49A of the FOI Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

FOI request information and forms can be downloaded from www.malleecma.com.au/corporate-policies. An application fee of \$31.80 applies. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

Access to documents can also be obtained through a written request to the Mallee CMA's FOI Team, as detailed in s17 of the *Freedom of Information Act 1982*.

When making a FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of the Mallee CMA should be addressed to:

Freedom of Information Team
Mallee Catchment Management Authority
Mail: PO Box 5017, Mildura, Victoria 3502
Email: foi@malleecma.com.au

FoI statistics

During 2022–23, Mallee CMA received **NIL** Freedom of Information applications.

Further information

Further information regarding the operation and scope of FOI can be obtained from the FOI Act; regulations made under the FOI Act; and www.ovic.vic.gov.au.

Building Act 1993

Mallee CMA does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of the government and focuses on efficiency in the provision of service.

Mallee CMA continues to comply with the requirements of the Competitive Neutrality Policy.

Public Interest Disclosure Act 2012

The *Public Interest Disclosure Act 2012* (PID Act) enables people to make a disclosure about corrupt or improper conduct by a public officer or a public body.

'Improper or corrupt conduct' involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption.

'Detrimental action' is an action taken against a person in reprisal for making a public interest disclosure.

What is a public interest disclosure?

A public interest disclosure is a complaint of corrupt or improper conduct or detrimental action by a public officer or a public body.

'Improper or corrupt conduct' involves substantial mismanagement of public resources, risk to public health or safety or the environment, or corruption.

'Detrimental action' is action taken against a person in reprisal for making a public interest disclosure.

How do I make a public interest disclosure?

You can make a public interest disclosure about Mallee CMA or its board members, officers, or employees by contacting Independent Broad-Based Anti-Corruption Commission (IBAC) (details below).

Mallee CMA is not able to receive public interest disclosures.

Mallee CMA has established procedures for the protection of persons from detrimental action in reprisal for making a public interest disclosure about Mallee CMA, its board members, officers, or employees. You can access Mallee CMA's procedures on its website at MalleeCMA.com.au/corporate-policies/.

IBAC Victoria

Address: Level 1, North Tower, 459 Collins Street, Melbourne, Victoria 3000
Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001
Internet: www.ibac.vic.gov.au
Phone: 1300 735 135
Email: See the website above for the secure email disclosure process, which also provides for anonymous disclosures.

Table 38 | Disclosures under the *Public Interest Disclosure Act 2012*

Disclosures under the <i>Public Interest Disclosure Act 2012</i>	2022–23	2021–22
The number of disclosures made by an individual to the Mallee CMA and notified to the Independent Broad-based Anti-corruption Commission.	0	0

Catchment and Land Protection Act 1994

Mallee CMA was established in 1997 under the *Catchment and Land Protection Act 1994* (CaLP Act) and has responsibilities under the *Water Act 1989* (Vic), Statement of Obligations, and the CaLP Act, Statement of Obligations.

The Statement of Obligations for both the CaLP Act and Water Act were re-issued in January 2018 and were applied to the Mallee CMA's 2018–23 Corporate Plan and reported against in the 2018–19 and subsequent Annual Reports.

CaLP Act responsibilities are set out on page 6 of this Annual Report. The Mallee CMA is compliant with these establishing Act requirements.

Emergency Procurement

In 2022–23 Mallee CMA Emergency Procurement was not activated, resulting in nil spending for emergency procurements.



Grebes, Outlet Creek.

Environmental Reporting

Office-based environmental impacts

Mallee CMA strives to implement and improve sustainable practices in its operations in both the office and field environment and has modified its business activities in accordance with the Environmental Sustainability Policy. The policy identifies environmental impacts and measures for the reduction in the usage of resources and waste production. As a member of the Victorian Government - Irymple site user group, Mallee CMA has committed to modifying its practices to facilitate a site-wide reduction in environmental impacts via an improvement in sustainability.

As a tenant of the Victorian Government site at Irymple, utility resource usage is monitored and controlled by the State government department as the landlord. All steps taken to reduce environmental impact implemented by the Mallee CMA contribute to the whole-of-site energy efficiencies and contribute toward the reduction in DEECA energy resource usage.

Mallee CMA has been assessed as a Tier 4 entity under FRD 24 reporting requirements. Further information on office-based environmental impacts is presented in Table 37 below.

Table 39 | Mallee CMA office-based environmental impacts

Outputs	Activity	2022–23 Actual
Energy use	Total energy usage segmented by primary source, including Green Power (mega joules)	*
	Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tonnes CO ₂ -e)	*
	Percentage of electricity purchased as Green Power (%)	*
	Units of energy used per full time employee (megajoules per FTE)	*
	Units of energy used per unit of office area (megajoules per m ²)	*
Waste and recycling	Total units of office waste disposed of by destination (kilograms per year)	*
	Total units of office waste disposed of per FTE by destination (kilograms per FTE)	*
	Recycling rate (% of total waste by weight)	*
	Waste disposal - separation of office waste into 'classes' e.g. paper, recyclable plastics, rubbish	*
	Reduction and recycling of cartridges (through suppliers) and consumables containers (through site)	100%
	Re-use and/or recycling (recycled when replaced with new handsets) of mobile phones and unserviceable equipment Surplus or obsolete equipment sent to Waste Management Centre - Mildura Rural City Council 'Around Again' re-use facility or EWaste Contractor for site.	100%
Paper use	Total units of A4 equivalent copy paper used (reams) Default printer settings to double-sided and save to user boxes for release, to reduce paper usage	74
	Units of A4 equivalent copy paper reams used per FTE	1.3
	Percentage of recycled content in copy paper purchased	100%
Water consumption	Total units of metered water consumed by water source (kilolitres)	*
	Units of metered water consumed in offices per FTE (kilolitres per FTE)	*
	Units of metered water used in offices per unit of office area (kilolitres per m ²)	*
Transport	Total energy consumption by vehicle fleet segmented by vehicle/ fuel type (megajoules)	868,779 Diesel
		167,217 Unleaded
	Total vehicle travel associated with operations segmented by vehicle/ fuel type (kilometres)	231,902 Diesel
		64,446 Unleaded
	Total distance travelled by air (kilometres)	103,369

Continued...

Table 39 | Mallee CMA office-based environmental impacts *Continued...*

Outputs	Activity	2022–23 Actual
Greenhouse gas emissions (tonnes CO2 e)	Total greenhouse gas emissions associated with vehicle fleet	79.28
	Total greenhouse gas emissions associated with air travel	12.6
	Total greenhouse gas emissions associated with energy use	*
	Total greenhouse gas emissions associated with waste disposal	*
	Greenhouse gas emissions offsets purchased	Nil
Procurement	<p>The Mallee CMA Purchasing and Procurement Policy includes environmental procurement as an essential consideration. (Participation % of FTE)</p> <p>Employees are required to purchase goods and services that have reduced impacts on the environment.</p> <p>Employees are also required to consider environmental impacts and opportunities during the procurement process. Employees undertaking procurement should consider where appropriate the inclusion of minimum environmental requirements in specifications.</p> <p>Environmental requirements can be defined in relation to performance standards, the impact of the good or service on the environment and/or in relation to supplier's environmental management practices.</p> <p>The Mallee CMA policy also requires employees to undertake socially responsible procurement which includes the protection of the environment and the conservation of resources.</p>	100%

Entries marked with an asterisk (*) contribute to the whole of Victorian Government Site - Irymple managed by the landlord, DJPR.



Ptilotus, November 2022.

Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by Mallee CMA and are available (in full) on request, subject to the provisions of the *Freedom of Information Act 1982*:

- details of publications produced by Mallee CMA about itself, and how these can be obtained
- details of any major external reviews carried out on Mallee CMA
- details of major research and development activities undertaken by Mallee CMA
- details of major promotional and public relations activities undertaken by Mallee CMA to develop community awareness of the entity and its services
- details of changes in prices, fees, charges, rates, and levies charged.

The information is available on request to:
Mallee Catchment Management Authority
Post: Mallee CMA, PO Box 5017, Mildura, Victoria 3502
Phone: 03 5001 8600
Email: information@malleecma.com.au

Additional information included in the annual report

Details in respect of the following items have been included on the pages indicated below:

- Assessments and measures undertaken to improve occupational health and safety of employees - page 72
- A list of the Mallee CMA's major committees, the purposes of each committee and the extent to which the purposes have been achieved – from page 62
- Details of changes in FOI fees – page 81
- Training is undertaken to improve the occupational health and safety of employees – page 72

Information that is not applicable to the Mallee CMA

The following information is not relevant to the Mallee CMA for the reasons set out below:

- Details of shares held by senior officers (no shares have ever been issued in Mallee CMA)
- Details of overseas visits undertaken (no Board members or senior executives took overseas work-related trips in 2022–23).



Fish survey training, Lake Wallawalla.

Financial Management Compliance Attestation Statement

Mallee Catchment Management Authority Financial Management Compliance Attestation Statement

I, Allison McTaggart on behalf of the Responsible Body, certify that the Mallee Catchment Management Authority has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Allison McTaggart
Board Chair
Mallee Catchment Management Authority

27 September 2023

Part 5

Financial Statements

For the year ended
30 June 2023



Declaration in Financial Statements

The attached financial statements for the Mallee Catchment Management Authority have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of the Authority at 30 June 2023.

At the time of signing, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 23 August 2023.

Allison McTaggart
Chairperson
Mallee Catchment Management Authority

Jenny Collins
CEO and Accountable Officer
Mallee Catchment Management Authority

Meagan Crozier CPA
Chief Finance Officer
Mallee Catchment Management Authority

Independent Auditor's Report

To the Board of the Mallee Catchment Management Authority

Opinion	<p>I have audited the financial report of the Mallee Catchment Management Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
29 August 2023



Paul Martin
as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement
For the financial year ended 30 June 2023

		\$	\$
	Notes	2023	2022
Income from transactions			
Government contributions	2.2.1	19,109,974	22,819,131
Salinity levies		2,571,319	3,182,818
Interest	2.2.2	1,372,913	117,439
Other income	2.2.3	91,675	200,478
Total income from transactions		23,145,881	26,319,867
Expenses from transactions			
Employee expenses	3.1.1	6,439,540	6,365,315
Consultancies - project based		4,842,967	4,350,951
Contractors - project based		3,165,378	5,228,421
Project operations and maintenance		2,093,266	2,878,834
Operating expenses	3.3	2,186,236	2,589,867
Grants and incentives	3.2	1,902,475	724,276
Depreciation	4.1.1	186,201	199,738
Total expenses from transactions		20,816,064	22,337,401
Net result from transactions (net operating balance)		2,329,817	3,982,466
Other economic flows included in net result			
Net gain on disposal of non-financial assets ^(b)	8.1	128,001	-
Total other economic flows – included in net result		128,001	-
Comprehensive result		2,457,818	3,982,466

Notes:

^(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

^(b) Net gain/(loss) on non-financial assets includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets, except when these are taken through the asset revaluation surplus.

The accompanying notes form part of these financial statements.

Balance Sheet
As at 30 June 2023

		\$	\$
	Notes	2023	2022
Assets			
Financial assets			
Cash and deposits	6.1	50,144,042	45,534,021
Receivables	5.1	2,172,580	4,736,004
Total financial assets		52,316,622	50,270,025
Non-financial assets			
Prepayments	5.3	77,478	-
Plant and equipment	4.1	464,409	333,067
Total non-financial assets		541,887	333,067
Total assets		52,858,509	50,603,092
Liabilities			
Payables	5.2	390,319	666,242
Employee related provisions	3.1.2	1,278,221	1,204,700
Total liabilities		1,668,540	1,870,942
Net assets		51,189,969	48,732,150
Equity			
Accumulated surplus		3,372,908	3,254,207
Reserves	8.2	43,719,726	41,380,608
Contributed capital		4,097,335	4,097,335
Net worth		51,189,969	48,732,150

Note:

^(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

The accompanying notes form part of these financial statements.

Cash Flow Statement

For the financial year ended 30 June 2023

		\$	\$
	Notes	2023	2022
Cash flows from operating activities			
Receipts			
Receipts from government		18,399,655	16,397,847
Interest received		1,372,913	117,439
Goods and services tax received from the ATO ^(b)		506,915	381,055
Other receipts		6,871,010	8,991,387
Total receipts		27,150,493	25,887,728
Payments			
Payments to suppliers and employees		(22,350,930)	(23,399,641)
Total payments		(22,350,930)	(23,399,641)
Net cashflows from operating activities	6.1.1	4,799,564	2,488,087
Cash flows from investing activities			
Purchases of non-financial assets		(360,906)	(72,322)
Proceeds from sale of non-financial assets		171,364	-
Net cashflows used in investing activities		(189,543)	(72,322)
Net increase in cash and cash equivalents		4,610,021	2,415,765
Cash and cash equivalents at the beginning of the financial year		45,534,021	43,118,256
Cash and cash equivalents at the end of the financial year	6.1	50,144,042	45,534,021

Notes:

^(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

^(b) GST received from the Australian Taxation Office is presented on a net basis.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the financial year ended 30 June 2023

		\$	\$	\$	\$
	Notes	Reserves	Accumulated surplus	Contributed capital	Total
Balance at 1 July 2021		37,318,710	3,333,639	4,097,335	44,749,684
Net result for the year		-	3,982,467	-	3,982,467
Transfers to/(from) reserves		4,061,898	(4,061,898)	-	-
Balance at 30 June 2022		41,380,608	3,254,208	4,097,335	48,732,150
Net result for the year		-	2,457,818	-	2,457,818
Transfers to/(from) reserves	8.2	2,339,118	(2,339,118)	-	-
Balance at 30 June 2023		43,719,726	3,372,908	4,097,335	51,189,969

Notes:

^(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

The accompanying notes form part of these financial statements.

**Notes to the Financial Report
for the year ended 30 June 2023**

1. ABOUT THIS REPORT

The Mallee Catchment Management Authority (the Authority) is a government authority of the State of Victoria, established by the *Catchment and Land Protection Act 1994*.

A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

Its principal address is:

Agriculture Victoria Complex
315-341 Koorlong Avenue
Irymple, Victoria, 3498

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Authority.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates', and relate to:

- Employee benefit provisions (Note 3.1.2);
- Determining whether the performance obligations are sufficiently specific so as to determine whether the arrangement is within the scope of AASB 15: *Revenue from Contracts with Customers* or AASB 1058: *Income of Not-for-Profit Entities* (Note 2.2.1);
- Commitments for expenditure (Note 6.2);
- Fair value determination of assets and liabilities (Note 7.3).

All amounts have been rounded to the nearest dollar unless otherwise stated. Figures in the financial statements may not equate due to rounding.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Notes to the Financial Report for the year ended 30 June 2023

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

The Authority's primary objective is to facilitate integrated and ecological sustainable management of the natural, cultural and productive landscapes occurring within the region. Programs and projects are developed to deliver against the region's priorities for these landscapes.

To enable the Authority to fulfil its objective and provide outputs it receives income (predominantly accrual based government contributions). The Authority also receives Salinity levies collected specifically to offset salinity impact of irrigation development.

2.1 Summary of income that funds the delivery of our services

Significant Judgement: Grants Contributions

The Authority has made the judgement that amounts received in relation to government contributions should be recognised under AASB 1058 on the basis that the relevant funding agreements do not contain sufficiently specific performance obligations to satisfy the application of AASB 15.

		\$	\$
	Notes	2023	2022
Government Contributions	2.2.1	19,109,974	22,819,131
Interest	2.2.2	1,372,913	117,439
Salinity levies		2,571,319	3,182,818
Other Income	2.2.3	91,675	8,991,387
Total income that funds delivery of services		23,145,881	26,319,867

Revenue and income that fund delivery of the Authority's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

Salinity levies are collected under the Ministerial 'policies for managing water use licences in salinity impact zones (2007)', whereby each mega litre of new or increased Annual Use Limit (AUL) attracts a capital or ongoing charge to contribute to the costs of works and measures to offset salinity impacts.

2.2 Income from transactions

2.2.1 Government contributions

Income recognised under AASB 1058

	\$	\$
	2023	2022
State Government		
State Government Contributions	4,235,780	4,150,297
Catchment Governance	1,016,866	853,200
Threatened Species Protection Initiative	-	563,050
Sustainable Irrigation Program	698,500	635,800
Landcare Program	388,250	826,743
Environmental Water Program	582,000	731,000
Environmental Water Holder	68,532	835,632
Water Management Program	2,240,000	2,005,000
Our Catchment Our Communities	562,000	549,000
Total State Government contributions	9,791,928	11,149,722
Commonwealth Government		
Victorian Murray Floodplain Restoration Project	4,208,016	5,608,090
Commonwealth Contributions	113,589	1,137,112
The Living Murray	2,465,265	2,513,692
National Landcare Program	2,531,177	2,410,515
Total Commonwealth Government contributions	9,318,046	11,669,409
Total Government contributions	19,109,974	22,819,131

**Notes to the Financial Report
for the year ended 30 June 2023**

The Authority has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Authority has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Authority recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- (a) contributions by owners, in accordance with AASB 1004;
- (b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- (c) a financial instrument, in accordance with AASB 9; or
- (d) a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately on passed to the relevant recipient entities.

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations is satisfied but not yet billed, a contract asset is recorded. In 2022-23 the Authority has not recognised any revenue as a contract asset under AASB 15 (2022: Nil), and has not recognised any revenue as a contract liability under AASB 15 (Note 5.2) (2022: Nil).

2.2.2 Interest income

	\$	\$
	2023	2022
Interest from financial assets at amortised cost		
Interest on bank deposits	1,372,913	117,439
Total interest from financial assets at amortised cost	1,372,913	117,439

Interest income includes interest received on bank deposits. Interest income is recognised using the effective interest method, which allocates interest over the relevant period.

2.2.3 Other income

	\$	\$
	2023	2022
Sundry income	91,675	200,478
Total other income	91,675	200,478

Sundry income is paid parental leave and reimbursements for trainees.

The Authority has determined that the other income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

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for the year ended 30 June 2023

3. THE COST OF DELIVERING OUR SERVICES

Introduction

This section provides an account of the expenses incurred by the Authority in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

3.1 Expenses incurred in delivery of services

		\$	\$
	Notes	2023	2022
Employee benefits expense	3.1.1	6,439,540	6,365,315
Consultancies - project based		4,842,967	4,350,951
Contractors - project based		3,165,378	5,228,421
Project operations and maintenance		2,093,266	2,878,834
Grants and incentives	3.2	1,902,475	724,276
Operating expenses	3.3	2,186,236	2,589,867
Total expenses incurred in delivery of services		20,629,863	22,137,664

3.1.1 Employee benefits in the comprehensive operating statement

		\$	\$
	Notes	2023	2022
Salaries and wages, annual leave and long service leave		5,866,555	5,824,445
Termination benefits		5,570	1,657
Defined contribution superannuation	3.1.3	567,415	539,213
Total employee benefits expenses		6,439,540	6,365,315

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments, payroll tax and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period. The Authority does not contribute to any defined benefit superannuation plans.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Authority is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

**Notes to the Financial Report
for the year ended 30 June 2023**

3.1.2 Employee benefits in the balance sheet

Significant judgement, employee benefit provisions: In measuring employee benefits, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using a single weighted average discount rate based on market yields of national government bonds in Australia that reflects the estimated timing and amount of benefit payment.

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	\$	\$
	2023	2022
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	293,196	293,346
Unconditional and expected to settle after 12 months	113,334	124,067
Long service leave		
Unconditional and expected to settle after 12 months	572,593	522,141
Provisions for on-costs		
Unconditional and expected to settle within 12 months	36,270	32,837
Unconditional and expected to settle after 12 months	105,289	88,466
Total current provisions for employee benefits	1,120,682	1,060,857
Non-current provisions		
Employee benefits	136,035	125,963
On-costs	21,504	17,880
Total non-current provisions for employee benefits	157,539	143,843
Total provisions for employee benefits	1,278,221	1,204,700

	\$
	2023
Reconciliation of movement in on-cost provision	
Opening balance	139,183
Additional provisions recognised	23,880
Closing balance	163,063
Current	141,559
Non-current	21,504

Wages and salaries, annual leave and sick leave: Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Authority does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Authority expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional annual leave and LSL are disclosed as a current liability; even where the Authority does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at either undiscounted value, if the Authority expects to wholly settle within 12 months, or present value, if the Authority does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction.

**Notes to the Financial Report
for the year ended 30 June 2023**

3.1.3 Superannuation contributions

Employees of the Authority are entitled to receive superannuation benefits. The Authority only contributes to defined contribution plans.

The name, details and amounts expended in relation to the major employee superannuation funds and contributions made by the Authority, and outstanding at year end, are as follows:

	\$	\$	\$	\$
	Paid contributions for the year		Contributions outstanding at year end	
	2023	2022	2023	2022
Defined contribution plans				
VicSuper	145,172	211,990	-	18,633
Vision Super	85,736	74,809	9,935	6,575
Aware Super	75,307	24,310	18,797	2,137
Other superannuation funds	261,200	228,104	24,727	20,050
Total	567,415	539,213	53,459	47,395

3.2 Grant expenses

	\$	\$
	2023	2022
Payments for specific purposes	1,902,475	724,276
Total grant expenses	1,902,475	724,276

Grant expenses are contributions of the Authority's resources to another party for specific purposes where there is no expectation that the amount will be repaid in equal value.

Grants can be either operating or capital in nature. The Authority only makes special purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grant expenses are recognised in the reporting period in which they are paid or payable. Grants only take the form of money.

3.3 Operating expenses

	\$	\$
	2023	2022
Supplies and services		
Purchase of services	1,632,588	1,970,123
Office expenses	226,461	277,604
Leases - short term	327,187	342,139
Total operating expenses	2,186,236	2,589,867

Operating expenses generally represent the day-to-day running costs incurred in normal operations.

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

Operating lease payments (including contingent rentals) are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset

Short-term leases and leases of low-value assets

The Authority has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

At 30 June 2023 the Authority does not have any commitments for short-term or low value leases.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Authority controls non-financial physical assets and investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Authority to be utilised for delivery of those outputs.

Fair value measurement: Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

4.1 Total plant and equipment

	\$	\$	\$	\$	\$	\$
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
Motor vehicles at fair value	904,965	787,311	(526,145)	(583,734)	378,821	203,577
Office furniture and equipment at fair value	42,535	42,535	(32,657)	(25,459)	9,877	17,076
Plant and equipment at fair value	220,165	212,724	(144,454)	(100,310)	75,711	112,414
Net carrying amount	1,167,665	1,042,570	(703,256)	(709,503)	464,409	333,067

Initial recognition: Items of plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of a leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

Subsequent measurement: Plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

Motor vehicles are valued using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by an experienced fleet manager in the Authority who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Refer to Note 7.3 for additional information on fair value determination of plant and equipment.

Impairment of plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136: *Impairment of Assets* does not apply to such assets that are regularly revalued, unless any indicator of impairment exists.

**Notes to the Financial Report
for the year ended 30 June 2023**

4.1.1 Depreciation

Charge for the period	\$	\$
	2023	2022
Motor vehicles	134,859	153,937
Office furniture and equipment	7,199	7,312
Plant and equipment	44,143	38,489
Total depreciation	186,201	199,738

All plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	(years) Useful life
Motor vehicles	4 to 8
Office furniture and equipment	5 to 15
Plant and equipment	3 to 10

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

4.1.2 Reconciliation of movements in carrying amounts of plant and equipment

	\$	\$	\$	\$
	Motor vehicles at fair value	Office furniture and equipment at fair value	Plant and equipment at fair value	Total
2023				
Opening balance	203,577	17,076	112,414	333,067
Additions	353,465	-	7,441	360,906
Disposals	(43,363)	-	-	(43,363)
Depreciation	(134,859)	(7,199)	(44,143)	(186,201)
Closing balance	378,820	9,877	75,711	464,409

	\$	\$	\$	\$
	Motor vehicles at fair value	Office furniture and equipment at fair value	Plant and equipment at fair value	Total
2022				
Opening balance	357,514	16,078	86,892	460,484
Additions	-	8,310	64,011	72,321
Disposals	-	-	-	-
Depreciation	(153,937)	(7,312)	(38,489)	(199,738)
Closing balance	203,577	17,076	112,414	333,067

**Notes to the Financial Report
for the year ended 30 June 2023**

5. OTHER ASSETS AND LIABILITIES

Introduction

This section sets out those assets and liabilities that arose from the Authority's controlled operations.

5.1 Receivables

	\$	\$
	2023	2022
Contractual		
Other receivables	2,083,129	4,736,004
Statutory		
GST input tax receivable	89,451	-
Total receivables	2,172,580	4,736,004

Receivables consist of:

Contractual receivables are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value. The Authority holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The Authority applies AASB 9: *Financial Instruments* for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

5.2 Payables

	\$	\$
	2023	2022
Contractual		
Supplies and services	390,319	613,390
Statutory		
Other taxes payable	-	52,852
Total payables	390,319	666,242

Payables consist of:

Contractual payables are categorised as 'financial liabilities at amortised cost'. Accounts payable represent liabilities for goods and services provided to the Authority prior to the end of the financial year that are unpaid. An amount has also been recognised for revenue received in advance, which has been assessed under AASB 15 *Revenue from Contracts with Customers*; and

Statutory payables, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of less than 30 days. No interest is charged on contractual payables.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

Maturity analysis of contractual payables ^(a)

	\$	\$	\$	\$	\$	\$	\$
	Carrying amount	Nominal amount	Less than 1 month	1 - 3 months	Maturity dates 3 months - 1 year	1-5 years	5+ years
2023							
Supplies and services	390,319	390,319	390,319	-	-	-	-
Total	390,319	390,319	390,319	-	-	-	-
	\$	\$	\$	\$	\$	\$	\$
2022							
Supplies and services	613,390	613,390	613,390	-	-	-	-
Total	613,390	613,390	613,390	-	-	-	-

(a) Maturity analysis is presented using the contractual undiscounted cash flows.

Notes to the Financial Report
for the year ended 30 June 2023

5.3 Other non-financial assets

	\$	\$
	2023	2022
Current other assets		
Prepayments	77,478	-
Total current other assets	77,478	-
Total other Assets	77,478	-

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or the payments made for services covering a term beyond that financial accounting period.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by the Authority during its operations and other information related to financing activities of the Authority.

This section includes disclosures of balances that are financial instruments (such as cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

6.1 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	\$	\$
	2023	2022
Cash on hand	1,000	1,000
Cash and deposits disclosed in the balance sheet	50,143,042	45,533,021
Balance as per cash flow statement	50,144,042	45,534,021

The Authority is responsible for the facilitation and coordination of catchments in an integrated and sustainable manner. This is achieved by undertaking projects funded by state and federal government. The Authority receives funding for specific projects which are guided by the Regional Catchment Strategy and delivered in line with the Authority's Corporate Plan approved by the Minister for Environment and the Minister for Water.

The projects funded by the state and commonwealth governments can be undertaken over multiple financial years and is received at various stages of the project life based on contractual agreements. At the end of the financial year there are some projects that have not reached completion but will be completed within the contractual terms in future financial periods. At balance date the Authority has significant cash and cash equivalents that will be utilised to complete these projects in future financial years.

6.1.1 Reconciliation of net result for the period to cash flow from operating activities

	\$	\$
	2023	2022
Net result for the period	2,457,818	3,982,466
Non-cash movements		
Gain on disposal of non-current assets	(128,001)	-
Depreciation of non-current assets	186,201	199,738
Movements in assets and liabilities		
Decrease/(increase) in receivables	2,563,424	(1,448,345)
(Decrease)/increase in employee related provisions	73,522	66,150
Decrease/(increase) in prepayments	(77,478)	-
(Decrease)/Increase in payables	(275,923)	(311,922)
Net cash flows from operating activities	4,799,564	2,488,087

**Notes to the Financial Report
for the year ended 30 June 2023**

6.2 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and are exclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.2.1 Total commitments payable

	\$	\$	\$	\$
Nominal amounts				
2023	Less than 1 year	1 - 5 years	5+ years	Total
Other commitments payable	4,025,409	296,421	-	4,321,830
Total commitments	4,025,409	296,421	-	4,321,830
	\$	\$	\$	\$
Nominal amounts				
2022	Less than 1 year	1 - 5 years	5+ years	Total
Other commitments payable	6,031,339	166,824	-	6,198,163
Total commitments	6,031,339	166,824	-	6,198,163

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

The Authority is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Authority related mainly to fair value determination.

7.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Authority's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Authority to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Authority recognises the following assets in this category

- cash and deposits; and
- receivables (excluding statutory receivables).

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. The Authority recognises accounts payable (excluding statutory payables) in this category.

Notes to the Financial Report
for the year ended 30 June 2023

7.1.1 Financial instruments: Categorisation

	\$	\$	\$
	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
2023			
Contractual financial assets			
Cash and deposits	50,144,042	-	50,144,042
Receivables ^(a)			
Other contractual receivables	2,083,129	-	2,083,129
Total contractual financial assets	52,227,171	-	52,227,170
Contractual financial liabilities			
Supplies and services	-	390,319	390,319
Total contractual financial liabilities	-	390,319	390,319

	\$	\$	\$
	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
2022			
Contractual financial assets			
Cash and deposits	45,534,021	-	45,534,021
Receivables ^(a)			
Other contractual receivables	4,736,004	-	4,736,004
Total contractual financial assets	50,270,026	-	50,270,025
Contractual financial liabilities			
Supplies and services	-	613,390	613,390
Total contractual financial liabilities	-	613,390	613,390

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.1.2 Financial instruments: Net holding gain by category

	\$	\$
	Total interest income	Total
2023		
Contractual financial assets		
Financial assets at amortised cost – other than on derecognition	1,372,913	1,372,913
Total contractual financial assets	1,372,913	1,372,913

	\$	\$
	Total interest income	Total
2022		
Contractual financial assets		
Financial assets at amortised cost – other than on derecognition	117,439	117,439
Total contractual financial assets	117,439	117,439

The net holding gains or losses disclosed above are determined as follows:

- For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- For financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

7.1.3 Financial risk management objectives and policies

As a whole, the Authority's financial risk management program seeks to manage credit, liquidity and interest rate risks and the associated volatility of its financial performance. The Authority is not exposed to foreign currency or equity price risks.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the Authority's financial risks within the government policy parameters.

The Authority's main financial risks include credit risk, liquidity risk and interest rate risk. The Authority manages these financial risks in accordance with its financial risk management policy.

The Authority uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Board of the Authority.

Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Authority's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Authority. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Authority's contractual financial assets is minimal because the main debtors are the Victorian and Commonwealth Government. For debtors other than the Government, it is the Authority's policy to only deal with entities with high credit ratings, where appropriate.

In addition, the Authority does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the Authority's policy is to only deal with banks with high credit rating.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Authority will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Authority's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the Authority's credit risk profile in 2022-23.

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Credit quality of contractual financial assets				
	\$	\$	\$	\$
	Financial institution (triple-A credit rating)	Government agencies (triple-A credit rating)	Other (min triple-B credit rating)	Total
2023				
Financial assets				
Financial assets with loss allowance measured at 12-month expected credit loss				
Cash and deposits	50,143,042	-	-	50,143,042
Total contractual financial assets	50,143,042	-	-	50,143,042

Credit quality of contractual financial assets that are neither past due nor impaired

	\$	\$	\$	\$
	Financial institution (triple-A credit rating)	Government agencies (triple-A credit rating)	Other (min triple-B credit rating)	Total
2022				
Financial assets				
Cash and deposits	44,657,153	875,868	-	45,533,021
Total contractual financial assets	44,657,153	875,868	-	45,533,021

Impairment of financial assets under AASB 9

The Authority records the allowance for expected credit loss for the relevant financial instruments, applying AASB 9 Expected Credit Loss approach.

Subject to AASB 9 impairment assessments include the Authority's contractual receivables and statutory receivables.

While cash and deposits are also subject to the impairment requirements of AASB 9, there was no identified impairment loss.

Contractual receivables at amortised cost

Contracted receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the Authority does not estimate any doubtful debts or credit risk associated with its contracted receivables for the 12 month period.

Statutory receivables at amortised cost

The Authority's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the Authority does not estimate any credit risk associated with its statutory receivables for the 12 month period. No loss allowance has been recognised.

**Notes to the Financial Report
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Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The Authority settles financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Authority is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. The Authority manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily able to be liquidated; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available-for-sale financial investments.

Financial instruments: Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Authority does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority has minimal exposure to cash flow interest rate risks through cash and deposits and term deposits that are at floating rate.

The Authority manages this risk by mainly undertaking fixed rate financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank, as financial assets that can be left at floating rate without necessarily exposing the Authority to significant bad risk, management monitors movement in interest rates on a frequent basis.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Authority's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

		\$	\$	\$	\$
	Weighted average interest rate %	Carrying amount	Fixed interest rate	Variable interest rate	Non bearing interest
2023					
Financial assets					
Cash and deposits	3.12%	50,144,042	-	50,143,042	1,000
Receivables ^(a)					
Other contractual receivables		2,250,058	-	-	2,250,058
Total financial assets		52,394,100	-	50,143,042	2,251,058
Financial liabilities					
Payables ^(a)					
Supplies and services		390,319	-	-	390,319
Total financial liabilities		390,319	-	-	390,319

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

**Notes to the Financial Report
for the year ended 30 June 2023**

		\$	\$	\$	\$
	Weighted average interest rate %	Carrying amount	Fixed interest rate	Variable interest rate	Non bearing interest
2022					
Financial assets					
Cash and deposits	0.26%	45,534,021	-	45,533,021	1,000
Receivables					
Other contractual receivables		4,736,004	-	-	4,736,004
Total financial assets		50,270,025	-	45,533,021	4,737,004
Financial liabilities					
Payables ^(a)					
Supplies and services		613,390	-	-	613,390
Total financial liabilities		613,390	-	-	613,390

(a) The total amounts disclosed here exclude statutory amounts

		\$	\$	\$
			-100 basis points	+100 basis points
		Carrying amount	Net result	Net result
2023				
Contractual financial assets				
Cash and deposits		50,144,042	(501,440)	501,440
Total impact		50,144,042	(501,440)	501,440

		\$	\$	\$
2022				
Contractual financial assets				
Cash and deposits		45,534,021	(455,340)	455,340
Total impact		45,534,021	(455,340)	455,340

7.2 Contingent assets and contingent liabilities

The Authority does not have any contingent assets or contingent liabilities.

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Authority.

This section sets out information on how the Authority determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- plant and equipment, motor vehicles and office furniture and equipment

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Authority determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Authority monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

Notes to the Financial Report for the year ended 30 June 2023

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Authority currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2023-24 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables:
Receivables:	· supplies and services
· income receivable	· amounts payable to government and agencies
· other contractual receivables	

7.3.2 Fair value determination of non-financial physical assets

Fair value measurement hierarchy

	\$	\$	\$	\$
	Carrying amount as at 30 June	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2023				
Plant, equipment and vehicles at fair value:				
Motor vehicles	378,821	-	378,821	-
Office furniture and equipment	9,877	-	-	9,877
Plant and equipment	75,711	-	-	75,711
Total of plant, equipment and vehicles at fair value	464,409	-	378,821	85,589
	\$	\$	\$	\$
2022				
Plant, equipment and vehicles at fair value:				
Motor vehicles	203,577	-	203,577	-
Office furniture and equipment	17,076	-	-	17,076
Plant and equipment	112,414	-	-	112,414
Total of plant, equipment and vehicles at fair value	333,067	-	203,577	129,490

There have been no transfers between levels during the period.

Motor Vehicles are held at fair value and fair value is determined using the current replacement cost method. The Authority acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by the Chief Finance Officer of the Authority who sets relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and Equipment and Office Furniture and Equipment are held at fair value. When plant and equipment or office furniture and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method. As depreciation adjustments considered as significant, unobservable inputs, these assets are classified as Level 3 fair value measurements.

There were no changes in valuation techniques throughout the period to 30 June 2023.

For all assets measured at fair value, the current use is considered the highest and best use.

**Notes to the Financial Report
for the year ended 30 June 2023**

Reconciliation of Level 3 fair value movements

	\$	\$	\$
2023	Office furniture and equipment	Plant and equipment	Total
Opening balance	17,076	112,414	129,490
Purchases	-	7,441	7,441
Depreciation	(7,199)	(44,144)	(51,343)
Closing balance	9,877	75,711	85,588
	\$	\$	\$
2022			
Opening balance	16,078	86,892	102,970
Purchases	8,310	64,011	72,321
Depreciation	(7,312)	(38,489)	(45,801)
Closing balance	17,076	112,414	129,490

There were no unrealised gains or losses (2022: Nil) on non-financial assets.

Description of significant unobservable inputs to Level 3 valuations

2023	Valuation technique	Significant unobservable inputs
Office furniture and equipment	Replacement cost	Cost per unit Useful life of office furniture and equipment
Plant and equipment	Replacement cost	Cost per unit Useful life of plant and equipment

There have been no significant changes to observable inputs for the 2022-23 year.

Notes to the Financial Report for the year ended 30 June 2023

8. OTHER DISCLOSURES

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

8.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from the revaluation of the present value of the long service leave liability due to changes in bond interest rates.

	\$	\$
	2023	2022
Net gain on non-financial assets		
Net gain on disposal of plant and equipment	128,001	-
Total net gain on non-financial assets	128,001	-

8.2 Reserves

	\$	\$
	2023	2022
Committed funds reserve ^(a)		
Balance at beginning of financial year	5,698,717	2,554,307
Transfers to/(from) accumulated surplus	874,214	3,144,410
Balance at end of financial year	6,572,931	5,698,717
Salinity offset reserve ^(b)		
Balance at beginning of financial year	34,681,891	33,764,403
Transfers to/(from) accumulated surplus	1,464,904	917,488
Balance at end of financial year	36,146,795	34,681,891
Capital renewals reserve ^(c)		
Balance at beginning of financial year	1,000,000	1,000,000
Transfers to/(from) accumulated surplus	-	-
Balance at end of financial year	1,000,000	1,000,000
Total reserves	43,719,726	41,380,608

(a) The committed funds reserve contains amounts allocated to the completion of specific projects.

(b) The salinity offset reserve contains the amount held by the Authority in accordance with ministerial policies for managing water use licences in salinity impact zones under the *Water Act 1989*.

(c) The capital renewals reserve contains amounts that have been set aside by the Authority for the purpose of funding capital projects.

**Notes to the Financial Report
for the year ended 30 June 2023**

8.3 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and Accountable Officer in the Authority are as follows:

Ministers

The Hon. Harriet Shing MP, Minister for Water	1 July 2022 to 30 June 2023
The Hon. Ingrid Stitt MP, Minister for Environment	5 December 2022 to 30 June 2023
The Hon. Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change	1 July 2022 to 4 December 2022

Responsible Persons

Allison McTaggart, Board Chair	1 July 2022 to 30 June 2023
Kellie Nulty, Deputy Board Chair	26 October 2022 to 30 June 2023
Kellie Nulty, Board Member	1 July 2022 to 25 October 2022
Sharyon Peart, Board Member	1 July 2022 to 30 June 2023
Robert Matthews, Board Member	1 July 2022 to 30 June 2023
Janice Kelly, Board Member	1 July 2022 to 30 June 2023
Ann Hodge, Board Member	1 July 2022 to 30 June 2023
Tony Alessi, Board Member	1 July 2022 to 30 June 2023
Jennifer Collins, Chief Executive Officer	1 July 2022 to 30 June 2023

The number of responsible persons whose remuneration from the Authority were as follows:

	2023	2022
\$0 to \$9,999	-	3
\$10,000 to \$19,999	4	5
\$20,000 to \$29,999	2	2
\$30,000 to \$39,999	1	-
\$257,112 to \$370,331	1	1
Total number of responsible persons	8	11
Total remuneration \$	493,755	501,057

8.4 Remuneration of executives

The Authority does not have any executive officers that meet the definition of Financial Reporting Directions (FRDs) 21C disclosures of executive officers, other than ministers and the CEO, during the reporting period.

The CEO, to whom the Victorian Government's Public Entity Executive Remuneration (PEER) Policy applies, is an accountable officer whose remuneration has been disclosed in note 8.3 Responsible Persons.

**Notes to the Financial Report
for the year ended 30 June 2023**

8.5 Related parties

The Mallee Catchment Management Authority is statutory authority established by the *Catchment and Land Protection Act 1994*.

The Authority is a wholly owned and controlled entity of the State of Victoria.

Related parties of the authority include:

- all key management personnel and their close family members;
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel of the Authority includes Portfolio Ministers, board members and the chief executive officer;

- The Hon. Harriet Shing MP, Minister for Water
- The Hon. Ingrid Stitt MP, Minister for Environment
- Allison McTaggart, Board Member, Chair
- Kelly Nulty, Board Member, Deputy Chair
- Sharyon Peart, Board Member
- Robert Matthews, Board Member
- Tony Alessi, Board Member
- Ann Hodge, Board Member
- Jennifer Collins, Chief Executive Officer

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receives. The Ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

	\$	\$
Compensation of KMP	2023	2022
Short-term employee benefits	444,570	420,878
Post-employment benefits	39,928	38,396
Other long-term benefits	9,257	41,783
Total compensation ^(a)	493,755	501,057

(a) Note that KMP are also reported in the disclosure of remuneration of executive officers (Note 8.3).

**Notes to the Financial Report
for the year ended 30 June 2023**

Government Related Entities

During the year the Authority reported related party transactions with the following government related entities:

Name of Government Entity	Details Transaction	Nature of Relationship	Receipts	\$ Outstanding Receipts	\$ Payments	\$ Commitments
Department of Energy, Environment and Climate Action (DEECA)	Provision grant funding to undertake projects	Significant influence	12,861,088	-	-	-
Department of Energy, Environment and Climate Action (DEECA)	Purchase of goods/services to undertake projects	Significant influence	-	-	2,874,919	97,753
Department of Jobs, Precincts and Regions	Purchase of goods/services to undertake projects	Significant influence	-	-	462,915	-
Goulburn Murray Water	Purchase of goods/services to undertake projects	Joint responsibility	-	-	122,393	-
Lower Murray Water	Salinity levies for managing water use licences in salinity impact zones. Reimbursement of costs associated with joint project.	Joint responsibility	7,200,137	19,136	-	-
Parks Victoria	Purchase of goods/services to undertake projects	Significant influence	-	-	357,614	100,000

**Notes to the Financial Report
for the year ended 30 June 2023**

Other Related Party Transactions

During the year the Authority reported related party transactions with the following key management personnel:

Name of counterparty	Details Transaction	Relationship	Receipts	\$	\$	\$	\$
				Outstanding Receipts	Payments	Commitments	
Mallee Sustainable Farming	Purchase of goods/services to undertake projects	Supplier	-	-	459,704	250,978	
Goulburn Murray Water	Provision grant funding to undertake projects	Contractor	-	-	122,393	-	
Lower Murray Water	Purchase of goods/services to undertake projects	Board Deputy Chair	7,200,137	19,136	-	-	

All other transactions that have occurred with KMP and their related parties have not been considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Authority's financial position and profit or loss may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

8.6 Remuneration of auditors

	\$	\$
	2023	2022
Victorian Auditor-General's Office		
Audit of the financial statements	23,000	17,000
Total remuneration of auditors	23,000	17,000

(a) The Victorian Auditor-General's Office is not allowed to provide non-audit services

8.7 Subsequent events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Authority, the results of those operations, or the state of affairs of the Authority in future financial years.

8.8 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022-23 reporting period. These accounting standards have not been applied to this Financial Report. The Authority is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

AASB 2022-10 amends AASB 13: *Fair Value Measurement* by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

Among other things, the Standard:

- specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5: *Non-current Assets Held for Sale and Discontinued Operations* or if it is highly probable that it will be used for an alternative purpose;
- clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services;
- specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and
- provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

Other Amending Standards

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on the Authority's reporting.

Notes to the Financial Report for the year ended 30 June 2023

8.9 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Controlled item generally refers to the capacity of a department to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is:

- a contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
 - a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Notes to the Financial Report for the year ended 30 June 2023

Financial statements comprise:

- a balance sheet as at the end of the period;
- a comprehensive operating statement for the period;
- a statement of changes in equity for the period;
- a cash flow statement for the period;
- notes, comprising a summary of significant accounting policies and other explanatory information;
- comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*; and
- a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grant expenses and other transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Grants for on passing are grants paid to one institutional sector (e.g. a State general government entity) to be passed on to another institutional sector (e.g. local government or a private non-profit institution).

Infrastructure systems provide essential services used in the delivery of final services or products. They are generally a complex interconnected network of individual assets and mainly include sewerage systems, water storage and supply systems, and public transport assets owned by the State.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the State of Victoria.

Joint ventures are contractual arrangements between the Authority and one or more other parties to undertake an economic activity that is subject to joint control and have rights to the net assets of the arrangement. Joint control only exists when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net acquisition of non-financial assets (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write offs, impairment write downs and revaluations.

Net financial liabilities is calculated as liabilities less financial assets, other than equity in PNFCs and PFCs. This measure is broader than net debt as it includes significant liabilities, other than borrowings (e.g. accrued employee liabilities such as superannuation and long service leave entitlements). For the PNFC and PFC sectors, it is equal to negative net financial worth.

Net financial worth is equal to financial assets minus liabilities. It is a broader measure than net debt as it incorporates provisions made (such as superannuation, but excluding depreciation and bad debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities, only some of which are included in net debt.

Notes to the Financial Report for the year ended 30 June 2023

Net gain on equity investments in other sector entities measured at proportional share of the carrying amount of net assets/(liabilities) comprises the net gains relating to the equity held by the general government sector in other sector entities. It arises from a change in the carrying amount of net assets of the subsidiaries. The net gains are measured based on the proportional share of the subsidiary's carrying amount of net assets/(liabilities) before elimination of inter sector balances.

Net lending/borrowing is the financing requirement of government, calculated as the net operating balance less the net acquisition of non-financial assets. It also equals transactions in financial assets less transactions in liabilities. A positive result reflects a net lending position and a negative result reflects a net borrowing position.

Net operating balance – net result from transactions: Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

Non-financial public sector represents the consolidated transactions and assets and liabilities of the general government and PNFC sectors. In compiling statistics for the non-financial public sector, transactions and debtor/creditor relationships between sub-sectors are eliminated to avoid double counting.

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Payables includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

Public financial corporations are bodies primarily engaged in the provision of financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services). Estimates are not published for the public financial corporation sector.

The public non financial corporation (PNFC) sector comprises bodies mainly engaged in the production of goods and services (of a non financial nature) for sale in the market place at prices that aim to recover most of the costs involved (e.g. water and port authorities). In general, PNFCs are legally distinguishable from the governments which own them.

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of the Authority.

Taxation income represents income received from the State's taxpayers and includes:

- payroll tax, land tax and duties levied principally on conveyances and land transfers;
- gambling taxes levied mainly on private lotteries, electronic gaming machines, casino operations and racing;
- insurance duty relating to compulsory third party, life and non life policies;
- insurance company contributions to fire brigades;
- motor vehicle taxes, including registration fees and duty on registrations and transfers;
- levies (including the environmental levy) on statutory corporations in other sectors of government; and
- other taxes, including landfill levies, licence and concession fees.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the Government.

Appendices

1 Disclosure Index

The Mallee Catchment Management Authority (CMA) annual report is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate the identification of the CMA's compliance with statutory disclosure requirements.

Table 1 | Ministerial Directions and Financial Reporting Directions Disclosure index

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<i>Charter and purpose</i>		
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FRD 22	Nature and range of services provided	7
FRD 22	Purpose, functions, powers and duties (Objectives, functions, powers and duties)	9
FRD 22	Key initiatives and projects	10
<i>Management and structure</i>		
CALP 19B	Annual Catchment Condition and Management Report	132
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FRD 10	Disclosure index	130
FRD 12	Disclosure of major contracts	81
FRD 22	Employment and conduct principles	72
FRD 22 & 29	Workforce Data disclosures	75
FRD 22	Workforce Inclusive Policy	76
FRD 22	Occupational health and safety policy	72
FRD 22	Summary of the financial results for the year	60
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FRD 22	Summary operational objectives	10
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FRD 22	Compliance with building and maintenance provisions of the <i>Building Act 1993</i>	82

Continued...

Table 1 | Ministerial Directions and Financial Reporting Directions Disclosure index *Continued...*

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FRD 22	Details of consultancies under \$10,000	81
FRD 22	Disclosure of government advertising expenditure	81
FRD 22	Disclosure of ICT expenditure	81
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Compliance attestation and declaration		
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FRD 103	Non-financial physical assets	114
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<i>Local Jobs First Act 2003</i>		78
<i>Public Interest Disclosures Act 2012</i>		82
<i>Water Act 1989</i>		9

Appendices

2 Condition and Management Report

Introduction

Condition and management reporting is undertaken to fulfil Mallee Catchment Management Authority's (CMA's) annual reporting requirements as outlined in Section 19B of the *Catchment and Land Protection Act 1994* (CaLP Act), which states that: Each Authority must submit to the Minister each year, a report on the condition and management of land and water resources in its region and the carrying out of its functions.

The report provides an assessment of the condition of the region's environment and a reflection on the likely impact of annual scale actions, events, and observed change within the previous year and over the previous five years. A key purpose of monitoring changes in the operating context is to help identify opportunities for adapting and changing the way we manage the environment.

A summary of the 2022–23 Condition and Management Report is presented below, to align with CMA Guidelines for Annual Catchment Condition and Management Reporting – 2022–23¹; with the full report to be made available on the Victorian Regional Catchment Strategy website at mallee.rcs.vic.gov.au.

Condition and management are reported against five headline themes (Table 1) to align with the statewide outcome framework that links regional outcome indicators established by the Mallee Regional Catchment Strategy (RCS) 2022–28, to the high-level policy outcomes of the Victorian and Australian Governments.

An overview of any key events (e.g. climatic, policy changes) that occurred in 2022–23 which may have influenced the management and/or condition of our regional assets is also provided within this report.

Table 1 | Headline themes.

Headline theme	Definition / Scope
Biodiversity	Populations of threatened or significant species, occurrences of threatened ecological communities (aquatic and terrestrial species/communities), and terrestrial habitat provided by ecological vegetation classes and their contribution to landscape processes.
Waterways	Rivers, streams, their tributaries, surrounding riparian land (including the floodplain), individual wetlands, wetland complexes, and their associated floodplain ecosystems (including groundwater dependent ecosystems and the groundwater flow systems and aquifers they are reliant on).
Agricultural Land	All parts of the landscape that have been developed for the purpose of dryland and irrigated agricultural production (including the soil and water resources they rely and impact on).
Culture and Heritage	All tangible and intangible Aboriginal culture and heritage that has recognised cultural, historical, or spiritual significance; and Traditional Ecological Knowledge rejuvenation, protection, and application in cultural landscapes management.
Community Capacity for NRM	The inherent knowledge, skills, and motivation that the community has for effective and sustainable NRM (where 'community' encompasses all land managers, Traditional Owners, organisations, groups, and individuals contributing to NRM related activity across the region).

¹ Department of Energy, Environment and Climate Action (2023)

Key Events and Insights

Climate

Annual climatic conditions can have a significant impact on both the condition and management of regional assets. In 2022–23, the Mallee region experienced 'very much above average' to 'highest on record' rainfall over the cooler months (April to October), and 'very much above average' in the warmer period (October to April) (Figure 1).

While winter rainfall over this period was 'below average', record highest spring totals were experienced at numerous sites across the region. This included Werrimull in the northern Mallee (329% of average), Walpeup in the central Mallee (361% of average), Manangatang in the eastern Mallee (406% of average), and Birchip in the southern Mallee (281% of average). Following these significant spring rainfall events, the region recorded mostly 'average' rainfall throughout summer and autumn².

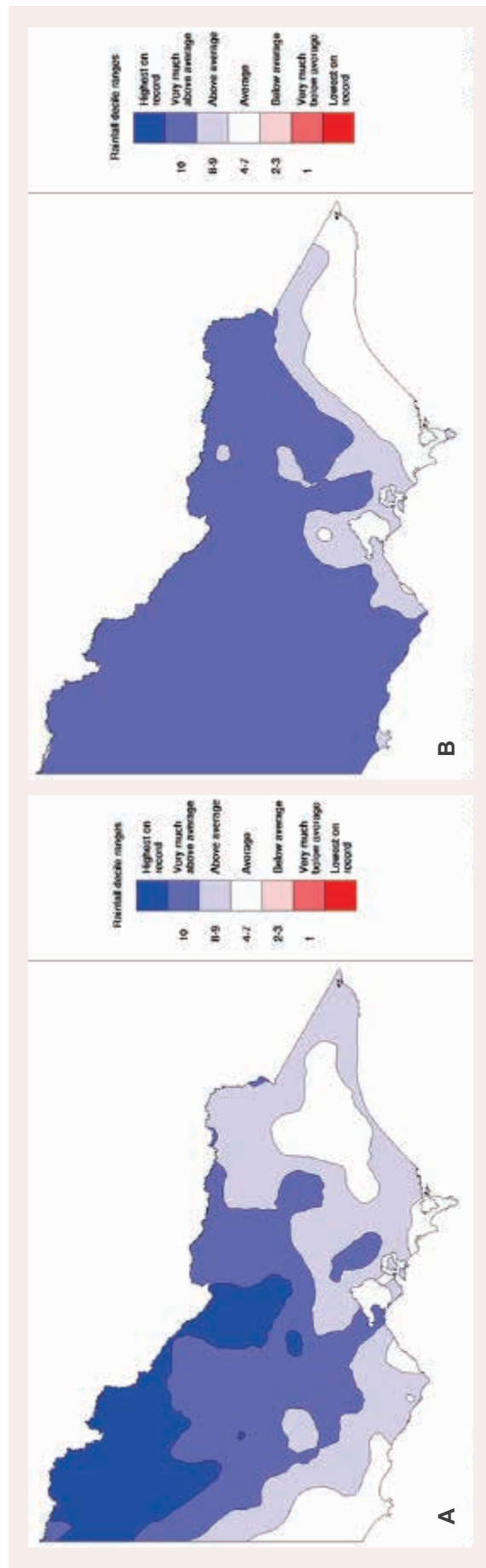


Figure 1 | Victorian Rainfall Deciles (a) 1 April 2022 to 31 October 2022 (a) and (b) 1 October 2022 to 30 April 2023 (b) (Source: Australian Bureau Meteorology).

The broader Murray-Darling Basin catchment area also had the wettest November on record (211% above average); which, along with already high soil moisture and water storage levels, resulted in widespread flooding along the Murray River. Water inflows to the key Murray, Goulburn, and Darling storages were around double the volume recorded for the same period in 2021–22, and around three times higher than the long-term median inflow volume (Figure 2), making 2022–23 the sixth highest inflow water year on record³.

² Bureau of Meteorology (2023), Victorian seasonal climate summaries archive at www.bom.gov.au.

³ Murray-Darling Basin Authority (2023), River Murray Annual Operating Outlook

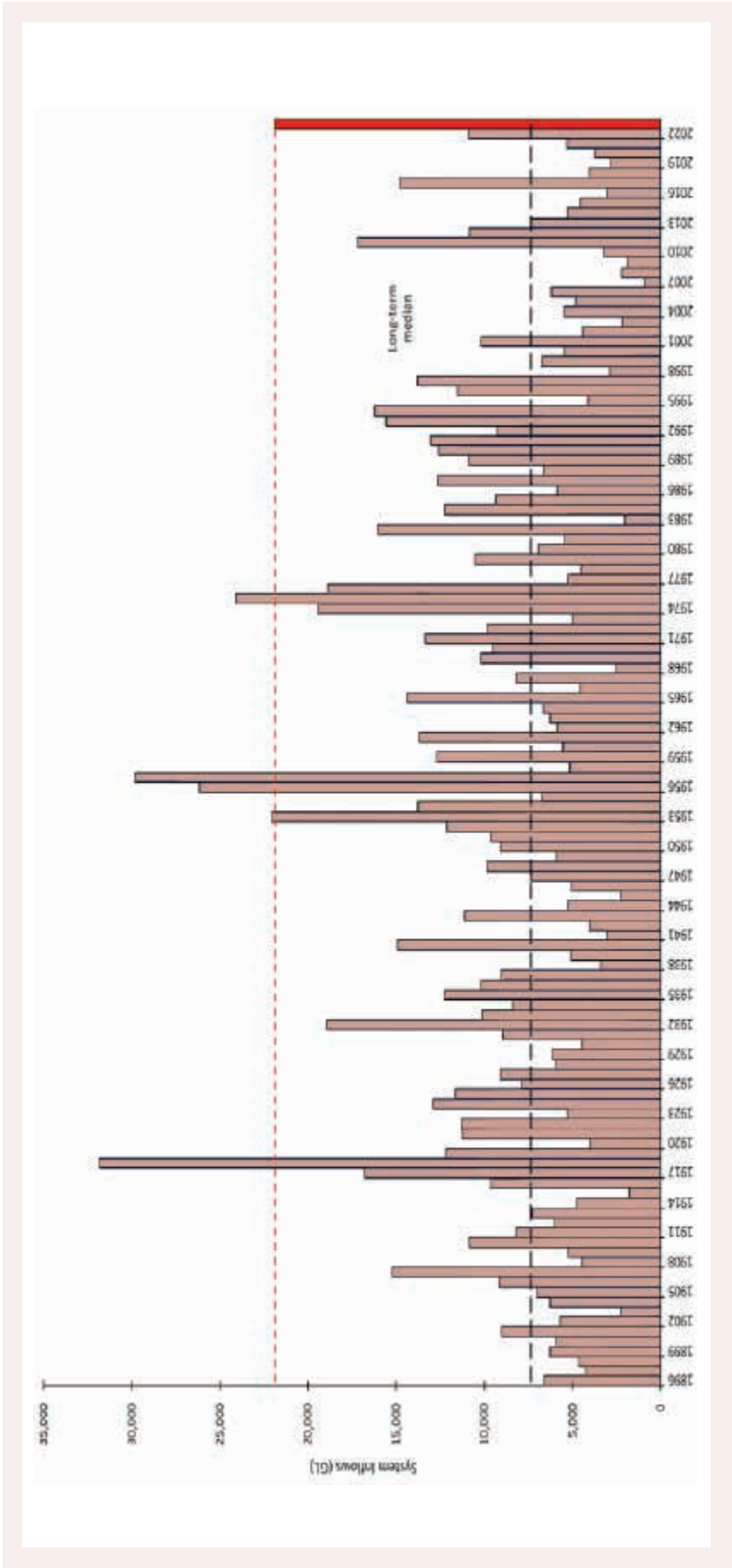


Figure 2 | Murray River system inflows - water year totals (to end May) since 1896 (Source: Murray-Darling Basin Authority 2023). Black dashed line shows the long-term median for 130 years on record. The red dashed line shows the 2022-23 inflows compared with all years on record. Note: inflows exclude Snowy Hydro inflows, inter-valley transfer (IVT) delivery, managed environmental inflows and inflows to Menindee Lakes.

Strategic Framework

- Key strategic documents developed or reviewed by the region in 2022-23 to support ongoing advances in the planning, delivery, and evaluation of Natural Resource Management (NRM) focused activities, included:
- Mallee Regional Catchment Strategy (2022-28): Ministerially approved and gazetted December 2022
 - Mallee Waterway Strategy (2014-22): Final review – August 2022
 - Seasonal Watering Proposals (2023-24): Encompassing Living Murray Icon Sites, Lower Murray wetlands and Wimmera Mallee Pipeline wetlands
 - Site based Environmental Water Management Plans: Scheduled reviews of 15 Plans – June 2023
 - Hattah-Kulkyne Ramsar Site Management Plan and Annual Action Plan (2023-24): Annual review – June 2023.

Integrated Catchment Management

The Mallee RCS provides a framework for strategic action to support integrated and targeted efforts of the region's land managers, government agencies, and community groups. The overall extent and distribution of 2022–23 management actions delivered within the region's priority landscapes (i.e. Local Areas and Priority Corridors) under each headline theme are illustrated spatially in Figure 3. Local Areas represent significant landscapes for priority attention (i.e. deliver the greatest environmental, economic, and social return on effort), while Priority Corridors have been identified as the best places for biodiversity corridors between two or more Local Areas to support ongoing adaptation processes.

Overall, a large proportion of 2022–23 on-ground management activity was delivered within the region's priority landscapes (Table 2). Ongoing application of this approach ensures the efficient and effective application of NRM investment in the region. The integrated nature of NRM delivery in the Mallee also means actions delivered under one theme often achieve benefits across multiple asset types within the same landscape.

#NB: The output data presented in this section represents works delivered through Mallee CMA programs in 2022–23. It does not capture the significant areas of threat mitigation actions undertaken annually on public and private land through other funding initiatives, or by individual (e.g. private, volunteer) efforts.

Table 2 | Proportion (percent) of 2022–23 on-ground outputs delivered within the region's priority landscapes.

Output type	Delivery	Delivered in priority landscapes (percent)*	
	2022–23 Total	Local Areas	Priority Corridors
Irrigation Infrastructure	108 ha	100	97
Waterway Structure	2	100	0
Fence	11 km	99	45
Visitor Facility	11	82	73
Road	19 km	100	99
Crossing	2	100	50
Revegetation	549 ha	95	27
Weed Control	17,155 ha	96	14
Pest Animal Control	119,389 ha	88	14
Threatened Species Response	1	100	0
Rubbish Removal	1,082 ha	99	71
Water Regime	28	100	0

* Overlap of Local Area and Priority Corridor boundaries means that the collective percentage of works occurring within can be greater than 100 percent.

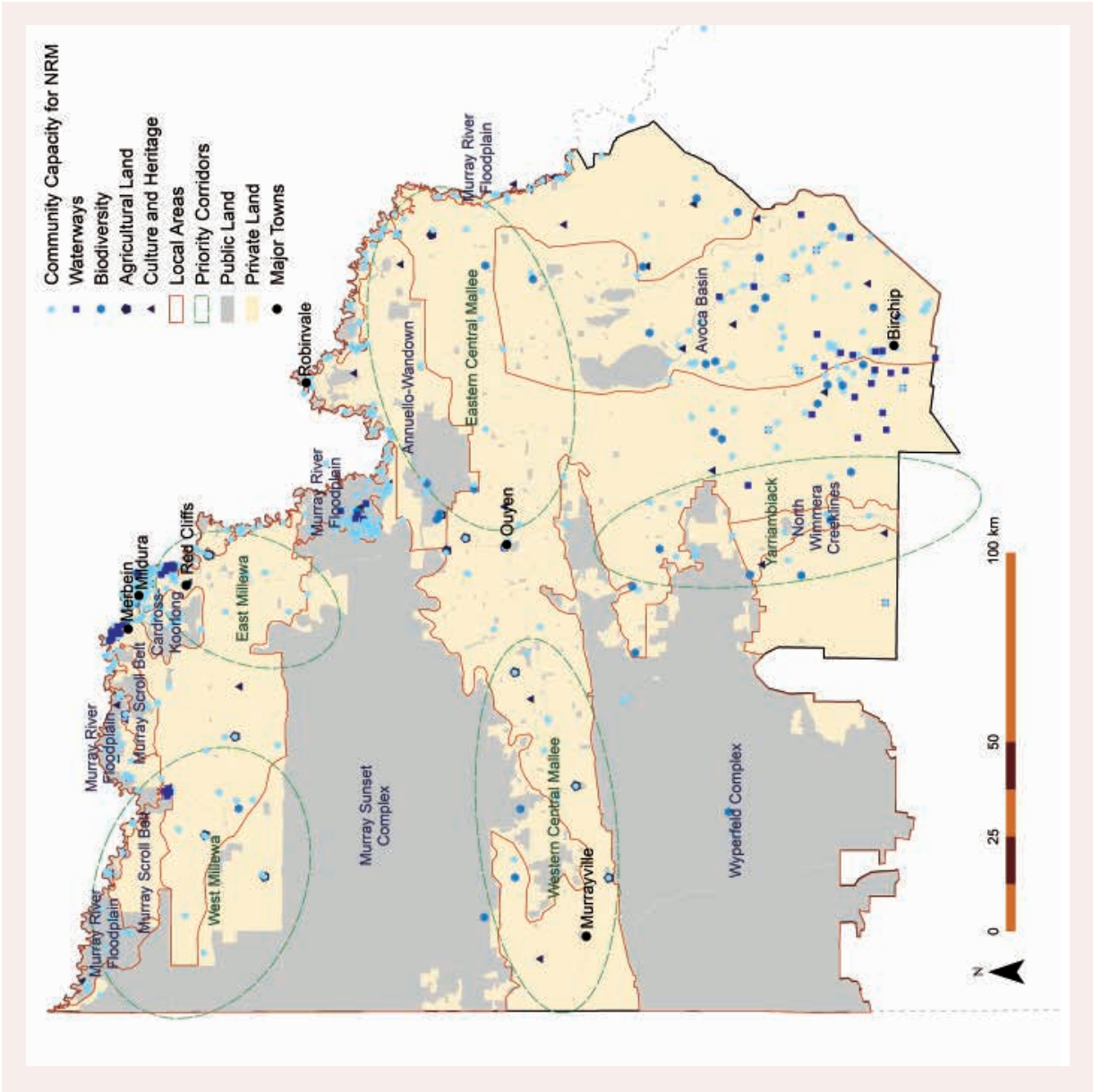


Figure 3 | Spatial distribution of management actions (outputs) delivered in 2022–23 under each of the RCS headline themes.

Assessment

The condition assessment for each theme describes the level of confidence or concern that catchment managers have in the future of the regional environment.





The assessment is based on a set of statewide indicators outlined in the RCS outcomes framework, augmented with regionally specific indicators, which have been selected based on criteria including availability and quality of data, and the linkages back to regional and policy outcomes.

The reporting format aims to provide a transparent path between the evidence and the assessment. It is not a definitive assessment, but rather an assessment at a point in time based on the best available evidence.

The following ratings are applied to each indicator (Table 3), where:

- **Trend** is the change over time in the indicator, which could be an environmental asset, a pressure, or a management activity. The trend is assessed against the direction required to contribute to the achievement of regional outcomes.
- **Condition** is a measure of the current state of the theme. Where appropriate, a condition rating is based on assessments of the assets, pressures, and management activities represented by the theme. The assessment is based on available science and expert advice, as well as evidence gained during the preceding year.

Table 3 | Indicator ratings.

Trend rating	Description	
 Positive	The indicator is moving in a positive direction and is expected to have a positive impact.	
 Neutral	The indicator is a neutral state, where movements may be significant but are within expected variation and will have little impact.	
 Concerned	The indicator is moving in a negative direction and is expected to have a detrimental impact.	
 Unknown	The trend is unknown.	

Condition rating	Description	
Good	The condition is classified as good.	
Moderate	The condition is classified as moderate.	
Poor	The condition is classified as poor.	
Not applicable	A condition rating is not applicable for this indicator	
Unknown	The condition for this indicator is not known and/or assessable	



Volunteer, Russell Cox water monitoring at Kings Billabong.

Regional catchment condition summary

A summary of condition and trend assessments for each theme (and sub-theme as applied) is provided in Table 4.

Table 4 | Overview of regional condition assessments for each headline theme.






Theme	Sub-theme	Trend		Condition	Summary Comment
		2022–23	Over last 5 years		
Biodiversity	Threatened Species and Communities	 Positive	 Neutral	Poor	<p>Condition: The overall condition of our threatened species and communities is considered to be poor on the basis of the proportion of both FFG and EPBC listed threatened species/communities which are recorded as occurring in the Mallee (i.e. FFG = 20% of species /17% of communities and EPBC = 2% of species /6% of communities). This assessment is further supported by species/community specific studies that identify the significant influence of external factors (e.g. climate variability and large bushfire events) on the long-term viability of these species/communities, and the expected trajectory of key species without effective and sustained interventions.</p> <p>Trend: Several site-based assessments of individual threatened species and communities over the medium (5-year) term indicate a stable condition trend, with evidence of increases in population numbers/distribution of threatened flora and fauna species experiencing favourable conditions (e.g. environmental watering). There is also some evidence to support the expectation that the significant area of targeted threat mitigation works undertaken over recent years will provide a basis for future improvements as favourable climatic conditions occur. The short-term impacts that such favourable conditions can have were clearly demonstrated in 2022–23, with significant responses to the region's 'highest on record' spring rainfall being documented for a broad range of species and communities; providing for a positive annual (2022–23) trend assessment.</p>
	Terrestrial Habitat	 Positive	 Positive	Moderate	<p>Condition: While there has been an estimated three percent decline in native vegetation extent across the region since 1985⁴, current condition (as measured by leaf area index) is above the 21-year (2000–21) average, resulting in a moderate condition assessment. It is also acknowledged however that condition measures for major parks and reserves would be higher than in more fragmented areas of the landscapes; with condition likely to be poor within smaller remnants that have not been subjected to ongoing management.</p> <p>Trend: Significant areas of targeted works have been undertaken over an extended period to protect and enhance priority habitat; with evidence that these management actions are having a positive impact in the short (i.e. threat mitigation) to medium (i.e. condition improvements) term. This includes rabbits and feral goats being maintained below regional thresholds, and evidence of ecological functionality returning to revegetated sites. This positive trend is also supported at the regional scale, with 5-year (2018–22) assessments of natural landscapes (14,046 km²) identifying a five percent average increase in vegetation growth from the long-term (2000–21) average, and a one percent improvement in condition. Significant variation in these indicators is however evident over the five-year period, reflecting annual climatic conditions which, in 2022, provided for a 32 percent increase in vegetation growth from the long-term average, and an 11 percent increase in condition⁵.</p>

Continued...

⁴ Department of Energy, Environment and Climate Action (2019), Victorian Land Cover Time Series





⁵ Australian National University (2023), Australia's Environment Explorer

Table 4 | Overview of regional condition assessments for each headline theme.

Theme	Sub-theme	Trend		Condition	Summary Comment
		2022–23	Over last 5 years		
Waterways		 Positive	 Positive	Moderate	<p>Condition: Overall, the condition of Mallee waterways is assessed as being moderate. This reflects the findings of previous regional scale assessments (i.e. the Index of Stream Condition and Index of Wetland Condition in 2010) and recognises site-based evidence of long-term improvements in response to both targeted and landscape scale protection/enhancement efforts. The ongoing decline in the extent of wetlands is of concern however, with the area of seasonal wetlands estimated to have declined by 23 percent (3,431 ha) between 1985 and 2019; and perennial wetlands by 53 percent (88 ha) over the same period⁶.</p> <p>Trend: The condition of Mallee waterways is considered to be improving over the medium-term, with evidence that management actions are having a positive impact. Significant areas of inundation achieved through environmental watering is having a demonstrable impact on waterway connectivity and both aquatic and riparian habitat condition. There is also evidence that targeted threat mitigation works (e.g. invasive plant and animal management) are further securing environmental outcomes achieved by recent environmental watering events and protecting priority riparian landscapes. Short-term responses to the major riverine flood event experienced in 2022–23 have also been largely positive, with evidence of increased waterbird breeding, fish numbers, and vegetation recruitment. Strategic management of associated increases in the incidence of invasive plants and animals will be integral to ensuring these gains are maintained.</p>
	Dryland	 Positive	 Neutral	Moderate	<p>Condition: Overall, the condition of Mallee dryland agriculture is assessed as moderate. While widespread management changes over the past 30 years have provided for increased productivity, while also supporting increased vegetation cover, soil aggregation and overall soil stability, it is evident that there continues to be significant risks to associated soil resources. Groundcover observations demonstrate that on average, 80 percent of agricultural land in the region exceeded the total vegetation cover (TVC) target of >50% between 2001 and 2022. TVC levels have however been consistently below average when dry conditions are experienced, a key example being 2019 when 26% of agricultural land achieved the >50% threshold, resulting in significant erosion events and associated declines in soil health and productivity; impacts that would have been further exacerbated had ongoing practice change not occurred.</p> <p>Trend: While medium-term trends in productivity and soil health are directly influenced by rainfall, there is evidence that the majority of dryland farmers are continuing to implement and adapt best management practices in response to seasonal conditions. It is also recognised however that ongoing support needs to be provided to farmers in susceptible landscapes to accelerate the identification, validation and adoption of practices that promote increased groundcover and reduce erosion risk, particularly in regard to providing effective management responses in dry seasons. In the short-term, the climatic conditions experienced in 2022–23 (i.e. highest spring rainfall on record) provided for significant improvements in condition indicators such as groundcover, with the longer-term impacts expected to be limited should there be a return to extended dry periods.</p>
Agricultural Land	Irrigated	 Positive	 Positive	Moderate	<p>Condition: Overall, the condition of irrigated agriculture in the Mallee is assessed as being moderate. This reflects improvements in irrigation management over the past 30 years that have decreased subsurface drainage flows to the river, floodplain and inland drainage basins. This practice change has also supported a trend of decreased river salinity from Swan Hill to Lock 6 and decreased the groundwater mound under the older irrigation areas, reducing saline groundwater flows to the river and floodplain. Water supply and demand challenges for perennial horticulture plantings across the region are also recognised by this assessment, along with the potential impacts of both a variable and changing climate on the risks that this presents.</p> <p>Trend: The condition of irrigated agriculture in the Mallee is considered to be improving in the medium to short-term, with evidence that the ongoing implementation of targeted management actions is continuing to reduce the incidence and impact of key threat processes.</p>

⁶ Department of Energy, Environment and Climate Action (2019), Victorian Land Cover Time Series

Table 4 | Overview of regional condition assessments for each headline theme.

Theme	Sub-theme	Trend		Condition	Summary Comment
		2022-23	Over last 5 years		
Culture and Heritage		 Positive	 Positive	Moderate	<p>Condition: Overall, the condition of culture and heritage is assessed as moderate on the basis of ongoing increases in the number of Aboriginal Places and individual components being identified, registered, and protected. Given that these formalised records only reflect locations where associated surveys have been undertaken however, it is likely that only a small proportion of sites are recognised; with the condition of broader culture and heritage values vulnerable to ongoing management impacts. Formal recognition of the important role Aboriginal peoples play in caring for and healing Country is also supporting an increase in self-determined participation and economic inclusion in NRM, with the significant advances that are still required to deliver against Traditional Owner aspirations and objectives recognised.</p> <p>Trend: The condition of culture and heritage is considered to be improving in the short to medium-term, with evidence of increased recognition and protection. There are 4,457 Registered Aboriginal Places in the Mallee, a three percent (112) increase since 2018–19. These Places were comprised of 6,302 individual components in 2022–23, a four percent (271) increase since 2018–19. Within the region, there are currently 130 Cultural Heritage Management Plans (CHMPs) that have been approved and lodged with First Peoples – State Relations, and a further 37 in preparation. In total, these CHMPs cover 23,286 hectares. Trends in the number of regional NRM programs incorporating and delivering on cultural objectives and priorities that include social, ecological, and economic co-benefits are also assessed as being positive over the short to medium-term.</p>
	Community Capacity for NRM	 Positive	 Positive		
				Moderate	<p>Condition: Overall, the condition of community capacity for NRM is assessed as moderate on the basis of individual stakeholder, community group and government agency/organisation responses to associated evaluations (e.g. Landcare group health surveys, land manager capacity surveys). The assessment also recognises that small rural communities are continuing to experience population decline and increasingly older age profiles; directly impacting the capacity of rural landholders and community NRM groups to co-invest time and resources.</p> <p>Trend: Ongoing participation by stakeholders and the broader community in awareness, skill development, and collaboration focused activities is providing for condition improvements over both the short and medium-term. Participant evaluations identify a high level of satisfaction in regard to the delivery of these events, with improvements in capacity being reported by stakeholders engaged through education programs (i.e. awareness raising), incentive/grants programs (i.e. knowledge and skill development), and by those participating in community advisory/reference groups.</p>

